



ANADOLU EFES

INVESTOR PRESENTATION

March 2022

Forward-Looking Statements



This presentation may contain certain forward-looking statements concerning our future performance and should be considered as good faith estimates made by the Company. These forward-looking statements reflect management expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact the Company's actual performance.



ANADOLU EFES AT A GLANCE

ANADOLU
EFES

Regional Beverage Company With Leadership Positions



Serving
750 mn
Population
70+ Export
Countries

Anadolu Efes
Europe's **5th**
World's **9th**
Largest
Brewer

CCI
Among
Top **10** Largest
Coca-Cola
Bottlers

116 mhl
Sales Volume**
39.3 bn TL
Sales Revenue**

7.0 bn TL
EBITDA**
4.3 bn TL
Free Cash Flow**

BEER OPERATIONS



6 countries

21 Breweries, **100+** brands

53.5 mhl brewing capacity

37.9 mhl beer volume

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



SOFT DRINK OPERATIONS



11 countries

29 Bottling plants

1.7 bn UC production capacity

~870 thousand sales points

1.4 bn UC sales volume

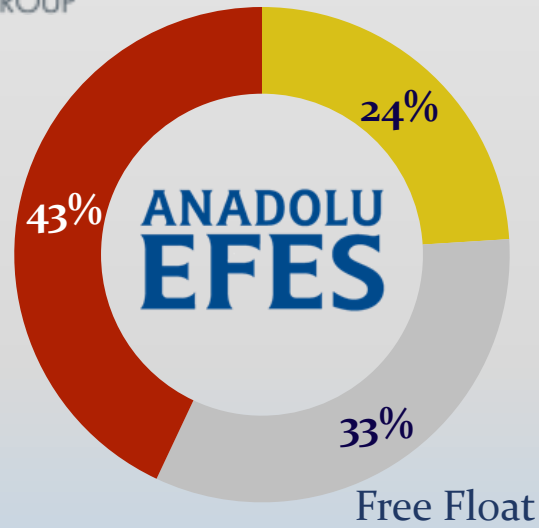
Strong **#1** or **#2** position



**ANADOLU
EFES**

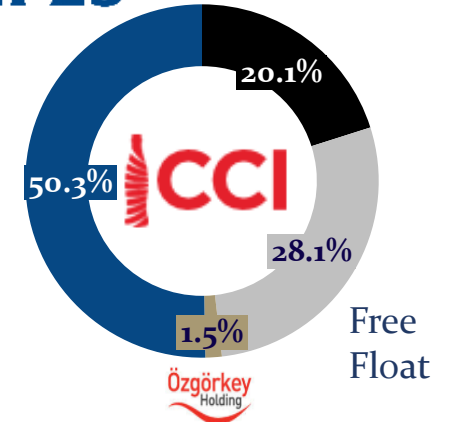
Integrating Governance and Growth

Superior Governance and Strategic Partnership



Broad Geographical and Business Diversification

ANADOLU EFES



Vision, Mission & Values



OUR VISION:

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

OUR MISSION:

We brew joy passionately and responsibly.

OUR VALUES:



