



**ANADOLU
EFES**

**DEUTSCHEBANK
GLOBAL CONSUMER
CONFERENCE**

2020

ANADOLU EFES AT A GLANCE



Anadolu Efes At a Glance



700 mn
consumers

21
Breweries
& 26
Bottling
Plants



48.4 mhl
brewing
capacity

1.5 bn u/c
bottling
capacity



Europe's
5th*
World's
10th*
largest
brewer
7th
largest
Coca-Cola
bottler



In FY2019
111 mhl
sales volume
23.3 bn TL
sales revenue
4.1 bn TL
EBITDA
2.3 bn TL
Free Cash
Flow

Anadolu Efes 2019 Financials In a Nutshell

Volume



111 mhl

+1.9% vs PY

Revenue



23.3 bn TL

+21.7% vs PY

EBITDA (BNRI)



3.9 bn TL

+31.2% vs PY

FCF



2.3 bn TL

+122% vs PY

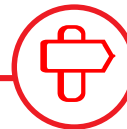
CWC / Revenue



-3.7%

-4.1pp vs PY

Net Debt / EBITDA (BNRI)



1.0x

-0.6x vs PY

International beer and soft drinks operations contributed positively to Anadolu Efes' 1Q volume results...

VOLUMES
+3.7%

- Strong volume growth achieved in International Beer & Soft Drinks
- Turkey beer under pressure starting from mid-March

REVENUE
+15.3%

- Higher prices per hl
- Positive currency translation

EBITDA (Margin)
-23.4%
(-337 bps)

- Margin decline mainly driven by the negative EBITDA in Beer Group due to COVID
- Soft drink margins improved

Net Income
TL-84mn

- Better performance vs previous year
 - FX gains recorded as a result of repatriation of cash from EBI
 - Lower net financial expenses

Free Cash Flow
TL -1,021 mn

- Negative FCF due to seasonality but in line with or better than plan
- Turkey Beer benefitted from better working capital management & lower capex
- International Beer lower operational profitability and increase in working capital vs previous year to normalize throughout the year

Investment Theme



Diversified business model including beer and soft drinks



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



Strong market positions across all operations



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



Abundant potential in demographics



Proven track record of expansion & growth in emerging markets



Strategy, Execution and People to accelerate quality growth



Expertise & Know-How in driving cost efficiencies



Solid, consistent financial performance and strong track record

Ownership Structure

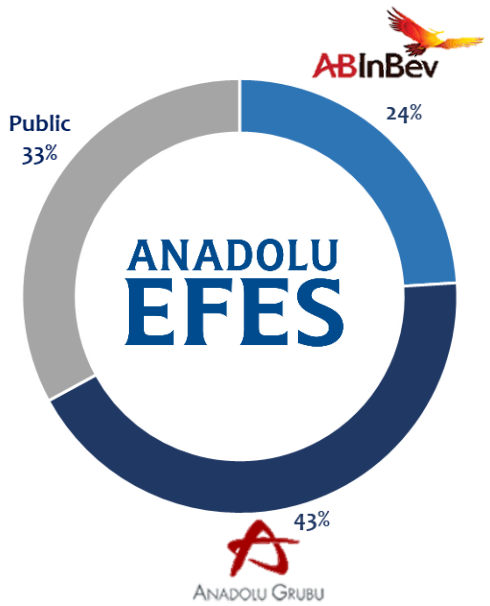
**ANADOLU
EFES**

100%

50.3%

BEER OPERATIONS

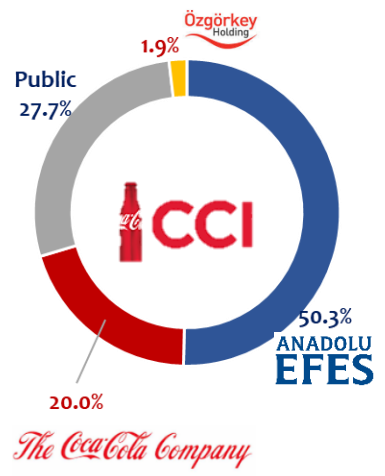
SOFT DRINK OPERATIONS



-Turkey Beer Operations **EFES TÜRKİYE**

-International Beer Operations (EBI)

