

2020FY FINANCIAL PERFORMANCE*:

Net Sales:

up by 21.5% to TL 62.1 bn

EBITDA:

up by 21.4% to TL 8.4 bn

Net loss attr. to parent:

TL 280 mn

Consolidated (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Net Sales	12.397	16.060	29,6%	51.135	62.111	21,5%
Gross Profit	3.691	4.724	28,0%	15.475	18.752	21,2%
EBIT	605	1.037	71,5%	2.972	4.186	40,9%
EBITDA	1.478	2.220	50,3%	6.925	8.409	21,4%
Net Income	84	-61	n.m.	565	-280	n.m.
Net Income** (excl. Migros revaluation)	-69	-61	12,0%	-297	-280	5,8%

*All figures and tables in this report include IFRS16 impact. For comparison purposes all figures in this report include Migros as fully consolidated for 12 months of 2019.

** As Migros started to be fully consolidated, fair value appraisal works were completed as of December 31, 2019. One-off impact on the net income is TL 862 mn, and excluding the one-off adjusted net loss stands at TL 297 mn for 2019.

MESSAGE FROM CEO MR. HURŞİT ZORLU

2020 has been a year where we have reassessed all of our targets and managed to grow our business through our dedicated efforts. There have been economic and social measures taken across the globe in a short period of time due to pandemic which has rapidly spread across the world since the first quarter.

As Anadolu Grubu, during this period which also coincides with our 70th year, we have first and foremost taken the necessary measures in order to protect the health of our employees and sustainability of our operations. In addition to this, as we always underline, proactive balance sheet and risk management have continued to be our top-financial priority throughout the year.

We are happy to announce a 21.5% consolidated revenue and 21.4% EBITDA growth in 2020 on the back of our balanced geographical and sectoral breakdown and successful operational performance. On top of Migros' strong performance throughout the year, Soft Drinks, Beer and Auto segments made positive contributions as well and played an important role in revenue growth. Despite the difficulties related to pandemic, our proactive management approach has resulted with positive results on both revenue and profitability in this challenging period.

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, efficiencies and disciplined working capital management.

Looking at the performance of our core business lines in 2020, the beer segment has generated solid free cash flow and recorded strong growth particularly in Russia. The soft drinks segment despite many uncertainties grew EBITDA ahead of revenue growth and revenue growth ahead of volume growth and completed a very successful year. Migros, on the other hand, recorded strong growth throughout the year, continued its investments in online channels and reduced debt levels.

Despite the depreciation in TL during the year, our consolidated net debt to EBITDA dropped to 1.5x at 20YE from 2.1x at 19YE. This ratio has been the lowest in the last years and Net Debt to EBITDA was 2.1x at 19-end and 3.1x at 18-end respectively. Focus on financing in local currency, active use of derivative instruments in order to minimize the foreign currency risks on debt, idle assets sales, lowering short FX positions, strong profitability and solid FCF have played a key role in reducing leverage. Consequently 87% of our FX position of foreign currency holding only debt has been protected at 20YE. These ratios at 18YE and 19YE were 16% and 53% respectively. These actions have also positively impacted bottom-line performance.

As Anadolu Grubu, our key focus areas for the coming period are utmost care for the consumers, deleveraging, positive FCF generation, operational profitability, efficiency, sustainability and digitalization. We will also carry out innovative and pioneering works and add value to every field that we operate. Looking ahead we hope that many uncertainties will disappear and better results will come though on the back of successful vaccine efforts and compliances with the safety measures.

