

1H21 FINANCIAL PERFORMANCE*:

Net Sales:

up by 31.1% to TL 36.0 bn

EBITDA:

up by 43.9% to TL 4.5 bn

Net income attr. to parent:

TL 882 mn

Consolidated (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Net Sales	15.072	20.603	36,7%	27.422	35.951	31,1%
Gross Profit	4.475	6.330	41,4%	7.626	10.472	37,3%
EBIT	1.318	1.856	40,8%	1.203	2.239	86,1%
EBITDA	2.116	2.990	41,3%	3.160	4.548	43,9%
Net Income	-124	198	n.m.	-483	882	n.m.
Net Income** (excl. one-off gains)	-124	198	n.m.	-483	294	n.m.

*All figures and tables in this report include IFRS16 impact.

** Excludes the TL 588 mn one-off profit related to the sale of subsidiaries AND Anadolu Gayrimenkul Yatırımları A.Ş. and Migros Macedonia operations.

MESSAGE FROM CEO MR. HURŞİT ZORLU

With acceleration in vaccination, we are beginning to see a decrease in impact of the pandemic, which has been going on all over the world for more than a year. Turkey also entered the normalization process, especially with the acceleration in vaccination in June. As such, we can expect economic activity to gain momentum in the coming period.

Anadolu Group companies continued to operate uninterrupted in this period, putting consumer needs at the center of its operations. In the first half of 2021, thanks to our balanced country and sectoral breakdown and our successful operational performance, we increased our sales revenues by 31.1% on a consolidated basis and our EBITDA by 43.9% above our sales revenue growth. Especially the strong sales performance of soft drinks segment in addition to beer and Migros played an important role in this performance.

Evaluating the performances of our main operations in the first half of 2021; The soft drinks segment maintained its strong performance in all markets and continued its profitable growth. In addition to our international beer operations Turkish beer operations also showed solid growth in the second quarter, contributing to growth of the business. Migros maintained its healthy growth in sales revenues, pursued effective debt management strategies, and continued its investments in online services.

I am delighted to see that also our quick service restaurant and automotive sectors recorded successful results in the first six months of the year as the pandemic restrictions eased, export markets reactivated and our company proactively adapted to the rapidly changing consumer needs.

Despite unfavorable moves in TL since the beginning of the year, our consolidated net debt to EBITDA was at 1.4x at 1H21-end, lowest levels in recent history. These ratios were 3.6x at 1H18-end, 2.7x at 1H19-end and 2.1x at 1H20-end.

Improving profitability, strong FCF, focus on financing in local currency, idle asset sales, active use of derivative instruments in order to minimize the foreign currency risks on debt, lowering short FX positions, have played a key role in reducing leverage ratios across our Holding and Group companies. Consequently, our entire FX position of foreign currency holding-only debt is now protected. Likewise, in the second quarter, we have recorded a financial income as a result of the maturity of the derivative products that we entered to reduce exchange rate risks, a direct reflection of our proactive balance sheet management strategy to our bottom-line.

As always Anadolu Group continues to carefully examine and evaluate investment opportunities in our country and neighboring countries. Thus, we believe CCI's Uzbekistan investment will strengthen our position in Central Asia as an important step that has the potential to create opportunities for expansion within the Coca-Cola system. As Anadolu Group, our key focus areas for the coming period are utmost care for the consumers, deleveraging, positive FCF generation, operational profitability, efficiency, and digitalization. We also continue to carry out comprehensive projects on sustainability and manage all our activities by considering environmental and social impacts.

