

**ANADOLU EFES
BİRACILIK VE MALT SANAYİİ A.Ş.**

*Interim Operational Report
as of 30.09.2021*

1. Anadolu Efes in Brief:

Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (“Anadolu Efes”) carries out its business and operations across a broad region that includes Turkey, Russia, members of the Commonwealth of Independent States (CIS), and Central Asian and Middle Eastern countries. Anadolu Efes is a subsidiary of AG Anadolu Group Holding A.Ş., one of Turkey’s biggest conglomerates, and is responsible for the conduct of Anadolu Group’s operations in the beverages sector.

Anadolu Efes started out its business with two breweries that it opened in Turkey back in 1969. Shortly, the company became the leader of the domestic beer market. Anadolu Efes runs its international beer operations through Efes Breweries International NV (“EBI”), its 100% subsidiary based in Netherlands. Anadolu Efes is also the main shareholder (50.3%) of Coca- Cola İçecek A.Ş. (“CCI”), which runs Coca-Cola operations in Turkey and abroad.

Making more than two-thirds of its net sales in international markets, Anadolu Efes is Europe’s 5th and the world’s 10th largest brewer by production volume. The Company has an enriched product portfolio of beer and soft drinks brands and operates in a wide geographic region together with its export markets serving to hundreds of millions worldwide. With 21 breweries, 5 malteries, 1 hops processing facility and 1 preform plant in 6 countries, and 29 bottling plants in 11 countries, including Turkey among others, Anadolu Efes is operating as one of the most important players in its region. The company ships its products to more than 70 countries.

2. Corporate Structure:

2.1 Capital Structure:

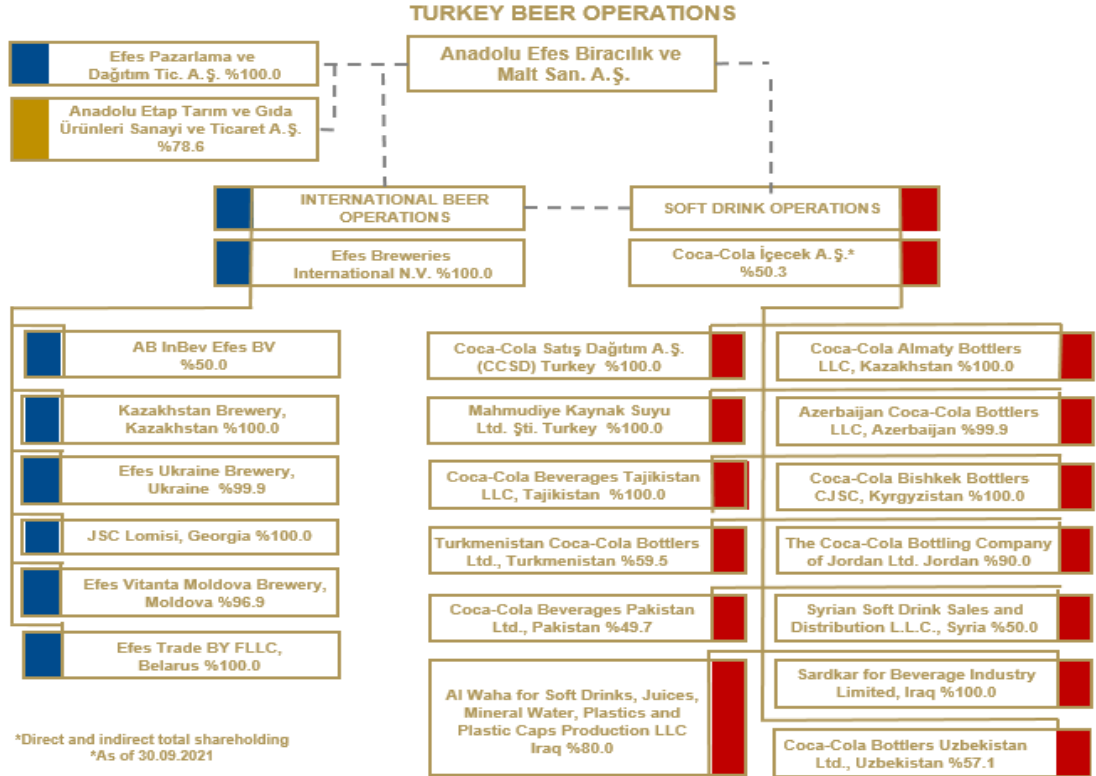
The composition of shareholders and their respective percentage of ownership can be summarized as follows:

Anadolu Efes Biracılık ve Malt Sanayii A.Ş. Capital Structure (as of 30.09.2021);

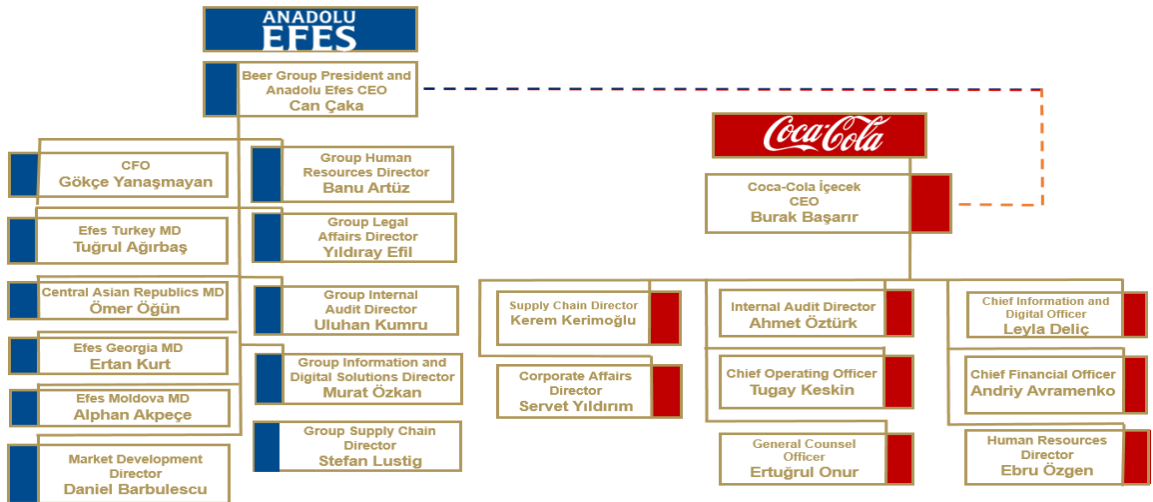
	Share Amount (TL)	Share Ratio (%)
AG Anadolu Grubu Holding A.Ş.	254.891.157	43,05
AB InBev Harmony Ltd.	142.105.263	24,00
Publicly-traded and other	195.108.843	32,95
Total issued capital	592.105.263	100,00

As of 30.09.2021, Anadolu Efes has registered capital ceiling of TL 900,000,000, issued capital of TL 592,105,263. Company’s capital is comprised of 592,105,263 shares each with a nominal value of 1 (one) TL. 142,105,263 of the shares are registered to and owned by AB InBev Harmony Limited, while 450,000,000 of the shares are bearer shares. Of Anadolu Efes’ capital stock, 43.05% is held by AG Anadolu Group Holding A.Ş. and 24% is held by AB InBev Harmony Ltd, while 33% is publicly owned. AG Anadolu Grubu Holding A.Ş. (AGHOL.IS) is a publicly held company trading on the Borsa Istanbul (BIST).

