



ANADOLU EFES

2019
INVESTOR
PRESENTATION

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

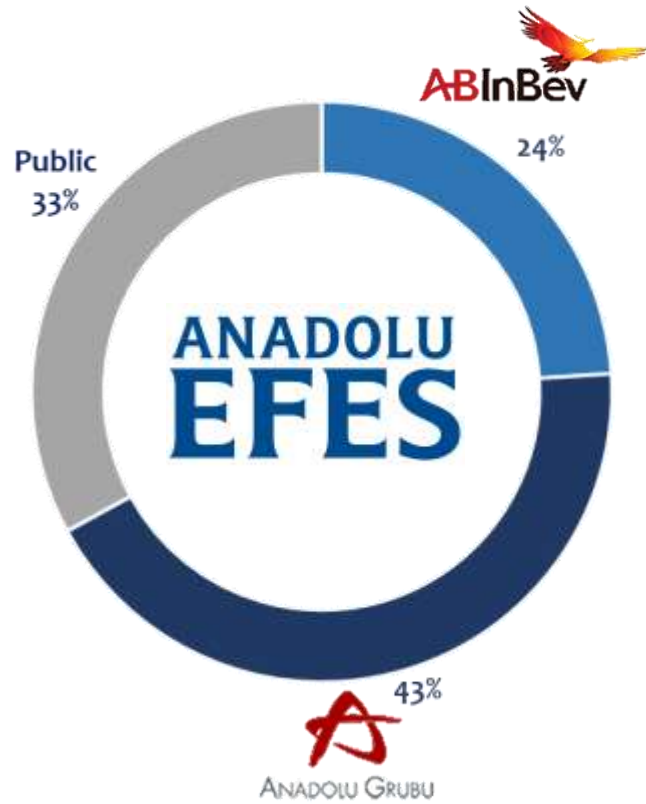
Europe's **5th***,
World's **10th*** largest brewer
7th largest Coca-Cola bottler



111** mhl sales volume
23.3** billion TL sales revenue
4.1** billion TL EBITDA
2.3** billion TL Free Cash Flow



Ownership Structure



ANADOLU EFES

100%

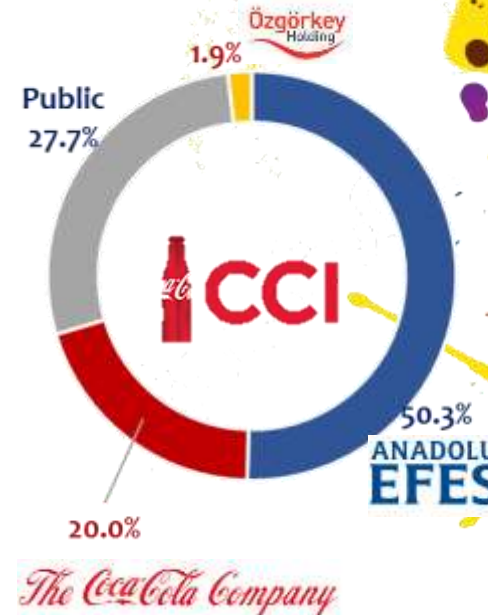
BEER OPERATIONS

- 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**

50.3%

SOFT DRINK OPERATIONS



Investment Theme

Diversified business model including beer and soft drinks

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

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

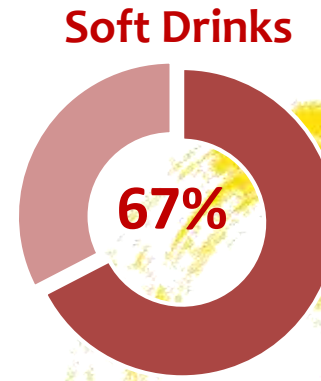
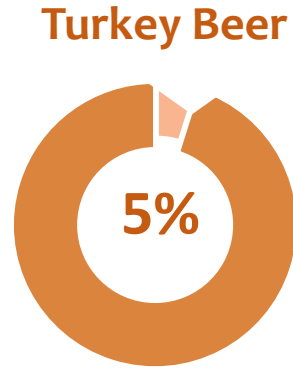


Anadolu Efes Financial Highlights

VOLUMES

110.9 mhl
up 1.9%

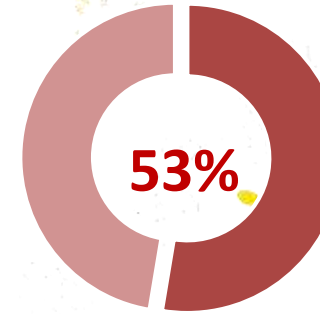
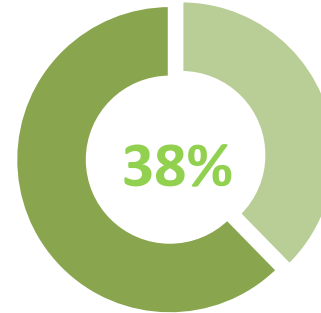
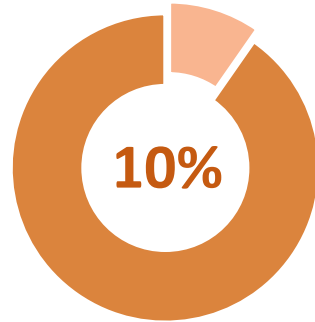
Breakdown



REVENUE

23.3 bn TL
up 21.9%

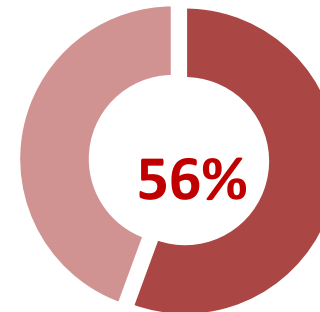
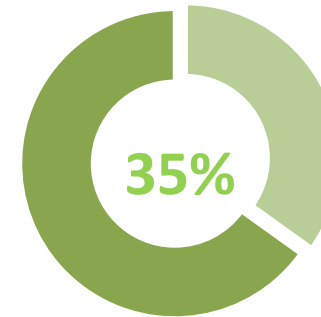
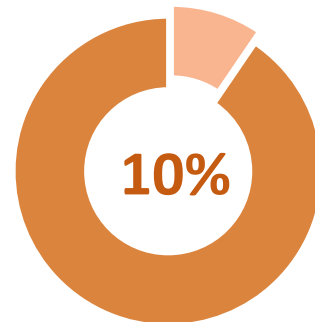
Breakdown



Excluding IFRS 16
EBITDA (BNRI)

3.9 bn TL
up 31.2%
margin 16.8%

Breakdown



BEER OPERATIONS



Beer Operations At a Glance



Since **1969**



World's
10th* largest player



Europe's
5th* largest player



6 operating
countries



21 breweries



Leader**
in all countries



+8,800 employees



100+ brands



70+
export countries



Strong Positions in all Operating Geography



Turkey:

- ✓ Leading brewer
- ✓ Per capita consumption of 11 liters¹



Russia:

- ✓ World's 6th largest beer market
- ✓ Per capita consumption of 53 liters¹
- ✓ #1 player



Ukraine:

- ✓ Beer market size of 18.1 mhl¹
- ✓ Per capita consumption of 41 liters¹
- ✓ #1 player



Kazakhstan:

- ✓ Beer market size of 5.9 mhl¹
- ✓ Per capita consumption of 32 liters¹
- ✓ #1 player



Moldova:

- ✓ Beer market size of 1.1 mhl¹
- ✓ Per capita consumption of 30 liters¹
- ✓ #1 player



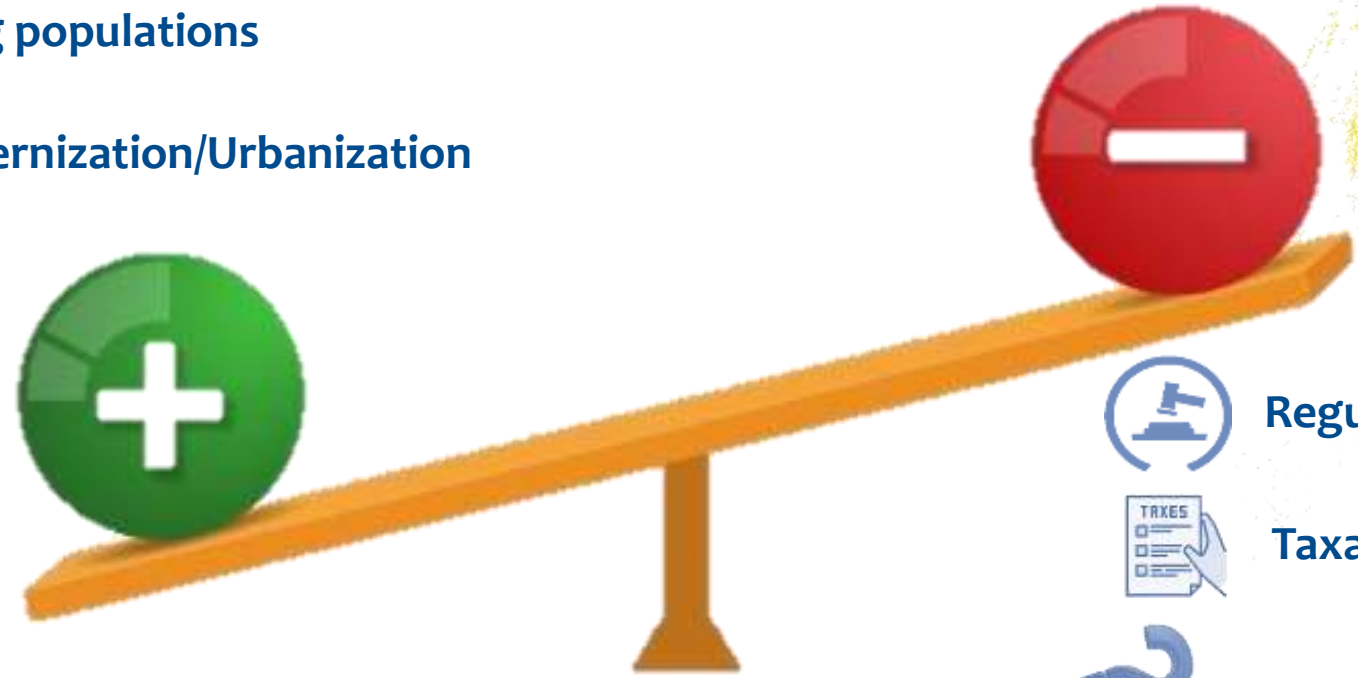
Georgia:

- ✓ Beer market size of 1.2 mhl¹
- ✓ Per capita consumption of 31 liters¹
- ✓ #1 player



Catalysts & Challenges

-  Low per capita consumption
-  Developing economies
-  Young populations
-  Westernization/Urbanization



-  Regulations
-  Taxation
-  Poor consumer confidence



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

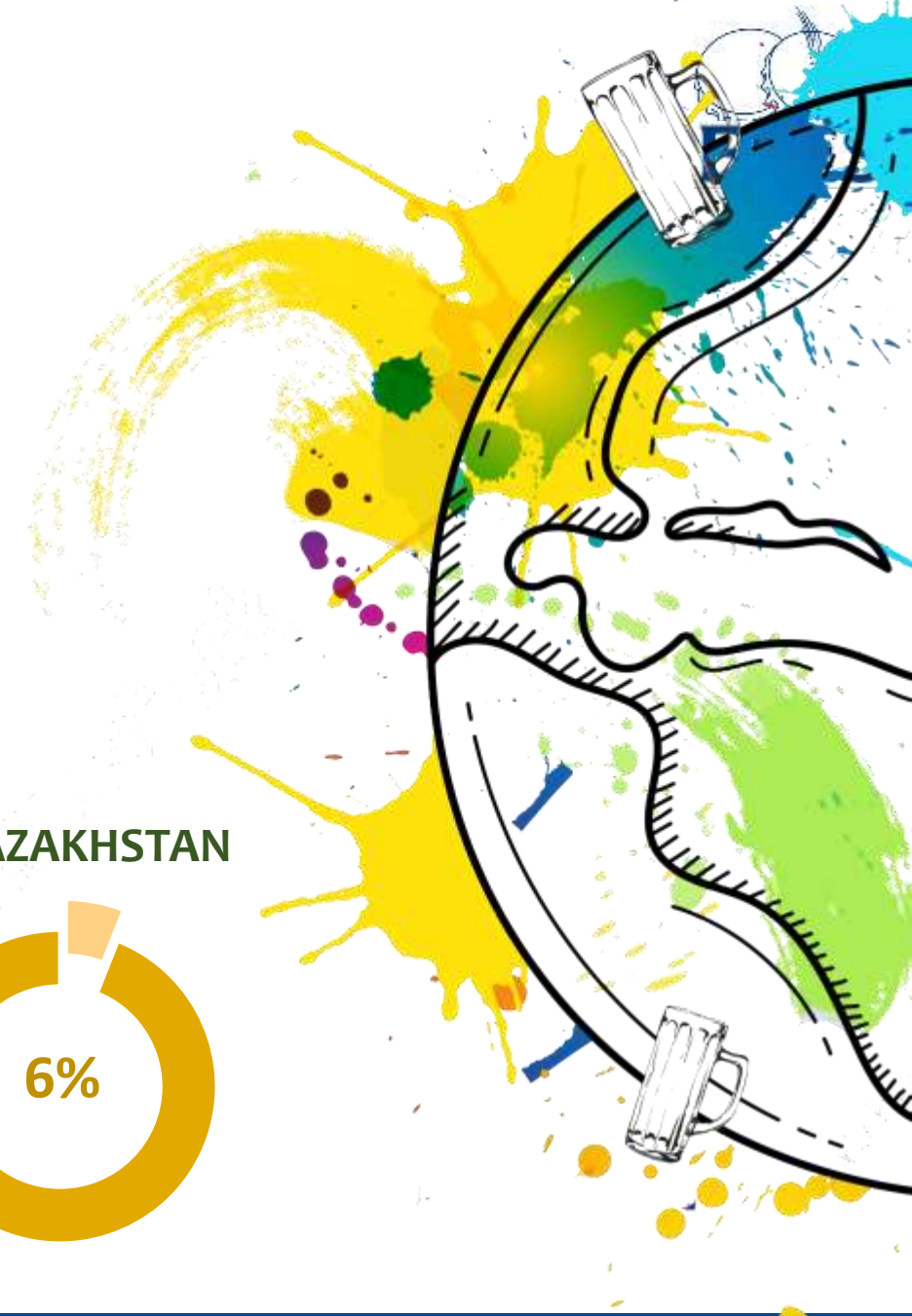
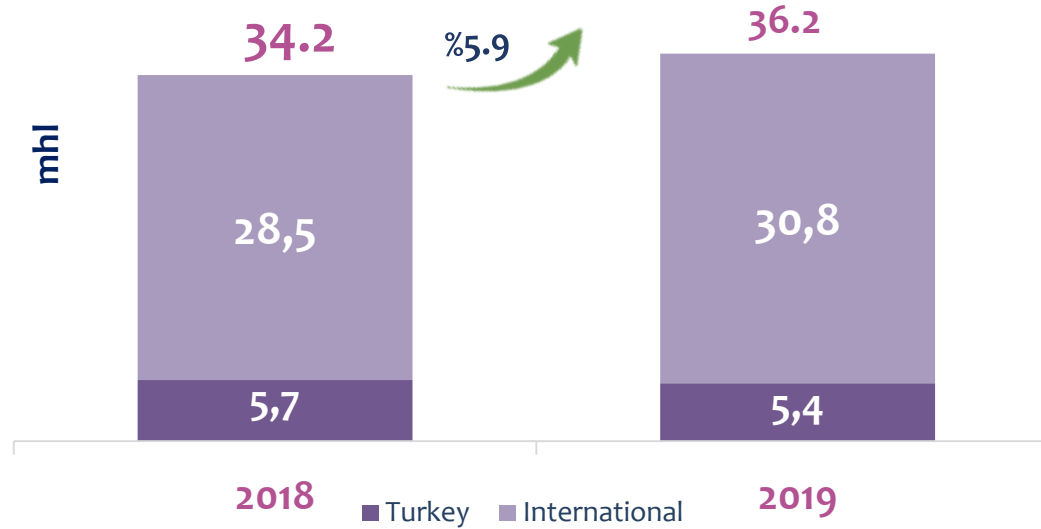
Enhancing Customer Dealer engagement through better collaboration and innovative solutions