SUMMARY FINANCIALS

Beer (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Sales Volume (mhl)	8,6	8,2	-4,1%	36,2	36,2	0,2%
Net Sales	2.863	3.235	13,0%	11.069	12.352	11,6%
Gross Profit	1.235	1.292	4,6%	4.583	4.878	6,4%
EBITDA (BNRI)	609	697	14,5%	1.784	1.961	9,9%
Net Income	202	169	-16,1%	715	320	-55,3%
Gross Profit Margin	43,1%	39,9%		41,4%	39,5%	
EBITDA Margin	21,3%	21,6%		16,1%	15,9%	
Net Income Margin	7,0%	5,2%		6,5%	2,6%	
Soft Drinks (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Sales Volume (mn unit case)	203	227	11,7%	1.207	1.184	-1,9%
Net Sales	2.149	3.184	48,2%	12.008	14.391	19,8%
Gross Profit	763	1.044	36,8%	4.181	5.072	21,3%
EBITDA	270	517	91,1%	2.279	3.137	37,7%
EBITDA (Exc. Other)	250	510	104,0%	2.335	3.149	34,8%
Net Income	1	-163	n.m.	966	1.233	27,6%
Gross Profit Margin	35,5%	32,8%		34,8%	35,2%	
EBITDA Margin	12,6%	16,2%		19,0%	21,8%	
Net Income Margin	0,0%	-5,1%		8,0%	8,6%	
Migros (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Net Sales	5.670	7.682	35,5%	22.865	28.790	25,9%
Gross Profit	1.429	1.876	31,3%	6.119	7.399	20,9%
EBITDA	458	650	41,7%	2.232	2.352	5,4%
Net Income	-258	-121	53,0%	-461	-403	12,5%
Gross Profit Margin	25,2%	24,4%		26,8%	25,7%	
EBITDA Margin	8,1%	8,5%		9,8%	8,2%	
Net Income Margin	-4,6%	-1,6%		-2,0%	-1,4%	
Automotive (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Net Sales	1.520	1.807	18,8%	4.163	5.741	37,9%
Gross Profit	229	312	36,4%	667	942	41,2%
EBITDA	154	175	14,1%	433	608	40,5%
Net Income	27	183	586,5%	-209	397	n.m.
Gross Profit Margin	15,1%	17,3%		16,0%	16,4%	
EBITDA Margin	10,1%	9,7%		10,4%	10,6%	
Net Income Margin	1,8%	10,2%		-5,0%	6,9%	
Energy and Industry* (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Net Sales	364	352	-3,2%	1.894	1.687	-10,9%
Gross Profit	51	105	105,3%	366	386	5,4%
EBITDA	26	97	266,1%	274	300	9,3%
Net Income	-88	-82	6,2%	-274	-356	-30,1%
Gross Profit Margin	14,1%	29,9%		19,3%	22,9%	
EBITDA Margin	7,3%	27,5%		14,5%	17,8%	
Net Income Margin	-24,2%	-23,4%		-14,5%	-21,1%	
Other (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Net Sales	33	38	15,2%	139	156	12,1%
Gross Profit	25	27	8,8%	96	118	23,0%
EBITDA	12	-37	n.m.	40	-21	n.m.
Net Income	-126	-225	-79,0%	-408	-571	-40,0%
Gross Profit Margin	75,3%	71,2%		68,8%	75,4%	
EBITDA Margin	36,8%	-96,9%		28,9%	-13,6%	
Net Income Margin	-377,6%	n.m.		n.m.	n.m.	
Consolidated (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Net Sales	12.397	16.060	29,6%	51.135	62.111	21,5%
Gross Profit	3.691	4.724	28,0%	15.475	18.752	21,2%
EBITDA	1.478	2.220	50,3%	6.925	8.409	21,4%
Net Income	84	-61	n.m.	565	-280	n.m.
Net Income (excl. Migros revaluation)	-69	-61	12,0%	-297	-280	5,8%
Gross Profit Margin	29,8%	29,4%		30,3%	30,2%	
EBITDA Margin	11,9%	13,8%		13,5%	13,5%	
Net Income Margin	0,7%	-0,4%		1,1%	-0,5%	

