



CONTENTS

ABOUT ANADOLU EFES

- 2 ANADOLU EFES IN BRIEF
- 3 CAPITAL AND SHAREHOLDER STRUCTURE
- 4 ANADOLU EFES' SUBSIDIARIES
- 6 MILESTONES
- 8 VISION, MISSION, VALUES
- 9 2023-2025 STRATEGIC CORE PRIORITIES
- 10 OUR REGIONAL FOOTPRINT
- 14 MAIN FINANCIAL AND OPERATIONAL INDICATORS
- 16 BEER GROUP
- 21 SOFT DRINKS GROUP

MANAGEMENT AND MESSAGES

- 24 CHAIRMAN'S MESSAGE
- 28 BOARD OF DIRECTORS
- 30 ORGANIZATION CHART
- 32 SENIOR MANAGEMENT - BEER GROUP
- 34 SENIOR MANAGEMENT - SOFT DRINK GROUP

FINANCIAL REVIEW AND EXPECTATIONS

- 38 FINANCIAL REVIEW AND EXPECTATIONS

SUSTAINABILITY

- 56 BEER GROUP
- 72 SOFT DRINK GROUP

CORPORATE GOVERNANCE

- 82 CODE OF BUSINESS AND ETHICS
- 84 INVESTOR AND SHAREHOLDER RELATIONS
- 85 CREDIT RATINGS AND BOND ISSUANCES
- 86 CORPORATE GOVERNANCE COMPLIANCE DISCLOSURE 2022
- 87 STATEMENT OF COMPLIANCE WITH THE SUSTAINABILITY PRINCIPLES OF THE CMB
- 88 ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE
- 112 OTHER INFORMATION RELATED TO OPERATIONS
- 122 2022 DIVIDEND DISTRIBUTION TABLE
- 123 STATEMENT OF RESPONSIBILITY
- 124 INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT

FINANCIAL STATEMENTS

- 126 CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022 TOGETHER WITH INDEPENDENT AUDITOR'S REPORT
- 216 CORPORATE GOVERNANCE COMPLIANCE REPORT
- 222 CORPORATE GOVERNANCE INFORMATION FORM
- 230 SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

APPENDIX

- 238 ABBREVIATIONS
- 239 TERMS
- 240 DIRECTORY

ANADOLU EFES

Anadolu Efes is the 5th* largest beer company in Europe and the 9th* in the world in terms of production volume, with its industry experience of more than 50 years, dynamic company culture, and production competencies.

Anadolu Efes reaches **hundreds of millions of consumers** of different cultures and profiles in its wide operating geography around the world together with its export markets, where it is present with its rich product range consisting of beer and soft drink brands, consumer preferences. With its innovative approach reinforced by R&D, it **expands its product portfolio** according to changing consumer preferences.

Anadolu Efes maintains its strong corporate stance, which is based on company values that it had shaped around passion, collaboration, fairness, accountability, and agility, with its approach **focused on financial discipline** and management skills.

Anadolu Efes, which perceives sustainability as one of the main elements of its business strategy, carries out its operations with the aim of **preparing a reliable future**.

Anadolu Efes will continue to brew joy and will keep its journey of **carrying quality to the top** in line with its vision of becoming the largest beer company that embraces and develops social life and beer culture from the Adriatic to China.

* The Barth Report 2021/2022

ANADOLU EFES IN BRIEF

Focusing on its brands, consumers, digitalization and financial discipline with its sustainability-oriented approach, and maximizing the value of the Company are among the priorities of Anadolu Efes.

Anadolu Group operates with the vision of being “The star that links Anatolia to the world and the world to Anatolia” and maintains its activities in 7 sectors (beer, soft drink, retail, agriculture, automotive, stationery and energy) and in 19 countries with approximately 80 companies, 86 production facilities, 6 R&D centers and more than 80,000 employees. The Group, which was founded by Yazıcı and Özilhan families in 1950, is a driving force of Turkish economy with its financial assets, its strong production capacity and the projects it is involved with. It acts in accordance with its mission of being a multinational and entrepreneurial group through its partnerships with leading brands and companies of the world such as AB InBev, The Coca-Cola Company, Faber-Castell, Isuzu, Kia, Honda, Honda Marine, Kohler, Johns Hopkins Medicine. With assets worth TRL 178.0 billion in value in 2022, the Group booked a total turnover of TRL 182.2 billion on its operations.

Anadolu Group manages its environmental, social and corporate governance activities in the strategic areas “future” of Nature, Business and People, with the sustainability strategy “From Anadolu to the Future”. Within the context of its social responsibility, the Group is involved in several areas like agriculture, education, health, sports, culture, arts and tourism and also contributes to the society through its social organizations; Anadolu Foundation, Anadolu Medical Center and Anadolu Efes Sports Club.

Anadolu Group strives to produce value in sustainable manner and consistently achieves a rapid and healthy growth through its commitment to a culture of partnership with global brands and international companies, its expertise in branded consumer products, its experience and strength as regional player in a broad geography and its understanding of strong corporate governance.

Anadolu Efes started its journey in 1969. Becoming the market leader shortly, Anadolu Efes contributed to the development of the market by cultivating the beer culture in

Türkiye. With its strong vision, Anadolu Efes introduced many “firsts” to the consumers and became the largest brewer in Türkiye shortly. The company took an important step by expanding abroad in the 1990s. Regarding the international operations, Anadolu Efes took another important step aimed at commercial sustainability in the global market in 2012 and formed a strategic alliance with SABMiller Plc (“SABMiller”). In 2016, following the acquisition of SABMiller by Anheuser-Busch InBev (“AB InBev”), the world’s largest brewer, AB InBev became the holder of a 24% stake in Anadolu Efes.

Anadolu Efes runs its international beer operations through Efes Breweries International B.V. (“EBI”), its 100% subsidiary based in the Netherlands. Anadolu Efes is also the main shareholder of Coca-Cola İçecek A.Ş. (“CCI”), which runs Coca-Cola operations in Türkiye and abroad.

Making more than two-thirds of its net sales in international markets, Anadolu Efes is Europe’s 5th and the world’s 9th largest brewer* by production volume. The company serves a population to more than 750 million with beer and soft drinks brands in its portfolio. With 21 breweries, 5 malteries, 1 hops processing facility and 1 preform plant in 6 countries, and 30 bottling plants in 11 countries, including Türkiye among others, Anadolu Efes is operating as one of the key players in its region and among the top 10 largest Coca-Cola bottlers by sales volume. The company ships its products to more than 70 countries.

Focusing on its brands, consumers, digitalization and financial discipline with its sustainability-oriented approach, and maximizing the value of the Company are among the priorities of Anadolu Efes.

* The Barth Report 2021/2022

**As of February 24, 2022, in Anadolu Efes’ Ukraine operations production facilities in Ukraine were halted, and in October 2022, production partially started in Chernihiv brewery.

CAPITAL AND SHAREHOLDER STRUCTURE

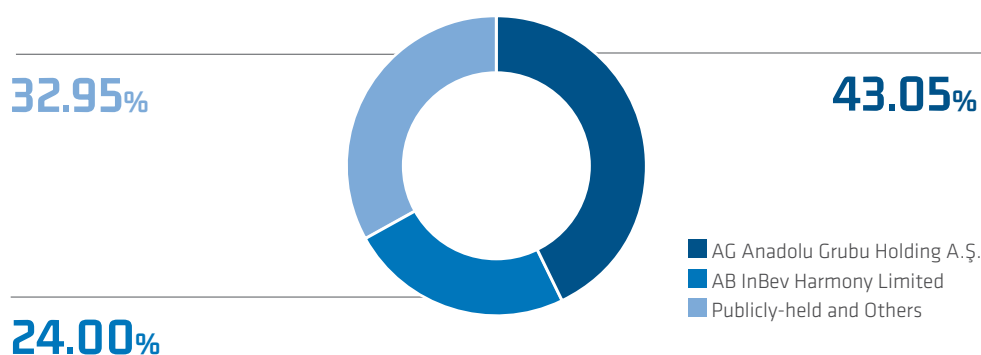
As one of the largest listed companies by market capitalization on Borsa Istanbul ("BIST"), Anadolu Efes' shares attracted high interest from the domestic and international institutional investors since the shares began trading in 2000, and received above-average interest from the foreign institutional investors. At the same time, in terms of foreign institutional ownership in free float, Anadolu Efes has continued to be one of the highest shares.

The Company's share capital is comprised of 592,105,263 shares, each with a nominal value of TRL 1. 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.

Within the framework of the Level 1 American Depository Receipts ("ADR") program (AEBZY/ Cusip No: 032523201), Anadolu Efes shares can be traded by foreign individual investors as well as by institutional investors in over-the-counter markets.

As of the end of 2022, Anadolu Efes had a market capitalization of TRL 40.1 billion. In 2022, Anadolu Efes had an average foreign ownership ratio of 65% level in free float.

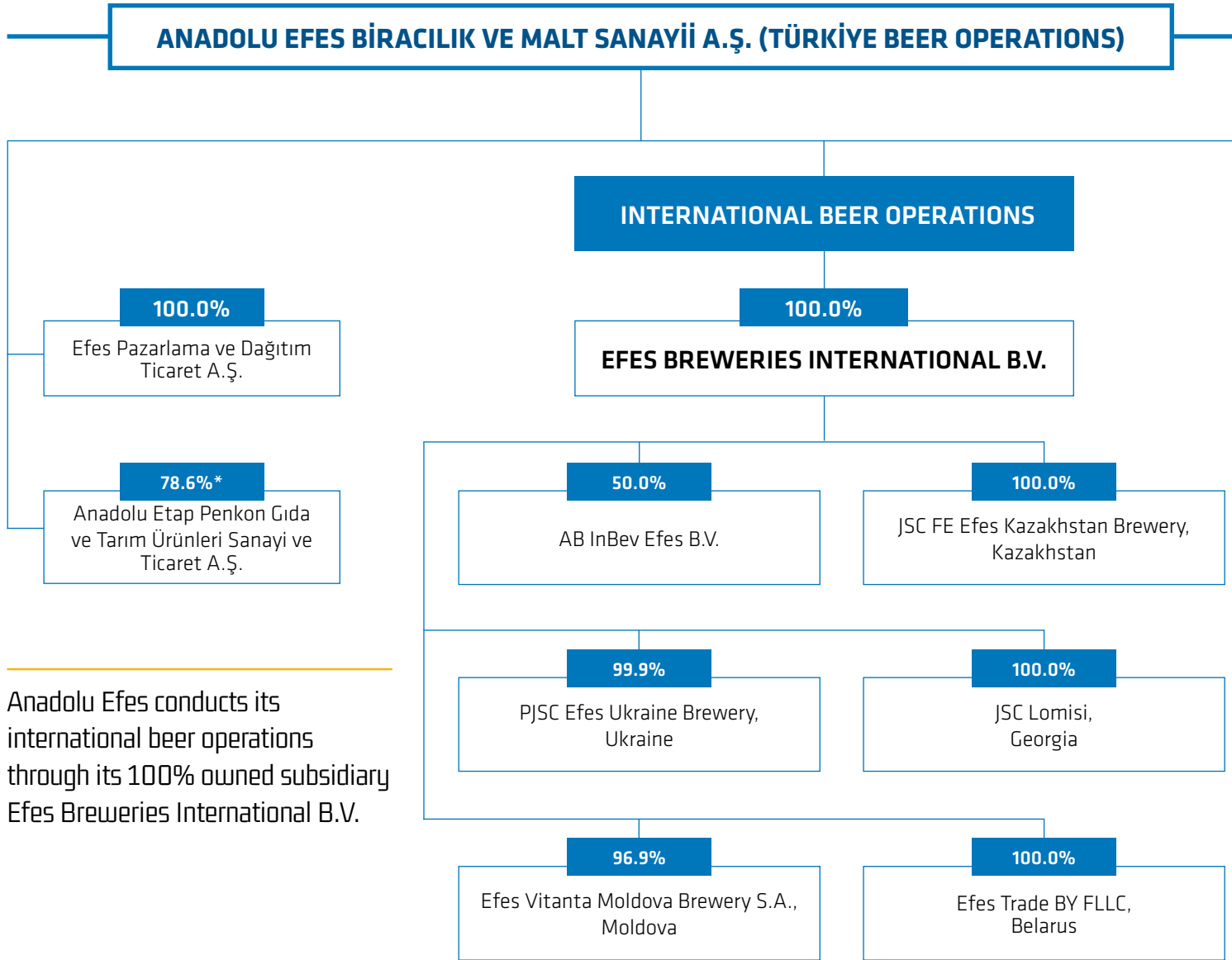
As of the end of 2022, Anadolu Efes, which is among the companies with the highest foreign share in free float in BIST, had an average foreign ownership ratio of 65% in free float.



31 DECEMBER 2022	SHARE AMOUNT (TRL)	SHARE RATIO (%)
AG Anadolu Grubu Holding A.Ş.	254,891,157	43.05
AB InBev Harmony Limited	142,105,263	24.00
Publicly-held and Others	195,108,843	32.95
Total Issued Capital	592,105,263	100.00

1 JANUARY - 31 DECEMBER 2022	LOWEST	HIGHEST	AVERAGE	31 DECEMBER 2021	31 DECEMBER 2022	CHANGE (%)
Closing Price (TRL)	20.20	69.85	37.09	27.80	67.75	144%
Market Capitalization (TRL Million)	11,961	41,359	21,959	16,463	40,115	144%
BIST-100	1,851	5,509	2,999	1,858	5,509	197%

ANADOLU EFES' SUBSIDIARIES



Anadolu Efes conducts its international beer operations through its 100% owned subsidiary Efes Breweries International B.V.

* A share purchase agreement was signed between Anadolu Efes Biracılık ve Malt Sanayii A.Ş. ("Anadolu Efes") and Özgörkey Holding A.Ş. ("Özgörkey Holding") on 4 December 2019 regarding the purchase of the shares of AEP Anadolu Etap Penkon Gıda ve Tarım Ürünleri Sanayi ve Ticaret A.Ş. ("Anadolu Etap Tarım") and it was also mentioned that after the transfer of the shares, the management structure of the Company and the agreements between the shareholders have not allowed any shareholder to control the Company alone. In accordance with the said agreements, certain managerial and shareholding rights have been granted to Özgörkey Holding, and some of these rights have expired. As a result, Anadolu Efes will be able to control the Anadolu Etap Tarım on its own. The said control change is subject to the Competition Board's evaluation, and necessary applications have been made in this regard. Until Competition Board's evaluation is completed, Anadolu Etap Tarım will continue to be managed under the joint control of Anadolu Efes and Özgörkey Holding.

In addition, on 26 December 2022, a binding share transfer agreement was signed between CCI and Anadolu Etap Tarım regarding the sale of 80% of the shares representing the capital of Anadolu Etap Penkon Gıda ve İçecek Ürünleri Sanayi ve Ticaret A.Ş. ("Anadolu Etap İçecek") shares to CCI. The completion of the share transfer is subject to the fulfillment of the preconditions in the agreement and the permissions of the Competition Board. The transfer is aimed to be finalized in the first half of 2023.

Anadolu Efes is the main shareholder of Coca-Cola İçecek A.Ş. with a 50.3% stake.



* Direct and indirect shareholding as of 31 December 2022.
 ** On 26 December 2022, CCI has signed a share transfer agreement ("Agreement") with CCI International Holland B.V. ("CCIHBV") a wholly owned subsidiary of CCI, and Atlantic Industries Co. ("AI"), a subsidiary of The Coca-Cola Company ("TCCC") regarding the acquisition of 49.67% of its shares in Beverages Pakistan Limited ("CCBPL") held by AI ("Transaction"). Following the share transfer, CCI will, directly and indirectly, own a 99.34% stake in CCBPL.

MILESTONES BEER GROUP

Bremen 1827 was launched in Türkiye.

1969

The first beer production started with two facilities under the brand name of "Efes Pilsen".

1970, 1980, 1990

One hops processing facility, two malteries, and two new breweries were established.

1986

Efes Pazarlama was established to conduct sales, distribution, and marketing operations in Türkiye.

The first canned beer of Türkiye was produced.

1996

Started operations in the Kazakhstan beer market after the acquisition of Karagandi Brewery through privatization.

1998

Efes Breweries International N.V. was founded.

Acquired the assets and the "Marmara" brand of Toros Biracılık.

1999

Started production in Russia at the first modern brewery established in Moscow and launched the "Stary Melnik" brand.

2000

The group's four publicly traded beer and malt companies merged under "Anadolu Efes".

Started brewing "Miller Genuine Draft (MGD)", under licence in Istanbul. Thus, the premium segment in the Turkish beer market was created.

2002

Signed a license agreement with Interbrew for the production, marketing, and distribution of "Beck's" brand in Türkiye.

Level-1 American Depositary Receipts ("ADRS") of Anadolu Efes started trading.

2003

Started operating in Moldovan beer market after the acquisition of Vitanta Intravest S.A. Brewery.

Started production in 2 new breweries in Russia and 1 new brewery in Kazakhstan.

2005

Introduced the first draft beer in a keg-shaped bottle in the world.

2006

Acquired Krasny Vostok Brewing Group, seventh largest brewer, in Russia.

2008

Started operations in the Georgian beer market after acquiring 100% of Lomisi Ltd., the leading brewer in Georgia

2010

Started licensed production of "Efes Pilsener" brand in Germany to be sold by Efes Deutschland GMBH, 100% subsidiary of Anadolu Efes.

2011

SABMiller and Anadolu Efes signed a strategic alliance agreement.

2012

Anadolu Efes acquired SABMiller's beer operations in Russia and Ukraine.

2016

AB InBev became the new shareholder of Anadolu Efes after acquiring SABMiller.

2017

Anadolu Efes and AB InBev signed a non-binding agreement for combining their Russian and Ukrainian beer operations.

2018

After the merger, AB InBev Efes B.V. started operating in Russia and Ukraine with a stronger presence.

2020

As a result of long-term practices in the R&D center in Izmir, Anadolu Efes brewmasters developed the "+1 Resting" technique.

2021

Anadolu Efes established a global innovation center called Anadolu Efes Yenilik Atölyesi in order to develop the beer culture with innovative studies and to have a greater say in the world beer market.

2022

Bremen 1827 brand, developed together with German beer experts, was launched in Türkiye.

SOFT DRINK GROUP

1986

First ever production of sparkling beverages in pet bottles in Türkiye.

1987

First ever production of sparkling beverages in aluminum cans in Türkiye.

1993

Efes Sinai Yatırım Holding was founded to make bottling investments in the CIS region.

1995

Coca-Cola bottling operations commenced in Kazakhstan.

1996, 1998

Bottling plants were established in Kyrgyzstan, Azerbaijan, and Turkmenistan.

Anadolu Group invested in 80% of Coca-Cola operations in Türkiye following the acquisition of 33% of Coca-Cola Bottling and Marketing Companies' shares from The Coca-Cola Company.

2002

Coca-Cola Türkiye bottling operation was restructured to become a production company, which is the owner of its sales and marketing company. The new company's name was changed to Coca-Cola İçecek A.Ş. (CCI).

2005

Anadolu Efes reorganized all the soft drink operations under the roof of CCI.

Coca-Cola operations in Jordan were acquired.

2006

Started water production after the acquisition of Mahmudiye LTD., a producer of natural spring water.

CCI shares began trading on BIST.

2008

Started operations in Pakistan.

2012

Started operations in Southern Iraq market after an acquisition.

2015

Dushanbe (Tajikistan), Astana (Kazakhstan) and Multan (Pakistan) facilities started production.

2017

10th plant in Türkiye started production in Isparta.

2018

Faisalabad plant in Pakistan started production.

A binding share purchase agreement was signed with TCCC for acquisition of shares representing 49.67% of the capital of TCCC's subsidiary in Pakistan.

2021

CCI acquired the Uzbekistan operations and became the 100% owner of the company.

CCI became the sole owner of CCI Al Waha by exercising the put option under the shareholders' agreement in its Iraq operations.

2022

A binding share transfer agreement was signed for the acquisition of shares representing 80% of the capital of Anadolu Etap Penkon Gıda ve İçecek Ürünleri Sanayi ve Ticaret A.Ş. ("Anadolu Etap İçecek").

A binding share purchase agreement was signed with TCCC for acquisition of shares representing 49.67% of the capital of TCCC's subsidiary in Pakistan.

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

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

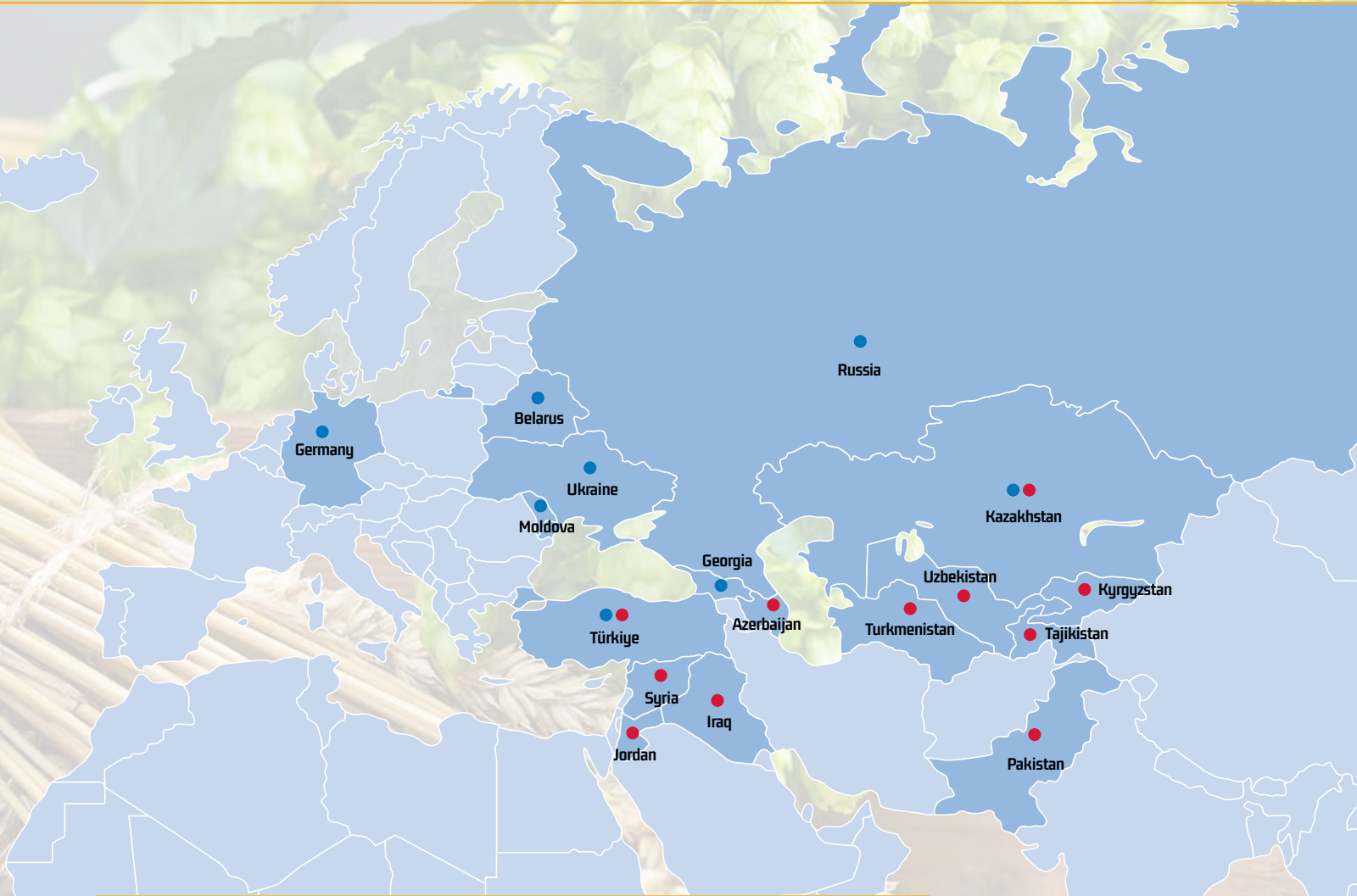
- Expand geographically into potential markets through M&A



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

OUR REGIONAL FOOTPRINT



in 6 Countries
21 Breweries
in 11 Countries
30 Soft Drink Facilities
Population of More than
750 Million

Anadolu Efes operates with a total of 21 breweries, 5 malteries, 1 hops processing facility, 1 preform production facility in 6 countries in its beer operations, and 30 bottling plants in 11 countries in its soft drink operations.

● Soft Drink Operations
● Beer Operations

Russia
 Population: 143 Million¹
 11 Breweries
 31.7 mhl Brewing Capacity
 3 Malteries
 288 Thousand Tons Malt Production Capacity
 1 Preform Production Facility
 Per Capita Beer Consumption: 56 Liters⁴
 29% Market Share²
 Market Leader²

Türkiye
 Population: 85 Million¹
 3 Breweries
 6.9 mhl Brewing Capacity
 2 Malteries
 115 Thousand Ton Malt Production Capacity
 1 Hops Processing Facility
 Per Capita Beer Consumption: 12 Liters⁴
 52% Market Share³
 Market Leader³
 10 Soft Drink Plants
 66% Market Share³
 Market Leader³

Ukraine
 Population: 44 Million¹
 3 Breweries
 7.9 mhl Production Capacity

Kazakhstan
 Population: 19 Million¹
 2 Breweries
 2.6 mhl Brewing Capacity
 Per Capita Beer Consumption: 35 Liters⁴
 46% Market Share³
 Market Leader³
 2 Soft Drink Plants
 50% Market Share³
 Market Leader³

Georgia
 Population: 4 Million¹
 1 Brewery
 1.5 mhl Beer and Soft Drink Production Capacity
 Per Capita Beer Consumption: 35 Liters⁴
 44% Market Share⁵
 Market Leader⁵

Moldova
 Population: 3 Million¹
 1 Brewery
 1.6 mhl Beer and Soft Drink Production Capacity
 Per Capita Beer Consumption: 28 Liters⁴
 64% Market Share²
 Market Leader²

Belarus⁶
 Population: 9 Million¹
 Per Capita Beer Consumption: 49 Liters⁴

Germany⁷
 Population: 83 Million¹
 Per Capita Beer Consumption: 93 Liters⁴

Pakistan
 Population: 231 Million¹
 7 Soft Drink Plants
 52% Market Share⁸
 Market Leader⁸

Azerbaijan
 Population: 10 Million¹
 1 Soft Drink Plant
 72% Market Share⁸
 Market Leader⁸

Iraq
 Population: 44 Million¹
 3 Soft Drink Plants
 34% Market Share⁸
 Market Position: Second⁸

Jordan
 Population: 11 Million¹
 1 Soft Drink Plant
 16% Market Share⁸
 Market Position: Second⁸

Tajikistan
 Population: 10 Million¹
 1 Soft Drink Plant
 66% Market Share⁸
 Market Leader⁸

Syria
 Population: 21 Million¹

Kyrgyzstan
 Population: 7 Million¹
 1 Soft Drink Plant
 54% Market Share⁸
 Market Leader⁸

Turkmenistan
 Population: 6 Million¹
 1 Soft Drink Plant
 41% Market Share⁸
 Market Leader⁸

Uzbekistan
 Population: 35 Million¹
 3 Soft Drink Plant
 46% Market Share⁸
 Market Leader⁸

¹ United Nations ² AEFES estimate, ³ Nielsen, ⁴ GlobalData, ⁵ Retail Audit, ⁶ Other than the exports by Efes Beer Group to the whole world, Anadolu Efes has organizations (either directly owned or through the controlling companies) in Belarus that carry out and/or coordinate the marketing, sales and distribution of group products ⁷ "Efes Pilsener" brand is being sold by Efes Deutschland GmbH, a 100% subsidiary of Anadolu Efes established in Germany. ⁸ Nielsen, GlobalData, CCI estimate





WE AIM FOR THE HIGHEST QUALITY

AS ONE OF THE WORLD'S BEST BEER PRODUCERS;
WE COMBINE OUR EXPERIENCE AND EFFECTIVE
PROCESSES WITH OUR PRODUCTION COMPETENCIES
AND INNOVATION SUPERIORITIES AND WE RAISE
OUR QUALITY LEVEL

MAIN FINANCIAL AND OPERATIONAL INDICATORS⁽¹⁾

Income Statement Items ⁽¹⁾	2021	2022	% change
Beer Sales Volume (m hectoliters) ⁽²⁾	37.9	34.0	-10.4%
Soft Drink Sales Volume (m unit case) ⁽³⁾	1,376	1,577	14.6%
Net Sales (TRL thousand)	39,284,384	90,504,179	130.4%
Net Sales Per Liter (TRL)	3.38	7.33	116.5%
Operating Profit (TRL thousand)	4,385,568	12,634,392	188.1%
Operating Profit Margin (%)	11.2%	14.0%	
Depreciation and Amortization Expenses (TRL thousand)	2,399,006	4,105,427	71.1%
Net Income ⁽⁴⁾ (TRL thousand)	1,068,303	3,429,068	221.0%
Net Income ⁽⁴⁾ Margin (%)	2.7%	3.8%	
EBITDA BNRI ⁽⁵⁾ (TRL thousand)	7,023,900	17,418,175	148.0%
EBITDA BNRI ⁽⁵⁾ per Liter (TRL)	0.61	1.50	133.0%
EBITDA BNRI ⁽⁵⁾ Margin (%)	17.9%	19.2%	
Free Cash Flow (TRL thousand)	4,262,892	6,128,999	43.8%

Balance Sheet Items	2021	2022	% change
Cash, Cash Equivalents and Marketable Securities (TRL thousand)	10,333,999	24,627,566	138.3 %
Total Assets (TRL thousand)	85,512,881	133,357,518	56.0 %
Equity Attributable Equity Holders of the Parent (TRL thousand)	18,715,082	25,595,961	36.8 %
Total Financial Debt (including lease obligations) (TRL thousand)	21,246,330	37,642,031	77.2 %
Net Financial Debt/Equity	0.6	0.5	
Net Financial Debt/EBITDA	1.5	0.7	
Capital Expenditure (Gross) (6) (TRL thousand)	3,115,798	5,341,418	71.4 %
Number of Shares	592,105,263	592,105,263	
Earnings per Share (7) (TRL)	1.8042	5.7913	221.0 %
Average Number of Employees	16,701	18,460	10.5 %

Note 1: According to the agreement signed about the management of Coca-Cola İçecek A.Ş. ("CCI") as of 1 January 2013 Anadolu Efes started to fully consolidate CCI whose financial results had been proportionally consolidated until 31 December 2012. 2020 figures have been restated.

Note 2: 1 hectoliter = 100 liters.

Note 3: 1 unit case = 5.678 liters.

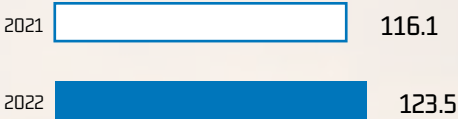
Note 4: Parent company shares.

Note 5: EBITDA BNRI is calculated excluding profit from discontinued operations and the following effects from profit from continuing operations attributable to our equity holders: (i) non-controlling interest, (ii) tax (expense)/income, (iii) share of gain/(loss) of investments accounted using equity method, (iv) financial income/(expense), (v) investment activity income/(expense) (vi) foreign exchange gains/(losses) arising from operating activities (vii) depreciation, amortization and other noncash items and (viii) non-recurring items above EBIT.

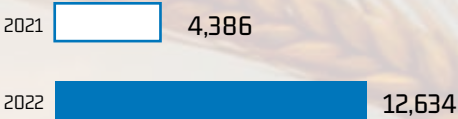
Note 6: Acquisitions excluded

Note 7: Earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Total Sales Volume (mhl)



Profit from Operations (TRL million)



0.0%*

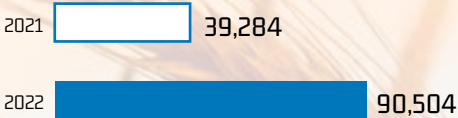
Beer group sales volume was realized parallel to its level a year ago.

*Excluding Ukraine

+14.6%

Soft drink sales volume increased by 14.6%

Net Sales (TRL million)



Free Cash Flow (TRL million)



+130.4%

Net sales growth was realized at 130.4%.

+148.0%

EBITDA BNRI showed a growth of 148.0%.

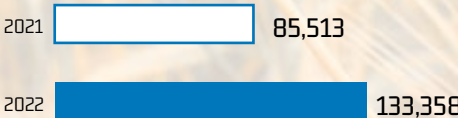
+280 bp

Operating profit margin rose by 280 bps.

EBITDA BNRI (TRL million)



Total Assets (TRL million)



+43.8%

Free cash flow increased by +43.8%.

+56.0%

Total assets grew by 56.0%

BEER GROUP

Despite the challenges in the global environment and geopolitical developments, Anadolu Efes maintains its strong position in the markets in which it operates, and continues to attract consumers with its successful product portfolio supported by new launches.

Anadolu Efes started its beer operations back with the production of its first brand, “Efes Pilsen” in two breweries and a production capacity of 300 thousand hectoliters in Türkiye. In just a short time, Efes Pilsen became the first brand that comes to mind and is still one of the highly preferred brands by consumers with high quality and constant taste.

Leading the industry for almost half a century; years of experience, dynamic corporate culture with an agile decision-making mechanism that enables taking appropriate measures in changing market conditions as well as keeping a close eye on consumers lies behind the success of Anadolu Efes.

The company expands its product range by understanding its customers and closely monitoring their demand and preferences. A pioneer in execution in the sector, Anadolu Efes has a strong sales network across both Türkiye and international operations with its efficient marketing strategies. Anadolu Efes continuously makes investments in order to increase its brand value.

Anadolu Efes continues its operations with a strategy to become a regional power while operating in the Turkish market. Started its international beer operations with exports, Anadolu Efes commenced its first operations abroad in the late 1990s by prioritizing culturally and geographically close markets in Russia and Kazakhstan. Followed by beer operations in Moldova, Georgia, and Ukraine, the number of countries in which the company runs beer operations went up to six.

Grew by using investment opportunities available in the markets it enters, Anadolu Efes continues its efforts to minimize the impact of the challenges by leveraging on its competitive advantage and years of experience in these regions which possess the potential to grow.

Behind the success of Anadolu Efes underlies its studies towards quickly offering products that fit consumer demands, enriching its portfolio, offering innovative products with innovative studies, an effective and extensive distribution network, a pricing policy that supports operational profitability, an effective customer communication targeting to raise brand awareness, and an effort to seek a more agile and efficient organizational structure.

Anadolu Efes had an annual beer production capacity of 52.2 million hectoliters and a malt production capacity of 403 thousand tons as of 2022 year-end.

Despite the challenges in the global environment and geopolitical tensions in 2022, beer group volumes exceeded expectations throughout the year thanks to its successful and diversified product range, value generation oriented strategy, strong position in operations and ability to adapt quickly to changing dynamics. Excluding Ukraine operations, which were halted as of February 24, Anadolu Efes' beer group volumes realized at 33.1 mhl being parallel to the previous year.

Running its operations by building a system of values around passion, collaboration, fairness, accountability, and agility, Anadolu Efes continued its operations by maintaining its strong position in 2022 with a deep focus on its commitment to value oriented growth and profitability as well as sustainable leadership.

Anadolu Efes conducts its international beer operations through Efes Breweries International, a wholly-owned subsidiary that was established in the Netherlands back in 1998. Maintaining its successful position in Russia, Ukraine, Kazakhstan, Moldova, and Georgia in 2022 as well, the company has 18 breweries with an annual total capacity of 45.3 mhl and 3 malteries with an annual total capacity of 288 thousand tons.

Anadolu Efes is closely following the developments in Russia and Ukraine, where it has beer operations. Anadolu Efes took all measures to ensure the safety of its employees as its first priority and, in addition, to ensure the safety of its production facilities and infrastructure. Production and sales activities at the breweries in Ukraine were halted on February 24, 2022, while production activities were restarted at the Chernihiv brewery as of October 2022, in light of the developments in the region.

RUSSIA

Super Premium Brands

- Spaten • Redds • El Capulco • Franziskaner

Premium Brands

- Essa • Hoegaarden • Stella Artois • Amsterdam

Low Premium Brands

- Bud • Velkopopovicky Kozel • Sibirskaya Corona
- Brahma

Core Brands

- Smib • Lowenbrau • Efes • Zolotaya Bochka
- 387 • Stariy Melnik Main • Bud Light
- Zhigulevskoe Originalnoe
- Zhigulevskoe Primorskoe • Primorskiy Kraft
- Sudoku • Bon Season

Value Brands

- Gold Mine Beer • Bely Medved` • Klinskoe
- Zhigulyovskoe Bochkovoe • Tolstyak • T
- Zhigulyovskoe • Bavarskiy Zakon
- Khmel&Solod • Rytsar Primoriya • Green Beer
- Moya Kaluga • Tri Shurupa • Studenoe` • Malz
- Weizen • Volzhanin • Sherlock • Bremen • Pikur
- Bagbier • 54

Anadolu Efes started its Russian operations, the largest operation within the beer segment in terms of sales volume, with the start of production in Moscow-Efes Brewery ("MEB") in 1999. The position in the Russian market was further solidified through the acquisition of Krasny Vostok Brewing Group, the 7th largest player in the market back in 2006, which was followed by the acquisition of SABMiller's assets in Russia in 2012. After AB InBev became our new shareholder post its acquisition of SAB Miller in 2016, we sought to form a partnership with AB InBev in Russia and Ukraine in an effort to draw maximum benefit out of this partnership which was completed by signing off the binding agreements by the end of 1Q2018.

Thus, operations in these countries were combined under one management under the name of AB InBev Efes.

AB InBev Efes continues its operations in Russia, where it has an annual production capacity of 31.7 mhl of beer and 288 thousand tons of malt with its 11 breweries and 3 malt production facilities.

The Company has maintained its leadership with its ~30%* market share in the Russian beer market, which is the 6th largest beer market in the world according to Euromonitor.

According to GlobalData, the Russian beer market is estimated to be 80 mhl in 2022 with a per capita beer consumption of around 56 liters.

The Russian beer market is estimated to have showed flat performance in 2022, according to production data with a growth registered in the first half of the year where there was a decline in the second half.

The Russia operation made a strong start to the year in the first quarter of the year, and continued its solid performance in the next two quarters despite the price increases taken in the sector. Subsequently, AB InBev Efes volumes declined year-on-year in the last quarter due to the industry softening, the competitive environment and portfolio mix change due to import constraints. As a result, the Russian operation's sales volume declined by low-single digits year-on-year. Despite all this, AB InBev Efes' value-oriented approach enabled to gain market share in Russia in the premium segment and value share reached to 30%* market share.

Company's focus on premiumization strategy has remained. Despite the import stop, AB InBev Efes successfully localized part of previously imported portfolio, which helped to continue focus on premiumization. In line with AB InBev Efes' strategy on expanding its beyond beer portfolio, the company has successfully launched a number of new brands in the super

AB InBev Efes Russia maintained its leading position in the Russian beer market, one of the largest beer market in the world.



* Company estimate, on value basis

BEER GROUP

~46%*

Anadolu Efes, the largest player in the Kazakhstan beer market, had a market share of 46%*.



Anadolu Efes continues its investments in social life and culture with the “Efes Art Space” project in the field of art and culture in 2022, while focusing on circular economy and carbon footprint issues with its “Entrepreneurship Ecosystem Program”.

premium segment as well as the non-alcoholic and new flavored categories in 2022. During the first year Bon Season cider gained #2 market position.

The main brands launched were El Capulco, the new Mexican-style lager; Abbé Blonde, Bon Season, natural apple cider and Hoegaarden 0.0% grapefruit and blanche. Company’s dark beer portfolio has also been extended with Abbé Brune, Belgian-style pale and dark ales.

As part of its sustainability strategy, together with the partners, the Government of Novosibirsk region and one of the largest Russian glass producers ‘Sibsteklo’, AB InBev Efes presented ‘the lightest’ glass beer bottle in the market. Also, the company traditionally supported World Environment Day taking place on June 5th by holding a series of local cleaning and urban improvement activities. As for the social initiatives, AB InBev Efes launched a nationwide project – ART OF DRINKING – aimed at fostering a culture of responsible alcohol consumption. For this project, AB InBev Efes run a 360 campaign, including media facades and billboards, stickers and beer mats, merchandise and social posts, etc.

KAZAKHSTAN

Super Premium Brands

- Miller Genuine Draft

Premium Brands

- Efes Pilsener • Velkopopovický Kozel
- Bavaria • Sary Melnik
- Amsterdam Navigator

Mainstream Brands

- Kruzhka Svezhego • Bely Medved • Bremen
- Karagandinskoe • Zhigulevskoe
- Severnoe Siyanie

Economy Brands

- 13 Region • Khmelnoy Los • Legenda 777
- Bolshaya Slavna Praga

Anadolu Efes entered the Kazakhstan market through the acquisition of a brewery in Karaganda in 1996 from privatization and continued its operations by opening a new brewery in Almaty in 2003.

According to GlobalData, the Kazakh beer market is estimated to be 6.7 mhl in 2022 with a per capita consumption of 35 liters.

Despite the the political tensions that happened at the beginning of the year in Kazakhstan, the beer market is estimated to have stayed flat in 2022 compared to the previous year, according to Nielsen data. Continuing its growth trend this year, our Kazakhstan beer operations exceeded the market performance. Anadolu Efes continued to be the largest player in the market with a 46%* market share.

Our Efes Pilsener brand was strengthened with the Efes 0.0, which was launched at the end of 2021, while two new products, Efes 0.0 Apricot & Raspberry and Efes 0.0 Grapefruit & Pomelo, were offered to consumers in the non-alcoholic and flavored beer segments; in line with the healthy lifestyle trend. In addition to the successful launches, there was growth in economy segment with the contribution of Bolshaya Praga, one of the fastest growing brands in 2022. Kruzhka Svezhego, one of our mainstream segment brands, became the brand with the highest market share in the market.

Anadolu Efes continued its investments in social life and culture with a series of exhibitions, workshops and events, with its “Efes Art Space” project. The headquarters office was opened for sharing in the field of art and culture during weekends. In addition, the “Entrepreneurship Ecosystem Program” was carried out in cooperation with the leading incubator MOST focused on circular economy and carbon footprint issues.

* January - December 2022, Nielsen

MOLDOVA

Super Premium Brands

- Corona • Franziskaner • Bavaria
- Hoegaarden • Grolsch • Leffe

Premium Brands

- Radler • Kozel • Efes • Kwartals
- Staryi Melnik

Upper Mainstream Brands

- Timisoreana • Jiguleovscoe Bocikovee
- Oettinger • Hopfenbrau

Mainstream Brands

- Chisinau • Belyi Medved

Economy Brands

- Camarad

Other

- Festival • Goldleaf • Kvassica

Anadolu Efes has been operating in the Moldovan beer market since the acquisition of Vitanta Intravest S.A. brewery in Chisinau in 2003.

According to GlobalData, the Moldovan beer market is estimated to be 1.0 mhl with a per capita consumption of 28 liters in 2022.

In 2022, the Moldovan economy was severely affected by the situation in Ukraine, while the increase in energy and food prices consequently led to a high inflationary environment.

Despite the challenging market environment in 2022, Anadolu Efes recorded its highest market share since 2016. There has been a continued growth of our premium and super-premium brands, especially supported by Efes, Corona and Kozel, as well as innovations in craft beer. Accordingly, Anadolu Efes maintained its

market leadership position and increased its market share to 64%* in 2022.

Despite the challenges faced in 2022, it was a very productive year in terms of new launches and variety growth. The launch of the new craft beer “Kwartals” was a particularly outstanding success, placing the company in first place in the market share in craft segment and bringing more craft diversity to the portfolio.

Company’s core brand Chisinau remains an important part of the business supported by image and national consumer campaigns, and revitalized with specialties limited editions.

Also, company’s presence in the premium and super premium segments has improved during the period.

In 2022, a new beyond beer category was launched in partnership with a local wine and spirits company, distribution of brandy with full trade support.

GEORGIA

Premium Brands

- Efes • Corona Extra • Leffe
- Stella Artois • Hoegaarden • Franziskaner

Upper Mainstream Brands

- Lowenbrau • Staropramen

Mainstream Brands

- Natakhtari • Karva • Kasris

Economy Brands

- 3D • Kaiser • Ai Ludi

Anadolu Efes commenced operations in Georgia by acquiring the leading brewer Lomisi in 2008. According to GlobalData Georgian beer market is estimated to be 1.3 million hectoliters with a per capita consumption of 35 liters in 2022.

~64%*

Anadolu Efes strengthened its market leadership position in Moldovan beer market with increasing its market share to 64%*.



With successful marketing campaigns and route to market improvements; Anadolu Efes maintained its market position in Georgian beer market.

* Company estimate

BEER GROUP

In 2022, the Georgian beer market recorded mid-single digit growth compared to the previous year, as a result of economic recovery as well as the increased number of visitors from Russia and Ukraine.

Anadolu Efes continued its market investments in Georgian beer operations and strengthened its leading position with an increased market share of 44%*.

In 2022, both beer and soft drink sales achieved double digits growth compared to last year while premium brands showed strong performance, particularly Efes and Lowenbrau. Company's main local beer brands, Natakhtari and Karva, also had better performance compared to last year.

* Retail Audit

UKRAINE

Anadolu Efes has become one of the largest players in the Ukraine beer market after the merger with AB InBev in 2018.

As per the announcement made by our company on February 24, 2022; we have been closely following the developments between Russia and Ukraine, where our company has beer operations. Since our first priority is to ensure the safety of employees; as of February 24, 2022, all possible precautions were taken in this regard, and additional measures were taken to ensure the safety of production facilities and infrastructure. As of the same date, production and sales operations were halted at breweries located in the cities of Chernihiv, Kharkiv and Mykolayiv in Ukraine.

The developments were closely watched throughout the year and the Chernihiv brewery started production in the last quarter of 2022.

TÜRKİYE

Premium Brands

- Erdinger • Duvel • Grolsch
- Amsterdam Navigator
- Corona • Leffe • Hoegaarden

Mainstream Brands

- Efes Pilsen • Efes Malt • Efes Özel Seri
- Efes Xtra • Efes Xtra Shot
- EFES Fiçı Yüksek Alkollü
- Bremen • Bremen Yüksek Alkollü
- Efes Glutensiz
- EFES Winter Blue • EFES Summer Blue
- Bomonti • Bomonti Filtresiz
- Bomonti Filtresiz Buğday
- Bud • Miller • Beck's

Lower Mainstream Brands

- Varım • Varım Aromalı Serisi

Economy Brands

- Marmara Gold • Marmara 34

Operating with 3 breweries, 2 malteries and 1 hops processing facility in Türkiye, Anadolu Efes is the largest brewer of Türkiye.

The company had an annual total production capacity of 6.9 mhl of beer and 115 thousand tons of malt in Türkiye. In 2022, the sales volume of the Turkish beer market is estimated to be around 10 mhl, per capita consumption was around 12 liters.

Despite the decline in purchasing power due to macroeconomic fluctuations and high inflation, Turkish beer market volumes were positively affected by tourism and increased momentum in consumption in on-trade sales channels. As a result, in 2022, the sales volume of the Turkish beer market is estimated to have grown at a high single-digit rate on an annual basis in 2022.

Türkiye beer operations, which made a strong start to the year, recorded high growth rates in the first half, due to the low base caused by the sales bans in the on-trade channel in the first half of 2021.

In the second and third quarters of the year, there was a superior performance thanks to a good tourism season and our newly launched brand, "Bremen1827". At the same time, export volumes to the Middle East and North Africa region and Bulgaria continued to grow. Thus, Türkiye beer operations had one of the most successful years of operation and reached a sales volume of 5.7 mhl with a growth rate of 15.6% in 2022. Despite the decline in the consumer confidence index, the sales volume exceeded pre-pandemic levels.

The strong performance achieved in "Bremen1827" brand, which was launched in early June, and the strong growth in the "Efes Malt" and "Efes Special Series" brands played an important role in this extraordinary success of Anadolu Efes Türkiye beer operations.

Anadolu Efes has added a new project that create value to society and the environment, with the goal of a sustainable world for future generations. In order to protect coral species that are critical for underwater life in the Sea of Marmara, the project "+Denize +1 Nefes" has been implemented in corporation with the Marine Life Protection Association. In this regard, the Company has made significant progress within the scope of its 2030 Sustainability Goals.

Focusing on its activities that add value to society and the environment in 2022, Anadolu Efes was also awarded the "Environmental Brand of the Year" at the Boğaziçi Environmental Awards organized by Boğaziçi University Electrotechnology Club and IEEE Student Branch.

Detailed information is available at www.anadoluefes.com.tr.

SOFT DRINKS GROUP

CCI is the market leader in sparkling category in Türkiye, as well as in Pakistan, Kazakhstan, Azerbaijan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.



COCA-COLA İÇECEK

Sparkling Beverage Flavors and Types

- Coca-Cola • Coca-Cola Zero Sugar
- Coca-Cola Light • Fanta • Sprite
- Sprite Zero • Sprite Light • Schweppes
- Crystal Cola

Still Beverage Flavors and Types

- Cappy • Piko • BonAqua • Dasani
- Damla Su • Damla Minerale • Arwa
- Al Waha • Monster • Powerade
- Fuse Tea • Costa Coffee • Tempo
- Burn • Predator • Roar

Efes Sınai Yatırım Holding A.Ş. ("Efes Sınai") was set up in 1993 to undertake Coca-Cola bottling investments in international markets and operations initially started in Kazakhstan, Kyrgyzstan, and Azerbaijan. Later in 2005, international soft drinks operations merged with Turkish bottling business Coca-Cola İçecek A.Ş. ("CCI"), of which initially 33% was acquired in 1996 in Türkiye and joined by different bottling and marketing companies in subsequent years. The operations were reorganized to become the CCI today.

Anadolu Efes runs its soft drink operations in Türkiye and abroad through CCI, a 50.3% subsidiary. Producing, marketing and selling the sparkling and still beverages within the brand portfolio of The Coca-Cola Company ("TCCC"), CCI is among the key bottlers in the Coca-Cola system in terms of sales volume.

CCI carries out its operations through 30 facilities and close to 10,000 employees in Türkiye, Pakistan, Kazakhstan, Azerbaijan, Kyrgyzstan, Jordan, Iraq, Syria, Tajikistan, Turkmenistan, and Uzbekistan. The rich product portfolio of CCI, consisting of sparkling and still beverages such as fruit juice, water, energy and sport drinks, coffee and iced tea, reaches out close to 480 million consumers.

Despite the strong headwinds, the inflationary environment and volatile market conditions in 2022, CCI delivered a volume performance exceeding its full-year guidance with fast adaptation to evolving consumer dynamics. Within this context, Revenue Growth Management ("RGM") capabilities supported consumers on various at-home occasions while leveraging the strong momentum at the on-premise channel, particularly during the tourism season. CCI's sales volume grew ahead of initial expectations thanks to its diversified brand portfolio, strong execution, agile business model, proactive marketing, and dynamic RGM initiatives. CCI's consolidated sales volume increased by 14.6% to 1,577 million unit cases on a reported basis, mainly with the contribution of Central Asia, Pakistan and Türkiye operations. The Coca-Cola brand, which has a significant importance in operations, achieved a solid growth performance of 17.9% year-on-year.

Türkiye operations' sales volume registered a 2.8% sales volume growth, despite the conservative outlook at the beginning of the year due to accelerating inflation and concerns about affordability. Resilient sparkling drinks demand, the sound performance of the stills category with the successful execution of iced teas and energy drinks, together with growth in on-premise channel helped to achieve a strong volume performance in 2022.

International operations' sales volume maintained its strong momentum in 2022 and recorded a 23.2% growth on a reported basis. Excluding the inorganic impact of Uzbekistan, international operations' organic growth was 9.5%. Double-digit growth rates, particularly in Pakistan, Uzbekistan and Kazakhstan, contributed positively to the sales performance of international operations.





WE CARE ABOUT CONSUMER'S CHANGING PREFERENCES

WE EXPAND OUR PRODUCT PORTFOLIO ACCORDING TO THE CHANGING CONSUMER PREFERENCES WITH THE SUPPORT OF OUR INNOVATIVE APPROACH, WHICH IS STRENGTHENED BY R&D ACTIVITIES.

CHAIRMAN'S MESSAGE



Anadolu Efes, with its rich beer and soft drink brand portfolio, maintains its market leadership in many countries where it operates.

Dear stakeholders,

First of all, I would like to express my deep sadness due to the earthquakes, which took place in the southeastern provinces of our country on Monday, February 6th and posed great damage, losses of life, and injuries in 11 provinces, and which caused deep grief to all of us. I wish God's blessings for those who lost their lives, my condolences to those who lost their relatives, and a fast recovery to those who were injured.

As soon as we received the news of the disaster, we focused on the health and ensuring the safety of our employees and business partners in the region. In order to support our people and help the regions affected by the disaster, we have carried out and continue to carry out many aid works with the support of volunteer employees and stakeholders, alongside in-kind and in-cash donations made by our Company. We will continue to support both our stakeholders and our employees in solidarity.

Anadolu Efes, which carries out its operations in a wide geography consisting of Türkiye, Russia, Commonwealth of Independent States, Central Asia, and the Middle East countries, with its experience of over half a century, maintains its position as the market leader in many countries where it operates with its rich product range consisting of strong beer and soft drink brands. Anadolu Efes continues to be one of the largest beer companies in Europe and the world in terms of production volume. On the other hand, Coca-Cola İçecek, which our Company is the main shareholder and which is one of the most important bottlers in the Coca-Cola system, successfully continues to carry out soft drink operations in 11 different countries with its production and bottling facilities.

Anadolu Efes, which obtains a significant portion of its revenues from operations abroad, brings its diversified product range to hundreds of millions of consumers from different cultures and profiles through its export markets, in addition to the geographies where it operates.

The ongoing inflation environment since 2021, together with the supply-side restrictions caused by the pandemic and the record high commodity prices, increased its pressure on our operations in 2022. While the events in Kazakhstan at the beginning of the year, the developments between Russia and Ukraine, and the subsequently increasing global tensions accelerated macroeconomic volatilities, the increase in energy prices, supply chain problems, and increasing input costs inevitably affected all our operations. Our ability to strongly continue our existence in the extraordinary conditions have proved our financial, corporate, and risk management competencies once again.

With the beginning of the events between the two countries, it became our priority to take all possible precautions to ensure the safety of our employees and their families. In this context, we have suspended production activities in Ukraine for a while as of February 24th. Then, in the light of our risk analysis and general evaluations, we resumed production in one of our factories as of October. However, the growth that was recorded in Türkiye and CIS operations with the support of successful market practices largely compensated for the negative impacts of the extraordinary situation experienced in our two major markets.

In the beer group, the Russia operation that continued its growth trend at the beginning of the year reached the highest operational profitability levels in its history as a result of the price increases we implemented during the year in the face of cost inflation. Despite the strong performance achieved in Kazakhstan and Georgia, which continued their growth momentum, the volumes of Moldovan beer operations declined. The Turkish beer market recorded a growth that was beyond expectations due to the rapid recovery in on-trade sales channel following the pandemic and the successful tourism season. The new products that added to our portfolio with our innovation power also contributed to the increase in volume. Bremen 1827, which we launched in the Turkish market in mid-2022, showed its positive impact on our market share in a short time. While maintaining our market leadership in all our beer operations excluding Ukraine, we increased our share in the beer markets in the CIS countries.

The volume increase in soft drink operations mainly resulted from international operations, while Uzbekistan, CIS countries, and Pakistan provided the highest contribution to growth. In the Turkish market, there was limited growth in sales volume, as the decline in disposable income pressurized consumer demand.

In this period when cost and expense management is more compelling than ever, our Company's operational efficiency increased, and as a result, we achieved strong financial results, with the effective use of risk mitigating mechanisms against the increases in commodity and raw material prices.

With the effective use of risk mitigating mechanisms against the increases in commodity and raw material prices, our Company had an increase in the operational efficiency.

CHAIRMAN'S MESSAGE

We undersigned a "first" for our Company in 2022 and we made our first domestic debt instrument issuance in order to diversify our borrowing structure.

Our consolidated net sales revenues increased thanks to proactive price adjustments, effective discount management, balanced product portfolio, and our focus on value creation. The high sales trend obtained from on-trade sales channel accompanied such efforts of ours.

As an advantage of geographical differentiation, the currency conversion effect also supported our revenue growth. With our cash generation capabilities, free cash flow reached historic levels, and our debt leverage ratio maintained its healthy progress. As a result, our revenue and profitability performance was realized beyond our plan.

Although Anadolu Efes maintains its powerful position with its strong financial and operational results, the macroeconomic outlook and the challenges and uncertainties in the geopolitical environment in the countries of operation were reflected in our credit rating results.

Standard and Poor's downgraded Anadolu Efes' long-term credit and bond ratings by one notch from BBB- to BB+ and set the outlook of its credit rating as negative. Fitch Ratings continued its negative long-term foreign and local currency credit rating of BB+, while maintaining its national credit rating as AAA(tur), which is the highest rating. JCR Eurasia Rating confirmed our Company's long-term national rating with the highest rating level of "AAA (tr)," its short-term national rating at "J1+ (tr)," and their outlook as "stable."

In 2022, we also realized a "first" for our Company, by undersigning our first domestic debt instrument issuance in order to diversify our borrowing structure.

In addition to our solid financial structure, we reinforce our ethical, transparent and responsible corporate identity towards our stakeholders with our corporate structure. Anadolu Efes, which has a Corporate Governance Rating of 96.3%, won the Best Company in Investor Relations prize in the consumer sector among developing countries in the emerging EMEA region by Institutional Investor.

In 2022, we continued to realize our actions in the field of sustainability, which we have internalized as one of the main elements of our business strategy, within the framework of our Positive Impact Plan and in line with the 2030 Sustainability Goals that we have set to embody our contributions to the United Nations Sustainable Development Goals. We are accelerating our endeavors in the axes of zero waste and net zero carbon emissions for the environment, increasing our social impact for the society and strengthening equality of opportunity in business life, which we have determined as our main focuses.

In line with our goal of achieving net zero carbon emissions in all our operations by 2030, we are also working to obtain the Zero Waste Certificate, which we were entitled to receive for all our breweries and malteries in Türkiye last year, for our facilities in other geographies where we operate. We monitor our work within the framework of the roadmap we have determined at the level of our Global Sustainability Committee and Board of Directors, which cover all our operations. We continue to increase our contribution to the circular economy, while supporting our activities towards our net zero target, with our efforts to increase the use of renewable energy in production, to safeguard

energy efficiency and natural resources, and to reduce the use of packaging and plastics.

With our R&D and innovation competence, while we are the pioneer of innovative products in the market, we trigger the entrepreneurial spirit for the development of the entrepreneurship ecosystem and support young entrepreneurs inside and outside the Company. Anadolu Efes Entrepreneurship Workshop, which we established to spread the entrepreneurship culture within the Company and bring added value to the future, completed the 3rd year Incubation Program in 2022. Malty, the malt-based protein bar which is the first in-house initiative of Anadolu Efes Entrepreneurship Workshop, which was born in 2021 and became commercialized with the seed investment we made last year, and which also stands out in the field of sustainable food, also received its second investment support.

Supporting the empowering and developing aspects of culture, arts, and sports in order to contribute to a sustainable future is our important area of development in increasing our social impact. As a Company that provides half of its raw materials from the soil, we have been collaborating with our farmers for more than 40 years within the scope of our “Future is in Agriculture” program to contribute to the sustainability of agriculture, and we conduct agricultural R&D and innovation studies. In order to support sustainable agricultural practices, we distribute proprietary varieties of barley seeds and common hops that we have developed to our farmers, provide consultancy and training to increase productivity, and aim to increase their financial means with incentive packages. Within the scope of our Smart Agriculture project, we

facilitate the lives of farmers through smart agriculture applications such as humidity and temperature measurement via soil and air sensors, satellite field health monitoring, and digital soil analysis.

Anadolu Efes' business model principles focus on ensuring gender equality and empowering women's presence in business life. While approximately 40% of the managers at Anadolu Efes comprise women, we aim to increase the ratio of female employees from 30% to 51% by 2030.

I believe that in the forthcoming period, when we will accelerate our steps towards increasing and improving our environmental, social, and governance (ESG) focused practices, we will continue to offer sustainable value to our stakeholders and undersign new successes with our foresighted practices and management competence despite challenging conditions.

I would like to extend my sincere thanks to our esteemed board members, shareholders, dealers, distributors, suppliers, business partners, with whom we share our strong results and who are always with us with their contributions and support, to our colleagues whose dedication and perseverance never diminish, and to our consumers whose trust and preferences we have earned.

Kind regards,,



Tuncay Özilhan
Chairman of the Board of Directors

We will continue to offer sustainable value to our stakeholders and achieve new successes.

BOARD OF DIRECTORS*



TUNÇAY ÖZİLHAN
Chairman

BoD Term	2000-2023
Independent	■
Executive	■
Position in the Committees	-



KAMILHAN SÜLEYMAN YAZICI
Vice Chairman

BoD Term	2017-2023
Independent	■
Executive	■
Position in the Committees	-



JASON WARNER
Board Member

BoD Term	2019-2023
Independent	■
Executive	■
Position in the Committees	Corporate Governance - Member



TALİP ALTUĞ AKSOY
Board Member

BoD Term	2021-2023
Independent	■
Executive	■
Position in the Committees	Early Detection of Risk - Member



RASİH ENGİN AKÇAKOCA
Board Member

BoD Term	2020-2023
Independent	■
Executive	■
Position in the Committees	Corporate Governance - Member



AHMET BOYACIOĞLU
Board Member

BoD Term	2016-2023
Independent	■
Executive	■
Position in the Committees	-

*Please refer to page 102 for resumes of Anadolu Efes' Board of Directors.



AGAH UĞUR
Board Member

BoD Term	2021-2023
Independent	■
Executive	■
Position in the Committees	Early Detection of Risk - Member



PROF. DR. BARIŞ TAN
Independent Board Member

BoD Term	2018-2023
Independent	■
Executive	■
Position in the Committees	Early Detection of Risk - Chairman



LALE SARAL DEVELİOĞLU
Independent Board Member

BoD Term	2020-2023
Independent	■
Executive	■
Position in the Committees	Corporate Governance - Member



ŞEVKİ ACUNER
Independent Board Member

BoD Term	2018-2023
Independent	■
Executive	■
Position in the Committees	Audit - Chairman



UĞUR BAYAR
Independent Board Member

BoD Term	2018-2023
Independent	■
Executive	■
Position in the Committees	Corporate Governance - Chairman Audit - Member



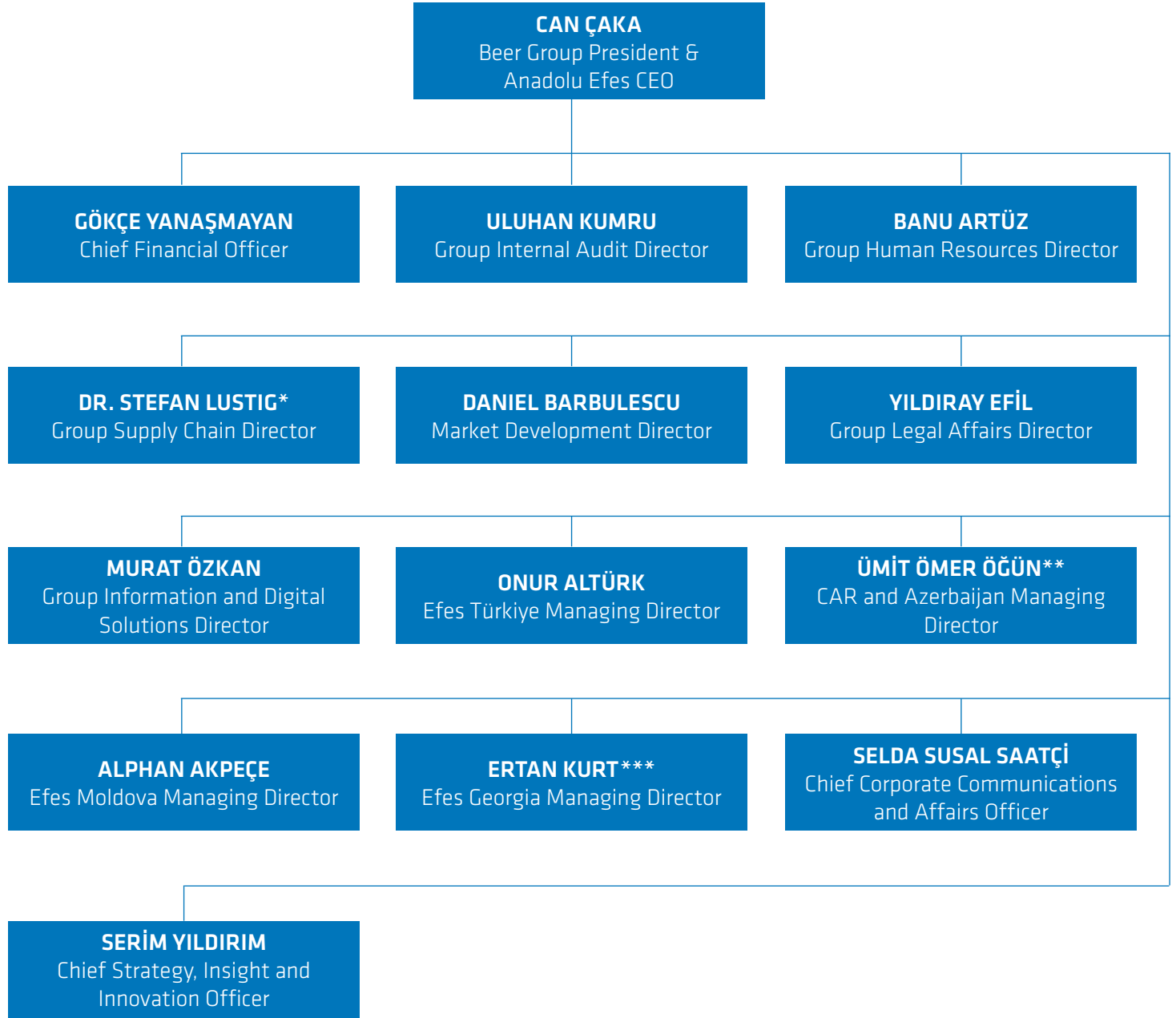
DR. YILMAZ ARGÜDEN
Strategist

BoD Term	■
Independent	■
Executive	■
Position in the Committees	Corporate Governance - Member

■ Yes
■ No

ORGANIZATION CHART

ANADOLU EFES BİRACILIK VE MALT SANAYİİ A.Ş.

