



**FIRST QUARTER
1Q2023
INVESTOR
PRESENTATION**

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 OVERVIEW

Anadolu Efes At A Glance

TOTAL VOLUMES

123.5 mhl

REVENUE

TL 90.5 bn

EBITDA (BNRI)

TL 17.4 bn

FREE CASH FLOW

TL 6.1 bn



Serving

750 mn

Population

70+

Export Countries

BEER OPERATIONS

6 countries

21 Breweries,

100+ brands

52.2 mhl brewing capacity

34.0 mhl beer volume

Strong **LEADER** positions



SOFT DRINK OPERATIONS

11 countries

30 Bottling plants

1.9 bn UC production capacity

~900 thousand sales points

1.6 bn UC sales volume

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



Europe's 5th

World's 9th

Largest Brewer

ANADOLU
EFES

Among

Top 10

Largest Coca-Cola Bottlers



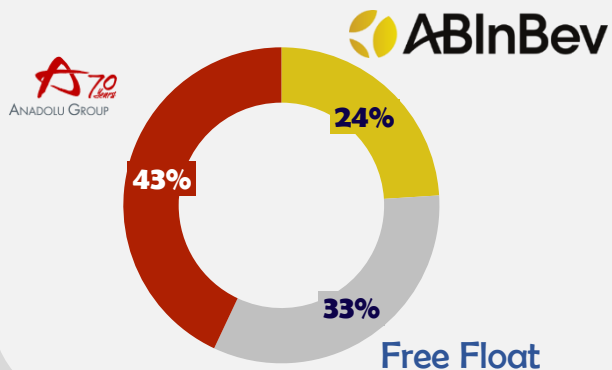
ANADOLU
EFES

* The Barth Report 2021/2022 **Numbers are as of FY2022

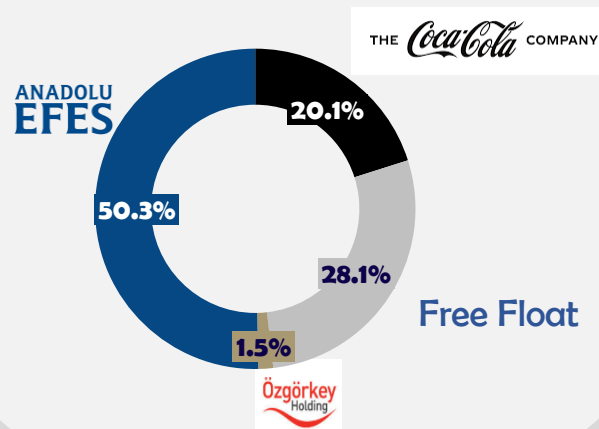
Ownership Structure & Subsidiaries



ANADOLU
EFES



CCI



BEER OPERATIONS



50.3% SOFT DRINK OPERATIONS

Türkiye Azerbaijan
Kazakhstan Kyrgyzstan
Jordan Pakistan
Iraq Uzbekistan
Syria Turkmenistan
Tajikistan





OUR STRATEGY



Strategic Core Priorities

WINNING PORTFOLIO

- **Consumer First**
- Resilient mainstream **core brands**
- Smart **innovation** and NPDs to accelerate growth in **premium, non-alcohol & beyond beer**
- **Spirits alliances** (e.g. distribution)

PEOPLE

- Be the **employer of choice** inside & outside of the Company
- Unleash the potential of our **talents**
- Build the best **working culture** and environment for a **winning organization**

OPERATIONAL EXCELLENCE

- **Quality** mindset
- Focus on smart procurement plans to secure **supply continuity**
- Secure the **cost base**
- Continue to improve **E2E Planning Processes**

GEOGRAPHIC EXPANSION & GROWTH

- **Expand geographically** into potential adjacent markets through **M&A**



ACCELERATORS:

FINANCIAL DISCIPLINE

- **Profitable** revenue growth
- Drive **value** out of effectively managing working capital and CAPEX
- Be prudent in **expense management** leading to sustainable profitability margins

DIGITALISATION

- Seamless **Omni-channel** Experience
- **Data Driven** Business Analytics
- Empowered **Omnidirectional Mobility**

SUSTAINABILITY

- **Target zero** for the environment
- Increase our support for **social impact**
- Get stronger through **diversity & inclusion**

Vision, Mission & Values



OUR VALUES:



PASSIONATE



AGILE



COLLABORATIVE



ACCOUNTABLE



FAIR

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.