2.2 Main Subsidiaries (as of September 30, 2021):



2.3 Organizational Chart (as of September 30, 2021):



3. Developments in the period:

3.1 Announcement Regarding the Tender Offer Results (July 1, 2021):

As disclosed in our announcement on the Public Disclosure Platform dated 1 July 2021; the cash tender offer of the Company for the bonds with a nominal value of USD 500,000,000 with a maturity of 2022 has been terminated as of 30 June 2021, and the repurchase of the principal amount of USD 319,613,000 in total at the end of the period has been completed. The payment of the related principal was made on 2 July 2021.

3.2 Announcement Regarding JCR Credit Rating (August 31, 2021):

JCR Eurasia Rating has assigned "AAA (Trk)" long term national rating for Anadolu Efes which is the highest notation and "A-1+ (Trk)" short term national rating with "Stable" outlook.

JCR Eurasia Rating has assigned "BBB-" long term foreign and local currency rating for Anadolu Efes and "A-3" short term foreign and local currency rating with "Stable" outlook.

4. Corporate Governance Compliance Report:

4.1 Investor Relations Unit:

Investor Relations Unit, established within our Company's Finance Directorate, continued to conduct the relations with our shareholders in the first nine months of 2021.

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Licences: CMB Capital Market Activities Advanced Level License and CMB Corporate Governance Rating Specialist License

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Company representatives attended 12 roadshows/conferences (virtual) that were intended to provide shareholders and investors with information about the company in the first nine months of 2021. In the meantime, meetings took place with a total of 158 domestic and international institutional and private investors and shareholders, addressing the company's business results, performance, and other developments in the period.

The Corporate Governance Committee is responsible for monitoring the activities of the Investor Relations Unit of our company. Within this context, the Committee determines the standards for all announcements and main principles of investor relations, reviews these standards and principles and compliance with these every year, and gives necessary advices to the Board of Directors. The report that is prepared by the Investor Relations Unit regarding its activities and submitted to the Corporate Governance Committee at every meeting held by the Committee is also submitted to the Board of Directors by the Committee. In the first nine months of 2021, four Committee meetings were held, whose date are on 23.02.2021, 25.02.2021, 27.07.2021 and 12.08.2021. Corporate Governance Committee met once more on 19.02.2021 in order to execute duties of the Nomination Committee.

5. Subsequent Events:

5.1 Announcement Regarding the Collective Labor Agreement (October 6, 2021):

Anadolu Efes agreed with Tek-Gıda İş Labor Union on the terms of the collective labor agreement for the period September 1, 2021 - August 31, 2023 and it is currently at signing stage. The main terms of the collective agreement are as follows; Gross wages of the union member employees will be increased by gross 1500 TL per person per month in the first year of the collective labor agreement. In the second year of the agreement, gross wages of the union member employees will be increased by the rate of increase in the Consumer Price Index announced by the State Statistical Institute +3% and by gross 200TL per person per month.

6. Effect of COVID-19 Outbreak on Group Operations:

The Group has been implementing several contingency plans to mitigate the potential negative impacts of COVID-19 on the Group's operations and financial statements. It has been some partial hitches in sales process due to lockdowns and due to closure of some sales channels in countries where the Group operates in line with the slowdown in global markets and beer/ beverage industry. Meanwhile the Group has taken series of actions to minimize capital expenditures, expenses and inventory level and has reviewed current cash flow strategies to maintain strong balance sheet and liquidity position. Lifting of curfews and decrease in restrictions regarding to pandemic had positive effect on both market demand and the Group's operations.

The Group management has evaluated the potential effects of COVID-19 outbreak and reviewed the key assumptions estimations used in proportion of the interim condensed consolidated financial statements. In this concept, Group has performed impairment test for financial assets, inventories, property, plant and equipment, right-of-use assets, deferred tax asset, goodwill and brands and do not anticipate any material impairment loss in the interim condensed consolidated financial statements as of September 30, 2021.

7. Sustainability:

Our company has published its 2020 Sustainability Report. The report includes our Positive Impact Plan strategy, our focus areas and our performance and progress in them, and the Sustainability Goals for 2030 that we announced this year. According to our 2030 Goals determined in line with the United Nations Sustainable Development Goals guide, we aim to;

- Become net zero in all our operations by 2030.
- Become a certified zero-waste beer producer in all our operations by 2030.
- Continue to reduce plastic usage.
- In cooperation with all our stakeholders, we will continue making our community investments according to our longterm perspective to increase the social impact we create.
- By 2030, all our farmers will be educated on sustainable agriculture practices.
- We will continue to partner with young entrepreneurs and support their dreams wherever possible.
- Increase the representations of women in our organization from 30% to 51% by 2030.
- Become certified in gender equality in all our operations by 2023.

[Click](#) to access the report.

ANADOLU EFES

9M2021 EARNINGS RELEASE

Istanbul, November 4, 2021

3Q2021 HIGHLIGHTS

- **Consolidated sales volume** increased by 9.2% to 35.8 mhl
- **Consolidated net sales revenue** up 34.9% to TL 11,787.0 million
- **Consolidated EBITDA Before Non-Recurring Items (BNRI)** up 12.8% to TL 2,356.1 million

9M2021 HIGHLIGHTS

- **Consolidated sales volume** increased by 11.9% to 92.2 mhl
- **Consolidated net sales revenue** up 39.4% to TL 28,333.6 million
- **Consolidated EBITDA Before Non-Recurring Items (BNRI)** up 32.3% to TL 5,140.7 million
- **Consolidated Free Cash Flow** was TL 4,248.2 million in 9M2021 vs. TL 2,895.6 million in 9M2020

MANAGEMENT COMMENTS

“I am very happy to deliver strong results for another quarter. Eased restrictions along with the increased mobility led to a successful volume performance in the third quarter. On top of 9% volume growth achieved on a consolidated basis the robust growth in per unit prices yielded a topline growth of over 30%. While in July, Russia has recorded the highest-ever monthly beer sales, similarly the soft drink volumes in Turkey have hit its record-high monthly level. Our profitability margins on the other hand was below last year due to cycling a high base of last year. The margins were also impacted from the recent hike in commodity and raw material prices” **commented Mr. Can Çaka, Beer Group President and Anadolu Efes CEO**

In beer group, we sustained our volume growth momentum similar to the first half of 2021, thanks to the superior performance of international beer operations led by Russia and CIS countries. In soft drinks, Turkey and Pakistan had another solid quarter, also CIS managed to grow by double-digits.

