ANADOLU EFES

CONFERENCE CALL TO DISCUSS ANADOLU EFES Q1 2022 RESULTS

Company: Anadolu Efes

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Participants:

- Aslı Demirel, Head of Investor Relations
- Can Çaka, Beer Group President & Anadolu Efes Chief Executive Officer
- Mr. Gökçe Yanaşmayan, Chief Financial Officer

Aslı Demirel:

Ladies and gentlemen welcome to Anadolu Efes' first quarter 2022 Financial Results Conference Call and Webcast. My name is Aslı Demirel and I am the Investor Relations of Director of Anadolu Efes. Our presenters today, Mr. Can Çaka; the CEO and Mr. Gökçe Yanaşmayan, the CFO.

All participants will be in a listen-only mode. Following the first part of this call, there will be a Q&A session and you will be able to write-down your questions on the question box of your web screen during the presentation. For those who would like to ask questions, please write your questions before the Q&A session, because it takes some time for us to see them on our screen.

Just to remind you, this conference call is being recorded and the link will be available online.

Before we start, I would kindly request you to refer to our notes in our presentation regarding forward-looking statements.

Now, I'm leaving the ground to Mr. Can Çaka, Anadolu Efes' CEO. Sir?

Can Çaka:

Thank you, Asli. Good afternoon to all, and good morning to for those who are joining from the US. Obviously, this was a phenomenal first quarter. Let's start with that. I mean, obviously we had a very solid start to the year despite all the headwinds that we were facing throughout the quarter. And, obviously, before starting everything we have to mention how sorry we are about what's happening in Ukraine. I mean, it's without any explanation it is a humanitarian crisis in Ukraine and all what we can hope for is the peace to be restored as soon as possible and probably we could still also be helpful in that perspective going forward.

But anyway life is continuing and our core focus today is about our first-quarter results and obviously what had happened in the region, what had happened in Ukraine has a profound impact beyond the region and it has a global impact in terms of supply chain, in terms of commodity prices, in terms of supply equations. So in that perspective coinciding together with the end of the COVID and the demand increases in that perspective, I think it is very important for every other business. I'm sure you have heard about these throughout the first quarter results calls, but there is an enormous increase in commodity prices for the last couple of quarters and we're being impacted by that. And that's part of the headwinds we are facing.

But, again, despite all these challenges, we had a strong set of results. I'm very proud of the agility and the adaptability that we have, once again proving naturally this has been the case for us for the last couple of years. And anyway, let's accept also that there was some pause. I mean, last year this time, we were facing another wave of the COVID and therefore there have been closures, especially in our domestic market in Turkey. And in that perspective, our volumes were impacted. So in that perspective, we had a lower base for this year compared to last year. So this is a positive. So from that perspective, we had a good market. We're benefiting from the on-trade openings and the lower base of the volumes last year.

And, finally, we have discussed this in our previous discussions when we interacted, when we were discussing about the potential impacts of those commodity increases. We were very confident in terms of what we all we need to – for that's our responsibility, that's our discipline in that perspective to transfer the cost into our prices. So we have taken the price increases starting from the fourth quarter of last year, which we continued throughout the first quarter and early second quarter as well.

And in that perspective, on top of the volume growth that we have delivered throughout the quarter, we have a very strong topline growth and it is, when you exclude the impact of the currency translation, we are talking about an apple-to-apple basis of 60% revenue growth on top of the 5% volume growth. So we are talking about more than 40-50% pricing and that's hedge pricing, that's revenue growth management, that's packaging, that's discount management and we can improve it in that perspective. We have also performed very good on that perspective. And that has been also reflected significantly into our EBITDA and especially on the Beer Group side and on top of the volume, on top of the revenues, and on these net revenue management initiatives that we have taken, obviously we have been very cautious and very prudent in terms of the expense side given the all happenings and all the issues we are facing and we were able to expand our EBITDA margin very strongly. That's again very, very strong results.

And on the cash flow side, I mean we have seen overall for Anadolu Efes, it's less than last year. There are obvious reasons that has been coming from the soft drink side, responsibility in terms of increasing the inventories, especially developing price increases, giving the supply chain instructions, so there is one-time prudent management in that perspective.

But, again, while we look at the Beer Group side, I'm very proud of what we have achieved. We continued to optimizing our working capital. We were very selective in terms of our capital investments as well and together with the profitability improvement. We were able to improve our free cash flow versus last year's strong results. So in that perspective, although despite you see a negative versus last year first quarter, I could say this is, from an operational perspective, it's overall, for the Beer Group and for the soft drinks group, it is a positive start to the year.

