



**ANADOLU EFES
INVESTOR PRESENTATION
1Q2024**

Forward-Looking Statements & Disclosure



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.

Important Disclaimer Regarding TAS29



As stipulated by the decree of the Capital Markets Board, the financial statements for the FY2023 have been presented in accordance with TAS29 (Turkish Accounting Standard 29: Financial Reporting in Hyperinflationary Economies), and retrospective adjustments have been made for prior periods in alignment with the same standard.



ANADOLU EFES OVERVIEW

Anadolu Efes At A Glance



Serving **+770 mn** Population

70+ Export Countries

21 Breweries in **6** Countries

31 Soft Drink Facilities in **12** Countries

Europe's **5th**

World's **10th**
Largest Brewer

3^{rd}**
Largest Coca-Cola Bottler



○ Beer Operations
● Soft Drink Operations

• The Barth Report 2022/2023
** Based on the population served



Anadolu Efes By Operations



BEER GROUP

6 countries

21 Breweries

100+ brands

51.8 mhl brewing capacity

35.7 mhl beer volume

Strong **LEADER** positions



SOFT DRINK GROUP

12 countries

31 Bottling plants

2.0 bn UC production capacity

~900 thousand sales points

1.6 bn UC sales volume

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

TOTAL VOLUMES*

122.9 mhl

REVENUE*

TL 159.9 bn

EBITDA (BNRI)*

TL 28.6 bn

FREE CASH FLOW*

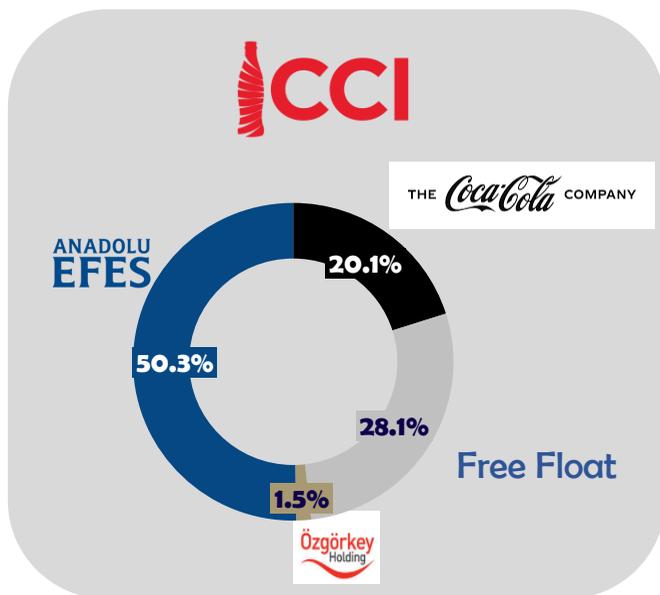
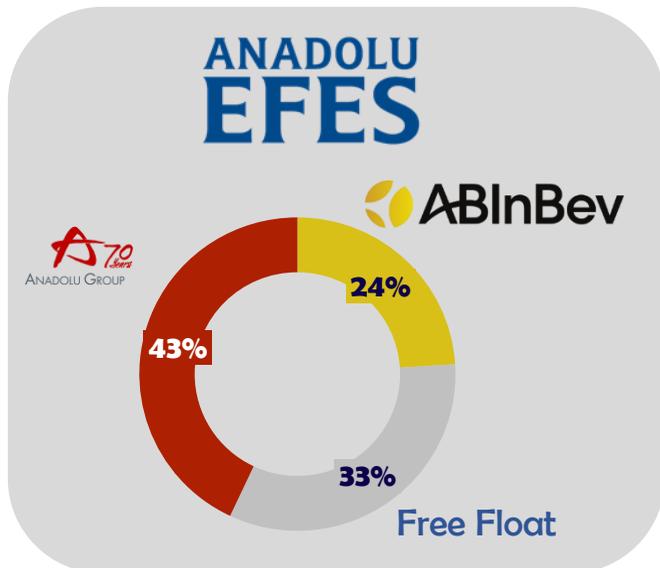
TL 9.3 bn

NET INCOME*

TL 22.1 bn

*As of FY2023

Ownership Structure & Subsidiaries



BEER OPERATIONS



50.3%

SOFT DRINK OPERATIONS

- | | |
|------------|--------------|
| Türkiye | Azerbaijan |
| Kazakhstan | Kyrgyzstan |
| Jordan | Pakistan |
| Iraq | Uzbekistan |
| Syria | Turkmenistan |
| Tajikistan | Bangladesh |



OUR STRATEGY



Vision, Mission & Values



↳ Vision

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



↳ Mission

We brew joy passionately and responsibly.