Building relationships and credibility with stakeholders

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

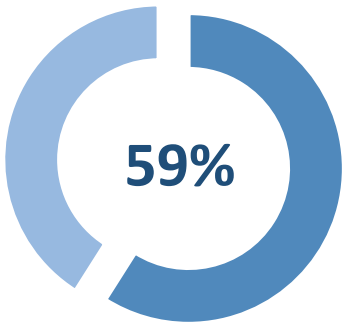
Beer Group Volume Performance

SALES VOLUME

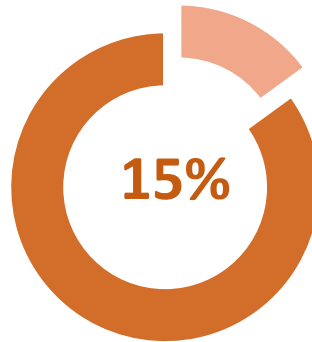


SHARE* IN BEER VOLUME

RUSSIA



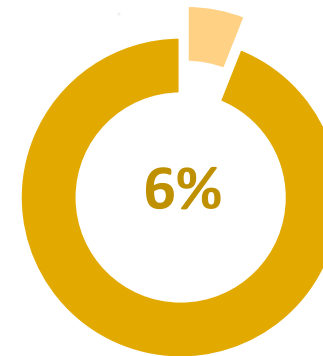
TURKEY



UKRAINE



KAZAKHSTAN



*Breakdown is on a combined basis

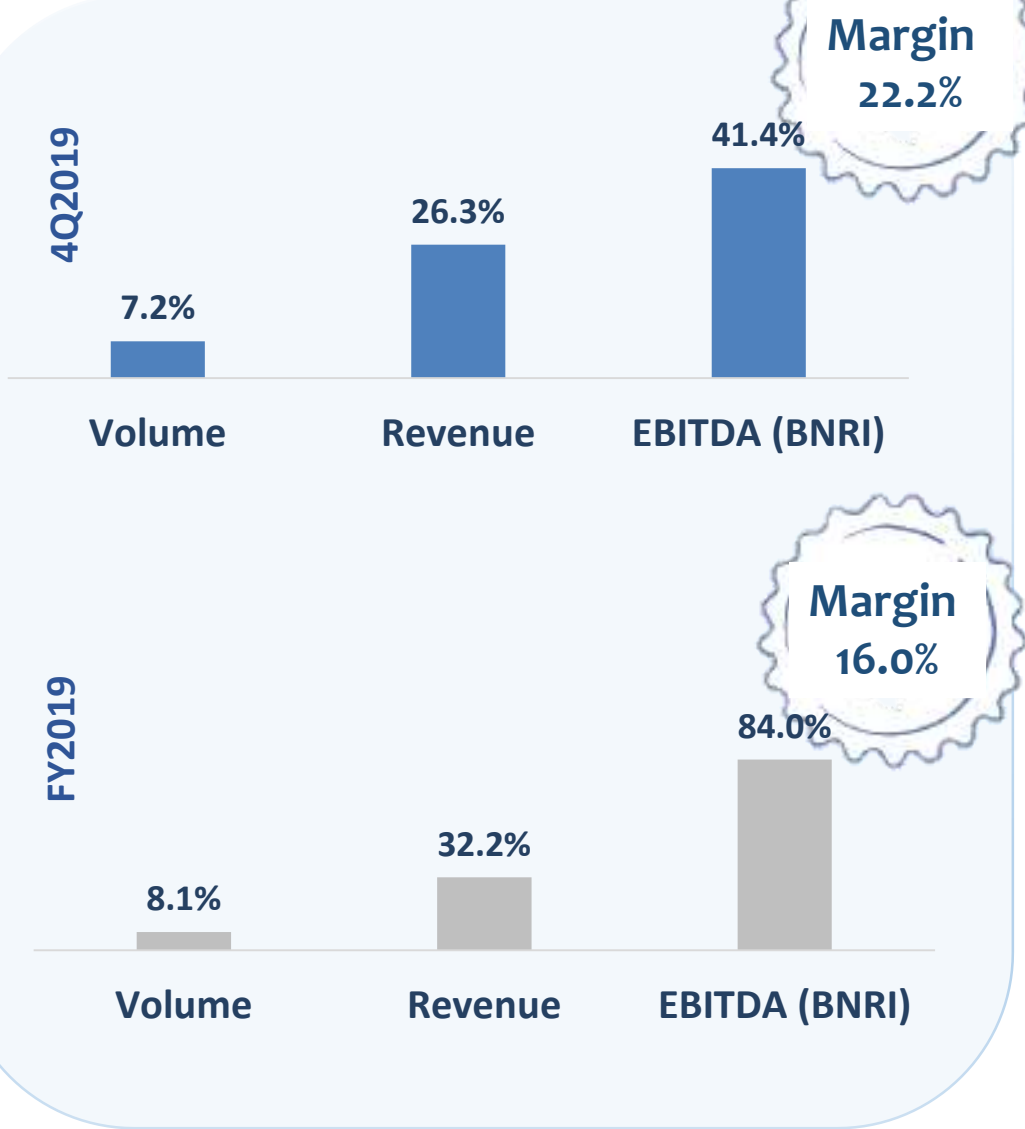
Russian Beer Operations

- ✓ World's 6th largest beer market* with 77 mhl market size
- ✓ Per capita consumption of 53 liters*
- ✓ 29.8 brewing capacity with CUR ~70%
- ✓ **ABInBev / EFES** is the market leader with ~28% market share
- ✓ Clear market leader in Super Premium & Premium segments with upside potential in the rest
- ✓ Cross brewing should enabling wider distribution of more SKUs
- ✓ Premiumization driving value growth
- ✓ World's best known beer brands in our portfolio



Market leadership in every international operation...

International Beer



✓ Strong volume performance in all international markets

✓ Russian beer market was almost flat

- ✓ Our volumes grew by high single digit
- ✓ Successful integration & focus on net revenue growth

✓ Ukraine beer market was almost flat

- ✓ Our volumes grew by low-double digits
- ✓ Efes brands were launched during the year