SUMMARY FINANCIALS

Beer (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Sales Volume (mhl)	10,5	10,9	3,9%	17,4	18,2	4,2%
Net Sales	3.457	4.564	32,0%	5.349	6.976	30,4%
Gross Profit	1.452	1.823	25,6%	1.962	2.516	28,2%
EBITDA (BNRI)	678	713	5,1%	582	665	14,3%
Net Income	293	303	3,2%	120	505	321,4%
Gross Profit Margin	42,0%	39,9%		36,7%	36,1%	
EBITDA Margin	19,6%	15,6%		10,9%	9,5%	
Net Income Margin	8,5%	6,6%		2,2%	7,2%	
Soft Drinks (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Sales Volume (mn unit case)	328	393	19,8%	567	674	18,9%
Net Sales	3.613	5.824	61,2%	6.234	9.571	53,5%
Gross Profit	1.222	2.089	71,0%	2.043	3.356	64,3%
EBITDA	784	1.356	73,0%	1.214	2.119	74,6%
EBITDA (Exc. Other)	783	1.344	71,6%	1.220	2.093	71,6%
Net Income	353	721	104,2%	482	1.124	133,4%
Gross Profit Margin	33,8%	35,9%		32,8%	35,1%	
EBITDA Margin	21,7%	23,3%		19,5%	22,1%	
Net Income Margin	9,8%	12,4%		7,7%	11,7%	
Migros (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Net Sales	6.906	8.415	21,9%	13.254	16.104	21,5%
Gross Profit	1.597	2.025	26,8%	3.183	3.924	23,3%
EBITDA	531	670	26,3%	1.083	1.340	23,7%
Net Income	-144	2	n.m.	-276	211	n.m.
Gross Profit Margin	23,1%	24,1%		24,0%	24,4%	
EBITDA Margin	7,7%	8,0%		8,2%	8,3%	
Net Income Margin	-2,1%	0,0%		-2,1%	1,3%	
Automotive (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Net Sales	996	1.582	58,8%	2.154	2.902	34,8%
Gross Profit	141	227	60,8%	310	446	44,1%
EBITDA	82	112	36,5%	194	250	28,6%
Net Income	14	64	358,9%	-4	148	n.m.
Gross Profit Margin	14,1%	14,3%		14,4%	15,4%	
EBITDA Margin	8,2%	7,1%		9,0%	8,6%	
Net Income Margin	1,4%	4,0%		-0,2%	5,1%	
Energy and Industry (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Net Sales	293	475	62,2%	799	856	7,2%
Gross Profit	0	155	n.m.	74	222	201,6%
EBITDA	-11	119	n.m.	27	160	486,4%
Net Income	-89	98	n.m.	-266	-13	95,2%
Gross Profit Margin	0,2%	32,6%		9,2%	25,9%	
EBITDA Margin	-3,9%	25,1%		3,4%	18,7%	
Net Income Margin	-30,3%	20,6%		-33,3%	-1,5%	
Other (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Net Sales	37	51	39,4%	74	91	22,7%
Gross Profit	29	34	15,8%	59	66	12,3%
EBITDA	4	2	-44,6%	9	3	-65,8%
Net Income	-175	-116	33,8%	-261	334	n.m.
Gross Profit Margin	79,5%	66,0%		79,9%	73,0%	
EBITDA Margin	11,5%	4,6%		12,5%	3,5%	
Net Income Margin	n.m.	n.m.		n.m.	n.m.	
Consolidated (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Net Sales	15.072	20.603	36,7%	27.422	35.951	31,1%
Gross Profit	4.475	6.330	41,4%	7.626	10.472	37,3%
EBITDA	2.116	2.990	41,3%	3.160	4.548	43,9%
Net Income	-124	198	n.m.	-483	882	n.m.
Net Income* (excl. one-off gains)	-124	198	n.m.	-483	294	n.m.
Gross Profit Margin	29,7%	30,7%		27,8%	29,1%	
EBITDA Margin	14,0%	14,5%		11,5%	12,6%	
Net Income Margin	-0,8%	1,0%		-1,8%	2,5%	

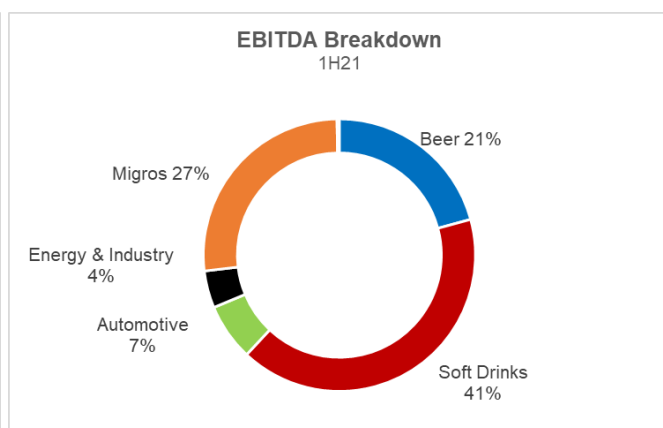
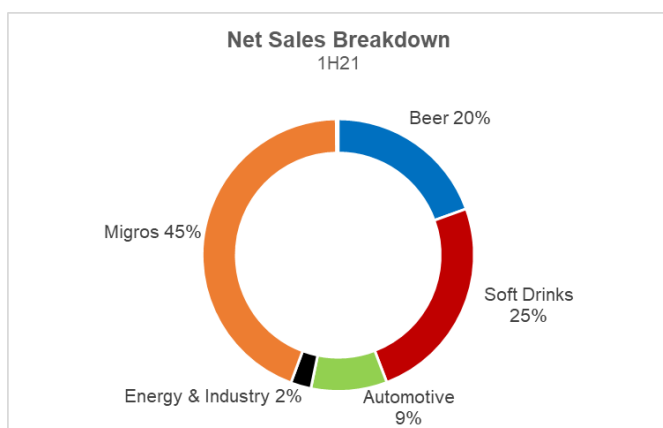
* Excludes the TL 588 mn one-off profit related to the sale of subsidiaries AND Anadolu Gayrimenkul Yatırımları A.Ş. and Migros Macedonia operations.