- 50% Russia **ABInBev / EFES**
- 100% Kazakhstan **EFES KAZAKHSTAN**
- 96.9% Moldova **EFES MOLDOVA**
- 100% Georgia **EFES GEORGIA**
- 50% Ukraine **ABInBev / EFES**



BEER OPERATIONS



Beer Group Strategic Priorities



PEOPLE

BRANDS

OPERATIONAL EXCELLENCE

FINANCIAL DISCIPLINE & VALUE CREATION

CUSTOMERS & CONSUMERS

STAKEHOLDERS

EXPANSION & GROWTH

Nurturing our talents by establishing required tools & systems and providing great place to work

Providing choice, great taste, quality and innovation

Building competitive advantage through lean and efficient process and organization

Achieve profitable growth and maximize free cash flow to generate above average return on our investments

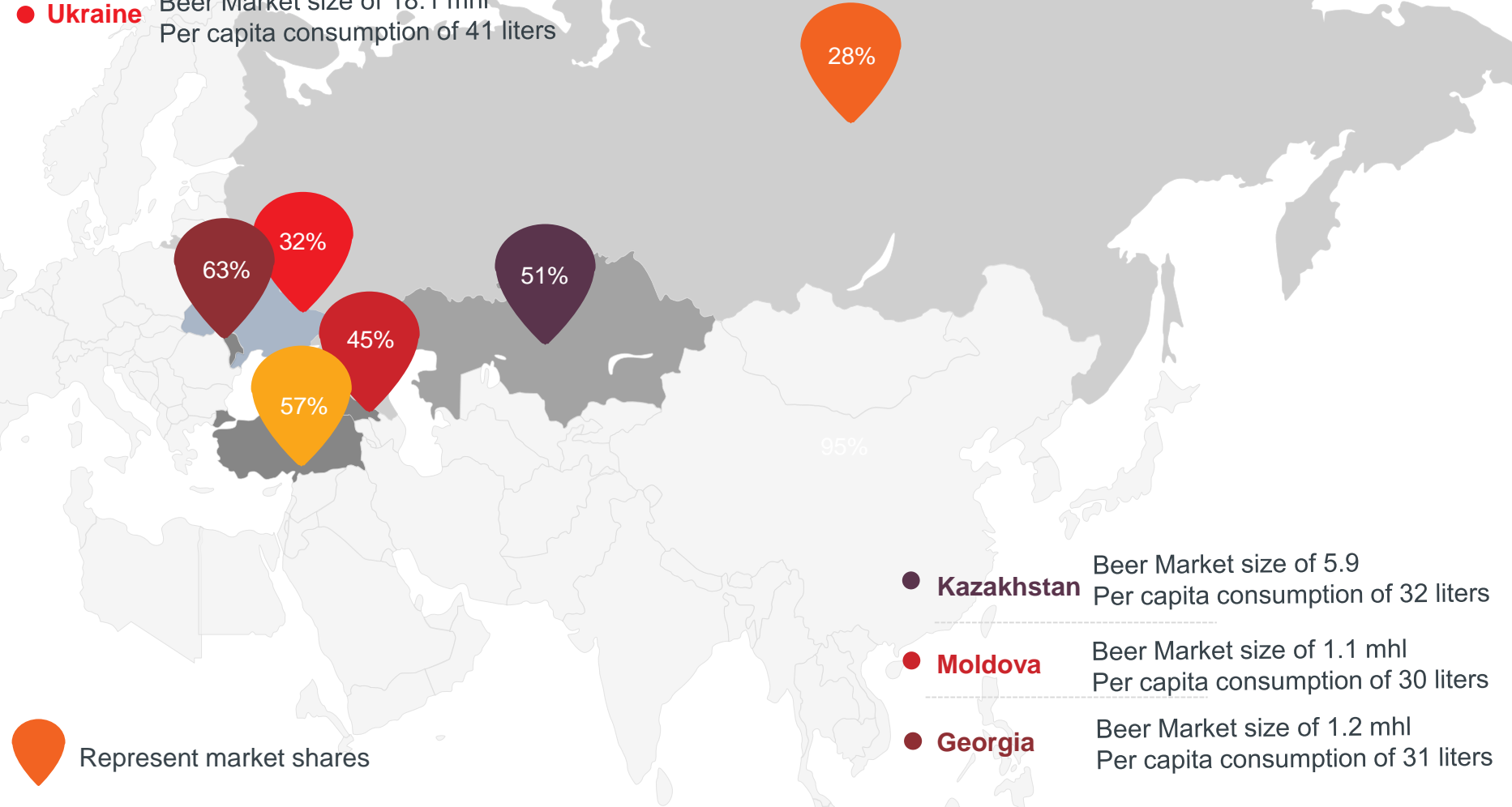
Enhancing Customer Dealer engagement through better collaboration and innovative solutions