- ✓ Became market leader with ~32%* market share

✓ Kazakhstan beer market flat

- ✓ New launches & visibility activations
- ✓ Market leadership maintained

✓ Moldova & Georgia beer markets up by low-single digits

- ✓ New launches in core brands
- ✓ Market leadership maintained

Turkey Beer Operations

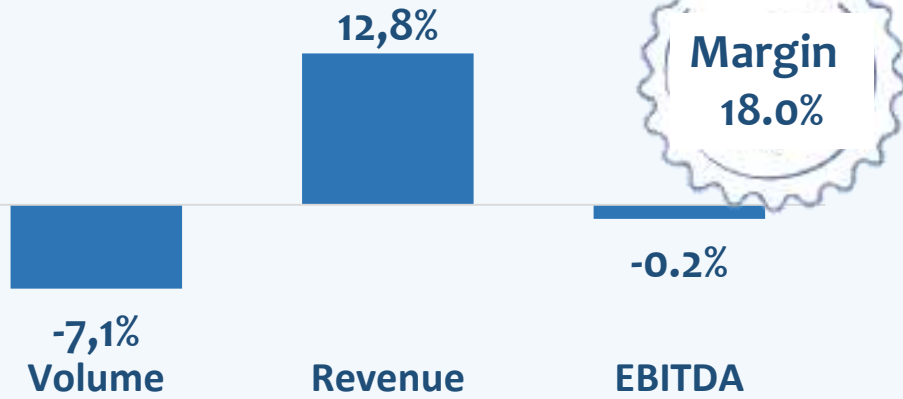
- ✓ Low per capita consumption of 11 liters* offering a growth potential
- ✓ Growing population with 1.4% annual growth rate in 2019
- ✓ Leading brewer** in the market
- ✓ 3 Breweries with 7.0 mhl capacity
- ✓ 2 Malteries & 1 Hops Processing Facility enabling vertical integration for key raw materials
- ✓ 100% brand awareness for “Efes Pilsen”
- ✓ 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**



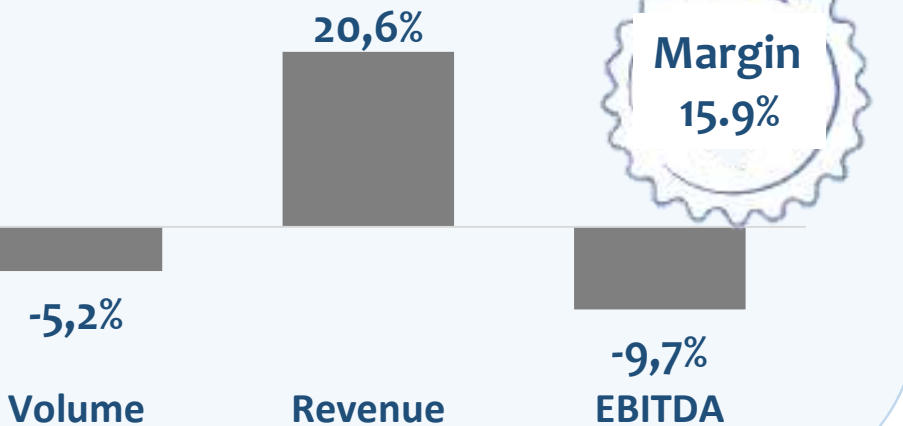
Beer market down mid-single digit in Turkey...

Turkey Beer

4Q2019

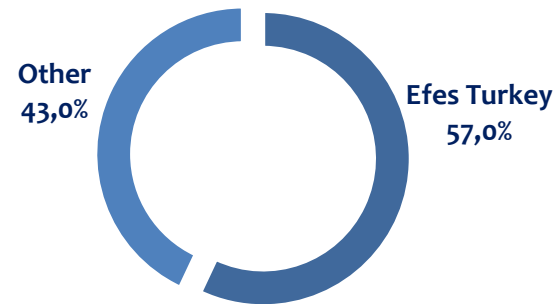


FY2019



- ✓ All FMCG sectors under pressure
 - ✓ Macro dynamics
 - ✓ Low consumer confidence
- ✓ Beer market down mid-single digit
 - ✓ Low affordability
- ✓ Premium category expansion
- ✓ Continued to invest in our brands
- ✓ Increased marketing activities

Market share*



*Nielsen, average 2019

SOFT DRINK OPERATIONS



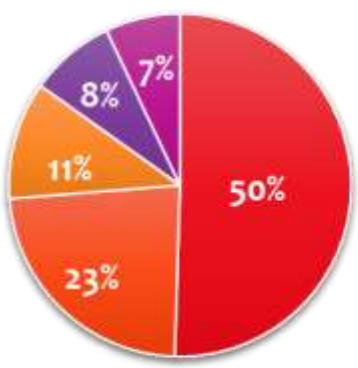
A multinational beverage company – Coca-Cola Icecek