PASSIONATE



AGILE



COLLABORATIVE



ACCOUNTABLE



FAIR

Consistent Solid Growth with Growing Share in International

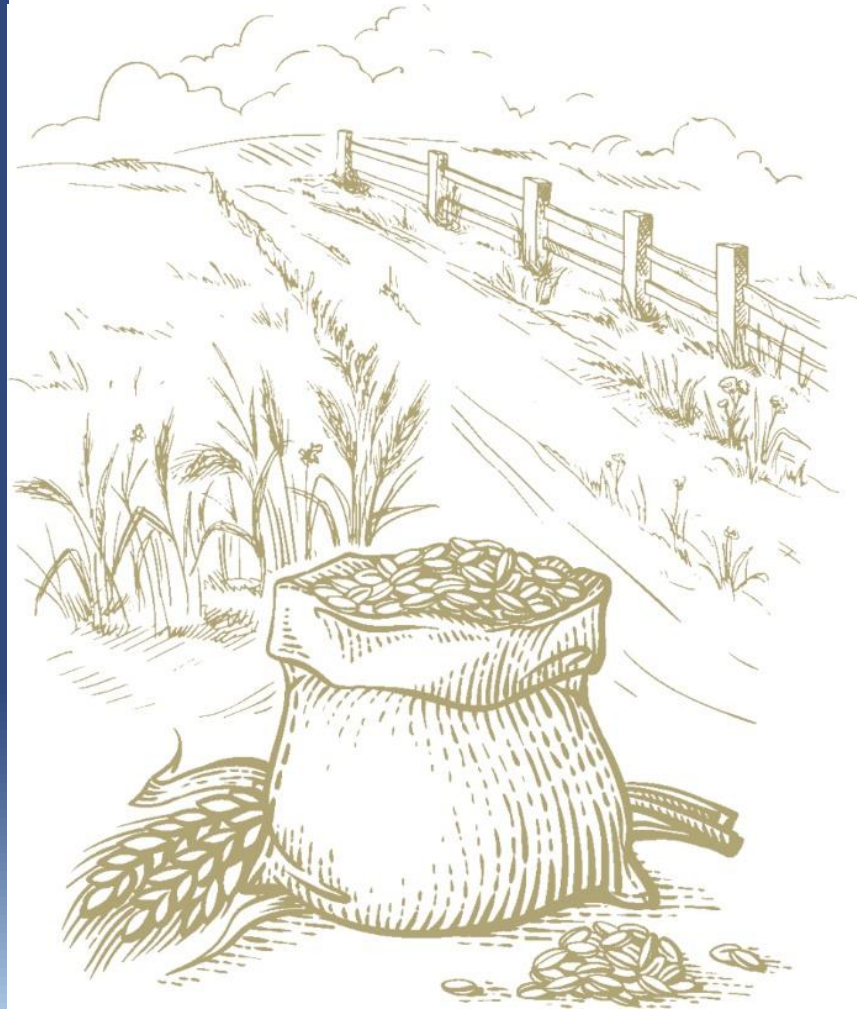


6%
Volume Growth*

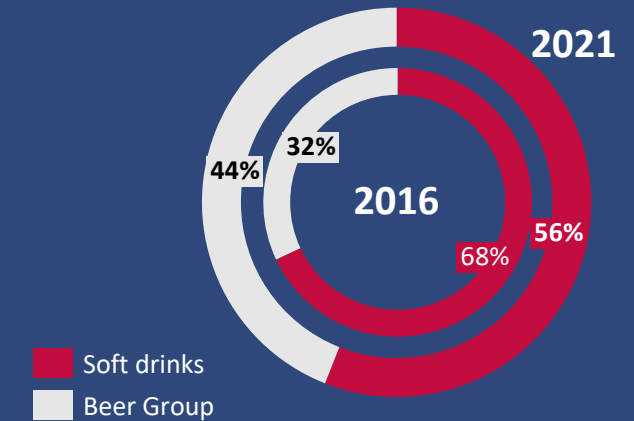
30%
Revenue Growth*

32%
EBITDA Growth*

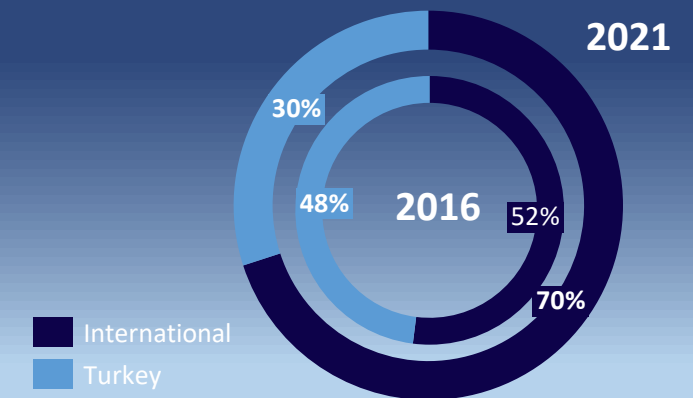
33%
FCF Growth*



More Balanced Business Mix**



Growing International Business**



**On revenue basis

* 2016-2021 CAGR Growth on AEFES Consolidated basis

Solid Investment Theme

Diversified business model including beer and soft drinks

Strong market positions across all operations

Significant potential in demographics

Prudent opex & capex management by internalizing **Zero-Based Spending** culture



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

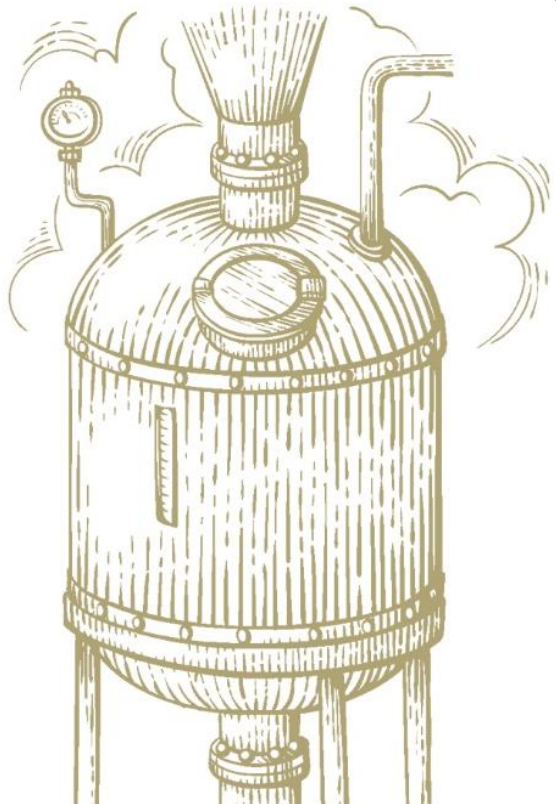
Excellent brand portfolio including some of the world's best known brands and strong regional brands