Let's go to the next slide, obviously we talked about volumes. Let's reiterate that Anadolu Efes' consolidated sales volumes increased by a record 14% versus last year in the first quarter. And on the Beer Side, consolidated volume growth excluding Ukraine, where we have stopped our operation since the beginning of the happenings in late February, let's say, actually the volume growth was 17% in the first quarter. And when we include Ukraine, that's was 5% growth despite all these and that's a strongly supported by Russia and Turkey, where we have recorded double-digit volume growth rates.

And on the CIS side despite that you would remember at the beginning of the year also we have seen some public unrest in Kazakhstan, which impacted almost throughout the month of January. We were able to grow our volumes by low to mid-single-digit level. So altogether it factors some growth.

And in the soft drink side, both domestic and international volumes were resilient and international operations continued to perform exceptionally well in the first quarter of this year as well, reported a growth of around 30% and together with the domestic volume growth of around 2%. We have seen soft drink volumes growing in 18% range.

Please go to the next slide, thank you. A little bit more highlights in Russia specifically, our volumes were up by mid-teens and that was mainly driven by the core segment. Actually, that is what we have seen all throughout the board across the geographies. And as you will remember again, we have discussed from time to time our focus on our core mainstream brands, our efforts to strengthen our mainstream brands and relevance to the consumers in the respective markets. And, obviously, in times like this, challenging times, I mean, obviously, all this inflationary environment causing a lot of concerns about consumers, and consumers tend to focus more on the brands that create more flow, let's say, relevance to them that is mainly the national champion brands and that's mainly the mainstream brands. So, our efforts over the last couple of years in terms of strengthening the mainstream portfolio was very helpful in that perspective. So we have seen this in Russia. We are seeing now, let's say, Stary Melnik Iz Bochonka is our mainstream brand, also growing phenomenal and the other brands on the value side as well.

And also the other categories that we were again discussing from time to time, together with successfully we achieved in the beer side, we are expanding our portfolio in every other market, but Russia is taking the lead in that perspective. So the non-alcohol segment also supporting our volume growth and that is also supported by the different channels, e-commerce channels, partnership at the express service deliveries, so and so forth on the non-alcoholic brand portfolios as well, which has recorded a strong growth throughout the quarter.

And we have continued our efforts to develop the categories to expand our brands overall. The fruit beer segment also expanded with new flavors and we have also entered into a new category like the production of the natural maple cider. So those are also contributed to our volume growth and we will continue to deliver in the coming quarters as we expect.

Obviously, Ukraine, as I mentioned through a serious crisis and we have stopped operations since February 24th, so there is not much to say about that. So still, as you know, basically our focus is keeping the safety of our people there, together with our partners, so that is what we are focusing.

And CIS, again, we have taken the price increases and despite the price increases that we needed to implement, as we discussed, we were able to grow our volumes by mid-single digits and that's again despite the difficult start of the year from Kazakhstan. Moldova also, together with the expansion into craft segment, which is part of growing in the markets together with our strong mainstream and core segment. We've been focusing in terms of premiumization, we've been focusing in terms of offering different niche needs within the crafts, and premiumization also supported, so those are supporting our volume growth together with the on-trade. Similarly, Georgia contributed for higher soft drinks volumes and also strong mainstream impact volumes in Georgia that we've been able to mid to high single digits volume growth in Georgia.

And Turkey was the country which had this highest impact of the COVID, especially in last year first quarter. Therefore, the opening versus last year is also supporting this year's, let's say, low base, low comparable for us. So in that perspective, we had a strong volume growth of 17% and despite really the unfavorable weather conditions in March, and Ramadan becoming even 10 days earlier so starting from the early April. Strong export volumes also supported Turkey, in general. But overall looking to our export volumes it's important to mention that we are able to add 5% volume growth on the Beer Group side that has, let's say, some headwinds in terms of exports, especially China with the increased number of COVID cases, implementations in China was hurting, that was, let's say, vice versa compared to operating geographies. But, again, I mean, as you are seeing across the board strong volume performance, growth performance in our operation.

A few words about our soft drinks operation as usual. Continued the sales volume increased momentum throughout the first quarter and recorded an 18% expansion. Excluding Uzbekistan organic growth was 10% in that perspective, of 18%. Both domestic and international operations contributed positively for the quarter.