- 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



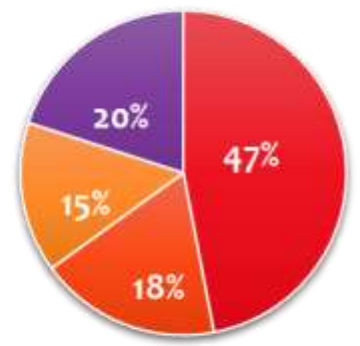
Volume Breakdown



Sparkling Market Position
 #1
 #2
 #1
 #2

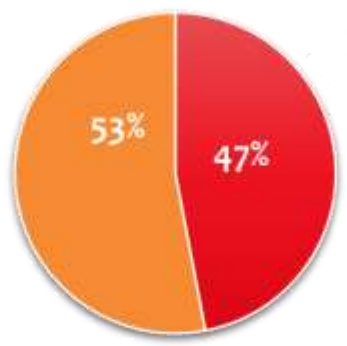
■ Turkey ■ Pakistan ■ Kazakhstan ■ Iraq ■ Others

Revenue Breakdown



■ Turkey ■ Pakistan ■ Kazakhstan ■ Others

EBITDA Breakdown



■ Turkey ■ International

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

Successful track record of growth, with the right focus and excellence in execution

VOLUME



11%

CAGR 2005-2019

REVENUE



18%

CAGR 2005-2019

EBITDA



19%

CAGR 2005-2019

Single country in
2005...

Expanding into Central Asia and North
Iraq in 2006-2007...

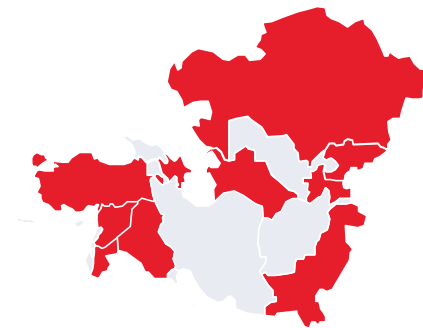
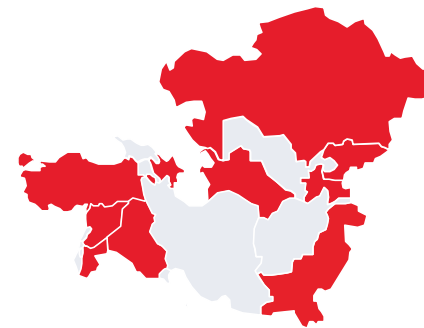
JV in Pakistan in
2008...

South Iraq in
2012...

A regional bottler today...



318 mn UC



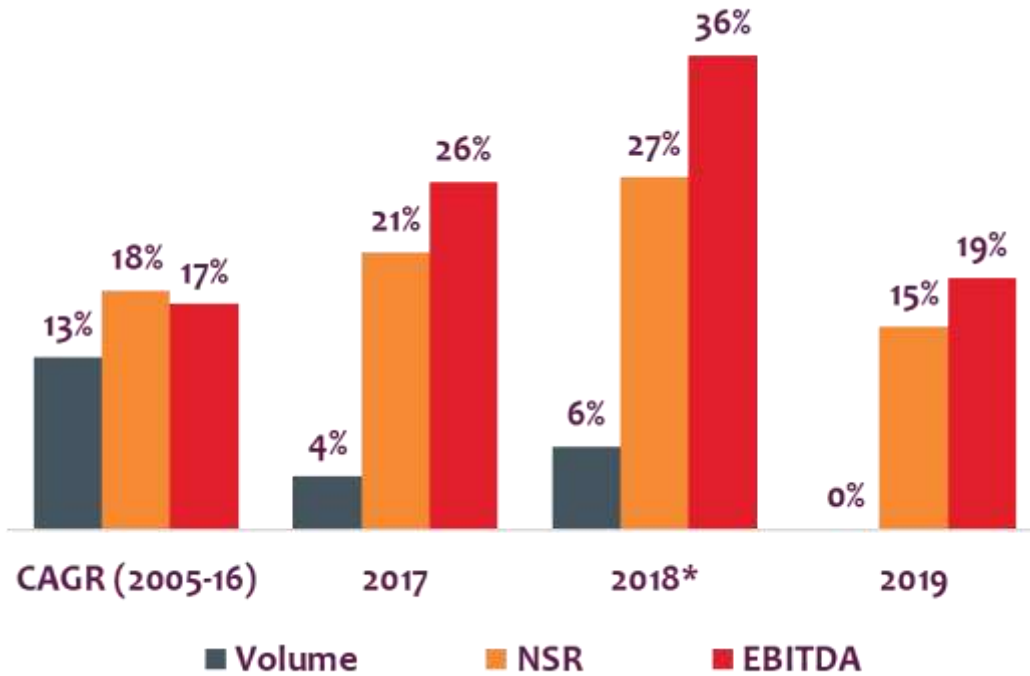
1,316 mn UC

Rising performance...