↳ Values



PASSIONATE



AGILE



COLLABORATIVE



ACCOUNTABLE



FAIR

Strategic Core Priorities



2023-2025 STRATEGIC CORE PRIORITIES

SUSTAINABILITY

- Reduce our environmental impact throughout our operations and value chain
- Increase our support for social impact
- Continue to grow stronger through equality, diversity & inclusion

DIGITALIZATION

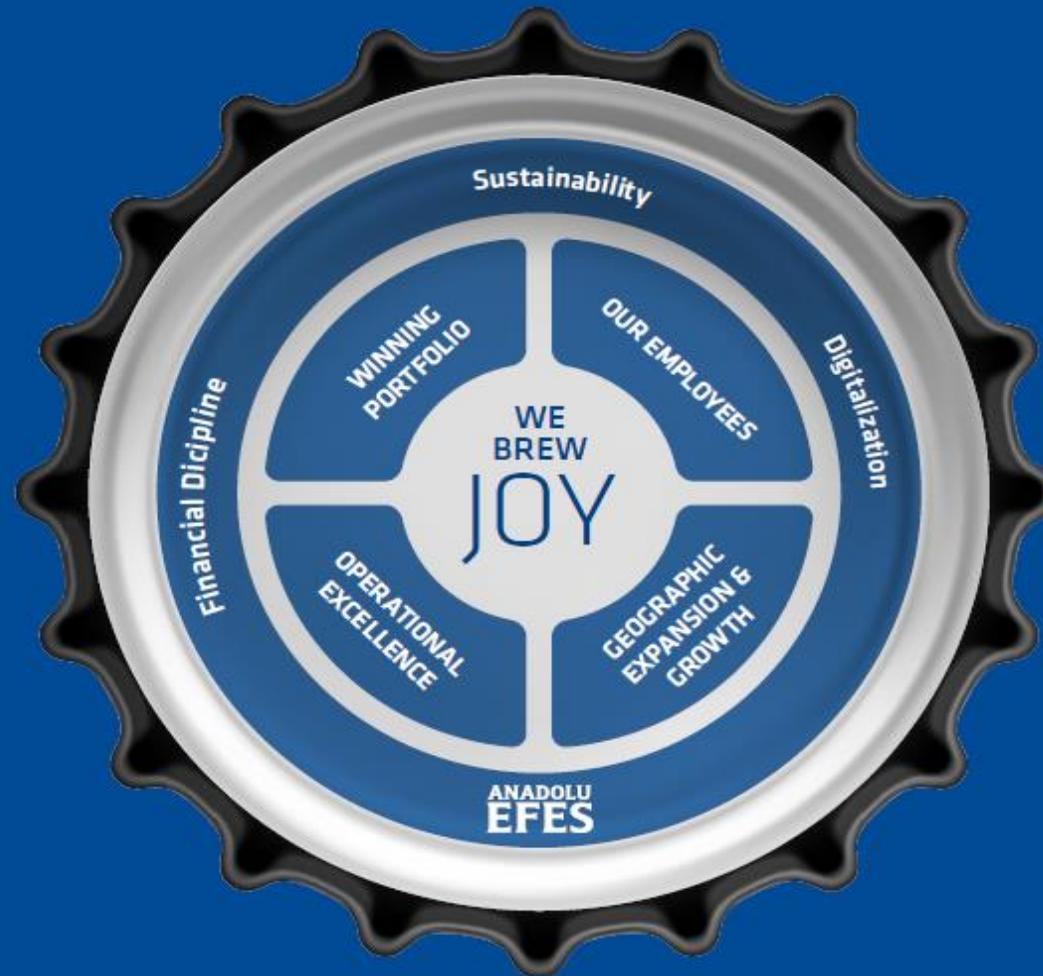
- Create Seamless Omni-channel Experience
- Democratize data, disseminate data driven business analytics
- Empowered Omnidirectional Mobility