More importantly, the Coca-Cola brand grew by 15%. Again as I've tried to express on the Beer Side, I mean the relevance of the brands make difference in these difficult periods of times, and as you see the Coca-Cola brand has the power obviously and also show a stronger growth overseas than the rest of the portfolio. And both still and sparkling categories also posted double-digit growths. Energy and sport drinks also continued its growth, so contributing to the growth momentum and supporting the stills category.

Water category also grew by 28% and there we continue to focus on the small packs and on-premise channel recovery was supporting the water category. So specifically for Turkey, and cycling 12% growth last year, so that's slightly higher comparable and growing 2% and again recorded the highest sales volume for the soft drink operations. That's also backed by the juice and ice tea growth and the on-premise recovery and segmented marketing campaigns, I would say.

And international operations, Pakistan, Kazakhstan, and also the inclusion of Uzbekistan were the main contributors, an exceptional performance, 30% and 17% organic growth was recorded throughout the first quarter.

And final remarks before I leave the ground to Gökçe for much detailed review of the profitability and the financial results. Again, I mean, let me underline we have achieved 124% growth in terms of the revenues and the FX-neutral basis it is 60% and growth was supported by the volume performance as discussed, price adjustments that we have taken and also focus on SKU prioritization, premiumization and also discount on channel management efforts. All these timely adjustments also translated into profitability where we had 474 basis points expansion in the margin, that's a strong expansion despite this quarter is quite a small quarter. There is a strong expansion and obviously let me underline the impact of the hedging instruments. Let's say, those hedges that we had throughout 2021 helped us to mitigate certain parts of the higher commodity prices and FX surprises into our gross and OpEx space, so down in terms of the margin expansion and together also our prudent approach in terms of savings and also shifts between quarters, helped us in that perspective. Partly we will be normalized, as we will discuss in the guidance discussions, but again this is a strongest start gives us more confidence in terms of delivery of our initial expectations despite all what's happening. And despite a successful expansion in operational profitability, while we are looking to the net profitability, we see a negative development versus last year that is mainly driven by again our prudent approach in terms of impairment losses with respect to the Ukrainian operations and also the impairment was related to partly inventories, partly the physical assets and receivables and also the devaluation of the business trademarks so on and so forth.

So overall it's TRY981 million and excluding the impact of the impairment, net income was around TRY 274 million. On soft drink side, the improvement on the bottom line was limited, but as a result, that was impacted by the higher financial expenses throughout the crisis.

And, again, a few words on the free cash flow. Due to the seasonality, this is the smallest quarter and when you compare it to last year, it's negative, but again I was trying to explain that it’s going to be normalized throughout the year when you look at segment by segment, we have strengthened and inventory uploading on the soft drink side and that was more positive results on the beer side and lower working capital despite higher commodity prices.

So let me leave the ground to Gökçe for further explanations and overview.

Gökçe Yanaşmayan:

Thank you, Can. Good morning and good afternoon to everyone. Welcome to our conference call for the first quarter of 2022. You just listened from Can about Anadolu Efes' strong operational performance and solid financial results for the first quarter. So let me take you through the financial results of Beer Group.

In the first quarter, volume grew by 5.4% and Ukraine has not been operational since February 24th. So if you were to exclude Ukraine, we would be looking at a 14.9% growth in Beer Group, remarkable performance in such a challenging environment. Beer Group sales revenue more than doubled and reached TRY 5.1 billion, while FX-neutral basis growth in sales revenue was 39.8%. And note here, in all P&L lines, we see high conversion impact coming from international operations. Changes versus last year are quite high as TL weakened significantly. Anyway, revenue growth was thanks to volume performance and price increases that we had started since fourth quarter of 2021 to mitigate cost pressure of the year.

Costs are in general the area that we've been facing strong headwinds, mainly because of significantly rising commodity and raw material prices and currency fluctuations since the second half of 2021. However, Beer Group gross profit grew by 180.8% to TRY1.9billion. This also means an improvement of 940 bps in gross profit margin. Commodity and FX hedges together with price increases and lower stock costs from prior year helped us offset the impact of cost inflation and even improve the margins. I'll share a few details on the hedges in coming slides.

Again a note that I have to mention. Diminished weight of Ukraine in Beer Group financials is also working positively as Ukraine's margins were overall lower compared to the rest of the Beer Group.