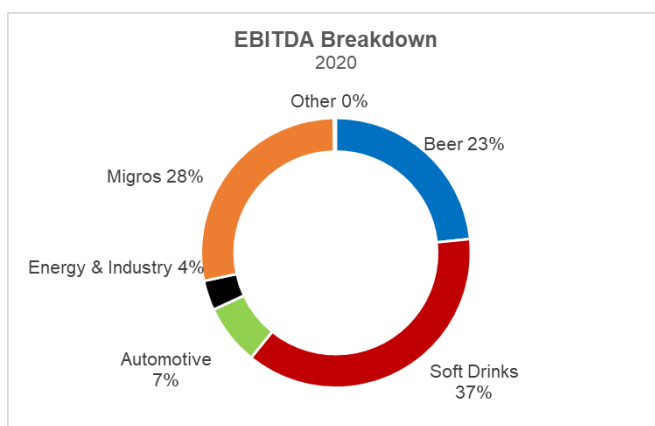
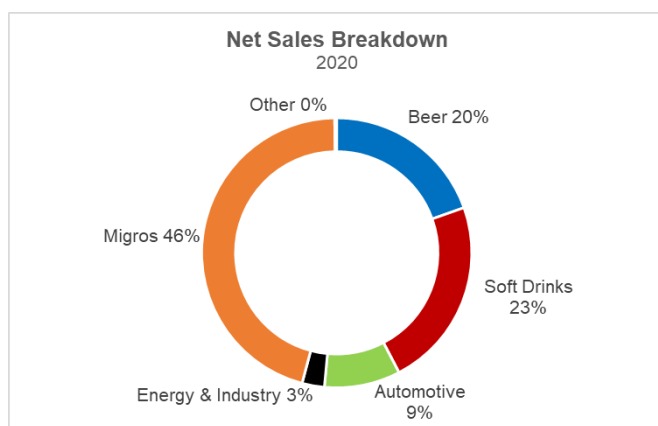
* Adel, McDonald's, Energy, Real Estate and our tourism company Efestur are included in Energy and Industry segment.

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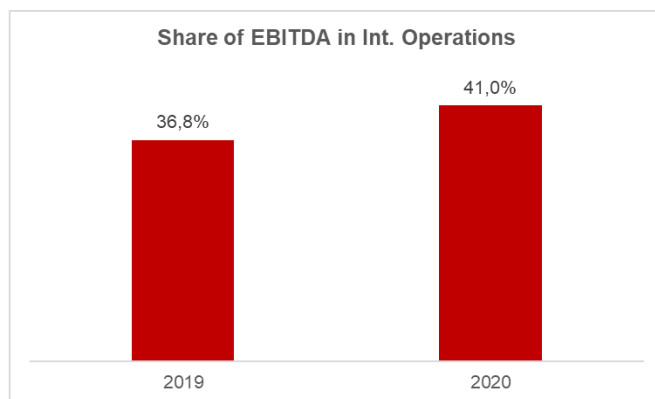
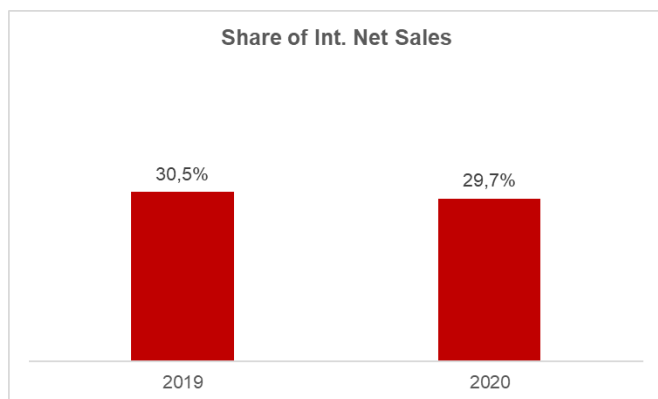
CONSOLIDATED FINANCIAL PERFORMANCE