CONSOLIDATED FINANCIAL PERFORMANCE

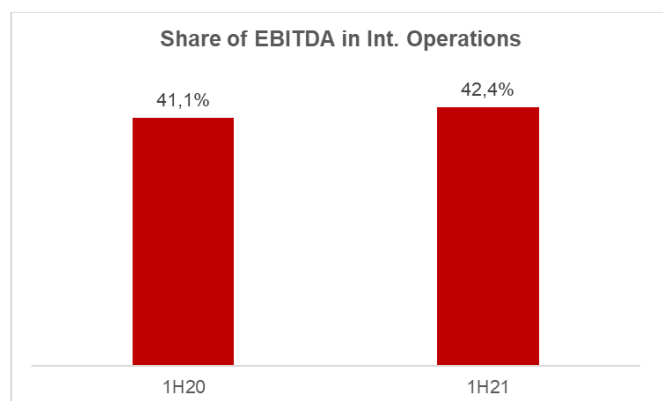
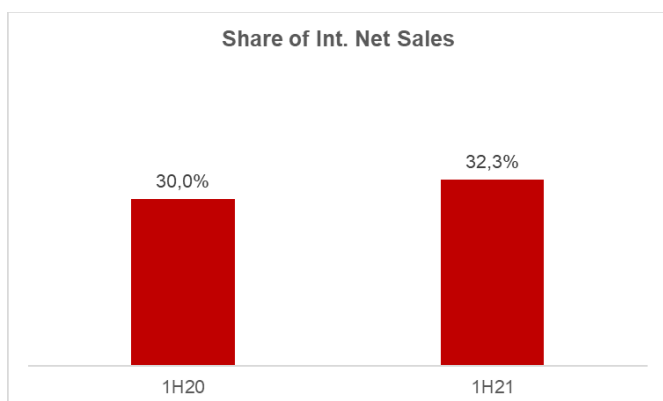
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Gross Profit Margin	29,7%	30,7%		27,8%	29,1%	
EBITDA Margin	14,0%	14,5%		11,5%	12,6%	
Net Income Margin	-0,8%	1,0%		-1,8%	2,5%	

* Excludes the TL 588 mn one-off profit related to the sale of subsidiaries AND Anadolu Gayrimenkul Yatırımları A.Ş. and Migros Macedonia operations.

AG Anadolu Grubu Holding ("Anadolu Grubu")'s consolidated revenues increased by 31.1% YoY to reach TL 36.0 bn in 1H21. Within our main segments, soft drinks had the strongest performance with a 53.5% revenue growth followed by 30.4% growth in beer and 21.5% growth in Migros. Auto segment revenues grew 34.8% in 1H21 compared to the same quarter of last year. On the other hand, Energy and Industry segment's revenues increased by 7.2% YoY in 1H21 while the "Other segment" which has a small share in our total revenue mix increased revenues by 22.7% YoY in 1H21.



Sum of segmental percentages may exceed 100% due to eliminations



Share of international revenues increased to 32.3% in 1H21 thanks particularly to strong performance of soft drinks' international operations. On the other hand, share of int. EBITDA increased from 41.1% in 1H20 to 42.4% in 1H21 on the back of strong performance of soft drinks on international countries.

Consolidated EBITDA increased by 43.9% to TL 4.5 bn in 1H21. Soft Drinks, Migros and Beer led the growth in EBITDA with 75%, 24% and 14% increases respectively. Soft Drinks, Migros and Beer's share in total EBITDA were 41%, 27% and 21% respectively in 1H21 while auto, energy and industrial, other segments had a combined share of 11% in total EBITDA mix during this period.