Strong numbers in EBITDA, both in absolute terms and in margins. EBITDA was close to TRY 0.5 billion with a very nice swing from negative territory of last year to the positive. EBITDA margin improved by more than a 1,000 bps and it was 8.9%. And another note here that I have to tell, we are talking about EBITDA before non-recurring items for 2022. Basically they don't include impairment losses in our Ukraine operations or any other one-offs, but fully focused on our operational performance.

And also let me give a bit info, Can had mentioned about this, but overall we booked total impairment losses of TRY 980 million constituting of inventory receivables, property, plant, equipment and cash generating intangible recorded in consolidated financial assets. TRY 414 million of this was recorded above EBIT and TRY 566 million recorded below EBIT. Net income impact after tax and minority was TRY405 million to our financials. Basically, we have impaired based on very conservative assumptions, would there be a change or improvement in commercial landscape of Ukraine, we may reverse some of this amount, especially related to brands.

First quarter, as Can also said again, is normally a cash negative quarter due to seasonality of our business and 2022's first quarter is in that sense unfortunately not an exception. However, we have seen significant improvement versus last year in free cash flow too and ended up with TRY-106 million.

In the following slide, let me show you EBITDA and free cash flow bridges. All in all, first quarter reflects very strong operational results and a very good growth algorithm. Revenues growing more than the cost of goods sold and operating expenses. And the EBITDA bridge evidently shows this trend.

As I've just talked about, we see strong growth momentum in revenues, covering the negative impacts driven from cost pressures. Additionally, I can say that we keep our focus on OpEx management, thanks our zero based budgeting approach. Consequently, we were able to keep increase in OpEx lower than revenue increase in first quarter, which supported bottom line. Overall, very strong growth in EBITDA despite headwinds.

Free cash flow strongly supported by increase in profits and better working capital mainly driven by Russia operation. As part of our business continuity plans, we also see a positive contribution to our free cash flow from reduced CapEx spending. And in the other lines, we see interest and tax plus TRY106 million of CCI dividend of 2019 collected only in last year, which is a one-off item of free cash flow of last year. As a result, free cash generation, similar to EBITDA, is around TRY0.5 billion better compared to the previous year.

On the balance sheet side, in the following slide, we continue our prudent approach given the volatile environment. Our policy is to hold the majority of our cash in hard currencies and by the end of the first quarter more than 80% of our cash we hold, whilst hard currency denominated in Beer Group and 75% in Anadolu Efes.

Net debt to EBITDA was flattish versus 2021 full year year-end and was 1.6 times for Anadolu Efes and slightly declining for Beer Group from 2.5 times to 2.3 times.

Let me also remind and update some key figures on Beer Group hedges, which are quite crucial for this year's P&L. From commodities that we can hedge, we have so far hedged 67% of aluminum, 92% of PET, and 84% of barley exposure for 2022. Around one-third of Beer Group's total COGS and OpEx are FX

dominated and 90% of this comes from Russia, Ukraine, and Turkey, and FX exposure in these countries are almost completely hedged. We can say 91% for Russia and Ukraine, and 98% for Turkey.
Basically this concludes my presentation. I'm giving the word back to Can. Thank you.

Can Çaka:

Gökçe, thank you very much. So to reemphasize, obviously we had a very tough start to the year with all happenings in the region and on top of these commodity and FX volatilities, global inflationary environment that we are currently facing. So we stopped whole our operations in Ukraine, so it's necessary to incorporate our growth guidance in that perspective. However, as noted as well strong results throughout the first quarter also give us certain confidence in the rest of the year as well.

Therefore, apart from the volume guidance, which has been impacted with Ukraine, we're keeping our guidance overall intact, so including the impact of Ukraine, we now expect our beer volumes to decline by mid-teens on a reported basis and while excluding the Ukraine high volume decline, expectations remain at mid-single digits, let's say, as guided before. And on a consolidated basis, we expect our volumes to grow by low single digits, which was mid-single digits previously at the beginning of the year.

Despite the loss volumes from the Ukrainian operations, our revenue and EBITDA margin guidance stays the same, due to the prices and all the proper implementations which we have are already incorporated, so we are in line with our plans and current expectations is to ensure that we will hit our targets and guidance on the revenue and EBITDA margin and EBIT profitable, I would say.

Thank you, all. Now we will be happy to answer your questions. I see a few questions already appear, so probably I will ask Aslı to read the questions so that everyone on the call can hear the questions, and then we will try to, either me or Gökçe will be responding to those questions.