FINANCIAL DISCIPLINE

- Ensure profitable revenue growth
- Drive value out of effectively managing working capital and CAPEX
- Ensure sustainable profitability margins with zero-based expense management

OPERATIONAL EXCELLENCE

- Quality mindset
- Focus on smart procurement plans to secure supply continuity
- Continue to improve E2E Planning Processes
- Effectively manage our product cost and efficiency



WINNING PORTFOLIO

- Grow with a consumer-oriented brand portfolio fed with strong insights
- Keep our mainstream core brands strong in every country where we operate
- Grow with innovations in premium segment (non-alcohol, craft, hard seltzer, flavored beer)
- Evaluate expansion and growth opportunities in other potential beverage categories

GEOGRAPHIC EXPANSION & GROWTH

- Expand geographically into potential markets through M&A

OUR EMPLOYEES

- Become the most preferred employer brand in all the countries where we operate with a strong employee experience
- Provide employees with new / additional skills
- Protect the talents in the organization

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**

Russia



Population:

144 Million*

66% of total beer volume

Production Facilities:

11 Breweries

3 Malteries

1 Preform Production Facility

Market Size & Per Capita:

83 mhl market size**

58 liters per capita consumption**

Production Capacity:

31.7 mhl Brewing

288 000 Tons Malt

Market Share:

29% market share***

Market Leader***

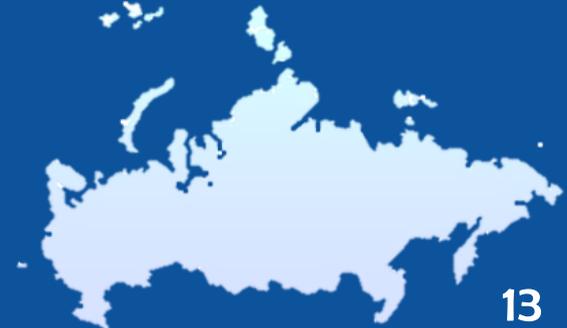
Main Brands:

SMIB, Efes, Kozel, Gold Mine Beer, Lowenbrau, BUD, ABBE

*United Nations

**Globaldata

***Company estimate Jan-Dec 2023, Avg on value basis



Kazakhstan

Population:

20 Million*

7% of total beer volume

Production Facilities:

2 Breweries

Market Size & Per Capita:

6.6 mhl market size**

33 liters per capita consumption**

Production Capacity:

2.6 mhl Brewing

Market Share:

46% market share***

Market Leader***

Main Brands:

Efes Pilsener, Kruzha Svezhego, Karagandinskoe, Zhigulevskoe, Slavna Praga, Bremen

*United Nations
**Globaldata
***Nielsen Jan-Dec 2023, Avg



Georgia



Population:

3.7 Million*

3% of total beer volume

Production Facilities:

1 Breweries

Market Size & Per Capita:

1.3 mhl market size**

35 liters per capita consumption**

Production Capacity:

1.2 mhl Brewing and Soft Drink
Production

Market Share:

45% market share***

Market Leader***

Main Brands:

Efes, Lowenbrau, Natakhtari, Kasris, Karva, Natakhtari CSD

*United Nations

**Globaldata

***Retail Audit Jan-Dec 2023, Avg



Moldova

Population:

3.4 Million*

2% of total beer volume

Production Facilities:

1 Breweries

Market Size & Per Capita:

0.9 mhl market size**

25 liters per capita consumption**

Production Capacity:

1.5 mhl Brewing and Soft Drink
Production

Market Share:

59% market share***

Market Leader***

Main Brands:

Efes, Chisinau, Finch, Kozel, Timisoreana , Jigulevskoe Bocikovoie



*United Nations

**Globaldata

***Retail Audit Jan-Dec 2023, Avg



Türkiye

Population:

86 Million*

17% of total beer volume

Production Facilities:

3 Breweries

2 Malteries

1 Hops Processing Facility

Market Size & Per Capita:

11.2 mhl market size**

13 liters per capita consumption**

Production Capacity:

6.9 mhl Brewing

115 000 Tons Malt

Market Share:

52% market share***

Market Leader***

Main Brands:

Efes Pilsen, Efes Malt, Bremen, Bomonti, Miller, Bud, Becks





**1Q2024
OPERATIONAL
OVERVIEW**

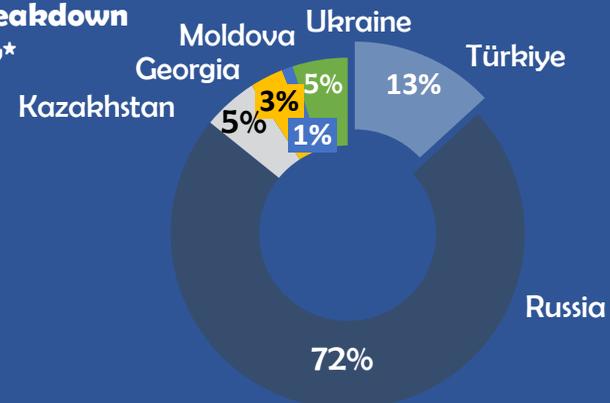


Beer Group Volume Growth Remains Strong



- **Consolidated beer volume up by 12.4% in 1Q2024**
 - Strong performances in Türkiye and Russia
- **Türkiye beer volume up 12.0%**
- **International beer volume up by 12.5%**
 - Russian volume up mid-teens
 - CIS countries' volume down mid-single digit on average

Volume Breakdown By Country*



*Breakdown on combined basis

Russia



- **Solid growth in Russian beer market** in 1Q2024
 - Industry growth of high-single digit in 1Q
- Own volume **outperformed the industry**; despite challenging competitive landscape
 - Mid-teens increase in total volume
- **Market share gain** both in value and volume
- Value share reaching historical-highs
 - Strengthened position in premium segment
- New extensions released in March 2024 in near-beer categories





CIS



- **CIS volume down by mid-single digit on average**
 - Moldova and Georgia registered a growth
 - Softer performance in Kazakhstan;
 - Market decline
 - Ramadan impact and unfavorable weather conditions

Türkiye

- **Strong volume performance**
 - **Volume** up 12.0%; outperforming beer market
 - Softer January volume with accelerating performance in February & March
 - Despite the impact of Ramadan
 - Strong growth achieved in "**Efes Pilsen**" and "**Efes Malt**"

ANADOLU
EFES

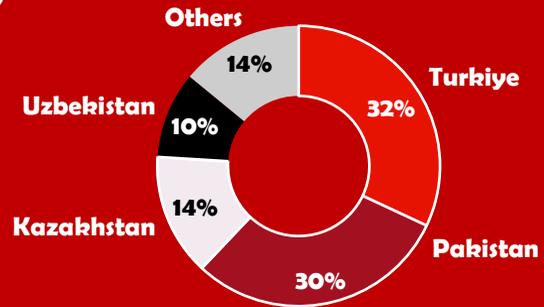


Soft Drinks



- **Consolidated volume** down 3.2% in 1Q2024;
- **Türkiye volume** up 5.4%
 - Effective trade promotions and incentives
- **International volume** down 7.2%
 - **Pakistan** down; macroeconomic headwinds and high base of LY
 - **Kazakhstan** down 10.8%
 - **Uzbekistan** up by 22.5%; thanks to improvement in penetration

Volume Breakdown
By Country*



*Breakdown on combined basis

1Q2024 FINANCIAL OVERVIEW



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

Solid Top & Bottom line in 1Q2024...