It is very encouraging that Russia had almost double-digit growth in the period despite last year’s high base. The growth was assisted by favorable market dynamics but we also benefitted from the development of our premium and NABLAB segment as well as adjacent categories. Despite the pandemic, the strong results achieved in Russia since the beginning of the year were as a result of our superior execution capabilities, our dedication to commercial excellence also to excellent portfolio management by offering the right choice to consumers. Ukraine on the other hand had a challenging quarter once again due to higher pricing over competition. In CIS countries, we continued our leadership with successful market implementations and differentiated offerings including non-alcoholic and flavored beer. In line with our strategy to expand our geographic footprint, beer export volumes expanded significantly, where exports to China, Belarus and MENA regions showed double-digit increases.

In Turkey, we continued to invest in our “+1 Relaunch” and increase engagement with our consumers. As part of Company’s strategy to own innovative leadership, we launched “Efes Glutensiz” the first gluten-free beer produced in Turkey, which was developed in our innovation center in İzmir. I am very excited to see strong dynamics despite a very short period of time; since the launch.

As of end-of September, in our soft drinks operations the Uzbekistan acquisition was completed; marking another milestone for our Company. I believe that with its strong growth potential, it will make a significant contribution to our growth dynamics going forward.

Rising commodity prices, fluctuating FX rates as well as the high inflation environment have already started to pressurize our profitability performance since the beginning of the quarter. However, we have already started to take actions across the board to address these challenges by implementing price increases as well as using hedging tools to limit the impact on our margins for the rest of the year and for 2022. Our strong positions in the operating markets, our wide premium brand portfolio, strong pricing power, tight expense management skills will be the determinants to be able to overcome these headwinds.

SUMMARY FINANCIALS

Consolidated (TL mn)	3Q2020 Restated**	3Q2021***	Change %	9M2020 Restated**	9M2021***	Change %
Volume (mhl)	32.8	35.8	9.2%	82.4	92.2	11.9%
Net Sales	8,739.9	11,787.0	34.9%	20,323.6	28,333.6	39.4%
Gross Profit	3,521.9	4,368.1	24.0%	7,525.3	10,239.4	36.1%
EBIT (BNRI)	1,454.3	1,778.3	22.3%	2,119.2	3,375.7	59.3%
EBITDA (BNRI)	2,088.2	2,356.1	12.8%	3,884.5	5,140.7	32.3%
Net Income/(Loss)*	449.0	556.4	23.9%	688.8	1,266.7	83.9%
FCF	1,904.2	2,294.8	20.5%	2,895.6	4,248.2	46.7%
			Change (bps)			Change (bps)
Gross Profit Margin	40.3%	37.1%	-324	37.0%	36.1%	-89
EBIT (BNRI) Margin	16.6%	15.1%	-155	10.4%	11.9%	149
EBITDA (BNRI) Margin	23.9%	20.0%	-390	19.1%	18.1%	-97
Net Income Margin*	5.1%	4.7%	-42	3.4%	4.5%	108

Beer Group (TL mn)	3Q2020	3Q2021	Change %	9M2020	9M2021	Change %
Volume (mhl)	10.6	11.1	4.4%	28.0	29.2	4.3%
Net Sales	3,767.5	4,993.2	32.5%	9,117.0	11,969	31.3%
Gross Profit	1,623.8	1,939.6	19.4%	3,585.9	4,455.4	24.2%
EBIT (BNRI)	298.8	427.5	43.1%	234.0	470.6	101.1%
EBITDA (BNRI)	682.1	716.7	5.1%	1,264.2	1,381.9	9.3%
Net Income/(Loss)*	30.5	97.3	219.3%	150.4	602.5	300.7%
FCF	443.8	434.9	-2.0%	687.0	1,519.1	121.1%
			Change (bps)			Change (bps)
Gross Profit Margin	43.1%	38.8%	-426	39.3%	37.2%	-211
EBIT (BNRI) Margin	7.9%	8.6%	63	2.6%	3.9%	136
EBITDA (BNRI) Margin	18.1%	14.4%	-375	13.9%	11.5%	-232
Net Income Margin*	0.8%	1.9%	114	1.6%	5.0%	338

CCI (TL mn)	3Q2020 Restated**	3Q2021***	Change %	9M2020 Restated**	9M2021***	Change %
Volume (mn u/c)	390	435	11.5%	957	1,109	15.9%
Net Sales	4,973	6,794	36.6%	11,207	16,365	46.0%
Gross Profit	1,893	2,428	28.3%	3,936	5,784	46.9%
EBIT	1,158	1,354	16.9%	1,893	2,914	53.9%
EBITDA	1,406	1,639	16.6%	2,620	3,758	43.4%
Net Income/(Loss)*	835	916	9.7%	1,317	2,040	54.9%
FCF	1,293	1,660	28.4%	1,918	2,499	30.3%
			Change (bps)			Change (bps)
Gross Profit Margin	38.1%	35.7%	-233	35.1%	35.3%	22
EBIT Margin	23.3%	19.9%	-336	16.9%	17.8%	92
EBITDA Margin	28.3%	24.1%	-415	23.4%	23.0%	-41
Net Income Margin*	16.8%	13.5%	-331	11.7%	12.5%	77

* Net income attributable to shareholders

**Soft drinks operations' 3Q2020 and 9M2020 financials have been restated to reflect the impact of spare parts accounting change.

*** Acquisition of CCBU was completed on Sep 29th, 2021 and accordingly the CCBU financial results were not consolidated in our 3Q21 and 9M21 consolidated P&L statements, while consolidated balance sheet includes CCBU figures as of 30.09.2021. Therefore, all operational performance metrics presented in this release are on an organic basis and do not include impact of CCBU, except indicated otherwise.