Building relationships and credibility with stakeholders

Expanding our business through enhancing brand portfolio, utilizing new channels and geographical expansion

Beer Operations At a Glance

- **Turkey** Beer Market size of 9.0 mhl
Per capita consumption of 11 liters
- **Russia** Beer Market size of 77 mhl
Per capita consumption of 53 liters
- **Ukraine** Beer Market size of 18.1 mhl
Per capita consumption of 41 liters



Russian Beer Operations





Low per capita consumption of 11 liters*
offering a growth potential

Growing population with 1.4% annual growth
rate in 2019

Leading brewer with 57%** market share



3 Breweries with 7.0 mhl capacity

2 Malteries & 1 Hops Processing Facility
enabling vertical integration for key raw
materials

100% brand awareness for “Efes Pilsen”



100% brand awareness for “Efes Pilsen”

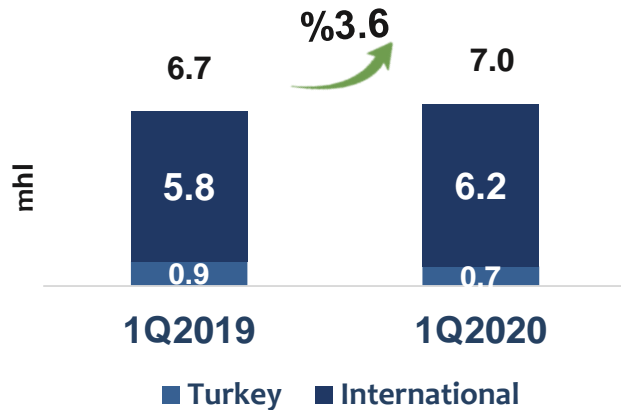
Rich portfolio of local, imported & licensed
brands covering all segments

#1 in consumer spending in Food &
Beverage category

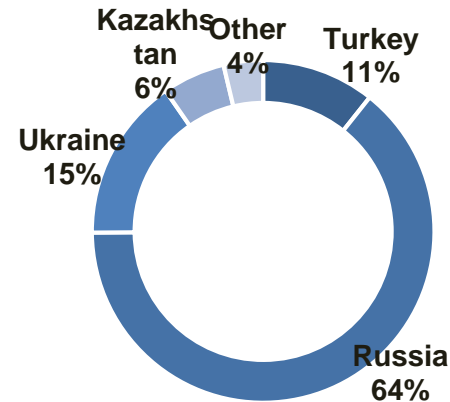
99% penetration in alcohol selling stores in
Turkey**

1Q 2020 Beer volume growth driven by international and compensating softer volumes in Turkey...