Consolidated (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Net Sales	12.397	16.060	29,6%	51.135	62.111	21,5%
Gross Profit	3.691	4.724	28,0%	15.475	18.752	21,2%
EBIT	605	1.037	71,5%	2.972	4.186	40,9%
EBITDA	1.478	2.220	50,3%	6.925	8.409	21,4%
Net Income	84	-61	<i>n.m.</i>	565	-280	<i>n.m.</i>
Net Income** (excl. Migros revaluation)	-69	-61	12,0%	-297	-280	5,8%
FCF	1.139	356	-68,7%	3.560	5.414	52,1%
<i>Gross Profit Margin</i>	29,8%	29,4%		30,3%	30,2%	
<i>EBIT Margin</i>	4,9%	6,5%		5,8%	6,7%	
<i>EBITDA Margin</i>	11,9%	13,8%		13,5%	13,5%	
<i>Net Income Margin</i>	0,7%	-0,4%		1,1%	-0,5%	

AG Anadolu Grubu Holding (“Anadolu Grubu”)’s consolidated revenues increased by 21.5% YoY to reach TL 62.1 bn in 2020. Within our main segments, Migros, Beer and Soft Drinks sales revenues increased by 25.9%, 11.6% and 19.8% YoY respectively. The auto segment also has seen revenues increase by 37.9% YoY on the back of fleet optimization and second hand auto sales in 2020. Energy and Industrial segment’s revenues on the other hand declined by 10.9% YoY in 2020 while the “Other segment” which has a small share in our total revenue mix increased revenues by 12.1% YoY in 2020.



Sum of segmental percentages may exceed 100% due to eliminations



Share of international revenues declined slightly to 29.7% in 2020 mostly due to strong Migros and auto sales performance. On the other hand, share of int. EBITDA increased from 36.8% in 2019 to 41.0% in 2020 on the back of strong performance on soft drinks and beer segments on international countries.

Consolidated EBITDA increased slightly by 21.4% to TL 8.4 bn in 2020. Soft Drinks, Beer and Auto Segments EBITDA increased by 38%, 10% and 41% respectively. Soft Drinks, Migros and Beer's share in total EBITDA were 37%, 28% and 23% respectively in 2020 while auto, energy and industrial, other segments had a combined share of 11% in total EBITDA mix during this period.

The group recorded TL 280 mn net loss in 2020 vs a comparable TL 297mn net loss in 2019 (after Migros restatement adjustments). During the 2020, TL depreciated 31% vs. the basket (EUR-USD) while depreciation of TL was less in 2019 at 10% vs. the basket. Still the bottom-line showed improvement as the company benefited from strong FCF, improvement in profitability, timely use of derivative instruments, proactive balance sheet management and asset sales.

We have generated TL 5.4 bn FCF, a record level and up by around 50% YoY, on the back of strong operational performance in beer, soft drinks, Migros and auto segments, disciplined working capital management, prudent investment expenditures and idle asset sales.

Despite unfavorable moves in TL since the beginning of the year and uncertainties with regards to Covid-19, we have managed to improve our leverage ratios two years in a row 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. These actions have also positively impacted the bottom-line performance. Consequently 87% of our FX position of foreign currency holding only debt has been protected as of 2020. These ratios at 2018YE and 2019YE were 16% and 53% respectively.

Consolidated net debt to EBITDA declined to 1.5x at 2020, lowest level in the last years. Net Debt to EBITDA was 2.1x at 2019-end and 3.1x at 2018-end. Despite unfavorable move in Turkish Lira, Migros net debt to EBITDA declined to 1.5x at 2020-end on the back of continuation of strong operational performance and proactive balance sheet management. Auto segment net debt to EBITDA also declined to 1.4x while soft drinks net debt to EBITDA was at 0.5x at 2020 similar to level at 9M20-end. Beer segment net debt to EBITDA slightly increased to 1.1x at 20YE vs. 1.0x at 2019YE. Net debt to EBITDA at energy & industrial segments was 7.1x at 2020-end.

As of 2020 end, 37% of our consolidated debt is short term and 63% is long term. Average duration of our debt is 21 months.

In line with the strategy of deleveraging the businesses through cash generation, strategic options are evaluated for the divestiture or further utilization our assets.