Investment Theme



- 1** **Diversified** business model including beer and soft drinks
- 2** **Strong market positions** across all operations
- 3** Significant potential in **demographics**
- 4** Prudent opex & capex management by internalizing **Zero-Based Spending** culture
- 5** **Strategic Partnerships** with World's leading FMCG companies; **AB InBev & TCCC**
- 6** **Excellent brand portfolio** with some of the world's best known brands and strong regional brands
- 7** **Disciplined financial management**
- 8** **Proven track record** of expansion & growth in emerging markets

GENERAL OVERVIEW & OPERATING ENVIRONMENT



Strong Positions Across the Board



RUSSIA

11 Breweries

World's **6th** largest beer market

56 liters per capita

#1 Position

29% Market share

68% of Beer Volumes

TURKEY

3 Breweries

12 liters per capita

#1 Position

52% Market share

17% of Beer Volumes

KAZAKHSTAN

2 Breweries

Beer market size of **6.7** mhl

35 liters per capita

#1 Position

46% Market share

7% of Beer Volumes

GEORGIA

1 Brewery

Beer market size of **1.3** mhl

35 liters per capita

#1 Position

44% Market share

3% of Beer Volumes

MOLDOVA

1 Brewery

Beer market size of **1.0** mhl

28 liters per capita

#1 Position

64% Market share

2% of Beer Volumes

UKRAINE

3 Breweries

Strong CAGR Growth Achieved in All Metrics...

**Volume
Growth**



**Revenue
Growth**



**EBITDA*
Growth**



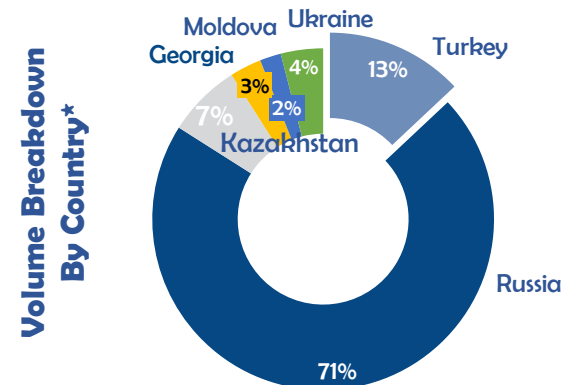
**FCF
Growth**



Beer Group 1Q Highlights:



- Consolidated beer volume down by 6% in 1Q with y-y higher pricing
 - Cycling a strong growth a year ago
 - Excluding Ukraine; volume down 5%
- Türkiye beer volume up 10%
 - Despite the impacts of earthquake and Ramadan
- International beer volume down 8%
 - Russian volume down by high-single digit
 - CIS countries' volume up by mid-single digit on average



*Breakdown on combined basis

Russia

- **Russian beer market down mid-to-high single digit;**
 - Volatile trend in demand
 - Relatively more saving behavior in consumer base
- **Our own volume down by high-single digit;**
 - Better momentum versus 4Q2022
 - Higher prices compared to last year
 - Relatively lower promotion activities
- **Gold Mine Beer, SMIB and Lowenbrau performed well**
- **NABLAB & Beyond-beer segment investments continue**

CIS



- **CIS volume up mid-single digit on average**
 - Kazakhstan volume down with high pricing
 - Moldova volume impacted high inflation in the country
 - Close to 40% volume growth in Georgia; both in beer & CSD

Türkiye

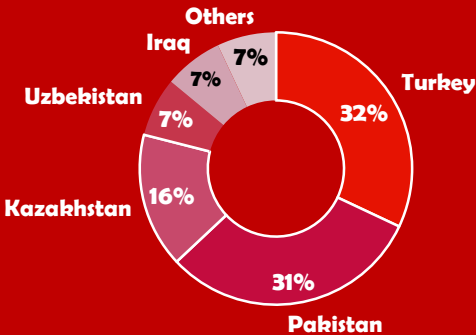
- Turkish beer market was strong in 1Q with increased number of foreign residents
- **Our own volume outperformed the market**
 - Strong January volume with some slowdown in February
 - March volume above expectations despite start of Ramadan
 - Solid momentum in Bremen volume