Maintaining Quality Growth

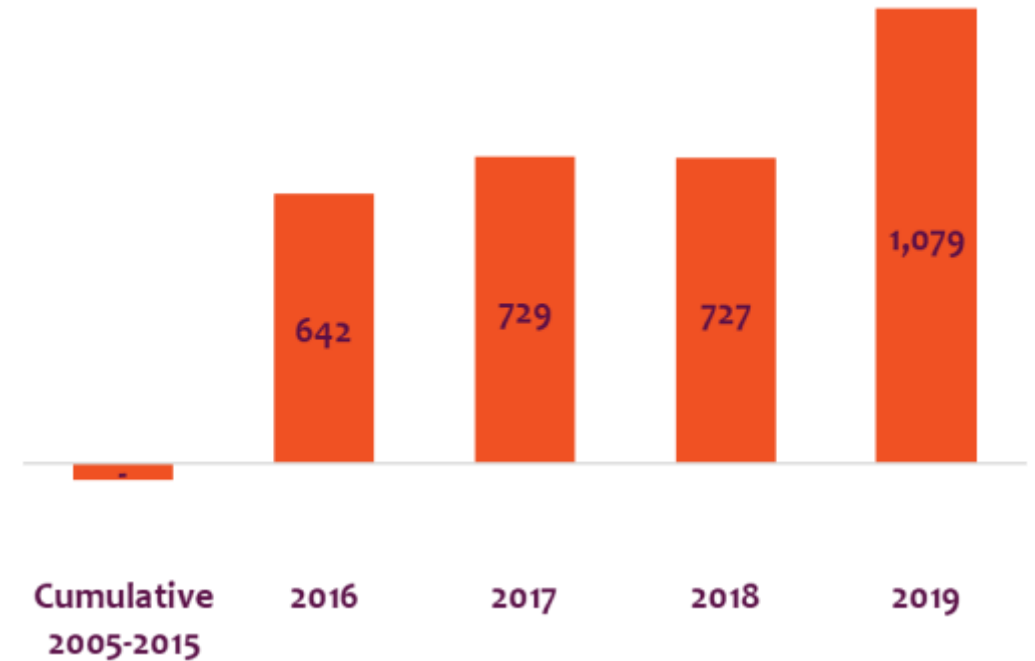
Growth



2019: Continuation of quality growth algorithm

Solid Free Cash Flow

TL million



2019: Highest free cash flow

*Includes TFRS 15 adjustments

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

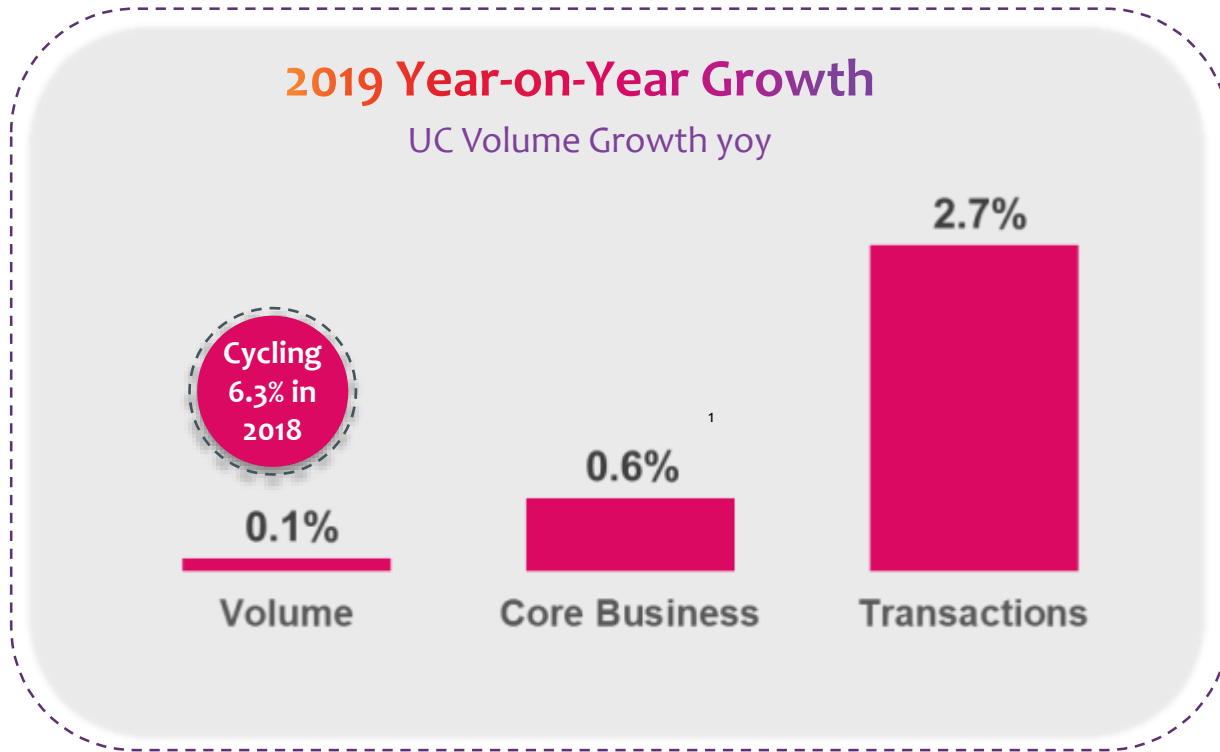


- Integrated Talent Strategy
- Leadership Development
- High Performing Team
- Transformation to “OnePeople”

ONE CCI



CCI – Consolidated Volume Highlights



Volume (mn UC)

1,316

2018: 1,315

Core Business Volume (mn UC)

1,207

2018: 1,200

Turkey Volume (mn UC)

662

2018: 650

Turkey Core Business Volume (mn UC)

554

2018: 536

International Volume (mn UC)

654

2018: 664

Stronger Sparkling & Still Category

Share in total volume (2019)



Growth yoy

↑ 12M: 0.3%

SPARKLING

- Cycling 6.8% growth in 12M2018
- Growth in all markets except Pakistan, Jordan & Turkmenistan
- New listings in on-premise and discounter channels

↑ 12M: 5.1%

STILLS

- Cycling 11.6% growth in 12M18
- Ice Tea growth in all markets
- Double digit growth in juice in Central Asia

↓ 12M: 0.1%

WATER

- Cycling 6.0% growth in 12M18
- Strong momentum in onpremise channel in TR resulting in value accretion for water segment

↓ 12M: 4.9%

NRTD TEA

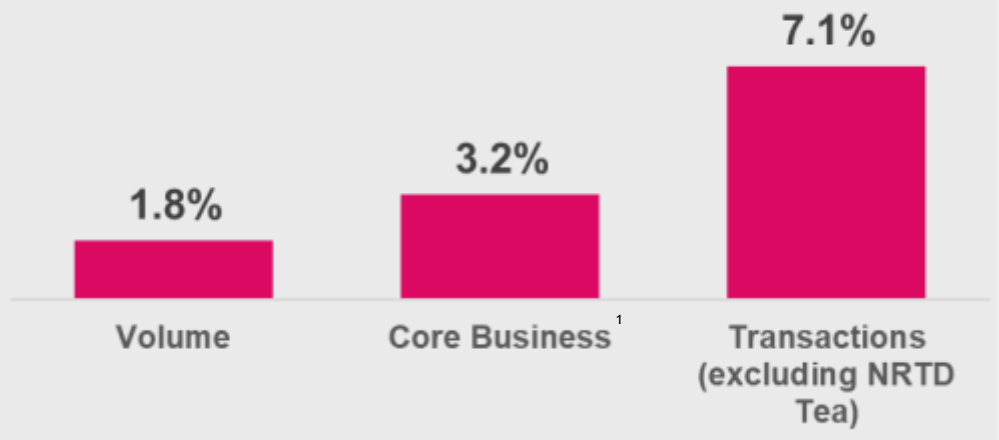
- Cycling -1.2% decline in 12M18
- Despite volume decline, price increases resulted in positive revenue growth for tea business

Turkey: delivering ahead of expectations



2019 Year-on-Year Growth

UC Volume Growth



¹Core business will relate to CCI's business excluding non-ready-to-drink ('NRTD') Tea distribution

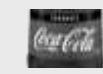
Highlights



Favorable sales mix with a higher IC share in Sparkling → +2 pp yoy increase in 2019