BEER GROUP SALES VOLUME



VOLUME BREAKDOWN* BY COUNTRY



*Breakdown on combined basis

Turkey Operations

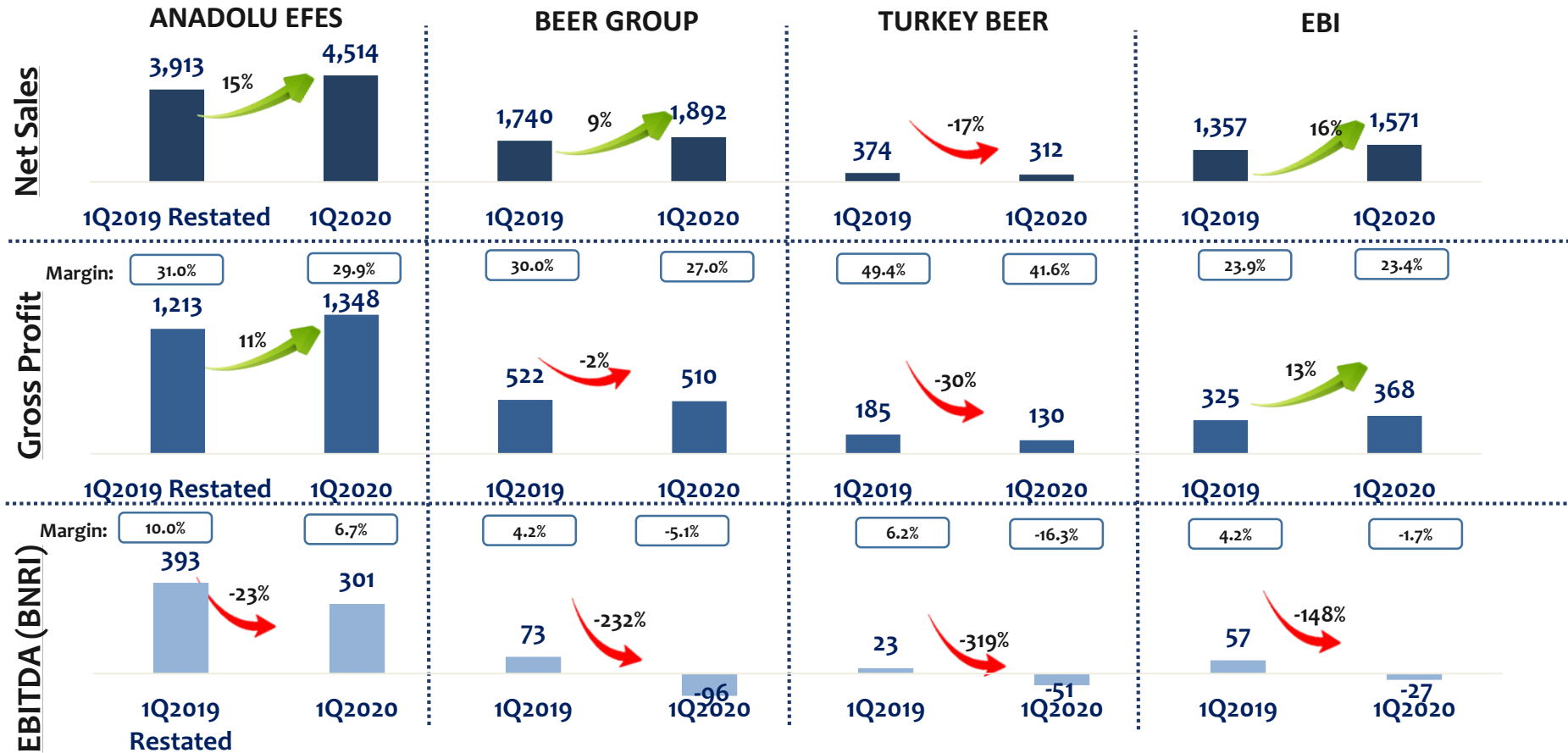
- ✓ Year started strong & parallel to expectations
- ✓ March volumes under pressure due to on-trade ban
- ✓ Stable market share since July2019

International Operations

- ✓ Volume growth of 7.7%
- ✓ Robust volume performance attributable to all international beer operations except Kazakhstan
- ✓ Market leadership maintained with further gains especially in Russia & Ukraine
- ✓ Moldova & Georgia better than expectations

Beer profitability impacted pricing & calendarization of OPEX

1Q2020



*1Q2019 financials are restated to exclude Doğadan as per the announcement made by Coca-Cola İçecek on April 1st, 2020; therefore, the percent changes are given on a proforma basis for Anadolu Efes and CCI throughout the earnings release.