Soft Drinks 1Q Highlights:

- Consolidated volume growth of 6% in 1Q2023;
 - Double-digit volume growth in Central Asia and Pakistan
 - Softer volumes in Türkiye and the Middle East
- Türkiye volume down 8% mainly impacted by the earthquake
 - Sparkling & Still category down 9%
 - Energy drinks up more than 30%
- International volume up 15%
 - Pakistan up 13%; despite ongoing macro challenges & inflation
 - Uzbekistan up 21%; with continued market investments
 - Kazakhstan up 26%; double-digit growth in on-premise channel

Volume Breakdown
By Country*



1Q2023
CONSOLIDATED
FINANCIAL
OVERVIEW



Strong topline growth with solid margin expansion...



	Anadolu Efes	Beer Group	
NET REVENUE	1Q +78.4% CCR*:+48.6%	1Q +76.6% CCR*:+28.1%	<ul style="list-style-type: none"> Higher prices y-y to reflect cost inflation Successful RGM initiatives Favorable channel mix in soft drink operation Higher FX translation impact
EBITDA BNRI %	17.1% (+79 bps)	14.5% (+559 bps)	<ul style="list-style-type: none"> Outstanding performance in gross profitability in beer group Calendarization of some expenses to following quarter Soft drink profitability margin; impacted by Türkiye operations
NET INCOME	TL409 mn (+541 mn)	-TL109 mn (+339mn)	<ul style="list-style-type: none"> Strong operational profitability partly offset by <ul style="list-style-type: none"> Higher financial expenses Tax expenses
FREE CASH FLOW	-TL2,304 mn (-TL1,602 mn)	-TL253 mn (-157mn)	<ul style="list-style-type: none"> Negative FCF due to seasonality to be normalized year-to-go Consolidated Net Debt to EBITDA (BNRI) → 0.8x

Financials



Anadolu Efes

mTL	1Q2022	1Q2023	Change
Sales Revenue	13,767	24,566	+78.4%
Gross Profit	4,785	9,078	+89.7%
EBITDA (BNRI)	2,251	4,211	+87.1%
Free Cash Flow	-702	-2,304	-1,602m
Gross Profit Margin %	34.8%	37.0%	+220 bps
EBITDA Margin %	16.3%	17.1%	+79 bps