Disciplined financial management

Proven track record of expansion & growth in emerging markets



BEER OPERATIONS



ANADOLU
EFES

Strong Positions Across the Board



11 Breweries

RUSSIA



World's 6th largest beer market

54 liters per capita

#1 Position

30% Market share

63% of Beer Volumes

2 Breweries

KAZAKHSTAN



Beer market size of 6.3 mhl

33 liters per capita

#1 Position

47% Market share

6% of Beer Volumes

1 Brewery

MOLDOVA



Beer market size of 1.1 mhl

30 liters per capita

#1 Position

63% Market share

2% of Beer Volumes



3 Breweries

TURKEY



11 liters per capita

#1 Position

52% Market share

13% of Beer Volumes

3 Breweries

UKRAINE



Beer market size of 18 mhl

43 liters per capita

#2 Position

28% Market share

13% of Beer Volumes

1 Brewery

GEORGIA



Beer market size of 1.2 mhl

33 liters per capita

#1 Position

42% Market share

3% of Beer Volumes

Product Portfolio Priorities



**Focus on
Premium
Portfolio
Expansion**

**Ensure
Affordability
Play**

**Develop
New Products
& Make
Innovations**

**Strengthen
the Core
segment**

**Expand into
Adjacent
Categories /
NABLAB**

Volumes outperforming pre-Covid period in FY2021...



**Consolidated
Volume**

4Q

**+13% reported
+7% organic**

FY

**+12% reported
+11% organic**

**Beer
Operations**

4Q

FY

+6% +5%

International

4Q

FY

+5% +5%

Turkey

4Q

FY

+10% +5%

2021 Highlights

Russia

- Mid-to-high single growth in FY
- Value and volume leadership maintained
- Significant increase in rev/hl; price increases & premiumization
- Strong growth by global brands; led by Bud; contributing to topline
- Expanding portfolio: especially NA, #2 Player in the segment

Ukraine

- Low-teens decline in FY due to increased competitive pressures
- Global brands' volume growth of low-teens
- Expanding portfolio: NA, Cider, #2 Player in Cider segment





CIS



- CIS countries' volume up by mid-teens in FY
- **Kazakhstan** benefitted from eased restrictions
 - Efes Pilsener 0% was launched
 - Flavoured Beer & New Category developed
 - Miller was the leader in Super Premium category
- Strong performance in all sales channels, particularly in on-trade in **Moldova**
 - Chisinau continued to grow
 - Solid growth recorded in Super Premium and Premium segment by Corona and Efes
- Market dynamics & economic development supported volumes in **Georgia**
 - Premium Brands; i.e. Lowenbrau, Efes, Staropramen recorded double-digit growth rates

Turkey

- **Turkey** total volume up by 5% in FY
 - Double-digit growth achieved in export volumes to China and MENA countries
 - Macroeconomic headwinds will be critical for 2022
- Bud has reached its highest market share
- Efes Özel Seri broke its own record in volume terms
- Innovation & Category Leadership by;
 - Efes Glutensiz
 - Efes Summer Blue
 - Efes Winter Blue





SOFT DRINKS



Strategic Priorities to Create Value



Accelerate “Quality” Growth

- Revenue Growth Management (RGM)
- Expand Sparkling & Stills
- Increase frequency and price mix
- Regional strategies and customized offerings



Be the Best in FMCG Execution

- Win at the Point of Sale
- Increase outlet coverage
- Right Execution Daily
- Use of advanced data analytics
- Excellent route to market capability



Win with Our People

- Integrated Talent Strategy
- Leadership Development
- High Performing Team
- Transformation to “OnePeople”
- Keep investing in our people



Digital for Industry Leadership

- Digital transformation
- Building an ecosystem of solutions and infrastructure based on digital capabilities