	Anadolu Efes 1Q	Beer Group 1Q	
NET REVENUE	TL43,562 mn +5.1%	TL16,204 mn +8.1%	<ul style="list-style-type: none"> • Successful RGM Initiatives • Favorable mix • Price adjustments
EBITDA BNRI %	12.7% (-183 bps)	6.8% (-393bps)	<ul style="list-style-type: none"> • Robust gross profitability yet; • OPEX increasing ahead of revenue growth
NET INCOME	TL3,141 mn (+TL115mn)	TL1,646 mn (+TL207mn)	<ul style="list-style-type: none"> • Higher net FX gains • TAS29 Effect – Tax income & Monetary Gains
FREE CASH FLOW	TL-8,746 mn (-TL2,862 mn)	TL-4,022 mn (-TL2,983 mn)	<ul style="list-style-type: none"> • Negative FCF due to seasonality; <ul style="list-style-type: none"> • to be normalized year to go • Consolidated Net Debt to EBITDA (BNRI) → 1.0x

Financials



Anadolu Efes

mTL	1Q2023	1Q2024	Change
Sales Revenue	41,433	43,562	5.1%
Gross Profit	14,090	15,600	10.7%
EBITDA (BNRI)	6,001	5,513	-8.1%
Net Income/(Loss)*	3,025	3,141	3.8%
Free Cash Flow	-5,883	-8,746	-48.7%
Gross Profit Margin %	34.0%	35.8%	180
EBITDA Margin %	14.5%	12.7%	-183
Net Income Margin*	7.3%	7.2%	-9

Beer Group

mTL	1Q2023	1Q2024	Change
Sales Revenue	14,983	16,204	8.1%
Gross Profit	5,967	6,602	10.6%
EBITDA (BNRI)	1,602	1,095	-31.7%
Net Income/(Loss)*	1,440	1,646	14.3%
Free Cash Flow	-1,040	-4,022	-286.9%
Gross Profit Margin %	39.8%	40.7%	92
EBITDA Margin %	10.7%	6.8%	-393
Net Income Margin*	9.6%	10.2%	55