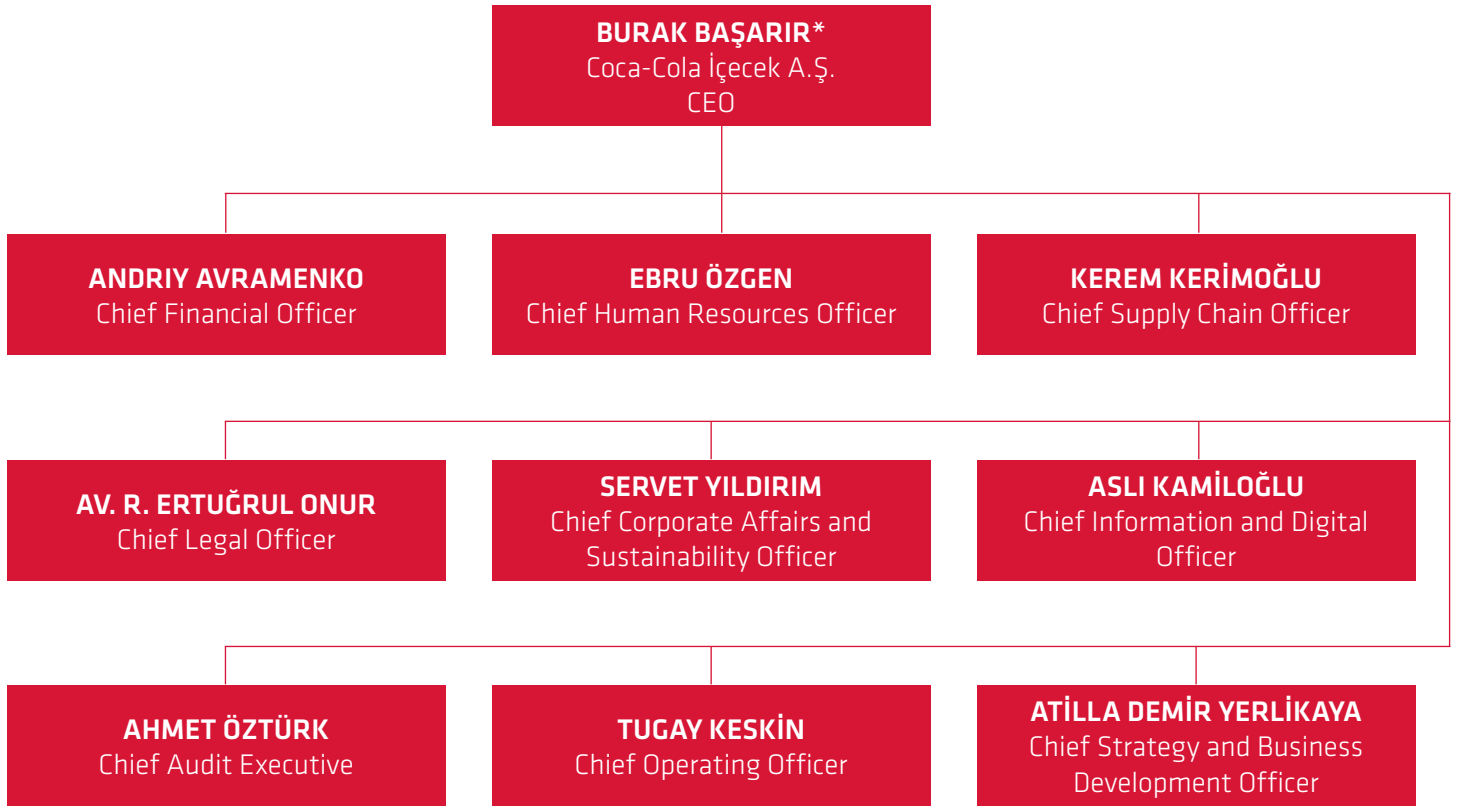


* Dr. Stefan Lustig has left his position as of 31 January 2023. Mr. Savaş Öztürk has been appointed as Anadolu Efes Group Supply Chain Director as of 1 February 2023.

** Mr. Ümit Ömer Öğün has been appointed as General Manager responsible from Special Projects effective as of February 1, 2023. In his new role, Mr. Öğün will continue to report directly to Mr. Can Çaka, Beer Group President and Anadolu Efes CEO.

*** Mr. Ertan Kurt has been appointed as Anadolu Efes Kazakhstan General Manager, effective as of 1 February 2023. Mr. Veli Dinçel has joined our Group as Anadolu Efes Georgia General Manager to fill the position vacated by Mr. Ertan Kurt.

COCA-COLA İÇECEK A.Ş.



* Mr. Burak Başarır has been appointed as Deputy CEO of Anadolu Group effective as of 1 September 2023. Mr. Karim Yahi has been appointed as Deputy Chief Executive Officer to CCI, effective as of 1 March 2023. Ensuring a smooth and effective transition, Mr. Burak Başarır, will hand over his responsibilities to Mr. Yahi on 1 September 2023.

SENIOR MANAGEMENT - BEER GROUP*



CAN ÇAKA
Beer Group President & Anadolu Efes CEO



GÖKÇE YANAŞMAYAN
Chief Financial Officer



ULUHAN KUMRU
Group Internal Audit Director



BANU ARTÜZ
Group Human Resources Director



DR. STEFAN LUSTIG**
Group Supply Chain Director



DANIEL BARBULESCU
Market Development Director



YILDIRAY EFİL
Group Legal Affairs Director

* Please refer to page 116 for resumes of Anadolu Efes' Beer Group Senior Management.

** Dr. Stefan Lustig has left his position as of 31 January 2023. Mr. Savaş Öztürk has been appointed as Anadolu Efes Group Supply Chain Director as of 1 February 2023.



MURAT ÖZKAN
Group Information and Digital Solutions
Director



SELDA SUSAL SAATÇI
Chief Corporate Communications and
Affairs Officer



SERİM YILDIRIM
Chief Strategy, Insight and Innovation
Officer



DMITRY SHPAKOV
AB InBev Efes CEO



ONUR ALTÜRK
Efes Türkiye Managing Director



ÜMİT ÖMER ÖĞÜN*
CAR and Azerbaijan Managing Director



ALPHAN AKPEÇE
Efes Moldova Managing Director



ERTAN KURT**
Efes Georgia Managing Director

* Mr. Ümit Ömer Ögün has been appointed as General Manager responsible from Special Projects effective as of 1 February 2023. In his new role, Mr. Ögün will continue to report directly to Mr. Can Çaka, Beer Group President and Anadolu Efes CEO.

** Mr. Ertan Kurt has been appointed as Anadolu Efes Kazakhstan General Manager, effective as of 1 February 2023. Mr. Veli Dinçel has joined our Group as Anadolu Efes Georgia General Manager to fill the position vacated by Mr. Ertan Kurt.

SENIOR MANAGEMENT - SOFT DRINK GROUP*



BURAK BAŞARIR**
Coca-Cola İçecek CEO



ANDRIY AVRAMENKO
Chief Financial Officer



EBRU ÖZGEN
Chief Human Resources Officer



KEREM KERİMOĞLU
Chief Supply Chain Officer



AV. R. ERTUĞRUL ONUR
Chief Legal Officer

* Please refer to page 119 for resumes of Anadolu Efes' Soft Drink Group Senior Management.

** Mr. Burak Başarır has been appointed as Deputy CEO of Anadolu Group effective as of 1 September 2023. Mr. Karim Yahi has been appointed as Deputy Chief Executive Officer to CCI, effective as of 1 March 2023. Ensuring a smooth and effective transition, Mr. Burak Başarır, will hand over his responsibilities to Mr. Yahi on 1 September 2023.



SERVET YILDIRIM
Chief Corporate Affairs and
Sustainability Officer



ASLI KAMILOĞLU
Chief Information and Digital Officer



ATILLA D. YERLIKAYA
Chief Strategy and Business Development
Officer



AHMET ÖZTÜRK
Chief Audit Executive



TUGAY KESKİN
Chief Operating Officer





WE TAKE OUR GLOBAL COMPANY IDENTITY TO THE FUTURE

WE TAKE OUR GLOBAL COMPANY IDENTITY TO THE FUTURE WITH OUR BRANDS WHICH ARE PREFERRED BY HUNDRED MILLIONS OF CONSUMERS WITH DIFFERENT CULTURES AND PROFILES WORLDWIDE.

FINANCIAL REVIEW AND EXPECTATIONS

BASIS OF THE PREPARATION AND PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The company's consolidated financial statements have been drawn up in accordance with the provisions of the Capital Markets Board of Türkiye (Sermaye Piyasası Kurulu - "SPK") Communiqué Serial: II-14.1 on Principles of Financial Reporting in the Capital Market published in the Official Gazette issue 28676 dated 13 June 2013, and has been based on the Turkish Accounting Standards ("TMS") enforced by the Public Oversight, Accounting and Auditing Standards Authority (Kamu Gözetimi Muhasebe ve Denetim Standartları Kurumu - "KGK") in accordance with Article 5 of the Communiqué. TMSs consist of Turkish Accounting Standards, Turkish Financial Reporting Standards (TFRS) and supplements and comments in relation thereto. In addition to Anadolu Efes' independently-audited and TFRS compliant financial statements for 2022 and 2021 that have been prepared in accordance with the SPK legislation, we are also presenting the summaries of the results of our Turkish beer operations, our international beer operations, and our consolidated Coca-Cola operations, which together make up our consolidated financials, as additional information for the benefit of domestic and international individual and institutional investors. The consolidated financial statements comprise the financial statements of the company (Anadolu Efes) and of its subsidiaries and joint ventures drawn up as at the same date. The purchase method of accounting is used for acquired businesses.

Subsidiaries, joint ventures, and investments in associates acquired or disposed of during the year are included in the consolidated financial statements as of the date of acquisition or until the date of disposal, as appropriate. A "subsidiary" is a company that is subject to Anadolu Efes' control. "Control" in this context means that Anadolu Efes is exposed to various consequences arising in such companies, that it is entitled to receive some of their earnings, and that it has the power to influence their management. Among Anadolu Efes' subsidiaries are EFPA (sales and distribution of beer products in Türkiye), Efes Breweries International (EBI - International Beer Operations), CCI (domestic and international Coca-Cola operations), Cypex and Efes Deutschland.

A "joint venture" is a company in which there are contractual arrangements through which an economic activity is undertaken subject to joint control by Anadolu Efes and one or more enterprising partners. Under the change introduced by TFRS 11, joint ventures were accounted for using the equity method starting from 1 January 2013.

STATEMENT OF GENERAL INFORMATION CONCERNING THE CONSOLIDATED FINANCIAL RESULTS FOR THE PERIOD ENDING 31 DECEMBER 2022

In addition to our consolidated financial statements dated 31 December 2022 that have been drawn up in accordance with the accounting principles published by the Capital Markets Board ("SPK") and for the purpose of informing domestic and foreign investors, individuals, and organizations, we are providing the summarized consolidated operational results of the beer operations, and the soft drinks operations which constitute

4Q2022 HIGHLIGHTS¹

- **Consolidated sales volume** declined by 2.3% to 23.3 mhl; down 4.1% on organic basis
- **Consolidated net sales revenue** up 104.8% to TRL 22,432.3 million; 98.7% growth on organic basis
- **Consolidated EBITDA Before Non-Recurring Items (BNRI)** up 85.5% to TRL 3,493.2 million

FY2022 HIGHLIGHTS¹

- **Consolidated sales volume** increased by 6.4% to 123.5 mhl; 1.0% growth on organic basis
- **Consolidated net sales revenue** up 130.4% to TRL 90,504.2 million; 118.1% growth on organic basis
- **Consolidated EBITDA Before Non-Recurring Items (BNRI)** up 148.0% to TRL 17,418.8 million
- **Consolidated Free Cash Flow** was TRL 6,129.0 million in FY2022 vs. TRL 4,262.9 million in FY2021

¹ Throughout the release organic refers to figures excluding the impact of Uzbekistan in 2022.

MR. CAN ÇAKA, BEER GROUP PRESIDENT & ANADOLU EFES CEO COMMENTS

I am deeply saddened by the devastating earthquakes which took place on February 6th affecting millions of our citizens in 11 cities of Türkiye. I would like to express my sincere condolences to the ones who lost their families or relatives and wish rapid recovery for the ones who were wounded. It is a consolation for us to know that none of our employees lost their lives; however we feel sorrow for the colleagues and business partners who lost some of their relatives. As soon as we heard about the earthquake, our first focus has been the health and safety of our employees, business partners and their relatives. In the framework of solidarity, we have been working in coordination with employees, business partners, local municipalities and NGOs in order to provide social aid for people who were affected and we will continue our efforts to meet their needs. The recovery will take time but we will be healing our wounds together; in solidarity.

We have concluded a year of challenges and now heading to another one. We are pleased to have finished such a difficult year with exceptional results with consecutive improvements in expectations in every quarter. We managed to

beat our own expectations in almost all lines, reaching record high levels in financial metrics. We reported the highest consolidated EBITDA (BNRI) margin in the last 10 years, despite facing inflationary pressures in many of our operating markets. I would also like to share that our Board of Directors proposed TRL 1.3 billion dividends for 2022.

Throughout the year, beer group volumes were resilient except for Ukraine. Volume pressures in certain markets were offset by the others; thanks to our geographical diversification. In terms of product diversification, it was encouraging to see the good results delivered in NABLAB2 and beyond beer categories in almost all of our beer operations. In soft drinks, successful integration of Uzbekistan and solid momentum achieved by the key international markets led to sound operational performance.

In Russia, there was a volume trend turnaround from strong demand in 1H to a decline in 2H resulting a year-on-year flat volume performance in the market. Our volumes were slightly below market as a result of our volume-value balance strategy throughout the year which led us to report a very strong operational margin in international operations. In Türkiye, 2022 was a year of success in terms of our

volume performance. Market growth and our execution initiatives led us to reach to this superior performance. Together with the strong performance recorded in international beer, we were able to achieve more than 600 bps of margin expansion in beer group.

Our operations and financials are in good shape and we are confident to deliver another year of sound results, thanks to our agile approach to the business and adaptability. We will continue to invest on our operating markets, focus on brand portfolio, do scenario planning in all streams, stick to our financial policy and tight expense management while taking necessary actions in terms of risk management.

I must thank all my colleagues, business partners and stakeholders for being with us along this journey, for their endless efforts and dedication to break new records and beat our own success.

FINANCIAL REVIEW AND EXPECTATIONS

SUMMARY FINANCIALS

Consolidated (TRL mn)	4Q2021	4Q2022	% change	FY2021	FY2022	% change
Volume (mhl)	23.9	23.3	-2.3%	116.1	123.5	6.4%
Volume (mhl) (organic)**	22.5	21.6	-4.1%	114.7	115.8	1.0%
Net Sales	10,950.8	22,432.3	104.8%	39,284.4	90,504.2	130.4%
Net Sales (organic)**	10,472.9	20,808.6	98.7%	38,806.5	84,625.5	118.1%
Gross Profit	3,902.9	7,899.2	102.4%	14,142.3	32,991.5	133.3%
EBIT (BNRI)	1,017.2	1,830.1	79.9%	4,392.9	12,956.9	194.9%
EBITDA (BNRI)	1,883.2	3,493.2	85.5%	7,023.9	17,418.8	148.0%
Net Income/(Loss)*	-198.4	53.4	n.m.	1,068.3	3,429.1	221.0%
Net income/(Loss)* excl. impairment and losses in Ukraine	-198.4	27.8	n.m.	1,068.3	3,770.3	252.9%
FCF	14.7	-966.3	n.m.	4,262.9	6,129.0	43.8%
			Change (bps)			Change (bps)
Gross Profit Margin	35.6%	35.2%	-43	36.0%	36.5%	45
EBIT (BNRI) Margin	9.3%	8.2%	-113	11.2%	14.3%	313
EBITDA (BNRI) Margin	17.2%	15.6%	-162	17.9%	19.2%	137
Net Income Margin* excl. impairment and losses in Ukraine	-1.8%	0.1%	194	2.7%	4.2%	145
			Change (bps)			Change (bps)
Beer Group (TRL mn)	4Q2021	4Q2022	% change	FY2021	FY2022	% change
Volume (mhl)	8.7	7.1	-18.1%	37.9	34.0	-10.4%
Volume excl. Ukraine (mhl)	7.8	6.9	-11.0%	33.1	33.1	0.0%
Net Sales	5,386.6	9,674.6	79.6%	17,356.1	36,975.8	113.0%
Gross Profit	1,968.0	3,914.0	98.9%	6,423.4	15,609.8	143.0%
EBIT (BNRI)	500.5	847.0	69.2%	971.1	4,966.2	411.4%
EBITDA (BNRI)	974.9	1,944.7	99.5%	2,356.8	7,318.0	210.5%
Net Income/(Loss)*	-322.8	-269.0	16.6%	279.7	1,570.8	461.5%
Net income/(Loss)* excl. impairment and losses in Ukraine	-322.8	-294.7	8.7%	279.7	1,912.0	583.5%
FCF	239.7	-2,037.8	n.m.	1,758.8	3,719.7	111.5%
			Change (bps)			Change (bps)
Gross Profit Margin	36.5%	40.5%	392	37.0%	42.2%	521
EBIT (BNRI) Margin	9.3%	8.8%	-54	5.6%	13.4%	784
EBITDA (BNRI) Margin	18.1%	20.1%	200	13.6%	19.8%	621
Net Income Margin* excl. impairment and losses in Ukraine	-6.0%	-3.0%	295	1.6%	5.2%	356
			Change (bps)			Change (bps)
Coca-Cola İçecek (TRL mn)	4Q2021	4Q2022	% change	FY2021	FY2022	% change
Volume (mn u/c)	267	285	6.8%	1,376	1,577	14.6%
Volume (mn u/c) (organic)**	242	254	4.8%	1,352	1,441	6.6%
Net Sales	5,564	12,758	129.3%	21,930	53,530	144.1%
Net Sales (organic)**	5,087	11,134	118.9%	21,452	47,651	122.1%
Gross Profit	1,933	3,975	105.6%	7,717	17,374	125.1%
EBIT	520	988	90.0%	3,434	8,006	133.2%
EBITDA	908	1,548	70.5%	4,666	10,097	116.4%
Net Income/(Loss)*	231	649	180.6%	2,271	4,331	90.7%
FCF	-345	1,618	n.m.	2,154	2,629	22.1%
			Change (bps)			Change (bps)
Gross Profit Margin	34.7%	31.2%	-358	35.2%	32.5%	-273
EBIT Margin	9.3%	7.7%	-160	15.7%	15.0%	-70
EBITDA Margin	16.3%	12.1%	-418	21.3%	18.9%	-241
Net Income Margin*	4.2%	5.1%	93	10.4%	8.1%	-227

* Net income attributable to shareholders

** Organic refers to excluding the impact of Uzbekistan in 2022

OPERATIONAL PERFORMANCE – ANADOLU EFES CONSOLIDATED

AEFES Consolidated (TRL mn)	4Q2021	4Q2022	% change	FY2021	FY2022	% change
Volume (mhl)	23.9	23.3	-2.3%	116.1	123.5	6.4%
Volume (mhl) (organic)**	22.5	21.6	-4.1%	114.7	115.8	1.0%
Net Sales	10,950.8	22,432.3	104.8%	39,284.4	90,504.2	130.4%
Net Sales (organic)**	10,472.9	20,808.6	98.7%	38,806.5	84,625.5	118.1%
Gross Profit	3,902.9	7,899.2	102.4%	14,142.3	32,991.5	133.3%
EBIT (BNRI)	1,017.2	1,830.1	79.9%	4,392.9	12,956.9	194.9%
EBITDA (BNRI)	1,883.2	3,493.2	85.5%	7,023.9	17,418.8	148.0%
Net Income/(Loss)*	-198.4	53.4	n.m.	1,068.3	3,429.1	221.0%
Net income/(Loss)* excl. impairment and losses in Ukraine	-198.4	27.8	n.m.	1,068.3	3,770.3	252.9%
FCF	14.7	-966.3	n.m.	4,262.9	6,129.0	43.8%
			Change (bps)			Change (bps)
Gross Profit Margin	35.6%	35.2%	-43	36.0%	36.5%	45
EBIT (BNRI) Margin	9.3%	8.2%	-113	11.2%	14.3%	313
EBITDA (BNRI) Margin	17.2%	15.6%	-162	17.9%	19.2%	137
Net Income Margin* excl. impairment and losses in Ukraine	-1.8%	0.1%	194	2.7%	4.2%	145

* Net income attributable to shareholders

** Organic refers to excluding the impact of Uzbekistan in 2022

Anadolu Efes' consolidated sales volume declined by 2.3% year-on-year to 23.3 mhl, due to cycling a very high base in 4Q2021 where volume growth was at 13.2% together with the impact of Ukraine. Consolidated volumes reached 123.5 mhl in FY2022 with a strong growth of 6.4% realizing at the higher end of our guidance of low-to-mid single digit growth. Year-on year organic growth where we exclude the impact of Uzbekistan from our soft drinks operation's volume was 1.0%.

Consolidated net sales revenue expanded by 104.8% to TRL 22,432.3 million in 4Q2022. Pricing and discount management initiatives during the year together with proactive revenue growth management initiatives including premiumization as well as favorable FX translation had positive impact on topline performance. Therefore, in FY2022, net sales revenue reached TRL 90,504.2 million with 130.4% yearly growth. On FX-Neutral basis, the growth was at 57.3%; exceeding our guidance.

Consolidated EBITDA (BNRI) increased by 85.5% to TRL 3,493.2 million in 4Q2022, implying a margin of 15.6%. There was 162 bps margin dilution year-on-year in 4Q mainly due to our soft drink operations while beer group margin was higher year-on-year. In FY2022, EBITDA (BNRI) grew by 148.0% to TRL 17,418.8 million. EBITDA (BNRI) margin was 19.2%; implying 137 bps year-on-year improvement, above expectations.

Anadolu Efes' **consolidated net income** was TRL 53.4 million in 4Q2022 versus a loss of 198.4 million a year ago. Positive swing on bottomline was driven by better operational profitability amid significantly higher net financial losses year-on-year. It was due to the increase in cost of hedging in Russia together with higher TRL equivalent of foreign currency interest expenses and higher borrowings in beer group and in soft drinks. Accordingly, consolidated net profit reached TRL 3,429.1 million in FY2022.

The cash generation was negative this quarter in line with the initial expectations due to phasing of certain capital expenditures and payables to 4Q. Early procurement of certain raw materials in order to mitigate impacts of possible price volatilities also had some impact on Anadolu Efes' cash level this quarter. However, as a result of very strong cash generation in the previous quarters as well as postponement of some payments in Russia to the following year, **Free Cash Flow** reached TRL 6,129.0 million in FY2022. As a result, Consolidated **Net Debt to EBITDA (BNRI)** was 0.7x as of December 31, 2022.

FINANCIAL REVIEW AND EXPECTATIONS

OPERATIONAL PERFORMANCE - BEER GROUP

Beer Group (TRL mn)	4Q2021	4Q2022	% change	FY2021	FY2022	% change
Volume (mhl)	8.7	7.1	-18.1%	37.9	34.0	-10.4%
Volume excl. Ukraine (mhl)	7.8	6.9	-11.0%	33.1	33.1	0.0%
Net Sales	5,386.6	9,674.6	79.6%	17,356.1	36,975.8	113.0%
Gross Profit	1,968.0	3,914.0	98.9%	6,423.4	15,609.8	143.0%
EBIT (BNRI)	500.5	847.0	69.2%	971.1	4,966.2	411.4%
EBITDA (BNRI)	974.9	1,944.7	99.5%	2,356.8	7,318.0	210.5%
Net Income/(Loss)*	-322.8	-269.0	16.6%	279.7	1,570.8	461.5%
Net income/(Loss)* excl. impairment and losses in Ukraine	-322.8	-294.7	8.7%	279.7	1,912.0	583.5%
FCF	239.7	-2,037.8	n.m.	1,758.8	3,719.7	111.5%
			Change (bps)			Change (bps)
Gross Profit Margin	36.5%	40.5%	392	37.0%	42.2%	521
EBIT (BNRI) Margin	9.3%	8.8%	-54	5.6%	13.4%	784
EBITDA (BNRI) Margin	18.1%	20.1%	200	13.6%	19.8%	621
Net Income Margin* excl. impairment and losses in Ukraine	-6.0%	-3.0%	295	1.6%	5.2%	356

* Net income attributable to shareholders

Beer Group volume declined by 18.1% year-on-year in 4Q2022 on a reported basis mainly driven by lower volumes in Ukraine and Russia. Excluding our Ukraine operations, the decline was at 11.0%, in line with earlier expectations due to cycling 6.0% growth in the same period of last year. In FY2022, excluding Ukraine volumes beer group volume was 33.1 mhl and were realized parallel to its level a year ago.

International Beer Operation's consolidated sales volume declined by 22.7% in 4Q2022, bringing full year volumes to 28.3 mhl; 14.2% below last year. Excluding Ukraine, in FY2022, the volume decline was limited to 2.7%. **Russian** beer volumes were down by high-teens in 4Q2022, bringing full year volume decline to low-single digits. The softening in volume in the last quarter was mainly driven by the market decline as well as our value generation oriented focus where some SKU and sales channel

prioritization projects were in place; which affected volumes but addressed profitability. Competition continued to be challenging since September in terms of pricing and promotions. Russian beer market was down by low-teens in the quarter as expected, as 4Q2021 was a high base; while the industry volume was being affected by the decline in consumer confidence. However, we have observed an increased share in our overall premium segment despite lack of import brands classified under super premium segment. In Ukraine, production started in our Chernihiv brewery in October with relatively very limited number of SKUs while we closely monitor the situation for our short and mid-term planning. **In CIS countries**, volumes grew by low-teens year-on-year on average in 4Q and mid-single digit in full year. **In Kazakhstan**, we observed mid-to-high single digit growth in volumes in the last quarter. Beer market remained flat due to high pricing however our

volume performance was ahead of the market and grew by low-to-mid single digit. Successful new brand and SKU launches yielded share gains during the year. In **Moldova**, the volumes were down low-teens in 4Q2022 bringing full-year decline to low-to-mid single digit. That is mainly driven by the fact that the beer market was down in 2022, due to affordability issues caused by high inflation in the country together with some supply chain issue related to the conflict in the region. However, our performance was ahead of the market, yielding leadership in premium and super premium segments as well as in craft category. In **Georgia**, the volumes grew by low-thirties in the last quarter while the full year volume growth was at mid-to-high teens which is the highest growth achieved in the last 10 years with solid momentum in both beer and carbonated soft drinks. categories as a result of a more balanced portfolio strategy. **Türkiye** beer sales volume significantly

outperformed the expectations for the last quarter and grew by 9.6% reaching 1.4 mhl. Türkiye beer operations have had one of the most successful years of operations where full year volumes grew by 15.6% and reached 5.7 mhl; exceeding pre-pandemic levels despite lower consumer confidence levels. Obviously, end of pandemic brought incremental volumes for on-trade during the year. On top of this, strong recovery in tourism with favorable mix and temporary increase in residents contributed to our consumer base.

Beer Group sales revenue grew by 79.6% year-on-year to TRL 9,674.6 million in 4Q2022 while the increase in FX-Neutral basis was 15.8%.

International beer operation's net sales revenue reached TRL 7,795.1 million in the period with a year-on-year increase of 75.0%. The yearly increase in the revenue/hl of 126.4% was a result of strong pricing and higher TRL conversion impact however the increase was lower than previous quarters, because last quarter of 2021 was high base as a result of price adjustments taken in international operations. There has been strong premium segment growth in CIS region supporting revenue /hl performance.

Türkiye beer net sales revenue posted a very strong growth of 101.0% in 4Q2022 benefitting from solid volume performance together with higher prices. Revenue/hl growth was at 83.5% in the period. Accordingly, beer group net sales revenue reached TRL 36,975.8 million in FY2022 resulting in an annual growth of 113.0%. On FX-Neutral basis, net sales revenue was up 29.2%; ahead of our guidance of low-to-mid-twenties growth.

Beer group gross profit recorded a growth ahead of revenue performance and expanded by 98.9%; yielding a margin expansion of 392 bps in 4Q2022. The margin expansion was primarily attributable to our international operations'

performance despite price volatilities and record high escalations in COGS on a yearly basis. Timely pricing and discount management initiatives as well as effective use of FX and commodity hedging supported international operation's profitability margin this quarter like the previous quarters of the year. Also gross margin was backed by good performances achieved in Kazakhstan and Moldova. In Türkiye beer operations, the margin pressure in 3Q extended into the last quarter as well which was a result of very high cost inflation. As a result, beer group gross profit reached TRL 15,609.8 million with a very strong margin expansion of 521 bps to 42.2% in FY2022.

Beer group EBITDA (BNRI) grew by 99.5% to TRL 1,944.7 million in 4Q2022 with a margin of 20.1%; 200 bps above last year. The improvement in gross profitability reflected into operational profitability performance in the period however at a lesser extent due to increased marketing spending as a result of postponement of some spending into the last quarter of the year. Thus, in FY2022, beer group EBITDA (BNRI) reached TRL 7,318.0 million. EBITDA (BNRI) margin reached 19.8% expanding by 621 bps year-on-year, outperforming our guidance.

Beer Group net income was -TRL 269.0 million in 4Q2022 versus -TRL 322.8 million in 4Q2021. The improvement in operating profit was partly reflected on the bottomline because of year-on-year higher net financial expense and tax expense. Net financial expense was up due to increased cost of derivative transactions in Russia and higher TRL equivalent of foreign currency interest expenses as a result of TRL depreciation against hard currencies. This was partly offset by year-on-year lower losses from Anadolu Etap and increase in FX gains. As a result, net income was recorded at TRL 1,570.8 million in FY2022, with a significant increase

of 461.5%. Excluding the impact of impairment and losses in Ukraine, net income would have been TRL 1,912,0 million in FY2022.

Beer Group Free Cash Flow was reported as -TRL 2,037.8 million in 4Q2022 versus TRL 239.7 million in 4Q2021. The negative swing on cash generation was already expected due to calendarization of some capital expenditures and payables into last quarter of the year together with some early procurement of certain raw materials. Despite this, some payables which were expected to be realized in FY2022 in Russia is postponed, which led FY cash level to reach to record-high level of TRL 3,719.7 million.

Beer Group Net Debt/EBITDA (BNRI) was 1.0x as of December 31, 2022.

FINANCIAL REVIEW AND EXPECTATIONS

OPERATIONAL PERFORMANCE - SOFT DRINK GROUP

BURAK BAŞARIR, CEO OF COCA-COLA İÇECEK COMMENTS

First of all, let me express my deepest regrets regarding the recent earthquake's indescribable tragedy, which has taken many lives and destroyed thousands of homes in 10 cities of Türkiye and Syria. We are deeply saddened by the loss of lives, including some of our employees' near families and business partners' employees and their near families. Since the first moments of the devastating earthquake, we mobilized our efforts as the Coca-Cola System, opening the doors of our plants in the region, providing shelter to our employees and their families, as well as people applied to us in the region for daily needs. We have sent trucks of water and beverages to earthquake victims and emergency aid teams in the region. We devoted the whole capacity of our Hazar Factory for water needs of the people in the earthquake region. Together with The Coca-Cola Company and The Coca-Cola Foundation, we donated cash to the Red Crescent. We encouraged our employees for donating to AFAD (Disaster and Emergency Management Presidency) and the Red Crescent by matching their contribution with the same amount as CCI. Coca-Cola Türkiye ve Coca-Cola İçecek employees and distributors from all regions have collected and dispatched in-kind donations to earthquake survivors for urgent needs. We know the disaster recovery

and subsequent healing process will take a long time, and our support will also continue. Our thoughts are with the people of Türkiye, the families of the victims of the devastating earthquake, and all those injured or affected. We wish the wounded a speedy recovery and extend our condolences to those who lost their loved ones and to the whole country.

Returning to the business results, we are pleased to have successfully concluded another challenging year with sound operational and financial performance in all key markets.

In 2022, CCI consolidated volume grew by 15% on the reported basis and 8% on the proforma basis, ahead of our guidance. Growth was broad-based in terms of key markets and categories. Despite the inflationary environment and decreasing disposable income levels, Türkiye sales volume grew by 3%, and international operations' volumes increased by 12% on a proforma basis in 2022. Benefiting from the successful integration, our newest operation, Uzbekistan, recorded the highest volume growth of 26%.

We registered 7% volume growth in the last quarter of 2022 despite cycling a high base of 4Q2021. International operations were the main growth driver, reporting a 13% expansion, and the Türkiye operation's total volume declined 1% in 4Q2022 due to its very high base. Nevertheless, the core sparkling category grew by 2% in 4Q2022 in Türkiye.

In 2022, net sales revenue grew by 144% and reached 54 billion TRL, exceeding USD 3 billion mark. FX neutral net sales revenue growth was 80%, ahead of our guidance. This was achieved by higher volume growth and successful implementation of Revenue Growth Management ("RGM") initiatives. Elevated raw material prices, paired with the high fuel and transportation costs, resulted in an EBITDA margin of 19%, below our original guidance, as we warned in our previous earnings releases. Consolidated net income grew by 91% and reached TRL 17 per share. In a year of around 90% devaluation of our reporting currency against the USD, we have delivered a 2% growth in the net income per share in USD terms. In line with our value generation focus, tight working capital and prudent capex management helped deliver 2.7 billion TRL free cash flow in 2022.

In December 2022, we also entered two significant transactions aligned with our value-creation mindset. First, we signed a binding share transfer agreement to acquire an 80% majority in Etap İçecek, one of Türkiye's primary fruit and vegetable juice concentrate and puree production companies. We are now in the regulatory approval process. With this acquisition, CCI will lock in sustainable procurement and optimization of juice ingredients while enabling diversification of revenues through its exports. Moreover, Etap İçecek will immediately be EBITDA margin accretive for CCI. Second, we signed a binding share transfer agreement with The Coca-Cola Company to acquire their 49.67%

share in our Pakistan operation. By becoming the substantially sole owner of Pakistan operations, we will be able to fully capitalize on the country's compelling dynamics and unlock tremendous growth potential in the future. This transaction underlines our strategic alignment with The Coca-Cola Company, strengthening CCI's position as a critical partner in the Coca-Cola system.

2023 continues to bring various headwinds. The sticky food & beverage inflation continues to erode consumers' purchasing power. Tight monetary policies squeeze credit conditions for companies. Geopolitical tensions put further pressure on still fragile global supply chains.

Despite the persistent volatility and uncertainty, we rely on a diversified product portfolio, agile operating model, and dedicated people to deliver in line with our guidance and within our Quality Growth Algorithm. Along with the mid to high single-digit volume growth and 40-50% FX neutral revenue growth, we expect flat to a slight expansion in EBIT margin in 2023. The absolute increase in free cash flow is expected to continue, backed by profitable operations, a frugal mindset, disciplined balance sheet management, and prudent capex spending.

The resilience of our business was tested and proven once again in 2022. We are fully resourced to win in challenging environments.

CCI has a clear path to accelerate our profitable growth, leveraging our geographies' immense consumption growth potential, the valuable brands we operate, and excellent execution capabilities. We strive to create value for our stakeholders: shareholders, communities, employees, customers, and consumers every day. I sincerely thank all my colleagues, business partners, and shareholders for standing by us in this journey to be the best player in FMCG execution in our markets."

Coca-Cola İçecek (TRL mn)	4Q2021	4Q2022	% change	FY2021	FY2022	% change
Volume (mn u/c)	267	285	6.8%	1,376	1,577	14.6%
Volume (mn u/c) (organic)**	242	254	4.8%	1,352	1,441	6.6%
Net Sales	5,564	12,758	129.3%	21,930	53,530	144.1%
Net Sales (organic)**	5,087	11,134	118.9%	21,452	47,651	122.1%
Gross Profit	1,933	3,975	105.6%	7,717	17,374	125.1%
EBIT	520	988	90.0%	3,434	8,006	133.2%
EBITDA	908	1,548	70.5%	4,666	10,097	116.4%
Net Income/(Loss)*	231	649	180.6%	2,271	4,331	90.7%
FCF	-345	1,618	n.m.	2,154	2,629	22.1%
			Change (bps)			Change (bps)
Gross Profit Margin	34.7%	31.2%	-358	35.2%	32.5%	-273
EBIT Margin	9.3%	7.7%	-160	15.7%	15.0%	-70
EBITDA Margin	16.3%	12.1%	-418	21.3%	18.9%	-241
Net Income Margin*	4.2%	5.1%	93	10.4%	8.1%	-227

* Net income attributable to shareholders

** Organic refers to excluding the impact of Uzbekistan in 2022

For the full text of Coca-Cola İçecek's FY2022 Earnings Release, please refer to the link below
www.cci.com.tr/en/investor-relations/financial-information/financial-results

FINANCIAL REVIEW AND EXPECTATIONS

FY2023 OUTLOOK

After cycling a few consecutive years of challenges, we are heading to another tough one. Geopolitical concerns, energy crisis, inflationary pressures, coupled with potential weakening of consumer demand are the major headwinds that will impact our performance and financials. On top of this, commodity and raw material price volatilities together with FX volatilities are other factors that we address to manage our risks for 2023.

Russian beer operations have shown resilient performance until September where 2022 has been an exceptional year in terms of pricing, operational profitability as well cash generation. However, 2023 will be a very challenging year due to competitive pressures and necessity to make further price increase to cover costs escalations. Consumers' price acceptance is concerning which will inevitably affect our pricing ability. Therefore, we expect some normalization in our Russian EBITDA margin compared its extraordinarily high level in 2022 yet, it will still be much higher than its level in FY2021.

In Türkiye, the year started with strong volume performance yet political uncertainties, high inflationary environment coupled with the potential impact of devastating earthquake makes us cautious for 2023.

In Ukraine, we expect our Chernihiv brewery to be operational during the year as long as security situation allows us. Also, we expect to open the brewery in Mykolaiv before the season.

In beer group, the increase in COGS/HL in 2023 is still expected to be high. In the framework of our risk management program we are taking proactive measures in order to limit the impact of these cost increases either through early procurement programs or with financial hedging mechanisms for our commodity and FX exposure. We are aiming to cover the impact of these cost pressures, with timely price increases and proactive revenue growth management initiatives as well as smart spending approach.

Therefore, our expectations for FY2023 are as follows:

Consolidated sales volume is expected to grow by low-to-mid single digit

Total Beer volume is to decline by low-single digit. We expect our international beer operations to decline by low-single digits and Türkiye beer operations to decline by low-to-mid-single digit.

Consolidated Soft Drinks sales volume to grow mid to high-single digit

Türkiye soft drinks: Flat to mid-single digit growth

International soft drinks: High single to low double-digit growth in the international operations

Consolidated Net Sales Revenue is expected to grow by low-thirties on FX-Neutral basis

Total Beer revenue is to grow by high-teens on FX-Neutral basis

Total Soft Drinks revenue is expected to grow by high 40s to low 50s percentage on FX-Neutral basis

Consolidated EBITDA Margin is expected to decline around 100-200 bps

Total Beer EBITDA margin is expected to decline around 300 bps

Total Soft Drinks EBIT margin: Flat to a slight expansion compared to last year

Capex: As a percentage of sales high single digits on a consolidated basis

Free Cash Flow generation will be under pressure starting from the beginning of the year mainly due to phasing of some payables in international beer operations to following year. If these payables were done in 2022, we would expect a higher level of cash flow in 2023. Cash flow in 2023 will also be impacted by

incremental increase in capex spending which were suspended in 2022.

*2023 outlook reflects management expectations and is 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.

**The 2023 Outlook above includes Anadolu Efes Beer Group and Soft Drinks Group operations and does not include the performance of AEP Anadolu Etap Penkon Gıda ve Tarım Ürünleri Sanayi ve Ticaret A.Ş. ("Anadolu Etap Tarım") as per our announcement dated 26.01.2023.

REGARDING ANADOLU ETAP

Anadolu Etap Tarım is Türkiye's first large-scale fruit growing company and currently is the largest fruit growing company in Türkiye. Anadolu Etap Tarım has generated more than 50% of its revenue through exports to a vast geography ranging from Europe to Far Asia, Middle East and India. The Company has been investing in its operations in Türkiye, where it currently runs eight farms with a total area of 30,000 decares where 5 million trees are planted. Anadolu Etap Tarım considers social, economic, and environmental sustainability as its most important values and supports local economic development in all areas of its operations. In this respect, Anadolu Etap Tarım was the first agricultural Company in Türkiye to publish and commit itself to Sustainable Agriculture Principles in 2014.

Anadolu Etap İçecek is one of Türkiye's main fruit and vegetable juice concentrate and puree production companies. Anadolu Etap İçecek was separated from the parent company Anadolu Etap Tarım in August 2022 and now operates as a separate business under 100% ownership of Anadolu Etap Tarım. Anadolu Etap İçecek owns and operates three fruit juice plants. 70% of Anadolu Etap İçecek's sales are exported.

ANADOLU EFES CONSOLIDATED FINANCIAL PERFORMANCE

EBITDA (TRL mn)	FY2021	FY2022
Profit/loss from Operations	4,385.6	12,634.4
Depreciation and amortization	2,399.0	4,105.4
Provision for retirement pay liability	68.4	231.9
Provision for vacation pay liability	27.9	53.5
Foreign exchange gain/loss from operating activities	125.3	39.2
Rediscount interest income/expense from operating activities	1.2	0.5
Other	9.1	31.3
EBITDA	7,016.6	17,096.3

EBITDA (BNRI*)	7,023.9	17,418.8
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* Non-recurring items amounted to TRL 7.3 million in FY2021 and TRL 322.5 million in FY2022 which also includes impairments and losses related to Ukraine Beer Operations.

Financial Income / (Expense) Breakdown (TRL mn)	FY2021	FY2022
Interest income	237.8	674.7
Interest expense	-1,091.8	-2,937.7
Foreign exchange gain /(loss)	743.9	738.0
Other financial expenses (net)	-125.7	-310.8
Gain/(loss) on derivative transactions	-272.0	-999.6
Net Financial Income /(Expense)	-507.7	-2,835.5

Free Cash Flow (TRL mn)	FY2021	FY2022
EBITDA (BNRI)	7,023.9	17,418.8
Change in Working Capital	1,417.5	-2,478.2
Income Taxes & Employee Benefits Paid	-1,112.5	-2,628.4
Payments of Lease Liabilities	-196.1	-201.1
CAPEX, net	-2,724.8	-4,930.8
Net Financial Income /(Expense)	-145.1	-1,051.3
FCF	4,262.9	6,129.0
Other investing activities (Acquisitions, Disposals, Minority Buy-Out and Share Capital Increases)	-3,458.6	216.9
FCF (after investing activities)	804.2	6,345.9

	Consolidated Gross Debt	Cash & Cash Equivalents	Net Cash/(Debt) Position
AEFES Consolidated (TRL mn)	37,642.0	24,627.6	-13,014.5
Beer Group (TRL mn)	16,827.4	9,858.2	-6,969.1
Türkiye Beer (TRL mn)	15,465.6	2,377.7	-13,087.9
EBI (TRL mn)	1,361.8	7,435.0	6,073.2
CCI (TRL mn)	20,845.0	14,769.3	-6,075.7

Net Debt / EBITDA (BNRI)	FY2021	FY2022
Anadolu Efes Consolidated	1.5	0.7
Beer Group	2.5	1.0

FINANCIAL REVIEW AND EXPECTATIONS

ANADOLU EFES

Consolidated Income Statements for the Twelve-Months Period Ended 31.12.2021 and 31.12.2022
Prepared in accordance with IFRS as per CMB Regulations
(TRL mn)

	2021/12	2022/12
SALES VOLUME (mhl)	116.1	123.5
SALES REVENUE	39,284.4	90,504.2
Cost of Sales (-)	-25,142.1	-57,512.7
GROSS PROFIT FROM OPERATIONS	14,142.3	32,991.5
Selling, Distribution and Marketing Expenses (-)	-7,273.1	-14,665.2
General and Administrative Expenses (-)	-2,820.9	-6,020.7
Other Operating Income /Expense (net)	337.3	328.8
EBIT (BNRI)	4,392.9	12,956.9
Income /Expense from Investing Activities (net)	467.5	-315.6
Income / (Loss) from Associates	-542.4	-143.8
OPERATING PROFIT BEFORE FINANCE INCOME/(EXPENSE)	4,310.6	12,175.0
Financial Income / Expense (net)	-507.7	-2,835.5
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	3,802.9	9,339.6
Continuing Operations Tax Income/(Expense)		
- Current Period Tax Expense (-) / Income	-1,010.6	-2,430.5
- Deferred Tax Expense (-) / Income	-425.0	-867.7
INCOME/(LOSS) FOR THE PERIOD	2,367.3	6,041.3
Attributable to:		
Non-Controlling Interest	1,299.0	2,612.2
EQUITY HOLDERS OF THE PARENT	1,068.3	3,429.1
EBITDA (BNRI)*	7,023.9	17,418.8

*Non-recurring items amounted to TRL 7.3 million in FY2021 and TRL 322.5 million in FY2022.

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 31.12.2021 and 31.12.2022
Prepared in accordance with IFRS as per CMB Regulations
(TRL mn)

	2021/12	2022/12
Cash & Cash Equivalents	10,260.4	23,867.2
Financial Investments	73.6	760.3
Derivative Instruments	100.6	22.1
Trade Receivables from Third Parties	4,644.7	7,056.7
from Related Parties	472.4	826.7
Other Receivables	158.3	776.1
Inventories	5,903.3	14,095.8
Other Current Assets	3,050.6	4,140.7
TOTAL CURRENT ASSETS	24,663.9	51,545.6
Trade Receivables	0.0	1.9
Financial Investments	0.8	0.7
Investments in Associates	0.0	0.8
Property, Plant and Equipment (incl. inv properties)	21,297.1	28,329.4
Right of Use Assets	431.2	781.1
Other Intangible Assets	30,162.1	39,713.3
Goodwill	6,506.6	9,163.6
Deferred Tax Assets	2,031.7	2,990.5
Other Non-Current Assets	419.5	830.6
TOTAL NON-CURRENT ASSETS	60,849.0	81,812.0
TOTAL ASSETS	85,512.9	133,357.5
	2021/12	2022/12
Short-term Borrowings	2,679.0	7,484.9
Short term lease obligations (IFRS 16)	0.2	0.1
Current portion of long term borrowings	3,701.5	4,179.6
Current portion of term lease obligations (IFRS 16)	94.2	275.5
Derivative Instruments	444.1	305.1
Current Trade Payables to Third Parties	11,916.4	18,804.3
to Related Parties	717.8	1,273.9
Other Current Payables	3,613.8	7,084.5
Provision for Corporate Tax	178.8	274.0
Provisions	678.5	1,308.4
Other Liabilities	497.0	1,041.2
TOTAL CURRENT LIABILITIES	24,521.4	42,031.4
Long-term Borrowings	14,362.1	25,073.2
Long term lease obligations (IFRS 16)	409.5	628.9
Non Current Trade Payables	2.1	0.1
Deferred Tax Liability	5,291.8	6,907.7
Derivative Instruments	708.7	545.3
Other Non Current Liabilities	884.8	1,589.1
TOTAL NON-CURRENT LIABILITIES	21,659.0	34,744.3
TOTAL EQUITY	39,332.5	56,581.9
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	85,512.9	133,357.5

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

FINANCIAL REVIEW AND EXPECTATIONS

BEER GROUP

Consolidated Income Statements for the Twelve-Months Period Ended 31.12.2021 and 31.12.2022
Prepared in accordance with IFRS as per CMB Regulations
(TRL mn)

	2021/12	2022/12
Sales Volume (mhl)	37.9	34.0
Sales Revenue	17,356.1	36,975.8
Cost of Sales (-)	-10,932.7	-21,366.1
Gross Profit from Operations	6,423.4	15,609.8
EBIT (BNRI)	971.1	4,966.2
Operating Profit Before Finance Income/(Expense)	1,324.1	4,295.1
Profit Before Tax from Continuing Operations	591.6	2,778.9
Income/(Loss) for the Period	304.6	1,734.1
Equity Holders of the Parent	279.7	1,570.8
EBITDA (BNRI)*	2,356.8	7,318.0

*Non-recurring items amounted to TRL 7.3 million in FY2021 and TRL 322.5 million in FY2022.

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 31.12.2021 and 31.12.2022
Prepared in accordance with IFRS as per CMB Regulations
(TRL mn)

	2021/12	2022/12
Cash & Cash Equivalents	6,118.7	9,858.2
Financial Investments	0.0	0.0
Derivative Instruments	59.5	10.8
Trade Receivables	3,260.4	4,145.2
Other Receivables	135.4	734.8
Inventories	3,402.6	7,419.3
Other Current Assets	987.8	1,305.2
TOTAL CURRENT ASSETS	13,964.4	23,473.5
Trade Receivables	0.0	1.9
Financial Investments	0.8	0.8
Investments in Associates	597.5	598.3
Property, Plant and Equipment (incl. inv properties)	9,022.4	11,623.7
Right of Use Assets	178.6	384.3
Other Intangible Assets	11,817.2	16,940.8
Goodwill	4,110.5	6,221.4
Deferred Tax Assets	1,696.1	2,415.4
Other Non-Current Assets	256.4	434.1
TOTAL NON-CURRENT ASSETS	27,679.5	38,620.7
TOTAL ASSETS	41,643.9	62,094.2
Current portion of long term borrowings	3,220.0	1,007.2
Short-term Borrowings	1,848.8	4,984.2
Current portion of term lease obligations (IFRS 16)	48.7	170.8
Derivative Instruments	292.5	209.3
Current Trade Payables	8,679.3	11,795.5
Other Current Payables	2,259.2	5,371.7
Provision for Corporate Tax	62.9	108.6
Provisions	359.1	528.3
Other Liabilities	292.6	658.9
TOTAL CURRENT LIABILITIES	17,063.1	24,834.5
Long-term Borrowings	6,602.5	10,387.3
Long term lease obligations (IFRS 16)	164.8	277.8
Deferred Tax Liability	2,269.1	3,238.0
Other Non Current Liabilities	648.9	990.3
TOTAL NON-CURRENT LIABILITIES	9,685.3	14,893.5
TOTAL EQUITY	14,895.5	22,366.2
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	41,643.9	62,094.2

FINANCIAL REVIEW AND EXPECTATIONS

SOFT DRINK OPERATIONS (CCI)

Consolidated Income Statements For the Twelve-Months Period Ended 31.12.2021 and 31.12.2022
Prepared in accordance with IFRS as per CMB Regulations
(TRL mn)

	2021/12	2022/12
SALES VOLUME (UC millions)	1,376	1,577
SALES REVENUE	21,930	53,530
Cost of Sales (-)	-14,213	-36,156
GROSS PROFIT FROM OPERATIONS	7,717	17,374
Selling, Distribution and Marketing Expenses (-)	-3,292	-7,100
General and Administrative Expenses (-)	-933	-1,947
Other Operating Income /Expense (net)	-58	-321
EBIT	3,434	8,006
Income / Expense From Investing Activities (net)	-83	219
Income / (Loss) from Associates	-4	-3
OPERATING PROFIT BEFORE FINANCE INCOME/(EXPENSE)	3,347	8,223
Financial Income / Expenses (net)	225	-1,320
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	3,572	6,903
-Deferred Tax Income/(Expense)	-384	-640
-Current Period Tax Expense	-768	-1,622
INCOME/(LOSS) FOR THE PERIOD	2,421	4,641
Profit/(Loss) Attributable to:		
Non-Controlling Interest	-149	-310
Equity Holders of the Parent	2,271	4,331
EBITDA	4,666	10,097

SOFT DRINK OPERATIONS (CCI)

Consolidated Balance Sheets as of 31.12.2021 and 31.12.2022
Prepared In Accordance with IFRS as per CMB Regulations
(TRL mn)

	2021/12	2022/12
Cash and Cash Equivalents	4,142	14,009
Investments in Securities	74	760
Derivative Financial Instruments	41	11
Trade Receivables	1,870	3,716
Other Receivables	23	81
Inventories	2,501	6,677
Prepaid Expenses	1,221	1,266
Tax Related Current Assets	337	466
Other Current Assets	506	1,104
TOTAL CURRENT ASSETS	10,713	28,090
Derivative Financial Instruments	-	15
Other Receivables	94	106
Right of Use Asset	253	397
Property, Plant and Equipment	12,003	16,433
Intangible Assets	7,427	9,912
Goodwill	2,377	2,924
Prepaid Expenses	69	275
Deferred Tax Asset	326	565
TOTAL NON-CURRENT ASSETS	22,548	30,627
TOTAL ASSETS	33,262	58,717
	2021/12	2022/12
Short-term Borrowings	830	2,431
Current Portion of Long-term Borrowings	481	3,242
Financial lease payables	56	115
Trade Payables	3,957	8,284
Payables Related to Employee Benefits	77	170
Other Payables	1,333	1,713
Derivative Financial Instruments	152	96
Provision for Corporate Tax	116	166
Current Provisions	316	780
Other Current Liabilities	165	228
TOTAL CURRENT LIABILITIES	7,483	17,225
Long-term Borrowings	7,760	14,686
Financial lease payables	263	370
Trade and Other Payables	2	2
Provision for Employee Benefits	236	544
Deferred Tax Liability	1,840	2,496
Derivative Financial Instruments	708	543
Instruments 543 708 Deferred Income	-	56
Equity of the Parent	13,055	20,171
Minority Interest	1,915	2,625
TOTAL NON-CURRENT LIABILITIES	10,810	18,696
TOTAL EQUITY	14,970	22,796
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	33,262	58,717

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





WE PREPARE FOR SUSTAINABLE FUTURE

WE AIM TO INCREASE SOCIAL IMPACT AND REDUCE ENVIRONMENTAL IMPACT, WHILE ACHIEVING FINANCIAL SUSTAINABILITY IN ALL COUNTRIES OF OPERATION. WE SEE SUSTAINABILITY AS A FUNDAMENTAL FACTOR OF OUR BUSINESS STRATEGY.

SUSTAINABILITY BEER GROUP



As Anadolu Efes, we have been reporting our sustainability performance transparently since 2010, and we will share our performance in 2022 through our Integrated Report.

Megatrends such as rapid urbanization, immigration waves, the climate crisis, declining resources, and digitalization play a big part in shaping our world. At the same time, climate crisis-oriented targets set at the country and regional level, such as the EU Green Deal, are increasing their impact daily. With the emergence of new climate technologies that reduce carbon emissions, prevent resource and water scarcity, and the development of an equal opportunity and inclusiveness perspective that will eliminate all forms of discrimination, the traditional business model is being replaced by a 'new,' 'value-generating' world that benefits all.

As Anadolu Efes, we have been shaping our work around the Positive Impact Plan for many years in line with our sustainability strategy and the expectations of the "new" world, and this year we are embarking on a process in which we internalize the integrated thinking system within the company. Within the scope of our main impact areas and material issues, we determine the value we create for our stakeholders and our positive impact under integrated thinking and reporting guidance. Through this transition, we clearly define the role of sustainability within the company strategy and business model. We are also aligning our 2030 goals, performance, and projects. We are excited to share our transition

journey towards an integrated thinking model and value creation with all our stakeholders through our first Integrated Report in 2023, which will include our performance in 2022.

In addition to reporting, we also share our sustainability performance through the CDP Climate Change Program, S&P Global Corporate Sustainability Assessment, BIST Sustainability Index, MSCI ESG Ratings, and FTSE4 Good Index throughout the year.

SUSTAINABILITY MANAGEMENT

Our sustainability governance structure, which we reviewed in 2021, supports us in monitoring our performance in a planned and efficient manner during new reporting periods. We manage our sustainability efforts in all countries where we operate through the Global Sustainability Committee led by our CEO with guidance from our 2030 goals and sustainability strategy. The Global Sustainability Committee is responsible for developing the strategy in this area, setting targets and policies, and monitoring and auditing performance. We have four subcommittees reporting to the Global Sustainability Committee and working groups that are determined based on the intensity of the issues. Our Environment, Employees, Community, and Integrated Risk Management committees are led by our Group Supply Chain Director, Group Human Resources Director, Group Corporate Communications and Relations Director, and Corporate Risk Director, who are the highest level responsible in our company in the relevant areas, respectively. Our Sustainability Manager carries out sustainability coordination within all committees and the company. In addition to our subcommittee leaders, country leaders from each country carry out their activities to ensure coordination between our countries. Through the subcommittees, we develop activities around our strategic goals based

on our sustainability approach and monitor our performance and targets. Country-specific action plans are created, implemented, and reported through working groups around our sustainability strategy and material issues. Subcommittees also are responsible for evaluating our company's risks and opportunities in environmental, social, economic, and corporate matters and determining the necessary steps. The work and progress of the working groups are monitored by the relevant group function leaders and country leaders, who also take part in the Global Sustainability Committee, through meetings held at regular intervals. All developments are reported to the Global Sustainability Committee, which meets twice a year, country General Managers, and our CEO through group function leaders. While the Board of Directors is periodically informed about actions and performance through the Corporate Governance Committee, a separate Sustainability Committee was established in 2022 as an indicator of the Board of Directors ownership of sustainability-focused efforts. Through this committee, developments in the field of sustainability continue to be reported regularly to the Board of Directors.

SUSTAINABILITY GOVERNANCE PROJECT

Thanks to our updated sustainability governance mechanism in 2021, we were regularly informed about the steps taken in the action areas we determined the projects developed, and the performance realized throughout 2022. Our new governance structure has allowed us to work more efficiently, for working groups to get to know each other, and for our reporting discipline to improve. Following the workshops, we held in 2021, we determined country-specific action plans. We continued our efforts towards our 2030 goals in a more structured manner. At the same time, we continued to monitor our performance in our focus areas and material issues through our tracking metrics. We have taken necessary

steps to ensure that sustainability issues are embraced more within the company and the terms of "success" and "performance" are integral parts of our sustainability strategy. As part of this effort, we have comprehensively included performance criteria focused on environmental and social governance in the performance targets of our senior management. We have also accelerated our efforts to monitor the performance indicators we have determined to achieve our goals as part of the Anadolu Efes Performance Evaluation System and used in our managers' individual performance evaluation and remuneration system. We will provide details account of our work and performance in 2022 in our integrated report for that year.

THE ROLE OF THE SUSTAINABILITY GOVERNANCE MODEL IN THE TRANSITION TO INTEGRATED REPORTING

Our strengthened sustainability governance structure supported us during the transition from sustainability reporting to integrated reporting. We established an Integrated Reporting working group that included representatives from our subcommittees, as well as our Group Strategy, Insight and Innovation Directorate, and Investor Relations Directorate team. Through this group, we demonstrated Anadolu Efes' commitment to creating value and adopting an integrated thinking model. We worked closely with the subcommittee leader and the company management to instill the integrated thinking in Anadolu Efes' culture before transitioning to integrated reporting. As a result of our efforts, we determined the Anadolu Efes' value creation model, which covers our entire value chain. We are currently working on the connection between our company strategy and our value creation model, as well as the role of our 2030 and mid-year goals in the model and our performance in this area. We will provide details account of these studies in our 2022 integrated report.



COMMUNICATION WITH STAKEHOLDERS

At Anadolu Efes, we believe that success can only be achieved by working together with all our stakeholders. For this reason, establishing respectful and valuable relationships with our stakeholders is one of the main objectives of our company. Thanks to stakeholder participation and cooperation, we shape our sustainability strategy and actions by considering our stakeholders' views. Therefore, we highly emphasize the importance of communicating bilaterally, openly, and transparently with all our stakeholders.

You can reach the associations, initiatives memberships, and communication methods with the stakeholders in our 2022 Integrated Report.

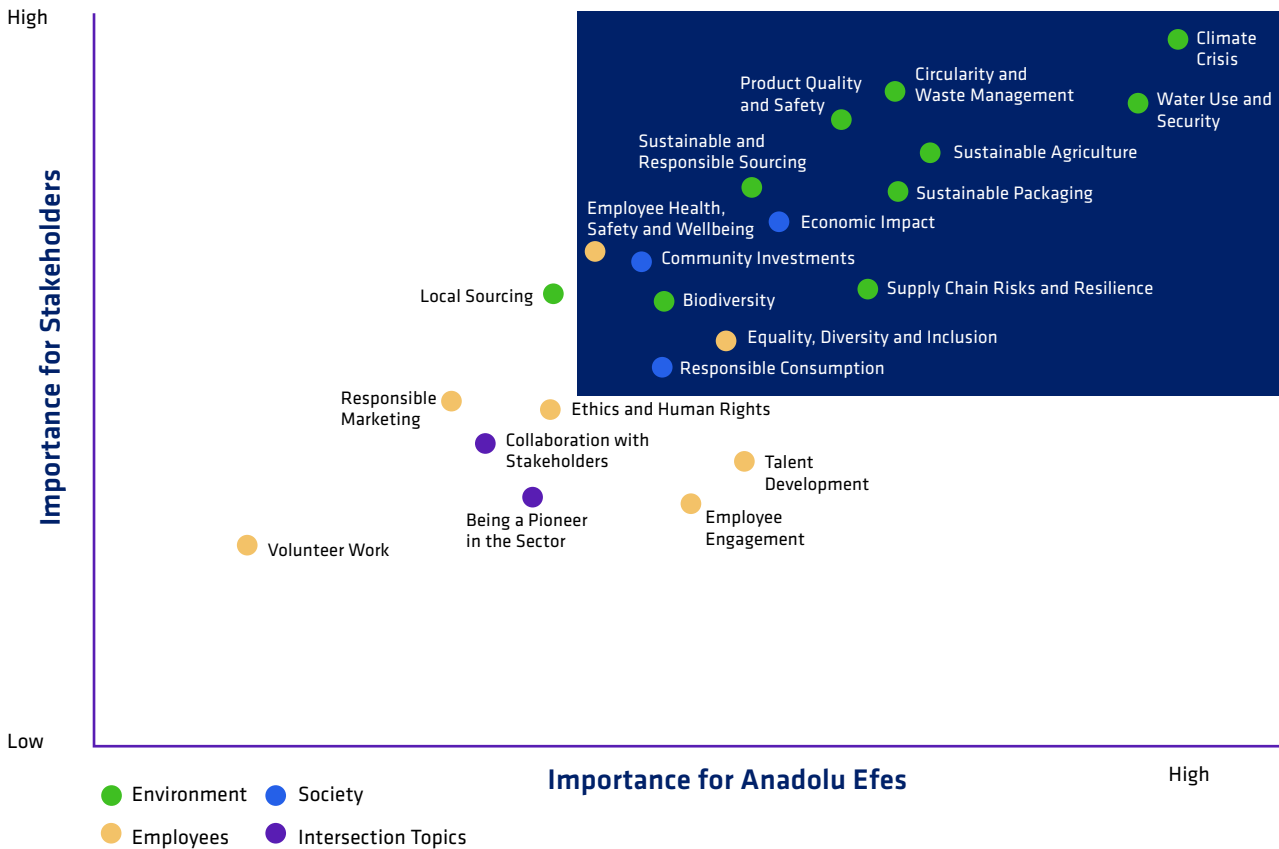
SUSTAINABILITY BEER GROUP

OUR MATERIALITY ANALYSIS

Within the scope of the first step in our analysis process, we analyzed the institutions operating in our sector from a sustainability perspective. We reviewed the Sustainability Accounting Standards Board (SASB) Industry Materiality Map. We have significantly benefited from the “Mega Trends, Risks and Opportunities” analysis we carried out. As our second step, we conducted our external stakeholder analysis with the participation of our key stakeholder groups consisting of Analysts, Investors, Customers, Suppliers, Dealers and Distributors,

Media, Universities, Public Institutions, and Non-Governmental Organizations. For our analysis to yield an inclusive result, we were particularly mindful to include all geographies in which we operate; ultimately, we reached 63 external stakeholders. For the next step of the stakeholder analysis, we reached out to our employees, receiving the opinions of 135 employees in total. For the third step, we evaluated the results of internal and external stakeholder analysis and determined stakeholder material topics. In the last step, we evaluated the Global Sustainability Committee’s views, including our CEO, Country General

Managers, and Group Directors. We finalized our materiality analysis by receiving the opinions of two Board members. The results of our materiality analysis can be found at the matrix below. In the matrix, material topics related to our Positive Impact Areas are mapped with color codes. All primary and secondary material topics are included in the relevant sections of the 2021 Sustainability Report based on the result of the analysis. At the same time, “Collaboration with Stakeholders” and “Being a Pioneer in the Sector”, which we refer to as the intersection points for all our Positive Impact Areas, are also included in the matrix.



POSITIVE IMPACT AREA	GOAL	2030 OBJECTIVES	PRIMARY MATERIAL ISSUES	SECONDARY MATERIAL ISSUES
Environment	We are targeting zero for the environment. We love the Earth; we are aiming for zero carbon, plastic and waste.	<ul style="list-style-type: none"> We will achieve net zero carbon emissions in all our operations. We will become a certified zero-waste beer producer. We will continue to reduce our plastic usage. 	<ul style="list-style-type: none"> Climate Crisis Water Use and Security Circularity and Waste Management Sustainable Packaging Sustainable Agriculture Sustainable and Responsible Sourcing Supply Chain Risks and Resilience Product Quality and Safety 	<ul style="list-style-type: none"> Biodiversity Local Sourcing
Employees	We are empowered by equal opportunity. We believe in equality; we get stronger with an inclusive perspective and awareness.	<ul style="list-style-type: none"> We will achieve net zero carbon emissions in all our operations. We will become a certified zero-waste beer producer. We will continue to reduce our plastic usage. 	<ul style="list-style-type: none"> Employee Health, Safety and Wellbeing Equality, Diversity and Inclusion 	<ul style="list-style-type: none"> Talent Development Employee Engagement Ethics and Human Rights Volunteer Work
Community	We are increasing our social impact. We see community investment as an investment in the future, and our support continues to grow.	<ul style="list-style-type: none"> In cooperation with all our stakeholders, we will continue our community investments with our long-term perspective and increase the social impact we create. We will raise awareness of our farmers by training them on sustainable agricultural practices. We will continue to be a partner of the dreams of young entrepreneurs and support them in every possible way 	<ul style="list-style-type: none"> Community Investments Responsible Consumption Economic Impact 	<ul style="list-style-type: none"> Responsible Marketing

SUSTAINABILITY BEER GROUP

ENVIRONMENT

TARGETING ZERO FOR ENVIRONMENT

We love the earth; we are aiming for zero carbon, plastic and waste.