We have reached a non-binding agreement with Quick Sigorta A.Ş ve Corpus Sigorta A.Ş., a subsidiary of Maher Yatirim Holding A.Ş for the 100% stake transfer of our real estate company AND Anadolu Gayrimenkul Yatirimlari A.Ş. which among its other assets owns AND Kozyatagi building and likewise started financial, tax, legal reviews regarding the share transfer as well as negotiations with the buyer. Consequently, we have decided to begin taking the necessary actions to apply for approvals, which include pre-application to state authorities as well in order to complete the stake sale. Based on the agreement with the parties, the equity stake value is estimated at TL 70mn and final value will be calculated after offsetting total asset value with debts and liabilities at the closing date of the transaction.

Segmental Indebtedness (incl. IFRS16)

2020YE (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 (mn Euro)	2.864	1.435	1.429	1,5
Consolidated (excl. IFRS16)	22.192	12.927	9.265	1,3

2019YE (TL mn)	Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Beer	5.088	3.262	1.826	1,0
Soft Drinks	5.491	2.933	2.559	1,1
Migros	6.837	2.348	4.489	2,0
Automotive	1.991	488	1.503	3,5
Energy & Industry	2.145	75	2.070	7,5
Other (Inc. Holding)	2.482	238	2.244	n.m.
<i>Holding-only</i>	<i>2.482</i>	<i>200</i>	<i>2.282</i>	<i>n.m.</i>
Consolidated	23.956	9.344	14.612	2,1
Condolidated (mn Euro)	3.602	1.405	2.197	2,1
Consolidated (excl. IFRS16)	20.589	9.344	11.245	1,9

*Hedging instruments not included. In this context, including hedges consolidated net debt/EBITDA would have been 1.49x for 2020YE.

BEER SEGMENT

Beer (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Sales Volume (mhl)	8,6	8,2	-4,1%	36,2	36,2	0,2%
Net Sales	2.863	3.235	13,0%	11.069	12.352	11,6%
Gross Profit	1.235	1.292	4,6%	4.583	4.878	6,4%
EBITDA (BNRI)	609	697	14,5%	1.784	1.961	9,9%
Net Income	202	169	-16,1%	715	320	-55,3%
<i>Gross Profit Margin</i>	43,1%	39,9%		41,4%	39,5%	
<i>EBITDA Margin</i>	21,3%	21,6%		16,1%	15,9%	
<i>Net Income Margin</i>	7,0%	5,2%		6,5%	2,6%	

Beer segment total sales volume increased by 0.2% to 36,2 mhl in 2020. While international Beer Operation's consolidated sales volume reached 31,6 mhl, growing by 2.6% year-on-year in FY2020, Turkey beer total sales volume was 4,6 mhl in FY2020, 13.6% below last year.

Russian beer volume showed low-to-mid-single decline in 4Q20 cycling a high base in 4Q19 when the volume growth was at high-single digits. The number of new daily COVID-19 cases were the highest ever during this period similar to the global trend. Increased restrictions together with intense competition continued to put pressure on volumes. Nevertheless, in FY2020, we were able to generate mid-single digit volume growth with higher volume and value share than FY2019 in Russia. Ukraine delivered high-single digit volume growth in the last quarter, despite total industry volume negatively impacted by increasing number of COVID cases. Turkey beer total sales volume was 1,1 mhl in 4Q20, down by 13.4% compared to 4Q19. The volume performance in Turkey especially in the first half of the quarter was more resilient than expected. Yet tougher sales limitations during the second half of the last quarter including lockdowns during the weekends and sale points had a negative impact on Turkey sales volumes.

Total beer sales revenues increased by 11.6% in 2020 reaching TL 12.4 bn International sales revenues supported by currency translation impact grew ahead of volume growth. Turkey operations benefitting from the price adjustments and revenue growth management initiatives especially in the 2nd and 3rd quarter of the year completed 2020 with a 2.3% revenue growth. International sales revenues reached 81% of total revenues in 2020.

The gross margin of beer segment contracted by 190 bps declining to 39.5% in 2020. International gross margin declined YoY in 2020 impacted by pricing pressure especially in Russia and negative mix in Ukraine in 4Q2020. Turkey gross margin has been negatively impacted from lower share of kegs as a result of on-trade sales ban as well as due to the change in packaging mix. Also higher share of fixed costs in the period driven by the volume decline impacted gross profitability negatively.