Balance Sheet & Risk Management

Cash Management



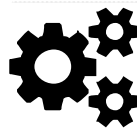
- Current cash balances cover short term financial debt obligations due in next 12 months
- 78% of cash held in hard currency

Debt Management



- No long term refinancing needs in 2020
- Ave. maturity 1.9 years for Beer Group & 2.6 years for AEFES
- Secured liquidity under worst case scenario
- Available uncommitted credit lines, RCFs & other funding sources

Liquidity & Leverage



- Beer Group Net Debt / EBITDA ratio 2.0x
- AEFES Net Debt / EBITDA ratio 1.5x

Risk Management



- High hedge coverage for short term FX exposure
 - More than 90% in Turkey
 - 100% in Russia and Ukraine
- ALU exposure hedged financially
 - 60% in Turkey
 - 40% in Kazakhstan
 - 100% in Russia and Ukraine
- 100% of collections from dealers & distributors under guarantee across all operations

SOFT DRINK OPERATIONS



Strategic priorities in core business to create value...

Accelerate Growth



- Full-beverage portfolio
- Revenue Growth Management (RGM)
- Expand Sparkling & Stills
- Increase frequency
- Regional strategies

Win at the Point of Sale



- Increase outlet coverage
- Increase cooler penetration
- Right Execution Daily
- E-commerce
- Future-proof RTM

Exercise Financial Discipline



- Productivity savings
- Working capital improvements
- Healthy FCF
- Optimum leverage
- Effective FX management

Win with People



- Integrated Talent Strategy
- Leadership Development
- High Performing Team
- Transformation to “OnePeople”

ONE CCI

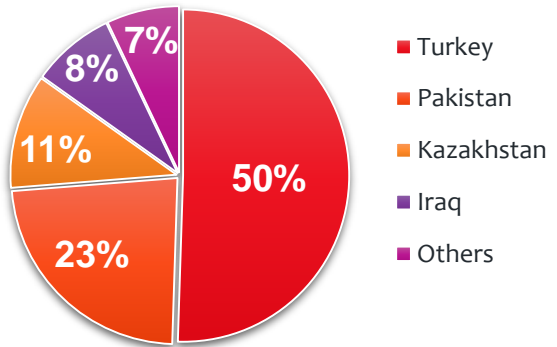


Coca-Cola Icecek in a Nutshell

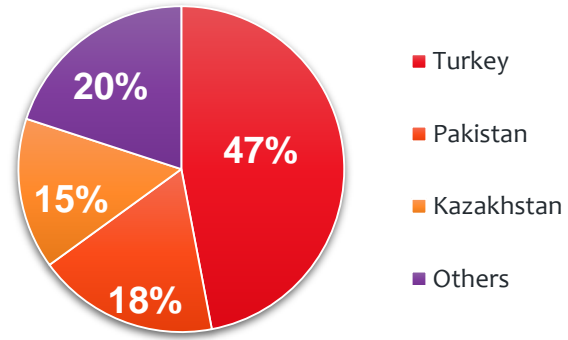
- 10 countries, ~400 mn people
- 26 production plants with 126 lines
- 1.5 bn UC(1) annual production capacity
- ~780 thousand sales points
- 1.3 bn UC sales volume
- \$ 2.2 bn revenue & \$ 403 mn EBITDA



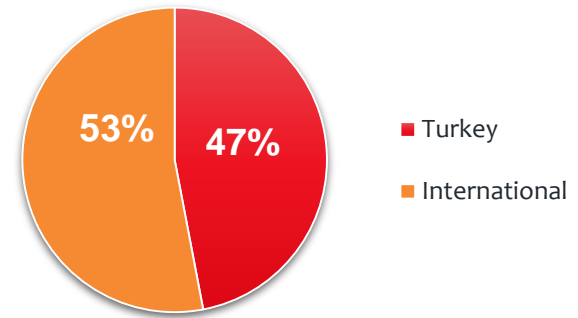
Volume Breakdown



Revenue Breakdown



EBITDA Breakdown



Figures reflect FY 2019 numbers unless otherwise stated
 (1) Unit case, 1 UC equals 5,678 liters

COVID RESPONSE & ADAPTING TO NEW NORMAL



Initial Measures...