Aslı Demirel:

Sure, Can bey. Let me start with the first few questions which are related to the pricing in Russia. The first one comes, how much have you increased prices in Russia currently in 2022? Do you expect to have an increase in prices further due to further input cost inflation we have seen and when?

Can Çaka:

Okay. Thank you. It's a very important question. Obviously, as we discussed, we started our pricing during the fourth quarter. So we have increased our prices through the fourth quarter in the range of 4% to 5%. And then at the beginning of the year, we have increased prices in the range of 9%, I would say. So overall, up till the end of the first quarter, I would say, we have taken 12% pricing already reflected in the first-quarter results.

And linking to the second question, do we expect to have further prices? Yes, obviously increasing commodity prices as higher than our initial assumptions well across the board. So in that perspective, we need to take further prices that we have taken another price at the beginning of the second quarter early April. So that is in the range of 20%, but obviously, there would be some, implementation period for that acceptance through the channels. So that could be coming throughout the year, not immediately in the second quarter. But again, the price increases that we have taken in the fourth quarter and first quarter actually are recovering the cost inflation in line with our expectations that we have taken another price increase.

Aslı Demirel:

Let me continue. Thank you, Can bey. Do you expect to be able to sell Budweiser beer in Russia if you acquire ABI's non-controlling parts of the JV, what other ABI brands do you expect to be able to sell these in Russia? Are you currently still producing and selling Budweiser beer in Russia? And the last one from this person, have you reopened your breweries in Ukraine?

Can Çaka:

Let me start with the last one. The brewing operations are halted in Ukraine. So we haven't resumed our brewing operations in Ukraine. So that is since February 24th, the breweries are not operational. And as discussed, all our focus is on the health and safety of our team members in Ukraine. And let's say very recently we have seen some trading activities starting in our business. So we'll see how it would progress, but it is very early to make any judgment there.

With respect to the relationship through ABI, with respect to the acquisition of the non-controlling stake from AB InBev, obviously all I can say is that we have started the discussions at the request of our partner. And in that perspective, as we announced up until now, this is a part of all the brand portfolio, and discussions are a part of this transaction. So we will be concluding that, before the conclusion of this, let's say, discussions this, the restructuring between the two partners of the joint venture, I won't be able to make any statement with respect to any grant. But we have a clear request from ABI with respect to the Budweiser brand. It will be a part of the discussions with respect to details of the shares and we will be able to get much more clarity once it's concluded. So before that, all that I'm guessing would be speculative. But obviously, we continue to deliver with the rest of the portfolio. All right, Aslı.

Aslı Demirel:

I'm going to proceed with very alike questions, so again from Russia, I mean how should we consider your beer margins evolving after leave off ABI? Could this lower beer margins versus previous business model due to lower share of premium brands? And another follow-up, how much volume may be lost in Russia due to exclusion of ABI brands? Questions from Hanzade from J.P. Morgan.

Can Çaka:

Hanzade, thank you for the questions. With respect to the margins, fortunately, the JV had the lowest margin business in our portfolio. That's specific, there are certain peculiarities, there were specifics around the Russian beer market and Ukrainian market. And that was explaining various calls and various discussions with our investors, with yourselves as well. It's related to the pricing in the markets there. Obviously the current inflation in that market is kind of an opportunity to increase prices. So we have increased prices, competition increased prices. So we are seeing certain margin expansion in these markets, so that's reflected into the overall margin. From that perspective, it is the brand portfolio composition, which is recognizing the volume.

And so, let's say, also components, I would say, and again our responsibilities to assure and deliver the guidance that we have. So overall, I think at this moment without concluding anything, and concrete with respect to any transaction to date for me to make any statements would not be appropriate. But again our responsibility is to deliver the guidance set. We have given the guidance on the very volatile situations at the end of February. We have seen a little from moving parts, increasing commodities, so on and so forth, that's again today seeing the performance, and seeing the developments in terms of some of the moving parts of the business. Again, I would say, confidently give you a guidance in terms of where we'll be able to deliver roughly we have foreseen at the beginning of the year.

Aslı Demirel:

Thank you, Can bey. A question, again an anonymous question, what's the revenue and EBITDA% coming from Russia for the Beer Group? Maybe I can give the numbers here. As of the end of 2021, Russia's share was around 60% in sales revenues and around 50% in terms of EBITDA. So I am following up with another question. Could you please provide information on the consumer demand in Turkey and Russia since April? Could you elaborate on the possible effect of elimination of Bud brand from the beer portfolio in Russia, which was already answered, on revenue per hectoliter and margins? When will the transaction to the new portfolio will be completed? (from Ece - Ünlü Co).