Beer segment completed 2020 with a 9.9% EBITDA growth with TL 2 bn EBITDA. As a result of significant savings in opex amounting to 169 bps, International EBITDA (BNRI) reached TL 1,6bn in FY2020 with 14.1% expansion yielding a flat margin of 16.4%. Turkey EBITDA reached TL 381 mn in 2020 vs. TL 407 mn in 2019.

Beer segment completed 2020 with a TL 320 mn net profit.

Domestic Beer operations generated TL 144 mn FCF and international Beer generated TL 629 mn FCF in 2020.

SOFT DRINKS

Soft Drinks (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Sales Volume (mn unit case)	203	227	11,7%	1.207	1.184	-1,9%
Net Sales	2.149	3.184	48,2%	12.008	14.391	19,8%
Gross Profit	763	1.044	36,8%	4.181	5.072	21,3%
EBITDA	270	517	91,1%	2.279	3.137	37,7%
EBITDA (Exc. Other)	250	510	104,0%	2.335	3.149	34,8%
Net Income	1	-163	n.m.	966	1.233	27,6%
<i>Gross Profit Margin</i>	35,5%	32,8%		34,8%	35,2%	
<i>EBITDA Margin</i>	12,6%	16,2%		19,0%	21,8%	
<i>Net Income Margin</i>	0,0%	-5,1%		8,0%	8,6%	

Consolidated sales volume declined by 1.9% in 2020 to reach 1,184 mn U.C. Turkey consolidated sales volumes declined by 7.5% in 2020 while international sales with a stronger performance grew volumes by 2.8% in 2020. Higher share of on trade sales channels and sparkling beverages on international markets vs. Turkey have played a role in this better volume performance on international markets. On top of this strong market execution have brought us sparkling category leadership in our largest international market, Pakistan. Share of international sales volume was 57% of the overall volumes.

Net sales revenues rose by 19.8% YoY in 2020 to reach TL 14,4 bn. The revenue growth was still solid even without the positive impact of the currency translation impact. Price adjustments, disciplined revenue growth management initiatives and higher share of sparkling beverages resulted in strong FX neutral NSR/UC growth of 14.1%, despite negative package and country mix.

While gross margin for 2020 increased up to 35.2%, it was down by 273 bps to 32.8% in 4Q20 on a reported basis. Gross profit was negatively impacted by the change in spare parts' useful life from 20 years to 10 years, the negative packaging and country mix, and discontinuation of cash designation methodology since 01.01.2020. Excluding the impact of cash designation, the gross profit margin on a reported basis was down only slightly by 50 bps in 4Q20. The TL 121.5 million non-cash cumulative effects reflecting the change of spare parts' useful life was fully incurred in 4Q20. If this non-cash impact is excluded, gross margin was up by 331 bps.

EBITDA margin was up by 282 bps to 21.8% in 2020, a record high level. EBITDA margin increased by 365 bps to 16.2% in 4Q20, while the expansion would have been 588 bps, excluding the impact of cash designation. In this challenging period, quality growth momentum was maintained with our commitment to revenue growth management and disciplined cost control. Turkey operation's EBITDA margin, excluding the impact of other income/(expense), was flat on a reported basis while increased by 467 bps excluding the cash designation impact. International operation's EBITDA margin, excluding the effect of other income/(expense), increased by 696 bps to 23.3%.

Net income of the segment was TL 1.2 bn in 2020 vs. TL 966 mn in 2019, reflecting stronger operating profitability. An increase in net income was the result of strong operating profitability and lowered net financial expenses while TL 121 million non-cash spare parts amortization adjustment and TL 127 million non-cash Iraq put option revaluation expense had a negative impact on the bottom-line.

Free cash flow was TL 1,987 mn in 2020 vs TL 1,081 mn in 2019. Besides solid profitability and lower capital expenditure in line with our prudent spending approach during the pandemic, the exceptionally tight working capital management also resulted in the solid free cash flow generation.