EBITDA (BNRI) & Free Cash Flow Generation

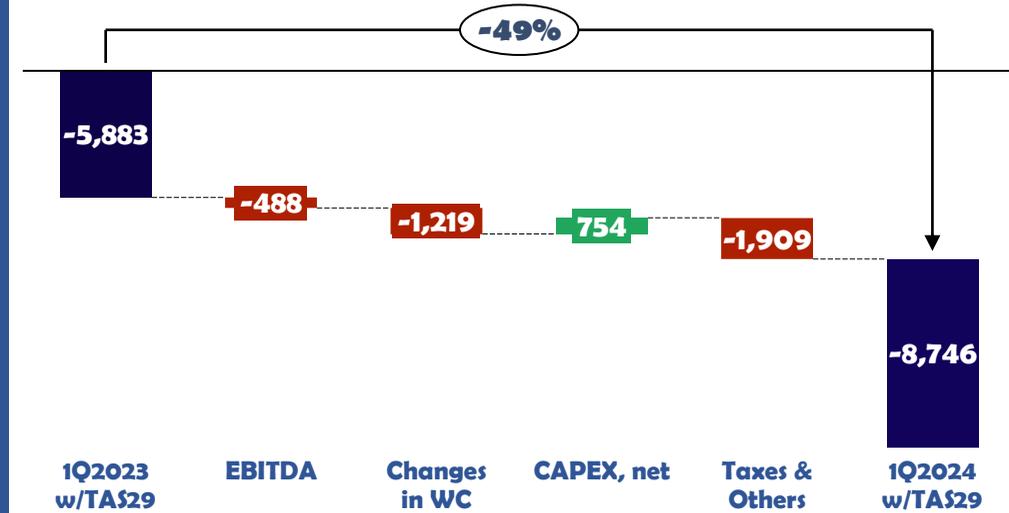
ANADOLU EFES

EBITDA (BNRI) Bridge mTL



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Free Cash Flow Bridge mTL





EBITDA (BNRI) & Free Cash Flow Generation

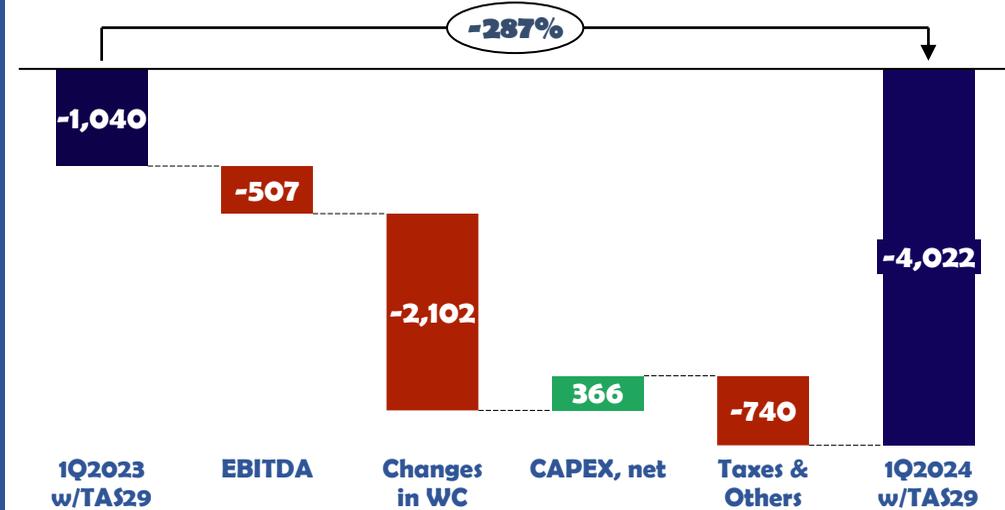
BEER GROUP

EBITDA (BNRI) Bridge mTL



BEER GROUP

Free Cash Flow Bridge mTL





Anadolu Efes

Gross Debt

USD 2.1 bn

67%

held in Hard Currency

Cash

USD 1.2 bn

64%

held in Hard Currency

29%

held in Eurozone

Average maturity

3.2 yrs

Net Debt/EBITDA

1.0x

Beer Group

Gross Debt

USD 0.8 bn

64%

held in Hard Currency

Cash

USD 0.6 bn

67%

held in Hard Currency

12%

held in Eurozone

Average maturity

3.0 yrs

Net Debt/EBITDA

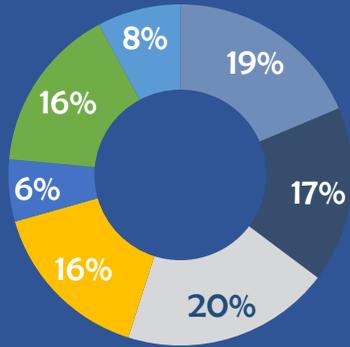
0.6x



Risk Management

Beer Group

COGS Split for 2023:



Beer Group Hedges for 2024:

Commodity :

Aluminum: **74% for TR & CIS** @\$2.322



FX Exposure :

Russia: **100% Hedged**

(USD/RUB: 96.97 ;EUR/RUB: 104.48)



TR: **94% Hedged**

(USD/TRY: 25.37; EUR/TRY: 30.43)

Total FX Exposure of Beer Group is 23% of COGS + OPEX.

A person wearing a blue and orange plaid shirt and a brown leather apron is holding a large handful of golden-brown grains, likely malted barley, over a blue-lined cardboard box. The background is a blurred industrial setting, possibly a brewery or distillery.