OPERATIONAL PERFORMANCE – ANADOLU EFES CONSOLIDATED

AEFES Consolidated (TL mn)	3Q2020 Restated**	3Q2021***	% change	9M2020 Restated**	9M2021***	% change
Volume (mhl)	32.8	35.8	9.2%	82.4	92.2	11.9%
Net Sales	8,739.9	11,787.0	34.9%	20,323.6	28,333.6	39.4%
Gross Profit	3,521.9	4,368.1	24.0%	7,525.3	10,239.4	36.1%
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EBITDA (BNRI)	2,088.2	2,356.1	12.8%	3,884.5	5,140.7	32.3%
Net Income/(Loss)*	449.0	556.4	23.9%	688.8	1,266.7	83.9%
FCF	1,904.2	2,294.8	20.5%	2,895.6	4,248.2	46.7%
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EBIT (BNRI) Margin	16.6%	15.1%	-155	10.4%	11.9%	149
EBITDA (BNRI) Margin	23.9%	20.0%	-390	19.1%	18.1%	-97
Net Income Margin*	5.1%	4.7%	-42	3.4%	4.5%	108

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**Soft drinks operations' 3Q2020 and 9M2020 financials have been restated to reflect the impact of spare parts accounting change.

*** Acquisition of CCBU was completed on Sep 29th, 2021 and accordingly the CCBU financial results were not consolidated in our 3Q21 and 9M21 consolidated P&L statements, while consolidated balance sheet includes CCBU figures as of 30.09.2021. Therefore, all operational performance metrics presented in this release are on an organic basis and do not include impact of CCBU, except indicated otherwise.

Anadolu Efes' **consolidated sales volume** marked another strong performance in 3Q2021, and reached 35.8 mhl, yielding 9.2% growth with the contribution of both business lines. While in beer group Russia and CIS operations supported volume growth, soft drink operations posted double-digit expansion with superior performances delivered in Turkey, Pakistan and Kazakhstan.

Consolidated net sales revenue grew by 34.9% to TL 11,787.0 million in 3Q2021 with FX-neutral basis increase of 22.3%. Per hl net revenue increase was mainly coming from price increases through the year. Topline also benefitted from premiumization in beer group and proactive RGM actions and better discount management. In 9M2021, net sales revenue grew by 39.4% reaching TL 28,333.6 million.

Consolidated EBITDA (BNRI) increased by 12.8% year-on-year to TL 2,356.1 million; lagging behind the revenue growth due to the gross margin pressure across the board. There was a decline in OpEx margin in international beer operations thanks to efficient management of expenses although cycling an already tight base. In soft drinks, there was an increase in direct marketing expenses as a result of re-opening of the on-premise channel and eased restrictions in most of the operating countries. In 9M2021, EBITDA (BNRI) reached TL 5,140.7 million with a margin of 18.1%; slightly below last year.

Anadolu Efes posted TL 556.4 million **net income** in 3Q2021 versus TL 449.0 million in 3Q2020. Despite higher financial expenses in beer group and non-cash provision for spare-parts in soft drinks, which had one-off negative impact on the bottomline, net profitability was supported by higher operational profitability as well as the gain on land sales in CCI. Accordingly, in 9M2021, net profit reached TL 1,266.7 million versus TL 688.8 million in 9M2020.

It was another quarter with significant cash generation where Anadolu Efes' **Free Cash Flow** grew by 20.5% year-on year, on top of an already a very high level in 3Q2020. Successful working capital performance in both business lines together with tight capex management in soft drinks yielded TL 2,294.8 million free cash flow in 3Q2021 bringing up 9M2021 level to TL 4,248.2 million. Consolidated **Net Debt to EBITDA (BNRI)** improved slightly compared to 1H2021 and was realized at 0.8x as of September 30, 2021; despite the acquisition of Uzbekistan operation during the period.

OPERATIONAL PERFORMANCE - BEER GROUP

Beer Group (TL mn)	3Q2020	3Q2021	% change	9M2020	9M2021	% change
Volume (mhl)	10.6	11.1	4.4%	28.0	29.2	4.3%
Net Sales	3,767.5	4,993.2	32.5%	9,117.0	11,969.5	31.3%
Gross Profit	1,623.8	1,939.6	19.4%	3,585.9	4,455.4	24.2%
EBIT (BNRI)	298.8	427.5	43.1%	234.0	470.6	101.1%
EBITDA (BNRI)	682.1	716.7	5.1%	1,264.2	1,381.9	9.3%
Net Income/(Loss)*	30.5	97.3	219.3%	150.4	602.5	300.7%
FCF	443.8	434.9	-2.0%	687.0	1,519.1	121.1%
			Change (bps)			Change (bps)
Gross Profit Margin	43.1%	38.8%	-426	39.3%	37.2%	-211
EBIT Margin	7.9%	8.6%	63	2.6%	3.9%	136
EBITDA Margin	18.1%	14.4%	-375	13.9%	11.5%	-232
Net Income Margin*	0.8%	1.9%	114	1.6%	5.0%	338

*Net income attributable to shareholders

Beer group sales volume had a strong performance in 3Q2021 as well and reached 11.1 mhl with 4.4% increase year-on-year, despite cycling a high base of last year. The volume growth was attributable to the strong performance achieved in international beer operations; which significantly outperformed our expectations in the quarter. As a result, in 9M2021 beer group volumes marked a year-on-year increase of 4.3% reaching 29.2 mhl.

International beer operations' volumes grew by 6.2% year-on-year to 9.5 mhl in 3Q2021 as a result of remarkable volume performance delivered primarily in Russia and Georgia. International beer operation's year-on-year volume increase was 4.4% in 9M2021 taking up the volumes to 25.5 mhl. Despite the high base of last year, **Russian** beer volumes were up by high-single versus last year in 3Q, where July volumes were the highest monthly sales ever reported as a result of favorable weather conditions. The volumes in the quarter benefitted from higher demand in the market but it was also supported by exports. In line with our long-term strategy, there has been an expansion in adjacent categories' volumes as well. Our value share expanded compared to last year as a result of better pricing and premiumization. The premium segment continued its double-digit growth in this quarter as well benefitting from the good performances of Essa, BUD, Hoegaarden and Stella Artois brands. **Ukraine** was the only international operation posting volume decline in the quarter due to unfavorable weather conditions especially in September together with the continued impact of higher pricing compared to competition. **CIS countries'** volumes continued to be strong, with double-digit growth achieved in Georgia and mid-single digit growths delivered in Kazakhstan and Moldova. There has been significant improvement year-on-year in on-trade sales following the eased restrictions during summer period. Increased communication in all touchpoints to build and strengthen brand equity together with the improvements in route-to-market helped our performance during the period. **Turkey** volumes decreased by 5.2% year-on-year in 3Q2021 following a very strong quarter in 2Q. Despite the increase in on-trade volumes versus last year, the forest fires that raged across Turkey's southern provinces for nearly two weeks affected hotel reservations as well as the traditional trade sales during the peak season. Accordingly, in 9M2021, Turkey beer operations' volumes grew by 3.6% year-on-year to 3.7 mhl.