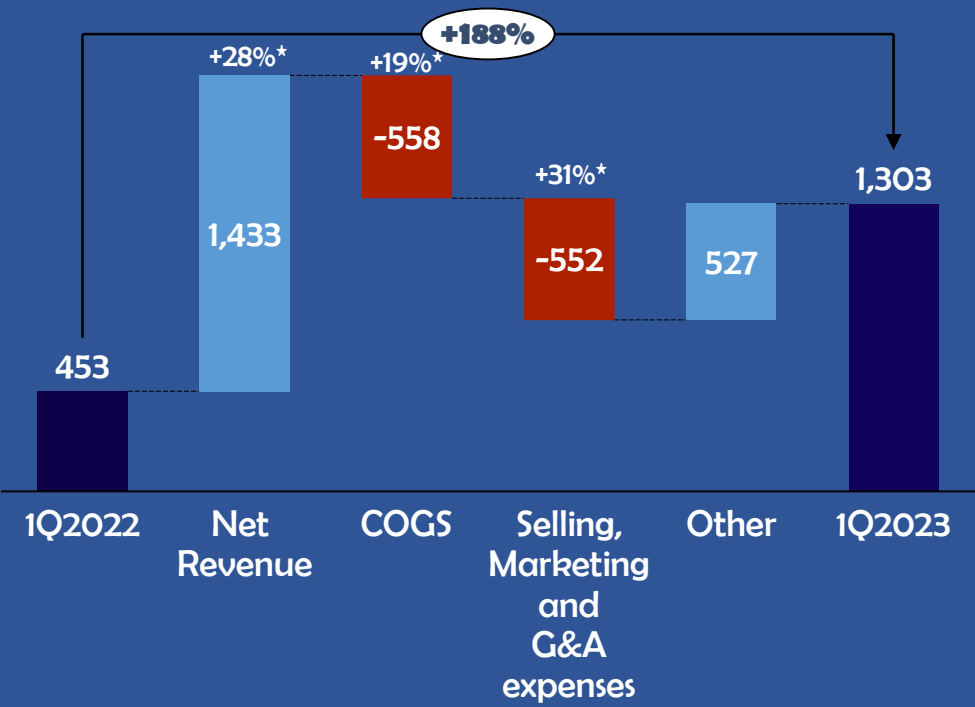
Beer Group

mTL	1Q2022	1Q2023	Change
Sales Revenue	5,102	9,011	+76.6%
Gross Profit	1,943	3,919	+101.7%
EBITDA (BNRI)	453	1,303	+188.0%
Free Cash Flow	-96	-253	-157m
Gross Profit Margin %	38.1%	43.5%	+540 bps
EBITDA Margin %	8.9%	14.5%	+559 bps

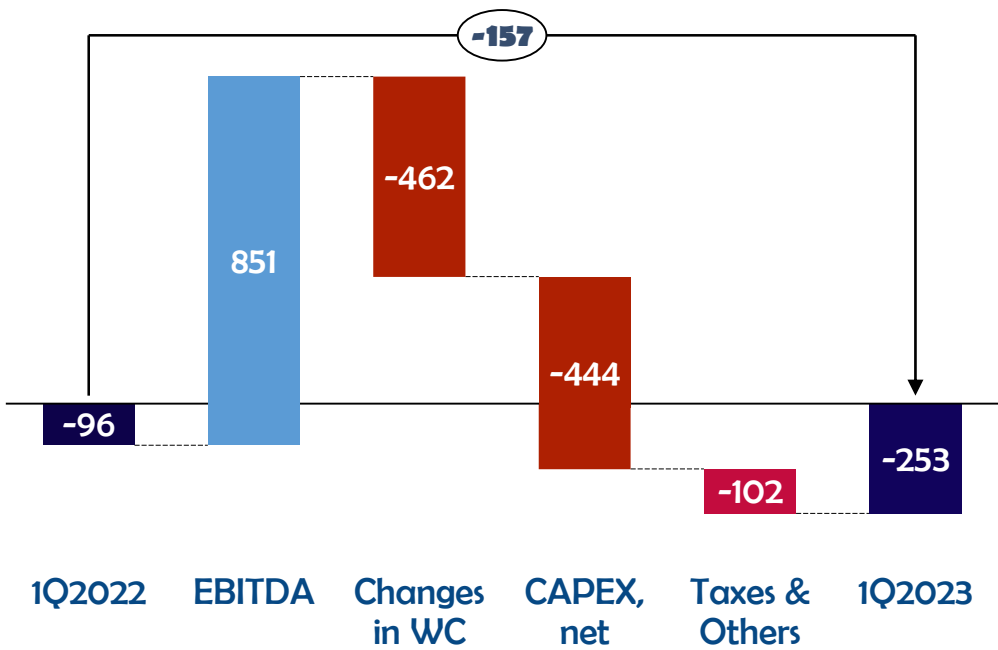
Beer Group EBITDA (BNRI) & FCF Generation



EBITDA (BNRI) Bridge
mTL



Free Cash Flow Bridge
mTL



*Constant currency (fx-neutral) growth



Anadolu Efes

Gross Debt

USD 2.1 bn

72%

held in Hard Currency

Cash

USD 1.3 bn

63%

held in Hard Currency

46%

held in Eurozone

Average maturity

3.2 yrs

Net Debt/EBITDA

0.8x

Beer Group

Gross Debt

USD 0.9 bn

57%

held in Hard Currency

Cash

USD 0.5 bn

58%

held in Hard Currency

32%

held in Eurozone

Average maturity

3.2 yrs

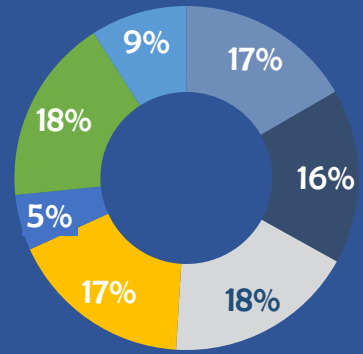
Net Debt/EBITDA

1.0 x

Risk Management



Beer Group COGS Split for 2022:



- Barley-Malt & Auxiliary
- Glass Bottle
- Can
- Other Packaging
- Overhead (Labour Cost)
- Amortization & Other Overhead
- Import products

Beer Group Hedges for 2023*:

Commodity :

Aluminum: 88% for TR & CIS*
Barley: 100% for TR



*For 2024: 10% for TR & CIS

FX Exposure :

Russia: 100% Hedged
TR: 91% Hedged



Total FX Exposure of Beer Group is 27% of COGS + OPEX.

Financial Priorities



Cash Management

Ensure liquidity for operations and accelerate dividend streams

Focus on FCF

Maintain successful Working Capital levels

Debt Management

Maintain long term sustainable leverage target of 1.0X - 2.0X

Diversify debt structure and extend liquidity

Risk Management

Manage FX and commodity exposure

Use Working Capital and receivable guarantee solutions

Supplier base expansion and diversification

Expense Management

Zero Based Budgeting

Cautious and Smart Spending Culture



CAPITAL ALLOCATION PRIORITIES & 2023 EXPECTATIONS

Capital Allocation Priorities



Invest in

Brands, Innovation, Product Diversification, Market Development, Digitalization and Production Capacity



Maintain

Healthy balance sheet by keeping Net Debt / EBITDA between 1.0x – 2.0x



Maximize

Shareholder value through dividends with high yield



Penetrate & Expand

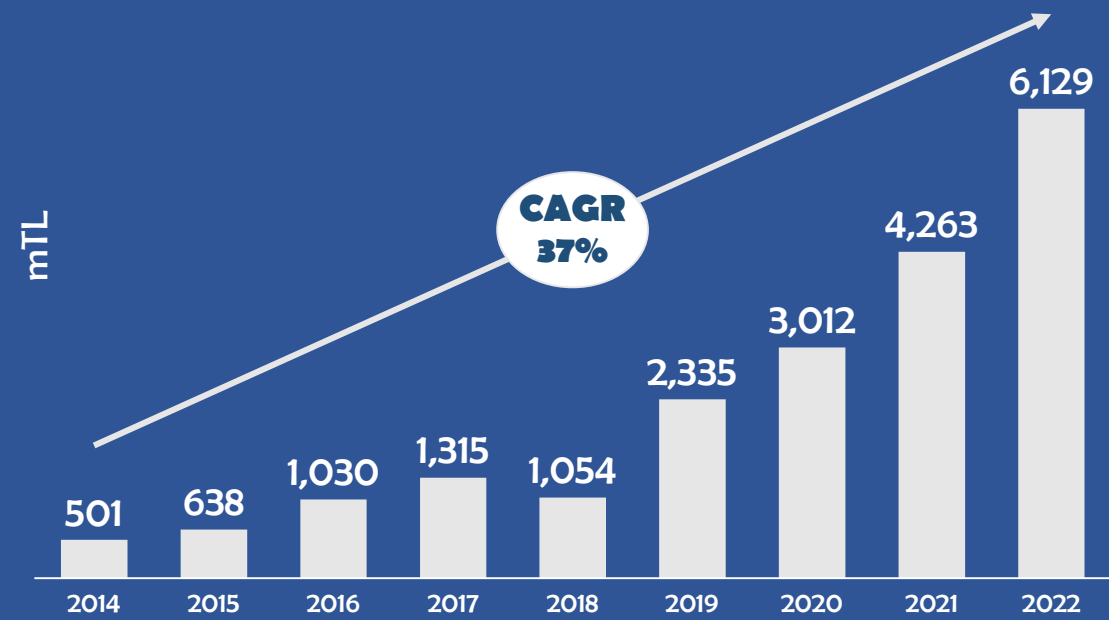
Into new geographies through inorganic expansion & exports