6% increase in Low/No Sugar in 2019



31.1% growth in Low/No Sugar in 4Q19



On-premise channel supported volume growth throughout 2019



Continued media investments and successful market execution



Sparkling market share of 66%*

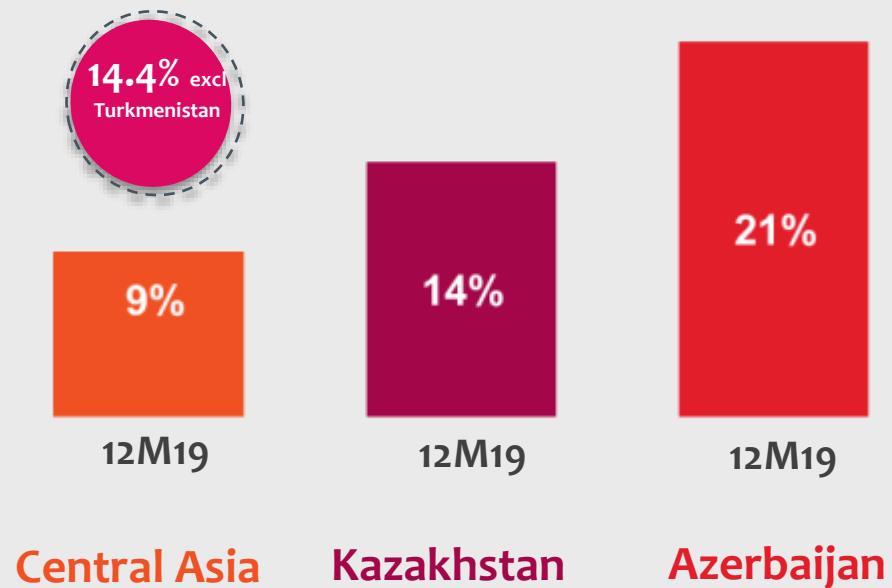
* Nielsen Dec 19



Central Asia: outstanding performance

Kazakhstan & Azerbaijan

UC Volume Growth yoy



Highlights

- Double digit growth in all markets except Turkmenistan
- Strong consumer activations and successful market execution in Kazakhstan
- Share gains in all categories in Kazakshtan
- 34% growth in Trademark Coca-Cola in Azerbaijan
- Sparkling market shares improved in the region

Kazakhstan¹ ↑ 51%

Azerbaijan² ↑ 86%

Kyrgyzstan³ ↑ 70%

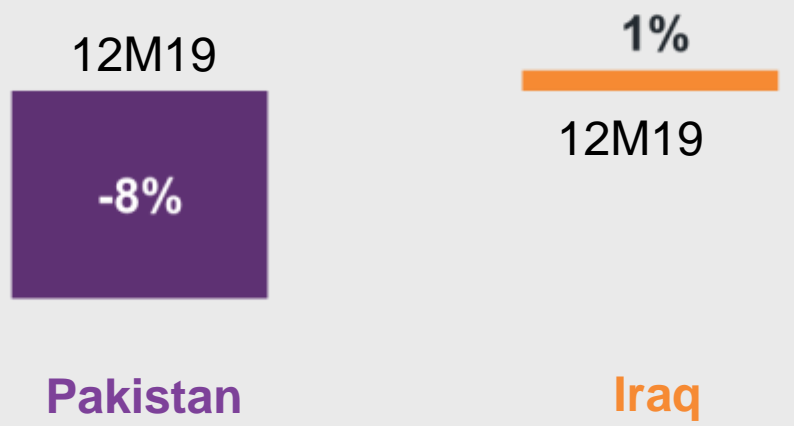
¹ Nielsen Dec 19

² Canadean Sep 19

³ Ipsos Oct 19

Pakistan & Iraq

UC Volume Growth yoy



Highlights

- Weak macroeconomic condition & tough competitive environment impacting growth
- Trademark Coca-Cola outperformed its segment in Pakistan
- Continued share gains in sparkling in Pakistan
- Strong Sparkling category in Iraq with 4% growth in FY19 and TM Coca-Cola growth at 6%

FINANCIAL OVERVIEW

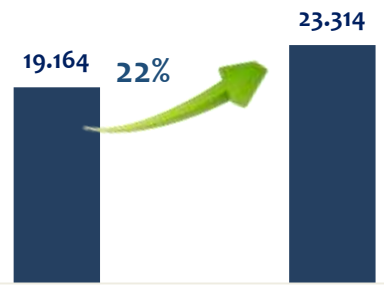


EBITDA margin expanded, outperforming guidance...



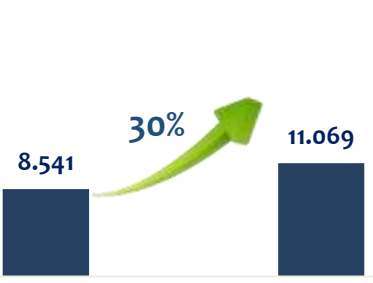
Net Sales

ANADOLU EFES



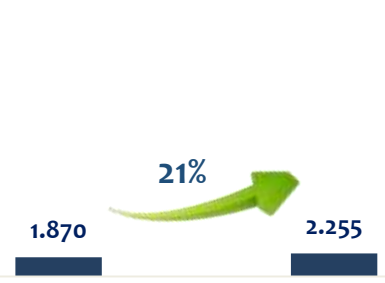
2018 Proforma 2019

BEER GROUP



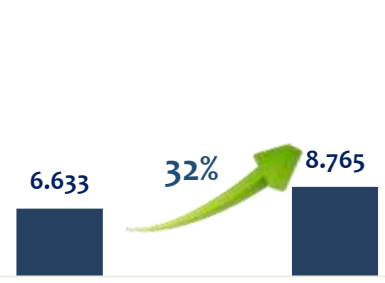
2018 Proforma 2019

TURKEY BEER



2018 2019

EBI



2018 Proforma 2019

Margin: 35.4% 37.7%

38.1% 41.4%

56.4% 54.2%

32.6% 37.7%

Gross Profit



2018 Proforma & Restated 2019



2018 Proforma & Restated 2019



2018 Reclassed 2019



2018 Proforma & Restated 2019

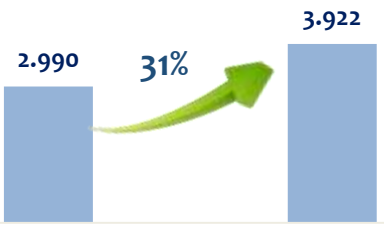
Margin: 15.6% 16.8%

13.1% 15.4%

21.3% 15.9%

11.5% 16.0%

EBITDA (BNRI)



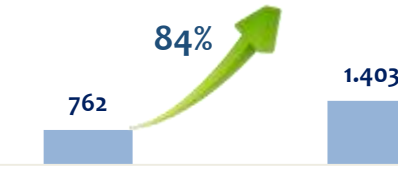
2018 Proforma & Restated 2019



2018 Proforma & Restated 2019



2018 Reclassed 2019



2018 Proforma & Restated 2019

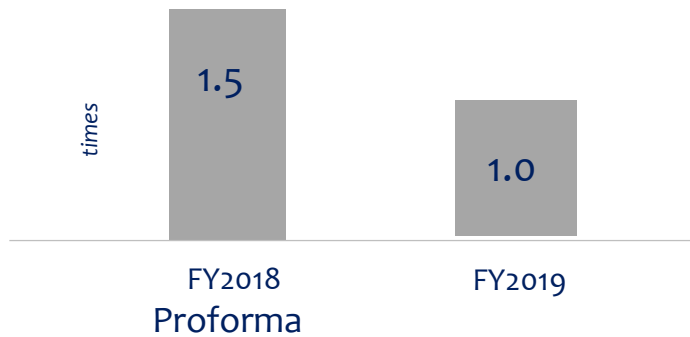
*2018 Proforma figures assume realization of ABI Efes JV as of January 1st 2018 (instead of actual April 1st). Therefore proforma 2018 restated results include 9 months of operation of combined business. In addition to actual results, 2018 figures also include the incremental depreciation charge in 2019 which is a result of the revaluation of fixed assets following the merger in Russia & Ukraine as required by IFRS 3.