Beer Group sales revenue increased by 32.5% year-on-year to TL 4,993.2 million in 3Q2021. The FX-neutral increase was at 16.6%. **International beer operation's revenue** was up by 35.6% year-on-year with an FX-neutral basis increase of 15.0% and reached TL 3,956.5 million in 3Q2021. The strong topline performance in international beer operations was assisted by higher volumes as well as better pricing.

Favorable product mix and increased contribution of operations with higher rev/hl also supported the revenue performance in the quarter. **Turkey beer sales revenue** grew by 21.9% year-on-year to TL 1,016.4 million in 3Q2021. The price increase implemented during the quarter assisted topline and revenue/hl increase in 3Q was realized at 28.6% being almost in line with its level in the 1H despite full opening of on-trade channels which has lower contribution to per hl prices. As a result, beer group sales revenue in 9M2021 reached TL 11,969.5 million with a year-on-year increase of 31.3%

Beer group gross profit grew by 19.4% to TL 1,939.6 million in 3Q2021; with a margin of 38.8%. In international beer operations, gross margin declined as a result of the year-on-year higher fx hedge rates as well as the increase in raw material and commodity prices which started to impact gross profitability since the beginning of the quarter despite strong pricing. Turkey beer's gross margin was also below last year, negatively impacted by volume decline as well as the pressure coming from raw material and commodity price increases. Higher share of on-trade compared to last year as well as the shift in consumer demand to can packaging also affected gross profitability. As a result, beer group gross profit was TL 4,455.4 million; yielding a margin of 37.2%, 211 bps below last year.

The pressure on the gross profitability in 3Q2021 was reflected to **Beer group EBITDA (BNRI)** despite year-on-year savings in international operation's OpEx which was realized despite an already tight level of last year; thanks to our Zero-Based Spending program. The difference in EBIT (BNRI) and EBITDA (BNRI) performance was related to the limited increase in depreciation expenses in Russia in 3Q2021 versus a year ago. Thus, in 3Q2021 beer group EBITDA (BNRI) increased by 5.1% to TL 716.7 million taking up 9M2021 level to TL 1,381.9 million. EBITDA (BNRI) margin was realized at 11.5% in 9M2021 compared to 13.9% a year ago.

Beer Group net income increased from TL 30.5 million in 3Q2020 to TL 97.3 million in 3Q2021. The year-on-year improvement in absolute EBIT (BNRI) was translated into bottom-line despite year-on-year higher financial expenses. The increase in financial expenses was due to higher interest expenses as a result of TL devaluation against hard currencies as well as the increase in borrowing costs in Turkey compared to last year. Thus in 9M2021, bottomline reached TL 602.5 million net income in 9M2021 improving significantly over last year.

Beer Group Free Cash Flow was recorded as TL 434.9 million in 3Q2021 being almost parallel to last year's level. Free Cash Flow in the quarter was again supported by notable working capital management in Russia benefitting from the trade receivables and payables performances; which is going to be normalizing at the end of the year. On top of an already high level in 1H, free cash flow in 9M2021 reached TL 1,519.1 million versus TL 687.0 million a year ago.

OPERATIONAL PERFORMANCE - SOFT DRINK GROUP

MANAGEMENT COMMENTS

Burak Basarir, CEO of Coca-Cola Icecek, commented: "CCI's results in the third quarter reflect the continued business momentum across our operations. We are happy to deliver the highest ever quarterly sales volume, solid topline performance, and healthy margins. On top of 11% volume growth on a yearly basis, our net sales revenue per unit case on an FX neutral basis grew by 14%. Despite upward price trends in global commodity markets and supply-side bottlenecks, we managed to deliver strong profit growth and margins in 3Q2021.

Our business benefited from the increased mobility and eased restrictions as vaccinations gathered pace in most of our key markets during the quarter.

Having hedged the majority of our commodity needs for 2021, the pressure of high commodity prices on our cost base was limited. Despite cycling a very strong quarter of 3Q2020, where CCI recorded its highest margin in history, our EBITDA increased by 17% with a 24% margin in the third quarter of 2021, still significantly above historical averages. As guided before, the margin contraction is due to the unsustainably high base of the last year. As we continue to navigate the pandemic environment, we are fully on track to deliver in line with the guidance and the quality growth algorithm in 2021, thanks to our brands, adaptive business model, prudent financial policy, and agile mindset.

Turkey operation had a very successful quarter, achieving the highest summer season sales. This was delivered by the relentless focus on serving consumer needs, excellence in execution, and digitizing customer relationships. Favorable weather conditions and partial recovery in the tourism sector were other positive contributors. Volume grew 15% in the third quarter. Revenue growth management initiatives and improving channel mix with recovery at on-premise outlets contributed to the robust topline performance in Turkey.

On the international front, we recorded 9% volume growth in 3Q2021. Pakistan continued building on its sound infrastructure and grew 8% in the quarter on the back of higher outlet penetration, improved route to market capabilities, better execution, and effective promotion management. Smooth execution of price adjustments and refreshment summer offerings assisted healthy topline growth in Pakistan. Central Asia operations maintained strong momentum with double-digit volume growth mainly driven by Kazakhstan, Azerbaijan, and Kyrgyzstan.

As we move towards the year-end, some of the headwinds continue impacting our operations. The Covid-19 variants and the increasing number of cases in our countries create uncertainties for the rest of the year, especially in the upcoming winter. The upward price trends in global commodity markets resulting from strong demand and supply-side bottlenecks lead to a higher cost environment and continue to put pressure on margins. However, we are confident to deliver in line with our 2021 guidance as we continue to exercise financial discipline, tight opex management, along with raw material hedging initiatives taken throughout the pandemic. We expect to face cost pressures on our 2022 margins resulting from higher commodity prices. We work on various mitigation plans to sustain our profitable growth, including but not limited to RGM initiatives, widening our supplier base, strong collaboration within the Coke system, and locking in physical & financial commodity hedges where possible. Leveraging learnings from the pandemic period, we focus on lean portfolio management and the generation of cash flows for the rest of the year.

As of the 29th of September, we completed the Uzbekistan acquisition, and we are excited to consolidate it to our operations. We believe the country offers significant growth potential. Integration work

is proceeding at full speed. By the end of the year, we expect to provide more precise guidance on this new business's impact on our consolidated results.

As the pace of recovery among our markets motivates us, we continue to keep our cautious stance while having full confidence in the strong potential of our business and the strength of our people. We will continue to act as One Team, strive to create value for all our stakeholders, and keep working for a healthy, sustainable, and profitable future at CCI.”