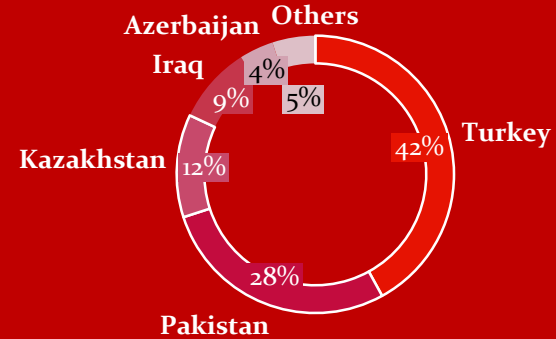
Win with Stakeholders

- Creating value for all the stakeholders and the planet
- Tracking sustainability targets closely
- Transforming to a more sustainable business model

Soft Drinks 2021 Highlights



Volume Breakdown By Country*



- Volume growth of 16% in FY
 - All operations showed growth
- Turkey volume up 14%
 - Coca-Cola grew 15%
 - Sparkling category growth of 12%
 - Still category grew 22%
- International volume up 18% (15% organically**)
 - Pakistan up 17%; higher penetration, improved R-T-M and higher availability
 - Iraq up 3%, Kazakhstan up 15%

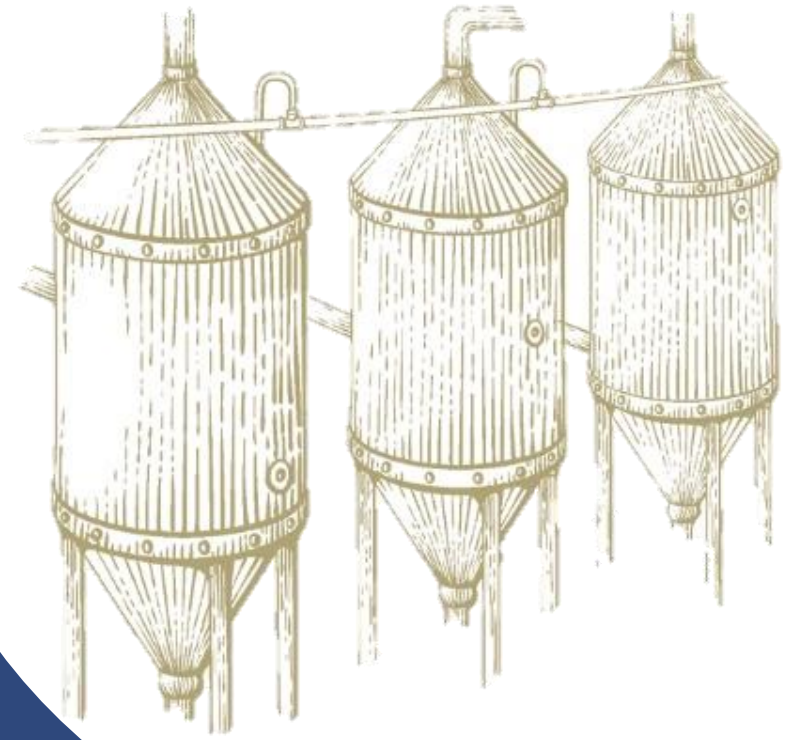


*Breakdown on combined basis

**Organic refers to sales volume excluding the impact of Uzbekistan in 4Q2021



FINANCIAL OVERVIEW



ANADOLU
EFES

Solid Results from Top to Bottom



Anadolu Efes

NET REVENUE*		EBITDA BNRI %		NET INCOME		FREE CASH FLOW	
4Q	FY	4Q	FY	4Q	FY	4Q	FY
+70.8%	+46.9%	17.2% (-173 bps)	17.9% (-119 bps)	-TL198 mn	TL1,068 mn	TL15 mn (-TL 102 mn)	TL4,263 mn (+TL 1,251 mn)

- Solid volume performance
- Price increases
- Premiumization
- RGM actions
- Discount management

- Gross margin pressure due to increase in raw material and commodity prices
- Increase in OpEx in 4Q relatively limited with savings in marketing expenses in Beer Group
- Accounting changes in OPEX in soft drinks

- Higher financial income supported by the net FX gain in soft drinks
- Losses from Anadolu Etap due to FX devaluation
- Increased tax expenses

- Strong cash generation;
 - Higher operational profitability
 - Tight WC management
 - Limited increase in capex/sales
- Net Debt to EBITDA (BNRI) → 1.5x
- Net Debt (USD) / EBITDA (BNRI) (USD) → 1.0x

Financials



Anadolu Efes

mTL	4Q2021	Change	FY2021	Change
Sales Revenue	10,962	+70.8%	39,296	+46.9%
Gross Profit	3,915	+61.9%	14,154	+42.3%
EBITDA (BNRI)	1,883	+55.1%	7,024	+37.8%
Free Cash Flow	15	-102m	4,263	+1,251m
Gross Profit Margin %	35.7%	-196 bps	36.0%	-116 bps
EBITDA Margin %	17.2%	-173 bps	17.9%	-119 bps