Health, Safety & Working Conditions

Switched to remote working practices across all operations, wherever possible

All measures taken according to pandemic plan and government instructions in breweries

Remote working for sales teams where possible with no disruption in order taking

Production & Supply Chain

No interruption in production

Cross brewing plans in place

Coverage plans for raw, packaging & auxiliary materials



Route to Market & Trade & Marketing

Switched to alternative order taking where applicable, e.g. Telesales Field visit to ensure stocks with less frequency

Supporting consumer pull with increased visibility and being digitally connected with our customers/consumers

Connecting with the communities through social responsibility actions

Business Continuity

On trade closed a cross all countries; varying impact on country operations

Share of on trade in Turkey is ~25%, in Russia is low to mid single digit & in other EBI countries high single digit

Low volumes expected during Ramadan
Launched cost and spend optimization initiatives; especially in OPEX and CAPEX

Ensured no supply & production interruption risk during high season

Crisis Management...

- 01 Conducted several scenario analysis and applied stress tests country by country
Conducted stress tests for each operation for receivables
- 02 Reviewed cash needs until year and completed borrowing needs until Q4.
- 03 Started payment term negotiations with suppliers for contracted & ordered CapEx/ raw material items
Evaluating to hedge 2021 FX exposure through derivatives instead of cash designation
- 04 Reviewed Product damages and Business interruption insurance coverages
- 05 Extended Zero Based Spending project categories
- 06 Continued to sell idle assets in Turkey & Russia
- 07 Already received dividend income from CCI
- 08 Total uncommitted lines exceed 1.1 bn USD for Beer Group and about 1.0 bn USD for CCI
- 09 Maintaining long-term sustainable leverage target of 1.0X –2.0X, even under high TL devaluation scenarios

Adapting to new normal...



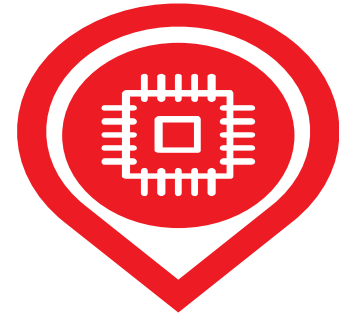
Initial Measures

- Ensure health & safety
- Remote working & hygiene rules
- Suspension of all discretionary OPEX & CAPEX



Crisis Management

- Scenario planning
- Revised demand & production planning
- Alternative order taking for Sales Team
- Coverage plan for raw materials
- Increased visibility in market place



Post Crisis Management & Adaptation

- Leverage learnings to adapt to new normal
- Reassess brand & SKU strategy
- Reconfigure procurement & supply chain
- Zero based OPEX & Capex spend
- Capitalize on low commodity prices
- Leverage healthy Balance Sheet
- Review capital allocation to maximize recovery

2020 EXPECTATIONS

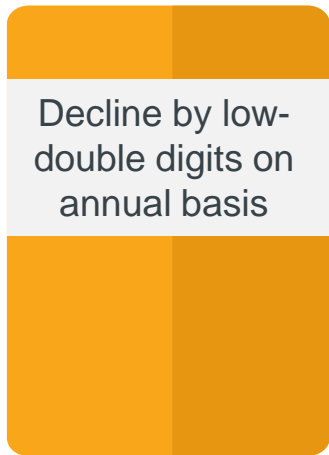


2020 Beer Group Outlook

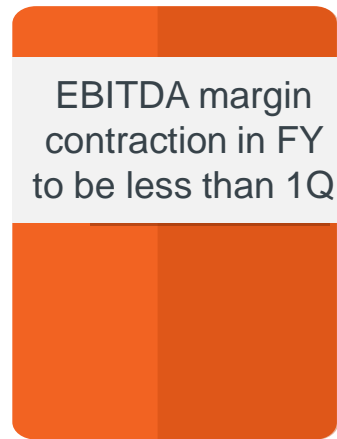
2020
Expectations

- Given the uncertainties, 2020 guidance withdrawn
- Second quarter results critical to give a more concrete and detailed guidance

Volume



EBITDA Margin



Capex / Net Sales