As a manufacturer that supplies its raw materials from nature, environmental sustainability plays a crucial role in the continuity of our activities.

We analyze environmental-oriented opportunities and risks, especially the climate crisis, and implement effective energy, water efficiency, and circular economy practices. At Anadolu Efes, we continue to work to achieve "zero impact" on the environment by 2030.

As we accomplished in our production facilities in Türkiye, we are working towards receiving certification to prove that we practice a zero-waste approach in all our operations; we are also developing innovative solutions against plastic pollution, and we will neutralize carbon emissions in all our operations.



Goal

1. We will achieve net zero carbon emissions in all our operations.
2. We will become a certified zero-waste organization.
3. We will continue our fight against plastic pollution.

Directly Contributed SDGs



Indirectly Contributed SDGs



Primary Material Topics

- Climate Crisis
- Water Use and Security
- Circularity and Waste Management
- Sustainable Packaging
- Sustainable Agriculture
- Sustainable and Responsible Sourcing
- Supply Chain Risks and Resilience

Secondary Material Topics

- Biodiversity
- Local Sourcing

1 2

Climate Crisis

The climate crisis is seen as one of humanity's most critical problems due to its severe social and economic impacts as well as its clear effects on the environment and nature. Extreme weather events such as rising temperatures, changing precipitation, regional and seasonal shifts, floods, and droughts affect many sectors, directly or indirectly. For example, changing crop types due to increasing temperatures, the destruction of lands with frequent floods, and the negative impact of droughts

on water resources required for agricultural irrigation pose a significant risk, especially for the agriculture and food sectors. At Anadolu Efes, we focus on our entire value chain to effectively combat the climate crisis, which can risk production continuity. In this context, we monitor our greenhouse gas emissions and energy consumption. We are working to reduce our environmental impact and carbon footprint in the lifecycle of our products, from raw material production to waste disposal. At the same time, we do not have any environmental fines finalized in 2022.

We identified emission-intensive steps throughout our entire value chain with our Carbon Footprint Mapping project, which we completed in 2022. We embrace the results of this study as a guide and develop our emission reduction projects accordingly to realize our net zero target for 2030. We follow new low-emission technologies, create projects for producing and supplying renewable energy, and take new steps towards achieving net zero carbon emissions with our studies in many different areas, such as investment in energy-efficient coolers and optimization in the logistics network.

Thanks to all our efforts in 2021, we are proud to reduce our net greenhouse gas emissions by 5.6 thousand tons of CO₂, thus reducing our carbon intensity in beer production by 7%.

We have been publishing our environmental performance in all operations through sustainability reports since 2010, and we have been sharing our climate performance within our Türkiye operations with the Carbon Disclosure Project (CDP) Climate Program since 2018. We increased our score in the 2022 CDP Climate Program two levels. We are proud to have received a score above the global average in the food and beverage sector and to be the only company in our industry in Türkiye that discloses the climate performance.

Water Use and Security

Water is indispensable for the continuity of life on our planet, the health of societies, and the sustainability of the global economy. However, the pressure on water resources is increasing for multiple reasons, including frequent droughts caused by climate change, increasing consumption, and pollution resulting from the rising global population. According to the United Nations Report on World Population Prospects, the world population is expected to reach 8.5 billion by 2030 and 9.7 billion by 2050. With the increasing global population, irregular and decreasing precipitation, and unsustainable water management tendencies, it is predicted that more than 40% of the world's population will end up living in watersheds suffering from water stress.

About 70% of the water used globally is used for agricultural irrigation. Agricultural water use competes with domestic, industrial, and environmental uses daily. In addition, considering the increase in food production with the increasing population, new technologies and good practices that will contribute to productivity need to become more widespread for the continuity of agricultural activities.

In our value chain, production, and packaging processes, barley and hop farming stand out as the most water intensive. As the first Turkish company to become a CEO Water Mandate signatory in 2014, we identified our processes with high water use and have prioritized water efficiency practices to improve our performance. As a result, we are making progress by setting targets in this area. Apart from efficiency, we develop different projects and applications to reduce water consumption; in addition, we encourage improvements in performance by including water consumption among our managers' individual performance indicators. To reduce water intensity, we continue to invest in operational water efficiency projects, which provide information about the amount of water consumed per product we produce.

Circularity and Waste Management

Although humanity has achieved significant economic growth in the last few decades, said growth has been accompanied by a growing global waste problem, directly linked to how societies produce and consume. According to the analysis of the United Nations Environment Programme (UNEP)¹⁴, environmental pollution poses a direct threat to human rights and gender equality and a healthy and sustainable environment for present and future generations. Minimizing environmental pollution is critical in fulfilling the commitment to "leave no one behind," which is the main slogan of the Sustainable Development Goals (SDGs) determined by the United Nations. On the other hand, suppose consumption and production patterns continue as they are. In that case, inevitably, the linear economic model in the form of "Take-Make-Dispose" will continue to impose a severe burden on a planet that is already contaminated and will pose a significant threat to the life of the present and future generations. For all of these aforementioned reasons, at Anadolu Efes, we recognize our responsibility when it comes to this matter and firmly believe



We increased our score in the 2022 CDP Climate Program two levels.

SUSTAINABILITY BEER GROUP



We always work with the principle of 'zero waste'.

that every waste that is not recycled is a wasted resource. Therefore, we are working on practices that will contribute to the circular economy in light of the separation at source and maximum recovery principles. We also implement processes that reduce waste and reuse resources in all our operations. In this context, we carry out our waste management activities per the law and follow our Environmental Policy. We aim to become a zero-waste beer producer by taking steps to eliminate landfill waste disposal due to our factories' production activities. We manage our waste systematically in all our production facilities to minimize the amount of waste that ends up in landfills. Since 2003, we have ensured that yeast waste and factory earnings are used as animal feed, thus contributing to the circular economy. Within the scope of the +1 Value to the Environment Movement, which we have implemented to safeguard a sustainable world for future generations, we are working to spread circular economic habits not only in our production activities but also in our offices. In this context, we provide seminars and carry out saving and improvement activities to increase our employees' awareness of sustainable uses of natural resources. In addition, we aim to reduce resource use and maximize waste recycling in our offices.

Sustainable Packaging

Environmental awareness in society is growing daily. Consumers are also increasingly turning to plastic-free, recycled, and recyclable products. As a result, sustainable packaging initiatives are gaining more speed. As packaging materials end up as waste, they increase the consumption of raw materials and indirect energy consumption plus emission levels, impacting the environment. At Anadolu Efes, we are working to limit the environmental impact of our packaging. In that regard, we reduce the use of packaging by adopting an innovative approach and prefer packaging materials that can be reused or recycled. Innovative designs in sustainable and environmentally friendly

packaging, R&D studies, and collaborations with suppliers are essential in our packaging material optimization activities. Through our practices, such as reducing packaging thicknesses and weight, increasing the use of recyclable materials, and optimizing the pallets we use in the transportation of products, we reduce the use of raw materials and logistics-based energy consumption achieving financial savings in the process. To create broader opportunities for the recycling of packaging waste, we support the development of the recycling network in the geographies in which we operate. In addition, we cooperate with our corporate customers and carry out projects to increase consumer recycling awareness through communication channels and product labels. Especially in our AB InBev Efes operations, we take many steps in the name of sustainable packaging with the lightening of all primary packaging, including glass, tin cans, and PET, the transition from pressure-sensitive labeling to metalized paper, and the development of innovative lightweight glass bottles through our collaborations.

Sustainable Agriculture

As an organization with 2 out of its four primary raw materials originating from agricultural production, we focus our effort on spreading sustainable farming practices. For this purpose, we implement procedures that will protect the soil and secure our raw material procurement process. This approach also contributes to reducing the environmental impact of our agricultural practices. In addition, we inform our farmers, who we see as our business partners, about current farming practices. We also encourage planned and efficient farming methods by increasing their strength financially with the contracted purchase model. Our farmers plan their production according to the amount we guarantee to purchase through the contracted purchase model, which we apply under all possible conditions. While ensuring continuity in the supply chain through planned production and purchase guarantees, we also

help secure the income of our farmers. Within the scope of our Future is in Agriculture program, we have been developing drought-resistant seed varieties that require less water and energy use with our agricultural R&D studies since 1982. This program has enabled us to work shoulder to shoulder with our farmers, the producers of our raw materials, for nearly 40 years. We distribute the certified seeds we have developed through our R&D studies to the farmers we work with on a contractual basis. To date, we have developed and registered 17 varieties of barley seeds and seven hop seeds in Türkiye. Thanks to these seeds, which increase agricultural yield, we contribute to improving farmers' profitability and thus their prosperity. We encourage our farmers to make sustainable production with our developed seeds and adopt environmentally friendly agricultural practices. Since 2018, we have been conducting the Smart Agriculture pilot program, encouraging our farmers to use natural resources effectively and responsibly. While smart farming practices help our farmers reduce their workload, they also facilitate an increase in quality and productivity. In our AB InBev Efes operations, we carry out the Smart Barley project, similar to the Smart Agriculture program.

Biodiversity

The loss of nature and biodiversity accelerates the third planetary crisis we face, along with climate change and pollution. The United Nations Environment Programme's (UNEP) Making Peace with Nature Report states that of the estimated 8 million plant and animal species in the World, 1 million are in danger of extinction and that ecosystems necessary for the continuation of humanity are in a state of collapse. At Anadolu Efes, we continue our efforts to improve our relationship with nature, determine our impact on biodiversity, and minimize our negative impact. To prevent biodiversity from being adversely affected in the geographies in which we operate, we attach particular importance to the fact that our

production facilities are not located in regions with high biodiversity value or protected areas. In addition, we conduct our operations while ensuring that our activities do not adversely affect water resources, air quality, land availability, and species diversity. Through our [Environmental Policy](#), working principles, and improvement studies, including biodiversity protection, we have not encountered any negative impact on biodiversity from our operations during the reporting period. We are working on different social benefit projects in the coming period to strengthen biodiversity.

Agriculture and Biodiversity

As one of the World's most critical problems, climate change negatively affects ecosystems and agricultural activities. Under changing climatic conditions, the nutritional needs of the growing global population need to be met; this is why widespread farming production techniques that can adapt to the conditions caused by climate change, plus having a healthy respect for nature and biodiversity, are becoming increasingly important. At Anadolu Efes, we continue our support for the soil and the farmer, the creators of our raw materials, by promoting sustainable agricultural practices and raising the awareness of our farmers.



We distribute the certified seeds we have developed through our R&D studies to the farmers we work with on a contractual basis. To date, we have developed and registered 17 varieties of barley seeds and 7 hop seeds in Türkiye.

SUSTAINABILITY BEER GROUP



We not only reduce foreign dependency on supply with our local purchasing practices but also create a positive impact on the local economy.

Wastewater and Biodiversity

The release of chemicals into water ecosystems has alarming consequences, including the degradation and extinction of natural habitats and wildlife living in these habitats. Moreover, polluting water resources, which are an indispensable part of life, not only affects aquatic life but causes the loss of an irreplaceable heritage crucial for human health and sustainable development. At Anadolu Efes, we discharge wastewater generated by our production processes after treating it at treatment facilities, thus minimizing negative environmental impact and ensuring that our water sources do not adversely affect local biodiversity.

Sustainable and Responsible Sourcing

In our value chain, we interact with a wide range of stakeholder ecosystems consisting of over 7,500 suppliers, as well as nearly 340 dealers and distributors. Our stakeholders' understanding and internalization of our business principles play a crucial role in allowing us to optimize our positive impact. Our method of working with suppliers is dictated by our Code of Conduct for Suppliers, which our suppliers are obliged to comply with. Together with this code, we manage our procurement processes based on supplier evaluation procedures at every stage, from the selection process of suppliers to evaluation processes.

Supply Chain Risks and Resilience

We know that supply chain resilience plays an essential role in our operations and the success of our supply chains. Therefore, we are committed to mitigating the effects of certain risks on the supply chain and responding quickly to prevent any damage. . Anadolu Efes Code of

Conduct for Suppliers has drawn up a framework on working conditions expectations. We not only minimize the risks on our supply chain with said code but also increase the resilience of our supply chain.

Local Sourcing

With the increasingly severe effects of the climate crisis, local resource use and environmental sustainability have become critical issues for reducing companies' ecological footprint. A significant portion of greenhouse gas emissions originate from supply chain processes such as transportation. Therefore, local sourcing of raw materials is crucially important to reduce greenhouse gas emissions. At Anadolu Efes, we recognize the importance of local sourcing. With our local purchasing practices, we create a positive impact on the local economy as well as prevent supply dependence.

Product Quality and Safety

Our main priority is providing exceptional products constantly without compromising quality and food safety. In this respect, we manage quality compliance with our Anadolu Efes Management model, which maintains a standard higher than national and international quality requirements. Furthermore, while exporting to more than 70 countries, we apply the ISO 9001 Quality Management System, the ISO 22000 Food Safety Management System, and the HACCP Standards in all our operations worldwide. We always strive to maintain the highest quality standards. As a result, in 2021, our headquarters and three breweries were awarded the FSSC 22000 5.1 Food Safety System certification, one of the most prestigious internationally recognized certification programs recognized by the Global Food Safety Initiative.

EMPLOYEES

GETTING STRONGER WITH OUR EMPLOYEES

We believe in equality; we are getting stronger with an inclusive culture and awareness.

Employees represent our most important capital in helping us achieve our future goals.

Today, we invest in talent in all our operations and focus on being the best company to work for. We offer an inclusive and development-oriented working environment that aims for high employee loyalty, provides equal opportunities, and respects people's differences.



Goal

1. By 2030, we will increase the representation of women in our organization from 30% to 51%.
2. By 2023, we will certify that we offer equal opportunities to all our employees, regardless of gender.

Directly Contributed SDGs



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES

Indirectly Contributed SDGs



4 QUALITY EDUCATION

1

Primary Material Topics

- Equality, Diversity and Inclusion
- Employee Health, Safety and Wellbeing

2

Secondary Material Topics

- Talent Development
- Employee Engagement
- Ethics and Human Rights
- Volunteer Work

Equality, Diversity, and Inclusion

By developing a culture of diversity and inclusion, we explore new perspectives and create a working environment where each of our employees can fully discover their knowledge, skills, and talents. Today, we offer equal opportunities at work and with our human resources to all employees in 6 different countries; our approach in these areas is based on diversity and inclusiveness. We continue to improve the opportunities we offer to our

female employees and organize awareness-raising activities so that all our employees and stakeholders embrace gender equality. Guided by our Equity, Diversity, and Inclusion Policy, we provide equality to all our employees, from recruitment to all human resources procedures, including training, salary, careers, and financial opportunities. As a signatory of the United Nations Global Compact and the Women's Empowerment Principles (WEPs), we are committed to providing a fair, equitable, and respectful working environment. In addition to

holding the Equal Opportunity Model Certificate, which was developed under the leadership of KAGIDER with technical support from the World Bank, we became the first Company in the fast-moving consumer products sector in Türkiye to receive the Equality for Women at Work Certificate issued by the Sustainability Academy in cooperation with Intertek.

We also develop structured projects on gender equality, which is one of our focus topics in the field of Equality, Diversity & Inclusion, and we

SUSTAINABILITY BEER GROUP

We provide training in many different fields to contribute to our employees developing their competencies.

monitor performance with qualified metrics. In this context, we measured the compensation rate between genders according to the compensation policy for the first time in 2022. As Anadolu Efes, we are proud to certify that there is no pay difference between genders by obtaining an independent assurance opinion for the Gender Pay Ratio by Compensation Policy in all our operations except for Russia and Ukraine. We are also the first company in our industry to receive independent assurance within the scope of this metric. We consider other essential metrics in this area are the proportion of women in STEM and income-generating roles. We started to measure these rates in 2021 for the first time and, we track these rates in 2022.

With different perspectives and experiences, our employees who support innovation strengthen the Company and help us better serve our customers worldwide. Therefore, we strive to promote an inclusive working environment where all employees can reach their full potential. Our Human Resources Policy guides us to create a diverse and inclusive talent base with a global perspective. With the vision provided by this policy, we promote inclusive leadership and contribute to the development of our employees by providing equal opportunities to all. With our Anadolu Efes Code of Business Conduct and Ethics, we carry out our operations over a wide geography with an ethical and transparent management approach. In addition, we prioritize diversity and inclusiveness in our recruitment processes. We monitor the representation of our female employees in managerial positions and above by setting targets and KPIs.

Talent Development

Performance Evaluation

Anadolu Efes employees play a significant role in the success of the Company. We aim to ensure our employees achieve their goals and build great careers with us. The Performance Management System, which covers all our

white-collar employees, is one of the essential tools behind our success. Guided by our ambition to promote a high-performance culture, we measure employee performance with fair, standard methods, set measurable and achievable goals, and keep track of them with this system. Additionally, we cultivate an effective communication process with our employees and contribute to their development through our successful feedback mechanisms.

Employee Training

In Anadolu Efes, we provide training to our employees in many different fields to improve both their competencies and productivity. We continue to offer training and development opportunities in many areas from occupational health and safety to ESG topics.

Sales Coaching & Sales Academy

At Anadolu Efes, we offer our employees the opportunity to develop their expertise in their fields plus general training. With this in mind, we implemented the Sales Coaching program in Moldova and the Sales Academy program in Georgia in 2021 for our employees in sales. Within the scope of the Sales Coaching program, we coached our sales team members in Moldova with both online and face-to-face interviews and closely monitored our sales department's success and our employees' performance. To support the professional development of our employees, we help them increase their knowledge, skills, and professional competencies by using teaching-learning methodology and tools such as training, workshops, seminars, and coaching through the long-term Sales Academy program we implemented in Georgia.

Beer Academy

Our Beery Academy, established to ensure the competency development of Anadolu Efes Türkiye Technical Directorate employees and to cultivate the vision of creating an agile, competitive, and high-performance team,

continues its activities. Through the academy, we aim to preserve critical technical knowledge, skills, and competencies in the corporate memory and support a customer-oriented production and quality work culture. Thus, we ensure that leaders who shape the future of Anadolu Efes are discovered, and a learning ecosystem is developed.

Employee Health, Safety and Wellbeing

Occupational Health and Safety

At Anadolu Efes, occupational health and safety is a high material topic due to its importance for our stakeholders and the nature of our business. Our greatest responsibility is to provide our employees with a healthy and safe working environment. With the goal of achieving zero occupational accidents and occupational illnesses, we are developing a robust occupational safety and health culture. As a result, we are committed to identifying and effectively managing occupational health and safety risks; we also create, and review targets and programs related to these risks. Within the scope of OHS management, a total of our 13 factories have received the OHSAS 18001 or the ISO 45001 Occupational Safety and Health Certificate. To improve and increase our employees' OHS awareness, we started a new cultural transformation program at Anadolu Efes Türkiye. In this context, we conducted the current situation assessment of our facilities in Türkiye through surveys and focus group interviews. Then, in line with the road map we created, we implemented the OHS leadership development program with workshops and coaching sessions for all our managers.

Health and Safety Organizational Culture And Leadership Development

We aim to improve our employees' knowledge level by increasing their occupational health and safety competencies. As of 2021, we completed the first phase of the two-phase Health and

Safety Organizational Culture and Leadership Development, which includes the establishment of the Organizational Culture Diagnostic Tool (OCDI)[™], the measurement of organizational culture at regular intervals, Cold Eyes reviews, gap analysis, and location-based reporting. We plan to use the Leadership Development Tool (LDI)[™] to conduct leadership measurements and organize workshops on safety, leadership, strategy, and the details of our vision. With the completion of the project, we aim to improve reporting processes with the correct follow-up mechanisms plus ensure the development of our Health and Safety Organization Culture and Leadership for all Türkiye based factories and related General Directorate teams.

Employee Engagement

We focus on increasing the engagement and satisfaction of our employees, as they are our most important resource in sustaining our success. For this purpose, retaining talents within Anadolu Efes is one of our most important goals. Therefore, in all Anadolu Efes operations, we prioritize making working environments more dynamic, agile, and flexible. In this context, we regularly conduct analyses to increase employee participation and gather insights into loyalty and fulfillment. Employee loyalty was measured at 80% in 2021, according to the Employee Engagement Survey, which we conducted with 88% participation in Türkiye, Kazakhstan, Moldova, Georgia, and Russia.

Ethics and Human Rights

Business Ethics

Anadolu Efes Code of Business Conduct and Ethics forms the basis of how we conduct our business. We expect all our stakeholders, especially employees, distributors, suppliers, and other business partners, to comply with these principles. The fight against bribery and corruption is a critical function of these principles. We do not tolerate bribery and



We started a new culture transformation program at Anadolu Efes Türkiye to develop and increase the OHS awareness of our employees.

SUSTAINABILITY BEER GROUP



Anadolu Efes Volunteers, consisting of our employees, carry out many activities that will contribute to the society the environment and raise awareness.

corruption in any geography in which we operate. All our stakeholders have access to the Anadolu Efes Code of Business Conduct and Ethics in English and Turkish on our corporate website. In addition, the Code of Business Conduct and Ethics is also available in the local languages of the countries in which we operate and on the intranet sites of our companies. We comply with internationally recognized human rights, the standards of the International Labour Organization, and the United Nations Universal Declaration of Human Rights. We also encourage and expect our suppliers and business partners to abide by the same principles.

Notification of Violations

Our employees can report any ethical violations to their Local Ethics Manager or the Group Ethics Manager by phone or e-mail. Alternatively, anonymous notifications can be made through communication channels operated by an independent third party via telephone, e-mail, or through the website. Violations can also be reported by using the telephone line designated for each country in which we operate, by filling out the notification form at www.efesethicsline.com, or by sending an e-mail to efes@efesethicsline.com. The Company takes necessary measures to prevent possible retaliation against the notifier, and necessary investigations are carried out in secret. The Anadolu Group Ethics Committee also takes responsibility for handling violations and determining disciplinary procedures. In Russia, where we have a partnership with AB InBev, notifications received through AB InBev Efes' ethical lines are evaluated by the Group.

Ethics Training

All new employees joining Anadolu Efes receive Business Ethics Principles training which touches on the topics of anti-bribery and anti-corruption as part of their orientation. In addition, we periodically provide our more experienced employees with Business Ethics training.

Volunteer Work

Anadolu Efes Volunteers

Anadolu Efes Volunteers consist of employees engaged in numerous activities that contribute to society and the environment plus create awareness. By considering society's needs, our volunteers develop their own projects and support existing social responsibility projects. In addition, our volunteering works includes various altruistic activities, including feeding stray animals in a local forest and participating in a marathon organized by a non-governmental organization. Anadolu Efes Volunteers, consisting of our employees, continue to carry out many activities to contribute to society and the environment and raise awareness.

SOCIETY

INCREASING OUR SOCIAL IMPACT

We consider investing in society a sound investment for the Future; this is why, we increase our support.

While contributing to economic growth and employment in the countries where we operate, we prioritize local development and women's empowerment. We are expanding our sphere of influence with different community investments that create value in connection with our fields of activity.

We believe that growth is meaningful if it occurs with the ecosystem as a whole and is achieved by increasing social impact and contributing to the local economy.



Goal

1. In cooperation with all our stakeholders, we will continue our community investments (notably Culture-Art, Women's Empowerment, and Local Development) with a longterm perspective to increase the social impact we create.
2. We will raise our farmers' awareness by teaching them sustainable agricultural practices.
3. We will continue to share the dreams of young entrepreneurs and support them in every possible way.

Directly Contributed SDGs



Indirectly Contributed SDGs



Primary Material Topics

- Responsible Consumption
- Community Investments
- Economic Impact

Secondary Material Topics

- Responsible Marketing

1 2

Community Investments

At Anadolu Efes, we consider investing in society as an investment for the future. Therefore, we prioritize investments that create social benefits for all stakeholders in our value chain, from young entrepreneurs to farmers. In line with our sustainability goals, we are committed to increasing our social impact by 2030. We are expanding our sphere of influence regarding multistakeholder initiatives involving public, private, and non-governmental organizations with projects in which we will create societal

value. Guided by our community investment perspective, we support local development and women's empowerment, which will strengthen the entrepreneurial ecosystem and spread sustainable agricultural practices. Furthermore, we have been supporting culture, art, and sports for years, all of which play an undisputed essential role in social development.

We prioritize local employment and supply resources in each operating country and support economic development with projects that will improve our value chain. In addition, we focus on

community investments to create sustainable benefits for society that are aligned with local expectations and needs. As a result, we believe that we strengthen the connection between us and society as a whole while adding social and economic value to our local communities. Under the leadership of our Group Corporate Communication and Relations Directorate, we identify the areas in which we will focus our community investments. We manage community investments and impact management by setting objective goals and monitoring achievements with performance indicators.

SUSTAINABILITY BEER GROUP



We owe our seas a debt of gratitude for two out of every three breaths.

Examples of Social Benefit Projects in 2022

+1 Breath to the Sea

Scientists refer to the seas as the source of two out of every three breaths we take. They highlight the importance of protecting and reproducing coral reefs, or the “rainforests of the seas,” for the world’s ecosystems. In this context, we launched our +1 Breath to the Sea project in cooperation with the Marine Life Conservation Society and under the supervision of Associate Prof. Nur Eda Topçu of Istanbul University’s Faculty of Aquatic Sciences. We contribute to biodiversity by protecting coral species in the Marmara Sea. As a part of the project, corals that have been plucked from their natural environment were transported and grafted off the shore of Tavşan Island, which has been designated an environmentally sensitive area to be strictly protected. And we create new coral gardens.

Future is in Tourism

With the Future is in Tourism program, which we have been carrying out since 2007, with the Ministry of Culture and Tourism of Türkiye and the United Nations Development Program (UNDP), we aim to develop the sea-sand-sun tourism approach in our country to include more experience tourism and to create a local development model that will cover 12 months and all seasons.

To date, within the scope of Future in Tourism;

- In 15 years, we have provided \$2 million in grants and communication support to local initiatives focusing on sustainable tourism.
- We touched the lives of 200,000 people with 19 projects.
- We have collaborated with 600 NGOs and 23 universities in 15 years.
- In total, we paved the way for the establishment of 7 new NGOs.

- We provided job opportunities for approximately 500 women.
- We have created a great deal of positive impact in the regions where we implemented our projects, from enabling reverse migration to prolonging visitors’ stays.
- Four sites became members of Cittaslow.
- The Trojan Cultural Route was included in the Türkiye routes list of the Cultural Routes Association and, as a result, became a registered route in 2020.
- Kars Cheese Route became Türkiye’s first registered cheese route. It was also applied to be the registered 18th cheese route in different world geographies. The Kars Cheese Museum, which was established in the center of Kars, became the route’s first stop.
- Arslantepe Mound in Malatya was included in the UNESCO World Heritage List in 2021.

Future is in Agriculture

We have been developing drought-resistant seed varieties that require less water and energy use with our agricultural R&D studies since 1982. To date, we have developed and registered 17 varieties of barley seeds and seven hop seeds in Türkiye. This year, we have initiated a 3-year project in collaboration with Gaziosmanpaşa University to further expand our barley varieties. We have been working shoulder to shoulder with our farmers, the producers of our raw materials, for nearly 40 years. Since 2018, we have been conducting the Smart Agriculture pilot program, encouraging our farmers to use natural resources effectively and responsibly. While smart farming practices help our farmers reduce their workload, they also facilitate an increase in quality and productivity. Through these efforts, we strive to protect the underground water resources and ecological balance at the highest level, while contributing to the combat to the climate crisis.

Support to Theater for 30 Years

We have been supporting the art of theatre by cooperating with Türkiye's leading theaters. To date, we have contributed to the staging of over 1,000 plays for theater lovers across the country. We established Anadolu Efes Blue Stage (Mavi Sahne) platform in 2018.

Through Anadolu Efes Blue Stage (Mavi Sahne), we are supporting alternative theater groups who have difficulty finding a stage, making art accessible to all theater lovers, especially university students. Art lovers can enjoy watching plays with affordable tickets at Blue Stage (Mavi Sahne) at DasDas. Blue Stage (Mavi Sahne) continued to bring art lovers together with theater in digital and then outdoors during the pandemic period when the halls were closed.

With the "Pub Up Blue Stage (Pub Up Mavi Sahne)" project, which started in 2022, actor Berkay Ateş and his famous guests provided a different art experience to the audience in pubs.

Friendly for Tourism

We believe creating new experiences for tourists is vital to supporting the developing tourism sector in Moldova. We provide financial support for developing small businesses in the tourism sector under the umbrella of Friendly for Tourism project. Together with the National Tourism Association, we collect applications from various small businesses. We supported 13 different projects with grants in total.

We Support Youth Through the Natakhtari Fund

We are working to strengthen society with social benefit projects that support local communities in the geographies in which we operate. For example, together with local NGOs in Georgia, we have focused on empowering young people who are over 18 and do not have parents through our Natakhtari Fund project since 2011. We have touched the lives of more than 660 young people with this project, which we carry out to prepare and empower young people for an independent life.

The Mother's House Project

We provide vocational training to women who have small children in difficult situations to stand on their own feet and join the workforce. More than 40 young women obtained their certifications in 2022 after completing their vocational training.

World Environment Day Eco-Volunteering

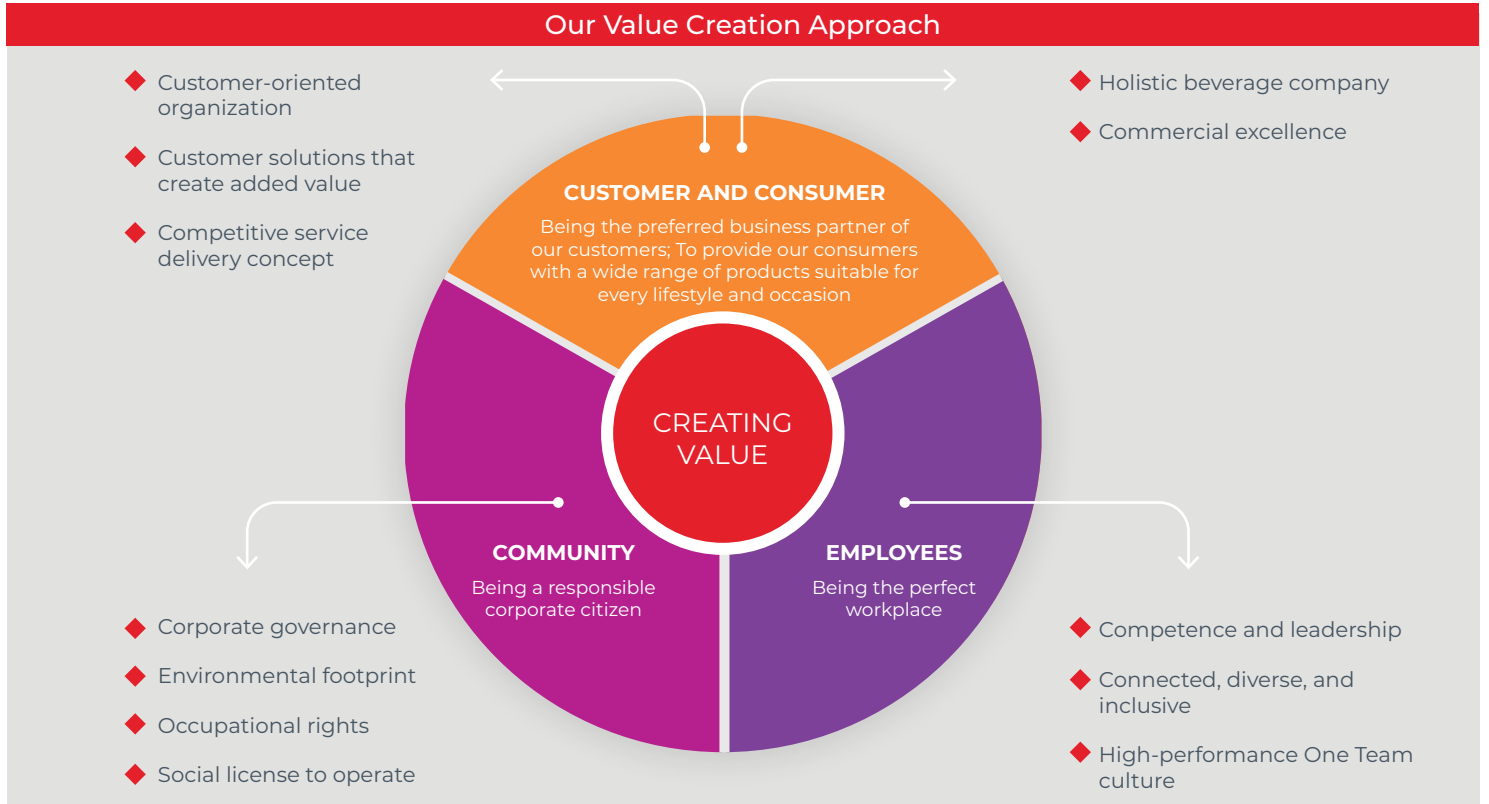
As part of the World Environment Day activities in Russia, our volunteer employees contributed to improving public and urban areas by carrying out environmental cleaning between April - June 2022. In addition, our volunteer employees supported the installation of specially designed street furniture made of recycled plastic in various regions.



We are working to strengthen the society with social benefit investments that support the local in the geographies where we operate.

SUSTAINABILITY SOFT DRINK GROUP

“Be the best FMCG company in all countries where we operate.”



- 1 Product Safety and Quality
- 2 Health, Safety and Well-being
- 3 Sustainable Packaging
- 4 Water Management
- 5 Energy Management and Climate Crisis
- 6 Human Rights Along the Value Chain
- 7 Information Security and Digitalization
- 8 Employee Engagement
- 9 Excellence in Supply Chain
- 10 New Workforce and Talent Management
- 11 Diversity and Inclusion
- 12 Economic Impact
- 13 Community Investments
- 14 Rich and Innovative Product Portfolio
- 15 Superior Supplier Management
- 16 Sustainable Agriculture
- 17 Biodiversity
- 18 Volunteering

CCI 2021 MATERIALITY MATRIX



● Customers & Consumers ● Employees ● Society and Environment

SUSTAINABILITY SOFT DRINK GROUP

OUR INTEGRATED GOVERNANCE APPROACH

CCI's strong corporate governance structure plays a vital role in achieving our strategic objectives. The Corporate Governance Committee has the ultimate responsibility in identifying and implementing the business strategy by taking sustainability priorities into account. This responsibility is assumed by CCI's Executive Committee, which is comprised of a representative from senior management, and steered by the CEO.

Under the sponsorship of the CEO, general sustainability topics are led by CCI Sustainability Steering Committee. The Sustainability Steering Committee members are Group Sustainability Office, Chief Corporate Affairs and Sustainability Officer, Chief Supply Chain Officer, Chief Operating Officer, Chief Human Resources Officer, Chief Financial Officer, and country general managers.

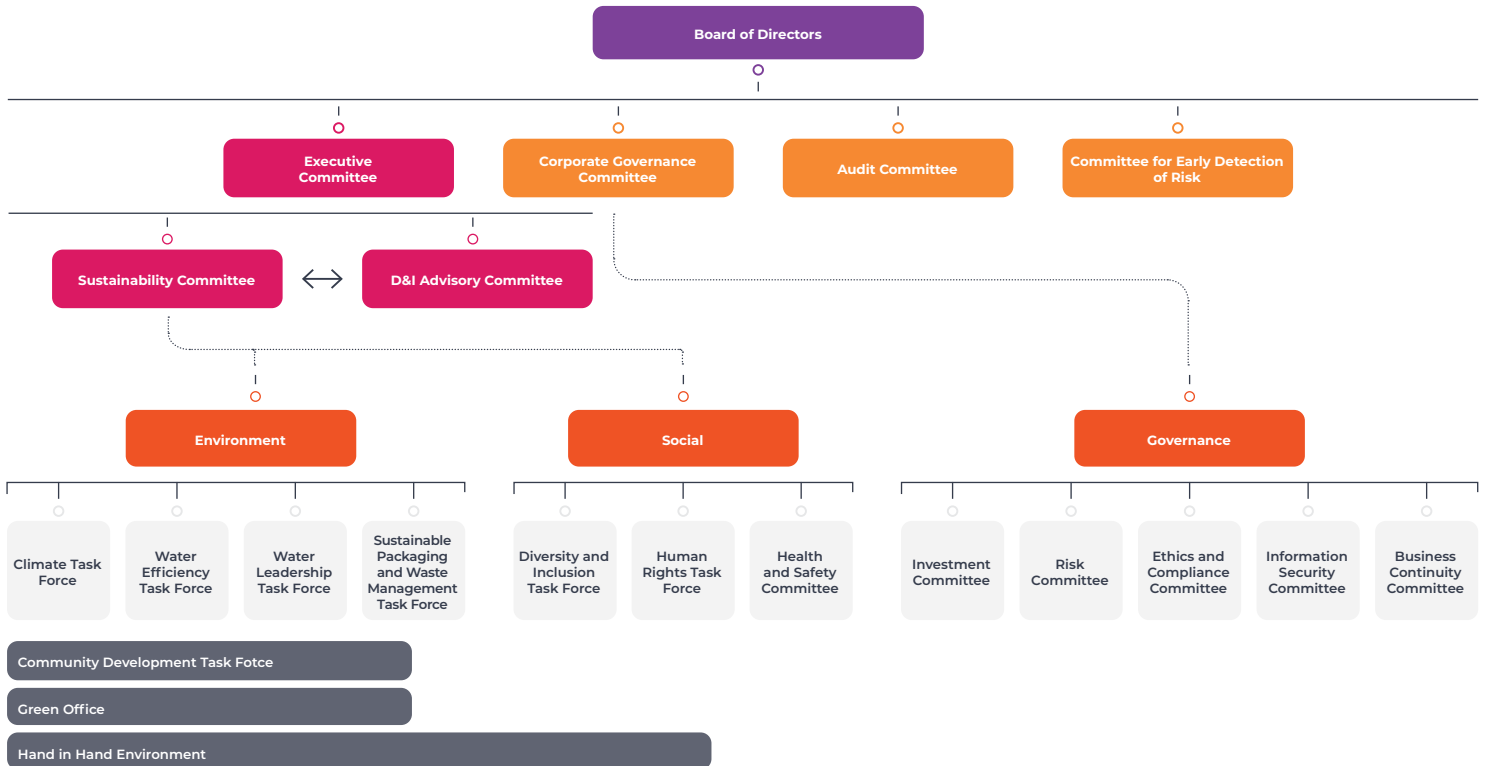
8 multi-stakeholder focused separate task forces work in an integrated framework for 6 main focus areas: For Environmental Sustainability, the task forces are Climate Change, Water Efficiency, Water Leadership, and Sustainable Packaging & Waste Management; for Social Sustainability the task forces are Human Rights, Operational Health and Safety, and Diversity & Inclusion; and the Community Development Task Force which connects both of these pillars. These task forces, that meet regularly during the year, includes both CCI and TCCC Supply Chain, Marketing, Sales, Human Resources, Corporate Affairs, and Procurement department representatives. Task Forces' Leaders report to the Steering Committee on a quarterly basis.

When it comes to Social Sustainability, the Chief Human Resources Officer acts as a sponsor. The Health and Safety Committee and the Diversity and Inclusion Advisory Committee are

also involved. Location-based OHS committees meet every month and report to the Country Health and Safety committees on a quarterly basis. The Diversity and Inclusion Advisory Board focuses on 3 key areas: Gender Equality, Intergenerational Diversity, and Culture and Experience.

On the governance side, Investment Committee, Risk Committee, Ethics and Compliance Committee, Information Security Committee and Business Continuity Committee work separately in close connection with the relevant working groups around 6 capital factors through an integrated framework in order to achieve the objectives specified for each of the identified strategic issues, making group-level decisions and reporting to the Executive Committee.

Our Integrated Governance Model



ETHICS MANAGEMENT

As CCI, our core values are accountability and integrity. It is our wholehearted obligation to protect our most valuable asset; the Coca-Cola brand and CCI.

The CCI Code of Ethics guides our employees to live by our values and “do the right thing”. The scope applies to all CCI operating countries and all employees. CCI also developed the mechanisms for employees and stakeholders to report any illegal or unethical practice within the company to the CCI Ethics and Compliance Officer or the external ethics helpline.

Ethics Line is available 24/7 and run by a completely independent third party. Online translation services in Arabic, English, Russian and Turkish are available covering most of the languages used by our employees. Depending on the employee's preference, name and e-mail address are kept anonymous and confidential.

EtikTV, a platform providing integrated information on Code of Ethics to all employees and covering all aspects of ethics along with case analyses with 5 different sections in 11 different languages, completed by all employees. In 2021, all countries continued with their in-class trainings on ethics as well. The Code of Ethics Handbook and all relevant procedures are made available to our employees. All newly recruited employees are obliged to sign an acknowledgment form confirming that they have read the Code of Ethics and agree to abide by its provisions.

STAKEHOLDER ENGAGEMENT

Building an effective and strong stakeholder dialogue is the core of keeping our business sustainable and engaging them in our sustainability strategy.

Since 2013, we have been prioritizing our stakeholders and the means of communication through a comprehensive stakeholder mapping

study pursuant to AccountAbility's AA1000 SES Standard and the EFQM Business Excellence Model. We engage with each stakeholder group on a regular basis not only to share our sustainability efforts but also to evaluate both our financial issues and to consolidate their opinions and feedbacks.

In 2021, Anadolu Group had a corporate reputation study performed involving all Anadolu Group companies, in order to understand the perception and reputation of Anadolu Group as an organization. During the study, opinions were collected from a group of stakeholders involving institutional investors and financial circles, media professionals, NGOs and professional organizations, dealerships, university students (scholars), university students (general), bureaucrats, local authorities and members of the parliament, academics, individual investors, and the general public.

CCI 2030 SUSTAINABILITY COMMITMENTS

We operate with the aim of creating value for our employees, community, consumers, and customers since we embarked on our sustainability journey 20 years ago with the publication of our first environment policy in 2002.

We took another important step and said we are “taking responsibility” once again and published our 2030 Sustainability Commitments. Our commitments consist of packaging, water and climate change within the environmental pillar; whereas human rights, diversity & inclusion are our social focus areas. Our last commitment focuses on community investments which connects with both pillars; environmental and social.

You can access our nine sustainability commitments in detail at <https://www.cci.com.tr/en/sustainability/our-commitments>

As CCI, our core values are accountability and integrity.

SUSTAINABILITY SOFT DRINK GROUP



We are determined to provide a work environment where our employees can create value by being who they are.

PEOPLE FIRST

Our people are the most important factor for the sustainability of our operations. Our policies and practices are designed to provide a safe and equal working environment for everyone, and we are committed to making a positive impact on every individual in our value chain.

Human Rights Along the Value Chain (CCI'M HUMAN)

Respecting human rights is a fundamental CCI value. We reassert this value in all geographies and business processes of CCI. We are determined to provide a work environment that respects universal human rights and offers an open, diverse, and engaging workplace.

We strive to create workplaces where open and honest communication is valued and respected among all employees. CCI is committed to comply with all applicable employment and recruitment laws in all our locations. The company also regularly implements training programs to enable that the Human Rights Policy is internalized by the employees.

Diversity and Inclusion

We are committed to creating a diverse and inclusive work environment with an open and reassuring culture by focusing on 3 priority areas:

- Intergenerational Diversity
- Culture
- Gender Equality

CCI Diversity and Inclusion Manifesto

At CCI, our systems are based on the understanding of equal opportunities and inclusion for all. We have clearly set this framework with our principles in the CCI Workplace Rights Policy prepared in 2013 which later turned into Human Rights Policy in 2019. In manifesto that we published in 2021, our commitment is to achieve an open, inclusive,

and reliable company culture and to be an inclusive company that embraces diversity. We are determined to provide a work environment where our employees can create value by being who they are.

Gender Inclusive Language and Communication Guideline

At CCI, we believe words can change the world. We set out our work on gender equality by taking the power of words behind us and started with the transformation in the use of language. Accordingly, we published Gender Inclusive Language and Communication Guideline as well as its online trainings in Turkish and English in all of our countries.

Occupational Health and Safety

Health and safety issues managed in line with the Coca-Cola Operating Requirements (KORE) are also addressed within the context of collective bargaining agreements signed with labor unions.

In order to “create value” for our employees, we want to create a “wellbeing culture” in which our employees are physically, mentally and emotionally healthy and resilient. We will build this culture by “raising awareness” of our employees regarding wellbeing and equip them with tools and techniques they can learn to improve their wellbeing.

All of our operating plants received OHSAS 18001 Management System Certification up to 2019. The transition of all our plants to the new ISO 45001 standard was completed in 2022.

In order to strengthen our periodic controls, we have been carrying out Hand-in-Hand Safety Program since 2016 which helps us to standardize and systematize occupational health and safety practices at CCI. In 2021, our OHS performance increased by 5.2% in terms of Safety Maturity Index (SMI) score and our score was reflected as 80% (As end of 2021).

Human Capital

We work towards creating a skilled workforce to achieve a high-performing one-team culture. In order to realize our goal of creating value and delivering sustainable business outcomes, we continue to implement an innovative set of consistent systems and processes. These are designed to attract, develop, include and retain talents in line with the 3C Leadership Competency Model which means demonstrating IMPACT leadership behaviors, having high potential, being compatible with our culture and carrying our values.

- I - Impact and Influence
- M - Motivate and Inspire
- P - Partner with Customers
- A - Appreciate Others
- C - Continuously Raise the Bar
- T - Think About Tomorrow

CONSUMER SATISFACTION & RESPONSIBLE CONSUMPTION

Consumer Satisfaction

We continue to offer consumer-oriented portfolio options with diverse brands and work to maximize consumer satisfaction in order to meet and better serve the ever-changing preferences of our consumers. Our goal is to provide affordable, easily accessible, innovative products for all lifestyles and needs. We achieve our goals with our strategy of lean production and transformation into a digital business. The main driving force of this new strategy is our agile operations, including processes, tools, and trainings that enable us to respond quickly to customer needs and market changes.

Responsible Consumption

Transparency is important for us in our consumer communications. We provide the nutritional value of our products transparently on the labels so that our consumers can make their choices according to their lifestyle and preferences.

One of the important points in our communication with the consumers is our responsible marketing and advertising approach. Our marketing activities are not placed in any environment where 30% or more of the audience includes children below 13 years old. In cases where the local legislations or industry commitments define an older age of the children or target audience, we will continue to respect these with other requirements and comply with them in all our marketing and communication activities.

In order to ensure sustainable and effective communication with our customers and consumers, we have defined the "Management of Customer and Consumer Communication" process and the organization who will manage it. We continuously review and improve our process according to the feedback of the relevant stakeholders. Our communication with customers is made over the Coca-Cola Call Center, Consumer Complaints System, and website communication platform in addition to conducting surveys and organizing plant visits at certain periods. Additionally, we have created the "Coca-Cola Open to Curiosity" platform in Türkiye in line with our approach to consumer interaction and transparency. With this platform, we provide our consumers clear, understandable, reliable, and transparent information about our corporate identity and products.



Our goal is to provide affordable, easily accessible, innovative products for all lifestyles and needs.

SUSTAINABILITY SOFT DRINK GROUP



Our target is to become a company that creates value for our shareholders and ensures long-term sustainable growth.

Post-Consumer Packaging Waste Recycling

At CCI, we believe in the importance of circular economy and accordingly we make sure to pay due attention to our recycling efforts.

Our efforts here focus on encouraging our customers and consumers to use returnable glass bottles and increasing our recycling rates in cooperation with our authorized partners. Accordingly, a cross-functional Sustainable Packaging Task Force has been founded to shape CCI's long-term recycling strategy and achieve a circular economy by setting a road map.

Following the amendment to the Environmental Law in 2020, we are fulfilling our Extended Producer's Responsibility through GEKAP regarding the packaging we offered to market in Türkiye.

WINNING WITH THE CUSTOMERS

To ensure that our consumers are satisfied every time they visit our sales points, we prepare joint business plans with our customers and create best-in-class commercial strategies and solutions. We use the "Right Execution Daily (RED)" system to provide our products to our customers and consumers in the most effective way.

We strengthen our technological infrastructure to provide easy access to cold beverages and continue with cooler investments every year and switch to more environment-friendly coolers. Thus, we reduce our carbon footprint in line with the changing environmental conditions.

With these activities, we aim to strengthen our relationship with our customers and increase our sales volume and profitability. Also, we try to reach our consumers with the most efficient and affordable sales and distribution vehicles.

In the Customer Satisfaction Surveys we conduct to measure customer satisfaction regularly in geographies of CCI operation, the

questions are designed to evaluate both our performance and our competition's performance to see the satisfaction levels from the eyes of our customers. We expand and develop joint business plans with our distributors. We provide training to help them understand the TCCS and CCI business processes.

RESPONSIBLE PROCUREMENT AND PRODUCTION

Superior Supplier Management

Supplier Guiding Principles (SGPs)

In order to determine the degree that our operations comply with CCI's Human Rights Policy and TCCC's Supplier Guiding Principles (SGPs), audits are being conducted since 2014 in all CCI countries by an independent auditing firm. Audits were carried out by an independent auditing firm in 2021 and, 9 CCI plants in Kazakhstan, Kyrgyzstan, Pakistan, Türkiye and Jordan have successfully passed these inspections.

Principles Of Sustainable Agriculture (PSA)

Sourcing of CCI's raw ingredients accounts for a large portion of our economic, social and environmental footprint. For CCI, sustainable sourcing is purchasing ingredients from farm locations and suppliers that meet TCCC-approved standards. Sustainable agriculture is critical for us to meet the expectations of our consumers, customers, and other stakeholders and to enable the continuous growth of our business.

TCCC set its target on sustainably sourcing key agricultural ingredients by 2020 and developed Principles of Sustainable Agriculture (PSA). TCCC's approach to sustainable agriculture is founded on these principles that aims to assure responsible management in farming, protecting the environment, upholding human and workplace rights, and so contributing to build more sustainable communities.

In 2021, we worked with the industry to understand and effectively implement the best practices for the sustainable production of sugar beets in Türkiye. We have also integrated the Supplier Score Card, a part of supplier management software, into the Ecovadis rating platform to assess our suppliers' corporate social responsibility and sustainability performance.

Operational Excellence in the Supply Chain

We incorporate a culture of Operational Excellence (OE) into our organization to improve how we do business in the long run. The OE Model is based on Lean Six Sigma methodologies and applied to all company functions. Our targets with this model are reducing the environmental impact that may arise from our bottling operations, achieving the highest level of efficiency and quality and minimizing errors.

In 2021, with CCI operational excellence (OE) projects, we saved 12.5 million MJ of energy, 5 thousand tons of CO₂e, 185 thousand m³ of water.

Thanks to the Intercity Transport Planning Optimization Project, which provides increased truck productivity and route optimization within the scope of our Digital Products, 143,153 liters of fuel savings was achieved.

With Digital Twin Product, process performance problems, production, time or environmental resource losses are identified, improvement opportunities can be specified, and actions can be taken to regain the losses. CIP systems enabled 277,000 Lt less solution usage and 27,030 kWh of electricity and 12,164 m³ of water savings when applied in Bursa plant only.

RESPONSIBLE PRODUCTION

Operational excellence is crucial in terms of sustainability of our operations. At CCI, we offer our consumers a wide range of products with our bottling activities in 30 plants in 11 countries without any compromise on product quality and safety. As product safety and hygiene issues are increasingly becoming more important today, we introduced more strict hygiene practices at our facilities and distribution centers for the health of our consumers.

We manage our food safety and quality, environmental impact and occupational safety performance at our facilities based on the Coca-Cola System (TCCC operating requirements) named KORE. In order to ensure compliance with standards at each plant and the attainment of relevant certifications and engagement with approved excellence programs, TCCC's internal auditors perform periodical KORE audits and assessments.

The external audits performed to verify our compliance with the required standards at our plants also continued in 2021. The current list of standards and completed verifications can be found at the right section of the page.

Certificates	
ISO 9001 Quality	All Facilities**
ISO 14001 Environment	All Facilities**
ISO 45001 Occupational Health and Safety	All Facilities**
FSSC 22000 Food Quality	All Facilities**
ISO 50001 Energy Management**	Türkiye: All Facilities Kyrgyzstan: Bishkek Facility Pakistan: All Facilities
ISO 14064 Greenhouse Gas Standards	Türkiye: All Facilities, sales operations facilities and offices
LEED Gold Certificate	Türkiye: Head Office Building
ISO/TS 22002-4 Food Packaging	All plants that produce preforms
ISO 27001	All Facilities**
TSE COVID-19 Safe Production*	Türkiye: All Facilities

*Until July 2021.

** Except Pakistan - Islamabad Facility

SUSTAINABILITY SOFT DRINK GROUP



climate protection

Our main focus areas while reducing our environmental footprint are energy efficiency and climate protection.

Sustainable Packaging & Waste Management

As CCI, we contribute to the circular economy and reduce our carbon footprint while ensuring safe delivery to our customers and consumers through our sustainable packaging efforts.

Sustainable Packaging

One of the key elements of our packaging strategy is using less resources for packaging. Consequently, we continuously work to develop lighter packaging by using less material and conduct lightweight projects on both glass and resin side. We also focus our efforts on reusing our glass bottles, collecting back the packaging we put on the market and increasing the recycled content in our packaging.

In 2021, returnable glass bottle practices in Türkiye prevented 67,302 tons of CO₂e, equivalent to the amount that is absorbed by 5.6 million trees.

With our lightweight practices, we save materials and also reduce GHG emissions released during production. With the help of lightweight and short neck practices, 128 tons of resin is saved in 2021.

Besides the mandatory regulations on the use of r-PET in beverage packaging, we have been working on the use of recycled materials for a long time. In 2021, we used 8.3% recycled plastic (r-PET) content in Türkiye, using chemical recycling method. This rate corresponds to 25% r-PET content in 32% of our total volume used at CCI Türkiye. We also used 25% recycled HDPE (high density polyethylene) in our plastic crates.

As defined in our strategy, we put several practices into action to reduce the amount of natural resources used in packaging without compromising the safety of our products.

Waste Management

In order to reduce our environmental footprint, we try to minimize the waste generated within the scope of our operations. Since 2006, within the scope of our ultimate goal of “zero waste” production, we have initiated various practices aimed at developing and improving our performance in all our countries of operation. In order to comply with our Zero Waste target, we now operate with “Zero Waste” at all our plants and Head Office in CCI Türkiye.

Water Management

At CCI, we monitor the amount of water used for producing one liter of product. Our plants create water maps in order to follow water consumption on a daily basis. We continuously analyze, evaluate, and spread best practices among CCI plants to reduce our water usage ratio (WUR). In 2021, our water usage ratio was 1.65 L/L in CCI.

As CCI, we conduct a local Source Water Vulnerability Assessment (SVA) and develop Source Water Protection Plan (SWPP) to use water responsibly, mitigate water-related risks to our system, and to the communities we serve as part of our water management program.

In 2021, we saved approximately 185 thousand m³ of water in our countries of operation. In addition, we have improved our water efficiency by 2% compared to 2020.

Across the countries in which we operate 11 billion liters water has been replenished so far.

Energy Management and Climate Protection

Our main focus areas, while reducing our environmental footprint, are energy efficiency and climate protection. With the rest of the world, we are aware of the risks towards climate crisis that necessitate an all-out struggle and the direct/indirect consequences that may occur towards these risks. With the awareness of our responsibility for such a high potential risk to humanity, we are implementing all necessary changes to contribute to this struggle.

In order to minimize our carbon dioxide emissions, we replaced LPG forklifts with electric forklifts in 2021 and reduced our carbon dioxide emissions by 68% which prevented 521 tons of carbon dioxide from leaking the atmosphere. We also replaced company cars with hybrid cars that consumed 38% less fuel. We started distribution with electric panel van in our Dudullu warehouse.

We virtualized 331 servers in CCI system rooms. As a result, we prevented the consumption of 98 million kWh of electricity per year and therefore the release of approximately 46,000 tons of carbon dioxide.

Our cooling practices allow our consumers to enjoy our products more while also bringing us the need to take steps with the awareness of our responsibility to reduce our environmental footprint. Thanks to EDM-equipped and HFC-free cold drink equipment that we purchased between 2010 and 2021, we prevented 2.5 million tons of CO₂ emissions.

As a result of best practices executed throughout the value chain, we prevented 485,000 tons of CO₂ emissions in 2021.

RESPONSIBLE CORPORATE CITIZENSHIP

Economic Impact

Operating in 11 countries with 870,000 sales points and serving 430,000 million consumers, CCI has a significant impact across its countries of operations. CCI Türkiye operations create about 30,000 direct and indirect employment opportunities in its regions. Our operations provide income to 160,000 farmers in the Turkish retail industry and generate TRL 4.1 billion added value.

CCI Volunteers

One of the building blocks of CCI's organizational culture is encouraging and supporting employee volunteerism. Accordingly, employee volunteering clubs have been established to guide volunteering practices, and club activities include environmental protection activities (cleaning, tree planting, etc.), as well as activities to visit orphans and children in hospitals.

CCI Volunteering Platform was launched in 2021. More than 350 volunteers have registered and contributed to 10 projects. More than USD 250,000 was raised and 264 volunteer hours was achieved.

Community Investments

While doing our job in the geographies of operation, our most important goal is to create value. At CCI, we strive to create value in different ways for all the stakeholders. We provide volunteering roles to our employees by cooperating with local and international NGOs. As responsible corporate citizens, we continue to create value and implement our projects with the aim of being recognized as a good corporate citizen. Our projects focus mainly on the water management, waste management, women empowerment, and youth empowerment.

CCI has been publishing Integrated Annual Reports since 2020. Detailed information about CCI's sustainability activities can be found in [2021 Integrated Annual Report](#).

CCI's Economic Impact*	Economic Impact Factor	Direct and Indirect Employment
Pakistan	1:2.74 PKR (Rupees)	60,000
Türkiye	1:9.7 TRL (Liras)	30,000
Kazakhstan	1:1.6 KZT (Tenge)	9,250
Kyrgyzstan	1:7.57 SOM	3,500

* Economic impact studies were conducted by McKinsey & Company in Türkiye, Lums University in Pakistan, Ernst & Young in Kazakhstan and Kyrgyzstan.

CODE OF BUSINESS AND ETHICS

Anadolu Efes complies with all applicable laws and legal regulations in the countries where it operates. In addition, company policies, strategies, and business processes are devised carefully in accordance with internationally accepted norms and the company ensures that its employees comply with the same.

Having embraced the corporate governance notion and core values of the Anadolu Group, of which it is a member, Anadolu Efes has developed structures and principles that will optimally serve the interests of its shareholders and all of its stakeholders and has produced a detailed “Code of Business Conduct and Ethics” (“the Code”).

The set of rules captured in this document, which is also made public on the corporate website, is based on the Corporate Governance Principles introduced for publicly-held joint-stock companies by the Capital Markets Board of Türkiye (CMB), other applicable CMB legislation, and the ethical values and corporate culture of Anadolu Efes.

This Code of Business Conduct and Ethics (the “Code”) is applicable for all Company operations and binding for all Anadolu Efes employees including Board members. In addition, distributors, suppliers, and other business partners are all expected to comply with the Code.

ANADOLU EFES CODE OF BUSINESS CONDUCT AND ETHICS

HUMAN RIGHTS, DISCRIMINATION, AND HARASSMENT

In its operations, Anadolu Efes respects internationally recognized human rights, related International Labour Organization (ILO) articles, UN Universal Declaration of Human Rights.

ENVIRONMENTAL RESPONSIBILITY

Placing environmental sustainability at the core of its business, Anadolu Efes continues to be committed to reducing its impact on the environment. As a signatory to UN Global Compact and CEO Water Mandate, Anadolu Efes has undertaken to abide by the core elements of the Mandate.

RESPONSIBLE MARKETING

Producing and selling its products in geography where they are enjoyed by millions of consumers, Anadolu Efes complies not just with laws and regulations but also adheres to the general principles of fair competition and good business practice.

OCCUPATIONAL HEALTH AND SAFETY

Anadolu Efes implements an effective health and safety management system to provide a safe, healthy, and incident-free workplace for all employees, contractors, and visitors.

RESPONSIBLE DRINKING

Anadolu Efes supports the moderate and responsible consumption of alcoholic beverages with due observance of the applicable legislation.

BUSINESS AND FINANCIAL RECORDS

All business and financial records, accounts, and financial statements of Anadolu Efes are kept accurately and in reasonable detail. These records duly represent the company’s operations and ensure that the company timely meets its legal and regulatory obligations.

COMPANY ASSETS

Company assets and resources are used in an efficient, careful, and professional manner and for their intended business purpose only.

SOCIAL MEDIA

In line with the corporate culture of Anadolu Efes; employees must not share on their personal accounts on social media/networks any confidential or strategic information including but not limited to trade secrets of the company or any negative content that might damage the company’s reputation.

CONFIDENTIAL INFORMATION

Unauthorized disclosure of confidential information or information, which is not generally available to the public, is strictly prohibited.

PERSONAL DATA AND PRIVACY

Anadolu Efes respects the privacy of all its employees, business partners, and consumers and the confidentiality of any personal data Anadolu Efes holds about them.

Employees who handle the personal data of others must (i) act in accordance with applicable law and Company policies regarding the protection of personal data; (ii) collect, use and process such information only for legitimate business purposes; (iii) obtain from the individual the level of consent required by applicable law; (iv) limit access to the information to those who have a legitimate business purpose for seeing the information; and (v) keep personal data confidential and secure.

INSIDER TRADING

Anadolu Efes is a publicly listed company in Borsa Istanbul Stock Exchange and all investors, including minority shareholders and foreign shareholders, should be treated equally in accordance with the legislation. This also means that all investors should have access to the same information at the same time.

All employees are required to refrain from using or disclosing confidential information of the Company to engage in insider trading or to gain any financial or commercial interest.

CONFLICT OF INTEREST

Anadolu Efes has taken all necessary measures to prevent personal interests and relationships within the company from creating an obstacle against the ability to take the decisions that will produce the optimum results to the company's benefit and to preclude conflicts of interest.

ANTI-BRIBERY AND ANTI-CORRUPTION

Anadolu Efes has a zero-tolerance policy towards bribery and corruption. This attitude extends to all businesses and transactions in all countries in which it operates

GIFTS, ENTERTAINMENT AND HOSPITALITY

Anadolu Efes considers offering or receiving gifts, entertainment, or hospitality as customary courtesies designed to build goodwill among business partners. However, the company urges avoidance of such behaviors if they tend to give rise to the perception that the same is unfairly influencing a business relationship.

POLITICAL CONTRIBUTIONS

Anadolu Efes does not make any donations to politicians or political parties, nor does it allow company assets to be used for political activities.

RELATIONS WITH BUSINESS PARTNERS

Anadolu Efes expects that its suppliers and business partners will take no action contrary to the business principles it has established and that they will comply with the company guidelines with respect to society, environment and ethics.

COMPETITION COMPLIANCE

Having adopted and internalized fair competition, Anadolu Efes abides by all applicable competition laws in the countries of operation.

For further details, please visit:

www.anadoluefes.com

INVESTOR AND SHAREHOLDER RELATIONS

DISCLOSURE POLICY

Anadolu Efes maintains to act, in the course of disclosure to all our shareholders and other stakeholders, within the principles of equality, accuracy, impartiality, consistency, and timing. It is essential to provide such announcements and clarifications in a timely, correct, complete, understandable, analyzable, and cost-effective manner in strict observance of the rights and interests of our Company as well. The Disclosure Policy is announced to the public on the Company's corporate website.

The information and meeting requests from shareholders and other stakeholders are processed as per our Company's Disclosure Policy and any sharing of information is affected with already publicly available content.

Shareholders' and/or investors' requests for information that has not been made public are processed within the same manner. All shareholders and investors are simultaneously informed regarding material disclosures and/or press releases.

INVESTOR RELATIONS

Anadolu Efes maintains active and transparent communication with all stakeholders—including, but not limited to, local and international shareholders, stakeholders, investors, and capital market institutions. The company's investor relations are conducted by the Investor Relations Unit, which operates under the Group Finance and Investor Relations Directorate. The Investor Relations Unit takes on an active role in the protection of shareholder rights and in the facilitation of their exercise.

During the year 2022, meetings were conducted with a total of 309 local and international institutional investors and analysts addressing the company's business results, performance, and other developments in the reporting period.

The company also regularly organizes conference calls available to all stakeholders, following the release of its quarterly financial results, and shares the meeting records on the website.

Anadolu Efes participates in conferences in Türkiye and abroad as well as virtual conferences and other meetings organized to provide shareholders and investors information about the company. In this context, company representatives took part in 17 roadshows/conferences in Türkiye and abroad during 2022.

Anadolu Efes' operating results, performance, and other developments during the reporting period, along with all sorts of information and announcements that are of a nature to affect the exercise of shareholding rights are made available to shareholders in an up-to-date manner on the corporate website.

This corporate website www.anadoluefes.com serves as a bilingual communication channel provided in Turkish and English languages as required by the CMB's Corporate Governance Principles. Public disclosures made by the company and a copy of each of the presentations used in meetings that are held domestically and abroad are available on the corporate website.

In addition, quarterly financial results and earnings releases, as well as the quarterly operational reports, are also available on the website in both Turkish and English.

Various communication tools are also used for public disclosure purposes in addition to conventional information distribution channels. Accordingly, public disclosures made by the company are sent by electronic mail directly to those stakeholders who make a specific request and convey their contact information via the website or other means. In addition, inquiries by individual and institutional investors are responded via e-mail or phone.

CREDIT RATINGS AND BOND ISSUANCES

AAA National credit rating

Having national credit ratings of AAA, Anadolu Efes tapped the domestic bond market twice in 2022 in order to diversify its debt structure with successful issuances.

International credit rating agencies closely watch Anadolu Efes' financial and operational performance.

In Standard & Poor's ("S&P") assessment on 31 May 2022, S&P placed 'BBB-' long-term issuer credit and issue rating of Anadolu Efes and outstanding senior unsecured notes on CreditWatch. Later, as a

result of the assessment made on 23 September 2022, S&P downgraded Anadolu Efes' long-term issuer credit and issue rating and outstanding senior unsecured notes by one notch to BB+. The outlook of the rating was determined as negative. The rising challenges and uncertainties in the current geopolitical environment in the countries of operation were said to be the reasons of the downgrade in its report while S&P underlined Anadolu Efes' credit metrics as strong. S&P also mentioned that the rating was supported by company's good liquidity profile with no near-term refinancing risk.