Beer Group

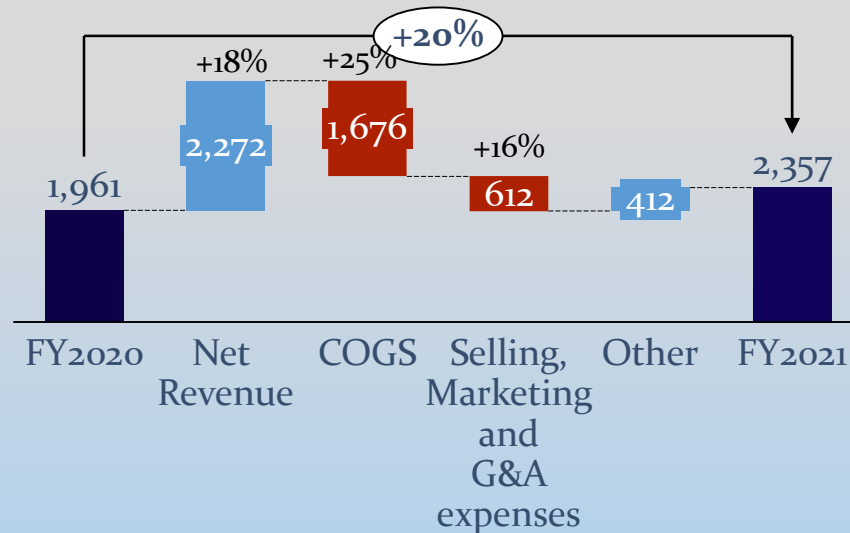
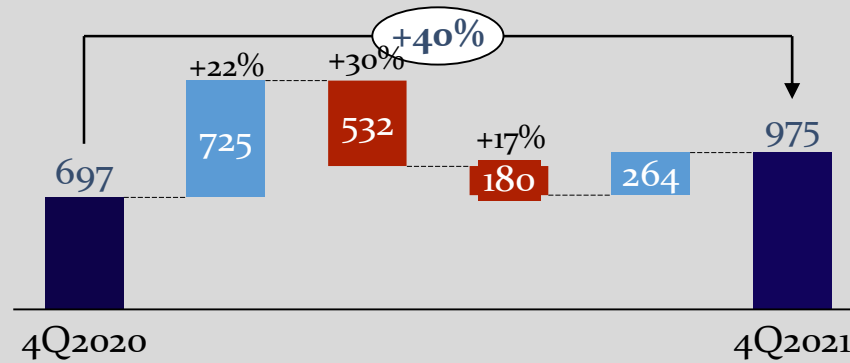
mTL	4Q2021	Change	FY2021	Change
Sales Revenue	5,398	+66.9%	17,368	+40.6%
Gross Profit	1,980	+53.2%	6,435	+31.9%
EBITDA (BNRI)	975	+39.8%	2,357	+20.2%
Free Cash Flow	240	+133m	1,759	+965m
Gross Profit Margin %	36.7%	-326 bps	37.1%	-244 bps
EBITDA Margin %	18.1%	-349 bps	13.6%	-231 bps



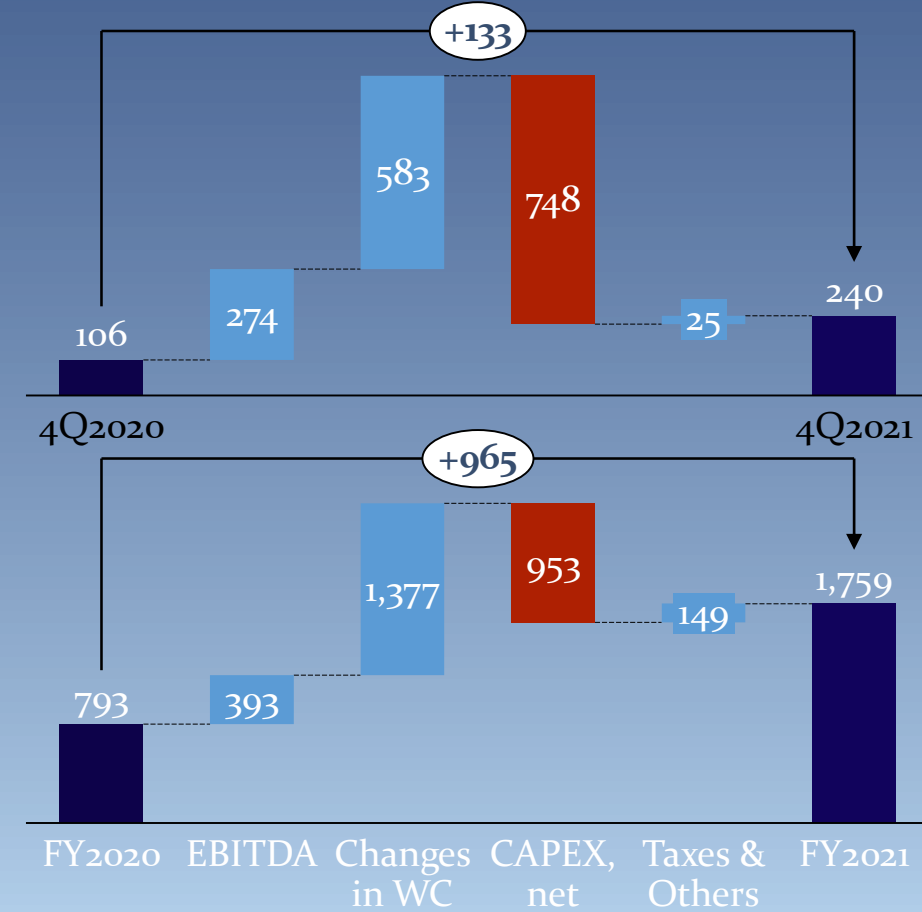
Profitability & Free Cash Flow Development