The group recorded TL 882 mn net profit in 1H21. Off this figure, TL 588 mn is attributable to one off gains related the sale of our real estate company AND Anadolu Gayrimenkul Yatırımları A.Ş. and Migros Macedonia operations. Excluding this impact, the bottom-line was TL 294 mn in 1H21 better than TL 483 mn net loss recorded in the first half of last year. We have also recorded TL 128 mn financial income as a result of maturity of our derivatives positions which were initiated in order to minimize the foreign currency risks on our debt.

Despite unfavorable moves in TL since the beginning of the year and uncertainties with regards to Covid-19, we have managed to keep our leverage ratios under control on the back of strong operational performance as well as conservative and proactive balance sheet management, positive FCF, utilization of idle assets, efficient and disciplined working capital management.

Focus on financing in local currency, active use of derivative instruments in order to minimize the foreign currency risks on debt and lowering short FX positions have played a key role reducing leverage particularly at the Holding and Migros but also on our other Group companies as well. Consequently entire part of our FX position of foreign currency holding-only debt is now protected as of June 30, 2021. These actions have also positively impacted the bottom-line performance.

Consolidated net debt to EBITDA declined to 1.4x at 1H21-end, lowest levels in the last years. Net Debt to EBITDA was 3.6x at 1H18-end, 2.7x at 1H19-end and 2.1x at 1H20-end. Migros net debt to EBITDA declined to 1.3x at 1H21-end on the back of continuation of strong operational performance and proactive balance sheet management while auto segment net debt to EBITDA continue to drop reaching 1.1x levels in 1H21-end. Soft Drinks Net debt to EBITDA was at 0.4x at 1H21-end still at very low levels. Beer segment net debt to EBITDA increased to 1.9x at 1H21-end while Net debt to EBITDA at energy & industrial segments was 4.2x at 1H21-end improving significantly from 14.5x at 1H20-end.

As of 1H21-end, 39% of our consolidated debt is short term and 61% is long term. Average duration of our debt is 20 months.

In line with the strategy of deleveraging the businesses through cash flows and focus on our core business, strategic options as always are evaluated for the divestiture or more efficient use our assets.

As such, MOOV, our hourly car rental business unit, operating under our subsidiary Çelik Motor A.Ş. have begun talks with Getir B.V. for a cooperation including a possible partnership among parties. We will continue to inform the public when there are new developments.

On the other hand, as we announced at the beginning of August, the privatization process of Coca-Cola Bottlers Uzbekistan has recently ended, and CCI has won the tender. This transaction stands out as an important step in CCI's history, which strengthens CCI's position in Central Asia and has the potential to create expansion opportunities within the Coca-Cola system.

Segmental Indebtedness (incl. IFRS16)

1H21 (TL mn)	Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Beer	11.119	7.337	3.782	1,9
Soft Drinks	6.481	4.870	1.611	0,4
Migros	5.791	2.468	3.323	1,3
Automotive	1.222	507	716	1,1
Energy & Industry	1.908	148	1.760	4,2
Other (Inc. Holding)	3.495	1.135	2.360	n.m.
<i> Holding-only</i>	<i>3.468</i>	<i>1.078</i>	<i>2.391</i>	<i>n.m.</i>
Consolidated	29.956	16.465	13.491	1,4
Condolidated (Euro mn)	2.896	1.595	1.301	1,4

1H20 (TL mn)	Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Beer	5.675	3.661	2.014	1,2
Soft Drinks	5.832	3.305	2.526	1,1
Migros	6.673	2.991	3.682	1,6
Automotive	1.752	391	1.361	3,0
Energy & Industry	2.382	125	2.257	14,5
Other (Inc. Holding)	3.280	553	2.727	n.m.
<i> Holding-only</i>	<i>3.241</i>	<i>505</i>	<i>2.735</i>	<i>n.m.</i>
Consolidated	25.521	10.683	14.494	2,1
Condolidated (Euro mn)	3.314	1.387	1.882	2,1

FY2020 (TL mn)	Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Beer	6.034	3.864	2.169	1,1
Soft Drinks	6.160	4.684	1.477	0,5
Migros	6.772	3.237	3.536	1,5
Automotive	1.340	459	881	1,4
Energy & Industry	2.491	348	2.143	7,1
Other (Inc. Holding)	3.068	335	2.733	n.m.
<i> Holding-only</i>	<i>3.068</i>	<i>288</i>	<i>2.780</i>	<i>n.m.</i>
Consolidated	25.797	12.927	12.870	1,5
Condolidated (Euro mn)	2.864	1.435	1.429	1,5