In credit rating agency Fitch Ratings' ("Fitch") assessment on 10 March 2022, Fitch Ratings ("Fitch") downgraded Anadolu Efes' long-term foreign currency issuer default rating and local currency issuer default rating by one notch from BBB- to BB+. Fitch also placed all ratings on Rating Watch Negative. In its report, the

challenging macroeconomic environment in Company's operating markets was said to be the main driver of the rating action while adequate liquidity position of the Company including the hard currency balances were acknowledged. As a result of the assessment made on 9 September 2022, Fitch maintained Anadolu Efes' long-term foreign currency issuer default rating and local currency issuer default rating at BB+ on Rating Watch Negative while National Rating remained at AAA(tur), the highest rating in the rating scale. In addition, Anadolu Efes' liquidity was evaluated as adequate, Company's strong resilience amidst a challenging input cost environment and market share gains in core markets were highlighted in the report.

In addition, JCR Eurasia Rating affirmed long term national rating of Anadolu Efes as "AAA (tr)" which is the highest notation and short term national rating as "J1+ (tr)" with "Stable" outlook.

CREDIT RATING AGENCY	LATEST REVIEW	RATING TYPE	CREDIT RATING	OUTLOOK
Fitch	09.09.2022	Long-term Corporate Credit Rating	BB+	Negative
Fitch	09.09.2022	Long-term National Credit Rating	AAA(tur) (Investment grade)	Negative
Standard & Poors	23.09.2022	Long-term Corporate Credit Rating	BB+	Negative
JCR Eurasia	26.08.2022 (Affirmation)	Long-term National Credit Rating	AAA (tr) (Investment grade)	Stable

In order to diversify its debt structure, Anadolu Efes successfully completed its second domestic bond issuance of TRL 1.1 billion in December, following the first Turkish lira bond issuance of TRL 900 million in November. With its strong financial structure, Anadolu Efes has

become an active issuer in both domestic and international debt securities markets.

Information on Anadolu Efes' outstanding debt instruments is given as below.

Bond Type	Issue Amount	Issue Date	Maturity	Interest/Return Rate (%)	Issue Type
Eurobond	US\$ 500,000,000	29.06.2021	29.06.2028	3.375%	International
Corporate Bond	TRL 900,000,000	15.11.2022	22.11.2023	32.5%	Sale to Qualified Investors
Corporate Bond	TRL 1,100,000,000	22.12.2022	18.01.2024	33.0%	Sale to Qualified Investors

CORPORATE GOVERNANCE COMPLIANCE DISCLOSURE 2022

Adopting the corporate governance understanding as an indispensable component in its activities, Anadolu Efes works within the framework of all existing regulations and the "Corporate Governance Principles", which are prepared by CMB, and adopts these principles as an important part of its management understanding. Furthermore, our Company aims to develop structures and principles that are appropriate for the conduct of our business which will serve best for the benefit of our shareholders and other stakeholders.

As a result of the studies conducted by SAHA Kurumsal Yönetim ve Kredi Derecelendirme A.Ş. (SAHA - Corporate Governance and Credit Rating Services Inc.), Anadolu Efes received a Corporate Governance Rating of 81.0 and qualified for listing in the BIST Corporate Governance Index in 2008. In the subsequent years, SAHA's studies indicated a steady increase in the Corporate Governance Rating of Anadolu Efes and the Corporate Governance Rating of our company was finally confirmed at 96.3 as of 17.05.2022.

The rating mentioned above was determined by attaching specific weights to the rating under four sub-categories. In this context, below is the distribution of the Corporate Governance Rating according to main categories.

Main sections	Weight	Note
Shareholders	25%	95.4
Public Disclosure & Transparency	25%	98.8
Stakeholders	15%	99.5
Board of Directors	35%	93.9
Total	100%	96.3

The Corporate Governance Rating Reports, which have been published by SAHA, are available on the Company's website, www.anadoluefes.com.

The Corporate Governance Compliance Report (URF) and the Corporate Governance Information Form (KYBF) prepared in accordance with the ruling of the Capital Markets Board dated 10.01.2019 and numbered 2/49 can be accessed in the Corporate Governance section of the

Company's summary page. <https://www.kap.org.tr/en/sirket-bilgileri/ozet/858-anadolu-efes-biracilik-ve-malt-sanayii-a-s>

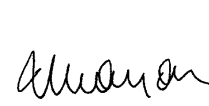
Anadolu Efes conducts all of its operations within the framework of all existing regulations and the "Corporate Governance Principles", which are prepared by CMB. The Corporate Governance Compliance Report includes information regarding the application of each item of the Corporate Governance Principles by our company, as well as if there are principles which were not applied, the reasons for not applying these principles, the conflicts of interest arising from not applying these principles and whether there is a plan to change the company's management applications in the framework of the principles.

Our Company has complied with the Corporate Governance Principles issued by CMB except for the below-mentioned provisions that were voluntary, in the period of 01.01.2022-31.12.2022. There are no conflicts of interest arising from the below-mentioned provisions that are not implemented.

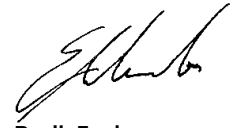
- In accordance with the Article 4.6.5 of Corporate Governance Principles, the remunerations and all other benefits provided to Board members and managers having administrative responsibilities are made public through our annual report. The remuneration of the independent Board members is included and it is also stated that the other members of the Board are not getting paid. As in previous years, the total amount of salaries paid to executives with administrative responsibility has been included and no breakdown has been given on a person basis.

- As of 31 December 2022 there is one woman Board member in our Board of Directors. It is recommended by the Corporate Governance Committee to the Board of Directors to increase women members in the Board in the coming years and our efforts continue in this regard.

As of 31 December 2022 there is one woman Board member in our Board of Directors. It is recommended by the Corporate Governance Committee to the Board of Directors to increase women members in the Board in the coming years and our efforts continue in this regard. Within the context of Gender Equality Policy on the Board of Directors; it has been aimed to reach 30% of female members by 2030. The Board of Directors evaluates the progress achieved in reaching this target annually and shares the results with the public. The target can be reconsidered when necessary.



Uğur Bayar
Corporate Governance
Committee Chairman




Rasih Engin Akçakoca
Corporate Governance
Committee Member



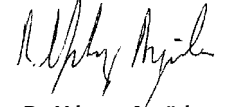
Jason Warner
Corporate Governance
Committee Member



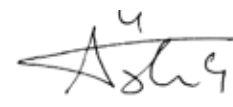
Lale Develioğlu
Corporate Governance
Committee Member



Hurşit Zorlu
Corporate Governance
Committee Member



Dr. Yılmaz Argüden
Corporate Governance
Committee Member



R. Aslı Kılıç Demirel
Corporate Governance
Committee Member

STATEMENT OF COMPLIANCE WITH THE SUSTAINABILITY PRINCIPLES OF THE CMB

Anadolu Efes has been disclosing its performance transparently in accordance with the GRI standards since 2010 while placing sustainability at the center of its business model since its foundation. As of 2021, in addition to these criterias, a report was made taking into account the WEF - Stakeholder Capitalism Sustainable Value Creation Reporting Criteria. Anadolu Efes works with the goal of constantly improving its performance within the framework of its corporate strategy, sustainability approach and 2030 sustainability goals.

Listed in the Sustainability Index of BIST since 2015, the company aims to fully comply with the "Framework for Compliance with the Sustainability Principles" in accordance with the revision made by the Capital Market Board (CMB) on the Communique of Corporate Governance on 02.10.2020. Within this scope, the summary and

performance of the initiatives taken in the areas of environment, society and governance in 2022 are provided in the Sustainability section of the Annual Report for 2022 in compliance with these principles. More information and performance details about the sustainability initiatives will be provided in the 2022 Integrated Report.

While the company ensures full compliance with the majority of the principles, it carries on its activities for the improvement of the principles with which it partially complies. As a matter of principle, even if there is a progress / partial compliance, it is not considered that the company fully complies, since full compliance is targeted. There is no principle with which the company fails to comply. The Table of Compliance with the Sustainability Principles is provided on page 230 with detailed explanations about compliance with the principles.

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

SHAREHOLDERS

1. Investor Relations Unit

Our company has adopted the principle of treating each shareholder equally, and the Investor Relations Unit, established within our Company's Finance and Investor Relations Directorate, continued to conduct the relations with our shareholders.

The individuals in charge of Investor Relations in our Company's Investor Relations Unit in 2022, are provided below. R. Aslı Kılıç Demirel, Investor Relations Director, is working full-time and directly reporting to the CFO. Investor Relations Supervisor Sibel Turhan is working full-time and reporting to R. Aslı Kılıç Demirel. Additionally, R. Aslı Kılıç Demirel is working as the member of the Corporate Governance Committee.

Gökçe Yanaşmayan – Chief Financial Officer

Tel: 0 216 586 80 00
Fax: 0 216 389 58 63
E-mail: ir@anadoluefes.com

R. Aslı Kılıç Demirel – Investor Relations Director

Tel: 0 216 586 80 72
Fax: 0 216 389 58 63
E-mail: asli.kilic@anadoluefes.com

Licenses: CMB Capital Market Activities Level 3 License and CMB Corporate Governance Rating Specialist License

Sibel Turhan – Investor Relations Supervisor

Tel: 0 216 586 25 08
Fax: 0 216 389 58 63
E-mail: sibel.turhan@anadoluefes.com

Licenses: CMB Capital Market Activities Level 3 License and CMB Corporate Governance Rating Specialist License

Investor Relations Unit plays an essential role in accordance with the protection of shareholders rights and making usage of these rights easier

particularly the rights to obtain information and the rights to examine.

In accordance with the Disclosure Policy of our company, information regarding operations and performance of our company as well as other events are shared, through meetings with shareholders, investors, research specialists of intermediary institutions and other stakeholders. In addition, any type of information and explanation that may affect the exercise of the shareholders' rights are uploaded and updated on a regular basis on our website for the usage of the shareholders.

During 2022, meetings were conducted with a total of 309 domestic and foreign institutional investors and analysts related to the company's business results, performance, and other developments during the reporting period. Anadolu Efes also participates in conferences in Türkiye and abroad as well as virtual conferences and other meetings organized to provide information about the company to shareholders and investors. In this context, in 2022, company representatives took part in 17 roadshows/ conferences in Türkiye and abroad.

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 2022, nine Committee meetings were held, whose dates are provided in Attachment-1.

Details regarding the activities performed by this department in 2022 can be found in our Company's 2022 Annual Report.

2. Exercise of the Information Rights by Shareholders

Information requests of shareholders are evaluated in accordance with our company's Disclosure Policy. Additionally, as mentioned above, any type of information and announcement which may affect the exercise of the shareholders' rights are put and updated on a regular basis on our website and through our IR application for the usage of the shareholders. Our Disclosure Policy dictates equal treatment of all our shareholders and investors, and provides that accurate disclosure with similar content reach to everyone at the same time.

While shareholder's right to get and examine information given by laws, is not abolished or limited by the articles of association or the decision of any bodies of the company; every mechanism has been set up in order to ensure that shareholders use this right fully.

The Company's articles of association do not include an article that obstructs special audit and the management avoids any action that makes special audit process difficult. Our company acts in accordance with the relevant articles of Turkish Commercial Law regarding the right to ask for a special audit. In 2022, there has not been any request by shareholders for the assignment of a special auditor.

3. General Assembly Meetings

In its meeting dated 25.03.2022, our Board of Directors resolved to hold the Annual Ordinary General Assembly Meeting regarding the Company's 2021 calendar year operations on 20.04.2022 Wednesday at 14:00 at the address "Fatih Sultan Mehmet Mahallesi Balkan Caddesi No:58 Buyaka E Blok Kat:1 34771 Ümraniye / İstanbul" and this resolution was announced to public on 28.03.2022 through Public Disclosure Platform.

For the year 2021, the balance sheet and income statement, Annual Report of the Board of Directors and the Corporate Governance Compliance report as its attachment, dividend

distribution proposal of the Board of Directors, Independent External Audit Report and an information document regarding the agenda were made ready for the evaluation of our shareholders at our headquarters and our website at www.anadolufes.com, 21 days earlier than the date of the General Assembly. Also the proxy documents that were required for participation via proxy to the General Assembly were made available at our website in order to ease the participation to the meeting.

On the website of our company, in addition to the announcement of the General Assembly, disclosures and statements that are mandatory to be made according to the regulations, as well as all matters required to be announced according to Corporate Governance Principles, were disclosed to shareholders. Namely;

- The total number of shares which reflect the current shareholding structure of the company and the voting rights of shares was announced on our website on the date of the announcement of the General Assembly meeting.
- The General Assembly information document regarding the items on the agenda prepared for the Ordinary General Assembly Meeting which included information about the candidates, who were nominated for the independent Board memberships in line with Corporate Governance Principles. The candidates for the independent board memberships submitted written statements to the Nomination Committee, at the time that they were proposed as candidates, regarding their independence within the framework of the law, Articles of Association, and the Corporate Governance Principles.
- While preparing the agenda of the General Assembly, every proposal has been given in a separate heading and these headings were made clear in a way that would not cause different interpretations. Strict attention has been paid not to use expressions such as “other”, “various (miscellaneous)” on the

agenda. The information given before the general assembly has been given together with a reference to the related articles of the agenda.

- While preparing the agenda of the Ordinary General Assembly Meeting, there have not been any written requests, which the shareholders delivered to the Investor Relations Unit in writing to be included on the agenda. Likewise, shareholders, CMB or other government institutions, which are related to the company, have not delivered any written agenda item requests to be added to the agenda.
- In order to increase the attendance of the shareholders to the General Assembly, it is aimed to hold the meetings without causing any inequalities between shareholders and enable shareholders to attend these meetings with a minimum cost. In this context, the 2021 Ordinary General Assembly Meeting was held on 20.04.2022 in Istanbul where the headquarters of the company is registered, also in accordance with the articles of association.
- The Chairman of the meeting has obtained the required information and has done the necessary preparations in order to conduct the General Assembly as per the Turkish Commercial Code, related laws and legislations.
- The chairman of the Ordinary General Assembly has taken specific care in conveying the information about the subjects on the agenda objectively and in a detailed, clear and unbiased way. The shareholders have been given opportunities under equal conditions in explaining their considerations and questions. The chairman of the General Assembly has made sure that the questions asked by the shareholders and the questions which were not considered as trade secret have been answered directly in the General Assembly meeting. During the Ordinary General Assembly Meeting, there has not

been any question irrelevant to the topics on the agenda or extensive such that they cannot be answered immediately. Questions asked during the General Assembly meeting and responses to these were recorded in the meeting minutes.

- In accordance with the Corporate Governance Principle article 1.3.7., there has not been any transaction in which persons who have privilege to access company information, had done on their behalf within the company’s field of activity.
- The board of directors and other related persons, the ones who have responsibility in preparing the financial reports, and auditors have been present in the General Assembly meeting in order to provide the necessary information and answer the questions about the important subjects on the agenda in particular.
- Although there is no such article on our articles of association, the General Assembly meetings of our company are open to public including the stakeholders and the media without having the right to speak. In the Ordinary General Assembly Meeting held in 20.04.2022, there were no attendances by any stakeholders or the media apart from Company representatives that are mentioned in the previous provision.
- There has not been any transaction that required the approval of the majority of the independent Board members for the Board of Directors to take a decision, and where the decision was left to be resolved by the General Assembly because this condition was not met.
- Shareholders who have a management control, members of the Board of Directors, managers with administrative responsibility and their spouses, relatives by blood or marriage up to second degree have not conducted a significant transaction with the company or subsidiaries thereof which may

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

cause a conflict of interest, or/and conduct a transaction on behalf of themselves or a third party which is in the field of activity of the company or subsidiaries thereof, or become an unlimited shareholder to a corporation which operates in the same field of activity with the company or subsidiaries thereof. There were also no transactions conducted by persons who have the opportunity to access information of the company in a privileged way, on their behalf within the scope of the company's field of activity.

The 2021 Annual Ordinary General Assembly Meeting of our Company was held on 20.04.2022 with the participation of a total of 509,280,509.817 shares (86%) out of 592,105,263 shares constituting the capital amounting to TRL 592,105,263.00 of the Company.

Meeting minutes and List of Attendees were announced to public at the same day with the General Assembly through the Public Disclosure Platform. The General Assembly meeting minutes and Lists of Attendees are also available for the information of our shareholders at our website.

The following decisions were taken at the 2021 Ordinary General Assembly Meeting of our company:

- Annual Reports of the Board of Directors and the Independent Audit Company as well as the Consolidated Financial Statements for calendar year 2021 have been discussed and approved.
- The shareholders were informed regarding the donations made by the Company and on any income and benefits obtained by granting collaterals, pledges and mortgages in favor of third persons in 2021.
- To replace the released directors, the selection of TUNCAY ÖZİLHAN, KAMİLHAN SÜLEYMAN YAZICI, JASON WARNER, TALİP ALTUĞ AKSOY, RASİH ENGİN AKÇAKOĞA, AGAH UÇUR, AHMET BOYACIOĞLU,

UÇUR BAYAR (independent member), BARIŞ TAN (independent member), ŞEVKİ ACUNER (independent member) and LALE DEVELİOĞLU (independent member) as Directors of the Board for one-year term has been approved.

- The selection of the PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. as the external audit company for the audit of the financial statements and reports for the year 2022 was approved.
- It has been decided to distribute a cash dividend of gross 1.8545 TRL (net TRL 1.66905) per each share with TRL 1 nominal value amounting to a total of TRL 1,098,059,210.23 realizing a 185.45% gross dividend distribution, calculated for the period January-December 2021 to be paid starting from 20 May 2022.

The dividend distribution payments were completed as of 24 May 2022.

4. Voting Rights and Minority Rights

While our company avoids practices that make the use of voting rights difficult, the mechanisms have been set in order to enable every shareholder, including the cross-border ones, to use their voting rights in a proper and simple way. In this context, according to Article 26 of the articles of association of the company regarding "Participation to General Assembly via Electronic Means", shareholders having the right to attend the General Assembly can attend the meeting electronically in accordance with article 1527 of Turkish Commercial Law. In accordance with this article of articles of association, at the 2021 Ordinary General Assembly meeting held, shareholders and their representatives were able to use their rights as mentioned in the regulation.

While utmost care is given to the use of minority rights, our articles of association regulates the usage of all minority rights in accordance with regulations. While, Corporate Governance Principles enables provision of minority rights

to shareholders with less than 1/20 share in capital in the articles of association; articles of association of our company does not include any article broadening the extent of minority rights compared to Law.

There are no privileged shares among the shares representing the paid-in capital of our Company. There is no cross shareholding relationship with the majority shareholders of our Company.

As there is no cross-ownership associated within our Company, therefore there occurred no voting in the General Assemblies of such companies.

5. Dividend Right

There is no privilege granted to shareholders regarding the distribution of dividends. Within the framework of compliance with Corporate Governance Principles, our Dividend Policy has been resolved to be handled as a written policy starting from 2005.

In line with our Dividend Distribution Policy, our Board of Directors resolved, in its meeting held on 23.02.2022, to submit a cash dividend proposal of gross TRL 1.8545 (TRL net 1.66905) per each share with TRL 1 nominal value, realizing a 185.45% gross dividend distribution over the issued capital of 592,105,263 TRL as of the end of the accounting period,, calculated for the period January-December 2021, which amounts to a total proposed cash dividend of TRL 1,098,059,210.23 to be paid starting from 20 May 2022, for the approval of the General Assembly and this resolution was announced to public the same day through Public Disclosure Platform. The said decision was approved at the Annual Ordinary General Assembly Meeting held on 20 April 2022.

While dividend policy of our company is available on our website and annual report, detailed explanations and tables regarding the distribution of profit for the year 2021 are also provided in our Company's 2022 Annual Report.

6. Transfer of Shares

There are no provisions contained in the Company's Articles of Association restricting the transfer of shares, or provisions causing the transfer of shares difficult.

PUBLIC DISCLOSURE AND TRANSPARENCY

Acting in compliance with the principles regarding Public Disclosure and Transparency of Corporate Governance Principles, our Disclosure Policy regulates such matters; information which will be disclosed apart from the ones pointed out in the legislation, how frequently and in what ways these information's shall be disclosed, how frequently the board and the managers shall meet with the media, how frequently meetings shall be arranged to inform the public, which method shall be followed in answering the questions to the company, etc.

The information which will be disclosed to the public should be helpful in the decision-making process of the persons and institutions and should be prepared on time, accurately, completely, comprehensibly, interpretably, and accessible with low costs with ease at "Public Disclosure Platform" (www.kap.org.tr), on our company's website and through our IR application for public use. Besides, Central Registry Agency's "e-GOVERNANCE: Corporate Governance and Investor Relations Portal" is used directly and effectively to give information to the shareholders.

During the year, 20 special case announcements were made in accordance with CMB regulations. All of the public disclosures were made on time and released on our website simultaneously.

While the Investor Relations and Treasury Directorate working within the Finance Directorate is responsible for pursuing the Corporate Disclosure Policy in coordination with the Corporate Governance Committee, the details of individuals in charge are presented under the section "Investor Relations Unit".

While announcing its year-end financial results, our company regularly discloses its expectations for the following year along with assumptions and the data on which these assumptions are based, through an information document available to the public. During the year, in the case where estimates and the base for these expectations are not realized or it is understood that they are not going to be realized, the updated expectations are shared with the public with the required explanation.

The Disclosure Policy is available on our Company website.

1. Corporate Website and Its Content

Our corporate website is at www.anadoluefes.com. In order for international investors to use it, in addition to Turkish, our website is prepared also in English. In public disclosure, our website is used actively and the information given on the website is updated on a regular basis. The information on our website is the same and consistent with the announcements which are done in accordance with the relevant regulation and it does not include conflicting or missing information. The letterhead of our company includes our website address. In our website, all information required as per Article no 2.1 in Section 2 of Corporate Governance Principles is available.

Announcements of financial statements, except for material events and footnotes which are mandatory to be disclosed to public in accordance with capital markets regulations, are simultaneously being disclosed at Public Disclosure Platform in English as well as in Turkish.

2. Annual Report

The annual report of our company is prepared in detail in a way that the public may access to the full and accurate information about the operations of our company, and includes information which is required by legislation

and Article no 2.2 in Section 2 of the Corporate Governance Principles as well as the requirements specified in other Corporate Governance Principles.

STAKEHOLDERS

1. Informing the Stakeholder

Stakeholders are persons, associations, or interest groups such as employees, creditors, customers, suppliers, trade unions, several non-governmental organizations who are related to the matters on achieving the company's targets or that are related to the company's activities. Our company protects stakeholders' rights in transactions or activities conducted for the company which is set by the regulations or through the mutual contracts signed. If the rights of the stakeholders are not protected by regulations or with the mutual contracts, our company spends maximum effort to protect the rights of the stakeholders as much as possible in line with the company means and within bona fide rules. Our Company acts in accordance with the Corporate Governance Principles regarding its relations with its stakeholders and has established all necessary mechanisms. In the case of conflicts of interest that arise among the stakeholders or when a stakeholder is involved in more than one interest group; a balanced policy, as far as possible shall be followed with regard to the protection of the vested rights, and each right is aimed to be protected independently.

Anadolu Efes' Indemnity Policy as required by the non-mandatory Article no 3.1.2 of Corporate Governance Principles was approved by the Board on 19.03.2015, as provided below, and immediately came into effect and also disclosed on the company website.

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

Indemnity Policy

In Our Company, provisions of the Labour Law numbered 4857 are applied regarding severance and notice payments. If there are amendments related to Labour Law numbered 4857, provisions of the relevant law that will come into force will be applied.

Within this context,

Regarding the claims for severance pay; provisions of the Labour Law numbered 4857 and Article 14 of the former Labour Law numbered 1475 (in accordance with the Temporary Article 6 of the Labour Law numbered 4857) are applied. However, if there is a collective bargaining agreement in force at the workplace, provisions of this collective bargaining agreement are to be implemented within the context.

Regarding the notice period, collective job-seeking permission is granted only if the employee presents a written request at the date of dismissal notice.

Creating timely and applicable solutions to problems related to the employees and other stakeholders, in order to maintain the satisfaction of all the stakeholders, is one of the key policies of the Company. Our employees, suppliers, customers, and consumers are informed on matters related to them in different ways.

The Efes Communication Line that is currently active (444 EFES / 444 33 37 / iletisim@tr.anadoluefes.com) serves 6 days of the week excluding Sundays between 09:00-18:00. The incoming calls are immediately replied to and are resolved within specific time periods by the pre-determined responsables of relevant departments.

Information exchange with customers and suppliers is ensured by periodic dealer meetings as well as site meetings held by individuals in charge in relevant locations. Furthermore,

customers and suppliers are capable of transmitting their problems to our Company via the dealer meetings and through oral or verbal applications submitted to the Company's management.

Meetings are held with our suppliers so as to improve the quality of the current materials as well as on other sectoral developments and pilot activities are conducted with respect to the co-produced projects.

Through the wide data information network established with its customers, the Company can exchange information on a real-time basis.

Our company conducts training programs to enhance the development of the employees. These development programs include class education, e-learning, on-the-job training, and knowledge sharing. For this purpose, in-house developed systems using internet platforms are also used.

The necessary mechanisms are formed by the Corporate Governance Committee in order for the stakeholders to communicate with the "Corporate Governance Committee" or the "Audit Committee" about the Company's practices which are contrary to the legislation and unethical. On the other hand, according to its own charter, the Audit Committee is responsible for monitoring whether a system regarding compliance to the Company's code of business conduct and ethical rules is established by the management. Additionally, the Audit Committee reviews whether the management monitors the Company's compliance to code of business conduct and code of ethics, makes fraud risk assessments, and gives code of business conduct and fraud and code of ethics training to Company employees.

Stakeholders are sufficiently informed about afore-mentioned Company policies, procedures, etc. regarding the protection of their rights, via several channels including emails, corporate website, etc.

2. Participation of the Stakeholders in Management

Models supporting the participation of the stakeholders, primarily company's employees, to the management are developed in a manner not to hinder the activities of the corporation. Relevant actions are summarized below:

Employees are capable of transmitting their value adding suggestions to the management via our BiFikir system, which is the Anadolu Group Innovation Portal. In addition, the requests and improvement demands regarding the services offered to our employees by Human Resources are delivered to the human resources business partners, and they are again followed up and resolved by the business partners.

Periodically, a study for Measuring Employee Loyalty is conducted and employees can also transmit their requests and suggestions for improvement regarding the company they are involved in via this way.

In order to manage the relationships with our employees, as well as to manage the corporate information flow, we launched a web-based intranet system in 2009. As of 2013, our Human Resources Portal has been launched and our employees can obtain many human resources services via this portal which is an extensive self-service application.

As per our main system requirements, indicators designated under the strategic planning process are reviewed through meetings held.

With the Efes Communication Line, complaints or claims from our customers, suppliers, or consumers are replied to and remedied within prescribed periods by designated officers in charge at relevant units and all incoming requests are stored in electronic media, allowing the monitoring and reporting of progress in customer satisfaction. In addition, the performance of our suppliers in terms of

quality, price, and delivery is monitored on our computer systems where they are scored and benchmarked on a periodic basis.

In production processes, utmost care is given to quality standards and the quality of our products is under the guaranty of our company.

New product developments are steered by Customer-Consumer research results and product improvement and development work is conducted in accordance with the demand from the market with product, package, and technology investments.

Within the context of trade secrets, the confidentiality of the information about the customers and the suppliers is taken care of as per Personal Data Protection Law and related legislation. Regarding the important decisions that give rise to an outcome for the stakeholders, the opinion of the stakeholders is taken.

3. Human Resources Policy

Our company's human resources policy and our practices in this area Corporate Governance Principles Section 3, article 3.3. complies with all the principles listed below.

Our human resources mission; In line with our company's vision, mission and strategies,

- To enable our employees to approach working life with passion, responsibility, equality, and justice in the way of brewing Pleasure and Entertainment.
- Developing Human Resources strategies and coordinating the implementation of Human Resources systems in all Efes locations in accordance with policies and procedures by standardizing them.

In line with our human resources mission, our basic strategy is;

CFocusing on the Career Development of Our Employees,

- Aiming the Cultural Change brought by the necessities of the in our time,
- And to ensure that our organization is Goal-oriented,

built on 3 foundations.

Our company's human resources strategy is prepared in line with our vision and mission and implemented to our goals in our strategic business plans, and is carried out under the following basic policies:

- Investing in the talent development of our employees,
- Creating transparent career paths for our employees and ensuring their effective communication,
- To reveal the true potential of our employees with appreciation and recognition,
- Developing and implementing new working methods that will keep up with the digital age,
- To ensure cultural exchange with a participatory approach and transparent communication,
- To place the target-oriented mindset at every level of the organization,
- To place the awareness that every Efes employee is responsible for developing their talents.

In order to prepare our employees for the future, great importance is given to education at every stage and at every level. This importance is presented in a transparent way with the created systems and "INVESTMENT IN PEOPLE" is made. In this direction, corporate development activities have been organized under "Anadolu Efes LABs" and under different academies since 2019 in order to train leaders, create a common management language and strengthen our culture that encourages continuous learning.

In addition, the Inspiring Digital online e-learning platform, which can be accessed 24/7 over the internet, aims to increase the personal and professional knowledge and skills of employees. With this e-learning platform, large target audiences can be reached in a short time with different development resources designed interactively. Participation in the training and completion status can be tracked through the system, and exams are also held for knowledge measurement.

With the BiFikir project, which we implement in our company, where our employees voluntarily address and solve the problems related to their work in their own work area, a better communication, creativity, and innovation environment is provided for the employees within the company, it is aimed to increase the motivation of the employees and to ensure their personal development. In parallel with financial benefits and internal development, BiFikir suggestion system brings various benefits such as innovation and creativity activities, responsibility, self-disclosure, innovation and creative thinking development, and job satisfaction.

It is our most fundamental principle that the decisions taken by our company management are applied sensitively to the field of activity.

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

The follow-up of these practices is carried out within the framework of the determined Critical Performance Criteria, and not only focusing on operational performance, but also giving importance to profitability. Performance targets that we set annually for our employees within the framework of the aforementioned criteria enable our management policies to be evaluated according to quantitative and objective targets, depending on the indicators, beyond qualitative measurement.

One of the “company’s responsibilities towards its employees”, which has taken its place among the working principles of our group and is applied without compromise, is not to discriminate against language, religion, race, age, ethnic identity, and gender while conducting all kinds of relations with our employees.

We are proud of the diversity and cultural diversity of our employees, and while we gather around a common purpose, we accept these different perspectives as wealth. All human resources practices are built on nurturing and developing this wealth and providing equal opportunities to all employees in every field.

At Anadolu Efes, equality of opportunity is provided to all our employees in all human resources practices, starting with the recruitment of our employees, including training, wages, careers, and financial opportunities.

Respecting and protecting the rights of our employees under laws and regulations has been determined as one of the most important duties and priorities of the Company.

Within the scope of our Human Resources structure for both our Blue Collar and White Collar Employees, there is a Business Partner organization located in our company headquarters and a total of 9 regional

Human Resources Managers affiliated to this organization. The Business Partner and regional Human Resources Managers mentioned above are responsible for evaluating the requests, complaints, and problems communicated to them by the employees, and following the results of the process related to the requests, complaints, and problems received in coordination with the Senior Management, in accordance with their job descriptions.

Company employees can access information, documents, regulations, and policies related to their jobs through the corporate portal. Individual performance and potential evaluations are carried out through the online system and evaluation, success, and rewarding criteria and expectations are presented to the agreement and information of the employees since the beginning of the year. All human resources systems used are regularly reviewed and redesigned.

“Occupational Health and Safety Worker Representative” is selected for white-collar employees in order to represent employees on occupational health and safety issues. As stated in the Occupational Health and Safety Regulation, the duties and authorities of the representative elected by the workers working in the workplace are as follows:

- Participate in work related to health and safety in the workplace,
- monitoring work,
- requesting action,
- make suggestions

Or in similar matters, our blue-collar employees, who are authorized to represent workers act as health and safety worker representatives.

While providing a safe working environment and conditions for employees, General Occupational Health and Safety training, which requires the participation of all our employees, is organized by our company at regular intervals.

Relations with Blue Collar personnel in our company are regulated according to the Collective Bargaining Agreement, and a total of 6 Chief Representatives and 7 Union Representatives operate in our 3 Beer and 2 Malt Factories in Türkiye, which are within the scope of the agreement. The aforementioned Representatives are responsible for conveying the requests, complaints, and problems of our Blue Collar employees to the Senior Management within the limits set by the Collective Bargaining Agreement and the Laws, following the results, representing the employees in practices such as the Occupational Safety Board and observing their legal rights.

There is also a “Workplace Union Representative” for blue-collar employees, as stated in our Collective Bargaining Agreement. The duties and responsibilities of the representatives can be listed as follows;

Workplace union representatives fulfill the following duties assigned to them in order to ensure work peace, to maintain and observe the balance between the employer and the employer:

- a) To protect the cooperation and work peace between the employee and the employer in the workplace,
- b) Examining the demands and complaints made by the workers, convincing the worker in unreasonable demands and complaints, reflecting the demands and complaints that he/she finds reasonable to the employer at his/her own discretion. (The representative cannot be punished due to the discretion used in these complaints.)

- c) To try to resolve the disputes that may arise between the worker and the employer in a friendly way,
- d) To find solutions to problems that may arise in the implementation of the provisions of the collective bargaining agreement and, if necessary, to bring the issue to the employer after consulting the workers,
- e) To try to prevent illegal attempts and behaviors within its own authority, not to take part in such attempts and behaviors,
- f) To regulate the relations of unionized workers with the union,
- g) To work for the smooth execution of the Collective Bargaining Agreement,
- h) To convey in writing the issues that cannot be resolved in the workplace to the union branch to which it is affiliated,
- i) To fulfill other obligations given to it by the legislation.

4. Ethical Rules and Social Responsibility

Ethical rules are highly respected within our Company and these merits have been exercised for years within the corporate culture of Anadolu Group, our parent company, and our all operations are performed within this context. Anadolu Efes Code of Business Conduct and Ethics, which form our ethical values, are disclosed publicly in our website, whereas the minimum ethical rules with respect to environment, discrimination, child employees and union rights have been included to public in our annual report and website.

The necessary mechanisms to monitor compliance with Anadolu Efes Code of Business Conduct and Ethics Principles have been formed. In this context, details for the Code of Business Conduct and Ethics Communication Channels to be used by those who have any concern or become aware of any Code violation are made available on company website. These communication channels are operated by an independent company, and they are available 24/7, and it is possible to communicate a violation confidentially or anonymously.

Detailed explanations regarding the activities of our Company within the framework of social responsibility can be found in our Company's 2022 Annual Report.

BOARD OF DIRECTORS

1. Structure and Composition of the Board of Directors

Our Board which consists of at least 7, at most 13 members according to articles of association, currently is composed of one Chairman, one Vice Chairman and nine members, totaling to eleven members.

The curriculum vitae of the Board members which also include their responsibilities outside of our Company are provided both in 2022 Annual Report and the website of our Company. There are no rules established by our Company regarding the Board Members taking responsibilities outside of Our Company, however, the requirements of the Corporate Governance Principles are applied on this issue. In this respect, the positions held by the Board Members outside Anadolu Group as at 31.12.2022 are provided in the table below:

Board Member	Current Positions Held Outside the Company*
Prof. Barış Tan	Koç University, Professor of Operations Management and Industrial Engineering Member of the Advisory Boards of Kyoto University Graduate School of Management and Nottingham Business School
Uğur Bayar	Board Member of Tekfen Teknoloji Yatırım
Şevki Acuner	Board Member and Chairman of the Audit Committee of Tekfen Holding
Lale Saral Develioğlu	Board Member - Women on Board Association Türkiye, Aksa Akrilik, Nobel Pharmaceuticals
Ağah Uğur	Chairman - Boğaziçi Ventures Vice Chairman - Doğan Holding Board Member - Pegasus Havayolları, Alcatel Lucent Teletaş Telekomünikasyon, Gözde Girişim Member of High Advisory Council of TÜSİAD Member of the Board of Trustees of Sabancı University Member of the Board of Columbia University Istanbul Global Center Vice Chairman of Saha Foundation

*Both the Board Members that are listed in the table above and some of the other Board Members hold seats at the boards of various Anadolu Group companies.

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

According to the articles of association, the Board elects among the members every year a Chairman and at least one Deputy Chairman to represent the Chairman at his absence. The chairman is responsible for managing the Board meetings, ensuring that negotiations are held in order and the discussions during the meetings are recorded. While authorization of the Chairman of the Board, Board members and company executives are defined in the articles of association, no one in the company is given an unlimited decision making power.

According to the Corporate Governance Principles, our Board of Directors is required to be composed of at least four independent members. Similarly, according to relevant regulations, in the case where a separate Nomination Committee cannot be established due to the Board structuring, the Corporate Governance Committee can fulfill the responsibilities of this committee. In this respect, the Corporate Governance Committee assessed the candidate proposals to become an independent member, including the ones proposed by the board and shareholders, by taking into consideration of whether or not the candidate meets the independency criteria and submitted this assessment under the report dated 11.02.2022 to the Board. The candidates for the independent board membership submitted their written statements to the Nomination Committee at the time they were proposed as candidates, that they are independent within the framework of the law, articles of association and the principles.

The written statement by all independent Board members declaring their independent status in the context of the principles in the regulatory framework, articles of association and the communiqué is as follows:

I hereby declare and state that;

- No employment relationship has been established during the last five years between me, my spouse and my relatives by blood or marriage up to second degree and the company, partnerships which the company controls the management of or has material influence over or shareholders who control the management of or have material influence over the company and legal entities which these shareholders control the management of, which has caused me to assume important duties and responsibilities in an executive position nor have I/we individually or jointly held more than 5% of the capital or voting rights or privileged shares in or established a material business relationship with the same,
- I was not a shareholder of (5% and more) nor held an executive position which would cause me to assume important duties and responsibilities or officiated as a board member, during the last five years, in any company from or to which the company purchases or sells a substantial quantity of services or products based on agreements made, during the periods these services or products were sold or purchased including especially those companies which carry out audit (including tax audits, legal audits, internal audits), rating and consultancy services for the company,
- I have the professional education, knowledge and experience necessary to duly carry out the duties which I shall assume due to my position as an independent board member,
- I am not a full time employee with any public entity or organization following my election as a member with the exception of employment as a university professor provided that such employment is in compliance with the laws and regulations that are applicable to universities,

- I am assumed to be a resident in Türkiye in accordance with the Income Tax Law dated 31.12.1960, numbered 193;
- I have strong ethical standards, professional reputation and experience that shall allow me to contribute positively to the activities of the company, maintain partiality in conflicts of interests between the company and its shareholders and decide freely by taking into account the rights of beneficiaries;
- I am able to dedicate a sufficient amount of time to the affairs of the company in a manner to follow up the conduct of company activities and duly perform the duties I have assumed,
- I did not officiate as a board member at the board of directors of the company for longer than 6 years during the last ten years,
- I am not officiating as an independent board member with more than three of the companies which the company controls or shareholders that control the management of the company control the management and in total more than five of the companies which are traded on the stock exchange
- I am not registered nor declared on behalf of the corporate entity for which I will be elected as a Board Member

and thus I shall carry out the duties imposed upon me due to my being a board member as an independent member.

In accordance with the report of the Nomination Committee, the Board's decision to appoint Prof. Barış Tan, Uğur Bayar, Şevki Acuner, and Lale Develioğlu as independent Board members, was sent to CMB for an opinion on 15.02.2022. CMB informed our Company that it delivers no negative opinion on independent membership of Prof. Barış Tan, Uğur Bayar, Şevki Acuner and Lale Develioğlu, via its written statement dated 04.03.2022.

Therefore, the precise independent Board membership candidates list and information about the candidates were disclosed to the public through an information document released with the announcement of the General Assembly. Assignment of candidates whose curriculum vitae were submitted in the information document was approved at the General Assembly dated 20.04.2022 and came into force.

Individuals who were elected as Independent Board Members were neither registered nor declared on behalf of a corporate identity.

In 2022, there arose no situation which revoked the independence of independent members of the Board of Directors.

There are currently no executive members on the Board of Directors. According to our articles of association, the office terms of Board members are up to three years, and it is possible for these members to be re-elected.

While our Company is insured against damages that may be caused due to the faults of the members of the Board of Directors during the execution of their duties, the total annual responsibility limit of the relevant insurance is in line with the amount stated in Corporate Governance Principles.

There is one woman Board member in our Board of Directors. It is recommended by the Corporate Governance Committee to the Board of Directors to increase women members in the Board in the coming years and our efforts continue in this regard. Within the context of Gender Equality Policy on the Board of Directors; it has been aimed to reach 30% of female members by 2030. The Board of Directors evaluates the progress achieved in reaching this target annually and shares the results with the public. The target can be reconsidered when necessary.

While the Independent Board members, each being paid a total net annual fee of TRL 252,000, no payment is done to the other members of the Board.

2. Working Principles of the Board of Directors

The Board of our company executes its activities transparently, accountably, fairly, and responsibly in accordance with the requirements set by the Corporate Governance Principles.

The Board has a leading role to protect efficient communication and eradicate and find solutions for disagreements between the company and the shareholders. For this purpose, the Board conducts its roles with close cooperation with the Corporate Governance Committee and Investor Relations Unit.

In accordance with Article no 4.4.1 of Corporate Governance Principles, the Board gathers as often so that it performs its duties effectively. The gathering procedures and frequency of Board meetings, meetings, and resolution quorum, the process of asserting objections, and the validity of Board resolutions are explicitly laid down in our Company's Articles of Association. In this context, the Board holds its ordinary meetings five-six times a year and the Board members also convene upon any extraordinary situation and negotiate and render resolutions on critical agenda issues. In accordance with our Articles of Association, the majority of the members of the Board of Directors participates in the Board meetings and board decisions are taken with the vote of the majority of the total members of the Board.

The average rate of participation of Board Members in these five meetings during the year 2022 has been 98% and Board members aim to attend every meeting and present an opinion. When there are dissenting opinions on reasonable and detailed grounds regarding the questions asked or different opinions expressed by Board members, these are recorded in the meeting minutes.

The agenda of Board meetings comprise the agenda issues designated in the previous Board meeting for further negotiation in the next meeting along with the issues designated by the related Group President. However, before the meeting, a Board member may propose to the Chairman of the Board to make a change in the agenda. The opinion of a member, who did not attend the meeting but submitted his opinion to the Board in written format, is also submitted for other members' review.

Dates of the Board meetings are determined at the beginning of the year and accordingly, the Board members are notified of the meeting dates. Furthermore, Board members are also notified by means of a formal memorandum and report at least one week prior to any meeting. A secretariat is established for the meetings and all questions raised during the meetings and all issues negotiated are recorded into meeting minutes.

Each member in the Board has one voting right and Board Members do not have the right of weighted vote and/or power of veto. Board meetings are held in accordance with Article no 4.4.6 of Corporate Governance Principles.

Meeting minutes that have the nature of trade secrets are not disclosed to the public. However, all of the critical matters resolved are announced through public disclosures.

The Board resolutions related to the related party transactions of our Company are taken with the majority vote of the independent members; in accordance with the Corporate Governance Principles.

There were no transactions that are in the scope of the significant transactions as described in Article 1.3.9 of Corporate Governance Principles, in 2022.

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

3. Number, Structure and Independence of the Committees established under the Board

According to Article no 4.5.1 of Corporate Governance Principles, in order the board to perform its duties properly, an Audit Committee, a Corporate Governance Committee, a Nomination Committee, an Early Determination of Risk Committee and a Remuneration Committee should be established, however, in case a separate Nomination Committee, Early Determination of Risk Committee and Remuneration Committee cannot be established due to the structure of Board, Corporate Governance Committee may fulfill the responsibilities of these committees. In this context, in addition to the Audit Committee and Corporate Governance Committee that were already present in our company, the Committee for Early Detection of Risks was established according to the Board resolution dated 07.06.2012. The responsibilities of committees that are not present within the Board of Directors are fulfilled by the Corporate Governance Committee according to Corporate Governance Principles.

According to Article no 4.5.2 of Corporate Governance Principles, the scope of duties, the working principles, and the members of the committees are identified and disclosed to the public by the Board. In this context, in line with the Principles, Charters regarding functions and working principles of Committees were approved on 29.06.2012 and disclosed to the public on our company website at www.anadoluefes.com. Charters of the Audit Committee and Corporate Governance Committee that were updated in accordance with the revised Corporate Governance Principles were approved on 06.03.2014 and were made available to the public at our corporate website. There arose no necessity to revise the Charter of the Committee for Early Detection of Risks.

Apart from this, Article no 4.5.3 of Corporate Governance Principles requires all members of the Audit Committee and the chairman of other committees to be selected from independent Board members. In this context, selection of chairman and members to Committees was done through Board resolution dated 29.04.2022 for one year, was in line with this Corporate Governance Principle. Likewise, in line with Article, no 4.5.4 of Corporate Governance Principles, the chief executive/general manager does not have a role in any of the committees.

Evaluation of the Board of Directors regarding the working principles and efficiency of Committees constituted within the Board is presented as an attachment to the Corporate Governance Compliance Report (Attachment 1).

4. Risk Management and Internal Control Mechanism

The Board of Directors establishes risk management, internal control, and internal audit systems to minimize negative risks that may affect all stakeholders, primarily shareholders.

The main aim of these systems is the protection of the value of the assets and reputation of the company, ensuring efficiency and sustainability of its activities, compliance with legislation, and accuracy of financial reports. Intended for this aim, risk management, internal audit, and internal control mechanisms have been established within the Company and fundamental principles with respect thereto are being announced via our annual report and website.

Identification of the existing and potential risks for the Company, development of practices for obtaining competitive advantage and sustainability by taking appropriate actions against the identified risks in the framework of our Company's risk appetite, and monitoring

of such practices constitute the basic starting point of the risk management system.

The Committee for Early Detection of Risks is established within the Company for early detection of risks that might endanger the existence, development, and perpetuation of the Company and to implement measures required against the risks determined as well as the management of risks. The Chairman of the committee is elected among the members of the Board of Directors. The Committee for Early Detection of Risks convenes as often as deemed necessary for the effectiveness of the work, at least two times per annum, and regularly briefs the Board of Directors of the Company about its meeting resolutions, important sightings, and recommendations. Thus, the Corporate Risk Management work is led and monitored by the top management. In addition, the Committee for Early Detection Risks and the Audit Committee held meetings together once a year, and risk management and internal audit practices are carried out at the highest level.

Corporate Risk Management system enables managers to determine current as well as potential risks and opportunities to be encountered while achieving Company targets, evaluate their likely impacts based on the Company's risk-taking profile, as well as plan and implement necessary actions. The risks and action plans are integrated into strategic business plans to make the necessary resource allocations.

Helped by the Corporate Risk Management software, which was initiated in all of our domestic and international operations, the risk management system was made prevalent in the whole company. Thus, participation in risk evaluation including sustainability and human resources risks is achieved at every level. The outcomes are used in supporting business

continuity studies as well as operational and strategic decisions.

Existing or potential risks for our Company are defined below:

Financial risk; liquidity risk, receivables risk, equity/ debt ratio, exchange rate risk, and other factors that can affect the Company's financial status.

Strategic Risk; risk factors that may affect the company and brand value, or risks regarding mergers and acquisitions that may affect the sustainable growth of the Company.

Operational risk; risks that may affect every part of the business from the suppliers to the customers, and so the processes including business continuity, compliance, reputation, occupational health, and safety.

Environmental risk; risk factors such as fire, earthquake, etc. that can affect the Company's business continuity and safety.

Sustainability Risks: Risk factors that can affect sustainability such as climate change and water scarcity

Performance and risk indicators are used as early warning systems in order to trace risks and take necessary precautions on time. The SAP ERP system that is integrated into procedures in the Company is an efficient technological decision support system that is used for this purpose. SAP ERP supplies operational results in real-time that minimizes human error and makes early detection of risks possible and improves the efficiency of the internal control system.

Software and technologies particularly used by sales teams in the field are constantly improved to make sure that teams can access correct information immediately for making quick and

right decisions by which customer satisfaction and competitive advantage are aimed at. With the use of high-level internal communication technologies, we aim to handle and solve the problems in a short time period.

Emergency situation management systems and procedures are established against potential natural risks while necessary arrangements have been made for backup systems with multinational service providers' expertise in this area in order to prevent systems from being affected and losing any data in case of an emergency situation. Additionally, all our facilities are insured in order to minimize environmental risks.

Additionally, environmental factors and extraordinary situations are monitored on an immediate basis, and investigations are made to take necessary measures to minimize risk.

Within the finance function, the actual results are compared to the budgeted figures on a regular basis and any deviations are analyzed.

The "Guarantee - Risk Management System" devoted to tracking customer risks has been put into service. Accordingly, purchasing limits applicable to our customers have been established and our systems are designed to prevent any product shipments in excess of prescribed limits.

Current systems and processes are strengthened through projects and studies regarding cyber-attack, information security, and personal data protection.

Internal Control system can be defined as all preventive and detective practices aimed to eliminate circumstances that may affect reaching the goals of the Company negatively and/or reduce their effects and possibility

and disclose any non-compliances. Standard definitions, policies and procedures, job descriptions, and delegation structures regarding business processes constitute the basis of the internal control system. In this context, holistic internal control systems including preventive reformative and fixative ones have been established by the management, in order for the company to carry out Company's business effectively and efficiently. In this framework, holistic internal control systems have been established by the management to be preventive, remedial, and detective for the Company to carry out its business effectively and efficiently.

Through internal control systems established within the company, it is aimed to ensure the safety of assets, provide effectiveness and efficiency of operations, the trustworthiness of the financial reporting system, and assurance regarding compliance with regulations. The relevant internal control systems are also intended to protect the assets, reputation, sustainability and profitability of the company. An internal audit function that provides assurance for internal control and risk management activities has been established within the Company. Internal audit function is organized including all operating countries comprising of both the headquarters and our subsidiaries, and conducts audits investigating the efficiency of the general control environment, corporate governance and risk management structures of our company, in accordance with International Internal Audit Standards for Professional Practice and the related laws and regulations, also benefitting from its auditors in addition to the auditors of AG Anadolu Grubu Holding A.S, who are specialized in their areas in addition to internal sources. The internal audit function reports to the Audit Committee, which consists

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

of independent board members, internal audit reports are regularly discussed at the Audit Committee meetings with the participation of the Company's senior management and relevant invitees, and the actions are systematically monitored. The execution of the accounting system of the Company, the disclosure of financial information to the public, the external audit of the Company and supervision of the functioning and efficiency of the internal audit system are mainly carried out by the Audit Committee established by the Board of Directors of the Company. While carrying out the relevant function, the Audit Committee utilizes the findings of the Independent Audit, Internal Audit Directorate, and Audit Presidency of AG Anadolu Grubu Holding A.Ş. and Risk Management Coordinatorship of Anadolu Group. Risk-oriented audit plans are established by internal audit and risk management units that work in coordination with.

The Company's internal audit unit was also periodically audited by an independent authorized institution in terms of compliance with the International Internal Audit Standards determined by the International Institute of Internal Auditors (IIA). As a result of this evaluation, it was certified by the authorized institution that the Internal Audit unit fully complies with the aforementioned Standards. In addition, the Company's internal audit unit regularly evaluates its internal audit services every year since 2011 with ISO 9001 quality assessment and has ISO 9001:2015 quality certificate.

5. Strategic Objectives of the Company

While the authorization and responsibilities of the Board members are clearly listed in our articles of association, the duties and responsibilities that are carried out by Board members de facto include:

- Setting the vision and mission of the company,
- Setting the strategic targets of the company,
- Determining the human and financial resource needs of the company,
- Auditing the performance of the management,
- Approving the budget and working plans of the company,
- Checking whether the company reaches its targets, examines results of operations,
- Ensure that the operations of the company are in line with regulations, articles of association, internal rules and policies,
- Examine Corporate Governance Principles of the company and improve missing points,
- Form the committees of the Board and ensure their operability.

While The Board manages and represents the company and is particularly loyal to the company's long-term interests by keeping the risk, growth and return the balance of the company at the optimum level through taking strategic decisions and with rationalistic and prudent risk, it is responsible for the company to reach its preset and publicly disclosed operational and financial performance targets. In this context, related Directorships make annual budgets and business plans every year and submit them to the Board. As a result, the operating results which are held in accordance with the plans throughout the year are continuously compared with the budget that was approved by the Board of Directors, and the reasons for the deviations are analyzed.

6. Financial Benefits

In accordance with the decision taken on the Annual Ordinary General Assembly, our company does not make any payment to Board members except for the independent Board members. On the Ordinary General Assembly dated 20.04.2022, it was decided to make an annual net payment of TRL 252,000 on a monthly basis to each independent Board member aiming to secure their independency. In accordance with Article 4.6.5 of Corporate Governance Principles, the remunerations and all other benefits provided to Board members and managers having administrative responsibility are made public through our annual report. However, the declaration is not made separately for each member, but a cumulative number is given for all board members and managers having administrative responsibility.

The company has not lent any money, given any loan, extended the maturity of the loans or credits, improved the conditions of the loans, given any loan under the name of an individual loan through third parties, or given guarantee such as bail to a Board member or to the managers having administrative responsibility.

According to Article no 4.6.2 of Corporate Governance Principles, the remuneration principles of the Board members and managers having administrative responsibility should be in written form and the shareholders should be enabled to give their opinion after submitting these written remuneration principles to their reviews with a separate article in the General Assembly. Our remuneration policy prepared in this context is also made available to the public at our company website www.anadoluefes.com.

While there is no Nomination Committee established within the Board of Directors, in line with the Corporate Governance Principles, responsibilities of this committee are fulfilled by the Corporate Governance Committee.

ATTACHMENT 1

EVALUATION OF THE BOARD OF DIRECTORS REGARDING THE WORKING PRINCIPLES AND EFFICIENCY OF THE COMMITTEES FORMED WITHIN THE BOARD

After the selection of Chairman and members made in accordance with Corporate Governance Principles, it has been decided to;

Appoint Board Member Mr. Şevki Acuner as the Chairman of the Audit Committee; Mr. Uğur Bayar as a member of the Audit Committee,

Appoint Board Member Mr. Uğur Bayar as the Chairman of the Corporate Governance Committee, and Board Members Dr. Yılmaz Argüden, Mrs. Aslı Kılıç Demirel, Mr. Rasih Engin Akçakoca; Mr. Jason Warner, Mrs. Lale Develioğlu and Mr. Mehmet Hurşit Zorlu as members of the Corporate Governance Committee,

Appoint Board Member Mr. Prof. Barış Tan as the Chairman of the Early Detection of Risk Committee and Mr. Talip Altuğ Aksoy, Mr. Agah Uğur, and Mr. Ben Graham as the member of the Early Detection of Risk Committee.

Charters regarding functions and working principles of the three afore-mentioned Committees were approved on 29.06.2012 and disclosed to the public on our company website at www.anadoluefes.com. Charters of the Audit Committee and Corporate Governance Committee that were updated in accordance with the revised Corporate Governance Principles were approved on 06.03.2014 and were made available to the public at our corporate website. There arose no necessity to revise the Charter of the Committee for Early Detection of Risks.

In 2022, all committees constituted within the Board of Directors have performed their functions as required in Corporate Governance Principles and their own Charters, and performed efficiently.

In 2022, in compliance with the way required for the efficiency of their functions, their Charters, and annual meeting schedules;

- Audit Committee met five times on 21.02.2022, 28.02.2022, 02.06.2022, 29.09.2022, and 21.12.2022,
- Corporate Governance Committee met eight times on, 23.02.2022, 28.02.2022, 06.05.2022, 28.07.2022, 10.08.2022, 28.09.2022, 03.11.2022 and 21.12.2022,
- Corporate Governance Committee met once on 11.02.2022 in order to execute duties of the Nomination Committee,
- Early Detection of Risk Committee met four times on 28.02.2022, 28.07.2022, 29.09.2022 and 21.12.2022,

consisting information related to their work and results of the meetings held during the year. According to this,

- Audit Committee that is responsible for taking all necessary measures in order to ensure that internal and external auditing is carried out adequately and transparently, as well as an efficient performance of internal control system; has submitted all of its suggestions on areas it is responsible for including its opinion and suggestions on the internal audit and internal control system.

- Corporate Governance Committee, that has been established to follow company's compliance to Corporate Governance Principles, develop improvement processes in this area and submit suggestions to the Board, has determined whether or not the Corporate Governance Principles were applied in the company, if not what is the reason, and also determined the conflict of interests occurred due to not complying with these principles totally and gave the Board advice that will improve the corporate governance practices; and monitored the works of the Investor Relations Unit.
- Early Detection of Risk Committee, that has worked on early determination of risks that will endanger the existence, development and sustainability of the company, has worked on the application of due precautions regarding the determined risks and has worked with the aim to manage the risks, scrutinized the systems of risk management of the company in accordance with Corporate Governance Principles and Charter of the Committee for Early Detection of Risks. The Committee also submitted risk assessment reports to the Board of Directors every two months in compliance with Article 378 of the Turkish Commercial Code numbered 6102.

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

BOARD OF DIRECTORS

TUNCAY ÖZİLHAN

Chairman

Tuncay Özilhan was born in Kayseri. He studied in Saint-Joseph High School, then graduated from the Faculty of Economics of İstanbul University. He received his MBA degree from Long Island University in the United States. He started his career in 1977 as General Director of Erciyas Brewery and has undertaken responsibilities such as Coordinator of the Beer Group and General Coordinator of Anadolu Group. Mr. Özilhan acted as the CEO of Anadolu Group from 1984 to February 2017. He is the Chairman of Anadolu Group since May 2007. He has also been serving as Chairman of Anadolu Foundation as well as various Group companies.

Mr. Özilhan served as the Chairman of TÜSİAD (Turkish Industrialist's and Businessmen's Association) from 2001 to 2003 and he is currently Chairman of its High Advisory Council. His other responsibilities include; Member of The Board at the Foreign Economic Relations Board (DEİK), Honorary Consul for the Republic of Estonia and President of Anadolu Efes Sports Club. He also served as Chairman of the Turkish - Russian Business Council at DEİK. Mr. Özilhan holds Ministerial Medal by the Ministry Foreign Affairs of the Republic of Estonia and "The Order of the Rising Sun, Gold and Silver Star", constituting one of the most important orders awarded by Japanese government.

KAMİLHAN SÜLEYMAN YAZICI

Vice Chairman

Kamil Yazıcı graduated from New York Military Academy as lieutenant captain (96'), holds a BA degree from Emory University's Goizueta Business School (00'), an MBA degree from American Institute of Business and Economics (05') and has completed the GMP program at the Harvard Business School (17'). Starting his career in Anadolu Group in year 2000, Mr. Yazıcı completed the orientation program at the holding later continuing his career in Anadolu Efes' Russian beer operations where he assumed the roles of Supply Chain Director and Business Development Director during 2008-2011. In 2011 Mr. Yazıcı was appointed as General Manager of Efes Vitanta in Moldova and resumed this role until 2014. In 2014 he was appointed as Market Development Director, a position held until 2017. Since 2017 Mr. Yazıcı has been serving as Board Member and Vice-Chairman on Anadolu Group Holding and subsidiary boards. In addition, Mr. Yazıcı serves as Board Member for TAİK (Türkiye-U.S. Business Council), TOGG (Turkish National Auto Initiative), HBS Alumnus (Harvard Business School's Alumni Board) and KYYDAS (the Kamil Yazici Family Trust).

JASON WARNER

Board Member

Jason Warner is AB InBev's Zone President Europe since 1 January 2019. Born in 1973, he is a dual British and U.S. citizen and received a BSc Eng Hons Industrial Business Studies degree from DeMontfort University in the United Kingdom. Prior to his current role, he was Business Unit President for North Europe between 2015 and 2018. He joined AB InBev in July 2009 as Global VP Budweiser, based

in New York, before moving into a dual role of Global VP Budweiser and Marketing VP. He has also held Global VP roles for Corona as well as Innovation and Renovation. Prior to joining AB InBev, he held various positions at The Coca-Cola Company and Nestlé.

TALİP ALTUĞ AKSOY

Board Member

Talip Altuğ Aksoy received his bachelor's degree in economics from Oglethorpe University in USA. He began his career as Finance Assistant Specialist at Anadolu Group in 1995 and was appointed as a Finance Specialist in 1996. Mr. Aksoy worked as Human Resources and Treasury Specialist from 1998 to 2000. He served as Director of Sales and Marketing at Efes Invest from 2000 to 2003 and was appointed as the Director of Trade and Export at Efes Beer Group in January 2003. Continuing his career at Anadolu Group as the Director of Purchasing and Logistics between 2006-2008, Mr. Aksoy was appointed as Director of Supply Chain of Efes Beer Group in June 2008. In November 2011, he was appointed as Efes Türkiye Managing Director and served in this position until January 2017. Mr. Aksoy still continues to serve as a Board Member in various Anadolu Group companies.

RASİH ENGİN AKÇAKOCA

Board Member

R. Engin Akçakoca received his undergraduate degree from Middle East Technical University in Management and started his career in banking in 1974. He assumed Deputy General Manager position in Koç-Amerikan Bank during 1986 and 1991 and General Manager position in Koçbank A.Ş. during 1991 and 2000. He was appointed as the Chairman of the Banking Regulation and

Supervision Agency and the Savings Deposit Insurance Fund in 2001 responsible for a large-scale banking sector restructuring program held in Türkiye. Mr. Akçakoca has been working as a consultant since 2004; he holds board member positions in various Anadolu Group companies.

AHMET BOYACIOĞLU

Board Member

Ahmet Boyacıoğlu graduated from Middle East Technical University in Business Administration. Mr. Boyacıoğlu began his professional career with the Efes Beverage Group (Anadolu Efes) in 1973 and 2005 including Bursa Region Sales Manager, Ege Biracılık ve Malt San. A.Ş. Sales Manager, Güney Biracılık ve Malt San. A.Ş. General Manager, Ege Biracılık ve Malt San. A.Ş. General Manager, Eastern Europe President, International Beer Operations Group President, and also Strategy and Business Development President. Mr. Boyacıoğlu was appointed as the President of the Efes Beer Group in May 2005 and retired in February 2007. Currently, he sits on the Boards of Directors of some Anadolu Group companies.

AGAH UĞUR

Board Member

Born in 1957 in İstanbul, Agah Uğur studied Industrial Engineering at the University of Birmingham, UK then qualified as a chartered accountant in England in 1985. He worked in Birmingham, London and Jersey offices of Touche Ross & Co (currently Deloitte), İstanbul office of Arthur Andersen and Türkiye Emlak Bankası before joining Borusan Group in 1989 as CFO. He served as Group CEO between 2001 and 2018 until he retired. He is currently vice chairman in

Dogan Holding and a board member in Pegasus Havayolları, Anadolu Efes, Coca-Cola İçecek, Alcatel Lucent Teletaş Telekomünikasyon, Gözde Girişim as well as an advisory board member in some reputable Turkish corporations. Agah Uğur is a partner and chairman in venture capital firm, Boğaziçi Ventures and he also manages his own portfolio of technology startups. Mr. Uğur held more than 15 board and advisory board positions in various NGOs during his professional career. Currently he is a member of the High Advisory Council of TÜSİAD, a member of the Board of Trustees of Sabancı University, member of the Advisory Board of Columbia University İstanbul Global Center. He is also a founding member and vice chairman of the Saha Foundation, supporting Turkish contemporary art. He is an art collector with a special focus on new media and video art.

PROF. DR. BARIŞ TAN

Independent Board Member

Prof. Barış Tan is a Professor of Operations Management and Industrial Engineering at Koç University, İstanbul, Türkiye. He is the author of many publications in the areas of design and control of production systems, supply chain management, analytical modelling, and business model innovation, and the recipient of Turkish Academy of Sciences Distinguished Young Scholar Award, TUBITAK fellowship, NATO Science Fellowship, the Rockefeller Foundation Residency Award at Bellagio Center, and best paper awards for his publications. Prof. Tan received a BS degree in Electrical and Electronics Engineering from Boğaziçi University, and ME in Industrial and Systems Engineering, MSE in Manufacturing Systems, and PhD in Operations Research from the University of

Florida. He has been working at Koç University since 1994 and previously served as the Vice President for Academic Affairs, Dean of College of Administrative Sciences and Economics and the Director of the Graduate School of Business. He held visiting positions at Harvard University Division of Engineering and Applied Sciences, MIT Operations Research Center, MIT Laboratory for Manufacturing and Productivity, Cambridge Judge Business School, University College London School of Management and Politecnico di Milano. Prof. Tan is a member of the advisory boards of Kyoto University Graduate School of Management and Nottingham Business School. He served on the boards of the European Foundation for Management Development (EFMD), EFMD EQUIS Awarding Body, CEMS Global Alliance in Management Education, Turkish Quality Association, and Turkish Operations Research Society.

Prof. Tan fulfils all requirements of the independent member criteria specified in the CMB's Corporate Governance Principles.

LALE SARAL DEVELİOĞLU

Independent Board Member

Born in İstanbul in 1968, Lale Develioğlu graduated from the Industrial Engineering Department at Boğaziçi University and pursued her postgraduate studies at Rensselaer Polytechnic University. She started her Professional career in 1992 at Unilever and acted as Marketing Director between 1998-2003. In the end of 2003, Mrs. Develioğlu started working in Turkcell and acted as Marketing Vice President in 2006-2011 and International Division Vice President in 2011-2014 at the same institution. Mrs. Develioğlu has started working

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

in Yıldız Holding as Türkiye Marketing President and Godiva Middle East and Türkiye CEO in 2015. Then after she has acted as Global Marketing President in Pladis, Yıldız Holding's London based global snack company until 2018. Mrs. Develioğlu acted as independent board member for several companies in telecommunication, technology, FMCG, consumer durables and retail industries across Türkiye, Middle East, CIS countries and Europe. She still serves as board member at Aksa Akrilik, Coca-Cola İçecek, Anadolu Isuzu and Nobel İlaç. She is also one of the founders and board member of Women on Board Association in Türkiye. She is currently acting as mentor at INSEAD, Women on Board Association program and Endeavor. Mrs. Develioğlu has 30 years of experience in marketing, business development and she is a strategy leader. She was selected as "Best Marketing Person" of Türkiye in 2009; won the "Women to Watch" award for Marketing in 2014 and was listed among "Top 25 CMOs" in Global Creativepool Annual in 2018. She has served as Executive Board Member of Advertisers' Association of Türkiye (RVD) and Advertising Self-regulatory Body in Türkiye (RÖK) for 6 years. She is the author of the business and memoir book titled 'Karar Verdim'.