Beer Group

EBITDA (BNRI) Bridge mTL



Free Cash Flow Bridge mTL



Strong cash generation fueled by higher operating profit & superior working capital management...

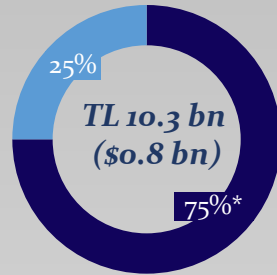
Balance Sheet & Risk Management



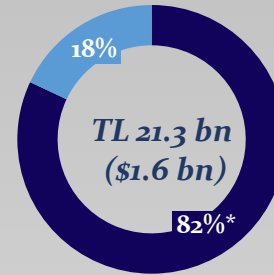
Healthy
Leverage Ratios
with extended
maturities...

Anadolu Efes

Cash Profile



Debt Profile



*hard currency

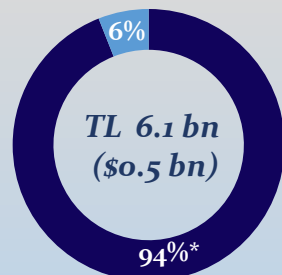
Average maturity: 3.1 years

Net Debt/EBITDA: 1.5x

Net Debt (USD) / EBITDA (BNRI) (USD): 1.0x

Beer Group

Cash Profile



Debt Profile



*hard currency

Average maturity: 4 years

Net Debt/EBITDA: 2.5x

Net Debt (USD) / EBITDA (BNRI) (USD): 1.6x

Beer Group Hedges:

Commodity:

Aluminum: 64%

PET/Resin: 95%

Barley: 82%

FX Exposure :

	FX Share in Beer Group COGS + OPEX	Hedged
RU + UKR	29%	91%
TUR	6%	98%
CIS	3%	24%
Total	38%	87%

Financial Priorities for 2022



Profitability

Ensure necessary pricing to mitigate cost pressures

Ensure controlled OPEX increases through Zero-Based Budgeting

Balance Sheet Management

Maintain leverage ratios at healthy levels

Ensure dividend flow from operations

Risk Management

Manage FX and commodity price volatilities through hedges

Supplier base expansion and diversification to address supply chain bottlenecks

Free Cash Flow

Ensure strong Free Cash Flow generation through disciplined capex spending and tight working capital management



CAPITAL ALLOCATION PRIORITIES



Capital Allocation Priorities



Maintaining a healthy
balance sheet by
keeping Net Debt /
EBITDA between 1.0x –
2.0x



Leverage inorganic
growth opportunities

Penetrate and expand
into new geographies
through exports

Invest in brands,
innovation, product
diversification,
market development,
digitalization and
production capacity