BEER SEGMENT

Beer (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Sales Volume (mhl)	10,5	10,9	3,9%	17,4	18,2	4,2%
Net Sales	3.457	4.564	32,0%	5.349	6.976	30,4%
Gross Profit	1.452	1.823	25,6%	1.962	2.516	28,2%
EBITDA (BNRI)	678	713	5,1%	582	665	14,3%
Net Income	293	303	3,2%	120	505	321,4%
<i>Gross Profit Margin</i>	<i>42,0%</i>	<i>39,9%</i>		<i>36,7%</i>	<i>36,1%</i>	
<i>EBITDA Margin</i>	<i>19,6%</i>	<i>15,6%</i>		<i>10,9%</i>	<i>9,5%</i>	
<i>Net Income Margin</i>	<i>8,5%</i>	<i>6,6%</i>		<i>2,2%</i>	<i>7,2%</i>	

Beer Group consolidated sales volume grew by 4.2% and reached 18.2 mhl in 1H21. After a strong start to the year beer volumes continued to record a successful performance in 2Q21. International beer operations' volumes grew by 1.9% to 9.5 mhl in 2Q2021, with the contribution of all international operations with the exception of Ukraine, bringing EBI volumes up to 16.0 mhl in 1H21. Despite the strict restrictions in on-trade during April-May period and curfews during weekends, Turkey volumes increased by 22.0% year-on-year in 2Q21 outperforming our expectations, benefitting from the low-base of last year and also the growth delivered in traditional trade channel with an increased habit of home-stocking during lockdowns. Accordingly, in 1H21, Turkey beer operations' volumes reached to 2.1 mhl, with an increase of 11.3% year-on-year.

Beer group sales revenues in the first half of the year increased by 30.4% year-on-year to reach TL 7.0 bn. International beer operations revenue grew by 27.0% year-on-year and reached TL 3.7 bn in 2Q21. The increase in international beer sales revenue is mainly attributable to the price increases across the board but also benefitted from favorable product mix. Turkey beer sales revenues marked a very strong growth and grew by 59.7% YoY to reach TL 854 mn in 2Q21. The significant increase in revenue/hl was assisted by the price increases implemented, favorable SKU mix as well as effective discount management, which was also backed by closure of on-trade sales channels during the period.

Beer group gross profit increased by 28.2% to TL 2.5 bn; yielding a gross margin of 36.1%. In international beer operations; gross margin was below last year; mainly due to the volume pressure in Ukraine, the excise increase in Russia at the beginning of the year together with the negative impact of commodity price increases. The pressure on the margin was partly mitigated by the strong gross profitability in CIS countries; which was supported by their volume growth and strong pricing. Turkey beer's gross margin expanded in the period, thanks to strong topline performance, which led to lower share of fixed costs in cost of goods sold.

EBITDA (BNRI) increased by 14.3% to TL 665 million in the first half of the year, yielding a margin of 9.5%. There was a year-on-year decline in international beer operation's EBITDA margin due contraction in gross margin and high base of last year where the margin was boosted by the substantial savings in OPEX. The margin pressure in international beer was also due to calendarization of some expenses. Good performance in gross profitability in Turkey beer also translated into EBITDA margin however at a lower rate on the back of year-on-year increased marketing spending related to "+1" rested relaunch ahead of high season.

Beer Group net income was TL 505 mn in 1H21 more than tripling last year's profit.

Free cash flow in 1H21 reached TL 1,1 bn versus TL 243 mn a year ago. The cash was mainly generated in Russia with the superior performance in trade payables as well as the decline in absolute CAPEX where both are going to normalize in the second half.

SOFT DRINKS

Soft Drinks (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Sales Volume (mn unit case)	328	393	19,8%	567	674	18,9%
Net Sales	3.613	5.824	61,2%	6.234	9.571	53,5%
Gross Profit	1.222	2.089	71,0%	2.043	3.356	64,3%
EBITDA	784	1.356	73,0%	1.214	2.119	74,6%
EBITDA (Exc. Other)	783	1.344	71,6%	1.220	2.093	71,6%
Net Income	353	721	104,2%	482	1.124	133,4%
<i>Gross Profit Margin</i>	33,8%	35,9%		32,8%	35,1%	
<i>EBITDA Margin</i>	21,7%	23,3%		19,5%	22,1%	
<i>Net Income Margin</i>	9,8%	12,4%		7,7%	11,7%	

In 1H21, consolidated sales volume continued its positive momentum registering a growth of 18.9%, reaching 674 mn unit case. Just like the 1Q, our sales volume growth was strong in all our markets in 2Q. In Turkey we registered strong volume growth in 2Q despite the continued restrictions on the on-premise channel and general curfews in the first two months of the quarter. Extending their strong momentum, international markets registered solid volume performance, growing 21.6% in 1H21 led by the continued remarkable performance of Pakistan.