Coca-Cola İçecek (TL mn)	3Q2020 Restated**	3Q2021***	% change	9M2020 Restated**	9M2021***	% change
Volume (mn u/c)	390	435	11.5%	957	1,109	15.9%
Net Sales	4,973	6,794	36.6%	11,207	16,365	46.0%
Gross Profit	1,893	2,428	28.3%	3,936	5,784	46.9%
EBIT	1,158	1,354	16.9%	1,893	2,914	53.9%
EBITDA	1,406	1,639	16.6%	2,620	3,758	43.4%
Net Income/(Loss)*	835	916	9.7%	1,317	2,040	54.9%
FCF	1,293	1,660	28.4%	1,918	2,499	30.3%
			Change (bps)			Change (bps)
Gross Profit Margin	38.1%	35.7%	-233	35.1%	35.3%	22
EBIT Margin	23.3%	19.9%	-336	16.9%	17.8%	92
EBITDA Margin	28.3%	24.1%	-415	23.4%	23.0%	-41
Net Income Margin*	16.8%	13.5%	-331	11.7%	12.5%	77

*Net income attributable to shareholders

**Soft drinks operations' 3Q2020 and 9M2020 financials have been restated to reflect the impact of spare parts accounting change.

*** Acquisition of CCBU was completed on Sep 29th, 2021 and accordingly the CCBU financial results were not consolidated in our 3Q21 and 9M21 consolidated P&L statements, while consolidated balance sheet includes CCBU figures as of 30.09.2021. Therefore, all operational performance metrics presented in this release are on an organic basis and do not include impact of CCBU, except indicated otherwise.

For the full text of Coca-Cola İçecek's 9M2021 Earnings Release, please refer to the link below:

www.cci.com.tr/en/investor-relations/financial-information/financial-results

2021 OUTLOOK

As we are heading to the last quarter of the year, the uncertainties and challenges which we should keep an eye on are still present. While COVID-19 and its variants continue to pose several risks going forward, the increasing trend in the commodity and raw material prices together with the high inflationary environment already started to affect our financials since the beginning of 2H. While we keep our 2021 beer group volume and revenue guidance intact, we are cautiously reiterating our EBITDA margin guidance. On the other hand, Soft Drink operation's previous guidance at the end of 1H2021 was given on an organic basis. The addition of Uzbekistan Operation in the last quarter of 2021 will only impact soft drink's consolidated results by a couple of percentage points at volume and net sales revenue while creating a slight dilution on EBITDA margin. However, given the strong business momentum year-to-date and increased visibility till the end of the year, there is a slight upside potential to CCI's original organic guidance on volume and currency neutral net sales revenue which is also reflected on Anadolu Efes' topline guidance as well. Therefore,

Consolidated sales volume is expected to grow by mid-to-high single digits (*previously: mid-single digit*)

Total Beer sales volume is to grow by low-single digit (*no change*)

Consolidated Soft Drinks sales volume is to grow by low-to-mid teens (*previously: high-single digits*) including the 4Q impact of Uzbekistan

Consolidated Net Sales Revenue is expected to grow by high-teens to low twenties on FX-Neutral basis, with the contribution of both business lines (*previously: high-teens*)

Total Beer revenue is expected to grow by low-teens on FX-Neutral basis (*no change*)

Total Soft Drinks revenue is expected to grow by high twenties to low thirties growth on FX-Neutral basis (*previously: by low-to-mid twenties*) including the 4Q impact of Uzbekistan

2021 outlook reflects management expectations and are based upon currently available data. Actual results are subject to future events and uncertainties including but not limited to macro-economic, financial, geopolitical and political risks, which could materially impact the Company's actual performance.

ANADOLU EFES CONSOLIDATED FINANCIAL PERFORMANCE

EBITDA (TL mn)	9M2020 Restated	9M2021
Profit/loss from Operations	2,115.9	3,373.9
Depreciation and amortization	1,521.1	1,674.2
Provision for retirement pay liability	33.5	35.2
Provision for vacation pay liability	14.5	25.5
Foreign exchange gain/loss from operating activities	190.3	21.6
Rediscount interest income/expense from operating activities	-0.3	0.9
Other	6.2	7.4
EBITDA	3,881.2	5,138.8
EBITDA (BNRI*)	3,884.5	5,140.7

* Non-recurring items amounted to TRL 3.3 million in 9M2020 and TRL 1.9 million in 9M2021

Financial Income / (Expense) Breakdown (TL mn)	9M2020	9M2021
Interest income	178.6	163.1
Interest expense	-510.5	-811.0
Foreign exchange gain /(loss)	142.6	314.4
Other financial expenses (net)	-45.4	-78.5
Gain/(loss) on derivative transactions	-226.5	-116.7
Net Financial Income /(Expense)	-461.2	-528.7

Free Cash Flow (TL mn)	9M2020	9M2021
EBITDA	3,881.2	5,138.8
Change in Working Capital	544.8	1,709.0
Income Taxes & Employee Benefits Paid	-242.3	-686.0
Payments of Lease Liabilities	-136.7	-125.5
CAPEX, net	-1,063.1	-1,403.1
Net Financial Income /(Expense)	-88.3	-385.1
FCF	2,895.6	4,248.2
Other investing activities (Acquisitions, Disposals, Minority Buy-Out and Share Capital Increases)	-126.4	-2,141.4
FCF (after investing activities)	2,769.2	2,106.8

	Consolidated Gross Debt	Cash & Cash Equivalents	Net Cash/(Debt) Position
AEFES Consolidated (TL mn)	14,565.6	9,341.7	-5,223.8
Beer Group (TL mn)	8,222.9	4,708.2	-3,514.7
Turkey Beer (TL mn)	7,504.7	1,729.1	-5,775.6
EBI (TL mn)	718.1	2,953.0	2,234.8
CCI (TL mn)	6,372.0	4,633.0	-1,739.0

Net Debt / EBITDA (BNRI)	9M2020	9M2021
Anadolu Efes Consolidated	0.6	0.8
Beer Group	1.3	1.7

PLEASE CLICK TO ACCESS ALL TABLES IN EXCEL FORMAT

ANADOLU EFES

Consolidated Income Statements For the Nine-Months Period Ended 30.09.2020 and 30.09.2021

Prepared in accordance with TAS/TFRS as per CMB Regulations

(TL mn)