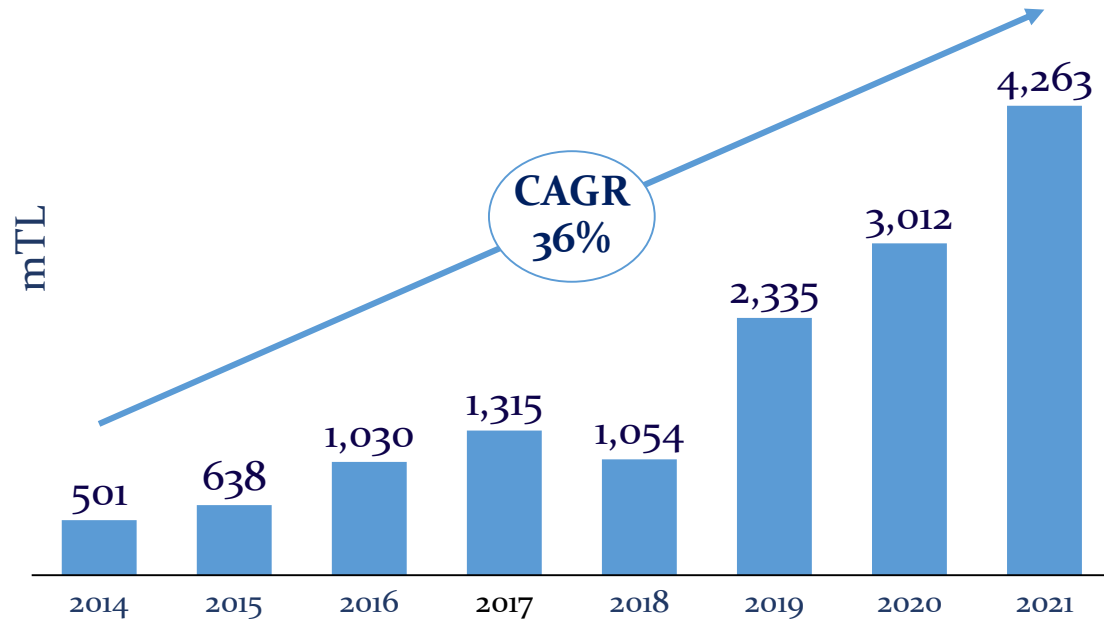
Maximizing
shareholder value
through dividends
with high yield



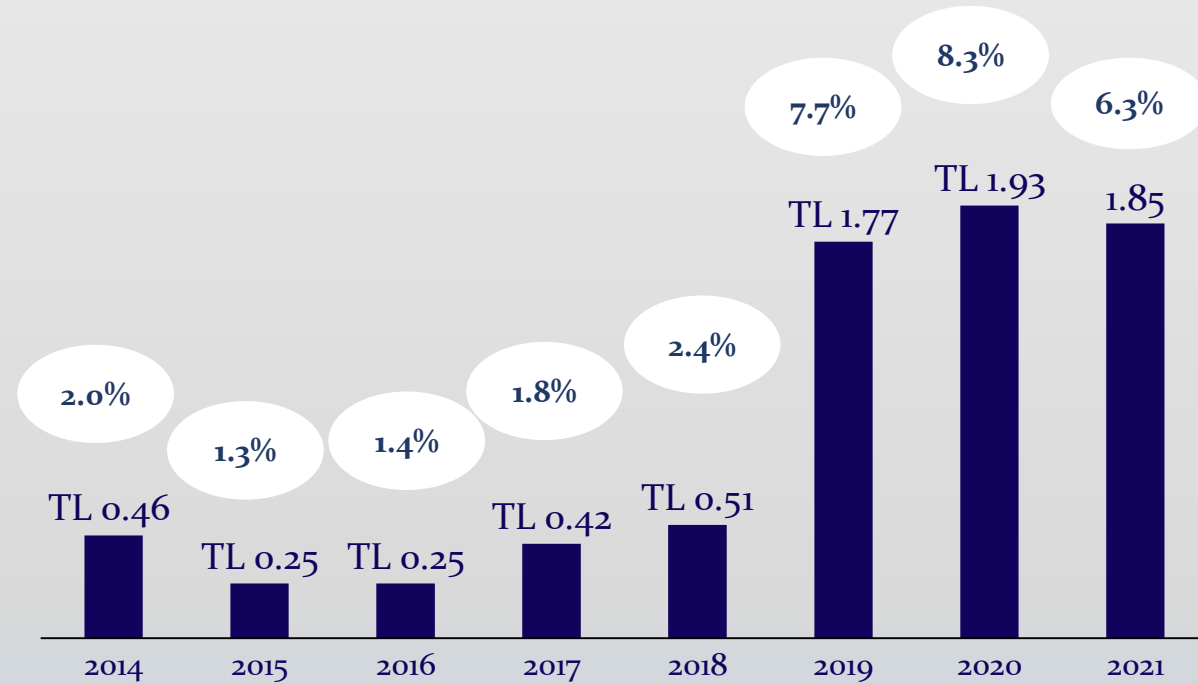
Sustainable Shareholder Return

Sustainable Free Cash Flow Generation

Anadolu Efes



Leading to High Dividend Yields*



Gross Dividend per Share (TL per 100 shares)