Mrs. Develioğlu fulfils all requirements of the independent member criteria specified in the CMB's Corporate Governance Principles.

ŞEVKİ ACUNER Independent Board Member

Following his graduation from Boğaziçi University in 1976, Mr. Acuner continued his studies at Stockholms Universitet for a Graduate Diploma and at Montreal's Concordia University, where he earned his MBA. Mr. Acuner started his banking career at Türkiye's Central Bank and switched to commercial Banking after moving to Canada where he worked first for Bank of Montreal and subsequently at Royal Bank of Canada in various roles and countries such as Holland, Italy and United Kingdom. Mr. Acuner moved to European Bank for Reconstruction and Development (EBRD) in 1996 working in various positions until 2018. Mr. Acuner played a leading role in opening the EBRD in Türkiye in 2009, and worked as its Deputy Director for Türkiye until 2013. Between 2013 and 2018 Mr. Acuner was EBRD's Director for Ukraine, based in Kiev. In 2019, he was appointed as the Independent Member of the Tekfen Holding Board of Directors. Mr. Acuner has represented EBRD in various Board positions in its equity investments across a number of countries. While based in London Acuner acted for many years as the President of the UK Turkish Bankers Association. In his role in Istanbul, Mr. Acuner led EBRD's growth in Türkiye. In Ukraine, Mr. Acuner is one of the drivers of the country's economic transformation and is a leading

figure in its world of finance and business. Among his other responsibilities, Mr. Acuner acted as the Chairman of Ukraine's corruption fighting Business Ombudsman Institution, as a Chairman of the State Nomination Committee which is responsible for the appointment of CEO's and Board Directors for the country's State Owned Enterprises, and as Vice Chairman of the American Chamber of Commerce. Between 2018-2021, he has also served as Chairman of the Supervisory Board of Directors of Ukraine's Railways as well as of the Electricity Transmission company.

Mr. Acuner fulfils all requirements of the independent member criteria specified in the CMB's Corporate Governance Principles.

UĞUR BAYAR

Independent Board Member

Mr. Bayar graduated from New York State University, Department of Mathematics & Statistics with a BSc. degree. Mr. Bayar started his career at Citibank Türkiye in 1987 and served in various roles in the treasury department until he started public service in 1992. Mr. Bayar served as the Vice President in Public Partnership Administration between 1992-1997 and President at Prime Ministry Privatization Administration of Türkiye between 1997-2002. During this time, he also assumed the Chairmanships of the Board at Erdemir and Petrol Ofisi, and the Board Memberships at Turkish Airlines and Turk Telekom. Mr. Bayar joined Credit Suisse Türkiye in 2004 and served as the country CEO and Head of Investment Banking until 2017. Mr. Bayar is currently serving as Türkiyea Board Member at AG Anadolu Grubu Holding, Coca-Cola İçecek and Tekfen Teknoloji Yatırım. Bayar has also served as the Chairman of the Board of WWF Türkiye (World Wildlife Foundation) between 2010-2022.

Mr. Bayar fulfils all requirements of the independent member criteria specified in the CMB's Corporate Governance Principles.

DR. YILMAZ ARGÜDEN

Strategist

Dr. Argüden's career spans the private sector, public sector, multinational institutions, NGOs, and academia. He is the Founder and Chairman of ARGE Consulting, a globally recognized Turkish management consulting firm known for value creating strategies, governance, and sustainability. ARGE Consulting has served as the B20 Knowledge Partner for Governance & Sustainability, as EFQM Certified Advisory Organization, IIRC Licensed Training Partner and has been recognized at the European Parliament as one of the best three companies "Shaping the Future" with its commitment to corporate social responsibility. He is also the Chairman of Rothschild & Co investment bank in Türkiye and has served on the boards of more than 70 corporations in 4 different countries.

Dr. Argüden is a renowned governance expert and served as the Chairman of the Governance Committee of the Business at OECD; as a member of IFC's Corporate Governance Advisory Board; and as the Chairman of Trustees of the Argüden Governance Academy. As the elected Global Chair of the National Networks, he has served on the Board of the UN Global Compact, the world's largest sustainability

platform. He is an adjunct Professor of Business Strategy, an author of numerous books, and a columnist focusing on governance, strategy, and sustainability.

As a social entrepreneur he has founded and led numerous NGOs and initiated the National Quality Movement. He has also served as the Vice-Chairman of the Turkish Basketball Federation. Dr. Argüden is an Eisenhower Fellow, a recipient of numerous leadership, distinguished citizenship, and career awards, and was selected by the World Economic Forum as a "Global Leader for Tomorrow" for his commitment to improving the state of the world.

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

STATEMENT OF INDEPENDENT STATUS

In Anadolu Efes Biracılık ve Malt Sanayii A.Ş.;

No employment relationship has been established during the last five years between me, my spouse and my relatives by blood or marriage up to second degree and the company, partnerships which the company controls the management of or has material influence over or shareholders who control the management of or have material influence over the company and legal entities which these shareholders control the management of, which has caused me to assume important duties and responsibilities in an executive position nor have I/we individually or jointly held more than 5% of the capital or voting rights or privileged shares in or established a material business relationship with the same,

I was not a shareholder of (5% and more) nor held an executive position which would cause me to assume important duties and responsibilities or officiated as a board member, during the last five years, in any company from or to which the company purchases or sells a substantial quantity of services or products based on agreements made, during the periods these services or products were sold or purchased including especially those companies which carry out audit (including tax audits, legal audits, internal audits), rating and consultancy services for the company,

I have the professional education, knowledge and experience necessary to duly carry out the duties which I shall assume due to my position as an independent board member,

I am not a full time employee with any public entity or organization following my election as a member with the exception of employment as a university professor provided that such employment is in compliance with the laws and regulations that are applicable to universities,

I am assumed not to be a resident in Türkiye in accordance with the Income Tax Law dated 31.12.1960, numbered 193,

I have strong ethical standards, professional reputation and experience that shall allow me to contribute positively to the activities of the company, maintain partiality in conflicts of interests between the company and its shareholders and decide freely by taking into account the rights of beneficiaries,

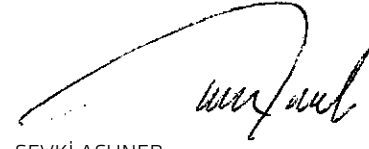
I am able to dedicate a sufficient amount of time to the affairs of the company in a manner to follow up the conduct of company activities and duly perform the duties I have assumed,

I did not officiate as a board member at the board of directors of the company for longer than 6 years during the last ten years,

I am not officiating as an independent board member with more than three of the companies which the company controls or shareholders that control the management of the company control the management and in total more than five of the companies which are traded on the stock exchange,

I have not been registered and announced as a board member representing the legal entity for which I will be elected,

and that therefore, I will serve in my position as a member of the Company's Board of Directors as an independent board member.



ŞEVKİ ACUNER

In Anadolu Efes Biracılık ve Malt Sanayii A.Ş.;

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I am not officiating as an independent board member with more than three of the companies which the company controls or shareholders that control the management of the company control the management and in total more than five of the companies which are traded on the stock exchange,

I have not been registered and announced as a board member representing the legal entity for which I will be elected,

and that therefore, I will serve in my position as a member of the Company's Board of Directors as an independent board member.



LALE DEVELİOĞLU

ADDITIONAL INFORMATION ON CORPORATE GOVERNANCE

STATEMENT OF INDEPENDENT STATUS

In Anadolu Efes Biracılık ve Malt Sanayii A.Ş.;

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I am not a full time employee with any public entity or organization following my election as a member with the exception of employment as a university professor provided that such employment is in compliance with the laws and regulations that are applicable to universities,

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I am able to dedicate a sufficient amount of time to the affairs of the company in a manner to follow up the conduct of company activities and duly perform the duties I have assumed,

I did not officiate as a board member at the board of directors of the company for longer than 6 years during the last ten years,

I am not officiating as an independent board member with more than three of the companies which the company controls or shareholders that control the management of the company control the management and in total more than five of the companies which are traded on the stock exchange,

I have not been registered and announced as a board member representing the legal entity for which I will be elected,

and that therefore, I will serve in my position as a member of the Company's Board of Directors as an independent board member.



PROF. DR. BARIŞ TAN

In Anadolu Efes Biracılık ve Malt Sanayii A.Ş.;

No employment relationship has been established during the last five years between me, my spouse and my relatives by blood or marriage up to second degree and the company, partnerships which the company controls the management of or has material influence over or shareholders who control the management of or have material influence over the company and legal entities which these shareholders control the management of, which has caused me to assume important duties and responsibilities in an executive position nor have I/we individually or jointly held more than 5% of the capital or voting rights or privileged shares in or established a material business relationship with the same,

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I am able to dedicate a sufficient amount of time to the affairs of the company in a manner to follow up the conduct of company activities and duly perform the duties I have assumed,

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I did not officiate as a board member at the board of directors of the company for longer than 6 years during the last ten years,


I have not been registered and announced as a board member representing the legal entity for which I will be elected,

and that therefore, I will serve in my position as a member of the Company's Board of Directors as an independent board member.



UĞUR BAYAR





WE MAINTAIN OUR FOCUS ON FINANCIAL DISCIPLINE

WE MAINTAIN OUR FOCUS ON FINANCIAL DISCIPLINE AND MANAGE OUR CAPITAL EXPENDITURES AND WORKING CAPITAL BY USING OUR QUICK DECISION-MAKING COMPETENCE RIGHTLY. AS A RESULT, WE GENERATE HIGH LEVEL OF FREE CASH FLOW AND MAINTAIN OUR DEBT LEVERAGE RATIOS AT HEALTHY LEVELS.

OTHER INFORMATION RELATED TO OPERATIONS

1. ANADOLU EFES BİRACILIK VE MALT SANAYİİ A.Ş. TRADE REGISTRATION

Trade name:

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Formation Date:

26.06.2000

Registration Number:

91324

Address of Record:

Fatih Sultan Mehmet Mahallesi Balkan Caddesi No: 58/24 Buyaka E Blok Ümraniye-İstanbul/Türkiye

Number Of Issued Shares And Registered Share Capital:

592,105,263 shares each with a par value of TRL 1.00 (one Turkish lira).

On this basis the company's issued share capital amounts to TRL 592,105,263.

2. CHANGES IN THE ARTICLES OF ASSOCIATION:

No changes were made in the Articles of Association during the reporting period.

3. CAPITAL STRUCTURE

As of 31 December 2022, the company's registered share capital ceiling was TRL 900,000,000 and its issued capital was TRL 592,105,263.00. During the reporting period there was no change in the company's capital structure.

4. PRODUCTION AND SALES

A. Production Volume

		2021	2022	CHANGE (%)
DOMESTIC BEER	BEER (MHL)	4.8	5.6	17.8
	MALT (THOUSAND TONNES)	84.3	92.2	9.4
INTERNATIONAL BEER	BEER (MHL)	33.0	28.3	-14.2
	MALT (THOUSAND TONNES)	272.7	282.4	3.6
TOTAL SOFT DRINKS	SOFT DRINKS (MILLION UNIT CASES)	1,376	1,577	14.6

B. Net Sales

2021 (TRL million)	BEER GROUP	SOFT DRINKS	TOTAL
REVENUES	17,356.1	21,929.5	39,285.6
INTER-SEGMENT REVENUES	-	(1.2)	(1.2)
TOTAL REVENUES	17,356.1	21,928.3	39,284.3

2022 (TRL million)	BEER GROUP	SOFT DRINKS	TOTAL
REVENUES	36,975.8	53,529.5	90,505.3
INTER-SEGMENT REVENUES	-	(1.2)	(1.2)
TOTAL REVENUES	36,975.8	53,528.3	90,504.2

5. EXPORTS

Türkiye exports and CIF amounts in 2022 with comparison to 2021 is given in the table below.

	AMOUNT (MHL)			CIF AMOUNT (USD MILLION)		
	2021	2022	CHANGE (%)	2021	2022	CHANGE (%)
EXPORTS	0.54	0.62	14.81	39.90	49.94	25.16

6. CAPACITY AND CAPACITY UTILIZATION RATES

	CAPACITY	CAPACITY UTILIZATION RATE IN 2022 (%)*
DOMESTIC BEER (MHL)	6.9	81
INTERNATIONAL BEER (MHL)	45.3	60
TOTAL	52.2	63
MALT (DOMESTIC) (THOUSAND TONNES)	115	80
MALT (INTERNATIONAL) (THOUSAND TONNES)	288	98
SOFT DRINKS (MILLION UNIT CASES)**	1,930	80

*Capacity Utilization Rate=Production Amount/Average Capacity

** Annual production capacity calculations are based on the formula provided by The Coca-Cola Company to all bottlers of Coca-Cola products. Calculations are made according to high season capacity utilization rates. Capacity is defined as the product obtained by multiplying the hourly unit case output of a plant at targeted utilization. Because package mix and sales may change from year to year, production capacity calculations for one year may not be directly comparable to such calculations for other years even if the numbers of production lines are the same.

7. INVESTMENT POLICY AND INVESTMENT EXPENDITURES

Anadolu Efes is a company which pursues sustainable growth, takes risks that are quantifiable and manageable, and adroitly shepherds its investments. Continuously undertaking investments in order to maintain both its organic and its inorganic growth and to expand the market and foster a beer-appreciative

culture in the countries in which it operates, the company also invests without letup in order to keep pace with rising demand. Anadolu Efes carries out its international beer investments through EBI, a wholly-owned subsidiary based in Holland, while its soft drinks investments in the Turkish and international markets are carried out by CCI, in which it is the majority shareholder. CCI is an independent company whose operations are completely separate from the Anadolu

Efes' beer operations. CCI provides for its own investment and working capital needs from its own cash flow and/or by borrowing and it makes no demands of Anadolu Efes on this account.

All of Anadolu Efes' investments and all investments related to all beer operations taking place under Anadolu Efes' responsibility are undertaken in line with Board of Directors-approved annual budgets and investment

OTHER INFORMATION RELATED TO OPERATIONS

decisions as specified in business plans. Investments in beer operations are conducted as spelled out in the company's Investment Management Guide ("Guide"), whose aims are to ensure the appropriateness of investment decisions and to achieve standardization and consistency in investment activities. Every investment is carried out so as to be compatible with that specific operation's strategic business plan. Our most important priority is to make certain that only the most profitable and essential investments are undertaken in all beer operations.

As a general principle, investment decisions must be based on the specific financial projections as spelled out in detail in the Guide and they must be documented in detail as also specified in the Guide.

The investment expenditures made by Anadolu Efes in recent years consist mainly of investments undertaken in three areas:

1) Investments within the scope of the Company's growth strategy include various technical investments, including some improvements in existing facilities and those made within the framework of compliance, investments in marketing such as investments in coolers to increase the cold-availability of products.

2) A variety of short-term and long-term investments for technical improvements and complying with the requirements of laws and regulations in existing plants;

3) Marketing-related investments, such as investments in coolers aimed at increasing the cold-availability of products.

However, these expenditures are related only to Anadolu Efes beer operations, and as stated above, CCI provides for its own investment

and working capital needs from its own responsibility. On the other hand, Anadolu Efes' actual investment expenditures vary from the estimates as it is affected by several factors, which include market conditions, funding opportunities, operating cash flows and other factors that are partially beyond its control.

Total investment-related cash flows amounted to TRL 5,669.6 million in 2022 compared with TRL 5,789.7 million in 2021.

The cash flow regarding investments was amounting TRL 5,669.6 million in 2022; out of which TRL 4,931.2 million was related to the net purchase of tangible and intangible assets regarding the growth of beer and soft drink operations, TRL 244.3 million was related to the capital increases in joint ventures and the purchases for obtaining control of subsidiaries, and TRL 494.0 million was related to the cash advances and payables to related parties.

8. INVESTMENT INCENTIVES

Anadolu Efes takes advantage of new "investment incentives" that are provided in the scope of decree no 2012/3305 whose intent is to encourage investment in designated regions of the country. Anadolu Efes also benefits from incentives under the Ministry of Economy's "Turquality" project, specifically under the headings of "International Branding of Turkish-Made Products" and "Entrenching the 'Made In Türkiye' Logo".

9. INFORMATION RELATED TO EMPLOYEES

The average number of employees for the years ended on 31.12.2022 and 31.12.2021 are as follows (numbers represent the employees of the companies that are being consolidated):

2021: 16,701

2022: 18,460

Our Company agreed with Tek-Gıda İş Labor Union on the terms of the collective labor agreement for the period 1 September 2021 - 31 August 2023.

The main terms of the collective agreement are as follows:

- Gross wages of the union member employees will be increased by gross TRL 1,500 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 increased by the rate of increase in the Consumer Price Index announced by the State Statistical Institute +3% and by gross TRL 200 per person per month.

10. DONATIONS AND ASSISTANCE; SOCIAL RESPONSIBILITY PROJECT-RELATED OUTLAYS; BENEFITS PROVIDED TO COMPANY DIRECTORS AND SENIOR MANAGERS

In 2022, Anadolu Efes paid out a total of TRL 50.4 million as charitable donations.

The consolidated* value of Anadolu Efes' expenditures related to social responsibility projects was TRL 11.5 million.

Information about benefits consisting of salaries, bonuses, shares of profits, and similar forms of remuneration paid to members of the Company's Board of Directors and of its senior management is presented in the footnotes to the financial statements. The total value of all benefits provided to these persons as allowances (including travel, accommodation and representation allowances), as access to company-owned properties, as cash facilities, and as insurance and other guarantees was TRL 346 thousand in 2022.

*Excluding Ukraine

11. R&D

Anadolu Efes has been carrying out R&D work on barley, one of the most important inputs used in brewing, since 1982. The company has developed

17 barley cultivars, all of which are registered in its own name. This R&D work has resulted in such benefits as diversifying and improving plant breeds, increasing crop productivity by 30%, and improving product quality.

12. ISSUES RELATED TO GROUP COMPANIES

Instances in which the company increased or reduced any direct or indirect stakes it owns in the capital of any associate, subsidiary, or joint venture during the reporting period are summarized below:

EFFECTIVE RATES	31.12.2021	31.12.2022	REASON FOR CHANGE
Efes Brewery S.R.L. (Romania)	-	100%	New Company Establishment by EBI
Malty Gıda A.Ş.	-	25%	Share Acquisition and Capital Increase Through Blue Hub

13. OTHER ISSUES

The Company acquired none of its own shares during the reporting period.

The Company did not undergo any special audits during the reporting period. The Company did undergo normal audits by public authorities as required by the laws and regulations to which it is subject.

As of 31 December 2022, the Company was not a respondent in any suit whose outcome would be capable of significantly affecting either the Company's financial position or the conduct of its business.

As of the reporting date, no administrative or judicial action had been initiated against the company or any member of its Board on account of any violation of the requirements of law.

As of the reporting date, none of the members of the company's Board of Directors had demanded the issuance of any report as provided for under Article 199/4 of the Turkish Commercial Code.

The company's financial position is solid. There is no risk of its having insufficient capital or of its becoming insolvent.

None of the persons from the company's management has been engaged in business, on their own behalf or on behalf of someone else that is in competition with the company, in accordance with the permission given by the general assembly. In the Affiliate Report approved by the Board of Directors of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. concerning the company's dealings with members of its own corporate group it is stated that the company was involved in no dealings that were directed by a controlling shareholder or by any entity belonging to a controlling shareholder or by any other controlling entity and there were no dealings that were undertaken solely for the benefit of a controlling shareholder or any entity belonging to a controlling shareholder; that there were no measures that were either taken or refrained from solely for the benefit of a controlling shareholder or of any entity belonging to a controlling shareholder; that all the dealings in which the company was involved during 2022 with any controlling shareholder or with any entity belonging to a controlling shareholder were conducted on an arm's-length basis and the company was, to the best of our knowledge, adequately and appropriately compensated for each and every such transaction that it entered

into at the time the transaction occurred; that there were no measures that were either taken or refrained from that would have benefited a controlling shareholder of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. or any entity belonging to a controlling shareholder while also causing the company to suffer a loss and that, for this reason, there were no transactions or measures whose consequences need to be compensated for.

Information about the conflicts of interest between the Company and the corporations providing the Company with services such as investment consultancy and rating services and the measures taken by the company to prevent such conflicts of interest:

No conflicts of interest have been observed during the period. Regarding the procurement of services such as investment consultancy and rating services, our Company complies with all legal provisions including the CMB legislation, and pays utmost attention to prevent any situation that could lead to a conflict of interest in this respect.

OTHER INFORMATION RELATED TO OPERATIONS

14. SENIOR MANAGEMENT

BEER GROUP

Can Çaka

Beer Group President & Anadolu Efes CEO

Can Çaka received bachelor of science degree from the Electrical and Electronic Engineering Department of Middle East Technical University and MBA degree from the Administrative Sciences Department of the same university. He started his career as a business analyst and systems engineer in 1994 and has worked at various companies and was involved in various projects. He joined Anadolu Efes in 1997 and worked as an Associate at International Beer Division until 2000, Finance and Administrative Affairs Manager at Efes Ukraine between 2000-2001, Efes Beer Group Strategy and Business Development Manager between 2001 and 2005, Efes Beer Group Strategy and Business Development Director between 2005 and 2008 and Chief Financial Officer of Anadolu Efes between 2008 -2012. Mr. Çaka worked as the Chief Financial Officer of Anadolu Group between 2013 and 2018. He was appointed as Beer Group President and Anadolu Efes CEO as of 1 January 2019.

Mr. Çaka, a volunteer member of the UN Global Compact Türkiye and Sustainable Development Association's Board, is working with infrangible energy to support the efforts for development that promotes economic opportunity and efforts to combat climate crisis in line with UN's sustainable development goals.

Gökçe Yanaşmayan

Chief Financial Officer

Gökçe Yanaşmayan graduated from Dokuz Eylül University in Economics in 2000. He worked as an Auditor at Arthur Andersen between 2000 and 2002 and as Senior Auditor at Ernst & Young between 2002 - 2004. After starting his career at Anadolu Efes in 2004 as Efes Kazakhstan Reporting and Budgeting Manager, he worked as Finance and Administration Manager at Efes Breweries International between 2006 - 2010 and as Finance Director at Efes Kazakhstan between 2010 and 2012. He worked as Finance Director at Efes Ukraine between 2012 - 2014. Mr. Yanaşmayan served as Efes Moldova Managing Director between December 2014 - June 2021. Mr. Yanaşmayan has been appointed as the Anadolu Efes Group CFO effective from 1 July 2021.

Uluhan Kumru

Group Internal Audit Director

Uluhan Kumru graduated from Hacettepe University in Business Administration and completed his MBA degree from Middle East Technical University. He started his professional career as Management Trainee at Ziraat Bank and served as Corporate Banking and Project Finance Specialist and, he served, respectively, as Auditor at Akbank Internal Audit Presidency, Head of Internal Control at Aklease, Senior Internal Audit Manager at Starbucks (Alshaya) Türkiye, Internal Audit Manager at Sabiha Gökçen Havalimanı Yatırım Yapım ve İşletme A.Ş. while he reported to the Audit Committee. He joined our Group as Audit Manager at Anadolu Group Audit Presidency in 2013, served as Group Internal Audit Manager at Anadolu Efes between 2015 and 2016 and as Anadolu Group Audit Manager in charge of Beverage Group Companies between 2016 and 2017. Mr.

Kumru has been working as Group Internal Audit Director at Anadolu Efes since January 2018. He is Certified Internal Auditor and Certified Public Accountant in Türkiye. He has been serving as the Chairman of the Board of Directors at the Institute of Internal Auditors of Türkiye, where he has worked for different responsibilities as a member of the Board of Directors since 2014. He is also a member of the Exam Development Committee at the U.S. Institute of Internal Auditors (IIA).

Banu Artüz

Group Human Resources Director

Banu Artüz graduated from Istanbul University in American Culture and Literature. She started her career at Procter & Gamble in Sales department. During her 16 years of Procter & Gamble career, she spent 8 years in Sales and Marketing Department with various assignments in Modern Trade, Distributor operations and Sales Marketing. During her Sales Marketing positions, she worked in Feminine care and Oral care categories. After 8 years in Sales & Marketing positions, she decided to move to Human Resources. She built her HR career in different countries including Türkiye, Kazakhstan and Eastern Europe (Russia, Ukraine etc.) markets and had different assignments as HR Business Partner, Compensation & Benefits, Employee Relations, Sales Capability Management. She relocated to Almaty, Kazakhstan and led Talent Management for Central Asian Republics between 2007 and 2009; and she moved to Moscow, Russia as Eastern Europe Talent Manager with the responsibility of Russia, Ukraine, Belarus and Central Asia Republics between 2010 and 2013. Ms. Artüz; who worked as Deputy Talent Manager Coordinator at Anadolu Group Holding between 2014 and 2018; is continuing her position as Anadolu Efes Group Human Resources Director since April 2018.

Dr. Stefan Lustig*
Group Supply Chain Director

Dr. Stefan Lustig graduated as a master in Brewing and Beverage Technology from Technical University of Munich Weihenstephan in 1988 earned his PhD in Brewing and Beverage Technology at the same institution in 1994. He started his career as Project Manager in Beck's Brewery in 1989. Between 1992 and 1995 he acted as Head of Gas Chromatography in the Chair of Brewing and Beverage Technology in Technical University of Munich. He returned to Beck's Brewery as Development & Technology Manager between 1995 and 1999 and was nominated as Head of Quality (1999-2002). In 2002, he continued in InBev Deutschland Holding as Brewing and Packaging Manager (2002-2006) and Plant Manager (2006-2008) in Bremen brewery. Between 2008 and 2010, he had served as Brewery Operations Director in InBev Deutschland Holding and served as a Member of Board. In 2010, Dr. Lustig joined Brau Holding International/Paulaner Brewery Group as Chief Operating Officer and Managing Director for Supply Chain. Dr. Lustig has been serving as Anadolu Efes Group Supply Chain Director since July 2019.

* Dr. Stefan Lustig has decided to leave his position as of 31 January 2022. Mr. Savaş Öztürk has been appointed as Anadolu Efes Group Supply Chain Director as of 1 February 2023.

Daniel Barbulescu
Market Development Director

Daniel Barbulescu graduated from Babeş-Bolyai University in Food Products Economics in 2000 and earned his Master of Science degree from same university in Agri-Business. Having started his professional career in 2004 as a Brand Manager at Unilever South Central Europe (USCE), Mr. Barbulescu worked at Unilever Poland as Central Eastern Europe

Brand Development Manager and as European Brand Development Manager between 2005 and 2008. Having served as Category Manager and Marketing Manager at USCE since 2007, Mr. Barbulescu joined our group as Marketing Director at Efes Moldova in May 2013. After serving as International Marketing and Sales Director at Anadolu Efes Market Development Directorate between January 2016 and April 2017, Mr. Barbulescu was appointed as Acting Market Development Director at Anadolu Efes Market Development Directorate in May 2017 and Market Development Director in October 2017.

Yıldırım Efil
Group Legal Affairs Director

Having graduated from Istanbul University Faculty of Law, Yıldırım Efil worked as Lawyer at Türkiye İş Bankası A.Ş. Headquarters Legal Consultancy Department between 2001 and 2005. Mr. Efil completed Kadir Has University Sports Law Program in 2006 and earned his master's degree (LL.M.) in Sports Law from the same university in 2011. Mr. Efil joined AG Anadolu Grubu Holding in 2005 as Legal Advisor-Lawyer and afterwards he served as Legal Affairs Manager and Legal Affairs Deputy Coordinator respectively. Mr. Efil has been serving as Anadolu Efes Group Legal Affairs Director since April 2013. Besides, Mr. Efil has been assigned as Anadolu Efes Group Ethics Officer as of May 2015. Mr. Efil is a Member of Istanbul Bar Association.

Murat Özkan
Group Information and Digital Solutions Director

Having graduated from Bilkent University in 1993, Murat Ozkan started his career in Arçelik as a system analyst. After spending 3 years as an engineer, he decided to make a change and joined Philips Morris Türkiye and held various

managerial roles over 17 years. During this period, he has completed several business and IT projects globally. Later, he was assigned as CIO at Ülker in 2014 and became the Vice President of Shared Business Solutions Services in Pladis and Yıldız Holding starting from 2017. As of April 2019, he was appointed as Anadolu Efes Group Information and Digital Solutions Director.

Selda Susal Saatçi
Chief Corporate Communications and Affairs Officer

Ms. Selda Susal Saatçi received her bachelor's degree from Istanbul University in German Language and Literature. Before joining Anadolu Efes group, she served as Communication and Public Relation Assistant Manager at Turkcell between 1995 and 1996, Corporate Communication and Public Relations Specialist and Public Relation Manager at Telsim between years 1996-2001 and Public Relation Manager, Corporate Communication Manager, Mediterranean and North Africa Area Corporate Communication Manager, Corporate Communication Director at DHL Worldwide Express, respectively between years 2001-2009. She worked as Head of Corporate Communications at Philip Morris between years 2009-2015, Advisory Board Member, Strategic Communications Consultant at askbmm Consulting and also served as Founder at LiveGlobalEatLocal/YearUp between years 2015 and 2019. Ms. Saatçi who has been working as Corporate Communications and Affairs Director at Efes Türkiye since November 2019, has been appointed as the Group Corporate Communications and Affairs Director as of January 1, 2022. Ms. Saatçi, who serves as the President of the Beer and Malt Producers Association, is also a member of the Federation of Food and Drink Industry Associations of Türkiye (TGDF) Supervisory Board.

OTHER INFORMATION RELATED TO OPERATIONS

Serim Yıldırım

Chief Strategy, Insight and Innovation Officer

Ms. Serim Yıldırım was graduated from Boğaziçi University in Sociology and started her career as Product Manager at Evyap in 1996 and then joined Efes Beer Group in 1997. She served as Research Executive between years 1997-1998, Marmara Beer Brand Manager between years 1998-2001 and Efes Marketing Manager between years 2001-2006 in Türkiye. She was then appointed as Marketing Director in Anadolu Efes HQ between 2006-2008. Ms. Yıldırım joined British American Tobacco Türkiye and served between 2008-2016 as Türkiye Head of Strategy, Planning & Insights, Türkiye Head of Brand Marketing Türkiye and in her last role as EEMEA Dunhill Brand Director at British American Tobacco in London HQ office. She moved on to Chief Marketing Officer at Pozitif Entertainment between years 2016 and 2017 and in 2018, Ms. Yıldırım has rejoined Anadolu Efes Türkiye as Anadolu Efes Türkiye Marketing Director. Ms. Yıldırım has been appointed as the Group Strategy, Insight and Innovation Director as of January 1, 2022.

Dmitry Shpakov

AB InBev Efes CEO

Dmitry Shpakov graduated from National Technical University in Ukraine in 1996 after which he earned his MBA degree from INSEAD Business School in International Management. Also he graduated from InterRegional Academy of Personnel Management with a degree in Economics in 2007 and International Management Institute (Kiev, Ukraine) in 2008. Started his career at AB InBev as Sales

Representative in Kiev in 1998, he was appointed as Key Account Manager in 2001 and afterwards as Distribution Manager in 2002, and became the Regional Sales Manager in 2002. In 2007, Mr. Shpakov was appointed as the National Sales Director in AB InBev Ukraine where AB InBev became #1 due to his work. After having served as the CEO of AB InBev Ukraine in 2014 and the CEO of BU East (Russia and Ukraine) in 2015, Mr. Shpakov was appointed as the CEO of AB InBev Efes in March 2018.

Onur Altürk

Efes Türkiye Managing Director

Mr. Onur Altürk was graduated from Middle East Technical University, Faculty of Architecture City and Regional Planning in 1998. He started his career as Site Leasing & Procurement Specialist at Turkcell. He worked in various positions at Avea as Sales & Marketing Contracting Specialist and Event Marketing Senior Specialist between years 2002-2005. He joined Fritolay / PepsiCo in 2005 and worked as Trade Marketing Specialist, POS & Channel Development Manager, Trade Marketing & Horeca Manager, Sales Development & Merchandising Manager, Sales Planning Manager, District Sales Manager, Head of Sales Operations, Development, Capability and Head of Sales Strategy & Sales Audit between years 2005-2015. Mr. Onur Altürk worked as Traditional Trade Sales Director at PepsiCo between years 2015-2018. Mr. Onur Altürk who has been working as Sales Director of Türkiye Operations since 2018, has been appointed as Efes Türkiye Managing Director as of January 1, 2022.

Ümit Ömer Ögün

CAR and Azerbaijan Managing Director

Ömer Ögün graduated from Yıldız Technical University in Geophysical Engineering. Mr. Ögün started his professional career at Anadolu Group as Service Representative at Çelik Motor in 1992, where he later worked as a Sales Service Supervisor. He served as Planning and Logistics Manager at Coca-Cola Russia (Rostov) Operations from 1998 to 1999 and Operations Manager at Efes Russia Rostov Brewery from 2000 to 2006. Mr. Ögün was appointed as Operations Director of Efes Russia in 2006. In November 2007, Mr. Ögün has been appointed to the role of Task Force Director for Uzbekistan country market at Anadolu Efes Beer Group. Later he served as Efes Kazakhstan General Manager between May 2008 and March 2012, until he was appointed as Efes Ukraine Managing Director in March 2012. Mr. Ögün was appointed as Efes Kazakhstan Managing Director in June 2015, together with Efes Ukraine Managing Director role. Mr. Ögün was appointed as Central Asian Republics (CAR) Managing Director in August 2018.

* Mr. Ümit Ömer Ögün has been appointed as General Manager responsible from Special Projects effective as of 1 February 2023. In his new role, Mr. Ögün will continue to report directly to Mr. Can Çaka, Beer Group President and Anadolu Efes CEO.

Alphan Akpeçe

Efes Moldova Managing Director

Alphan Akpeçe graduated from Marmara University Faculty of Communication, Public Relations and Advertising in 2003. He started his career in 2005 in Anadolu Efes Türkiye Marketing Directorate. Between 2005 - 2014, after serving as Marketing

Representative, Product Supervisor (Efes Dark & Efes Xtra), Product Supervisor (Efes Pilsen), Communications Supervisor, he was appointed as Efes Pilsen Marketing Manager. After working as Channel Development Manager in Anadolu Efes Türkiye Marketing Directorate between 2014 – 2015, he moved to Anadolu Efes Türkiye Sales Directorate. Between 2015-2018 he served as In-store Marketing and Key Customer Development Manager and Trade Marketing Manager, then he served as Efes Georgia Commercial Director between May 2018 – June 2021. Mr. Akpeçe has been appointed as Efes Moldova Managing Director effective from 1 July 2021.

Ertan Kurt
Efes Georgia Managing Director

Ertan Kurt graduated from Istanbul University in Economics in 1994 and completed his MBA courses in Istanbul University in 1997. He started his professional career in 1994 at Procter & Gamble Türkiye in Sales Department; where he served in various positions until 2000. Between 2001 and 2005; he worked at Reckitt Benckiser Türkiye as Trade Marketing Manager, Central Region Manager, Senior Trade and Shopper Marketing Manager, respectively. Between 2005 and 2009 he worked as Country Manager at Reckitt Benckiser Slovenia and then served as Global Trade and Shopper Marketing Director at Reckitt Benckiser Global HQ UK until 2012. Having worked as Sales Director in Nestlé Waters Türkiye between 2012 and 2016, he worked as International Markets Director at Brisa Bridgestone Sabancı between 2016 and 2017. He worked as Vice President of Sales and Marketing at Şişecam between 2018 and 2020.

Mr. Kurt has been appointed as Efes Georgia Managing Director effective from February 2020.

* Mr. Ertan Kurt has been appointed as Anadolu Efes Kazakhstan General Manager, effective as of 1 February 2023. Mr. Veli Dinçel has joined our Group as Anadolu Efes Georgia General Manager to fill the position vacated by Mr. Ertan Kurt.

SENIOR MANAGEMENT

SOFT DRINK GROUP

Burak Başarır
CEO

Burak Başarır, CEO of CCI, joined the company in 1998 and assumed increasing managerial responsibilities in finance and commercial functions. He was named CFO in 2005 and has played an integral role during CCI's IPO process and effectively managed the financial integration of Efes Invest with CCI. He was recognized as Best CFO in Türkiye by Thomson Reuters Extel in 2009. He led the largest operation of CCI in terms of volume and sales as the Türkiye Region President between 2010 and 2013. Başarır was appointed as CEO in January 2014. He was honored with the "Best CEO" award in the beverages category by the international research group Institutional Investor in 2019. He has more than 20 years of work experience. Başarır holds a BA in business administration and a minor in computer sciences from American River College. He studied management at California State University of Sacramento and received a BSc degree in business administration from Middle East Technical University. He is a member of the Turkish Industry and Business Association (TUSIAD) and Türkiye-US Business Council (TAIK).

* Mr. Burak Başarır has been appointed as Deputy CEO of Anadolu Group effective as of 1 September 2023. Mr. Karim Yahya has been appointed as Deputy Chief Executive Officer to CCI, effective as of 1 March 2023. Ensuring a smooth and effective transition, Mr. Burak Başarır, will hand over his responsibilities to Mr. Yahya on 1 September 2023.

Andriy Avramenko
Chief Financial Officer

Andriy Avramenko was appointed as CFO-elect for Coca-Cola İçecek A.Ş. as 1 January 2019. Mr. Avramenko has 25 years of experience, including 20 years of Coca-Cola tenure, after starting his career in Arthur Andersen's Kiev office in 1994. In 1999, he joined TCCC as an Internal Auditor and moved to the Mergers & Acquisitions team in 2003. Mr. Avramenko served as Supply Chain Development Director of the Global Juice business between 2008 and 2011. He then served in the India & South West Asia Business Unit as Vice President and General Manager of the Juice Business until 2013, and Vice President of Strategy and General Manager of the Still Beverages Business until 2015. Between March 2015 and May 2018, he served as Group Director responsible for Mergers & Acquisitions for the Eurasia & Africa region. Before joining CCI, Mr. Avramenko was serving as Group Director of Corporate Development for the Europe, Middle East and Africa Group and was a Board Member of Coca-Cola Beverages Africa.

OTHER INFORMATION RELATED TO OPERATIONS

Ebru Özgen

Chief Human Resources Officer

Ebru Özgen was appointed as the Group Human Resources Director for Coca-Cola İçecek A.Ş. as of 1 January 2017. She joined CCI as Budget and Planning Supervisor in 1997, worked as Finance Manager between 1998-2000 and East Region Finance Manager between 2000-2005. Özgen was appointed as Türkiye Budget Planning and Commercial Finance Manager in 2010 with increased management responsibilities. In 2013 she was promoted to become Türkiye Finance Director, and as a member of CCI Türkiye Leadership Team she was responsible for the coordination of finance operations that support strategic business targets. Özgen started her career in 1992 in Arthur Andersen. She has a bachelor's degree in Business Administration from the Middle East Technical University and an MBA in International Banking and Finance from the University of Birmingham. In 2009, she earned a master's degree on Law and Economics from Bilkent University. Özgen is a CIM certified CPA and independent auditor, and has two children.

Kerem Kerimoğlu

Chief Supply Chain Officer

Kerem Kerimoğlu, a graduate of Middle East Technical University with a major in Mechanical Engineering, worked for Denizli Cam as R&D engineer before joining CCI. Since joining CCI in 1993, Mr. Kerimoğlu held various positions, including Maintenance Supervisor, Production

Manager and Operation Manager roles in Ankara Plant, and served as the Operation Manager both for Ankara and Bursa plants between 2003 and 2006. After serving as Türkiye Supply Chain Director between 2006 and 2015, Mr. Kerimoğlu worked as CCI Turkmenistan General Manager between 2015-2017 and CCI Iraq General Manager between 2017 and 2019. Mr. Kerimoğlu assumed the role of CCI Supply Chain Development Director in 2020 and has been working as Supply Chain Director since September 1st 2020.

Av. R. Ertuğrul Onur

Chief Legal Officer

Atty. R. Ertuğrul Onur has been serving as the General Counsel of CCI since 2007. He is also currently the Head of CCI Ethics and Compliance Committee. He established the CCI Compliance & Ethics Program and served as CCI Ethics and Compliance Officer between 2013 and 2016. He graduated from Istanbul University's Law Faculty in 1988. Following the completion of his traineeship in the Konya Bar Association, he worked as a research assistant in the same Law Faculty. Mr. Onur served as Legal Counsel for Mobil Oil Türk A.Ş. and BP Petrolleri A.Ş. between 1995 and 2000. He also worked as BP Türkiye Employee Representative, BP Oil Europe Works Council Member and BP Oil Europe Works Council Link Committee Member. Prior to joining the Coca-Cola system, he set up the legal department in Pfizer İlaçları and served as Assistant General Manager and Legal Director. Mr. Onur implemented various compliance programs as the Compliance Liaison Officer in

Pfizer Türkiye. Mr. Onur has 29 years of work experience and is a member of the Istanbul Bar Association.

Servet Yıldırım

Chief Corporate Affairs and Sustainability Officer

Servet Yıldırım has joined CCI as Group Corporate Affairs Director as of September 2018. He started his career at İşbank and worked in Economic Research and Treasury Departments. In 1989, Servet joined Reuters News Agency. During his tenure, he also assumed managerial roles and managed the Turkish branch. Moving to Türkiye's most influential finance/business channel CNBC-e, Servet assumed News Director and Editor-in Chief roles at the channel over the course of seven years. In 2011, Servet assumed the position of Group President of Economics branch of Doğuş Media Group. At the same time, he continued to anchor various financial shows aired on CNBC-e. During his career in the media sector, Servet wrote several columns on finance and Turkish economy in newspapers like Yeni Binyıl, Sabah, Referans and Radikal. Before joining CCI, Servet was a columnist at one of Türkiye's most selling newspaper Milliyet and commentator on NTV Para program on Türkiye's leading news channel NTV. He has a bachelor's degree in Business Administration from the Middle East Technical University.

Aslı Kamiloğlu

Chief Information and Digital Officer

Having assumed various roles in information technology organizations at Aras Kargo and Turkcell in the early years of her career, Ms. Aslı Kamiloğlu continued her career in GE Healthcare as Commercial Digital Leader in Eastern and African growth markets, a large and diverse set of growth markets, comprising over 80 countries. She then held various Global digital and technology leadership roles in GE Healthcare and GE Digital.

Ms. Aslı Kamiloğlu has been leading digital products strategy and execution in the Customer digital domain for all CCI Countries since 2019. Ms. Aslı Kamiloğlu graduated from Galatasaray high school and holds a bachelor's degree in Electrical and Electronics Engineering and a Master's degree in Software Engineering from Joseph Fourier University.

Atilla D. Yerlikaya

Chief Strategy and Business Development Officer

Prior to joining CCI Executive Committee on September 1, 2022, as Chief Strategy and Business Development Officer, Atilla has previously served as Group Corporate Affairs and Sustainability Director of CCI between 2007-2018 and was General Manager for Corporate Strategy and Policy at Amazon Türkiye between 2018-2022.

Atilla has a bachelor's degree in Economics from Boğaziçi University. He worked as a journalist for the first ten years of his career followed by senior leadership roles at PMI and Shell. He served as a member of the Board of Auditors in YASED, the International Investors Association between 2005-2009, and as Chairman of the Food and Agriculture Working Group between 2011-2014, as Board Member of GSSB - Global Sustainability Standards Board between 2016-2018, as Chairman of Türkiye - Pakistan Business Council between 2015-2020. Atilla currently serves as Chairman of Türkiye-Belgium Business Council, and he is the Co-Chair of TUSIAD Retail Working Group.

Ahmet Öztürk

Chief Audit Executive

Ahmet Öztürk was appointed as Coca-Cola İçecek Internal Audit Director as of 1 January 2018. He joined Anadolu Group in August 1995, having graduated from Bilkent University, with a major in Economics. He started his career as an Assistant Financial Control Specialist and continued to work in different roles and responsibilities in group companies, serving as CFO of Coca-Cola Turkmenistan, Coca-Cola Azerbaijan, Efes Ukraine and Efes Serbia between 1999 and 2007 respectively. Öztürk was appointed as the Internal Auditor of Efes Beer Group International operations in July 2007 and promoted to become the Internal Audit Director of Anadolu Efes in January 2011.

Tugay Keskin

Chief Operating Officer

Tugay Keskin was appointed as CCI Chief Operating Officer as of 1 April 2020. Keskin joined CCI in 1993 and served in different positions in Türkiye sales function until his appointment as Türkiye Sales Director in 2007. He worked as Türkiye Sales Director between 2007-2011 and Türkiye Commercial Director between 2011-2014. After serving as CCI Commercial Excellence Director between 2014 and 2016 and as CCI Türkiye General Manager in 2017, Mr. Keskin was appointed as CCI Türkiye and Middle East Region Director in 2019. Keskin is a graduate of Ankara University Faculty of Political Science.

2022 DIVIDEND DISTRIBUTION TABLE

ANADOLU EFES BİRACILIK VE MALT SANAYİİ A.Ş.			
2022 DIVIDEND PAYMENT TABLE (TRL)			
1.	Paid-In / Issued Capital	592,105,263	
2.	Total Legal Reserves (According to Legal Records)	374,807,453.1	
*			
		Based on CMB Regulations	
		Based on Legal Records	
3.	Current Period Profit	6,727,346,102.3	-2,210,760,030.39
4.	Taxes Payable (-)	-3,298,277,957.27	
5.	Net Current Period Profit	3,429,068,145.03	-2,210,760,030.39
6.	Losses in Previous Years (-)		-1,384,017,111.87
7.	Primary Legal Reserve (-)		
8.	Net Distributable Current Period Profit	3,429,068,145.03	-3,594,777,142.26
	Dividend Advance Distributed (-)		
	Dividend Advance Less Net Distributable Current Period Profit		
9.	Donations Made During The Year (+)	50,408,000	
10.	Donation-Added Net Distributable Current Period Profit on which First Dividend Is Calculated	3,479,476,145.03	
11.	First Dividend to Shareholders		
	* Cash		
	* Stock		
12.	Dividend Distributed to Owners of Privileged Shares		
13.	Other Dividend Distributed		
	* To the Employees		
	* To the Members of the Board of Directors		
	* To Non-Shareholders		
14.	Dividend to Owners of Redeemed Shares	67,397,152.37	
15.	Second Dividend to Shareholders		
16.	Secondary Legal Reserves	129,980,504.68	
17.	Statutory Reserves		
18.	Special Reserves		
19.	Extraordinary Reserves		
20.	Other Distributable Resources	1,262,013,157.56	

DIVIDEND PAYMENT RATES TABLE

SHARE GROUP	CASH DIVIDEND AMOUNT (TRL) - NET	STOCK DIVIDEND AMOUNT (TRL)	TOTAL DIVIDEND AMOUNT (TRL) / NET DISTRIBUTABLE CURRENT PERIOD PROFIT (%)	DIVIDEND TO BE PAID FOR SHARE WITH PAR VALUE OF 1 TRL - NET (TRL)	DIVIDEND TO BE PAID FOR SHARE WITH PAR VALUE OF 1 TRL - NET (%)

TOTAL	1.135.811.841,8			1.91826	191.826

STATEMENT OF RESPONSIBILITY

BOARD OF DIRECTORS' RESOLUTION ON THE APPROVAL OF FINANCIAL CORPORATE GOVERNANCE INFORMATION FORM, CORPORATE GOVERNANCE COMPLIANCE REPORT AND ANNUAL REPORT

RESOLUTION DATE: 28.02.2023 / 10.03.2023

RESOLUTION NUMBER: 594 / 597

DECLARATION OF RESPONSIBILITY PURSUANT TO ARTICLE 9 OF THE SECOND SECTION OF THE CAPITAL MARKETS BOARD COMMUNIQUE ON PRINCIPLES PERTAINING TO FINANCIAL REPORTING IN CAPITAL MARKETS

Appended to this resolution are our financial statements, corporate governance information form, corporate governance compliance report and annual report for January-December 2022, which have been approved by our company's Board of Directors and Audit Committee, which have been prepared in compliance with Capital Markets Board ("SPK") Communique II-14.1 on principles pertaining to financial reporting in capital markets and with Turkish Accounting/Financial Reporting Standards ("TMS"/"TFRS") and on Corporate Governance and Sustainability Principles, and which have been independently audited. We hereby declare:

- a) We have examined the consolidated financial statements, corporate governance information form, corporate governance compliance report and annual report dated 31 December 2022;
- b) That, to the best of our knowledge within the framework of our duties and responsibilities at our company, neither the consolidated financial statements nor the corporate governance information form, corporate governance compliance report and annual report contain any assertion that is untrue insofar as matters of material importance are concerned or any omission that would lead to the conclusion that such assertions were misleading as of the date on which they were made;
- c) That, to the best of our knowledge within the framework of our duties and responsibilities at the company, these consolidated financial statements prepared in accordance with current financial reporting standards honestly reflect the realities of our company's assets, liabilities, financial standing, and profits & losses, and the annual report honestly reflects our company's business and performance and honestly reflects our company's financial standing along with any material risks and uncertainties that confront it.

Sincerely



ŞEVKİ ACUNER
Chairman of the Audit Committee



UĞUR BAYAR
Member of the Audit Committee



GÖKÇE YANAŞMAYAN
Group CFO



KEREM İŞERİ
CFO

CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT ON THE BOARD OF DIRECTORS'
ANNUAL REPORT ORIGINALLY ISSUED IN TURKISH

INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT



To the General Assembly of Anadolu Efes Biracılık ve Malt Sanayii A.Ş.

1. Opinion

We have audited the annual report of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") for the 1 January - 31 December 2022 period.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Group's position in the Board of Directors' Annual Report are consistent and presented fairly, in all material respects, with the audited full set consolidated financial statements and with the information obtained in the course of independent audit.

2. Basis for Opinion

Our independent audit was conducted in accordance with the Independent Standards on Auditing that are part of the Turkish Standards on Auditing (the "TSA") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities in the Audit of the Board of Directors' Annual Report section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Our Audit Opinion on the Full Set Consolidated Financial Statements

We expressed an unqualified opinion in the auditor's report dated 28 February 2023 on the full set consolidated financial statements for the 1 January - 31 December 2022 period.

4. Board of Director's Responsibility for the Annual Report

Group management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102 and Capital Markets Board's ("CMB") Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué") are as follows:

a) to prepare the annual report within the first three months following the balance sheet date and present it to the general assembly;

b) to prepare the annual report to reflect the Group's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Group may encounter are clearly indicated. The assessments of the Board of Directors in regards to these matters are also included in the report.

c) to include the matters below in the annual report:

- events of particular importance that occurred in the Company after the operating year,
- the Group's research and development activities,
- financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.

5. Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC and Communiqué provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited consolidated financial statements of the Group and with the information we obtained in the course of independent audit.

Our audit was conducted in accordance with the TSAs. These standards require that ethical requirements are complied with and that the independent audit is planned and performed in a way to obtain reasonable assurance of whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited [consolidated] financial statements and with the information obtained in the course of audit.

**PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.**



**Salim Alyanak, SMMM
Partner**

Istanbul, 10 March 2023

**ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT**

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

**CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT
ORIGINALLY ISSUED IN TURKISH
INDEPENDENT AUDITOR'S REPORT**



To the General Assembly of Anadolu Efes Biracılık ve Malt Sanayii A.Ş.

A. Audit of the consolidated financial statements

1. Our opinion

We have audited the accompanying consolidated financial statements of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements comprising a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2. Basis for opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How the key audit matter was addressed in the audit
<p>Impairment Testing of Goodwill and Intangible Assets with Indefinite Useful Lives</p> <p>The carrying value of bottling rights, license agreements, brands and goodwill which are accounted for under indefinite-life intangible assets amounted to TRY22,240,827 thousand, TRY14,491,324, TRY2,090,386 and TRY9,163,615 thousand, respectively, in the consolidated financial statements as of 31 December 2022. In accordance with TFRS, these indefinite-life intangible assets should be tested for impairment annually.</p> <p>Bottling rights, license agreements, brands and goodwill are material to the consolidated financial statements. In addition, significant judgements and estimates are used in the impairment tests performed by management. These are, for goodwill impairment tests; earnings before interest, tax, depreciation and amortization (“EBITDA”) growth forecasts, long term growth rates and discount rates and in addition to these, royalty rates used in the relief from royalty method for the brand impairment tests. The outcome of such estimates is very sensitive to changes in market conditions. Therefore, these impairment tests are key matters for our audit.</p> <p>Please refer to notes 2 and 16 of the consolidated financial statements for the relevant disclosures, including the accounting policy and sensitivity analysis.</p>	<p>We performed the following auditing procedures in relation to the impairment tests of indefinite lived intangible assets and goodwill:</p> <ul style="list-style-type: none"> • Evaluating the appropriateness of the Cash Generating Units (“CGUs”) determined by management, • Evaluating management forecasts and future plans based on macroeconomic information for each relevant CGU, • Comparing forecasted cash flows for each CGU with its historical financial performance, • Through involvement of our valuation specialists, assessing the reasonableness of key assumptions, including long term growth rates, discount rates and benchmarking these against rates used in the industry, • Testing of the setup of the discounted cash flow models and their mathematical accuracy, • Assessing management’s sensitivity analysis for key assumptions, • Testing of the disclosures in the consolidated financial statements in relation to indefinite-life intangible assets and evaluating the adequacy of these disclosures for TFRS’ requirements.

4. Other matters

The consolidated financial statements of the Group for the year ended 31 December 2021 were audited by another firm of auditors whose report, dated 23 February 2022, expressed an unmodified opinion on those statements.

5. Responsibilities of management and those charged with governance for the consolidated financial statements

The Group management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

6. Auditor's responsibilities for the audit of the consolidated financial statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an independent audit conducted in accordance with SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT

B. Other responsibilities arising from regulatory requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2022 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor's report on the early risk identification system and committee was submitted to the Company's Board of Directors on 28 February 2023.

Additional explanation for convenience translation into English

Turkish Financial Reporting Standards differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of IAS 29 - Financial Reporting in Hyperinflationary Economies by 31 December 2022. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position and results of operations of the Group in accordance with IFRS.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.



Salim Alyanak, SMMM
Partner

Istanbul, 28 February 2023

TABLE OF CONTENTS

	<u>Page</u>
Consolidated Statement of Financial Position	132
Consolidated Statement of Profit or Loss	134
Consolidated Statement of Other Comprehensive Income	135
Consolidated Statement of Changes in Equity	136
Consolidated Statement of Cash Flows	138
Notes to the Consolidated Financial Statements	139-215
NOTE 1. GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES	139
NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS	142
NOTE 3. BUSINESS COMBINATIONS	162
NOTE 4. INFORMATION ABOUT MATERIAL NON-CONTROLLING INTERESTS IN SUBSIDIARIES AND INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD	163
NOTE 5. SEGMENT REPORTING	166
NOTE 6. CASH AND CASH EQUIVALENTS	168
NOTE 7. FINANCIAL INVESTMENTS	168
NOTE 8. SHORT AND LONG TERM BORROWINGS	168
NOTE 9. DERIVATIVE INSTRUMENTS	171
NOTE 10. TRADE RECEIVABLES AND PAYABLES	176
NOTE 11. OTHER RECEIVABLES AND PAYABLES	176
NOTE 12. INVENTORIES	178
NOTE 13. PREPAID EXPENSES AND DEFERRED INCOME	178
NOTE 14. RIGHT-OF-USE ASSETS	179
NOTE 15. PROPERTY, PLANT AND EQUIPMENT	181
NOTE 16. INTANGIBLE ASSETS	183
NOTE 17. COMMITMENTS AND CONTINGENCIES	186
NOTE 18. EMPLOYEE BENEFITS OBLIGATIONS	188
NOTE 19. CURRENT AND NON-CURRENT PROVISIONS	189
NOTE 20. OTHER ASSETS AND LIABILITIES	191
NOTE 21. EQUITY, RESERVES AND OTHER EQUITY ITEMS	192
NOTE 22. REVENUE AND COST OF SALES	193
NOTE 23. OPERATING EXPENSES	194
NOTE 24. EXPENSES BY NATURE	195
NOTE 25. OTHER INCOME/EXPENSES FROM OPERATING ACTIVITIES	195
NOTE 26. INVESTMENT ACTIVITY INCOME/EXPENSE	196
NOTE 27. FINANCE INCOME/EXPENSE	197
NOTE 28. INCOME TAX (INCLUDING DEFERRED TAX)	197
NOTE 29. EARNINGS PER SHARE	200
NOTE 30. RELATED PARTY BALANCES AND TRANSACTIONS	201
NOTE 31. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT	203
NOTE 32. FINANCIAL INSTRUMENTS	212
NOTE 33. EXPLANATORY INFORMATION ON STATEMENT OF CASH FLOWS	213
NOTE 34. FEES FOR SERVICES FROM INDEPENDENT AUDIT FIRMS	214
NOTE 35. EVENTS AFTER REPORTING PERIOD	215

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

	Notes	Audited	
		December 31, 2022	Reclassified (Note 2) December 31, 2021
ASSETS			
Cash and Cash Equivalents	6	23.867.233	10.260.355
Financial Investments	7	760.333	73.644
Trade Receivables	10	7.883.346	5.117.061
- Trade Receivables from Related Parties	30	826.663	472.351
- Trade Receivables from Third Parties		7.056.683	4.644.710
Other Receivables	11	776.052	158.315
- Other Receivables from Related Parties	30	716.531	120.322
- Other Receivables from Third Parties		59.521	37.993
Derivative Financial Assets	9	22.133	100.573
Inventories	12	14.095.834	5.903.274
Prepaid Expenses	13	2.141.356	1.861.020
- Prepaid Expenses to Related Parties		100.000	23.333
- Prepaid Expenses to Third Parties		2.041.356	1.837.687
Current Tax Assets	28	522.268	380.186
Other Current Assets	20	1.477.035	809.432
- Other Current Assets from Third Parties		1.477.035	809.432
Current Assets		51.545.590	24.663.860
Financial Investments		822	822
Trade Receivables	10	1.914	-
- Trade Receivables from Third Parties		1.914	-
Other Receivables	11	131.875	113.066
- Other Receivables from Related Parties	30	25.191	17.409
- Other Receivables from Third Parties		106.684	95.657
Derivative Financial Assets	9	15.229	-
Assets Due to Investments Accounted for Using Equity Method	4	801	-
Property, Plant and Equipment	15	28.329.449	21.297.137
Right-of-Use Assets	14	781.114	431.203
Intangible Assets		48.876.909	36.668.713
- Goodwill	16	9.163.615	6.506.587
- Other Intangible Assets	16	39.713.294	30.162.126
Prepaid Expenses	13	681.802	305.481
Deferred Tax Asset	28	2.990.454	2.031.664
Other Non-Current Assets	20	1.559	935
Non-Current Assets		81.811.928	60.849.021
TOTAL ASSETS		133.357.518	85.512.881

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

	Notes	Audited	
		December 31, 2022	Reclassified (Note 2) December 31, 2021
LIABILITIES			
Current Borrowings		7.414.991	2.678.964
- Current Borrowings from Third Parties		7.414.991	2.678.964
- Banks Loans	8a	7.414.686	2.678.761
- Lease Liabilities	8b	305	203
Current Portion of Non-Current Borrowings		4.455.104	3.795.733
- Current Portion of Non-Current Borrowings from Third Parties		4.455.104	3.795.733
- Banks Loans	8a	780.412	1.214.816
- Lease Liabilities	8b	275.525	94.245
- Issued Debt Instruments	8a	3.399.167	2.486.672
Other Financial Liabilities	8c	69.875	-
Trade Payables	10	20.032.943	12.634.200
- Trade Payables to Related Parties	30	1.228.626	717.809
- Trade Payables to Third Parties		18.804.317	11.916.391
Employee Benefit Obligations	18	572.793	221.949
Other Payables	11	7.129.761	3.613.818
- Other Payables to Related Parties	30	1.911.900	90.390
- Other Payables to Third Parties		5.217.861	3.523.428
Derivative Financial Liabilities	9	305.065	444.129
Deferred Income	13	394.900	164.967
Current Tax Liabilities	28	274.037	178.829
Current Provisions		1.308.370	678.502
- Current Provisions for Employee Benefits	19	598.024	439.170
- Other Current Provisions	19	710.346	239.332
Other Current Liabilities	20	73.579	110.303
Current Liabilities		42.031.418	24.521.394
Long-Term Borrowings		25.702.061	14.771.633
- Long-term Borrowings from Third Parties		25.702.061	14.771.633
- Banks Loans	8a	1.054.950	750.066
- Lease Liabilities	8b	628.884	409.485
- Issued Debt Instruments	8a	24.018.227	13.612.082
Trade Payables	10	120	2.091
- Trade Payables to Third Parties		120	2.091
Other Payables	11	8.219	7.020
- Other Payables to Third Parties		8.219	7.020
Liabilities due to Investments Accounted for Using Equity Method	4	649.400	508.945
Derivative Financial Liabilities	9	545.288	708.656
Deferred Income	13	55.957	14.697
Non-Current Provision	19	869.918	348.640
- Non-Current Provision for Employee Benefits		869.918	348.640
Deferred Tax Liabilities	28	6.907.713	5.291.833
Other Non-Current Liabilities	20	5.579	5.479
Non-Current Liabilities		34.744.255	21.658.994
Equity Attributable to Equity Holders of the Parent		25.595.961	18.715.082
Issued Capital	21	592.105	592.105
Inflation Adjustment on Capital	21	63.583	63.583
Share Premium (Discount)		-	204.017
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		(195.134)	(54.642)
- Revaluation and Remeasurement Gain/(Loss)		(195.134)	(54.642)
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		15.178.454	10.467.910
- Currency Translation Differences		24.745.810	15.628.030
- Gains (Losses) on Hedge		(9.567.356)	(5.160.120)
Restricted Reserves Appropriated from Profits	21	374.805	372.939
Prior Years' Profits or Losses		6.153.080	6.000.867
Current Period Net Profit or Losses		3.429.068	1.068.303
Non-Controlling Interests	4	30.985.884	20.617.411
Total Equity		56.581.845	39.332.493
TOTAL LIABILITIES		133.357.518	85.512.881

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

	Notes	Audited	
		Current Period January 1 - December 31, 2022	Reclassified (Note 2) Previous Period January 1- December 31, 2021
Revenue	5, 22	90.504.179	39.284.384
Cost of Sales (-)	22	(57.512.661)	(25.142.116)
GROSS PROFIT (LOSS)		32.991.518	14.142.268
General Administrative Expenses (-)	23	(6.020.741)	(2.820.859)
Sales, Distribution and Marketing Expenses (-)	23	(14.665.197)	(7.273.129)
Other Income from Operating Activities	25	4.885.251	1.365.593
Other Expenses from Operating Activities (-)	25	(4.556.439)	(1.028.305)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	5	12.634.392	4.385.568
Investment Activity Income	26	328.884	801.345
Investment Activity Expenses (-)	26	(644.440)	(333.885)
Share of Loss from Investments Accounted for Using Equity Method	4	(143.807)	(542.378)
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)	5	12.175.029	4.310.650
Finance Income	27	4.738.134	3.700.093
Finance Expenses (-)	27	(7.573.596)	(4.207.822)
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX	5	9.339.567	3.802.921
Tax (Expense) Income, Continuing Operations		(3.298.278)	(1.435.655)
- Current Period Tax Income (Expense)	28	(2.430.545)	(1.010.648)
- Deferred Tax Income (Expense)	28	(867.733)	(425.007)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		6.041.289	2.367.266
PROFIT/(LOSS)		6.041.289	2.367.266
Profit/(Loss) Attributable to:		6.041.289	2.367.266
- Non-Controlling Interest	4	2.612.221	1.298.963
- Owners of Parent		3.429.068	1.068.303
Earnings/(Loss) Per Share (Full TRL)	29	5,7913	1,8042
Earnings/(Loss) Per Share From Continuing Operations (Full TRL)	29	5,7913	1,8042

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

	Notes	Audited	
		Current Period January 1- December 31, 2022	Previous Period January 1- December 31, 2021
PROFIT/(LOSS)		6.041.289	2.367.266
OTHER COMPREHENSIVE INCOME			
Other Comprehensive Income that will not be Reclassified to Profit or Loss		(235.999)	(46.072)
Gains (Losses) on Remeasurements of Defined Benefit Plans	19	(294.625)	(56.804)
Taxes Relating to Components of Other Comprehensive Income that will not be reclassified to profit or loss			
be Reclassified to Other Profit or Loss		58.626	10.732
- <i>Deferred Tax Income (Expense)</i>		58.626	10.732
Other Comprehensive Income that will be Reclassified to Profit or Loss		12.358.615	13.672.949
Currency Translation Differences		18.098.992	18.611.660
Currency Translation Differences Reclassified to Profit or Loss	26	-	(455.377)
Other Comprehensive Income (Loss) on Cash Flow Hedge		143.508	21.769
Other Comprehensive Income (Loss) Related with Hedges of Net Investment in Foreign Operations	31	(7.385.178)	(5.603.352)
Taxes Relating to Components of Other Comprehensive Income that will be reclassified to profit or loss			
Reclassified to Other Profit or Loss		1.501.293	1.098.249
- <i>Deferred Tax Income (Expense)</i>		1.501.293	1.098.249
OTHER COMPREHENSIVE INCOME (LOSS)		12.122.616	13.626.877
TOTAL COMPREHENSIVE INCOME (LOSS)		18.163.905	15.994.143
Total Comprehensive Income Attributable to			
- <i>Non-Controlling Interest</i>		10.164.785	8.890.404
- <i>Owners of Parents</i>		7.999.120	7.103.739

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

						Put Option Reserve Fund Related with Non-controlling Interests	Other Accumulated Comprehensive Income that will not be reclassified in Profit or Loss
		Notes	Issued Capital	Inflation Adjustment on Capital	Share Premium/ (Discounts)		Revaluation and Remeasurement Gain/(Loss) (*)
Previous period (January 1 - 31 December 31, 2021)	Beginning Balances		592.105	63.583	1.364.733	6.773	(32.151)
	Transfers		-	-	-	-	-
	Total Comprehensive Income (Loss)		-	-	-	-	(22.491)
	- Profit (Loss)		-	-	-	-	-
	- Other Comprehensive Income (Loss)		-	-	-	-	(22.491)
	Dividends	21	-	-	(1.160.716)	-	-
	Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control	3	-	-	-	-	-
Increase (decrease) through other changes		-	-	-	(6.773)	-	
	Ending Balances		592.105	63.583	204.017	-	(54.642)
Current Period (January 1 - December 31, 2022)	Beginning Balances		592.105	63.583	204.017	-	(54.642)
	Transfers		-	-	-	-	-
	Total Comprehensive Income (Loss)		-	-	-	-	(140.492)
	- Profit (Loss)		-	-	-	-	-
	- Other Comprehensive Income (Loss)		-	-	-	-	(140.492)
	Dividends	21	-	-	(204.017)	-	-
	Transactions With Owners of Non Controlling Interest		-	-	-	-	-
	Ending Balances		592.105	63.583	-	-	(195.134)

(*) Gains (Losses) on Remeasurements of Defined Benefit Plans.