Net sales revenue ("NSR") increased 61.2% in 2Q21, driven by sustained volume growth, Revenue Growth Management ("RGM") initiatives and positive FX conversion impact of international operations. As a result total revenues grew by 53.5% in 1H21. In Turkey, timely price adjustments, positive category mix and higher penetration of IC packages in at home channels supported this strong performance. Moreover, the on-premise channel recovery with the gradual normalization starting in June also assisted strong top-line performance in Turkey. In our International operations, price/pack based on segments and regions, tighter discount management, tailored offerings addressing affordability and premiumization, favorable category mix and better route to market initiatives supported the revenue growth.

Gross margin in 1H21 increased by 230 bps to 35.1% on a consolidated basis from 32.8% a year ago. The growth in gross margin was mainly attributable to international markets. Higher per unit case net sales prices along with contained price pressure on commodities due to hedging initiatives were the main contributors to margin expansion.

The EBITDA margin was up from 19.5% in 1H20 to 22.1% in 1H21. This was driven by higher profitability in Turkey and international markets as well as the restatement of marketing expenses in 2Q20.

Net profit was TL 1.1 bn in 1H21 vs. TL 482 mn in 1H20 on the back of higher operating profit, FX gains despite higher financial expenses.

In the first half of the year, FCF was TL 839 million, a solid improvement from TL 625 million a year ago. Despite the very low CapEx base of the last year, which resumed back to its normal pace, continued discipline in the working capital management along with profitability expansion resulted in the solid cash generation.

MIGROS

Migros (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Net Sales	6.906	8.415	21,9%	13.254	16.104	21,5%
Gross Profit	1.597	2.025	26,8%	3.183	3.924	23,3%
EBITDA	531	670	26,3%	1.083	1.340	23,7%
Net Income	-144	2	n.m.	-276	211	n.m.
Gross Profit Margin	23,1%	24,1%		24,0%	24,4%	
EBITDA Margin	7,7%	8,0%		8,2%	8,3%	
Net Income Margin	-2,1%	0,0%		-2,1%	1,3%	

Net sales revenues of Migros increased by 21.5% YoY in 1H21 to TL 16.1 bn. Increasing demand, and increasing coverage of online operations supported the growth at the top-line level in 1H21. Additionally, Migros continued to improve its online operations for a better customer experience.

Online sales remained strong in the first half of 2021. Migros is now better equipped to meet a potential sudden increase in demand on the back of higher capacity and wider of coverage of its internet sales. The service coverage of online operations increased to 826 in 81 cities. Total number of stores increased by 127 to 2,405 in 1H21 vs. 1H20.

Gross profit increased by 23.3% YoY in 1H21 to reach TL 3.9 bn, implying a gross profit margin of 24.4%. Migros also generated TL 1.3 bn EBITDA in 1H21, up by %23.7 YoY, with an EBITDA margin of 8.3%. Migros' EBITDA margin excluding the IFRS 16 changes, additional COVID-19 related costs and comparable rent income/expenses increased to 5.6% and EBITDA grew by 30.3% YoY in 1H21.

In line with the plan implemented by the management for deleveraging, Migros' net debt/EBITDA ratio declined by 20 bps to 1.3x as of 1H21-end vs. 2020YE, and 30 bps from 1.6x as of 1H20-end. This ratio excluding IFRS 16 effects was at 0.2x as of 1H21-end with a significant decrease from 0.8x as of 1H20-end.

Migros net debt declined from TL 3.7 bn as of 1H20-end to TL 3.3bn as of 1H21-end. Furthermore, the company has no short FX position.

Migros reported a net consolidated profit of TL 211 mn in 1H21.

AUTOMOTIVE SEGMENT

Automotive (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Net Sales	996	1.582	58,8%	2.154	2.902	34,8%
Gross Profit	141	227	60,8%	310	446	44,1%
EBITDA	82	112	36,5%	194	250	28,6%
Net Income	14	64	358,9%	-4	148	n.m.
Gross Profit Margin	14,1%	14,3%		14,4%	15,4%	
EBITDA Margin	8,2%	7,1%		9,0%	8,6%	
Net Income Margin	1,4%	4,0%		-0,2%	5,1%	

Automotive segment posted TL 2.9 bn net sales revenues in 1H21, up by 34.8% YoY led particularly by the strong domestic sales performance of Anadolu Isuzu. Domestic sales revenues of Anadolu Isuzu increased by 122% YoY in 1H21 while international sales revenues of the company increased by 66% YoY resulting in a solid 107% increase at the top-line. Çelik Motor recorded TL 1.8 bn revenues up by 12.9% YoY in 1H21. Anadolu Motor, which has relatively lesser share in the segment, increased its revenues by 85.1% to TL 189 mn in the first half of the year.