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



FY2022 OUTLOOK



ANADOLU
EFES

FY2022 Outlook



	ANADOLU EFES	BEER GROUP	SOFT DRINKS GROUP
VOLUME	Mid-single digit growth <i>(low-single digit on a proforma basis)</i>	Mid-single digit decline	High-single-digit to low-teens growth <i>(mid-single digit on a proforma basis)</i>
SALES REVENUE <i>FX-Neutral basis</i>	Low-thirties growth contributed by the price increases	Mid-teens growth	Low-to-mid forties growth
EBITDA Margin	Close to 100 bps decline	Close to 100 bps decline	Flat to 100 bps contraction
CAPEX	As a percentage of sales high single digits on a consolidated basis		
FREE CASH FLOW	Free Cash Flow remains strong on a consolidated basis; yet will be slightly lower than its 2021 level due to higher CAPEX spending in absolute terms as a result of year-on-year higher FX rates		



SUSTAINABILITY



ANADOLU
EFES

Our Commitments – Road to 2030



ESG PRIORITIES

Targeting Zero
for the environment



GOALS

- Become **carbon neutral** in all our operations by 2030
- Become a certified **zero-waste** beer producer by 2030
- Continue to reduce plastic usage

Increasing
our support for
social impact



- Our Focus Areas: Culture & art, local development & women empowerment, basketball, sustainable agriculture & farmer empowerment, start up ecosystem & young entrepreneurs

Getting Stronger
through
Diversity
& Inclusion



- Increase the representations of women in our organization **from 30% to 51%** by 2030
- Become certified in **gender equality** in all operations by 2023
- Implement gender equality programs to meet specific standards and ensure certification for gender equality



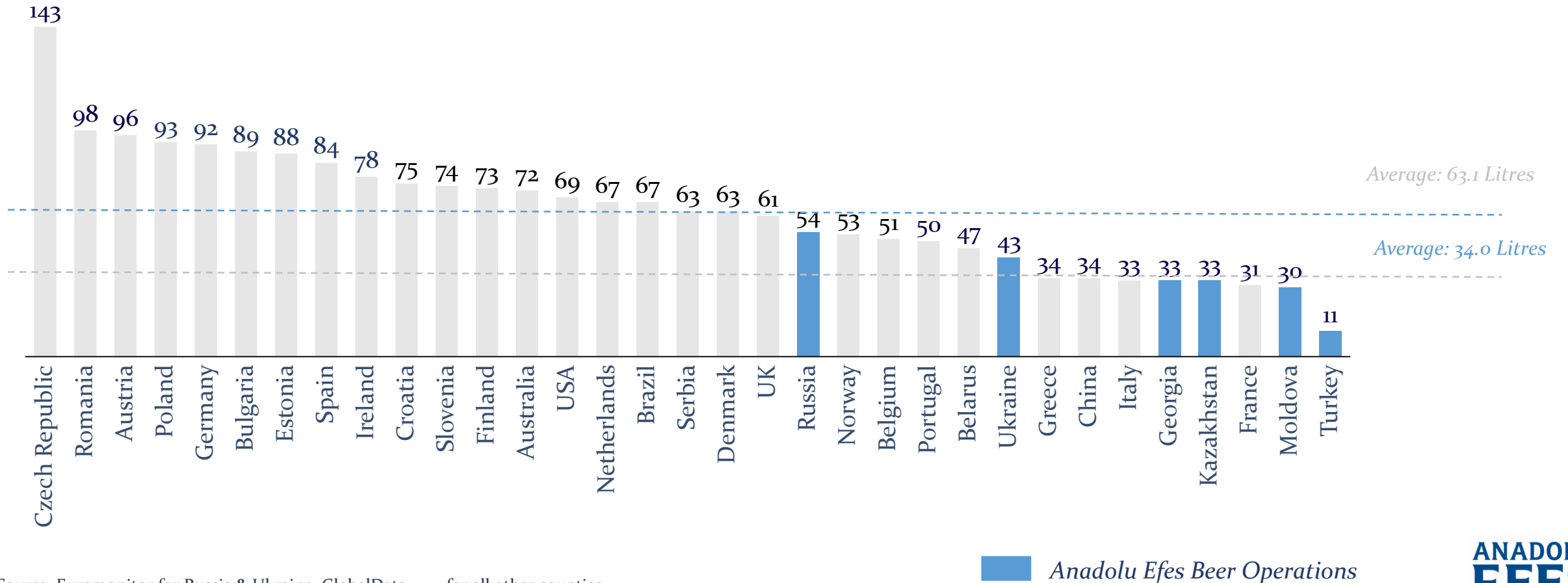
APPENDIX



More Room for Growth with Lower Per Caps



Beer Consumption Per Capita in 2021 (in liters)²



Source: Euromonitor for Russia & Ukraine, GlobalData 2021 for all other counties

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THANK YOU