Balance Sheet Discipline Maintained...



Net Debt / EBITDA (BNRI)¹

Anadolu Efes Consolidated

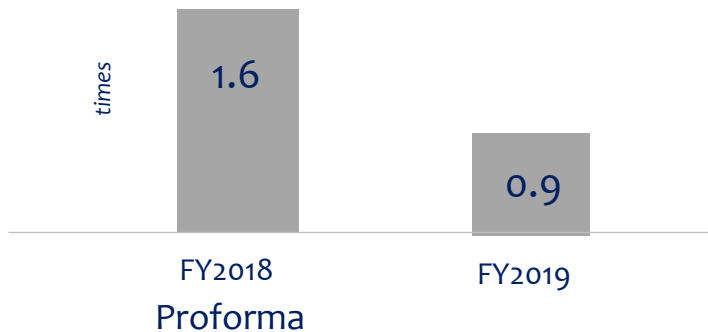


-61% of cash is hold as hard currency

-80% of debt is in hard currency
(57% of our debt is hedged through
Net Investment Hedge and CCS)

-89% of debt has fixed interest

Beer Group

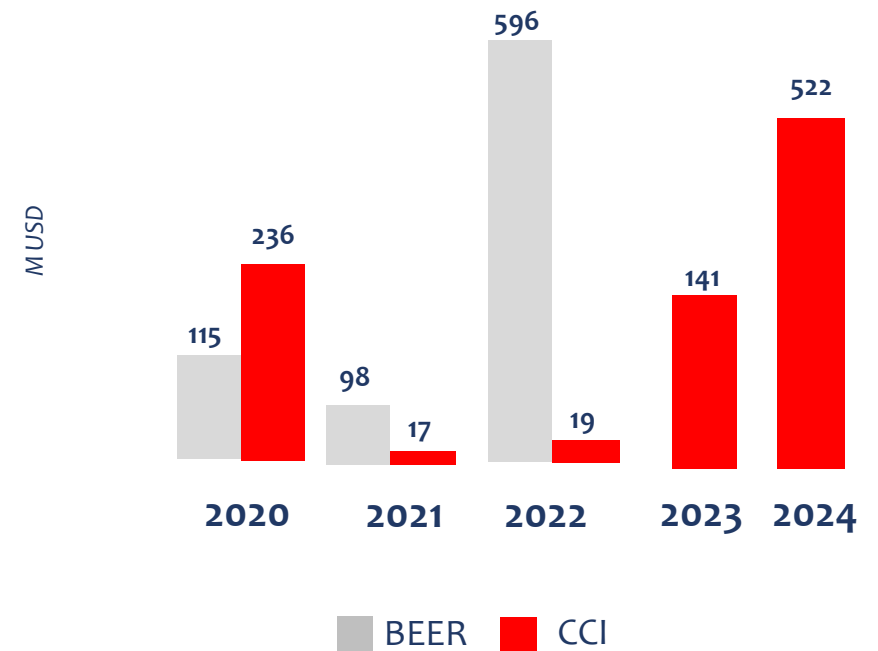


-63% of cash is hold as hard currency

-74% of debt is in hard currency
(69% of our debt is hedged through
Net Investment Hedge)

-100% of debt has fixed interest

Maturity Schedule²



Weighted average maturity of debt for

Beer Group is 2.3 years and

Anadolu Efes is 2.8 years

¹For the purposes of Net Debt to EBITDA calculation, EBITDA(BNRI) excluding IFRS 16 impact was used.

¹Trailing 12 month EBITDAs include ABI Russia and ABI Ukraine effect for the whole 12 month period.

²Figures represent principal amounts

Solid Cash Flow Generation

- ✓ Topline growth & margin expansion
- ✓ Prudent Capex Spending
- ✓ Tight Working Capital Management

Beer Group FCF



Anadolu Efes FCF



2020 Financial Priorities



CASH MANAGEMENT

- Funding plan for 2020 is on track



DEBT MANAGEMENT

- Manage leverage ratios and maturity schedule



RISK MANAGEMENT

- Manage FX & Commodity Exposure
- Working capital solutions



EXPENSE MANAGEMENT

- Zero Based Spending



PRODUCTIVITY & FCF

- Focus on Balance Sheet Health
- Free Cash Flow Improvement



2020 OUTLOOK



Detailed 2020 Guidance

SALES VOLUME

| | |
|----------------------------------|--|
| Consolidated | grow by low-to-mid-single digit |
| Total Beer | grow by low-to-mid single digit |
| Turkey Beer | to be flat |
| Russia | to grow by low-to-mid single digit while outperforming the market. The competitive environment became tougher within the last year and we expect this trend to continue. |
| International Beer | to grow by low-to-mid single digit with the positive contribution of all international operations |
| Soft Drinks | 3-4% growth |
| Turkey Soft Drinks | flattish |
| International Soft Drinks | mid-single digit growth |

NET SALES REVENUE

| | |
|---------------------------|--|
| Consolidated | grow by low-teens on FX-Neutral basis, supported by all business lines |
| Total Beer | grow by low-teens on FX-Neutral basis, benefitting from both Turkey and international beer |
| Turkey Beer | grow by high-teens attributable to favorable product mix and price increases |
| International Beer | increase by low-teens on FX-Neutral basis, driven by higher volume growth, price increases and portfolio mix |
| Soft Drinks | 15-18% growth on a consolidated basis (FX-neutral) |

EBITDA MARGIN

| | |
|---------------------------|---|
| Consolidated | flat |
| Total Beer | to be flat or to slightly improve |
| Turkey Beer | flat to slightly decline due to the lack of price increase at the beginning of the year where the impact of cost inflation to be covered with a lag |
| International Beer | improve which is predominantly attributable to the margin improvement in Russia and Ukraine where we will benefit from scale and portfolio |
| Soft Drinks | Circa 100 bps improvement without the impact of cash designation and slight decline on a reported basis |

FCF Continue to deliver strong FCF in both beer and soft drinks, yet lower compared to 2019 due to the cycling effects of a very strong base.

CAPEX as a percentage of sales high single digits on a consolidated basis



THANK YOU