The accompanying notes form an integral part of these consolidated financial statements.

Other Accumulated Comprehensive
Income that will be reclassified in
Profit or Loss

Retained Earnings

Currency Translation Differences	Gains (Losses) on Hedge	Restricted Reserves Appropriated from Profits	Prior Years' Profits or Losses	Current Period Net Profit or Loss	Equity Attributable to Equity Holders of the Parent	Non-Controlling Interests	Total Equity
6.481.026	(2.071.043)	372.939	5.213.040	814.759	12.805.764	12.208.964	25.014.728
-	-	-	814.759	(814.759)	-	-	-
9.147.004	(3.089.077)	-	-	1.068.303	7.103.739	8.890.404	15.994.143
-	-	-	-	1.068.303	1.068.303	1.298.963	2.367.266
9.147.004	(3.089.077)	-	-	-	6.035.436	7.591.441	13.626.877
-	-	-	-	-	(1.160.716)	(439.274)	(1.599.990)
-	-	-	(26.932)	-	(26.932)	(45.045)	(71.977)
-	-	-	-	-	(6.773)	2.362	(4.411)
15.628.030	(5.160.120)	372.939	6.000.867	1.068.303	18.715.082	20.617.411	39.332.493
15.628.030	(5.160.120)	372.939	6.000.867	1.068.303	18.715.082	20.617.411	39.332.493
-	-	78.755	989.548	(1.068.303)	-	-	-
9.117.780	(4.407.236)	-	-	3.429.068	7.999.120	10.164.785	18.163.905
-	-	-	-	3.429.068	3.429.068	2.612.221	6.041.289
9.117.780	(4.407.236)	-	-	-	4.570.052	7.552.564	12.122.616
-	-	(76.889)	(837.335)	-	(1.118.241)	(336.424)	(1.454.665)
-	-	-	-	-	-	540.112	540.112
24.745.810	(9.567.356)	374.805	6.153.080	3.429.068	25.595.961	30.985.884	56.581.845

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

	Notes	Audited	
		January 1- December 31, 2022	January 1- December 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) from Continuing Operation for the Period		12.770.288	8.072.534
Adjustments to Reconcile Profit (Loss)		11.835.592	5.400.279
Adjustments for Depreciation and Amortization Expense	5, 14, 15, 16, 24	4.105.427	2.399.006
Adjustments for Impairment Loss (Reversal)	33	606.932	269.229
Adjustments for Provisions		783.207	292.292
- Adjustments for Provision/(Reversal) for Employee Benefits	33	340.010	118.738
- Adjustments for Other Provisions/(Reversals)	19c	443.197	173.554
Adjustments for Interest (Income) Expenses	33	2.263.014	853.986
Adjustments for Foreign Exchange Losses (Gains)		(431.690)	224.818
Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments	33	1.282.017	91.012
Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method	4	143.807	542.378
Adjustments for Tax (Income) Expenses	28	3.298.278	1.435.655
Adjustments for Losses (Gains) on Disposal of Non-Current Assets	26	(188.505)	(254.167)
Transfer of Currency Translation Differences Previously Accounted as Other Comprehensive Income	26	-	(455.377)
Other Adjustments to Reconcile Profit (Loss)		(26.895)	1.447
Change in Working Capital		(2.478.151)	1.417.535
Adjustments for Decrease (Increase) in Trade Accounts Receivables		(2.832.017)	(2.423.702)
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		(815.351)	(956.564)
Adjustments for Decrease (Increase) in Inventories		(8.307.983)	(3.053.960)
Adjustments for Increase (Decrease) in Trade Accounts Payable		5.869.895	5.955.232
Adjustments for Increase (Decrease) in Other Operating Payables		3.607.305	1.896.529
Cash Flows from (used in) Operations		15.398.730	9.185.080
Payments Related with Provisions for Employee Benefits	19	(104.891)	(60.266)
Income Taxes (Paid) Return		(2.523.551)	(1.052.280)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		(5.669.553)	(5.789.734)
Cash Outflows Arising From Purchase of Shares or Capital Increase of Associates and/or Joint Ventures	4	(1.000)	(87.000)
Proceeds from Sales of Property, Plant, Equipment		410.175	391.022
Cash Outflows Arising from Purchase of Property, Plant, Equipment and Intangible Assets	15, 16	(5.341.418)	(3.115.798)
Cash Outflows Related to Purchases for Obtaining Control of Subsidiaries	33	(243.310)	(2.977.958)
Cash Advances and Funds Given to Related Parties		(494.000)	-
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		3.773.908	(2.124.734)
Proceeds from Borrowings	8a	22.029.433	9.874.194
Repayments of Borrowings	8a	(15.915.036)	(9.160.249)
Payments of Lease Liabilities	8b	(201.072)	(196.066)
Cash Inflows from Settlement of Derivative Instruments		181.836	67.150
Cash Outflows from Settlement of Derivative Instruments		(128.596)	(66.986)
Dividends Paid		(1.450.084)	(2.210.945)
Interest Paid	8a	(2.158.478)	(1.111.793)
Interest Received		595.811	222.825
Cash Outflows Related to Changes in Share of Subsidiaries that will not Result in Loss of Control	3	(78.873)	(393.687)
Other Inflows (Outflows) of Cash	33	898.967	850.823
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS BEFORE CURRENCY TRANSLATION DIFFERENCES		10.874.643	158.066
Effect Of Currency Translation Differences On Cash And Cash Equivalents		2.689.929	1.587.383
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		13.564.572	1.745.449
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6	10.253.584	8.508.135
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6	23.818.156	10.253.584

The accompanying notes form an integral part of these consolidated financial statements.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 1. GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES

General

Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (Anadolu Efes, the Company) was established in İstanbul in 1966. Certain shares of Anadolu Efes are listed on the Borsa İstanbul (BIST).

The registered office of the Company is located at the address "Fatih Sultan Mehmet Mahallesi, Balkan Caddesi No:58, Buyaka E Blok, Tepeüstü, Ümraniye - İstanbul".

The Company, its subsidiaries and joint ventures will be referred to as the "Group". The average number of permanent personnel employed in the Group is 18.460 (December 31, 2021 - 16.701).

The consolidated financial statements of the Group approved by the Board of Directors of the Company and signed by the Chief Financial Officer, Gökçe Yanaşmayan and Finance Director, Kerem İşeri were issued on February 28, 2023. General Assembly and specified regulatory bodies have the right to make amendments to statutory financial statements after issue.

Nature of Activities of the Group

The operations of the Group consist of production, bottling, selling and distribution of beer under a number of trademarks and also production, bottling, distribution and selling of sparkling and still beverages with The Coca- Cola Company (TCCC) trademark.

The Group owns and operates twenty one breweries; three in Türkiye, eleven in Russia and seven in other countries (December 31, 2021 - twenty one breweries; three in Türkiye, eleven in Russia and seven in other countries). The Group makes production of malt in two locations in Türkiye and three locations in Russia (December 31, 2021 - production of malt in two locations in Türkiye and three locations in Russia). Entities carrying out the relevant activities will be referred as "Beer Operations".

The Group operates ten facilities in Türkiye, twenty facilities in other countries for sparkling and still beverages production (December 31, 2021 - ten facilities in Türkiye, nineteen facilities in other countries). Entities carrying out the relevant activities will be referred as "Soft Drink Operations".

The Group also has joint control over Anadolu Etap Penkon Gıda ve Tarım Ürünleri San. ve Tic. A.Ş. (Anadolu Etap), which undertakes production and sales of fruit juice concentrates, purees and fresh fruit sales in Türkiye and Syrian Soft Drink Sales & Dist. LLC (SSDSD), which undertakes distribution and sales of sparkling and still beverages in Syria. In addition, the Company participates in Malty Gıda A.Ş., which produces, distributes and sells malt bars in Türkiye.

List of Shareholders

As of December 31, 2022 and December 31, 2021, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	December 31, 2022		December 31, 2021	
	Amount	(%)	Amount	(%)
AG Anadolu Grubu Holding A.Ş.	254.892	43,05	254.892	43,05
AB Inbev Harmony Ltd.	142.105	24,00	142.105	24,00
Publicly traded and other	195.108	32,95	195.108	32,95
	592.105	100,00	592.105	100,00

The Company is controlled by AG Anadolu Grubu Holding A.Ş., the parent company. AG Anadolu Grubu Holding A.Ş. is controlled by AG Sınai Yatırım ve Yönetim A.Ş. and AG Sınai Yatırım ve Yönetim A.Ş. is a management company, which is ultimately managed by the Özilhan Family and Süleyman Kamil Yazıcı Family in accordance with equal representation and equal management principle and manages AG Anadolu Grubu Holding A.Ş.'s subsidiaries.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 1. GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES (continued)

List of Subsidiaries, Joint Ventures and Associates

The subsidiaries, joint ventures and associates included in the consolidation and their effective shareholding rates at December 31, 2022 and December 31, 2021 are as follows:

	Country	Principal Activity	Segment	Effective Shareholding And Voting Rights %	
				December 31, 2022	December 31, 2021
Subsidiaries					
Efes Breweries International B.V. (EBI)	The Netherlands	Managing foreign investments in breweries	Beer Group	100,00	100,00
JSC FE Efes Kazakhstan Brewery (Efes Kazakhstan)	Kazakhstan	Production and marketing of beer	Beer Group	100,00	100,00
International Beers Trading LLP (IBT)	Kazakhstan	Marketing of beer	Beer Group	100,00	100,00
Efes Vitanta Moldova Brewery S.A. (Efes Moldova)	Moldova	Production and marketing of beer and low alcoholic drinks	Beer Group	96,87	96,87
JSC Lomisi (Efes Georgia)	Georgia	Production and sales of beer and carbonated soft drinks	Beer Group	100,00	100,00
PJSC Efes Ukraine (Efes Ukraine)	Ukraine	Production and marketing of beer	Beer Group	99,94	99,94
Efes Trade BY FLLC (Efes Belarus)	Belarus	Marketing and distribution of beer	Beer Group	100,00	100,00
Efes Holland Technical Management Consultancy B.V. (EHTMC)	The Netherlands	Leasing of intellectual property and similar products	Beer Group	100,00	100,00
AB InBev Efes B.V. (AB InBev Efes)	The Netherlands	Investment company	Beer Group	50,00	50,00
JSC AB Inbev Efes ⁽¹⁾	Russia	Production and marketing of beer	Beer Group	50,00	50,00
PJSC AB Inbev Efes Ukraine ⁽¹⁾	Ukraine	Production and marketing of beer	Beer Group	49,36	49,36
LLC Vostok Solod ⁽²⁾	Russia	Production of malt	Beer Group	50,00	50,00
LLC Bosteels Trade ⁽²⁾	Russia	Selling and distribution of beer	Beer Group	50,00	50,00
LLC Inbev Trade ⁽²⁾	Russia	Production of malt	Beer Group	50,00	50,00
Euro-Asien Brauerein Holding GmbH (Euro-Asien) ^{(1) (5)}	Germany	Investment company	Beer Group	50,00	50,00
Bevmar GmbH (Bevmar) ^{(1) (5)}	Germany	Investment company	Beer Group	50,00	50,00
Efes Pazarlama ve Dağıtım Ticaret A.Ş. (Ef-Pa) ⁽³⁾	Türkiye	Marketing and distribution company of the Group in Türkiye	Beer Group	100,00	100,00
Cypex Co. Ltd. (Cypex)	Northern Cyprus	Marketing and distribution of beer	Beer Group	99,99	99,99
Efes Deutschland GmbH (Efes Germany)	Germany	Marketing and distribution of beer	Beer Group	100,00	100,00
Blue Hub Ventures B.V. (Blue Hub)	The Netherlands	Investment company	Beer Group	100,00	100,00
Efes Brewery S.R.L. (Romania) ⁽⁷⁾	Romania	Marketing and distribution of beer	Beer Group	100,00	-
Coca-Cola İçecek A.Ş. (CCİ) ⁽⁴⁾	Türkiye	Production of Coca-Cola products	Soft Drinks	50,26	50,26
Coca-Cola Satış ve Dağıtım A.Ş. (CCSD)	Türkiye	Distribution and selling of Coca-Cola, Doğadan and Mahmudiye products	Soft Drinks	50,25	50,25
J.V. Coca-Cola Almaty Bottlers LLP (Almaty CC)	Kazakhstan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

	Country	Principal Activity	Segment	Effective Shareholding And Voting Rights %	
				December 31, 2022	December 31, 2021
Azerbaijan Coca-Cola Bottlers LLC (Azerbaijan CC)	Azerbaijan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,19	50,19
Coca-Cola Bishkek Bottlers CJSC (Bishkek CC)	Krygyzstan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
CCI International Holland B.V. (CCI Holland)	The Netherlands	Investment company of CCI	Soft Drinks	50,26	50,26
The Coca-Cola Bottling Company of Jordan Ltd. (Jordan CC)	Jordan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
Turkmenistan Coca-Cola Bottlers Ltd. (Turkmenistan CC) ⁽⁶⁾	Turkmenistan	Production, distribution and selling of Coca Cola products	Soft Drinks	29,90	29,90
Sardkar for Beverage Industry Ltd. (SBIL)	Iraq	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
Waha Beverages B.V.	The Netherlands	Investment company of CCI	Soft Drinks	50,26	50,26
Coca-Cola Beverages Tajikistan LLC (Coca Cola Tacikistan)	Tajikistan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
Al Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC (Al Waha)	Iraq	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
Coca-Cola Beverages Pakistan Ltd (CCBPL) ⁽⁶⁾	Pakistan	Production, distribution and selling of Coca Cola products	Soft Drinks	24,96	24,96
Coca-Cola Bottlers Uzbekistan Ltd. (CCBU)	Uzbekistan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
Joint Ventures					
AEP Anadolu Etap Penkon Gıda ve Tarım Ürünleri San ve Tic. A.Ş. (Anadolu Etap)	Türkiye	Production and sales of fruit juice concentrates and sale of purees and fresh fruit sales	Beer Group	78,58	78,58
Syrian Soft Drink Sales & Dist. LLC (SSDSD)	Syria	Distribution and sales of Coca-Cola products	Soft Drinks	25,13	25,13
Associates					
Malty Gıda A.Ş. (Malty) ⁽⁸⁾	Türkiye	Distribution and sales of malt bars	Beer Group	25,00	-

⁽¹⁾ Subsidiaries that AB Inbev Efes B.V. directly participates.

⁽²⁾ Subsidiaries of JSC AB Inbev Efes.

⁽³⁾ The Company's beer operations in Türkiye form the Türkiye Beer Operations together with Ef-Pa.

⁽⁴⁾ Shares of CCI are currently traded on BIST.

⁽⁵⁾ Liquidation process of Euro-Asien and Bevmar initiated with the BOD decision of AB Inbev Efes B.V. dated December 22, 2021.

⁽⁶⁾ CCBPL and Turkmenistan CC are controlled by CCI and are fully consolidated in accordance with TFRS as the Company has control over CCI.

⁽⁷⁾ Efes Brewery S.R.L. (Romania) was established on June 6, 2022 by EBI with 100% shareholding.

⁽⁸⁾ Blue Hub has participated in Malty Gıda A.Ş. by 28.41%, as of June 1, 2022. Blue Hub did not participate in the capital increase as of August 15, 2022, therefore its shareholding rate decreased to 25,00%.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 1. GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES (continued)

Work Environments and Economic Conditions of Subsidiaries and Joint Ventures in Foreign Countries

Certain countries, in which consolidated subsidiaries and joint ventures operate, have undergone substantial political and economic changes in recent years. Accordingly, such markets do not possess well-developed business infrastructures and the Group's operations in such countries might carry risks, which are not typically associated with those in more developed markets. Uncertainties regarding the political, legal, tax and/or regulatory environment, including the potential for adverse changes in any of these factors, could significantly affect the commercial activities of subsidiaries and joint ventures.

Developments in Russia and Ukraine

The Group is closely following the developments in Russia and Ukraine, where the Group has beer operations. The Group has been taken all possible precautions to ensure the safety of its employees. Accordingly, as of February 24, 2022, breweries were shut down and the sales operations were halted and in the light of the developments in the region, the brewery facility in Chernihiv, Ukraine restarted production as of October 2022.

The Group has evaluated the possible effects of the developments in Russia and Ukraine on the financial statements and reviewed the estimates and assumptions used in the preparation of the consolidated financial statements. In this context, the Group has performed possible impairment tests for financial assets, inventories, property, plant and equipment, right-of-use assets, deferred tax assets, goodwill and brands in the consolidated financial statements as of December 31, 2022; accordingly impairment on inventory amounting to TRL134.849, on trade receivables amounting to TRL639, on PPE amounting to TRL69.879 and impairment on intangible assets amounting to TRL465.913 was recognized in the statement of profit or loss for Ukraine operation. (December 31, 2021: None)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Preparation and Presentation of Consolidated Financial Statements

Statement of Compliance to TFRS

The consolidated financial statements are prepared in accordance with the Capital Markets Board (CMB)'s "Communiqué on Financial Reporting in Capital Market" Numbered II-14,1 (Communiqué), promulgated in the Official Gazette numbered 28676 dated June 13, 2013 and Turkish Accounting/ Financial Reporting Standards (TAS/TFRS) including amendments and interpretations published by Public Oversight Authority (POA) as prescribed in the CMB Communiqué.

The consolidated financial statements are presented in accordance with the specified format in "TFRS Taxonomy Announcement", issued on October 4, 2022 by the POA, and "the Financial Statements Examples and Guidelines for Use", published by the Capital Markets Board (CMB) of Türkiye.

POA made an announcement on January 20, 2022 in order to eliminate the hesitations about the entities which apply Turkish Financial Reporting Standards ("TFRS") will apply TAS 29, "Financial Reporting in Hyperinflationary Economies" (IAS 29 Financial Reporting in Hyperinflationary Economies) or not for the year ended December 31, 2021. In accordance with the announcement, companies that apply TFRS should not adjust financial statements for TAS 29 - Financial Reporting in Hyperinflationary Economies. As of the preparation date of the consolidated financial statements, POA did not make an additional announcement and no adjustment was made to the consolidated financial statements as of December 31, 2022 in accordance with TAS 29.

The Company and its Turkish subsidiaries, associates and joint ventures maintain their books of accounts and prepare their statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance and TFRS. The foreign subsidiaries and joint ventures maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered. These consolidated financial statements have been prepared under historical cost conventions except for financial assets and financial liabilities which are carried at fair value. The consolidated financial statements are based on the statutory records, which are maintained under historical cost conventions, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with TFRS.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.2 Functional and Reporting Currency

Functional and reporting currency of the Company and its subsidiaries, joint ventures located in Türkiye is Turkish Lira.

Functional Currency of Significant Subsidiaries Located in Foreign Countries

Subsidiary/Joint Venture	Local Currency	Functional Currency	
		2022	2021
EBI	European Currency (EURO)	USD	USD
JSC AB Inbev Efes	Russian Ruble (RUR)	RUR	RUR
PJSC AB Inbev Efes Ukraine	Ukraine Hryvnya (UAH)	UAH	UAH
AB InBev Efes B.V.	European Currency (EURO)	USD	USD
Efes Kazakhstan	Kazakh Tenge (KZT)	KZT	KZT
Efes Moldova	Moldovan Leu (MDL)	MDL	MDL
Efes Georgia	Georgian Lari (GEL)	GEL	GEL
EHTMC	European Currency (EURO)	USD	USD
Efes Germany	European Currency (EURO)	EURO	EURO
Almaty CC	Kazakh Tenge (KZT)	KZT	KZT
Azerbaijan CC	Azerbaijani Manat (AZN)	AZN	AZN
Turkmenistan CC	Turkmenistan Manat (TMT)	TMT	TMT
Bishkek CC	Kyrgyz Som (KGS)	KGS	KGS
TCCBCJ	Jordan Dinar (JOD)	JOD	JOD
SIBL	Iraqi Dinar (IQD)	IQD	IQD
SSDSD	Syrian Pound (SYP)	SYP	SYP
CCBPL	Pakistan Rupee (PKR)	PKR	PKR
CCI Holland	European Currency (EURO)	USD	USD
Waha B.V.	European Currency (EURO)	USD	USD
Al Waha	Iraqi Dinar (IQD)	IQD	IQD
Tacikistan CC	Tajikistani Somoni (TJS)	TJS	TJS
CCBU	Uzbekistan Som (UZS)	UZS	UZS

2.3 Significant Accounting Estimates and Decisions

Preparation of consolidated financial statements requires management to make estimations and assumptions which may affect the reported amounts of assets and liabilities as of the statement of financial position date, the disclosure of contingent assets and liabilities and the reported amounts of income and expenses during the financial period. The accounting assessments, estimates and assumptions are reviewed considering past experiences, other factors and reasonable expectations about future events under current conditions. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, they may differ from the actual results (Note 2.5).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.4 Changes in Accounting Policies

Adoption of new and revised Turkish Financial Reporting Standards

New and amended TFRS Standards that are effective for the current year

Standards, amendments, and interpretations applicable as of 31 December 2022:

Amendment to TFRS 16, 'Leases' - Covid-19 related rent concessions Extension of the practical expedient (effective 1 April 2021); As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. In May 2020, the IASB published an amendment to IFRS 16 that provided an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. On 31 March 2021, the IASB published an additional amendment to extend the date of the practical expedient from 30 June 2021 to 30 June 2022. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs.

A number of narrow-scope amendments to TFRS 3, TAS 16, TAS 37 and some annual improvements on TFRS 1, TFRS 9, TAS 41 and TFRS 16; effective from annual periods beginning on or after 1 January 2022.

Amendments to TFRS 3, 'Business combinations' update a reference in TFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

Amendments to TAS 16, 'Property, plant and equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

Amendments to TAS 37, 'Provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making.

Annual improvements make minor amendments to TFRS 1, 'First-time Adoption of TFRS'; TFRS 9, 'Financial Instruments'; TAS 41, 'Agriculture' and the Illustrative Examples accompanying TFRS 16, 'Leases'.

The Group does not expect a material impact on its financial statements and performance.

Standards, amendments, and interpretations that are issued but not effective as of 31 December 2022:

Narrow scope amendments to TAS 1, Practice statement 2 and TAS 8; effective from annual periods beginning on or after 1 January 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.

Amendment to TAS 12 - Deferred tax related to assets and liabilities arising from a single transaction; effective from annual periods beginning on or after 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.

Amendment to TFRS 16 - Leases on sale and leaseback; effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in TFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

Amendment to TAS 1 - Non current liabilities with covenants; effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

TFRS 17, 'Insurance Contracts', as amended in December 2021; effective from annual periods beginning on or after 1 January 2023. This standard replaces TFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. TFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.

The Group does not expect a material impact on its financial statements and performance.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.5 Changes in Accounting Estimates

The accounting estimates of the Group are adopted to be the consistent with prior years and there is no material changes in accounting estimates other than the developments in Ukraine disclosed in Note 1.

2.6 Offsetting

Financial assets and liabilities are offset and the net amount are reported in the consolidated financial statements when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liabilities simultaneously.

2.7 Classification and Measurement of Financial Assets

Group classified its financial assets in three categories; financial assets carried at amortized cost, financial assets carried at fair value through profit or loss, financial assets carried at fair value through other comprehensive income. Classification is performed in accordance with the business model determined based on the purpose of benefits from financial assets and expected cash flows. Management performs the classification of financial assets at the acquisition date.

- a) *Financial assets carried at amortized cost*: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, whose payments are fixed or predetermined, which are not actively traded and which are not derivative instruments are measured at amortized cost. They are included in current assets, except for maturities more than 12 months after the balance sheet date. Those with maturities more than 12 months are classified as non-current assets. The Group's financial assets carried at amortized cost comprise "trade receivables" and "cash and cash equivalents" in the statement of financial position. The Group's trade receivables, which are recognized at amortized cost in the consolidated financial statements, do not contain a significant financing component.
- b) *Financial assets carried at fair value through other comprehensive income*: Financial assets carried at fair value through other comprehensive income comprise of "financial assets" in the statement of financial position. When the financial assets carried at fair value through other comprehensive income are sold, fair value gain or loss classified in other comprehensive income is classified to retained earnings.
- c) *Financial assets at fair value through profit or loss*: Assets that are not measured at amortised cost or at fair value through other comprehensive income. Financial assets are measured at fair value through profit or loss if they are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Gains and losses resulting from the valuation of these assets are accounted in the consolidated statement of income.

Financial Assets

Cash and Cash Equivalents	Amortized cost
Trade Receivable and Other Receivable	Amortized cost
Derivative Financial Assets	Fair value through profit or loss
Derivative Financial Assets	Fair value through other comprehensive income

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.8 Classification and Measurement of Financial Liabilities

Financial liabilities are classified as at fair value on initial recognition. On initial recognition of liabilities other than those that are recognized at fair value though profit or loss, transaction costs directly attributable to the acquisition or issuance thereof are also recognized in the fair value. A financial liability is subsequently classified at amortized cost except:

- Financial liabilities at fair value though profit or loss:* These liabilities including derivative instruments are subsequently measured at fair value.
- Financial liabilities arising if the transfer of the financial asset does not meet the conditions of derecognition from the financial statements or if the ongoing relationship approach is applied:* When the Group continues to present an asset based on the ongoing relationship approach, a liability in relation to this is also recognized in the financial statements. The transferred asset and the related liability are measured to reflect the rights and liabilities that the Group continues to hold. The transferred liability is measured in the same manner as the net book value of the transferred asset.
- A contingent consideration recognized in the financial statements by the entity acquired in a business combination where TFRS 3 is applied:* After initial recognition, the related contingent consideration is measured as at fair value though profit or loss.

The Group does not reclassify any financial liability.

The Group's trade payables, which are recognized at amortized cost in the consolidated financial statements, do not contain a significant financing component.

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Financial Liabilities

Derivative Financial Liabilities	Fair value through profit or loss
Derivative Financial Liabilities	Fair value through other comprehensive income
Bank Loans	Amortized cost
Lease Liabilities	Amortized cost
Trade Payables and Other Payables	Amortized cost

2.9 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the parent company, Anadolu Efes, its subsidiaries drawn up to the reporting date. The financial statements of the companies included in the consolidation have been prepared based on the accounting policies and presentation formats adopted by the Group in accordance with CMB Financial Reporting Standards.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated by using the full consolidation method; therefore, the carrying value of subsidiaries is eliminated against the related shareholders' equity. The equity and net income attributable to minority shareholders' interests of subsidiaries are shown separately in the consolidated balance sheet and consolidated income loss statement.

The Company and The Coca Cola Export Corporation (TCCEC) which owns 20,09% shares of CCI, decided to change some of the provisions defined as the "important decisions" in the Association Agreement which is effective from January 1, 2013. As a result of this change, in accordance with the Shareholders' Agreement, TCCEC will have certain protective rights on major decisions. As a result, with effect from January 1, 2013, Anadolu Efes gained control over CCI and started to include CCI and its subsidiaries in consolidation scope.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.9 Basis of Consolidation (continued)

A joint venture agreement was signed between EBI and AB Inbev Efes BV with a 50% stake in Anheuser Busch InBev SA/NV (AB InBev). As a result of this partnership agreement has gained control over JSC Sun InBev, PJSC Sun InBev Ukraine and Bevmar GmbH. In addition to that EBI's control over Euro-Asien is continuing. Therefore, since March 29, 2018 EBI has started to consolidate companies of JSC Sun InBev, PJSC Sun InBev Ukraine ve Bevmar GmbH. As of March 29, 2018 Euro-Asien, which were previously consolidated with a 100% direct final ratio, continued to be consolidated with a 50% direct ownership to EBI.

Joint ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by the Group and its subsidiaries together with one or more other parties. The Group's interest in joint ventures is accounted with equity method starting from January 1, 2013 according to TFRS 11.

The shareholder agreement signed between the company and Özgörkey Holding A.Ş., which owns 21,42% shares of Anadolu Etap on December 3, 2019, and Anadolu Etap's management structure does not allow any shareholder to control Anadolu Etap on its own. Anadolu Etap, is currently being accounted to Group's financials on equity method and will continue to be accounted by using equity method during the period of validity of the shareholder agreement terms.(Note 35)

Intercompany balances and transactions, including intercompany profits and unrealized profits and losses are eliminated. Consolidated financial statements are prepared using uniform accounting policies for similar transactions and other events in similar circumstances.

The acquisition method of accounting is used for business combinations. Subsidiaries, joint ventures or investment in associates, acquired or disposed of during the year are included in the consolidated financial statements from the date of acquisition or to the date of disposal.

2.10 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank deposits and short-term investments, which can easily be converted into cash for a certain amount, has high liquidity with original maturities of 3 months or less. In accordance with TAS 7, bank deposits with a maturity of more than 3 months as of the acquisition date are reclassified to short term financial investments. However, Group recognises bank deposits with a maturity more than 3 months, which are considered to be highly liquid and do not include interest loss and penalty if compromised before maturity, to cash and cash equivalents. The deposits with the original maturities more than 3 months are classified to financial investments. The amounts paid under reverse repurchase agreements are included in the cash and cash equivalents.

2.11 Trade Receivables and Expected Credit Loss

Trade receivables that are originated by the Group by the way of providing goods or services are generally collected in 14 to 65 day terms. Trade receivables are recognized at net book value which is invoice amounts less an allowance for any uncollectible amounts. Expected credit loss is recognized by using the expected credit loss defined in TFRS 9. Expected credit losses are calculated based on Group's future estimates and experience over the past years.

2.12 Related Parties

Parties are considered to be related if one party directly or indirectly has the ability to control the other party or exercise significant influence over the other party in making the financial and operating decisions or be the associate of the Group. Related parties also include individuals who are principle owners, management and members of the Group's board of directors and their families. Amounts due from and due to related parties are carried at cost. Related party transactions are transfers of resources, services or obligations between related parties, regardless of whether a price is charged.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.13 Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution. Cost is determined primarily on the basis of the weighted average cost method. For processed inventories, cost includes direct materials, direct labor and the applicable allocation of fixed and variable overhead costs based on a normal operating capacity. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale. When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in statement of income/(loss) in the period the write-down or loss occurred. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the original write-down. Such situations may occur with the improvements observed in aging analysis and the disappearance of the unfavorable conditions that constitute the current assumptions.

2.14 Financial Investments

According to TFRS 9, all investments in equity instruments are to be measured at fair value.

2.15 Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost less accumulated depreciation and any impairment in value. Land is not depreciated. Depreciation is computed by the straight-line method over the following estimated useful lives:

Buildings and land improvements	5-49 years
Machinery and equipment	6-20 years
Leasehold improvements	4-20 years
Furnitures and fixtures	5-10 years
Vehicles	5-10 years
Returnable bottles and cases	5-10 years
Other tangible assets	5-12 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. The increase in the carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years. The increase is recognized in the consolidated income statement (Note 26).

Expenses for repair and maintenance of property, plant and equipment are normally charged to the income statement. They are, however, capitalized and depreciated through the estimated useful life of the property, plant and equipment in exceptional cases if they result in an enlargement or substantial improvement of the respective assets.

The Group management recognizes returnable bottles as property, plant and equipment. The Group sells its products also in non-returnable bottles. For such sales, there is no deposit obligation of the Group.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.16 Leases

Group - as a lessee

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group considers following indicators for the assessment of whether a contract conveys the right to control the use of an identified asset for a period of time or not:

- The contract includes an identified asset (contract includes a definition of a specified asset explicitly or implicitly),
- A capacity portion of an asset is physically distinct or represents substantially all of the capacity of an asset (if the supplier has a substantive right to substitute the asset and obtain economic benefits from use of the asset, then the asset is not an identified asset),
- Group has the right to obtain substantially all of the economic benefits from use of the identified asset,
- Group has the right to direct the use of an identified asset.

Group has the right to direct the use of the asset throughout the period of use only if either:

- a) Group has the right to direct how and for what purpose the asset is used throughout the period of use or
- b) Relevant decisions about how and for what purpose the asset is used are predetermined:
 - i. Group has the right to operate the asset (or to direct others to operate the asset in a manner that it determines) throughout the period of use, without the supplier having the right to change those operating instructions; or
 - ii. Group designed the asset (or specific aspects of the asset) in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

Group recognises a right-of-use asset and a lease liability at the commencement date of the lease following the consideration of the above mentioned factors.

Right-of-use asset

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

- a) the amount of the initial measurement of the lease liability,
- b) any lease payments made at or before the commencement date, less any lease incentives received,
- c) any initial direct costs incurred by the Group, and
- d) an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease (unless those costs are incurred to produce inventories).

When applying the cost model, Group measures the right-of-use asset at cost:

- a) less any accumulated depreciation and any accumulated impairment losses; and
- b) adjusted for any remeasurement of the lease liability.

Group applies the depreciation requirements in TAS 16 Property, Plant and Equipment Standard in depreciating the right-of-use asset.

Group applies TAS 36 Impairment of Assets Standard to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.16 Leases (continued)

Lease liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease, if that rate can be readily determined, or by using the Group's incremental borrowing rate.

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date.:

- fixed payments, less any lease incentives receivable,
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, Group measures the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability,
- reducing the carrying amount to reflect the lease payments made, and
- remeasuring the carrying amount to reflect any reassessment or lease modifications. The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Practical expedients

The short-term lease agreements with a lease term of 12 months or less and agreements related to information technology equipment leases (mainly printer, laptop, mobile phone etc.), which are determined by the Group as low value, have been evaluated within the scope of practical expedients introduced by the TFRS 16 Leases Standard and related lease payments are recognised as an expense in the period in which they are incurred.

Group - as a lessor

All the leases that Group is the lessor are operating leases. Assets leased out under operating leases are classified under investment properties, property, plant and equipment or other current assets in the consolidated balance sheet. Rental income is recognised in the consolidated statement of income on a straight-line basis over the lease term.

Additional Information for Leases;

	1 January- December 31, 2022	1 January- December 31, 2021
Interest expenses related to leases (Note 27)	(82.448)	(46.577)
Rent expenses outside the scope of TFRS 16 (Note 22, 23)	(170.015)	(105.114)
Expenses related to variable rent contracts	-	-
Interest income from sub-lease receivables (Note 14, 27)	9.934	6.070
Payments of Lease Liabilities (Note 8b)	(201.072)	(196.066)
Gain/(Loss) of sales and leaseback transactions	-	-

Additions, depreciation expenses and net book values by underlying right-of-use assets are presented in Note 14.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.17 Other Intangible Assets

Intangible assets acquired separately from a business are capitalized at cost.

Intangible assets acquired as part of an acquisition of a business are capitalized separately from goodwill, if the fair value can be measured reliably. Intangible assets, excluding development costs, created within the business are not capitalized and expenditure is charged against profits in the year in which it is incurred. Intangible assets are amortized on a straight-line basis over the best estimate of their useful lives. Intangible assets with indefinite useful life formed in the financial statements in accordance with purchase method, are not subject to amortization and the carrying amounts of such intangibles are reviewed for impairment at least annually and whenever there is an indication of possible impairment.

a) Brands

The brands, which belong to International Beer Operations and which are acquired as part of a business combination, are carried at their fair value and brands are separately carried at cost in the financial statements. The Group expects that the brands will generate cash inflow indefinitely and therefore are not amortized. Brands are tested for impairment annually.

b) Bottlers and Distribution Agreements

- i) Bottlers and distribution agreements that are signed with the Coca Cola Company identified in the financial statements of the subsidiaries acquired through change in scope of consolidation in 2013.
- ii) "Distribution Agreements" that are signed related with various brands identified in the fair value financial statements of the subsidiaries acquired by EBI in 2012 and 2018.

Since the Group management expects to renew these agreements without any additional costs after expiration, it is decided that there are no definite useful lives of such assets. The intangible assets relating to the bottlers and distribution agreements are therefore not amortized. Bottlers and distribution agreements are tested for impairment annually.

c) License Agreements

License and distribution agreements includes, the agreements that are signed related with various brands identified in the fair value financial statements of subsidiaries acquired in 2012 and 2018 by EBI in the scope of consolidation. Since the Group management expects to renew these agreements without any additional costs after expiration, it is decided that there are no definite useful lives of such assets. The intangible assets relating to the bottlers and distribution agreements are therefore not amortized. License and distribution agreements are tested for impairment annually.

d) Rights

The rights acquired as part of a business combination is carried at their fair value and if they are acquired separately, then they are carried at cost in the financial statements. Rights in the consolidated financial statements comprise mainly water sources usage rights and are amortized on a straight-line basis over 9 to 40 years.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.18 Business Combinations and Goodwill

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in profit or loss as a bargain purchase.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

2.19 Trade Payables

Trade payables are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. Such financial liabilities are initially recognised at fair value and represented by the original invoice amount.

2.20 Borrowings

All borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, borrowings are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses are recognized in net profit or loss when the obligations related with the borrowings are removed.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer the settlement of the liability for at least 12 months after the balance sheet date.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.21 Current Income Tax and Deferred Tax

The tax expense for the year comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized directly in equity. In such case, the tax is also recognized in equity. The current income tax charge is calculated in accordance with the tax laws enacted or substantively enacted at the balance sheet date in the countries where the subsidiaries and joint ventures of the Group operate.

Corporate Tax Rate of Significant Subsidiaries Located in Foreign Countries

	December 31, 2022	December 31, 2021
Türkiye (Note 28)	23%	25%
The Netherlands	25%	25%
Russia	20%	20%
Kazakhstan	20%	20%
Moldova	12%	12%
Georgia	-	-
Ukraine	18%	18%
Azerbaijan	20%	20%
Krygyzstan	10%	10%
Pakistan	33%	29%
Iraq	15%	15%
Jordan	19%	18%
Turkmenistan	8%	8%
Tajikistan	13%	13%
Uzbekistan	15%	15%

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax related to the equity items is carried under the equity and not reflected to income statement. Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent of the probability that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to net off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxation authority.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.22 Employee Benefits

a) Defined Benefit Plans

In accordance with existing social legislation in Türkiye, the Group companies operating in Türkiye are required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Group and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. In the consolidated financial statements the Group has reflected a liability using the Projected Unit Credit Method and based on estimated inflation rates and factors derived using the Group's experience of personnel terminating their services and being eligible to receive such benefits and discounted by using the current market yield at the balance sheet date on government bonds.

Also, CCBPL has gratuity fund provision as a defined benefit plan and calculated in accordance with TAS 19 "Employee Benefits" using actuarial works. Employee is eligible for gratuity after completing 3 years with the Company and can take his accrued gratuity amount at the time of separation from the Company or at retirement age. This provision is calculated by actuarial firm and the actuarial gain/loss accumulated on this provision is reflected to the income statement. Changes in actuarial assumptions and the fluctuations between actuarial assumptions and the actual results are reflected as other comprehensive income to equity.

b) Defined Contribution Plans

The Group pays contributions to the Social Security Institution of Türkiye on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are paid.

c) Long Term Incentive Plans

In Türkiye, the Group provides a benefit to its employees over a certain seniority level under the name "long term incentive plan". Provision for long term incentive plan accrued in consolidated financial statements reflects the discounted value of the estimated total provision of possible future liabilities until the financial statement date.

2.23 Provisions, Contingent Assets and Liabilities

a) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

b) Contingent Assets and Liabilities

Contingent liabilities are not recognized in the consolidated financial statements, but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the consolidated financial statements, but disclosed when an inflow of economic benefits is probable.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.24 Foreign Currency Translations

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are recorded in the consolidated income statement of the relevant period, as foreign currency loss or gain. Buying and selling foreign currency translation rates announced by the Central Bank of the Republic of Türkiye and used by the Group's subsidiaries in Türkiye as of respective year-ends are as follows:

Date	USD/TRL(full)		EURO/TRL(full)	
	Buying	Selling	Buying	Selling
December 31, 2022	18,6983	18,7320	19,9349	19,9708
December 31, 2021	13,3290	13,3530	15,0867	15,1139

The assets of subsidiaries and joint ventures operating in foreign countries are translated at the rate of exchange ruling at the balance sheet date and the equity items are translated using the exchange rates at the date of the transaction (The assets of subsidiaries and joint ventures operating in Türkiye are translated at the buying rate of exchange ruling at the balance sheet date, the liabilities are translated at the selling rate of exchange ruling at the balance sheet date). The income statements of foreign subsidiaries and joint ventures are translated at average exchange rates. Differences resulting from the deviation between the values of investment related to equity accounts of consolidated subsidiaries and joint ventures and the appreciation of foreign currencies against the Turkish Lira are accounted to equity as "currency translation differences". Goodwill and fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the acquiring company and are recorded at the exchange rate of balance sheet date. On disposal of a foreign entity, currency translation differences are recognized in the income statement as a component of the gain or loss on disposal.

2.25 Paid in Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

2.26 Dividends Payable

Dividends payable are recognized as an appropriation of profit in the period in which they are declared.

2.27 Events After Reporting Period

The Group adjusts the amount recognized in its financial statements to reflect the adjusting events after the balance sheet date. If non-adjusting events after the balance sheet date have material influence on the economic decisions of users of the financial statements, they are disclosed in the notes to the consolidated financial statements.

2.28 Investment Incentives

According to the Corporate Tax Law No. 5520, Article 32/A, the Group can benefit from reduced corporate tax for earnings from investments tied to an incentive certificate. In case the corporate tax amount to be paid every year until the investment contribution amount is reached, which is calculated according to the determined investment contribution rate, this incentive is benefited by applying the relevant discount rate in the corporate tax. In accordance with investment incentive certificates, Value Added Tax ("VAT") and customs tax incentives are also utilized.

2.29 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is presented net after sales returns and discounts, value-added taxes and sales taxes. Revenue is recognized by taking into account the following criteria:

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.29 Revenue (continued)

a) Sale of Goods

Revenue is generated from beer and soft drinks sales to domestic and foreign dealers and customers and by-product sales. Revenues are recognised on an accrual basis at the time deliveries are made, the amount of revenue can be measured reliably and it's probable that the economic benefits associated with the transaction will flow to the Company at the fair value of considerations received or receivable. Net sales represent the invoiced value of goods shipped or services given without value added tax less sales returns and sales discounts.

Revenue recognition:

Group recognizes revenue when the goods or services is transferred to the customer and when performance obligation is fulfilled. Goods is counted to be transferred when the control belongs to the customer.

Group recognizes revenue based on the following main principles:

- Identification of customer contracts
- Identification of performance obligations
- Determination of transaction price in the contract
- Allocation of price to performance obligations
- Recognition of revenue when the performance obligations are fulfilled

The Group assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some sales taxes).

A customer receives a discount for purchasing a bundle of goods or services if the sum of the stand-alone selling prices of those promised goods or services in the contract exceeds the promised consideration in a contract. Except when the Group has observable evidence that the entire discount relates to only one or more, but not all, performance obligations in a contract, the Group allocates a discount proportionately to all performance obligations in the contract.

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. When (or as) a performance obligation is satisfied, the Group recognises as revenue the amount of the transaction price that is allocated to that performance obligation. An asset is transferred when (or as) the customer obtains control of that asset.

Group recognized revenue from its customers only when all of the following criteria are met:

- The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations,
- Group can identify each party's rights regarding the goods or services to be transferred,
- Group can identify the payment terms for the goods or services to be transferred;
- The contract has commercial substance,
- It is probable that Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.29 Revenue (continued)

a) Sale of Goods (continued)

Sale of goods: Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably

The Group does not adjust the promised amount of consideration for the effects of a significant financing component if the Group expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

a) Interest Income

Interest income is recognized as the interest accrues. Interest income is reflected under the “financial income” in the consolidated income statement.

b) Dividend Income

Dividend income is recognized when the right to collect the dividend is established.

2.30 Borrowing Costs

Borrowing costs include interest charges and other costs incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized. Borrowing costs other than these are recorded as expensed at the date they are incurred.

2.31 Segment Reporting

The management monitors the operating results of its two business units separately for the purpose of making decisions about the resource allocation and performance assessment. The two operating segments are Beer Operations (Beer Group) and Soft Drinks Operations (Soft Drinks).

Segment performance is evaluated based on EBITDA BNRI which is calculated excluding profit from discontinued operations and the following effects from profit from continuing operations attributable to our equity holders: (i) non-controlling interest, (ii) tax (expense)/income, (iii) share of gain/(loss) of investments accounted using equity method, (iv) financial income/(expense), (v) investment activity income/(expense) (vi) foreign exchange gains/(losses) arising from operating activities (vii) depreciation, amortization and other non- cash items and (viii) non-recurring items above EBIT. Non-recurring items are either income or expenses which do not occur regularly as part of the normal activities of the Group.

EBITDA BNRI is not an accounting measure under TFRS accounting and does not have a standard calculation method however it has been considered as the optimum indicator for the evaluation of the performance of the operating segments by considering the comparability with the entities in the same business.

2.32 Earnings per Share

Earnings per share in the consolidated income statements are calculated by dividing the net profit for the year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. In Türkiye, companies can increase their share capital by making distribution of free shares to existing shareholders from inflation adjustment to shareholders equity. The Group has no dilutive instruments.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.32 Earnings per Share (continued)

For the purpose of the earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted with respect to free shares issued without corresponding change in resources by giving them retroactive effect for the period in which they were issued and each earlier period.

2.33 Reporting of Cash Flows

In the consolidated statement of cash flows, cash flows are classified and reported according to their operating, investing and financing activities. Cash flows related with investing activities present the cash flows provided from and used in the Group's investing activities and cash flows related with financing activities present the proceeds and repayments of sources in the Group's financing activities.

2.34 Hedge Accounting

For the purpose of hedge accounting, hedges that have been part of the Group are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment that is attributable to a particular risk and could affect profit or loss (except for foreign currency risk)
- Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment that could affect profit or loss.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes

in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

For fair value hedges, the change in the fair value of a hedging instrument is recognized in the statement of consolidated income. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the statement of consolidated income as part of financial income and expense.

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognized directly as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the statement of consolidated income as part of financial income and expense. Amounts recognized as other comprehensive income are transferred to the statement of consolidated income when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast purchase occurs.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.34 Hedge Accounting (continued)

The effective portion of change in fair value of derivative instruments designated as hedging instruments in cash flow hedges is recognized in the consolidated statement of comprehensive income. The Group calculates the fair values of financial instruments that do not have an active market by using market data, using similar transactions, reference to fair value of similar instruments and discounted cash flow analysis.

Foreign Currency Hedge of Net Investments in Foreign Operations

Group that is determined to be effective on the gain or loss arising from the hedging instrument related to the net investments in foreign subsidiaries operating in foreign countries is recognized directly in equity and the ineffective portion is recognized in the statement of profit or loss. In the case of disposal of a foreign subsidiary, the amount recognized in equity for the hedging instrument is recognized in profit or loss.

Other derivatives not designated for hedge accounting

Other derivatives not designated for hedge accounting are recognized initially at fair value; attributable transaction costs are recognized in the consolidated statement of profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes in the fair value of such derivatives are recognized in the consolidated income statement as part of finance income and costs.

2.35 Use of Assumptions and Accounting Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of balance sheet date. Actual results may vary from the current estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in income statement in the periods in which they become known. The source of the estimates and assumptions which may cause to significant adjustments at assets and liabilities at following periods as of balance sheet date are as follows:

- a) Group management has made important assumptions in determining the useful economic lives of property, plant and equipment in line with the experience of its technical team. (Note 15).
- b) The Group reviews its assets in order to set aside a provision for impairment when it is revealed that the recoverable amount of property, plant and equipment are below the carrying amount in line with developing events or changing conditions. In such a case, assets and cash-generating units are shown at their recoverable amount. The recoverable amount of assets is the higher of their fair value or value in use, including costs of disposal. (Note 15).
- c) Expected credit loss is recognized by using the expected credit loss defined in TFRS 9. Expected credit losses are calculated based on Group's future estimates and experience over the past years. (Note 10)
- d) During the assessment of the reserve for inventory allowance the following are considered; analyzing the inventories physically and historically, considering the employment and usefulness of the inventories respecting to the technical personnel view. Sales prices listed, average discount rates given for sale and expected cost incurred to sell are used to determine the net realizable value of the inventories (Note 12).
- e) The Group performs impairment test for property, plant and equipment, intangible assets with indefinite useful life and goodwill annually or when circumstances indicate that the carrying amount may be impaired. As of December 31, 2022, impairment test for the intangible assets with indefinite useful life and goodwill is generated by comparing its carrying amount with the recoverable amount. Recoverable amount is the highest of fair value less costs of disposal and value in use. The Group has assumed the recoverable amount as value in use in the impairment tests.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.35 Use of Assumptions and Accounting Estimates (continued)

In the calculations regarding the impairment test performed based on five to ten-year periods, free cash flow estimates based on the financial budget covering the three-year period approved by the board of directors were taken as basis; Estimated free cash flows after the three-year period are calculated using expected growth rates. Since the Group's operations are in emerging market conditions, these calculations are also based on estimates longer than five years.

Estimated free cash flows are discounted to their net present value. Information such as growth rates in the markets, GDP per capita and price indexes have been obtained from external sources. Estimates regarding variables such as product and raw material prices, working capital needs and capital expenditures are based on the Group's projections and prior period realizations.

In this test, estimated cash flows based on strategic business plans approved by the board of directors have been used. The main assumptions used within the cash generating units for the impairment test are as follows;

	Terminal Growth Rates	Weighted Average Cost of Capital
JSC AB Inbev Efes	4,00%	12,13%
JSC Lomisi (Efes Georgia)	3,00%	12,80%
Almaty CC	8,20%	11,39%
Azerbaijan CC	6,44%	11,30%
Turkmenistan CC	14,80%	23,26%
Bishkek CC	10,80%	18,64%
TCCBCJ	3,16%	11,32%
CCBPL	14,00%	19,25%
SBIL	4,40%	11,61%
Al Waha	4,40%	11,61%
Tacikistan CC	10,58%	18,97%

In the sensitivity analysis performed; It has been observed that the recoverable amount are above the carrying amount in all cash generating units when each key assumption which are constant growth rate, weighted average cost of capital and EBITDA growth expectation, is assumed to be 1% more negative with other variables held constant. Accordingly, no provision for impairment is required.

- f) The discount rates related with retirement pay liability are actuarial assumptions determined with future salary increase and the employee's turnover rates (Note 19).
- g) Deferred tax asset is only recorded if it is probable that a taxable income will be realized in the future. Under the circumstances that a taxable income will be realized in the future, deferred tax is calculated over the temporary differences by carrying forward the deferred tax asset in the previous years and the accumulated losses. As of December 31, 2022, the estimations made to indicate that the Group will incur taxable profits in the future periods were reasonable and deferred tax asset was recorded (Note 28).
- h) The Group accounts its returnable bottles liabilities under other payables within the framework of the accounting policies. The Group accounts its liabilities related to the part of current returnable bottles available in the market that expected to return in the future periods based on its estimates and assumptions. (Note 11)
- i) The depreciation is applied according to the terms of the contract for the Group's cash concession agreements (Note 13)

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.36 Comparative Information and Restatement of Prior Period Financial Statements

The consolidated financial statements of the Group are prepared in comparison with the previous period in order to allow the determination of financial status and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is restated or classified when necessary and significant differences are accordingly disclosed. In the current period, the Group has made some restatements and reclassifications in the prior period's consolidated financial statements.

Reclassifications made based on PPA for the acquisition of CCBU in the financial statements dated September 30, 2021:

The transactions related to the identification of the acquisition of LLC Coca-Cola Bottlers Uzbekistan (CCBU) shares and determination of the fair values of the identifiable assets, liabilities and contingent liabilities in the financial statement of the company have been completed within the scope of TFRS 3 "Business Combinations".

The Group has accounted for the aforementioned merger transaction based on the fair values of the assets, liabilities and contingent liabilities at the date of acquisition in the financial statements of CCBU. As of September 30, 2021, the Group recognized "temporary" goodwill amounting to TRL 2.302.469 as the difference between total consideration amounting to TRL 3.032.087 and "temporary" fair value (net book value) of CCBU's assets, liabilities and contingent liabilities amounting to TRL 729.618. When Purchase Price Allocation ("PPA") process completed, the Group has determined that the fair value is CCBU is amounting to TRL 2.549.503 and accordingly goodwill is amounting to TRL 482.584 considering bottling and distribution agreements in other intangible assets and its deferred tax liability are amounting to TRL 2.141.042 and (-) TRL 321.157 (after tax TRL 1.819.855).

The fair values of CCBU's net assets in its financial statements as of the date of acquisition are as follows:

	CCBU Net Book Value	CCBU Fair Value
Cash and cash equivalents	76.944	76.944
Financial Investments	93.324	93.324
Trade receivables	7.676	7.676
Inventories	203.348	203.348
Other current assets	219.077	219.077
Property, plant and equipment	291.831	291.831
Other intangible assets	-	2.141.042
Other non-current assets	4.867	4.867
Trade payables	(167.449)	(167.449)
Deferred tax liabilities	-	(321.157)
Net assets/(liabilities)	729.618	2.549.503
Total consideration (including put option)	3.032.087	3.032.087
Net asset/liability consolidated by the Group	(729.618)	(2.549.503)
Goodwill	2.302.469	482.584

Reclassifications made based on PPA for the acquisition of CBBU in the financial statements dated December 31, 2021:

As of December 31, 2021, as stated above, the temporary goodwill presented as TRL 3.410.144 with currency translation differences has been adjusted as TRL 714.746 based on PPA. Accordingly, bottling and distribution agreements including currency translation differences amounting to TRL 3.171.057 has been reclassified to "Other intangible assets" and its tax effect amounting to TRL 475.659 has been reclassified to "Deferred tax liability" (after tax is TRL 2.695.398). The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.36 Comparative Information and Restatement of Prior Period Financial Statements (continued)

Other reclassifications made in the financial statements dated December 31, 2021:

A payable amounting to TRL72.313 has been reclassified from "Trade Payables" to "Other Payables" account. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

A deposit taken amounting to TRL4.760 has been reclassified from "Other Current Liabilities" to "Other Payables" account. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

An accrued expense amounting to TRL4.549 has been reclassified from "Other Current Liabilities" to "Trade Payables" account. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

A lawsuit provision amounting to TRL3.213 has been reclassified from "Other Current Liabilities" to "Other Current Provisions" account. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

A deferred income amounting to TRL4.298 has been reclassified from "Other Current Liabilities" to "Deferred Income" account. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

An advance taken amounting to TRL9.017 has been reclassified from "Other Current Liabilities" to "Deferred Income" account. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

A payable amounting to TRL2.377 has been reclassified from "Other Payables" to "Employee Benefit Obligations" account. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

An advance taken amounting to TRL3.068 has been reclassified from "Other Payables" to "Deferred Income" account. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

A discount amounting to TRL11.624 has been reclassified from "Sales, Distribution and Marketing Expenses" to "Revenue" account. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

NOTE 3. BUSINESS COMBINATIONS

Transactions Related with 2022

There is no transactions related with 2022.

Transactions Related with 2021

Purchases for Obtaining Control of Subsidiaries

Obtaining the control of Coca-Cola Bottlers Uzbekistan (CCBU) and the accounting of this transaction explained in Note 2.36.

Changes in Ownership Interests in Subsidiaries that do not result in Loss of Control

Waha Beverages B.V.

According to the CMB announcement on October, 27 2021, Coca-Cola İçecek A.Ş. (CCİ) completed the acquisition of a minority stake owned by European Refreshments (ER), a wholly owned subsidiary of The Coca-Cola Company (TCCC), of 19.97% in Waha Beverages B.V. (Waha BV) the holding company for Al Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC a company incorporated in Baghdad ("Al Waha"). ER exercised its put option under a shareholders agreement entered between ER and CCİ in 2013, that became exercisable between December 31, 2016 and 2022.

Pursuant to ER's decision to exercise its put option and upon execution of a notarial deed of transfer and its registration, ER transferred its 19.97% stake in Waha BV to CCİ in consideration of a sum of TRL 393.687 paid by CCİ. Resultantly, CCİ became the sole owner of Waha B.V. with a 100,0% direct stake and of Al Waha by extension.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 3. BUSINESS COMBINATIONS (continued)

Changes in Ownership Interests in Subsidiaries that do not result in Loss of Control (continued)

The Coca-Cola Bottling Company of Jordan Ltd. (Jordan CC)

Coca-Cola İçecek A.Ş. (CCI), through its wholly owned subsidiary CCI International Holland BV (“CCI Holland”), purchased 10,0% stake in The Coca-Cola Bottling Company of Jordan Limited (“Jordan CC”) from Atlantic Industries Company, a subsidiary of The Coca-Cola Company (TCCC), for a total consideration of USD 5,4 million (TRL 71.977). The payment made in the following year regarding to the purchase is TRY 78.873, including the foreign exchange differences. As a result, CCI became the sole owner of TCCBCJ with a 100,0% indirect stake through CCI Holland.

Changes in Ownership Interests in Joint Ventures

Anadolu Etap

The Company’s ownership in Anadolu Etap has been increased to 76,22% from 78,58% on June 28, 2021 following the capital increase by TRL87.000. Anadolu Etap, which is currently being consolidated to Group’s financial statements by using the equity method, will continue to be accounted by using equity method, as the current governance structure and agreements among the shareholders of the Anadolu Etap does not allow any shareholder to fully control and consolidate.

NOTE 4. INFORMATION ABOUT MATERIAL NON-CONTROLLING INTERESTS IN SUBSIDIARIES AND INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

a) Information about material non-controlling interests in subsidiaries

The Company has control over CCI while it has 50,26% ownership interest in CCI. CCI is included in consolidation by using the full consolidation method and equity and net income attributable to non-controlling interests is recorded as “non-controlling interests” in statement of financial position and profit and loss statement.

The Company has control over AB Inbev Efes B.V. while it has 50,00% ownership interest in AB Inbev Efes B.V.. AB Inbev Efes B.V. is included in consolidation by using the full consolidation method and equity and net income attributable to non-controlling interests is recorded as “non-controlling interests” in statement of financial position and profit and loss statement.

Non-controlling interest reflected to profit and loss statement in the period is amounting to TRL2.612.221 (December 31, 2021 - TRL1.298.963), of which TRL2.456.473 (December 31, 2021 - TRL1.274.146) is related with net income of CCI attributable to non-controlling interests.

Non-controlling interest reflected to statement of financial position at the end of the period is amounting to TRL30.985.884 (December 31, 2021 - TRL20.617.411), of which TRL15.365.794 (December 31, 2021 - TRL10.586.106) is related with equity of CCI attributable to non-controlling interests.

In 2022, total dividend declared to non-controlling interests is amounting to TRL336.424 as disclosed in the consolidated statement of changes in equity (December 31, 2021 - TRL439.274). TRL332.819 of this amount has been paid by CCI and its subsidiaries (December 31, 2021 - TRL436.615).

The Group management has identified CCI as a separate operating segment. Summarized information on statement of financial position and profit and loss statement is given as “Soft Drinks” segment in Note 5 “Segment Information”.

Summary of the consolidated statement of cash flows of CCI is given below:

	January 1 - December 31, 2022	January 1 - December 31, 2021
Net cash generated from operating activities	6.869.830	3.956.991
Net cash used in investing activities	(3.745.163)	(3.926.446)
Net cash from (used in) financing activities	3.809.551	(2.253.036)
Currency translation differences	2.933.161	1.703.498
Net increase/(decrease) in cash and cash equivalents	9.867.379	(518.993)

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 4. INFORMATION ABOUT MATERIAL NON-CONTROLLING INTERESTS IN SUBSIDIARIES AND INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (continued)

b) Investments Accounted for Using Equity Method

	December 31, 2022		December 31, 2021	
	Ownership	Carrying Value	Ownership	Carrying Value
Anadolu Etap ⁽¹⁾	78,58%	(649.400)	78,58%	(508.945)
SSDSD ⁽²⁾	25,13%	-	25,13%	-
Malty Gıda A.Ş. ⁽³⁾	25,00%	801	-	-
		(648.599)		(508.945)

Summary financial information of significant joint ventures is as follows:

	Anadolu Etap		SSDSD	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Current assets	2.075.401	1.029.698	547	515
Non-current assets	1.591.075	1.119.506	179	255
Current liabilities (-)	(3.367.734)	(1.698.605)	(31.811)	(21.288)
Non-current liabilities (-)	(1.363.316)	(1.323.652)	-	-
Net Liability	(826.399)	(647.661)	(31.085)	(20.518)
Group Share (%)	78,58%	78,58%	25,13%	25,13%
Group's Share of Net Assets	(649.400)	(508.945)	(7.811)	(5.156)
Cash and cash equivalents	102.827	136.546	429	458
Short-term borrowings (-)	(2.325.021)	(1.449.984)	-	-
Long-term borrowings (-)	(1.326.456)	(1.313.096)	-	-
	January 1 - December 31 2022	January 1 - December 31 2021	January 1 - December 31, 2022	January 1 - December 31, 2021
Revenue	2.224.900	1.064.988	-	-
Depreciation and amortization (-)	(79.957)	(60.136)	-	-
Interest income	3.227	2.586	-	-
Interest expense (-)	(416.363)	(171.377)	(1.378)	(651)
Tax (Expense) Income, Continuing Operations	484.373	102.989	-	-
Profit/(Loss) from continuing operations	(178.620)	(692.754)	(6.293)	(7.347)
Other comprehensive income/(expense)	-	-	-	-
Total comprehensive income/(expense)	(178.620)	(692.754)	(6.293)	(7.347)
Dividends received	-	-	-	-
Dividends paid to non-controlling interests (-)	-	-	-	-
Group's Share of Profit/(Loss) for the Period	(140.595)	(538.704)	(3.147)	(3.674)

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 4. INFORMATION ABOUT MATERIAL NON-CONTROLLING INTERESTS IN SUBSIDIARIES AND INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (continued)

b) Investments Accounted for Using Equity Method (continued)

The movement of investments in associates for the years ended as of December 31, 2022 and 2021 are as follows:

	2022	2021
Balance at January 1	(508.945)	(57.241)
Share of Loss from Investments Accounted for Using Equity Method	(143.807)	(542.378)
Capital increase (Note 3)	1.000	87.000
Other	3.153	3.674
Balance at December 31	(648.599)	(508.945)

⁽¹⁾ Losses exceeding the Group's share in Anadolu Etap, has been continued to be accounted as "Liabilities due to Investments Accounted for Using Equity Method" in consolidated financial statements in accordance with TAS 28 regarding the Project Completion Guarantee given for the payment obligations of Anadolu Etap.

⁽²⁾ SSDDSD, which has been accounted by using equity method in CCI financial statements, is accounted as investment in associates in Group's financial statements.

⁽³⁾ Blue Hub has participated in Malty Gıda A.Ş. by 28.41%, as of June 1, 2022. Blue Hub did not participate in the capital increase as of August 15, 2022, therefore its shareholding rate decreased to 25,00%.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 5. SEGMENT REPORTING

The Group's segment reporting in accordance with TFRS 8 is disclosed as follows:

	Beer Group	Soft Drinks	Other ⁽¹⁾ and Eliminations	Total
January 1 - December 31, 2022				
Net sales	36.975.844	53.529.507	-	90.505.351
Inter-segment sales	-	(1.172)	-	(1.172)
Revenue	36.975.844	53.528.335	-	90.504.179
EBITDA BNRI	7.317.413	10.096.918	3.844	17.418.175
Impairment losses	(591.551)	(8.487)	-	(600.038)
Reversals of impairment losses	60.283	38.999	-	99.282
Financial Income/(Expense)	(1.516.133)	(1.319.329)	-	(2.835.462)
Tax Income/(Expense)	(1.044.846)	(2.262.376)	8.944	(3.298.278)
Capital expenditures (Note 15, 16)	2.033.040	3.308.511	(133)	5.341.418
January 1 - December 31, 2021				
Net sales	17.356.095	21.929.535	-	39.285.630
Inter-segment sales	-	(1.246)	-	(1.246)
Revenue	17.356.095	21.928.289	-	39.284.384
EBITDA BNRI	2.356.802	4.666.043	1.055	7.023.900
Impairment losses	(3.139)	(278.457)	-	(281.596)
Reversals of impairment losses	-	14.920	-	14.920
Financial Income/(Expense)	(732.462)	224.733	-	(507.729)
Tax Income/(Expense)	(287.030)	(1.151.240)	2.615	(1.435.655)
Capital expenditures (Note 15, 16)	1.810.124	1.305.749	(75)	3.115.798

⁽¹⁾ Includes adjustment journals in the consolidation of the Group.

As of December 31, 2022, the portion of Türkiye geographical area in the consolidated net revenue and total assets is 29% and 27% respectively (December 31, 2021- 30% and 28% respectively).

As of December 31, 2022, the portion of Russia and Ukraine geographical area in the consolidated net revenue and total assets is 27% and 36% respectively (December 31, 2021- 30% and 37% respectively).

As of December 31, 2022, the portion of Kazakhstan geographical area in the consolidated net revenue and total assets is 13% and 11% respectively (December 31, 2021- 13% and 13% respectively).

As of December 31, 2022, the portion of Pakistan geographical area in the consolidated net revenue and total assets is 10% and 5% respectively (December 31, 2021- 11% and 6% respectively).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 5. SEGMENT REPORTING (continued)

	Beer Group	Soft Drinks	Other ⁽¹⁾ and Eliminations	Total
December 31, 2022				
Segment assets	62.094.200	58.716.877	12.546.441	133.357.518
Segment liabilities	39.727.995	35.920.480	1.127.198	76.775.673
Investments Accounted for Using Equity Method	(648.599)	-	-	(648.599)
December 31, 2021				
Segment assets	41.643.911	33.261.900	10.607.070	85.512.881
Segment liabilities	26.748.402	18.292.058	1.139.928	46.180.388
Investments Accounted for Using Equity Method	(508.945)	-	-	(508.945)

⁽¹⁾ Includes adjustment journals in the consolidation of the Group.