Çelik Motor constituted 63% of automotive sales revenues, remaining shares were 30% of Anadolu Isuzu and 6% of Anadolu Motor in 1H21.

Gross profit margin of the segment increased by 100 bps reaching 15.4% in 1H21. While Anadolu Isuzu and Anadolu Motor gross profits were up by 136.9% and 113.7% in 1H21 respectively increase in Çelik Motor gross profit was limited at 4.4%.

EBITDA of the segment increased by 28.6% to TL 250 mn in 1H21 vs. TL 194 mn in 1H20, with EBITDA margin declining by 40 bps in 1H21. With increasing sales volume as well as gross profit, EBITDA margin of Anadolu Isuzu widened by 340 bps to 9.6% in 1H21. Anadolu Motor recorded TL 15 mn EBITDA in 1H21 with an EBITDA margin of 8.3% on the back of growth in sales volumes and improvement in operational performance. EBITDA margin of Çelik Motor declined to 8.3% in 1H21 with a contraction of 190bps in EBITDA margin.

Çelik Motor continued to optimize its fleet size as the company did in last 3 years and also continue to change its business model and generated around TL 163 mn funds in 1H21. The total fleet size of the company dropped to as low as 1,200 as of 1H21-end. During 2020, Çelik Motor continued to sell its short term and long term rental portfolio and accordingly decreased its fleet size by 6,200. The sales proceeds decreased net debt position and contributed to the EBITDA and net profit. Thus, as the fleet size is now smaller than last year, second hand sales will contribute less to the company financials.

Net debt/EBITDA ratio of the segment further declined to 1.1x at 1H21-end vs. 1.4x at 2020-end. Çelik Motor's net debt declined from TL 489 mn at 2020YE to TL 257 mn at 1H21-end. Automotive segment companies will continue their operations with efficient and prudent financial management principles.

ENERGY & INDUSTRY SEGMENT

Energy and Industry (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Net Sales	293	475	62,2%	799	856	7,2%
Gross Profit	0	155	n.m.	74	222	201,6%
EBITDA	-11	119	n.m.	27	160	486,4%
Net Income	-89	98	n.m.	-266	-13	95,2%
Gross Profit Margin	0,2%	32,6%		9,2%	25,9%	
EBITDA Margin	-3,9%	25,1%		3,4%	18,7%	
Net Income Margin	-30,3%	20,6%		-33,3%	-1,5%	

Adel, McDonald's, Energy and our Real Estate company are included in Energy and Industry segment. Measures taken such as closure of restaurants and schools have an adverse affect specially on McDonald's and Adel.

Energy and Industry segment reported TL 856 mn net sales revenues in 1H21, up by 7.2% YoY. Adel usually starts the sales and marketing activities at the beginning of the year, in March, yet there was a period shift regarding order purchases which caused first quarter shipments to fall short of expectations. Thus, Adel revenues declined by 10.7% YoY in 1H21. McDonald's sales revenues jumped by 53.4% to TL 464 mn. GUE revenues increased by 29.3% to TL 66 mn.

McDonald's holds 54% share in total sales of the segment, followed by 21% share of Adel, GUE 8% and 16% share of Kartal residential project. Additionally, as a result of 100% stake transfer of our real estate company AND Anadolu Gayrimenkul Yatırımları A.Ş. which among its other assets owns AND Kozyatagi building, net debt of the segment declined to TL 1.8 bn as of 1H21-end vs. TL 2.1 bn 2020YE.

The electricity produced at GUE is sold in Turkey and Georgia in accordance with the weather conditions. Accordingly, 100% of the electricity produced at GUE was sold to Georgia in 1H21.

Gross profit margin of the segment was 25.9% in 1H21. EBITDA was registered at TL 160 million, on the back of improvement in operational performance of McDonalds and energy business.

Net debt/EBITDA ratio of the segment decreased to 4.2x as of 1H21-end vs. 7.1x as of 2020YE.