**CAPITAL
ALLOCATION
PRIORITIES
&
2024
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 btw 1.0x – 2.0x



Maximize

Shareholder value through dividends with high yield



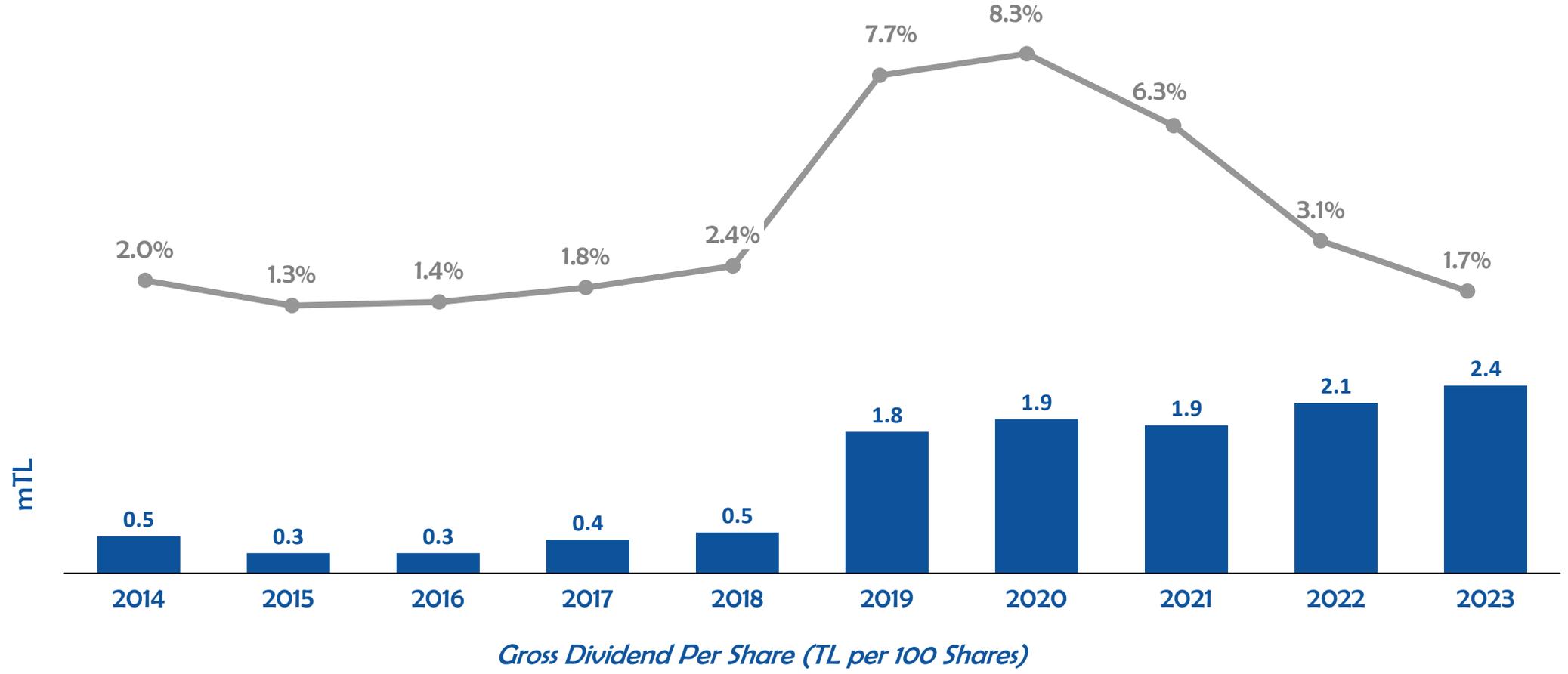
Penetrate & Expand

Into new geographies through inorganic expansion & exports

Sustainable Shareholder Return



- Consistent Dividend Distribution with Sustainable Free Cash Flow Generation



■ Gross Dividend per Share
 ● Dividend Yield

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

FY2024 Expectations



	ANADOLU EFES	BEER GROUP	SOFT DRINKS GROUP
VOLUME	Low-to-mid-single digit growth	Slight growth	Mid-single digit growth
SALES REVENUE <i>FX-Neutral basis</i>	Low-thirties growth	Low-twenties growth	Low forties growth
EBITDA Margin	Decline around 100 bps	<i>Decline around 200 bps</i>	Flat



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

		FY2022	FY2023	Δ%
USD/TL	AVG	16.57	23.78	43.53%
	PE	18.70	29.44	57.44%
EUR/TL	AVG	17.38	25.72	48.01%
	PE	19.93	32.57	63.40%
TL/RUB	AVG	4.14	3.59	-13.36%
	PE	3.76	3.05	-19.01%
TL/KZT	AVG	27.82	19.19	-31.03%
	PE	24.74	15.44	-37.59%
TL/UAH	AVG	1.95	1.54	-21.28%
	PE	1.96	1.29	-34.03%
TL/MDL	AVG	1.14	0.76	-33.07%
	PE	1.02	0.59	-42.29%
TL/GEL	AVG	0.18	0.11	-37.21%
	PE	0.14	0.09	-36.78%

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