Reconciliation of EBITDA BNRI to the consolidated Profit/Loss from Continuing Operations and its components as of December 31, 2022 and 2021 are as follows:

	January 1 - December 31, 2022	January 1 - December 31, 2021
EBITDA BNRI	17.418.175	7.023.900
Depreciation and amortization expenses	(4.105.427)	(2.399.006)
Provision for retirement pay liability	(231.941)	(68.435)
Provision for vacation pay liability	(52.904)	(27.925)
Foreign exchange gain/loss from operating activities	(39.231)	(125.260)
Rediscount income/expense from operating activities	(541)	(1.227)
Non-recurring items	(322.466)	(7.340)
Other	(31.273)	(9.139)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	12.634.392	4.385.568
Investment Activity Income	328.884	801.345
Investment Activity Expenses (-)	(644.440)	(333.885)
Income/(Loss) from Associates	(143.807)	(542.378)
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)	12.175.029	4.310.650
Finance Income	4.738.134	3.700.093
Finance Expenses (-)	(7.573.596)	(4.207.822)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	9.339.567	3.802.921

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 6. CASH AND CASH EQUIVALENTS

	December 31, 2022	December 31, 2021
Cash on hand	16.572	7.623
Bank accounts		
- Time deposits	19.405.277	8.317.160
- Demand deposits	4.364.714	1.790.009
Other	31.593	138.792
Cash and cash equivalents in cash flow statement	23.818.156	10.253.584
Expected Credit Loss (-)	(1.837)	(875)
Interest income accrual	50.914	7.646
	23.867.233	10.260.355

As of December 31, 2022, annual interest rates of the TRL denominated time deposits vary between 10,00% and 28,00% and have maturity between 2 - 23 days (December 31, 2021 - 16,50% and 28,00%; maturity between 3 - 45 days). Annual interest rates of the US Dollars (USD) and, Euro (EURO), and other currency denominated time deposits vary between 0,30% and 15,25% and have maturity between 1 - 58 days (December 31, 2021- annual interest rates of the US Dollars (USD) and, Euro (EURO), and other currency time deposits vary between 0,20% and 9,50%; maturity between 3 - 84 days).

As of December 31, 2022, other item contains credit card receivables amounting to TRL31.593 (December 31, 2021 - TRL138.451).

As of December 31, 2022, the Group has designated its bank deposits amounting to TRL1.539.721, equivalent of thousand USD80.000 and thousand EURO2.200 for the future raw material purchases, operational and interest expense related payments in the scope of hedge accounting (December 31, 2021 - TRL2.558.016, equivalent of thousand USD180.090, thousand EURO4.500 and thousand RUR500.000).

NOTE 7. FINANCIAL INVESTMENTS

	December 31, 2022	December 31, 2021
Currency linked deposits	542.320	-
Time deposits with maturity more than three months	85.712	11.576
Restricted cash ^(*)	132.301	62.068
	760.333	73.644

^(*) The restricted bank balance is the blocked amount in the bank for collateral of letters of credit in Uzbekistan and Pakistan.

As of December 31, 2022, time deposits with maturities over 3 months are composed of USD and UZS with 174 and 305 days' maturity and have 2,25% interest rate for USD and 8,00% for UZS. (As of December 31, 2021, time deposits with maturities over 3 months are composed of USD and KZT with 39 and 357 days' maturity and have 2,25% interest rate for USD and 7,50% - 9,50% for KZT).

NOTE 8. SHORT AND LONG TERM BORROWINGS

a) Bank Loans, issued debt instruments and other borrowings

	December 31, 2022	December 31, 2021
Short-term Bank Loans (Third Parties)	7.414.686	2.678.761
Current Portion of Bank Loans (Third Parties)	780.412	1.214.816
Current Portion of Issued Debt Instruments (Third Parties)	3.399.167	2.486.672
Long-term Bank Loans (Third Parties)	1.054.950	750.066
Long-term Issued Debt Instruments (Third Parties)	24.018.227	13.612.082
	36.667.442	20.742.397

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 8. SHORT AND LONG TERM BORROWINGS (continued)

a) Bank Loans, issued debt instruments and other borrowings (continued)

As of December 31, 2022, total borrowings consist of principal amounting to TRL35.798.006 (December 31, 2021- TRL20.585.594) and interest expense accrual amounting to TRL869.436 (December 31, 2021 - TRL156.803). As of December 31, 2022 and 2021, total amount of borrowings and the effective interest rates are as follows:

	December 31, 2022			December 31, 2021		
	Amount	Weighted average fixed rate	Weighted average floating rate	Amount	Weighted average fixed rate	Weighted average floating rate
Short-term Borrowings						
TRL denominated borrowings	5.841.054	22,07%	TL REF +5,50%	1.424.965	19,03%	-
Foreign currency denominated borrowings (USD)	865	3,00%	-	617	3,00%	-
Foreign currency denominated borrowings (EURO)	-	-	-	-	-	-
Foreign currency denominated borrowings (Other)	1.572.767	21,55%	Kibor +0,10%	1.253.179	8,46%	Kibor +0,10%
	7.414.686			2.678.761		
Short-term portion of long term borrowings						
TRL denominated borrowings	943.789	32,33%	-	331.966	11,65%	-
Foreign currency denominated borrowings (USD)	2.466.596	4,49%	Libor+2,50%	2.496.795	3,40%	Libor+2,50%
Foreign currency denominated borrowings (EURO)	468.428	-	Euribor+2,08%	199.429	-	Euribor+1,99%
Foreign currency denominated borrowings (Other)	300.766	15,00%	-	673.298	9,13%	-
	4.179.579			3.701.488		
Total	11.594.265			6.380.249		
Long-term Borrowings						
TRL denominated borrowings	2.675.090	20,44%	-	772.950	11,74%	-
Foreign currency denominated borrowings (USD)	21.365.575	4,00%	Libor+2,50%	12.871.121	3,83%	Libor+2,50%
Foreign currency denominated borrowings (EURO)	1.032.512	-	Euribor+2,40%	565.667	-	Euribor + 2,30%
Foreign currency denominated borrowings (Other)	-	-	-	152.410	15,00%	-
Total	25.073.177			14.362.148		
Grand Total	36.667.442			20.742.397		

As of December 31, 2022, the Group has fulfilled its financial commitments arising from its borrowings.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 8. SHORT AND LONG TERM BORROWINGS (continued)

a) Bank Loans, issued debt instruments and other borrowings (continued)

Maturity of long-term borrowings are scheduled as follows:

	December 31, 2022	December 31, 2021
Between 1-2 years	6.092.834	2.047.809
Between 2-3 years	186.769	5.711.867
Between 3-4 years	186.769	-
Between 4-5 years	93.385	-
5 years and more	18.513.420	6.602.472
	25.073.177	14.362.148

The movement of borrowings as of December 31, 2022 and 2021 is as follows:

	2022	2021
Balance at January 1	20.742.397	11.794.152
Proceeds from borrowings	22.029.433	9.874.194
Repayments of borrowings (-)	(15.915.036)	(9.160.249)
Interest and borrowing expense (Note 27)	2.855.237	1.045.250
Interest paid (-)	(2.158.478)	(1.111.793)
Foreign exchange (gain)/loss	9.244.055	6.815.500
Currency translation differences	(130.166)	1.485.343
Balance at December 31	36.667.442	20.742.397

As of December 31, 2022, net interest on cross currency swap contracts of CCİ is TRL55.214 (December 31, 2021 - TRL91.060).

b) Lease Liabilities

	December 31, 2022	December 31, 2021
Short term Lease Liabilities (Third Parties)	305	203
Current Portion of Lease Liabilities (Third Parties)	275.525	94.245
Long term Lease Liabilities (Third Parties)	628.884	409.485
	904.714	503.933

Repayments of long-term lease liabilities are scheduled as follows:

	December 31, 2022	December 31, 2021
Between 1-2 years	139.188	57.360
Between 2-3 years	157.412	42.719
Between 3-4 years	21.786	29.569
Between 4-5 years	52.148	36.263
5 years and more	258.350	243.574
	628.884	409.485

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 8. SHORT AND LONG TERM BORROWINGS (continued)

b) Lease Liabilities (continued)

The movement of lease liabilities as of December 31, 2022 and 2021 is as follows:

	2022	2021
Balance at January 1	503.933	370.462
Additions	402.444	36.904
Repayments (-)	(201.072)	(196.066)
Disposals (-)	(14.931)	(20.444)
Interest expense (Note 27)	82.448	46.577
Amendments to lease agreements	43.226	58.919
Foreign exchange (gain)/loss	7.016	14.991
Currency translation differences	81.650	192.590
Balance at December 31	904.714	503.933

c) Other Financial Liabilities

	December 31, 2022	December 31, 2021
Credit card payables	69.875	-
	69.875	-

NOTE 9. DERIVATIVE INSTRUMENTS

The movement of derivative instruments as of December 31, 2022 and 2021 is as follows:

	2022	2021
Balance at January 1	(1.052.212)	(148.364)
Other Comprehensive Income that will be Reclassified to Profit or Loss		
- Cash flow hedge gain/(losses)	181.134	(754.785)
- Currency translations differences	(78.807)	(72.197)
Valuation differences recognized in consolidated statement of profit or loss	51.338	(76.702)
Cash Flows from Settlement of Derivative Instruments	85.556	(164)
Balance at December 31	(812.991)	(1.052.212)

	Beer Group	Soft Drinks	Total
2022	(201.189)	(611.802)	(812.991)
2021	(233.213)	(818.999)	(1.052.212)

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 9. DERIVATIVE INSTRUMENTS (continued)

The details of derivatives instruments for Beer Operations as of December 31, 2022 is as follows:

	Nominal Value	Contract Amounts or Quantities	Carrying Amount Asset/ (Liability)	Account in the Statement of the Financial Position	Hedge Ineffectiveness Recognized in Profit or Loss	Maturity
Derivatives held for hedging:						
Cash flow hedge						
Interest swap	210.000	-	(24.940)	Derivative Instruments	-	October 2023
Currency forwards:						
- USD/TRL	674.074	USD 36,1 million	(27.210)	Derivative Instruments	-	January - June 2023
- EUR/TRL	677.787	EUR 34,0 million	(2.759)	Derivative Instruments	-	January - July 2023
- USD/RUR	1.408.100	USD 75,3 million	(58.017)	Derivative Instruments	-	January - June 2023
- EUR/RUR	809.651	EUR 40,6 million	(63.102)	Derivative Instruments	-	January - June 2023
Commodity swaps:						
- Aluminium	280.524	5.904 tons	(14.167)	Derivative Instruments	-	January - December 2023
- PET	23.564	1.181 tons	(2.675)	Derivative Instruments	-	January 2023
Derivatives not held for hedging:						
Currency forwards:						
- USD/RUR	14.640	USD 0,8 million	(241)	Derivative Instruments	-	January - June 2023
- EUR/RUR	228.931	EUR 11,5 million	(8.078)	Derivative Instruments	-	January - June 2023
	4.327.270		(201.189)			
Derivatives held for hedging:						
Net investment hedge	-	USD 500 million	(9.366.000)	Borrowings	-	June 2028
Cash flow hedge						
Designated cash						
- USD/TRL	-	USD 80,0 million	1.495.864	Cash and Cash Equivalents	-	August 2023 - December 2024
- EUR/MDL	-	EUR 2,2 million	43.857	Cash and Cash Equivalents	-	January - June 2023

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 9. DERIVATIVE INSTRUMENTS (continued)

The details of derivatives instruments for Soft Drink Operations as of December 31, 2022 is as follows:

	Nominal Value	Contract Amounts or Quantities	Carrying Amount Asset/ (Liability)	Account in the Statement of the Financial Position	Hedge Ineffectiveness Recognized in Profit or Loss	Maturity
Derivatives held for hedging:						
Cash flow hedge						
<i>Commodity swaps:</i>						
- Aluminium	1.208.373	25.000 tons	(86.115)	Derivative Instruments	-	January 2023 - December 2025
- Sugar	637.313	70.100 tons	16.922	Derivative Instruments	-	January - December 2023
Cross currency participation swaps	2.804.745	USD 150 million	(542.609)	Derivative Instruments	-	September 2024
	4.650.431		(611.802)			
Derivatives held for hedging:						
Net investment hedge	-	USD 770 million	(14.423.640)	Borrowings	-	January 2029

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 9. DERIVATIVE INSTRUMENTS (continued)

The details of derivatives instruments for Beer Operations as of December 31, 2021 is as follows:

	Nominal Value	Contract Amounts or Quantities	Carrying Amount Asset/ (Liability)	Account in the Statement of the Financial Position	Hedge Ineffectiveness Recognized in Profit or Loss	Maturity
Derivatives held for hedging:						
Cash flow hedge						
<i>Currency forward:</i>						
- USD/RUR	1.803.414	USD 135,3 million	(22.861)	Derivative Instruments	-	January-November 2022
- EUR/RUR	2.176.600	EUR 144,3 million	(144.133)	Derivative Instruments	-	January-November 2022
- USD/UAH	251.252	USD 18,8 million	(9.558)	Derivative Instruments	-	January - September 2022
- EUR/UAH	772.784	EUR 51,2 million	(58.050)	Derivative Instruments	-	January-November 2022
<i>Commodity swaps:</i>						
- Aluminium	668.213	18.918 tons	44.840	Derivative Instruments	-	January - December 2022
- PET	198.403	17.299 tons	(166)	Derivative Instruments	-	January-November 2022
Derivatives not held for hedging:						
<i>Currency forward:</i>						
- EUR/RUR	528.445	EUR 35,0 million	(40.165)	Derivative Instruments	-	January-November 2022
- EUR/UAH	207.851	EUR 13,8 million	(17.699)	Derivative Instruments	-	January-November 2022
<i>Currency option contracts:</i>						
- USD/TRL	159.948	USD 12,0 million	7.540	Derivative Instruments	-	January - June 2022
- EUR/TL	199.145	EUR 13,2 million	7.039	Derivative Instruments	-	January - June 2022
	6.966.055		(233.213)			
Derivatives held for hedging:						
Net investment hedge	-	USD 500 million	(6.676.500)	Borrowings	-	June 2028
Cash flow hedge						
<i>Designated cash:</i>						
- USD/TRL	-	USD 173,6 million	2.313.781	Cash and Cash Equivalents	-	January 2022 - December 2024
- EUR/MDL	-	EUR 3,0 million	45.260	Cash and Cash Equivalents	-	December 2023
- USD/KZT	-	USD 6,5 million	86.639	Cash and Cash Equivalents	-	December 2022
- EUR/KZT	-	EUR 1,5 million	22.630	Cash and Cash Equivalents	-	December 2022
- RUR/KZT	-	RUR 500,0 million	89.706	Cash and Cash Equivalents	-	December 2022

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 9. DERIVATIVE INSTRUMENTS (continued)

The details of derivatives instruments for Soft Drink Operations as of December 31, 2021 is as follows:

	Nominal Value	Contract Amounts or Quantities	Carrying Amount Asset/ (Liability)	Account in the Statement of the Financial Position	Hedge Ineffectiveness Recognized in Profit or Loss	Maturity
Derivatives held for hedging:						
<i>Cash flow hedge</i>						
<i>Commodity swaps:</i>						
- Aluminium	788.479	21.426 tons	6.762	Derivative Instruments	-	January - December 2022
- Resin	36.788	2.400 tons	(4.285)	Derivative Instruments	-	January - December 2022
<i>Currency option contracts:</i>						
- USD/TRL	266.580	USD 20 million	18.191	Derivative Instruments	-	August 2022
Cross currency participation swaps	2.001.950	USD 150 million	(708.423)	Derivative Instruments	-	September 2024
Fair value hedge						
Fair value hedge reserve assets/(liabilities)	377.848	EUR 25million	(131.244)	Derivative Instruments	-	May 2022
	3.471.645		(818.999)			
Derivatives held for hedging:						
Net investment hedge	-	USD 470 million	(6.275.910)	Borrowings	-	September 2024

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 10. TRADE RECEIVABLES AND PAYABLES**a) Trade Receivables**

	December 31, 2022	December 31, 2021
Short term trade receivables from third parties	7.187.667	4.785.096
Long term trade receivables from third parties	1.914	-
Trade receivables from related parties (Note 30)	826.663	472.351
Notes and cheques receivables	83.569	41.916
Expected credit loss (-)	(214.553)	(182.302)
	7.885.260	5.117.061

The movement of provision for doubtful receivables as of December 31, 2022 and 2021 is as follows:

	2022	2021
Balance at January 1	182.302	147.667
Current year provision	34.250	21.143
Provisions no longer required	(20.454)	(28.161)
Write-offs from expected credit loss	(33.481)	(23.943)
Currency translation differences	51.936	65.596
Balance at December 31	214.553	182.302

Assumptions used in the calculation of Expected Credit Loss for Trade Receivables are explained in Note 2.35.

b) Trade Payables

	December 31, 2022	December 31, 2021
Short term trade payables to third parties	18.804.317	11.916.391
Long term trade payables to third parties	120	2.091
Trade payables to related parties (Note 30)	1.228.626	717.809
	20.033.063	12.636.291

NOTE 11. OTHER RECEIVABLES AND PAYABLES**a) Other Current Receivables**

	December 31, 2022	December 31, 2021
Receivables from related parties (Note 30)	682.174	108.614
Due from personnel	36.209	15.318
Sublease receivables from related parties (Note 30) ⁽¹⁾	34.357	11.708
Deposits and guarantees given	4.331	6.567
Receivables from tax office	736	709
Other	18.245	15.399
	776.052	158.315

⁽¹⁾ Subleases from related parties has been recorded according to TFRS 16 which are related with the management building and leased on behalf of the parent company AG Anadolu Group A.Ş. and the subsidiaries.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 11. OTHER RECEIVABLES AND PAYABLES (continued)

b) Other Non-Current Receivables

	December 31, 2022	December 31, 2021
Deposits and guarantees given	77.302	68.213
Receivables from tax office	29.382	26.467
Sublease receivables from related parties (Note 30) ⁽¹⁾	25.191	17.409
Other	-	977
	131.875	113.066

c) Other Current Payables

	December 31, 2022	December 31, 2021
Taxes other than income taxes	3.694.753	2.210.973
Other current payables to related parties (Note 30)	1.911.900	90.390
Deposits and guarantees taken	1.370.784	889.894
Dividends payable	137.571	86.403
Payables for purchases to obtain control of subsidiaries	-	239.922
Payables related to share changes in subsidiaries that do not result in loss of control	-	71.977
Other	14.753	24.259
	7.129.761	3.613.818

d) Other Non-Current Payables

	December 31, 2022	December 31, 2021
Deposits and guarantees taken	8.219	7.020
	8.219	7.020

⁽¹⁾ Subleases from related parties has been recorded according to TFRS 16 which are related with the management building and leased on behalf of the parent company AG Anadolu Group A.Ş. and the subsidiaries.

Assumptions used in the calculation of liabilities arising from returnable bottles are explained in Note 2.35.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 12. INVENTORIES

	December 31, 2022	December 31, 2021
Raw materials	6.064.190	2.211.964
Finished and trade goods	4.410.922	1.856.714
Packaging materials	2.058.197	920.219
Supplies	652.250	483.557
Work-in-process	960.665	430.085
Other	240.596	162.432
Reserve for obsolescence (-)	(290.986)	(161.697)
	14.095.834	5.903.274

The movement of reserve for obsolescence as of December 31, 2022 and 2021 is as follows:

	2022	2021
Balance at January 1	161.697	86.069
Current year provision (Note 25)	449.295	38.005
Provisions no longer required (Note 25)	(356.915)	(28.434)
Inventories written-off	(9.050)	(5.112)
Currency translation differences	45.959	71.169
Balance at December 31	290.986	161.697

Assumptions used in the calculation of reserve for obsolescence are explained in Note 2.35.

NOTE 13. PREPAID EXPENSES AND DEFERRED INCOME

a) Current Prepaid Expenses

	December 31, 2022	December 31, 2021
Advances given to suppliers	1.202.683	1.336.959
Prepaid sales expenses	622.097	434.757
Prepaid expenses to related parties (Anadolu Efes Spor Kulübü)	100.000	23.333
Prepaid insurance expenses	65.494	21.319
Prepaid rent expenses	3.785	1.235
Prepaid other expenses	147.297	43.417
	2.141.356	1.861.020

The assumptions used in the calculation of cash concession agreements included in prepaid sales expenses are explained in Note 2.35.

b) Non- current Prepaid Expenses

	December 31, 2022	December 31, 2021
Prepaid sales expenses	416.190	217.050
Advances given to suppliers	158.968	22.601
Prepaid rent expenses	27.599	27.277
Prepaid other expenses	79.045	38.553
	681.802	305.481

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 13. PREPAID EXPENSES AND DEFERRED INCOME (continued)

c) Short Term Deferred Income (Deferred Income Other Than Contract Liabilities)

	December 31, 2022	December 31, 2021
Advances taken	358.825	160.669
Deferred Income	36.075	4.298
	394.900	164.967

The assumptions used in the calculation of cash concession agreements included in prepaid sales expenses are explained in Note 2.35.

d) Long Term Deferred Income (Deferred Income Other Than Contract Liabilities)

	December 31, 2022	December 31, 2021
Deferred income	55.957	14.697
	55.957	14.697

NOTE 14. RIGHT-OF-USE ASSETS

For the year ended December 31, 2022, movement on right of use asset is as follows:

Cost	January 1, 2022	Additions	Amendments to Leasing	Disposals	Currency translation differences	December 31, 2022
Land	89.278	-	36.119	-	28.555	153.952
Buildings	419.112	24.164	(20.651)	(26.546)	81.386	477.465
Machinery and equipment	31.485	1.175	3.371	(4.764)	14.898	46.165
Vehicles	213.965	377.105	25.130	(151.358)	42.019	506.861
Furniture and fixture	1.575	-	-	(2.160)	943	358
Other	5.076	-	-	(4.980)	1.343	1.439
	760.491	402.444	43.969	(189.808)	169.144	1.186.240

Accumulated depreciation (-)

Land	20.531	6.816	-	-	9.192	36.539
Buildings	149.363	59.856	61	(14.149)	27.735	222.866
Machinery and equipment	12.934	13.401	-	(11.069)	462	15.728
Vehicles	141.421	106.038	682	(142.612)	18.782	124.311
Furniture and fixture	764	808	-	(2.160)	1.049	461
Other	4.275	820	-	(4.831)	4.957	5.221
	329.288	187.739	743	(174.821)	62.177	405.126
Net book value	431.203					781.114

Interest income from sub-leases is TRL 9.934 (Note 30).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 14. RIGHT-OF-USE-ASSETS (continued)

For the year ended December 31, 2021, movement on right use of asset is as follows:

Cost	January 1, 2021	Additions	Amendments to Leasing	Disposals	Currency translation differences	December 31, 2021
Land	42.266	-	9.509	(1.014)	38.517	89.278
Buildings	251.028	7.487	44.554	(48.458)	164.501	419.112
Machinery and equipment	41.243	736	-	(10.859)	365	31.485
Vehicles	146.533	28.681	6.814	(5.441)	37.378	213.965
Furniture and fixture	4.035	-	-	(2.796)	336	1.575
Other	3.328	-	-	-	1.748	5.076
	488.433	36.904	60.877	(68.568)	242.845	760.491
Accumulated depreciation (-)						
Land	8.405	3.724	-	(52)	8.454	20.531
Buildings	66.981	44.955	-	(30.084)	67.511	149.363
Machinery and equipment	13.079	10.636	-	(10.859)	78	12.934
Vehicles	69.067	59.622	-	(4.262)	16.994	141.421
Furniture and fixture	1.712	1.637	-	(2.796)	211	764
Other	1.936	1.152	-	-	1.187	4.275
	161.180	121.726	-	(48.053)	94.435	329.288
Net book value	327.253					431.203

Interest income from sub-leases is TRL 6.070 (Note 30).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 15. PROPERTY, PLANT AND EQUIPMENT

For the year ended December 31, 2022 movement on property, plant and equipment are as follows:

Cost	January 1, 2022	Additions	Disposals	Acquired through business combination	Currency translation differences	(Impairment)/ Impairment reversal, net	Transfers (**)	December 31, 2022
Land and land improvements	1.307.989	32.798	(51.022)	-	379.003	-	6.957	1.675.725
Buildings	7.753.274	93.548	(26.184)	-	2.363.179	-	492.606	10.676.423
Machinery and equipment	21.397.022	636.835	(119.684)	-	6.024.513	-	948.694	28.887.380
Vehicles	604.498	52.169	(71.399)	-	250.982	-	15.044	851.294
Other tangibles ^(*)	9.927.621	1.537.928	(1.205.972)	-	2.736.783	-	844.408	13.840.768
Leasehold improvements	37.850	35	(22)	-	6.310	-	1.620	45.793
Construction in progress	1.520.961	2.590.404	(5.042)	-	485.545	-	(2.365.767)	2.226.101
	42.549.215	4.943.717	(1.479.325)	-	12.246.315	-	(56.438)	58.203.484

Accumulated depreciation and impairment (-)	January 1, 2022	Additions (***)	Disposals	Acquired through business combination	Currency translation differences	Impairment/ (Impairment reversal), net	Transfers (**)	December 31, 2022
Land and land improvements	250.261	45.138	(13.688)	-	87.656	-	(111)	369.256
Buildings	2.386.878	318.631	(12.807)	-	581.218	22.739	(100)	3.296.559
Machinery and equipment	12.413.423	1.808.331	(99.302)	-	3.326.293	(5.128)	570	17.444.187
Vehicles	385.655	75.352	(70.378)	-	168.040	-	(656)	558.013
Other tangibles ^(*)	5.748.988	1.528.592	(1.062.227)	-	1.898.127	13.462	297	8.127.239
Leasehold improvements	33.189	2.495	-	-	5.643	-	-	41.327
Construction in progress	33.684	-	-	-	-	3.770	-	37.454
	21.252.078	3.778.539	(1.258.402)	-	6.066.977	34.843	-	29.874.035
Net book value	21.297.137							28.329.449

^(*) Other tangibles consist of coolers, returnable containers and their complementary assets.

^(*) There are transfers to other intangible assets amounting to TRL47.220, and transfer to inventories amounting to TRL9.219 as of December 31, 2022. (Note 16).

^(***) Distribution of depreciation expense is disclosed in Note 24.

As of December 31, 2022, there is a pledge on property, plant and equipment of TRL56.662 for loans of Soft Drink Operations. This amount is disclosed in Commitments and Contingencies note under guarantees, pledges and mortgages (GPMs) table (Note 17).

Assumptions used for property, plant and equipment are explained in Note 2.35.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 15. PROPERTY, PLANT AND EQUIPMENT (continued)

For the year ended December 31, 2021 movement on property, plant and equipment are as follows:

Cost	January 1, 2021	Additions	Disposals	Acquired through business combination	Currency translation differences	(Impairment)/ Impairment reversal, net	Transfers (**)	December 31, 2021
Land and land improvements	799.312	747	(14.958)	10.827	431.664	-	80.397	1.307.989
Buildings	4.482.609	15.288	(9.444)	51.094	3.070.356	-	143.371	7.753.274
Machinery and equipment	11.885.966	309.564	(205.487)	339.592	8.445.072	(3.556)	625.871	21.397.022
Vehicles	313.688	21.047	(38.705)	56.210	269.952	-	(17.694)	604.498
Other tangible ^(*)	5.872.818	1.140.700	(720.902)	148.715	3.165.243	-	321.047	9.927.621
Leasehold improvements	34.420	183	-	-	1.847	-	1.401	37.851
Construction in progress	605.555	1.452.426	(727)	20.630	605.529	-	(1.162.452)	1.520.961
	23.994.368	2.939.955	(990.223)	627.068	15.989.663	(3.556)	(8.059)	42.549.216
Accumulated depreciation and impairment (-)	January 1, 2021	Additions (***)	Disposals	Acquired through business combination	Currency translation differences	Impairment/ (Impairment reversal), net	Transfers (**)	December 31, 2021
Land and land improvements	118.620	19.292	(1.255)	9.775	103.591	-	238	250.261
Buildings	1.290.336	178.773	(8.071)	42.797	883.045	-	(2)	2.386.878
Machinery and equipment	6.293.122	1.002.413	(178.725)	212.125	4.816.465	268.288	(265)	12.413.423
Vehicles	193.085	41.051	(41.259)	29.089	163.689	-	-	385.655
Other tangibles ^(*)	3.444.086	943.648	(625.755)	41.451	1.950.697	(5.168)	29	5.748.988
Leasehold improvements	29.369	1.974	-	-	1.847	-	-	33.190
Construction in progress	33.684	-	-	-	-	-	-	33.684
	11.402.302	2.187.151	(855.065)	335.237	7.919.334	263.120	-	21.252.079
Net book value	12.592.066							21.297.137

(*) Other tangibles consist of coolers, returnable containers and their complementary assets.

(**) There are transfers to other intangible assets amounting to TRL8.385, and transfer from inventories amounting to TRL326 as of December 31, 2021. (Note 16).

(***) Distribution of depreciation expense is disclosed in Note 24.

As of December 31, 2021 there is a pledge on property, plant and equipment of TRL248.315 for loans of Soft Drink Operations. This amount is disclosed in Commitments and Contingencies note under guarantees, pledges and mortgages (GPMs) table (Note 17).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 16. INTANGIBLE ASSETS

a) Other Intangible Assets

For the year ended December 31, 2022 movements of intangible assets are as follows:

Cost	January 1, 2022	Additions	Disposals	Currency translation differences	(Impairment)/ Impairment reversal, net	Transfers	December 31, 2022
Bottling contracts	18.026.563	-	-	4.214.264	-	-	22.240.827
Licence agreements	10.655.020	-	-	4.891.052	-	-	15.546.072
Brands	1.674.063	-	-	807.013	-	-	2.481.076
Rights	451.260	607	(364)	172.365	-	131.521	755.389
Construction in progress	61.080	79.390	-	-	-	(10.742)	129.728
Other intangible assets	533.479	317.704	(21.380)	(25.938)	-	(73.559)	730.306
	31.401.465	397.701	(21.744)	10.058.756	-	47.220	41.883.398
Accumulated amortization and impairment (-)	January 1, 2022	Additions	Disposals	Currency translation differences	Impairment/ (Impairment reversal), net ^(*)	Transfers	December 31, 2022
Bottling contracts	-	-	-	-	-	-	-
Licence agreements	436.852	-	-	169.336	448.560	-	1.054.748
Brands	263.072	-	-	110.265	17.353	-	390.690
Rights	297.329	91.973	(364)	119.576	-	-	508.514
Construction in progress	-	-	-	-	-	-	-
Other intangible assets	242.086	60.931	(20.633)	(66.232)	-	-	216.152
	1.239.339	152.904	(20.997)	332.945	465.913	-	2.170.104
Net book value	30.162.126						39.713.294

^(*)A provision of TRL 465.913 has been recognized for the Group's beer operations in Ukraine.

Assumptions used in the calculation of impairment of intangible assets with indefinite useful lives are explained in Note 2.35.

As of December 31, 2022, there is no pledge on intangible assets.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 16. INTANGIBLE ASSETS (continued)

a) Other Intangible Assets (continued)

For the year ended December 31, 2021 movements of intangible assets are as follows:

Cost	January 1, 2021	Additions	Disposals	Business Combinations	Currency translation differences	(Impairment)/ Impairment reversal, net	Transfers	December 31, 2021
Bottling contracts	10.417.801	-	-	2.141.042	5.467.719	-	-	18.026.562
Licence agreements	6.028.801	-	-	-	4.626.219	-	-	10.655.020
Brands	927.101	-	-	-	746.962	-	-	1.674.063
Rights	234.573	630	(5.145)	-	148.440	-	72.780	451.278
Construction in progress	90.551	89.787	(333)	-	-	-	(118.925)	61.080
Other intangible assets	300.237	85.426	(1.586)	-	96.520	-	54.530	535.127
	17.999.064	175.843	(7.064)	2.141.042	11.085.860	-	8.385	31.403.130

Accumulated amortization and impairment (-)	January 1, 2021	Additions	Disposals	Business Combinations	Currency translation differences	Impairment/ (Impairment reversal), net	Transfers	December 31, 2021
Bottling contracts	-	-	-	-	-	-	-	-
Licence agreements	386.770	-	-	-	50.082	-	-	436.852
Brands	152.545	-	-	-	110.527	-	-	263.072
Rights	145.936	55.216	(3.472)	-	99.649	-	-	297.329
Construction in progress	-	-	-	-	-	-	-	-
Other intangible assets	146.105	37.975	(1.899)	-	61.570	-	-	243.751
	831.356	93.191	(5.371)	-	321.828	-	-	1.241.004
	17.167.708							30.162.126

As of December 31, 2021, there is no pledge on intangible assets.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 16. INTANGIBLE ASSETS (continued)

b) Goodwill

For the years ended December 31, 2022 and 2021, movements of the goodwill during the period are as follows:

	2022	2021
At January 1	6.506.587	3.299.250
Acquired through business combination (Note 2.36)	-	482.584
Currency translation differences	2.657.028	2.724.753
At December 31	9.163.615	6.506.587

As of December 31, 2022 and 2021, operating segment distributions of goodwill are presented below:

	Beer Group	Soft Drinks	Total
2022	6.221.385	2.942.230	9.163.615
2021	4.110.514	2.396.073	6.506.587

Assumptions used in the calculation of impairment of goodwill are explained in Note 2.35.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 17. COMMITMENTS AND CONTINGENCIES

Parent Company (Anadolu Efes) and Subsidiaries Included in Consolidation

As of December 31, 2022 and December 31, 2021 guarantees, pledges and mortgages (GPMs) given in favor of the parent company and subsidiaries included in full consolidation are as follows:

	December 31, 2022						
	Total TRL Equivalent	Original Currency TRL	Original Currency Thousand USD	Original Currency Thousand EUR	Original Currency Thousand UAH	Original Currency Thousand PKR	Other Foreign Currency TRL Equivalent
A. GPMs given on behalf of the Company's legal personality	309.853	187.547	13	1.272	78.377	-	56.622
B. GPMs given in favor of subsidiaries included in full consolidation ⁽¹⁾	3.010.531	-	1.800	75.579	1.750.092	2.401.283	377.119
C. GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-	-
D. Other GPMs	1.279.951	161.793	-	55.990	-	-	-
i. GPMs given in favor of parent company	-	-	-	-	-	-	-
ii. GPMs given in favor of group companies not in the scope of B and C above ⁽²⁾	1.279.951	161.793	-	55.990	-	-	-
iii. GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-
Total	4.600.335	349.340	1.813	132.841	1.828.469	2.401.283	433.741
Ratio of other GPMs over the Company's equity (%)	2,3						

⁽¹⁾ Consists of the GPMs given in favor of subsidiaries included in full consolidation for their borrowings. These financial liabilities are included in short-term and long-term borrowings in consolidated financial statements.

⁽²⁾ Includes the GPMs given in favor of Anadolu Etap which is the Group's investment accounted by using equity method. The Company has given a Project Completion Guarantee (Guarantee) for Anadolu Etap's payment obligations according to the loan agreement signed by Anadolu Etap with European Bank For Reconstruction and Development (EBRD) amounting to EURO71.250 thousand and TRL 135.274. The guarantee that has been given by Anadolu Efes is limited with Anadolu Efes' share in Anadolu Etap as determined by Article 12 of the Corporate Governance Communiqué.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 17. COMMITMENTS AND CONTINGENCIES (continued)

Parent Company (Anadolu Efes) and Subsidiaries Included in Consolidation (continued)

	December 31, 2021						
	Total TRL Equivalent	Original Currency TRL	Original Currency Thousand USD	Original Currency Thousand EUR	Original Currency Thousand UAH	Original Currency Thousand PKR	Other Foreign Currency TRL Equivalent
A. GPMs given on behalf of the Company's legal personality	474.223	205.208	181	370	25.989	2.667.001	46.933
B. GPMs given in favor of subsidiaries included in full consolidation ⁽¹⁾	1.897.725	-	3.600	39.069	1.555.011	2.538.234	308.832
C. GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-	-
D. Other GPMs	1.252.461	30.848	-	80.827	-	-	-
i. GPMs given in favor of parent company	-	-	-	-	-	-	-
ii. GPMs given in favor of group companies not in the scope of B and C above ⁽²⁾	1.252.461	30.848	-	80.827	-	-	-
iii. GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-
Total	3.624.409	236.056	3.781	120.266	1.581.000	5.205.235	355.765
Ratio of other GPMs over the Company's equity (%)	3,2						

⁽¹⁾ Consists of the GPMs given in favor of subsidiaries included in full consolidation for their borrowings. These financial liabilities are included in short-term and long-term borrowings in consolidated statements.

⁽²⁾ Includes the GPMs given in favor of Anadolu Etap which is the Group's investment accounted by using equity method. The Company has given a Project Completion Guarantee (Guarantee) for Anadolu Etap's payment obligations according to the loan agreement signed by Anadolu Etap with European Bank For Reconstruction and Development (EBRD) amounting to EURO102.9 thousands. The guarantee that has been given by Anadolu Efes is limited with Anadolu Efes' share in Anadolu Etap as determined by Article 12 of the Corporate Governance Communiqué.

Murabaha

CCBPL has signed Murabaha facility agreements with Habib Bank Limited and Standard Chartered Bank (Banks). Based on these agreements, the Banks and CCBPL agree that they shall enter into a series of sugar and resin purchase transactions from time to time on the dates and in the amounts to be agreed between them subject to the terms of this agreement. As of December 31, 2022, CCBPL has USD60 million purchase commitment to the banks for sugar and resin until June 30, 2023 (December 31, 2021- USD 15 million sugar until the end of June 2022 and USD 37 million sugar and resin until the end of December 2022).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 17. COMMITMENTS AND CONTINGENCIES (continued)

Tax and Legal Matters

Legislation and regulations regarding taxation and foreign currency transactions in most of the territories in which the Group operates out of Türkiye continue to evolve as a result of the transformation from command to market oriented economy managed by the government. The various legislation and regulations are not always clearly written and the interpretation related with the implementation of these regulations is subject to the opinions of the local, regional and national tax authorities, the Central Bank and Ministry of Finance. Tax declarations, together with other legal compliance areas (as examples, customs and currency control) are subject to review and investigation by a number of authorities, who are enabled by law to impose significant fines, penalties and interest charges. These facts may create tax risks in the territories in which the Group operates substantially more so than typically found in countries with more developed tax systems.

As per the change in governing law in Pakistan, "Capacity Tax" was started to be applied as of July 9, 2013, replacing "Sales and Excise Tax". CCBPL fulfilled all the obligations as per the new law and change in regulations.

As of May 2014, "Capacity Tax" application was cancelled by the constitutional court and the law has been reverted to "Sales and Excise Tax". After this withdrawal, CCBPL fulfilled all the obligations again according to "Sales and Excise Tax" system.

After the withdrawal, Federal tax office in Pakistan requested TRL316.997 (PKR 3.839 million) additional tax payment from CCBPL, by arguing that "Sales and Excise Tax" should be applied retrospectively by considering the period before the cancellation of "Capacity Tax" application. Company Management objected and litigated this request, since withdrawal decisions of constitutional court could not be applied retrospectively in principle. In the opinion of Management, the outcome of the litigation will be favourable (December 31, 2021 - TRL264.680 (PKR 3.505 million)).

Litigations against the Group

As of December 31, 2022, according to the legal opinion obtained by the management in response to the 56 lawsuits filed against Beer Operations, in the event of loss the estimated compensation will be million TRL196.402. In the opinion given by the legal counsel of the Group, it is stated that there is low probability of losing the cases and so no provision has been made in the financial statements. (December 31, 2021 - estimated compensation TRL165.285)

CCI and subsidiaries in Türkiye are involved on an ongoing basis in 205 litigations arising in the ordinary course of business as of December 31, 2022 with an amount of TRL17.107 (December 31, 2021 - TRL17.717). According to the legal opinion obtained by the management no court decision has been granted yet as of December 31, 2022.

As of December 31, 2022, CCBPL has tax litigations. If the claims are resulted against CCBPL, the tax liability would be TRL88.084 (PKR 1.067 million) according to the legal opinion obtained by the management (December 31, 2021 - TRL393.437 (PKR 5.210 million)). As of December 31, 2022, CCBPL's tax litigation belonging to 2016 tax period amounting to TRL 312.888 (PKR 4.143 million) has been cancelled.

Group management does not expect any adverse consequences related with these litigations that would materially affect Group's operation results or financial status.

NOTE 18. EMPLOYEE BENEFITS OBLIGATIONS

As of December 31, 2022 and 2021, employee benefits obligations are as follows:

	December 31, 2022	December 31, 2021
Social security and withholding tax liabilities	449.206	99.767
Wages payable	123.587	122.182
	572.793	221.949

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 19. CURRENT AND NON-CURRENT PROVISIONS

a) Short Term Provision for Employee Benefits

As of December 31, 2022 and 2021, short term provision for employee benefits are as follows:

	December 31, 2022	December 31, 2021
Management bonus accrual	315.582	255.245
Other short-term employee benefits	159.538	107.595
Provision for vacation pay liability	122.904	76.330
	598.024	439.170

As of December 31, 2022 and 2021, the movement of provision for vacation pay liability is as below:

	2022	2021
Balance at January 1	76.330	38.604
Payments and used vacations	(28.790)	(16.572)
Current year provision	52.904	27.925
Currency translation differences	22.460	26.373
	122.904	76.330

As of December 31, 2022 and 2021, the movement of management bonus accruals is as below:

	2022	2021
Balance at January 1	255.245	52.922
Payments (-)	(463.326)	(166.904)
Current year provision	422.516	290.855
Currency translation differences	101.147	78.372
	315.582	255.245

b) Long Term Provision for Employee Benefits

	December 31, 2022	December 31, 2021
Employment termination benefits	832.443	333.475
Long term incentive plans	37.475	15.165
	869.918	348.640

The assumptions used for the calculation of employee termination benefits are explained in Note 2.35.

In accordance with existing social legislation, the Group's companies incorporated in Türkiye are required to make lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are calculated on the basis of 30 days' pay. The retirement pay liability as at December 31, 2022 is subject to a ceiling of full TRL15.371 (December 31, 2021 - full TRL8.285) Retirement pay liability ceiling has been increased to full TRL19.983 as of January 1, 2023. In the consolidated financial statements as of December 31, 2022 and 2021, the Group reflected a liability calculated using the projected unit credit method and based upon factors derived using their experience of personnel terminating their services and being eligible to receive retirement pay and discounted by using the current market yield at the balance sheet date on government bonds. Accordingly, net discount rate determined by considering expected payment dates is 0,50% (December 31, 2021 - 4,35% and 3,00%).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 19. CURRENT AND NON-CURRENT PROVISIONS (continued)

b) Long Term Provision for Employee Benefits (continued)

Movement of provision for employment termination benefits represented in the consolidated financial statements is as follows:

	2022	2021
Balance at January 1	333.475	217.509
Payments	(43.058)	(23.670)
Interest cost	26.476	3.114
Current year provision	205.465	65.321
Actuarial (gain)/loss	294.469	53.703
Currency Translation Difference	15.616	17.498
	832.443	333.475

Movement of provision for long-term incentive plan represented in the consolidated financial statements is as follows:

	2022	2021
Balance at January 1	15.165	12.858
Payments	(33.043)	(20.024)
Interest cost	881	497
Current year provision	54.284	21.881
Actuarial (gain)/loss	156	(47)
Currency Translation Differences	32	-
	37.475	15.165

Actuarial loss from defined benefit plans, included in other short-term employee benefits and provision for employment termination benefits, amounting to TRL294.625 was reflected to other comprehensive income (December 31, 2021 - TRL56.804).

c) Other Current Provision

Movement of provisions for lawsuits and penalties represented in the consolidated financial statements is as follows:

	2022	2021
Balance at January 1	239.332	35.074
Payment	(29.502)	(2.383)
Current year provision	443.197	173.981
Provisions no longer required	-	(427)
Currency translation differences	57.319	33.087
Balance at December 31	710.346	239.332

As of 31 December 2022, other current provision includes Soft Drink's penalty provisions amounting to TRL301.915 (December 31, 2021 - None). and CCBPL's provision for tax lawsuits amounting to TRL119.924 (December 31, 2021 - TRL115.830).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 20. OTHER ASSETS AND LIABILITIES

a) Other Current Assets

	December 31, 2022	December 31, 2021
Value Added Tax (VAT) deductible or to be transferred	1.357.533	619.386
Deferred VAT and other taxes	17.409	54.702
Prepaid taxes (other than income tax and VAT)	30.183	44.693
Other	71.910	90.651
	1.477.035	809.432

b) Other Non-Current Assets

	December 31, 2022	December 31, 2021
Deferred VAT and other taxes	1.186	660
Other	373	275
	1.559	935

c) Other Current and Non-Current Liabilities

As of December 31, 2022 and 2021, other current liabilities are as follows:

	December 31, 2022	December 31, 2021
Put option liability	44.208	31.513
Deferred VAT and other taxes	17.340	55.096
Other	12.031	23.694
	73.579	110.303

As of December 31, 2022 and 2021, other non- current liabilities are as follows:

	December 31, 2022	December 31, 2021
Deferred VAT and other taxes	802	500
Other	4.777	4.979
	5.579	5.479

The obligation of TRL44.208 results from the buying option carried, for the purchase of 12,5% of Turkmenistan CC shares from Day Investment Ltd., with a consideration of USD 2.360 thousand. USD amount is converted with the

official USD purchase rate announced by Central Bank of Republic of Türkiye and resulting TRL amount is reflected under other current liabilities (December 31, 2021 - TRL31.513).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 21. EQUITY, RESERVES AND OTHER EQUITY ITEMS

a) Issued Capital and Adjustments to Share Capital and Equity Investments

	December 31, 2022	December 31, 2021
Common shares 1 full TRL per value		
Authorized capital	900.000	900.000
Issued capital	592.105	592.105

The composition of shareholders and their respective percentage of ownership as of December 31, 2022 and 2021 are given at Note 1 - Group's Organization and Nature of Activities.

As of December 31, 2022 and 2021, there is no privileged share representing the capital. According to the articles of association, foundation shares that do not represent the share capital receives 2% of the profit that remains after 10% of the paid in capital is deducted from the distributable profit for the period.

b) Restricted Reserves Allocated from Net Profit, Revaluation Fund and Accumulated Profits

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory net income at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's issued capital (inflation-restated issued capital in accordance with the communiqués and announcements of CMB). The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's issued capital (inflation-restated capital in accordance with CMB). The legal reserves are not available for distribution unless they exceed 50% of the issued capital, other than that legal reserves cannot be used.

Quoted companies distribute dividend according to the Communiqué No: II-19.1 which is effective from 1 February 2014 of the CMB.

Companies distribute dividend within the framework of the profit distribution policies determined by the general assemblies and in accordance with the related legislation by the decision of the general assembly. Within the scope of the communiqué, a minimum distribution ratio has not been determined. Companies pay dividends as specified in articles of incorporation or in profit distribution policies.

Inflation adjustment to shareholders' equity and carrying amount of extraordinary reserves can only be netted-off against prior years' losses and used as an internal source for capital increase. However, when inflation adjustment to shareholders' equity is used for cash dividend distribution, it is subject to income tax.

As of 31 December 2022, the total amount of legal resources of the company that can be subject to profit distribution is TRL1.336.612.

For the period January-December 2021, cash dividend proposal of gross full TRL1,8545 (net full TRL1,66905) per each share with full TRL 1 nominal value realizing a 185,45% gross dividend distribution over its issued capital amounting to TRL592.105 a total of TRL1.098.059 to be distributed consist of; TRL575.033 from the profit in the annual statutory accounts for the calendar year 2021 which exceeding the previous year's statutory losses, TRL280.906 from the legally released part of the general legal reserves and TRL242.120 from extraordinary reserves was approved in General Assembly meeting held on April 20, 2022. The dividend amounting to TRL 1.118.241 including TRL20.182 paid to the founding shareholders per the Company's principal agreement has distributed in cash as of May 20, 2022 (2021 - TRL1.160.716).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 21. EQUITY, RESERVES AND OTHER EQUITY ITEMS (continued)

b) Restricted Reserves Allocated from Net Profit, Revaluation Fund and Accumulated Profits (continued)

In 2022, dividend payment amounting to TRL336.424 (December 31, 2021 - TRL439.274) has been made to non-controlling interests.

	December 31, 2022			December 31, 2021		
	Nominal Amount	Inflation Adjustment on Capital	Restated Amount	Nominal Amount	Inflation Adjustment on Capital	Restated Amount
Issued capital	592.105	63.583	655.688	592.105	63.583	655.688
Legal reserves	374.808	74.729	449.537	372.939	74.729	447.668
Extraordinary reserves	1.381.559	10.362	1.391.921	266.332	25.831	292.163

NOTE 22. REVENUE AND COST OF SALES

Group recognizes revenue when the control of products is transferred to the customer, compatible with revenue information under segment reporting according to TFRS 8 (Note 5).

	January 1 - December 31 2022	January 1 - December 31 2021
Domestic revenues	25.869.333	11.663.511
Foreign revenues	64.634.846	27.620.873
Revenue	90.504.179	39.284.384
Current year purchases and net change in inventory	(48.557.943)	(20.887.951)
Depreciation and amortization expense (*)	(2.441.617)	(1.385.478)
Utility expenses	(2.382.238)	(879.473)
Personnel expenses	(2.265.595)	(1.143.393)
Repair and maintenance expenses	(577.791)	(265.576)
Provision for retirement pay liability	(42.029)	(19.026)
Rent expenses (**)	(18.145)	(17.737)
Provision for unused vacation	(9.424)	(5.575)
Other	(1.217.879)	(537.907)
Cost of sales (-)	(57.512.661)	(25.142.116)
Gross Profit	32.991.518	14.142.268

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 23. OPERATING EXPENSES

a) General and Administrative Expenses

	January 1 - December 31 2022	January 1 - December 31 2021
Personnel expenses	(2.748.509)	(1.350.301)
Outsource expenses	(1.243.994)	(649.365)
Information technology expenses	(390.241)	(178.375)
Depreciation and amortization expense ^(*)	(380.228)	(216.769)
Travel Expenses	(193.650)	(20.006)
Provision for retirement pay liability	(171.997)	(45.853)
Utilities and communication expenses	(157.046)	(60.733)
Taxation expenses (except for income tax)	(118.156)	(50.486)
Rent expenses ^(**)	(97.860)	(56.130)
Repair and maintenance expenses	(64.525)	(20.866)
Insurance expenses	(60.384)	(25.449)
Representation and meeting expenses	(58.615)	(26.730)
Provision for unused vacation	(30.989)	(13.467)
Other	(304.547)	(106.329)
	(6.020.741)	(2.820.859)

b) Selling, Distribution and Marketing Expenses

	January 1 - December 31 2022	January 1 - December 31 2021
Transportation and distribution expenses	(5.826.729)	(2.539.978)
Advertising, selling and marketing expenses	(3.675.283)	(2.064.092)
Personnel expenses	(2.431.344)	(1.292.166)
Depreciation and amortization expenses ^(*)	(1.283.582)	(796.554)
Outsource expenses	(228.287)	(103.796)
Repair and maintenance expenses	(204.789)	(79.600)
Loading and unloading expenses	(161.099)	(65.104)
Utilities and communication expenses	(142.100)	(53.025)
Representation and meeting expenses	(117.944)	(22.027)
Travel Expenses	(78.082)	(25.228)
Rent expenses ^(**)	(54.010)	(31.247)
Provision for retirement pay liability	(17.915)	(3.556)
Provision for unused vacation	(13.072)	(8.883)
Other	(430.961)	(187.873)
	(14.665.197)	(7.273.129)

^(*) Expenses consist of depreciation and amortization expenses that belong to property, plant and equipment and intangible assets and right of use assets.

^(**) Consists of rent expenses that are not within the scope of TFRS 16 due to contract period of less than one year or low contract value.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 24. EXPENSES BY NATURE

a) Depreciation and Amortization Expenses

	January 1 - December 31 2022	January 1 - December 31 2021
Cost of sales	(2.441.617)	(1.385.478)
Marketing, selling and distribution expenses	(1.283.582)	(796.554)
General and administration expenses	(380.228)	(216.769)
Other expense from operating activities	-	(205)
Inventories	(13.755)	(3.062)
	(4.119.182)	(2.402.068)

b) Personnel Expenses

	January 1 - December 31 2022	January 1 - December 31 2021
General and administration expenses	(2.748.509)	(1.350.301)
Marketing, selling and distribution expenses	(2.431.344)	(1.292.166)
Cost of sales	(2.265.595)	(1.143.393)
Other expense from operating activities	(79.543)	-
	(7.524.991)	(3.785.860)

NOTE 25. OTHER INCOME/EXPENSES FROM OPERATING ACTIVITIES

a) Other Income from Operating Activities

	January 1 - December 31 2022	January 1 - December 31 2021
Foreign exchange gains arising from operating activities	3.098.427	624.913
Reversal of provision for inventory obsolescence	356.917	28.434
Income from scrap and other materials	310.232	68.082
Reversal of provision for expected credit loss	20.454	28.161
Rent income	18.346	12.061
Insurance compensation income	5.507	8.860
Other	1.075.370	595.082
	4.885.251	1.365.593

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 25. OTHER INCOME/EXPENSES FROM OPERATING ACTIVITIES (continued)**b) Other Expense from Operating Activities**

	January 1 - December 31 2022	January 1 - December 31 2021
Foreign exchange losses arising from operating activities	(3.137.658)	(750.173)
Provision for inventory obsolescence	(449.295)	(38.005)
Personnel Expenses	(79.543)	-
Expense from scrap and other materials	(70.719)	(22.049)
Donations	(50.408)	(19.726)
Provision for expected credit loss	(34.250)	(21.143)
Depreciation and amortization expense on PPE & intangible assets	-	(205)
Provision for unused vacation	581	-
Other	(735.147)	(177.004)
	(4.556.439)	(1.028.305)

NOTE 26. INVESTMENT ACTIVITY INCOME/EXPENSE**a) Investment activity income**

	January 1 - December 31 2022	January 1 - December 31 2021
Gain on disposal of PPE	229.602	294.590
Provision for impairment on PPE	99.282	14.920
Transfer of currency translation differences recognized in other comprehensive income in the previous period	-	455.377
Gain on put option revaluation	-	27.151
Other	-	9.307
	328.884	801.345

b) Investment activity expense

	January 1 - December 31 2022	January 1 - December 31 2021
Provisions for impairment on intangible assets	(465.913)	-
Provision for impairment on PPE	(134.125)	(281.596)
Loss on disposal of PPE	(40.354)	(38.732)
Loss on disposal of intangible assets	(743)	(1.691)
Transfer of currency translation differences recognized in other comprehensive income in the previous period	-	(11.714)
Other	(3.305)	(152)
	(644.440)	(333.885)

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 27. FINANCE INCOME/EXPENSE

a) Finance Income

	January 1 - December 31 2022	January 1 - December 31 2021
Foreign exchange gain	3.770.110	3.330.043
Interest income	664.737	231.771
Gain on derivative transactions	291.015	128.037
Interest income from sub-lease receivables	9.934	6.070
Gain arising from the termination of lease agreements	2.338	1.206
Other	-	2.966
	4.738.134	3.700.093

b) Finance Expense

	January 1 - December 31 2022	January 1 - December 31 2021
Foreign exchange loss	(3.032.085)	(2.586.148)
Interest and borrowing expense	(2.855.237)	(1.045.250)
Loss on derivative transactions	(1.290.647)	(400.002)
Bank commission and fees	(312.217)	(127.185)
Interest expenses related to leases	(82.448)	(46.577)
Other	(962)	(2.660)
	(7.573.596)	(4.207.822)

NOTE 28. INCOME TAX (INCLUDING DEFERRED TAX)

The corporation tax rate for the fiscal year is 20% in Türkiye. Corporate tax returns are required to be filed until the twenty fifth of the fourth month following the fiscal year end and paid in full until the end of the same month. The tax legislation provides for a provisional tax to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final corporate tax liability for the fiscal year.

According to Amendment to the Corporate Tax Law, which came into force after being published in the Official Gazette dated April 22, 2021 and numbered 31462; the legal corporate tax rate of 20% as of March 31, 2021 will be applied as 25% for the earnings of the corporations for the 2021 taxation period, and as 23% for the earnings for the 2022 taxation period. The aforementioned application will be effective starting from January 1, 2021. Within the scope of the aforementioned law, deferred tax assets and liabilities in the consolidated financial statements as of 31 December 2022 are calculated with a 20% rate for the part of the temporary differences that will have a tax effect as of January 1, 2023.

According to the Turkish Tax Law, corporate tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

In Türkiye, the tax legislation does not permit to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 28. INCOME TAX (INCLUDING DEFERRED TAX) (continued)

The main components of tax assets and liabilities as of December 31, 2022 and 2021 are as follows:

	December 31, 2022	December 31, 2021
Prepaid corporate tax	522.268	380.186
Provision for corporate tax	274.037	178.829

The main components of tax income and expenses as of December 31, 2022 and 2021 are as follows:

	January 1 - December 31 2022	January 1 - December 31 2021
Current period tax expense	(2.430.545)	(1.010.648)
Deferred tax income/(expense), net	(867.733)	(425.007)
	(3.298.278)	(1.435.655)

As of December 31, 2022 and 2021, the reconciliation of theoretical income tax calculated with the tax rates used in

the countries that the Company operates in and total income tax is as follows:

	January 1 - December 31 2022	January 1 - December 31 2021
Consolidated profit before tax	9.339.567	3.802.921
Effect of associate income net off tax	143.807	542.378
Consolidated profit before tax (excluding effect of associate income net off tax)	9.483.374	4.345.299
Enacted tax rate	23%	25%
Tax calculated at the parent company tax rate	(2.181.176)	(1.086.325)
Tax effect of non-deductible expenses	(596.918)	(80.131)
Tax effect of income excluded from tax bases	8.445	77.880
Effect of different tax rates	461.730	146.250
Deferred tax effect of translation on non-monetary items	(15.408)	(32.454)
Cancellation of deferred tax calculated in previous periods	(1.070.099)	(474.172)
Deferred tax effect of unused investment incentives	195.647	29.426
Other	(100.499)	(16.129)
	(3.298.278)	(1.435.655)

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 28. INCOME TAX (INCLUDING DEFERRED TAX) (continued)

As of December 31, 2022 and December 31, 2021 consolidated deferred tax assets and liabilities calculated by using effective tax rates are summarized as below:

	December 31, 2022	December 31, 2021
Deferred tax assets	2.990.454	2.031.664
Deferred tax liabilities	(6.907.713)	(5.291.833)
	(3.917.259)	(3.260.169)

As of December 31, 2022 and 2021 consolidated deferred tax assets and liabilities calculated by using effective tax rates are summarized as below:

	Asset		Liability		Net	
	December 31 2022	December 31 2021	December 31 2022	December 31 2021	December 31 2022	December 31 2021
PP&E and intangible assets	-	-	(7.885.923)	(5.891.014)	(7.885.923)	(5.891.014)
Inventories	38.635	-	-	(8.926)	38.635	(8.926)
Carry forward losses	2.290.274	1.727.535	-	-	2.290.274	1.727.535
Retirement pay liability and other employee benefits	220.802	83.448	-	-	220.802	83.448
Other provisions and accruals	1.101.681	687.059	-	-	1.101.681	687.059
Unused investment incentives	314.778	119.130	-	-	314.778	119.130
Derivative financial instruments	2.494	22.599	-	-	2.494	22.599
	3.968.664	2.639.771	(7.885.923)	(5.899.940)	(3.917.259)	(3.260.169)

As of December 31, 2022 and 2021, the movement of deferred tax asset and liability is as follows:

	2022	2021
Balance at January 1	(3.260.169)	(2.315.158)
Recognized in consolidated statement of profit or loss	(867.733)	(425.007)
Recognized in consolidated statement of other comprehensive income	1.559.919	1.108.981
Acquired through business combination (Note 2.36)	-	(321.157)
Currency translation adjustment	(1.349.276)	(1.307.828)
Balance at December 31	(3.917.259)	(3.260.169)

As a result of the Group management's assessment that sufficient taxable income will be generated and such carried losses will be utilized until the end of legal period, deferred tax asset amounting to TRL2.290.274 has been recognized. Whereas carried forward tax losses of companies reside in Türkiye can be carried for 5 years, JSC AB Inbev Efes and PJSC AB Inbev Efes Ukraine's can be carried forward with an indefinite life according to local tax regulations. Assumptions used in the calculation of Deferred Tax Assets are explained in Note 2.35.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 28. INCOME TAX (INCLUDING DEFERRED TAX) (continued)

Maturity of prior years' losses for which no deferred tax asset is recognized of companies based in Türkiye are as follows:

	December 31, 2022	December 31, 2021
Between 0-1 years	1.004.053	137.653
Between 1-2 years	46.464	276.444
Between 2-3 years	75.718	46.464
Between 3-4 years	1.958.417	75.718
Between 4-5 years	4.622.885	2.146.250
	7.707.537	2.682.529

As of December 31, 2022, total investments made for Bursa, Elazığ, Köyceğiz, Çorlu, Ankara, Mersin, İzmir and Isparta line investments under the scope of investment incentives with indefinite useful life are amounting to TRL379.288 (December 31, 2021 - TRL295.245) with a total tax advantage of TRL314.778 (December 31 - 2021, TRL119.131). Tax advantage calculated from the beginning date of the incentives by considering the future advantages is amounting to TRL4.528 (December 31, 2021 - TRL4.528).

NOTE 29. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net income for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Weighted average number of shares represents the number of shares as a result of capital increase and adjusted number of shares at the beginning period multiplied with the time-weighting factor. Time weighting factor is calculated by dividing the number of days that the shares are available by the total number of days of the period. The Group has no dilutive instruments.

Following table illustrates the net income and share figures used in earnings per share calculation:

	2022	2021
Weighted average number of shares (full value)	592.105.263	592.105.263
Profit/(loss) for the owners of parent	3.429.068	1.068.303
Earnings/(losses) per share (full TRL)	5,7913	1,8042
Profit/(loss) for the owners of parent	3.429.068	1.068.303
Profit/(loss) from continuing operations	3.429.068	1.068.303
Earning/(losses) per share from continuing operations (full TRL)	5,7913	1,8042

There have been no other transactions involving ordinary shares or potential ordinary shares between the financial statement date and the date of approval of these financial statements.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 30. RELATED PARTY BALANCES AND TRANSACTIONS

a) Related Parties Balances

Due from Related Parties

	December 31, 2022	December 31, 2021
Migros Group Companies ⁽²⁾	632.769	270.466
Anadolu Etap Tarım ve Gıda Ürünleri Sanayi ve Ticaret A.Ş. ^(*)	495.663	-
AB InBev Group Companies ^{(3) (**)}	357.430	294.416
AG Anadolu Grubu Holding A.Ş. ^{(1) (***)}	61.237	29.781
Other	21.286	15.419
	1.568.385	610.082

^(*)As of 31 December 2022, the weighted average interest rate of the Group's short-term other receivables from amounting to TL 494,000 from Anadolu Etap is 38.1%. (December31, 2021: None)

^(**) The Group has other receivables from AB Inbev Group Companies amounting to TL 188.174. (December31, 2021: TRL108.614)

^(***) As of 31 December 2022, TL 59.548 accounted for in accordance with TFRS 16 includes other receivables related to sublease. (December 31, 2021 - TRL29.117)

Due to Related Parties

	December 31, 2022	December 31, 2021
AB InBev Group Companies ^{(3) (****)}	2.964.860	740.488
Anadolu Efes Spor Kulübü	100.000	24.833
Oyex Handels GmbH ⁽²⁾	27.658	14.577
Anadolu Eğitim ve Sosyal Yardım Vakfı ^{(2) (*****)}	45.267	18.088
AG Anadolu Grubu Holding A.Ş. ⁽¹⁾	1.427	8.609
Other	1.314	1.604
	3.140.526	808.199

^(****)The Group has other payable balances to AB Inbev Group Companies amounting to TRL 1.866.633. (December31, 2021: TRL: 72.302)

^(*****)The Group has other payable balances to Anadolu Eğitim ve Sosyal Yardım Vakfı amounting to TRL 45.267. (December31, 2021: TRL: 18.088)

⁽¹⁾ The shareholder of the Group

⁽²⁾ Related party of AG Anadolu Grubu Holding A.Ş. (a shareholder)

⁽³⁾ Related parties of AB Inbev Harmony Ltd. (a shareholder)

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 30. RELATED PARTY BALANCES AND TRANSACTIONS (continued)**b) Related Parties Transactions****Purchases of Goods, Services and Donations**

	Nature of transaction	January 1 - December 31 2022	January 1 - December 31 2021
Ab InBev Group Companies ⁽³⁾	Service and Purchase of Trade Goods	2.760.626	367.998
Anadolu Efes Spor Kulübü	Service	381.000	174.484
Oyex Handels GmbH ⁽²⁾	Purchase of Materials and Fixed Assets	110.176	69.964
AG Anadolu Grubu Holding A.Ş. ⁽¹⁾	Consultancy Service	88.712	43.350
Anadolu Eğitim ve Sosyal Yardım Vakfı ⁽²⁾	Donation	45.302	18.082
Çelik Motor Ticaret A.Ş. ⁽²⁾	Vehicle Leasing	966	654
Other		1.474	2.626
		3.388.256	677.158

Finance Income and Expense

	Nature of transaction	January 1 - December 31 2022	January 1 - December 31 2021
AG Anadolu Grubu Holding A.Ş. ⁽¹⁾	Interest income from subleases	9.934	6.070
Çelik Motor Ticaret A.Ş. ⁽²⁾	Interest expense from leases	-	(87)
		9.934	5.983

Revenue and Other Income/(Expenses), Net

	Nature of transaction	January 1 - December 31 2022	January 1 - December 31 2021
Migros Group Companies ⁽²⁾	Sales Income	1.941.325	928.444
Ab InBev Group Companies ⁽³⁾	Other Income	108.962	132.986
Other	Other Income	5.884	2.616
		2.056.171	1.064.046

⁽¹⁾ The shareholder of the Group⁽²⁾ Related party of AG Anadolu Grubu Holding A.Ş. (a shareholder)⁽³⁾ Related parties of AB Inbev Harmony Ltd. (a shareholder)

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 30. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

b) Related Parties Transactions (continued)

Director's remuneration

As of December 31, 2022 and 2021, total benefits to Anadolu Efes Board of Directors, remuneration and similar benefits received by total executive members of the Board of Directors and executive directors are as follows:

	January 1 - December 31 2022		January 1 - December 31 2021	
	Board of Directors	Executive Directors	Board of Directors	Executive Directors
Short-term employee benefits	896	140.431	635	77.959
Post-employment benefits	-	-	-	-
Other long-term benefits	-	15.161	-	7.322
Termination benefits	-	960	-	19
Share based payments	-	-	-	-
	896	156.552	635	85.300

NOTE 31. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Group's principal financial instruments comprise bank borrowings, leases, cash and short-term deposits. The main purpose of these financial instruments is to raise funds for the Group's operations. Besides, The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group's financial instruments can be identified as interest rate risk, foreign currency risk, foreign currency hedge risk of net investments in foreign operations, liquidity risk, price risk, credit risk and capital risk. The Group management reviews and agrees policies for managing each of these risks. The Group also monitors the market price risk arising from all financial instruments.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 31. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

a) Interest Rate Risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing assets and liabilities. The Group manages interest rate risk by using natural hedges that arise from offsetting interest rate of assets and liabilities or derivative financial instruments.