	Restated 2020/09	2021/09
SALES VOLUME (mhl)	82.4	92.2
SALES REVENUE	20,323.6	28,333.6
Cost of Sales (-)	-12,798.4	-18,094.2
GROSS PROFIT FROM OPERATIONS	7,525.3	10,239.4
Selling, Distribution and Marketing Expenses (-)	-3,756.3	-5,105.2
General and Administrative Expenses (-)	-1,440.8	-1,821.1
Other Operating Income /Expense (net)	-212.2	60.7
EBIT (BNRI)	2,119.2	3,375.7
Income /Expense From Investing Activities (net)	356.0	526.7
Income / (Loss) from Associates	-224.0	-195.1
OPERATING PROFIT BEFORE FINANCE INCOME/(EXPENSE)	2,247.9	3,705.4
Financial Income / Expense (net)	-461.2	-528.7
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	1,786.7	3,176.8
Continuing Operations Tax Income/(Expense)		
- Current Period Tax Expense (-) / Income	-494.9	-817.2
- Deferred Tax Expense (-) / Income	-17.6	66.0
Income/(loss) after tax for the year from disc. operations	-4.4	0.0
INCOME/(LOSS) FOR THE PERIOD	1,269.7	2,425.6
Attributable to:		
Non-Controlling Interest	580.9	1,158.8
EQUITY HOLDERS OF THE PARENT	688.8	1,266.7
EBITDA (BNRI)*	3,884.5	5,140.7

*Non-recurring items amounted to TL 3.3 million in 9M2020 and TL 1.9 million in 9M2021.

Note: EBITDA comprises of Profit from Operations, depreciation and other relevant non-cash items up to Profit From Operations.

ANADOLU EFES
Consolidated Balance Sheets as of 31.12.2020 and 30.09.2021
Prepared in accordance with TAS/IFRS as per CMB Regulations
(TL mn)

	2020/12	2021/9
Cash & Cash Equivalents	8,525.0	9,339.6
Financial Investments	23.2	2.2
Derivative Instruments	135.1	130.6
Trade Receivables from Third Parties	2,422.2	4,434.2
from Related Parties	322.8	508.2
Other Receivables	162.5	269.6
Inventories	2,708.7	3,735.8
Other Current Assets	1,423.0	1,758.2
TOTAL CURRENT ASSETS	15,722.6	20,178.3
Trade Receivables	1.8	2.1
Financial Investments	0.8	0.8
Property, Plant and Equipment (incl. inv properties)	12,592.1	14,734.4
Right of Use Assets	327.3	316.6
Other Intangible Assets	17,167.7	19,820.4
Goodwill	3,299.3	5,796.2
Deferred Tax Assets	942.3	1,379.5
Non current derivative financial instruments (asset)	8.3	13.4
Other Non-Current Assets	499.3	403.8
TOTAL NON-CURRENT ASSETS	34,838.8	42,467.1
TOTAL ASSETS	50,561.4	62,645.4
	2020/12	2021/9
Current portion of long term borrowings	544.4	687.2
Short-term Borrowings	2,327.7	1,866.0
Current portion of term lease obligations (IFRS 16)	112.4	81.3
Derivative Instruments	78.3	236.5
Current Trade Payables to Third Parties	5,627.3	9,254.0
to Related Parties	569.0	592.5
Other Current Payables	2,305.5	2,856.9
Provision for Corporate Tax	128.0	231.2
Provisions	174.5	358.4
Other Liabilities	675.0	764.7
TOTAL CURRENT LIABILITIES	12,542.1	16,928.6
Long-term Borrowings	8,922.2	11,650.4
Long term lease obligations (IFRS 16)	257.9	280.7
Non Current Trade Payables	49.5	92.5
Deferred Tax Liability	3,257.5	3,650.5
Other Non Current Liabilities	517.4	709.4
TOTAL NON-CURRENT LIABILITIES	13,004.5	16,383.5
TOTAL EQUITY	25,014.7	29,333.3
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	50,561.4	62,645.4

Note 1: "Financial Investments" in Current Assets includes the time deposits with a original maturity more than three months.

BEER GROUP

Consolidated Income Statements For the Nine-Months Period Ended 30.09.2020 and 30.09.2021
Prepared in accordance with TAS/TFRS as per CMB Regulations
(TL mn)

	2020/9	2021/9
Sales Volume (mhl)	28.0	29.2
Sales Revenue	9,117.0	11,969.5
Cost of Sales (-)	-5,531.2	-7,514.1
Gross Profit From Operations	3,585.9	4,455.4
EBIT (BNRI)	234.0	470.6
Operating Profit Before Finance Income/(Expense)	422.6	1,190.3
Profit Before Tax From Continuing Operations	71.8	679.9
Income/(Loss) For The Period	-6.0	549.8
Equity Holders Of The Parent	150.4	602.5
EBITDA (BNRI)*	1,264.2	1,381.9

*Non-recurring items amounted to TL 3.3 million in 9M2020 and TL 1.9 million in 9M2021.

Note: EBITDA comprises of Profit from Operations, depreciation and other relevant non-cash items up to Profit From Operations

BEER GROUP

Consolidated Balance Sheets as of 31.12.2020 and 30.09.2021
Prepared in accordance with TAS/IFRS as per CMB Regulations
(TL mn)

	2020/12	2021/9
Cash & Cash Equivalents	3,864.4	4,708.2
Derivative Instruments	98.9	89.7
Trade Receivables	1,652.9	2,570.0
Other Receivables	129.0	231.2
Inventories	1,667.8	2,059.7
Other Current Assets	593.4	688.8
TOTAL CURRENT ASSETS	8,006.3	10,347.6
Trade Receivables	1.8	2.1
Financial Investments	0.8	0.8
Investments in Associates	597.5	597.5
Property, Plant and Equipment (incl. inv properties)	5,017.2	6,042.4
Right of Use Assets	133.4	145.1
Other Intangible Assets	6,521.8	8,017.1
Goodwill	2,297.1	2,830.6
Deferred Tax Assets	748.9	1,081.5
Other Non-Current Assets	245.2	274.7
TOTAL NON-CURRENT ASSETS	15,563.8	18,992.0
TOTAL ASSETS	23,570.1	29,339.6
Current portion of long term borrowings	285.9	384.0
Short-term Borrowings	1,343.0	1,348.3
Current portion of term lease obligations (IFRS 16)	66.4	47.3
Current Trade Payables	4,282.4	6,426.3
Other Current Payables	1,787.3	1,794.3
Provision for Corporate Tax	65.5	45.4
Provisions	95.8	206.5
Other Liabilities	304.1	471.1
TOTAL CURRENT LIABILITIES	8,230.6	10,723.1
Long-term Borrowings	4,240.3	6,316.3
Long term lease obligations (IFRS 16)	97.9	127.1
Deferred Tax Liability	1,257.9	1,546.8
Other Non Current Liabilities	153.4	278.8
TOTAL NON-CURRENT LIABILITIES	5,749.6	8,269.0
TOTAL EQUITY	9,589.9	10,347.5
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	23,570.1	29,339.6

SOFT DRINK OPERATIONS (CCI)

Consolidated Income Statements For the Nine-Months Period Ended 30.09.2020 and 30.09.2021