Can Çaka:

Okay. Thanks, Ece. Again, I mean, we are in discussions, that's all what can I say. Again that's maybe to comment well when it is concluded. And as I mentioned, we will be focusing on delivering on our guidance going forward with the conclusion of everything.

With respect to the demand, I mean, let me don't make any commentary specially for April that's something that Turkey during Ramadan, so we lost consumption month, given that March was heavily impacted with the exceptionally cold weather conditions in Turkey. Similarly, and despite the low base actually of last year's February. Unfortunately, it is very, very early to make any concluding statements on the beer demand, despite all these price increases with Europe throughout the year.

What I am concerned with, what the on-trade opening we see versus our growth return, demand on the on-trade throughout the first quarter that was, let's say, better than our expectations despite the high price points. That's good. But again, for Turkey, we need to see May and June, and that's probably when we are discussing about the second quarter performance that would be able to give you more clarity about the impact of the new price points on the consumer demand.

But again, let me take it back to today while we are reiterating our volume guidance, our revenue guidance, and everything, we are trying to incorporate all the knowledge as of today, we don't see any reason to change our guidance with respect to Turkey as well with the developments. So you can take it in that manner.

Aslı Demirel:

Thank you very much, Can Bey. Two more questions for you and then I am going to Gökçe Bey for a question related to free cash flow and balance sheet. In Russia, how much of the volumes growth come from Budweiser sales? And do you expect any negative effects from downtrading in 2022 or in 2023?

Can Çaka:

Let me put this way. Again, I mentioned at the beginning of the presentation with respect to that trading, I think, under volatile periods when the consumer confidence is impacted, is decreasing, we see the consumers constantly choosing for the most relevant brand for that. So that's supporting for the mainstream core segments across the globe. So we see that, that is in that perspective, you may assume that overall when you look at probably the mainstream growth. And together with the impact on the consumer disposable income, the affordability probably we may see value segments growing. Again, I mean, in Russia specifically our business the relevance or the proportion of the economy segment was lower versus the overall market. In that perspective, it is much more the growth of the mainstream, the growth of the lower premium on our side. That could be caused as kind of the downtrading overall, but, again, it is also linked to the overall discount management and related to the channel management, and also the price increases. So, overall, I would say, with the portfolio, with the current understanding of the beer market, I would say, our expectation is to manage these trends and fall into our guidance. So in that perspective, that's something that we are managing proactively.

Aslı Demirel:

Thank you. Now a question comes from Jefferies, Dmitry. Thank you for the presentation, and three questions, please. Could you please outline and quantify key non-operating outflows by the end of the year? And like the repayments of 2022 bond, payment dividends and how we plan to finance these outflows? Two, could you provide a rough estimation of Beer Group EBITDA by countries in 1Q 2022? And three, EBI, HoldCo cash, and equivalents were around TRY500 million, what explains an increase in cash position at EBI level from the end of 2021? And maybe another one, how will you fund the EBI stake acquisition on the JV, equity or debts, will we require new money? These questions for Gökçe, I guess.

Gökçe Yanaşmayan:

Well, I can briefly talk about this key outflows throughout the rest of the year. One and the first one is the dividend payment that we are going to be doing. We have already declared, it's around TRY1.1 billion, which we are going to pay around 20th of May and, yes, we do also have a bond maturing in November 2022, that is also around $180 million worth after our tender last year. This was the remaining part of our previous Eurobond and that also is going to be paid at the maturity. Actually, we have already refinanced all these Eurobonds, therefore the money is there. I think the question is, giving the answer, the money in EBI actually will be partially used to make all this payments of Eurobonds when the time comes.

Aslı Demirel:

Any comments regarding EBI stakes acquisition?

Gökçe Yanaşmayan:

Well, again, as Can bey several times mentioned, I mean this is an ongoing discussion and terms will be known or will be at least announced as soon as we know them, but currently it's too early to say, I think.

Aslı Demirel:

As far as I see, we have no more questions that are published here. So, Can Bey, would you like to have some closing remarks?

Can Çaka:

Thank you. Did I miss a question?

Aslı Demirel:

No, no. Now all questions are answered, so we may close the call.

Can Çaka:

Okay. Thank you all for participating.

Aslı Demirel:

Thank you.

Gökçe Yanaşmayan:

Thank you.

Can Çaka:

Perfect. Thank you. Enjoy.