Some of the interest rates associated with financial liabilities are based on prevailing market interest rates. Therefore, the Group is affected by changes in interest rates in national and international markets. The Group's exposure to market risk arising from changes in interest rates is primarily related to its debts and liabilities. The Group makes foreign currency swap transactions to hedge interest rate risk as stated in Note 9.

The Group's financial instruments sensitive to interest rate risk is as follows:

	January 1 - December 31 2022	January 1 - December 31 2021
Financial instruments with fixed interest rate		
Financial assets	-	-
Financial assets at fair value through profit or loss	19.541.903	8.336.382
Financial liabilities	(34.666.604)	(19.583.384)
Financial instruments with floating interest rate		
Financial liabilities	(2.000.838)	(1.159.013)

At December 31, 2022, if interest rate on the Group's borrowings would have been 100 basis points higher/lower with all other variables held constant, then profit before tax and minority interest for the three-month period ended March 31, 2023 which is the following reporting period, would be:

	January 1 - December 31 2022	January 1 - December 31 2021
Change in EURO denominated borrowing interest rate	3.731	1.901
Change in USD denominated borrowing interest rate	84	120
Change in Other denominated borrowing interest rate	806	539
Total	4.621	2.560

b) Foreign Currency Risk

Foreign currency risk generally arises from the EURO and USD denominated assets and liabilities of the Group. The Group has transactional currency exposures. Such exposures arise from sales or purchases of goods and services or borrowings of the Group in currencies other than the functional currency. The Group manages short term foreign currency risk by balancing foreign currency denominated assets and liabilities. The Group designates certain part of its bank deposits for the future raw material purchases, operational expense and interest related payments Note 6 Group's foreign currency liability consists of mainly long term liabilities. The Group also conducts foreign exchange forward transactions and cross currency swap transactions in order to hedge its foreign currency risk as stated in Note 9. Accordingly, in the short term foreign currency risk that may arise from fluctuation of foreign currencies are relatively limited.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 31. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

b) Foreign Currency Risk (continued)

Net foreign currency exposure for the consolidated Group companies as of December 31, 2022 and 2021 are presented below:

Foreign Currency Position Table						
December 31, 2022						
	Total TRL Equivalent	Thousand USD	Total TRL Equivalent	Thousand EURO	Total TRL Equivalent	Other Foreign Currency TRL
1. Trade Receivables and Due from Related Parties	7.280.027	381.952	7.141.860	6.219	123.984	14.183
2a. Monetary Financial Assets (Cash and cash equivalents included)	3.219.780	119.156	2.228.016	46.988	936.701	55.063
2b. Non- monetary Financial Assets	1.696	-	-	85	1.696	-
3. Other Current Assets and Receivables	86.582	3.304	61.774	878	17.503	7.305
4. Current Assets (1+2+3)	10.588.085	504.412	9.431.650	54.170	1.079.884	76.551
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Non-Current Assets (5+6+7)	-	-	-	-	-	-
9. Total Assets (4+8)	10.588.085	504.412	9.431.650	54.170	1.079.884	76.551
10. Trade Payables and Due to Related Parties	(5.503.524)	(196.077)	(3.666.312)	(88.012)	(1.754.518)	(82.694)
11. Short- term Borrowings and Current Portion of Long- term Borrowings	(2.923.631)	(132.933)	(2.452.928)	(23.612)	(470.703)	-
12a. Monetary Other Liabilities	(9.422)	(298)	(5.575)	(193)	(3.847)	-
12b. Non-monetary Other Liabilities	(43.784)	(2.342)	(43.784)	-	-	-
13. Current Liabilities (10+11+12)	(8.480.361)	(331.650)	(6.168.599)	(111.817)	(2.229.068)	(82.694)
14. Trade Payables and Due to Related Parties	(120)	-	-	(5)	(109)	(11)
15. Long-Term Borrowings	(22.520.300)	(1.147.394)	(21.454.321)	(53.473)	(1.065.979)	-
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities (14+15+16)	(22.520.420)	(1.147.394)	(21.454.321)	(53.478)	(1.066.088)	(11)
18. Total Liabilities (13+17)	(31.000.781)	(1.479.044)	(27.622.920)	(165.295)	(3.295.156)	(82.705)
19. Off Statement of Financial Position Derivative Items' Net Asset/(Liability) Position (19a+19b)	24.242.346	1.296.500	24.242.346	-	-	-
19a. Total Hedged Assets (*)	24.242.346	1.296.500	24.242.346	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset/(Liability) Position (9+18+19)	3.829.650	321.868	6.051.076	(111.125)	(2.215.272)	(6.154)
21. Monetary Items Net Foreign Currency Asset/(Liability) Position (1+2a+5+6a+10+11+12a+14+15+16a)	(20.457.190)	(975.594)	(18.209.260)	(112.088)	(2.234.471)	(13.459)
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	(159.345)	(4.558)	(85.224)	(3.718)	(74.121)	-
23. Total value of Hedged Foreign Currency Assets	-	-	-	-	-	-

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 31. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)**b) Foreign Currency Risk (continued)****Foreign Currency Position Table**

December 31, 2021

	Total TRL Equivalent	Thousand USD	Total TRL Equivalent	Thousand EURO	Total TRL Equivalent	Other Foreign Currency TRL
1. Trade Receivables and Due from Related Parties	6.413.163	470.338	6.269.132	8.224	124.071	19.961
2a. Monetary Financial Assets (Cash and cash equivalents included)	4.112.184	289.648	3.860.714	10.255	154.714	96.756
2b. Non- monetary Financial Assets	219	-	-	14	219	-
3. Other Current Assets and Receivables	243.037	16.064	214.116	1.917	28.921	-
4. Current Assets (1+2+3)	10.768.603	776.050	10.343.962	20.410	307.925	116.717
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	287	-	-	19	287	-
8. Non-Current Assets (5+6+7)	287	-	-	19	287	-
9. Total Assets (4+8)	10.768.890	776.050	10.343.962	20.429	308.212	116.717
10. Trade Payables and Due to Related Parties	(3.850.369)	(137.956)	(1.838.821)	(125.197)	(1.888.810)	(122.738)
11. Short- term Borrowings and Current Portion of Long- term Borrowings	(2.710.066)	(189.499)	(2.498.226)	(14.041)	(211.832)	(8)
12a. Monetary Other Liabilities	(1.433)	-	-	(95)	(1.433)	-
12b. Non-monetary Other Liabilities	(31.513)	(2.364)	(31.513)	-	-	-
13. Current Liabilities (10+11+12)	(6.593.381)	(329.819)	(4.368.560)	(139.333)	(2.102.075)	(122.746)
14. Trade Payables and Due to Related Parties	(75)	-	-	(5)	(75)	-
15. Long-Term Borrowings	(13.526.991)	(970.726)	(12.938.809)	(38.984)	(588.140)	(42)
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities (14+15+16)	(13.527.066)	(970.726)	(12.938.809)	(38.989)	(588.215)	(42)
18. Total Liabilities (13+17)	(20.120.447)	(1.300.545)	(17.307.369)	(178.322)	(2.690.290)	(122.788)
19. Off Statement of Financial Position Derivative Items' Net Asset/(Liability) Position (19a+19b)	12.929.130	970.000	12.929.130	-	-	-
19a. Total Hedged Assets ^(*)	12.929.130	970.000	12.929.130	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset/(Liability) Position (9+18+19)	3.577.574	445.505	5.965.723	(157.893)	(2.382.078)	(6.071)
21. Monetary Items Net Foreign Currency Asset/(Liability) Position (1+2a+5+6a+10+11+12a+14+15+16a)	(9.563.586)	(538.195)	(7.146.010)	(159.843)	(2.411.505)	(6.071)
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	(390.928)	(502)	(6.673)	(25.470)	(384.254)	-
23. Total value of Hedged Foreign Currency Assets	-	-	-	-	-	-

^(*) In order to hedge foreign exchange risk arising from the translation of net investments in the subsidiaries operating in the Netherlands to Turkish Lira, the USD denominated bonds have been designated as hedges of net investment risk.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 31. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

b) Foreign Currency Risk (continued)

The information regarding the export and import figures realized as of December 31, 2022 and 2021 is as follows:

	January 1 - December 31 2022	January 1 - December 31 2021
Total Export	2.723.837	1.201.741
Total Import	15.906.049	6.915.114

The following table demonstrates the sensitivity analysis of foreign currency as of December 31, 2022 and 2021:

	Foreign Currency Position Sensitivity Analysis			
	December 31, 2022 ^(*)		December 31, 2021 ^(*)	
	Income/(Loss)			
	Increase of the foreign currency	Decrease of the foreign currency	Increase of the foreign currency	Decrease of the foreign currency
Increase/decrease in USD by 10%:				
USD denominated net asset/(liability)	(1.820.926)	1.820.926	(714.601)	714.601
USD denominated hedging instruments (-)	2.424.235	(2.374.685)	1.292.913	(1.292.913)
Net effect in USD	603.309	(553.759)	578.312	(578.312)
Increase/decrease in EURO by 10%:				
EURO denominated net asset/(liability)	(223.447)	223.447	(241.151)	241.151
EURO denominated hedging instruments (-)	-	-	-	-
Net effect in EURO	(223.447)	223.447	(241.151)	241.151
Increase/decrease in other foreign currencies by 10%:				
Other foreign currency denominated net asset/(liability)	(1.346)	1.346	(607)	607
Other foreign currency hedging instruments (-)	-	-	-	-
Net effect in other foreign currency	(1.346)	1.346	(607)	607
TOTAL	378.516	(328.966)	336.554	(336.554)

^(*) Monetary assets and liabilities eliminated in scope of consolidation are not included except for the ones which have foreign currency gain/(loss) effects to the statement of consolidated profit or loss.

c) Foreign Currency Hedge of Net Investments in Foreign Operations

Beer Group has designated an instrument which is amounting to USD500 million out of USD500 million bond issued as of June 29, 2021 to hedge its foreign currency risk arising from the translation of net assets of its subsidiary located in Netherlands, Efes Breweries International (whose main activity is facilitating foreign investments in breweries).

Soft Drink has designated three instruments, the first one amounting to USD150 million out of USD500 million bond issued as of September 19, 2017, the second one amounting to USD120 million out of USD120 million bond issued as of August 20, 2019 and the third one amounting to USD500 million out of USD500 million bond issued as of January 20, 2022 as a hedging instrument in order to hedge its foreign currency risk arising from the translation of net assets of its subsidiary located in Netherlands, CCI Holland and Waha B.V.

The effective part of the change in the value of the bonds and loans designated as hedging of net investments amounting to TRL7.385.178 (TRL5.908.142- including deferred tax effect) is recognized as "Gains (Losses) on Hedge" under Equity and to "Other Comprehensive Income (Loss) Related with Hedges of Net Investment in Foreign Operations" under Other Comprehensive Income (December 31, 2021 - TRL5.603.352 (TRL4.482.682- including deferred tax effect)).

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 31. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

d) Liquidity Risk

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The risk is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions. The Group also reduces the risk by preferring long-term debt.

The analysis of non-derivative financial liabilities as at December 31, 2022 and 2021 in the statement of financial position is as follows:

December 31, 2022	Carrying value	Contractual payment (=I+II+III+IV)	Less than 3month (I)	Between 3-12 month (II)	Between 1-5 year (III)	More than 5 year (IV)
Contractual maturities						
Financial liabilities	36.667.442	42.712.255	4.656.072	8.263.834	19.794.144	9.998.205
Financial leasing borrowings	904.714	1.192.011	43.326	259.924	610.462	278.299
Trade payable and due to related parties	20.033.063	20.033.063	14.670.890	5.362.053	-	120
Liability for put option	44.208	44.208	-	44.208	-	-
Employee Benefit Obligations	572.793	572.793	572.793	-	-	-
Total	58.222.220	64.554.330	19.943.081	13.930.019	20.404.606	10.276.624
<hr/>						
December 31, 2021	Carrying value	Contractual payment (=I+II+III+IV)	Less than 3month (I)	Between 3-12 month (II)	Between 1-5 year (III)	More than 5 year (IV)
Contractual maturities						
Financial liabilities	20.742.397	23.325.746	2.045.562	4.793.200	9.884.512	6.602.472
Financial leasing borrowings	503.933	808.663	27.869	91.135	199.191	490.468
Trade payable and due to related parties	12.636.291	12.636.291	8.882.525	3.751.675	2.003	88
Liability for put option	31.513	31.513	-	31.513	-	-
Employee Benefit Obligations	221.949	221.949	221.949	-	-	-
Total	34.136.083	37.024.162	11.177.905	8.667.523	10.085.706	7.093.028

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 31. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

e) Price Risk

This is a combination of currency, interest and market risks which the Group manages through natural hedges that arise from offsetting the same currency receivables and payables, interest bearing assets and liabilities. Market risk is closely monitored by the management using the available market information and appropriate valuation methods.

f) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group attempts to control credit risk by limiting transactions with specific counterparties and assessing the creditworthiness of the counterparties.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location.

The Group seeks to manage its credit risk exposure through diversification of sales activities to avoid undue concentrations of risks with individuals or groups of customers in specific locations or businesses. The Group keeps guarantees for a part of its receivables by means of DDS (Direct Debit System) and the clearance of credit card receivables of its dealer and distributors from the banks. The Group also obtains guarantees from the customers when appropriate and keep considerable portion of the receivables secured with guarantees or receivable insurance.

The credit risks of the banks in which the Group has deposits are evaluated by taking into account independent data, and no significant credit risk is expected apart from the expected loss provision presented in Note 6.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 31. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

f) Credit Risk (continued)

Maximum exposure to credit risk and aging of financial assets past due but not impaired as of December 31, 2022 and 2021 are disclosed as below:

December 31, 2022	Receivables				Deposits	Derivative Instruments
	Trade Receivables		Other Receivables			
	Due from related parties	Due from third parties	Due from related parties	Due from third parties		
Maximum exposure to credit risk at the end of reporting period (A+B+C+D+E)	826.663	7.058.597	741.722	166.205	24.398.023	37.362
- Maximum credit risk secured by guarantees	550.457	2.277.379	-	-	-	-
A. Net carrying amount of financial assets that are neither past due nor impaired	826.663	6.763.185	741.722	166.205	24.398.023	37.362
B. Carrying amount of financial assets whose term has been renegotiated, otherwise past due or impaired	-	-	-	-	-	-
C. Net carrying amount of financial assets past due but not impaired	-	284.921	-	-	-	-
- Under guarantee, securities and credit insurance	-	53.400	-	-	-	-
D. Net carrying amount of financial assets impaired past due (gross carrying value)	-	10.491	-	-	-	-
- impaired (-)	-	(79.772)	-	-	-	-
- Net carrying amount of financial assets under guarantee, securities and credit insurance	-	10.491	-	-	-	-
- not past due (gross carrying value)	-	-	-	-	-	-
- impaired (-)	-	-	-	-	-	-
- Net carrying amount of financial assets under guarantee, securities and credit insurance	-	-	-	-	-	-
E. Off-balance sheet items which include credit risk	-	-	-	-	-	-
December 31, 2022			Trade Receivables	Other Receivables	Deposits	Derivative Instruments
Past due between 1-30 days			274.887	-	-	-
Past due between 1-3 months			10.034	-	-	-
Past due between 3-12 months			-	-	-	-
Past due for more than 1 year			-	-	-	-

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 31. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

f) Credit Risk (continued)

	Receivables				Deposits	Derivative Instruments
	Trade Receivables		Other Receivables			
	Due from related parties	Due from third parties	Due from related parties	Due from third parties		
December 31, 2021						
Maximum exposure to credit risk at the end of reporting period (A+B+C+D+E)	472.351	4.644.710	137.731	133.650	10.118.745	100.573
- Maximum credit risk secured by guarantees	149.628	1.433.908	-	-	-	-
A. Net carrying amount of financial assets that are neither past due nor impaired	472.351	4.447.492	137.731	133.650	10.118.745	100.573
B. Carrying amount of financial assets whose term has been renegotiated, otherwise past due or impaired	-	-	-	-	-	-
C. Net carrying amount of financial assets past due but not impaired	-	186.896	-	-	-	-
- Under guarantee, securities and credit insurance	-	14.079	-	-	-	-
D. Net carrying amount of financial assets impaired	-	10.322	-	-	-	-
- past due (gross carrying value)	-	192.908	-	-	-	-
- impaired (-)	-	(182.586)	-	-	-	-
- Net carrying amount of financial assets under guarantee, securities and credit insurance	-	10.322	-	-	-	-
- not past due (gross carrying value)	-	-	-	-	-	-
- impaired (-)	-	-	-	-	-	-
- Net carrying amount of financial assets under guarantee, securities and credit insurance	-	-	-	-	-	-
E. Off-balance sheet items which include credit risk	-	-	-	-	-	-
December 31, 2021			Trade Receivables	Other Receivables	Deposits	Derivative Instruments
Past due between 1-30 days			128.016	-	-	-
Past due between 1-3 months			42.787	-	-	-
Past due between 3-12 months			16.093	-	-	-
Past due for more than 1 year			-	-	-	-

g) Capital Risk Management

The Group's policy is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group periodically measures Net Debt to EBITDA BNRI ratio to maintain capital risk management. Net Debt is calculated by deducting cash and cash equivalents and deposits over three months from total borrowing.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 32. FINANCIAL INSTRUMENTS

Fair Value

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The optimum fair value of a financial instrument is the quoted market value, if any.

The financial assets and liabilities which are denominated in foreign currencies are evaluated by the foreign exchange rates prevailing on the date of balance sheet which approximate to market rates. The following methods and assumptions were used to estimate the fair value of each class of financial instrument of the Group for which it is practicable to estimate a fair value:

a) Financial Assets

The fair values of certain financial assets carried at cost in the consolidated financial statements, including cash and cash equivalents plus the respective accrued interest and other financial assets are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses. The carrying value of trade receivables along with the related allowance for unearned income and uncollectibility are estimated to be their fair values.

b) Financial Liabilities

Trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The bank borrowings are stated at their amortized costs and transaction costs are included in the initial measurement of loans and bank borrowings. The fair value of bank borrowings are considered to state their respective carrying values since the interest rate applied to bank loans and borrowings are updated periodically by the lender to reflect active market price quotations. The carrying value of trade payables along with the related allowance for unrealized cost is estimated to be their fair values.

Fair value hierarchy table

The Group classifies the fair value measurement of each class of financial instruments according to the source, using the three-level hierarchy, as follows

Level 1: Market price valuation techniques for the determined financial instruments traded in markets

Level 2: Other valuation techniques including direct or indirect observable inputs

Level 3: Valuation techniques not containing observable market inputs.

December 31, 2022	Level 1	Level 2	Level 3
Financial assets at fair value			
Derivative financial instruments (Note 9)	-	37.362	-
Financial liabilities at fair value			
Derivative financial instruments (Note 9)	-	(850.353)	-
Put option liabilities (Note 20)	(44.208)	-	-
December 31, 2021	Level 1	Level 2	Level 3
Financial assets at fair value			
Derivative financial instruments (Note 9)	-	100.573	-
Financial liabilities at fair value			
Derivative financial instruments (Note 9)	-	(1.152.785)	-
Put option liabilities (Note 20)	(31.513)	-	-

Derivative Instruments, Risk Management Objectives and Policies

Derivative instruments and hedging transactions are explained in Note 6, Note 9 and Note 27.

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 33. EXPLANATORY INFORMATION ON STATEMENT OF CASH FLOWS

a) Adjustments for Impairment Loss (Reversal)

	January 1 - December 31 2022	January 1 - December 31 2021
Adjustments for impairment loss (reversal of impairment) of receivables (Note 10, 25)	13.796	(7.018)
Adjustments for impairment loss (reversal of impairment) of property, plant and equipment (Note 15, 26)	34.843	266.676
Adjustments for impairment of intangible assets (Note 16, Note 26)	465.913	-
Adjustments for impairment loss (reversal of impairment) of inventories (Note 12, 25)	92.380	9.571
	606.932	269.229

b) Adjustments for (Reversal of) Provisions Related with Employee Benefits

	January 1 - December 31 2022	January 1 - December 31 2021
Provision for vacation pay liability (Note 19)	52.904	27.925
Provision for retirement pay liability (Note 19)	231.941	68.435
Provision for long term incentive plans (Note 19)	55.165	22.378
	340.010	118.738

c) Adjustments for Interest (Income) Expenses

	January 1 - December 31 2022	January 1 - December 31 2021
Adjustments for interest income (Note 27)	(664.737)	(231.771)
Adjustments for interest expenses (Note 27)	2.855.237	1.045.250
Adjustments for interest income sub-lease receivables (Note 27)	(9.934)	(6.070)
Adjustments for interest expense related to leases (Note 27)	82.448	46.577
	2.263.014	853.986

d) Cash Flows From (used in) Investing Activities

	January 1 - December 31 2022	January 1 - December 31 2021
Cash and cash equivalents in acquired companies	-	76.944
Consideration paid in scope of business acquisition	(243.310)	(3.054.902)
	(243.310)	(2.977.958)

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 33. EXPLANATORY INFORMATION ON STATEMENT OF CASH FLOWS (continued)

e) Cash Flows From (used in) Financing Activities

	January 1 - December 31 2022	January 1 - December 31 2021
Income/(loss) from cash flow hedge	912.781	792.590
Cash inflow from capital increases by owner of non-controlling interests	540.112	-
Change in time deposits with maturity more than three months	(74.136)	11.588
Change in currency linked deposits	(479.432)	-
Change in restricted cash	(70.233)	46.645
Change in other financial liabilities	69.875	-
	898.967	850.823

f) Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments

	January 1 - December 31 2022	January 1 - December 31 2021
Adjustments for fair value (gains) losses on derivative financial instruments	1.282.017	118.163
Put option revaluation (Note 26)	-	(27.151)
	1.282.017	91.012

NOTE 34. FEES FOR SERVICES FROM INDEPENDENT AUDIT FIRMS

The Group's explanation regarding the fees for the services received from the independent audit firms for the periods January 1 - December 31, 2022 and January 1 - December 31, 2021 are as follows:

	January 1 - December 31 2022	January 1 - December 31 2021
Audit fee for the reporting period	14.343	16.250
Tax consulting services fee	7.088	6.065
Other assurance services fee	20	4
Other service fee apart from audit	368	107
	21.819	22.426

ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(Currency- Unless otherwise indicated thousands of Turkish Lira (TRL))

(Convenience translation into english of consolidated financial statements originally issued in Turkish)

NOTE 35. EVENTS AFTER REPORTING PERIOD

a) As per the announcement dated December 6, 2019 by our Company, a share purchase agreement has been signed between the Group and Özgörkey Holding A.Ş. (“Özgörkey Holding”) on December 4, 2019 regarding the purchase of the shares of AEP Anadolu Etap Penkon Gıda ve Tarım Ürünleri Sanayi ve Ticaret A.Ş. (“Anadolu Etap”) and it was also mentioned that after the transfer of the shares, the management structure of Anadolu Etap and the agreements between the shareholders have not allowed any shareholder to control Anadolu Etap alone.

In accordance with the said agreements between the Group and Özgörkey Holding, certain managerial and shareholding rights have been granted to Özgörkey Holding, and some of these rights have expired as of January 26, 2023. As a result, the Group will be able to control the Anadolu Etap Tarım on its own.

The said control change is subject to the Competition Board’s evaluation, and necessary applications have been made in this regard. Until Competition Board’s evaluation is completed, Anadolu Etap will continue to be managed under the joint control of the Group and Özgörkey Holding.

b) As stated in the special circumstances disclosure made on the Public Disclosure Platform, our Company’s Board of Directors decided to issue debt instruments amounting to TRL5.000.000 with a maturity up to 36 months in the country, and within this scope, an application was made to the Capital Markets Board on 31 January 2023 for the approval of the issue document(s).

c) In its meeting held on February 28, 2023, Anadolu Efes’ Board of Directors resolved to submit for the approval of the General Assembly a cash dividend proposal of gross full TRL2.1314 (net full TRL 1.91826) per each share with full TRL 1 nominal value amounting to a total of TRL1.262.013 realizing a 213.14% gross dividend distribution over the issued capital amounting to TRL592.105, calculated for the period January-December 2022 to be paid starting from May 23, 2023.

d) Coca-Cola İçecek (“CCI”) and the Group’s 78.58% subsidiary AEP Anadolu Etap Penkon Gıda ve Tarım Ürünleri Sanayi ve Ticaret A.Ş. (“Anadolu Etap”) signed a binding share transfer agreement for sale of shares representing 80% of the capital of Anadolu Etap Penkon Gıda ve İçecek Ürünleri Sanayi ve Ticaret A.Ş. (“Anadolu Etap İçecek”) to CCI. Anadolu Etap İçecek is engaged in fruit and vegetable juice concentrate and puree productions and export business and is wholly owned by Anadolu Etap.

As per the share transfer agreement, Anadolu Etap will sell 80% of Anadolu Etap İçecek in exchange for USD 112 million. The amount will be paid in Turkish Liras and will be converted as per the average of the USD/TRL foreign exchange buying rate and selling rate published on the website of the Central Bank one business day prior to the date on which the transfer of shares to be completed.

The completion of the share transfer is subject to the fulfillment of the preconditions defined in the agreement including the approvals of the Turkish Competition Authority.

e) CCI International Holland B.V. (“CCIHBV”), a wholly owned subsidiary of Coca-Cola İçecek A.Ş., and Atlantic Industries Co. (“AI”), a subsidiary of The Coca-Cola Company (“TCCC”), today signed a share purchase agreement for the acquisition of 49.67% shares in The Coca-Cola Beverages Pakistan Limited (“CCBPL”) held by AI. CCI also owns a 49.67% stake in CCBPL and the remaining shares are held by a local shareholder.

CCI’s Board of Directors, at its meeting on December 20th, 2022, approved the acquisition of 49.67% of CCBPL by CCIHBV against payment of a total amount of US\$300 million in cash for the aforementioned stake. The purchase price is determined through bilateral negotiations with TCCC in reference to an independent valuation report. CCBPL’s valuation indicates an Enterprise Value of USD 635 million.

f) Per the announcement made to Public dated January 27, 2023, it was announced that, CCI’s Board of Directors has resolved to authorize its management to issue and sell notes and/or bonds (“Note” and/or “Bond”), up to an amount of TRL 2.000.000 with a maturity up to two years and an official application to the Capital Markets Board of Turkey (“CMB”) has been announced.

g) As per the consolidated financial statements of Soft Drink’s prepared in accordance with CMB accounting standards, in 2022, Soft Drink recorded a net income of TRL 4.331.051. The Board of Directors resolved to propose to the General Assembly the distribution of gross dividends of TrL 720.022, after legal liabilities are deducted, from 2022 net income starting from 22 May 2023. As per the proposal, the remainder of 2022 net income will be added to the extraordinary reserves.

Subject to the approval of the General Assembly, entities which are Turkey resident taxpayers or entitled such dividends through a permanent establishment or a permanent representative in Turkey, will be paid a gross cash dividend of TRL 2,8306 (net TRL 2,8306) per 100 shares, representing TRL 1 nominal value. While, other shareholders will receive gross TRL 2,8306 (net TRL 2,54754) per 100 shares.

h) Due to the damages caused by the earthquakes that took place in Kahramanmaraş on February 6, 2023, affecting many of our provinces and shaking our whole country, in accordance with the Official Gazette numbered 32098 on Wednesday, February 8, 2023, Adana, Adıyaman, Diyarbakır, Gaziantep, Hatay, Kahramanmaraş, Kilis, Malatya, Osmaniye, Şanlıurfa and Elazığ provinces, it was decided to declare a state of emergency for three months. The economic impacts in the provinces affected by the earthquake are uncertain as of the reporting date. The Group continues to evaluate the effects of the earthquake on its operations and financial statements.

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
Corporate Governance Compliance Report						
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					
1.4. VOTING RIGHTS						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					
1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	
1.5. MINORITY RIGHTS						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.		X				While utmost care is given to the use of minority rights, our Articles of Association regulates the usage of all minority rights in accordance with regulations. While Corporate Governance Principles enable the provision of minority rights to shareholders with less than 1/20 share in capital in the articles of association; articles of association of our company does not include any article broadening the extent of minority rights compared to Law.
1.6. DIVIDEND RIGHT						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					X	
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					
2.1. CORPORATE WEBSITE						
2.1.1. - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
2.2. ANNUAL REPORT						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.	X					
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X					
3.3. HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X					

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X					

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.2.7-The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	X					
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.	X					Within the context of Gender Equality Policy on the Board of Directors; it has been aimed to reach 30% of female members by 2030. The Board of Directors evaluates the progress achieved in reaching this target annually and shares the results with the public. The target can be reconsidered when necessary.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1-Each board member attended the majority of the board meetings in person.	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	X					
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		X				The responsibilities of the Board Members outside of our Company are listed in our Annual Report. There are no rules established by our Company on this issue, however, the requirements of the Corporate Governance Principles are applied.

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.5. BOARD COMMITTEES						
4.5.5 - Board members serve in only one of the Board's committees.	X					Except for independent members, Board Members serve only in one committee.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.	X					Corporate Governance rating services are received. This institution is authorized by Capital Markets Board and its title is mentioned in the related section of our annual report.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
4.6. FINANCIAL RIGHTS						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					It was carried out in 2021 and it is planned to make an evaluation every 2 years.
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.		X				In accordance with the Article 4.6.5 of Corporate Governance Principles, the remunerations and all other benefits provided to Board members and managers having administrative responsibilities are made public through our annual report. The remuneration of the independent Board members is included and it is also stated that the other members of the Board are not getting paid. As in previous years, the total amount of salaries paid to executives with administrative responsibility has been included and no breakdown has been given on a person basis.

CORPORATE GOVERNANCE INFORMATION FORM

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	During 2022, meetings were conducted with a total of 309 domestic and foreign institutional investors and analysts concerning issues related to the company's business results, performance, and other developments during the reporting period. Anadolu Efes also participated in conferences in Turkey and abroad as well as virtual conferences and other meetings organized to provide shareholders and investors information about the company. In this context, in 2022, company representatives participated in 17 roadshows/conferences in Turkey and abroad.
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	0
The number of special audit requests that were accepted at the General Shareholders' Meeting	0
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/en/Bildirim/1013543
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Yes.
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There were no transactions which could be considered in the scope of the significant transactions as described in Article 1.3.9 of Corporate Governance Principles.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)	not applicable
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)	not applicable
The name of the section on the corporate website that demonstrates the donation policy of the company	Available on company website's Investor Relations Corporate Governance section under Donations and Grant Policy https://www.anadoluefes.com/en/sayfa/1/636/donation-and-grant-policy
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	Available on the 45th of Articles of Association which is available on https://www.anadoluefes.com/en/sayfa/1/643/articles-of-association
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 32 of Articles of Association. https://www.anadoluefes.com/en/sayfa/1/643/articles-of-association
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	In the Ordinary General Assembly Meeting held on 20.04.2022, there were no attendances by any stakeholders or the media apart from Company representatives. The Partner of Independent Audit Company, Board Members of our Company, Shareholders and company employees attended the General Assembly.

1.4. Voting Rights	
Whether the shares of the company have differential voting rights	No
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	-
The percentage of ownership of the largest shareholder	43.05%
1.5. Minority Rights	
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	No
If yes, specify the relevant provision of the articles of association.	-
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	Available on company website's Corporate Governance section of Investor Relations section under Dividend Policy https://www.anadoluefes.com/en/sayfa/1/634/dividend-policy
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	There were no such proposals.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	There were no such proposals.

GENERAL ASSEMBLY MEETINGS

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
20/4/2022	0	86.01%	1.15%	84.86%	Investor Relations / General Assembly	Investor Relations / General Assembly/ Minutes	Not applicable	0	https://www.kap.org.tr/en/Bildirim/1022329

CORPORATE GOVERNANCE INFORMATION FORM

2. DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Capital Structure and Investor Relations / Corporate Governance Section
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	About Us / Capital Structure
List of languages for which the website is available	Turkish / English
2.2. Annual Report	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	Responsibilities undertaken by Board Members outside the Company are given in section of the Board of Directors of our Annual Report. Statements of Board Members' independent status are provided under the Statement of Independent Status section.
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Given in section 3 of the section of Board of Directors, Structure and Independence of the Committees established under the Board in the Corporate Governance Compliance Report in our Annual Report.
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Available in section of Working Principles of the Board of Directors in the Corporate Governance Compliance Report
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Not Applicable
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Available in section 13. Other Issues under "Other information related to operations" section of the Annual Report
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	Available in section 13. Other Issues under "Other information related to operations" section of the Annual Report
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	No cross ownership
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Available under Sustainability section of the Annual Report and our website

3. STAKEHOLDERS	
3.1. Corporation's Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Indemnity Policy is available under Investor Relations / Corporate Governance section of the corporate website
The number of definitive convictions the company was subject to in relation to breach of employee rights	36
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Ethics Responsible
The contact detail of the company alert mechanism	Ethics website: www.efesethicsline.com (in 5 languages) Ethics phone line: + 90 212 276 33 37 Ethics e-mail: efes@efesethicsline.com
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	Models supportive of participation in company management by stakeholders including first and foremost the company employees are developed without disrupting the operations of the company. Employees are capable of transmitting their value adding suggestions to the management via our BiFikir system, which is the Anadolu Group Innovation Portal. In addition, the requests and improvement demands regarding the services offered to our employees by Human Resources are delivered to the human resources business partners, and they are again followed up and resolved by the business partners.
Corporate bodies where employees are actually represented	Not available
3.3. Human Resources Policy	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	Succession plans are evaluated on a regular basis across Anadolu Efes and other Anadolu Group companies through Organizational Development Meetings involving all employees. Key Management positions are reviewed in this process. Changes in relevant positions are subject to Board approval.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	Human Resources Policy is available in our corporate website under Investor Relation Corporate Governance Section. One of our Groups commitments towards its employees in the course of every relationship, which is part of our working principles and followed strictly without any concession, is not to make any discrimination in terms of race, skin color, age, nationality, gender and religious beliefs. We take pride in different aspects and cultural diversification of our employees and consider such diversification a valuable tool for advancement towards a common objective.
Whether the company provides an employee stock ownership programme	There isn't an employee stock ownership programme.
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Available in Anadolu Efes Code of Business Conduct and Ethics which is in Code of Business Conduct and Ethics under Corporate Governance. Our Human Rights Policy has also been prepared and shared with our employees.
The number of definitive convictions the company is subject to in relation to health and safety measures	None
3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	Available in Code of Business Conduct and Ethics under Corporate Governance
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	The report is available under Sustainability section.
Any measures combating any kind of corruption including embezzlement and bribery	Available in Anadolu Efes Code of Business Conduct and Ethics which is in Code of Business Conduct and Ethics under Corporate Governance

CORPORATE GOVERNANCE INFORMATION FORM

4. BOARD OF DIRECTORS-I	
4.2. Activity of the Board of Directors	
Date of the last board evaluation conducted	November 2021
Whether the board evaluation was externally facilitated	Yes
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	No duties/authorities delegated
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	18
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Available in Risk Management and Internal Control Mechanism section of the Corporate Governance Compliance Report
Name of the Chairman	Tuncay Özilhan
Name of the CEO	Can Çaka
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	Not the same person
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	https://www.kap.org.tr/en/Bildirim/994161
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	<p>Equity, Diversity and Inclusion Policy (ED&I) is available in our corporate website under Investor Relation Corporate Governance Section. In Board member nominations, diversity criteria are taken into consideration in terms of gender, nationality, ethnicity, country of origin, cultural background the board membership includes a diverse mixture of age, language, race, socio-economic background, professional and industry backgrounds, geographical experience and expertise, gender, tenure, ethnicity and diversity of thought supported with sufficient global vision, knowledge and experience. We believe that ensuring a diverse representation in the Board of Directors results in optimal decision-making and assists in the development and execution of a strategy which promotes the success.</p> <p>Gender Equality Policy on the Board of Directors is also available in our corporate website under Investor Relation Corporate Governance Section. In this context, the representation of female members in Anadolu Efes' Board of Directors has been determined as a priority ED&I target. According to the policy; it is aimed to reach 30% of female members by 2030. The Board of Directors evaluates the progress achieved in reaching this target annually and shares the results with the public. The target can be reconsidered when necessary.</p>
The number and ratio of female directors within the Board of Directors	The number female directors within the Board of Directors 1 (one); the ratio of female directors is 9%.

Composition of Board of Directors							
Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/Or Finance Or Not
Tuncay Özilhan	Non-executive	Not independent director	26/06/00		Not applicable	Not applicable	Yes
Kamilhan Süleyman Yazıcı	Non-executive	Not independent director	27/04/17		Not applicable	Not applicable	Yes
Jason Gerard Warner	Non-executive	Not independent director	30/04/19		Not applicable	Not applicable	Yes
Talip Altuğ Aksoy	Non-executive	Not independent director	25/05/21		Not applicable	Not applicable	Yes
Rasih Engin Akçakoca	Non-executive	Not independent director	28/04/20		Not applicable	Not applicable	Yes
Ağah Uğur	Non-executive	Not independent director	25/05/21		Not applicable	Not applicable	Yes
Ahmet Boyacıoğlu	Non-executive	Not independent director	14/04/16		Not applicable	Not applicable	Yes
Barış Tan	Non-executive	Independent director	16/04/18	Available in the Annual Report	Considered	No	Yes
Uğur Bayar	Non-executive	Independent director	16/04/18	Available in the Annual Report	Considered	No	Yes
Şevki Acuner	Non-executive	Independent director	16/04/18	Available in the Annual Report	Considered	No	Yes
Lale Develioğlu	Non-executive	Independent director	20/11/20	Available in the Annual Report	Considered	No	No

CORPORATE GOVERNANCE INFORMATION FORM

4. BOARD OF DIRECTORS-II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical board meetings in the reporting period (meetings in person)	5
Director average attendance rate at board meetings	98%
Whether the board uses an electronic portal to support its work or not	Yes
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	Relevant information, documents and presentations are submitted to the Board for information and review 3 to 5 days before the Board meetings
The name of the section on the corporate website that demonstrates information about the board charter	Available under Article 14 of the Articles of Association which is available at https://www.anadoluefes.com/en/sayfa/1/643/articles-of-association
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	Not available.
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	Available under the section 3 of the section of Board of Directors, Structure and Independence of the Committees established under the Board of the Corporate Governance Compliance Report in the Annual Report
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/en/Bildirim/343206

Composition of Board Committees-I				
Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Audit Committee		Şevki Acuner	Yes	Board member
Audit Committee		Uğur Bayar	No	Board member
Corporate Governance Committee		Uğur Bayar	Yes	Board member
Corporate Governance Committee		Rasih Engin Akçakoca	No	Board member
Corporate Governance Committee		Jason Warner	No	Board member
Corporate Governance Committee		Lale Develioğlu	No	Board member
Corporate Governance Committee		Hurşit Zorlu	No	Not board member
Corporate Governance Committee		Yılmaz Argüden	No	Not board member
Corporate Governance Committee		Aslı Demirel	No	Not board member
Committee of Early Detection of Risk		Barış Tan	Yes	Board member
Committee of Early Detection of Risk		Talip Altuğ Aksoy	No	Board member
Committee of Early Detection of Risk		Agah Uğur	No	Board member
Committee of Early Detection of Risk		Ben Graham	No	Not board member

4. BOARD OF DIRECTORS-III	
4.5. Board Committees-II	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Evaluation of the Board of Directors regarding the working principles and efficiency of Committees constituted within the Board is presented as attachment to Corporate Governance Compliance Report available in our Annual Report.
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Evaluation of the Board of Directors regarding the working principles and efficiency of Committees constituted within the Board is presented as attachment to Corporate Governance Compliance Report available in our Annual Report.
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	Responsibilities of the Nomination Committee are fulfilled by the Corporate Governance Committee. Presented under "Evaluation of the Board of Directors regarding the working principles and efficiency of Committees constituted within the Board" as attachment to Corporate Governance Compliance Report available in our Annual Report.
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Presented under "Evaluation of the Board of Directors regarding the working principles and efficiency of Committees constituted within the Board" as attachment to Corporate Governance Compliance Report available in our Annual Report.
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	As per the Article 3 of the Board of Directors of the Corporate Governance Compliance Report which is available in our Annual report responsibilities of the Remuneration Committee are fulfilled by the Corporate Governance Committee. Presented under Evaluation of the Board of Directors regarding the working principles and efficiency of Committees constituted within the Board as attachment to Corporate Governance Compliance Report available in our Annual Report.
4.6. Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Available in our Annual Report under "Performance and Guidance" section.
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Corporate Governance and Compensation Policy / https://www.anadolufes.com/en/sayfa/1/635/compensation-policy
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	In accordance with the Article 4.6.5 of Corporate Governance Principles, the remunerations and all other benefits provided to Board members and managers having administrative responsibilities are made public through our annual report. The remuneration of the independent Board members is included and it is also stated that the other members of the Board are not getting paid. As in previous years, the total amount of salaries paid to executives with administrative responsibility has been included and no breakdown has been given on a person basis.

Composition of Board Committees-II				
Names of the Board Committees	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Audit Committee	100%	100%	5	5
Corporate Governance Committee	86%	29%	4	4
Committee of Early Detection of Risk	100%	25%	4	4

SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

	Definiton of the Principle	Status of Compliance				Explanation	Name of the related report/section/link
		Yes	No	Partially	Not Applicable		
	A. General Principles						
	A1. Strategy, Policy and Targets						
A1.1	The Board of Directors determines material ESG issues, risks and opportunities.	x				Through the materiality analysis carried out in 2021, material issues were determined in primary and secondary categories. They were finalized with the views of the Global Sustainability Committee, which includes our CEO, Country General Managers and Group Directors, and the views of our Board members.	Annual Report- Sustainability Management Section
	The Board of Directors creates ESG policies (e.g. Environmental Policy, Energy Policy, Human Rights and Employee Policies etc) and they are publicly disclosed.			x		The senior management follows the management of sustainability issues and policies. Our company has Environment, Human Rights, Equity, Diversity and Inclusion, and Business Ethics and Energy Policies. All studies on sustainability are reported to the members of the Board of Directors through the Corporate Governance Committee and the Sustainability Committee. Sustainability Committee established in 2022.	Annual Report - Sustainability Management Section and Policies on website
A1.2	It determines the short and long term goals in line with the Company strategy and ESG policies and makes them public.	x				Our targets for the environment, employees, and society for 2030 are announced through the annual report, sustainability report, and our website. Our 2021 sustainability report includes detailed targets and progress.	Annual Report – Sustainability Section and 2030 Goals on website
	A2. Implementation/Monitoring						
A2.1	It determines the committees / units responsible for the execution of ESG policies and makes them public.	x				The sustainability governance structure was updated in 2021 to maximize the integration of the sustainability approach into the corporate strategy. In this context, committees and working groups responsible for the execution of ESG issues were established. A Board-level Sustainability Committee was established in 2022 to report performance to the Board of Directors.	Annual Report- Sustainability Management Section
	The responsible committee / unit reports the activities carried out within the scope of the policies to the board of directors at least once a year	x				In 2022, important realized projects and outputs during the year were shared with the Board of Directors through the Corporate Governance Committee and the newly established Sustainability Committee.	Annual Report- Sustainability Management Section
A2.2	It creates and publicly discloses implementation and action plans in line with the ESG goals determined.	x				In our 2021 Sustainability Report, the steps we have taken or plan to take throughout our value chain within the scope of our sustainability goals are stated and disclosed to the public.	2021 Sustainability Report – Our Impact Journey On The Value Chain (pg. 21-23)
A2.3	Determines key ESG performance indicators (KPIs) and publicly discloses them on a yearly basis.	x				Key performance indicators, covering the last three years, are included in our 2021 Sustainability Report.	2021 Sustainability Report – Annex 5: Performance Indicators Section (pg 80-82)
A2.4	Explains the innovation activities that improve the sustainability performance for business processes.	x				Sustainability-related activities are summarized in the Annual Report and given in detail in the 2021 Sustainability Report. The details for 2022 will be shared with the public through the Integrated Report.	Annual Report – Sustainability Section 2021 Sustainability Report

	Definiton of the Principle	Status of Compliance				Explanation	Name of the related report/section/link
		Yes	No	Partially	Not Applicable		
	A3. Reporting						
A3.1	In the annual reports, information regarding the sustainability performance, targets and actions of the partnership is given in an understandable, accurate and sufficient manner.	x				Sustainability performance, targets, and actions are summarized in the Annual Reports. Detailed information is shared in the Sustainability Reports. All Sustainability Reports are available on the Company's corporate website. Details for 2022 will be provided in the Integrated Report, which is planned to be published in April 2023.	Annual Report - Sustainability Section 2021 Sustainability Report
A3.2	It gives information about which of the United Nations (UN) 2030 Sustainable Development Goals its activities are related to..	x				In the Our 2030 Goals section of the Annual Report and the Sustainability section of our corporate website, the Company's strategic priorities in this area and the Sustainable Development Goals (SDGs) to which it contributes in line with the 2030 Goals are shared. The details of the contributions to the United Nations (UN) 2030 Sustainable Development Goals will be included in our 2022 Integrated Report.	Annual Report - Sustainability Section and 2030 Goals on website 2021 Sustainability Report
A3.3	Makes an explanation regarding the lawsuits filed and / or concluded against environmental, social and corporate governance issues..	x				We do not have any finalized environmental fines in 2022.	Annual Report - Environment section
	A4. Verification						
A4.1	If verified by independent third parties (independent sustainability assurance providers), it discloses its sustainability performance measurements to the public.			x		Scope 1, Scope 2 and water consumption data of Turkey operations and the gender pay ratio between genders according to the compensation policy were certified for 2021 data. The scope of verification is re-evaluated every year.	2021 Sustainability Report Annex 10: Independent Assurance Report (pg 103-108)
	B. Environmental Principles						
B1	Explains and publicly discloses policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs in the field of environmental management.	x				Within its sustainability approach, Anadolu Efes considers combating climate change, managing water risks, and waste and packaging management issues that support the circular economy as its top priority focus areas. Information on all policies, studies, and management systems carried out in this context is transparently shared in the sustainability section of our annual report and in sustainability reports. In addition, we also respond to the Carbon Disclosure Project (CDP) regarding the performance of our operations in Turkey.	Annual Report - Environment section
B2	It explains the limitations of the environmental report to be included in the report to be prepared within the scope of the Sustainability Principles, reporting period, reporting date, data collection process and reporting conditions.	x				The explanations about the limitation, scope, reporting period, reporting date, data collection process and reporting conditions for the reports on the performance indicators of ESG are provided in the summary section of our Annual Report on sustainability as well as the "About the Report" section of the sustainability reports.	2021 Sustainability Report About the Report (pg 3)
B3	Given in A2.1						

SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

	Definiton of the Principle	Status of Compliance				Explanation	Name of the related report/section/link
		Yes	No	Partially	Not Applicable		
B4	The environmental targets included in the rewarding criteria within the scope of performance incentive systems on the basis of stakeholders (such as board members, managers and employees) are explained and publicly disclosed.	x				Through the Sustainability Governance Project, which we carried out in 2021, we have taken the necessary steps to ensure that the concepts of success and performance are also a part of the sustainability strategy. In this context, we have provided that performance criteria focused on the environment and social governance are included more comprehensively in the performance targets of our senior management.	Annual Report- Sustainability Management Section
B5	Explain how environmental problems are integrated into business goals and strategies.	x				As a manufacturer that supplies its raw materials from nature, environmental sustainability plays a key role in the continuity of Anadolu Efes' activities. For this reason, we continue to work to further integrate different environmental issues such as climate change, water risks, and circular economy into our business objectives and corporate strategy and to improve performance, also for the sake of our business continuity.	Annual Report- Sustainability Management Section
B6	Given in a2.4.						
B7	It explains how it manages environmental issues along the company's value chain and integrates suppliers and customers into its strategies, not just in terms of direct operations.	x				It is key that our stakeholders, with whom we work together, understand and internalize our business principles in order to spread the positive impact we have created. Our Supplier Code of Conduct reveals our approach in this context. Besides our Working Principles for Suppliers, we carry out some activities for the minimization of environmental impacts throughout the value chain through different initiatives like smart agriculture projects with the producers of our raw materials and farmers, supplier audits etc.	Anadolu Efes Code of Conduct for Suppliers
B8	It explains and publicly discloses the cooperation it has made regarding environmental issues with the associations, related organizations and nongovernmental organizations it is a member of on the subject of environment, and the duties it has taken, if any, and the activities it supports.	x				We have various collaborations with many foundations and associations carrying out environmental activities such as the UN Global Compact, Sustainable Development Foundation, ÇEVKO, WWF Turkey etc. in the form of membership and participation in their initiatives. Detailed information about memberships and initiatives is provided in the sustainability reports. The updated data will be available in our Integrated Report for 2022.	2021 Sustainability Report Annex 3: List Of Associations And Initiatives Memberships And Participations (pg 78)
B9	Reports and publicly discloses information on its impacts in a periodically comparable manner within the scope of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy Indirect), Scope-3 (Other Indirect)), air quality, energy management, water and wastewater management, waste management, biodiversity impacts).	x				All environmental indicators of Anadolu Efes are reported in the sustainability reports in comparison with the previous years. The data for 2021 are provided in the Environmental Performance Indicators section of the Annual Report. The updated data will be available in our Integrated Report for 2022.	2021 Sustainability Report – Annex 5: Performance Indicators Section (pg 80-82)

	Definiton of the Principle	Status of Compliance				Explanation	Name of the related report/section/link
		Yes	No	Partially	Not Applicable		
B10	It describes and publicly discloses the standard, protocol, methodology and base year details used to collect and calculate its data.	x				All these disclosures are available in the Sustainability Summary section of the Annual Reports. On the other hand, detailed information is provided in the sustainability reports and independent assurance reports.	Annual Report - Environment section 2021 Sustainability Report Annex 10: Independent Assurance Report (pg 103-108)
B11	Describes the status of environmental indicators for the reporting year (increase or decrease) in comparison with previous years..	x				The environmental performance indicators in comparison with the previous years are disclosed in the summarized sustainability section of the Annual Report and in the Sustainability Reports.	Annual Report - Environment section 2021 Sustainability Report Climate Crisis Section (pg 35-36)
B12	Sets short and long-term goals to reduce their environmental impact and publicly discloses progress status according to the targets set in the previous years.			x		2030 sustainability goals are available on the website and in the 2022 Annual Report. The progress of the goals will be included in the 2021 Sustainability Report, while updated information will be provided in our 2022 Integrated Report. Feasibility studies are ongoing for the identification of short and medium term goals.	Annual Report - Sustainability Section and 2030 Goals on website 2021 Sustainability Report Environment Section (pg 33)
B13	Explain and publicly discloses the strategy and actions to combat the climate crisis.	x				Our company analyzes environment-focused opportunities and risks, especially the climate crisis, and implements effective practices in areas such as energy and water efficiency and circular economy. As Anadolu Efes, we continue our efforts with the goal of "zero" environmental impact by 2030 and share our progress in this context through our sustainability reports.	Annual Report - Environment section
B14	Describes and publicly discloses the program or procedures to prevent or minimize the potential negative impact of the products and / or services it offers..	x				Anadolu Efes' collaborations, activities, benefits, and savings to reduce its environmental impacts through sustainable agriculture, sustainable packaging, circularity, and waste management are summarized in the annual report and detailed in the sustainability and CDP reports.	Annual Report - Environment section
	The actions have been taken and publicly disclosed to reduce greenhouse gas emissions of third parties (eg suppliers, subcontractors, dealers, etc.)			x		It is key that our stakeholders, with whom we work together, understand and internalize our business principles in order to spread the positive impact we have created. Our Supplier Code of Conduct reveals our approach in this context. Besides our Working Principles for Suppliers, we carry out some activities for the minimization of environmental impacts throughout the value chain through different initiatives like smart agriculture projects with the producers of our raw materials and farmers, supplier audits etc. Further structured program specific work is being done along the value chain.	Anadolu Efes Code of Conduct for Suppliers
B15	It publicly discloses the actions taken to reduce its environmental impacts, the total number of projects and initiatives carried out, and the environmental benefits / revenues and cost savings they provide.			x		Anadolu Efes' collaborations, activities, benefits, and savings that are carried out to reduce its environmental impact through sustainable agriculture, sustainable packaging, circularity, and waste management are summarized in the annual report published every year and detailed in the sustainability and CDP reports.	Annual Report - Environment section 2021 Sustainability Report Anadolu Efes World Section (pg 13)

SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

	Definiton of the Principle	Status of Compliance				Explanation	Name of the related report/section/link
		Yes	No	Partially	Not Applicable		
B16	It reports the total energy consumption data (excluding raw materials) and explains the energy consumption as Scope-1 and Scope-2.			x		Energy consumption data was disclosed to the public as Scope 1 and Scope 2 in the 2021 Sustainability Report. The updated data will be available in our Integrated Report for 2022.	2021 Sustainability Report - Annex 5: Performance Indicators Section (pg 80-82)
B17	Provides information on electricity, heat, steam and cooling generated and consumed in the reporting year.			x		The electricity, heat, steam and cooling data are publicly disclosed in the 2021 Sustainability Report. The updated data will be available in our Integrated Report for 2022.	2021 Sustainability Report - Annex 5: Performance Indicators Section (pg 80-82)
B18	It conducts studies on increasing the use of renewable energy, transition to zero or low carbon electricity and publicly discloses these studies.	x				In parallel with our goal to achieve net zero carbon emission in all our operations by 2030, we aim at meeting 100% of our electricity needs from renewable sources of energy within the scope of our initiatives for the minimization of greenhouse gases. In this sense, the opportunities for renewable energy installation for use in our operations are evaluated besides the supply of renewable energy. Developments in this area are summarized in the annual report and detailed in sustainability reports and CDP reports.	2021 Sustainability Report Environment Section (pg 36)
B19	Explains and publicly discloses the renewable energy production and usage data.			x		Renewable energy production and consumption data are publicly disclosed in the 2021 Sustainability Report. The updated data will be available in our Integrated Report for 2022.	2021 Sustainability Report - Annex 5: Performance Indicators Section (pg 80-82)
B20	It makes energy efficiency projects and publicly discloses the amount of energy consumption and emission reduction as a result of these studies.			x		For our 2030 net zero target, the projects we have realized and the amount of emission reductions we have achieved are summarized in the annual report and detailed in sustainability reports. The updated data will be available in our Integrated Report for 2022.	Annual Report - Environment section
B21	It reports the amount of water withdrawn, used, recycled and discharged from underground or above ground, its sources and procedures.			x		Water consumption, the amount of water withdrawn from underground or above ground, if any, reused and discharged, sources, and procedures are summarized in the annual report and detailed in sustainability reports. The updated data will be available in our Integrated Report for 2022.	Annual Report - Environment section 2021 Sustainability Report - Annex 5: Performance Indicators Section (pg 80-82)
B22	It publicly discloses whether operations or activities are included in any carbon pricing system (emission trading system, cap & trade or carbon tax).	x				The company is not involved in the carbon pricing system.	
B23	It publicly discloses whether operations or activities are included in any carbon pricing system (emission trading system, cap & trade or carbon tax).	x				There is no carbon credit accumulated or purchased during the reporting period.	
B24	Explains the details if carbon pricing is applied within the company.	x				Carbon pricing is not available.	
B25	It explains all mandatory and voluntary platforms where it discloses environmental information.	x				The company discloses its environmental information throughout the year via the Annual Report and Sustainability Report, CDP Climate Change program, Refinitiv with the direction of the Sustainability Index of the BIST, S&P CSA and such other indexes.	Annual Report - Sustainability section

	Definiton of the Principle	Status of Compliance				Explanation	Name of the related report/section/link
		Yes	No	Partially	Not Applicable		
	C. Social Principles						
	C1. Human Rights and Employee Rights						
C1.1	Forms a human rights and employee rights policy with a commitment to fully comply with the universal declaration of human rights, ILO conventions which turkey has confirmed and the legal framework and regulations governing the operation of corporate life in turkey. Discloses the policy in question and the roles and responsibilities associated with its implementation.	x				As one of the first Turkish organizations to sign the United Nations Global Compact (UNGC), respect for human rights is a core value for Anadolu Efes. The Corporate Human Rights and Employee Rights Policy has been established inclusive of the Universal Declaration of Human Rights, ILO Agreements and the applicable legislation. The responsible persons have been designated in such policy and disclosed to the public. The policy is available in the Sustainability section of the Annual Report and in the website.	Anadolu Efes Human Rights Policy Anadolu Efes Working Principles
C1.2	Provides equal opportunity in recruitment processes. Considering the supply and value chain effects, it includes fair labor, improvement of labor standards, women's employment and inclusion issues (such as women, men, religious belief, language, race, ethnic origin, age, disability, refugee, etc.) in its policies.	x				Anadolu Efes strives to prevent all forms of discrimination and create an equitable work environment with its Equity, Diversity, and Inclusion Policy. In 6 different countries, all our employees are provided equal opportunities in the work environment and human resources processes, and our business ethics approach is based on diversity and inclusion. Similar principles on the supply chain are included in the Code of Conduct Supplier. In this context, summary information is provided in the annual report.	Annual Report - Employees section Anadolu Efes Equity, Diversity, Inclusion Policy Anadolu Efes Code of Conduct for Suppliers
C1.3	Describes the measures taken along the value chain for the protection of groups sensitive to certain economic, environmental, social factors (low-income groups, women, etc.) or minority rights / equality of opportunity.	x				In every country where we operate, we strive to foster an inclusive work environment where everyone can Express themselves to work. We manage these processes through our Human Rights Policy and Equity, Diversity&Inclusion Policy, and similar principles on the supply chain are included in the Code of Conduct Supplier. In this context, summary information is provided in the annual report.	Annual Report - Employees section Anadolu Efes Working Principles Anadolu Efes Code of Conduct for Suppliers
C1.4	It reports developments regarding discrimination, inequality, human rights violations, forced labor, and corrective practices. Explains the regulations against child labor.	x				Anadolu Efes complies with all applicable laws of the countries in which it operates. More inclusive activities are planned within the scope of the preventive and corrective actions for discrimination, inequality, violation of human rights, forced labor and child labor in accordance with the Human Rights Policy.	Anadolu Efes Human Rights Policy Anadolu Efes Working Principles
C1.5	Explains policies regarding investment in employees (training, development policies), compensation, vested benefits, right to unionize, work / life balance solutions and talent management.	x				The practices for skill management and development, employee engagement, achievement of mental, physical and cognitive health of our employees besides occupational health and safety are provided in the Sustainability section of the Annual Report briefly and in the Sustainability Reports in detail.	Anadolu Efes Human Resources Policy Annual Report - Employees section
	Determines dispute resolution processes by creating mechanisms for employee complaints and dispute resolution. It regularly explains the activities carried out to ensure employee satisfaction.	x				In order to get the opinions of our employees and to make improvements in related areas, survey analysis studies are carried out on employee loyalty and satisfaction regularly. The works we have carried out in this context are briefly explained in the sustainability section of the annual report and detail in the sustainability reports.	Annual Report - Employees section

SUSTAINABILITY PRINCIPLES COMPLIANCE FRAMEWORK

	Definiton of the Principle	Status of Compliance				Explanation	Name of the related report/section/link
		Yes	No	Partially	Not Applicable		
C1.6	Policies for workplace health and safety are developed and made clear to the public.	x				We consider providing a healthy and safe working environment to our employees as one of our most important responsibilities. Our practices and performance indicators within this scope are available in the Sustainability section of the Annual Report and in the Sustainability Reports. Our Human Resources, Human Rights and Occupational Health and Safety Policies set forth our approach and principles in this respect besides our Business Ethics Principles.	Annual Report - Employees section Anadolu Efes Human Resources Policy Anadolu Efes Code of Business Conduct and Ethics Anadolu Efes Human Rights Policy
	It creates occupational health and safety policies and makes them public. Publicly discloses the precautions and accident statistics taken to prevent work accidents and health.			x		Providing employees with a healthy and safe working environment is one of our most important responsibilities. Our activities and performance indicators in this direction are included in the sustainability section of the annual and sustainability reports. In addition to our Business Ethics Principles; our Human Resources, Human Rights, Occupational Health, and Safety Policies include our approach and principles in this area. The measures taken to prevent occupational accidents and protect employees' health and our OHS statistics will be included in our 2022 Integrated Report in detail.	Annual Report - Employees section Anadolu Efes Human Resources Policy Anadolu Efes Code of Business Conduct and Ethics Anadolu Efes Human Rights Policy
C1.7	It creates and publicly discloses personal data protection and data security policies.	x				The company has a Personal Data Protection and Processing Policy.	https://www.anadoluefes.com.tr/iletisim/kvkk
C1.8	It creates an ethical policy and discloses it to the public.	x				Anadolu Efes conducts all its business ethics processes through its Business Ethics Principles.	Anadolu Efes Code of Business Conduct and Ethics
C1.9							
C1.10	Organizes information meetings and training programs for employees on ESG policies and practices.	x				Briefing meetings and training are organized in the company for the matter of sustainability and its importance.	Annual Report- Sustainability Section
	C2. Stakeholders, international standards and initiatives						
C2.1	It regulates and publicly discloses a customer satisfaction policy regarding the management and resolution of customer complaints.			x		We have Call Centers where our customers can reach us for their requests, questions, suggestions, and opinions about sales points and other issues. We continue to work on the development of a Customer Satisfaction Policy covering all operations.	https://www.anadoluefes.com/sayfa/1/317/iletisim
C2.2	Information about the communication with stakeholders (which stakeholder, subject and frequency) is publicly disclosed.	x				As a result of our stakeholder analysis, which was renewed in 2021, up-to-date content and predictions regarding our relationship with our stakeholders were obtained. Details on the frequency of communication with our stakeholders, stakeholder expectations, and the actions we take are included in our 2021 Sustainability Report.	2021 Sustainability Report – Annex 1: Communication with Stakeholders (pg 72-74)

	Definiton of the Principle	Status of Compliance				Explanation	Name of the related report/section/link
		Yes	No	Partially	Not Applicable		
C2.3	It publicly discloses the international reporting standards it has adopted in its reporting.	x				Our sustainability approach and performance have been disclosed through our Sustainability Reports complying with the GRI Standards on an annual basis since 2010. In our sustainability report for 2021, the WEF Stakeholder Capitalism Metrics, led by the International Business Council (IBC) at the World Economic Forum, were also answered. In 2022, it is aimed to prepare the first integrated report under Value Foundation Reporting's Integrated Reporting Framework. In addition to the standards we follow in our report, we respond to the Carbon Disclosure Project (CDP) within the scope of the performance of our Turkey operations.	Annual Report- Sustainability Section
C2.4	Discloses the international organizations or principles, which it is a signatory or member of, and international principles adopted.	x				We became the signatory of the United Nations' Global Compact (UN Global Compact) in 2011, The CEO Water Mandate in 2014, the Women's Empowerment Principles (WEPs) in 2015, and in 2022, we became one of the UN Global Compact Early Adopters. Our sustainability commitments are shaped by the international principles and the performance thereof are provided in the Sustainability section of our Annual Report and in the Sustainability Reports in more detail.	Annual Report- Sustainability Section
C2.5	It makes concrete efforts to be included in Borsa İstanbul sustainability index and international sustainability indices.	x				We have been uninterruptedly included in the Sustainability Index of the BIST since 2015 and in the FTSE4Good Developing Markets Index, being one of the leading sustainability indexes of the world, since 2017. We also participate in S&P Global Corporate Sustainability Assessment and MSCI ESG Ratings.	Annual Report- Sustainability Section
D. Corporate Governance							
D1	Seeks stakeholders opinions in determining the measures and strategies in the field of sustainability.	x				Efforts are being made to integrate the sustainability strategy more and more into our business goals and corporate strategy, and to improve performance, and the issue is followed up at the top management level. Our Materiality Analysis was also created with the contributions of the members of the Board of Directors and senior management. The sustainability strategy is also followed in line with our materiality analysis.	Annual Report- Sustainability Management Section
D2	Social responsibility projects, awareness activities and trainings have been carried out to raise awareness about the issue of sustainability and its importance.	x				We support inclusive growth and sustainable development through various social benefit projects, programs and training we launch in the geographies we operate and work for raising awareness in terms of sustainability. The activities performed within this scope are provided in the Sustainability section of our Annual Report and in the Sustainability Reports in more detail. The details of the works carried out in 2022 will be included in our 2022 Integrated Report.	Annual Report - Society section

ABBREVIATIONS

1 Hectoliter	100 Liters
1 Unit Case	5,678 Liters
BNRI	Before non-recurring items
BIST	Borsa İstanbul
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
HOD	A rigid container with a 20-liter capacity
CMB	Capital Markets Board
TCCC	The Coca-Cola Company
IFRS	International Financial Reporting Standards
n.m.	not meaningful

TERMS

Coca-Cola System	TCCC and all of its international bottling partners
Sparkling Beverage	Non-alcoholic beverages produced in a variety of flavors and containing different flavoring additives. The sparkling beverage category does not include plain waters, flavored waters, fruit juices, fruit-flavored beverages, sports drinks, teas, or coffees.
Still Beverage	All non-sparkling and non-alcoholic beverages such as plain waters, flavored waters, fruit juices, fruit-flavored beverages, sports drinks, teas, and coffees.
Bottler	Any company that obtains concentrates, various beverages, and/or syrups from TCCC readies them for consumption as non-alcoholic beverages, and markets and distributes them to customers.
Bottler Agreement	Any contract between TCCC and a bottler that governs the parties' respective production, packaging, distribution, and selling rights and obligations with respect to TCCC products within a designated territory.
Concentrate	Any product which TCCC makes or has made for it and which TCCC sells to bottlers so that they may produce non-alcoholic beverages by adding water and/or flavorings to it.
Customer	Any store, retail point of sale, restaurant, chain store, or other form of business enterprise that sells our products to its own customers.
PET (polyethylene terephthalate)	Type of a polyester (polyethylene terephthalate) used in the manufacture of beverage bottles

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