Prepared in accordance with TAS/IFRS as per CMB Regulations

(TL mn)

	Restated 2020/9	2021/9
SALES VOLUME (UC millions)	957	1,109
SALES REVENUE	11,207	16,365
Cost of Sales (-)	-7,271	-10,581
GROSS PROFIT FROM OPERATIONS	3,936	5,784
Selling, Distribution and Marketing Expenses (-)	-1,530	-2,291
General and Administrative Expenses (-)	-473	-587
Other Operating Income /Expense (net)	-41	8
EBIT	1,893	2,914
Income / Expense From Investing Activities (net)	64	-29
Income / (Loss) from Associates	-3	-3
OPERATING PROFIT BEFORE FINANCE INCOME/(EXPENSE)	1,954	2,882
Financial Income / Expenses (net)	-110	-18
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	1,843	2,863
-Deferred Tax Income/(Expense)	-70	37
-Current Period Tax Expense	-367	-660
INCOME/(LOSS) FOR THE PERIOD	1,407	2,240
Income/(loss) after tax for the year from disc. operations	-4	0
Profit/(Loss) Attributable to:		
Non-Controlling Interest	-86	-200
Equity Holders of The Parent	1,317	2,040
EBITDA	2,620	3,758

SOFT DRINK OPERATIONS (CCI)

Consolidated Balance Sheets as of 31.12.2020 and 30.09.2021
Prepared in accordance with TAS/TFRS as per CMB Regulations
(TL mn)

	2020/12	2021/9
Cash and Cash Equivalents	4,661	4,631
Investments in Securities	23	2
Derivative Financial Instruments	36	41
Trade Receivables	796	2,114
Due from related parties	296	259
Other Receivables	34	39
Inventories	1,041	1,676
Prepaid Expenses	299	441
Tax Related Current Assets	249	289
Other Current Assets	282	339
TOTAL CURRENT ASSETS	7,717	9,832
Derivative Financial Instruments	7	13
Other Receivables	47	66
Right of Use Asset	194	171
Property, Plant and Equipment	7,344	8,456
Intangible Assets	2,464	2,927
Goodwill	983	2,947
Prepaid Expenses	208	63
Deferred Tax Asset	183	288
TOTAL NON-CURRENT ASSETS	11,430	14,931
TOTAL ASSETS	19,147	24,763

	2020/12	2021/9
Short-term Borrowings	984	517
Current Portion of Long-term Borrowings	259	303
Financial lease payables	57	45
Trade Payables	1,358	2,755
Due to Related Parties	480	666
Payables Related to Employee Benefits	50	46
Other Payables	518	1,053
Provision for Corporate Tax	62	186
Provision for Employee Benefits	79	152
Other Current Liabilities	476	494
TOTAL CURRENT LIABILITIES	4,323	6,217
Financial lease payables	179	173
Long-term Borrowings	4,682	5,334
Trade Payables & Due to Related Parties	49	92
Provision for Employee Benefits	147	167
Deferred Tax Liability	814	920
Derivative Financial Instruments	213	263
Other Non-Current Liabilities	4	1
Equity of the Parent	7,662	9,912
Minority Interest	1,074	1,685
TOTAL NON-CURRENT LIABILITIES	6,088	6,950
TOTAL EQUITY	8,736	11,597
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	19,147	24,763

* Details about the restatement were explained in the footnote 2 of the financial statements.
Totals may not foot due to rounding differences

REGARDING ANADOLU ETAP

Anadolu Etap is currently Turkey's largest fruit growing and fruit juice processing company. The Company currently generates more than 60% of its revenues through exports to a wide geography ranging from Europe to Middle East & Africa, CIS countries to South East Asia. The Company has been investing in its operations in Turkey where it currently runs 8 farms with a total area of 30,000 decares where 5 million trees are planted.

Anadolu Etap has two lines of business, one is production of fruit concentrate and second is the fresh fruit plantation and sales. The fresh fruit plantation line of the Company required continuous investment in the initial years of operation and the return is generated after trees come to a certain maturity. Anadolu Etap is estimated to have passed the initial investment period and more than 80% of trees have already reached 80% of maturity.

The company has close to TL 1 billion revenues as of 31.12.2020 where fruit concentrate business currently makes up more than 2/3rd of EBITDA. Fruit sales have a relatively lower margin which is expected to increase going forward. The company has completed the phase of investment and capex requirement is expected to be limited with maintenance expenses within 1-2 years.

ABOUT ANADOLU EFES

Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (Anadolu Efes), together with its subsidiaries and affiliates produces and markets beer, malt and soft drinks across a geography including Turkey, Russia, the CIS countries, Central Asia and the Middle East with a total of 16,828 employees, including both beer & soft drink operations. Anadolu Efes, listed at Borsa İstanbul (AEFES.IS), is an operational entity under which the Turkey beer operations are managed, as well as a holding entity which is the 100% shareholder of EBI that manages international beer operations, and is the largest shareholder of CCI which manages the soft drink business in Turkey and international markets.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document 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.

ACCOUNTING PRINCIPLES

The consolidated financial statements of Anadolu Efes are prepared in accordance with International Financial Reporting Standards ("IFRS") as per regulations of the Capital Markets Board of Turkey ("CMB").

The attached financial statements in this announcement comprise the income statements for the period ended 30.09.2020 and 30.09.2021 as well as the balance sheets as of 31.12.2020 and 30.09.2021. Figures in 9M2020 and 9M2021 are presented in the reporting currencies of each business division.

Anadolu Efes and its subsidiaries in which Anadolu Efes holds the majority stake; including Efes Pazarlama (marketing, sales & distribution of beer products in Turkey) and EBI (international beer operations), are fully consolidated in the financials. According to the Shareholder's Agreement regarding the governance of CCI, in which Anadolu Efes holds 50.3% stake, Anadolu Efes also fully consolidates CCI.

BEER OPERATIONS' 9M2021 RESULTS PRESENTATION & WEBCAST

Anadolu Efes - Beer Operations' 9M2021 Results Presentation will be held on Friday 5th of November 2021 at 15:30 (Istanbul) 12:30 (London) 08:30 (New York).

The meeting will be held via Teams Live Event.
We kindly recommend you to test your access to the link below prior to the call.

Webcast:

[Please click to Join](#)

Audio connection will not be available; however, you are more than welcomed to join the call with your mobiles phones via the link above.

Replay: The replay link will be available in our website.

A copy of the presentation will be available prior to the conference call from our website at www.anadoluefes.com.

ENQUIRIES

For financial reports and further information regarding Anadolu Efes, please visit our website at [http://www.anadoluefes.com/](http://www.anadoluefes.com) or you may contact;

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