OTHER

Other (TL mn)	2Q20	2Q21	Change	1H20	1H21	Change
Net Sales	37	51	39,4%	74	91	22,7%
Gross Profit	29	34	15,8%	59	66	12,3%
EBITDA	4	2	-44,6%	9	3	-65,8%
Net Income	-175	-116	33,8%	-261	334	n.m.
<i>Gross Profit Margin</i>	79,5%	66,0%		79,9%	73,0%	
<i>EBITDA Margin</i>	11,5%	4,6%		12,5%	3,5%	
<i>Net Income Margin</i>	n.m.	n.m.		n.m.	n.m.	

Holding, AEH Sigorta A.Ş. and other small scale businesses are consolidated under the other segment. Net sales revenues of the other segment was TL 91 mn in 1H21.

The Group recorded gain on sales of its subsidiary AND Anadolu Gayrimenkul Yatırımları A.Ş. With an amount of TL 460 mn as of March 30, 2021. The Holding also recorded TL 128 mn financial income as a result of maturity of our derivatives positions which were initiated in order to minimize the foreign currency risks on our debt. As such, net income of the other segment was TL 334 mn in 1H21.

SUMMARY SEGMENTAL FINANCIAL RESULTS – 1H21

TL mn	Net Sales	Yearly Change	Gross Profit	Yearly Change	EBITDA	Yearly Change	Net Profit	Yearly Change
Beer	6.976	30%	2.516	28%	664	14%	505	321%
Soft Drinks	9.571	54%	3.356	64%	2.119	75%	1.124	133%
Migros	16.104	22%	3.924	23%	1.340	24%	211	n.m.
Automotive	2.902	35%	446	44%	250	29%	148	n.m.
Energy and Industry	856	7%	222	202%	160	486%	-13	95%
Other	91	23%	66	12%	3	-66%	334	n.m.
Consolidated	35.951	31%	10.472	37%	4.548	44%	882	n.m.

SUMMARY BALANCE SHEET

TL million		
	30.06.2021	31.12.2020
Cash and equivalents	16.424	12.878
Trade receivables	6.672	3.429
Inventories	8.562	7.169
Prepaid expenses	1.009	863
Other current assets	1.579	1.830
Non-current Assets or Disposal Groups Classified as Held for Sale	-	326
Current Assets	34.246	26.495
Investments accounted through equity method	224	141
Investment properties	-	173
Tangible assets	18.555	16.370
Right of use assets	3.287	3.390
Intangible assets	27.785	24.708
-Goodwill	7.688	7.012
-Other intangible assets	20.097	17.696
Other non-current assets	2.270	1.996
Non-Current Assets	52.121	46.778
Total Assets	86.367	73.273
Short term borrowings	4.659	5.529
Short term portion of long term borrowings	6.496	3.577
- Bank Loans	5.640	2.768
- Lease Liabilities	856	809
Trade payables	18.014	14.286
Other current liabilities	5.900	4.591
Current Liabilities	35.069	27.983
Long term borrowings	18.801	16.691
- Bank Loans	16.044	13.894
- Lease Liabilities	2.757	2.797
Deferred tax liability	3.620	3.398
Other non-current liabilities	1.304	1.006
Non-Current Liabilities	23.725	21.095
Total Liabilities	58.794	49.078
Equity	27.573	24.195
Non-controlling interests	20.830	18.435
Equity of the parent	6.743	5.760
Total Liabilities & Equity	86.367	73.273

SUMMARY INCOME STATEMENT

TL million	30.06.2021	30.06.2020
Revenues	35.951	27.422
Cost of sales (-)	(25.479)	(19.796)
Gross Profit	10.472	7.626
Operating expenses (-)	(7.753)	(6.099)
Other operations income/(expense)	(314)	(238)
Gain/(Loss) from investments accounted through equity method	(166)	(86)
Operating Income/(Loss) (EBIT)	2.239	1.203
Income /(expense) from investment operations	1.312	339
Financial income/(expense)	(925)	(1.659)
Income/(Loss) Before Tax from Continuing Operations	2.626	(117)
Tax income/(expense)	(500)	(244)
Net Income/(Loss) from Continuing Operations	2.126	(361)
Net Income/(Loss) from Discontinued Operations	(43)	(62)
Net Income/(Loss)	2.083	(423)
Net Income/(Loss)		
Non-controlling interests	1.201	60
Equity holders of the parent	882	(483)

INVESTOR RELATIONS CONTACTS

Please visit our website at <https://www.anadolugrubu.com.tr/en> for financial reports and further information regarding AG Anadolu Grubu Holding.

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1H21 Webcast Presentation:

August 17, 2021, 16:00 İstanbul/ 14:00 Londra/ 9:00 New York

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

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