Sustainable Shareholder Return

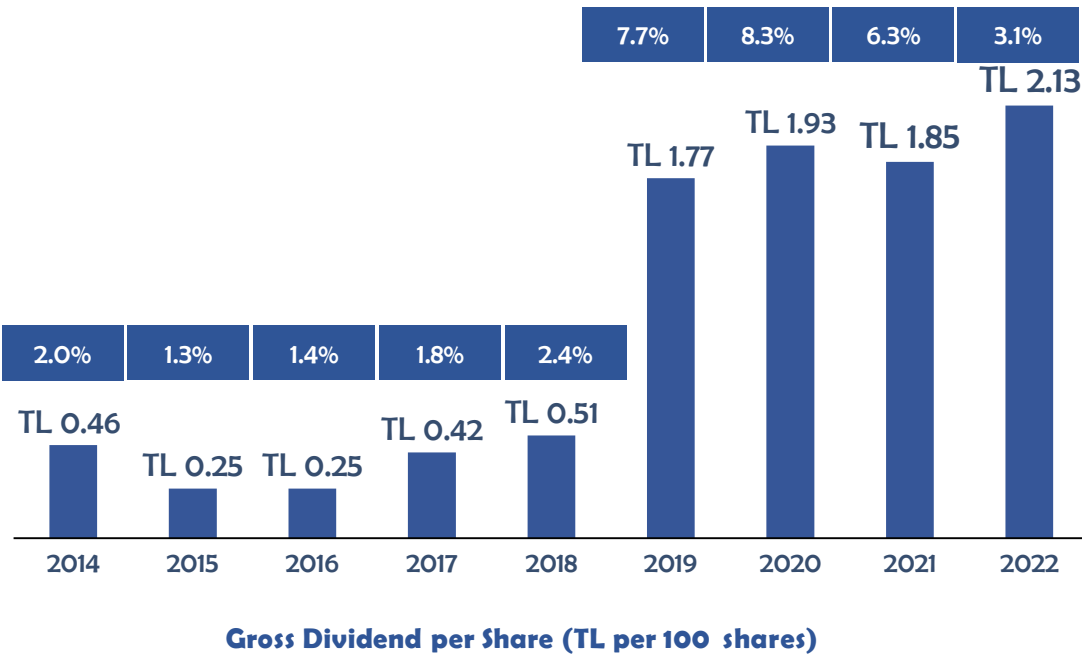


Sustainable Free Cash Flow Generation

Anadolu Efes



Leading to High Dividend Yields*



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

FY2023 Expectations



We re-iterate our expectations for FY2023 despite stronger than expected results in 1Q

	ANADOLU EFES	BEER GROUP	SOFT DRINKS GROUP
VOLUME	Low-to-mid-single digit growth	Low-single digit decline	Mid to high-single digit growth
SALES REVENUE <i>FX-Neutral basis</i>	Low-thirties growth	High-teens growth	High forties to low fifties growth
EBITDA Margin	Decline around 100-200 bps	Decline around 300 bps	Flat to a slight expansion

CAPEX	As a percentage of sales high single digits on a consolidated basis
FREE CASH FLOW	Will be under pressure starting from the beginning of the year mainly due to phasing of some payables in international beer operations to following year.



SUSTAINABILITY

Road to 2030



Targeting Zero for the environment



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

FX Rates

		1Q2022	1Q2023	Δ%
USD/TL	AVG	13.94	18.85	35.3%
	PE	14.64	19.15	30.9%
EUR/TL	AVG	15.64	20.23	29.4%
	PE	16.29	20.84	28.0%
TL/RUB	AVG	6.17	3.86	-37.5%
	PE	5.74	4.02	-29.9%
TL/KZT	AVG	32.79	24.13	-26.4%
	PE	31.30	23.39	-25.3%
TL/UAH	AVG	2.05	1.94	-5.3%
	PE	2.00	1.91	-4.5%
TL/MDL	AVG	1.30	1.00	-23.0%
	PE	1.25	0.96	-23.2%
TL/GEL	AVG	0.22	0.14	-37.4%
	PE	0.21	0.13	-36.9%