MIGROS

Migros (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Net Sales	5.670	7.682	35,5%	22.865	28.790	25,9%
Gross Profit	1.429	1.876	31,3%	6.119	7.399	20,9%
EBITDA	458	650	41,7%	2.232	2.352	5,4%
Net Income	-258	-121	53,0%	-461	-403	12,5%
<i>Gross Profit Margin</i>	25,2%	24,4%		26,8%	25,7%	
<i>EBITDA Margin</i>	8,1%	8,5%		9,8%	8,2%	
<i>Net Income Margin</i>	-4,6%	-1,6%		-2,0%	-1,4%	

Net sales revenues of Migros increased by 25.9% YoY in 2020 to reach TL 28.8 bn. Increasing demand, higher basket size and increasing coverage of online operations supported the growth at the top-line level in 2020. Additionally, Migros continued to improve its online operations for a better customer experience.

Online sales throughout 2020 remained strong. 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 stands at 81 cities with 529 stores. The company opened 121 new stores in 2020 increasing total number of stores to 2,319 stores. Migros also opened 27 stores in the first two months of 2021.

Gross profit increased by 20.9% YoY in 2020 to reach TL 7.4 bn, implying a gross profit margin of 25.7%. Migros also generated TL 2.4 bn EBITDA in 2020 with an EBITDA margin of 8.2%. Migros' 2020 EBITDA margin excluding the IFRS 16 changes and due date expenses was flat YoY at 5.3% and EBITDA grew by 26% YoY in 2020.

In line with the plan implemented by the management for deleveraging, Migros' net debt/EBITDA ratio improved by 50 bps in comparison to 2019 and declined to 1.5x as of 2020YE. This ratio excluding IFRS 16 changes was at 0,4x as of 2020YE. Net debt declined by TL 954mn from 2019YE to TL 3.5 bn at 2020YE. As the company continues to lower debt, the share of FX denominated debt within overall debt also continues to decline. As such, apart from TL debt, Migros' Euro gross debt declined from Euro 611 mn at 2018YE to Euro 95 mn as of 20YE.

Despite a sharper move in EUR and USD vs. TL in 2020 in comparison to 2019 the negative impact on bottom-line was contained to certain extent thanks to focus on financing in local currency and lowering of FX debt. Still the bottom was in red at TL 403 mn in 2020 due to lower margins, higher financial expenses and impact of IFRS16.

AUTOMOTIVE SEGMENT

Automotive (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Net Sales	1.520	1.807	18,8%	4.163	5.741	37,9%
Gross Profit	229	312	36,4%	667	942	41,2%
EBITDA	154	175	14,1%	433	608	40,5%
Net Income	27	183	586,5%	-209	397	n.m.
<i>Gross Profit Margin</i>	15,1%	17,3%		16,0%	16,4%	
<i>EBITDA Margin</i>	10,1%	9,7%		10,4%	10,6%	
<i>Net Income Margin</i>	1,8%	10,2%		-5,0%	6,9%	

Automotive segment posted TL 5.7 bn net sales revenues in 2020, up by 37.9% YoY. Main reason for the rise in the automotive segment revenue growth is higher consignment sales, second hand auto sales and KIA sales. As a result, Celik Motor recorded TL 4.3 bn revenues up by 62% YoY. For Anadolu Isuzu, international sales declined in 2020 due to drop in export markets. Thus, Anadolu Isuzu's revenues declined by 12.8% YoY to TL 1,2 bn in 2020.

Çelik Motor constituted 75% of automotive sales revenues, remaining shares were 22% of Anadolu Isuzu and 4% of Anadolu Motor.

Gross profit margin of the segment in 2020 declined by 40 bps compared to the same period of last year to reach 16.4% in 2020.

Despite 67% yearly increase in the gross profit of Çelik Motor, this did not reflect to gross profit margin due to higher consignment sales. As such gross margin of Çelik Motor increased by only 50 bps to 14.9% in 2020. Anadolu Isuzu's gross margin also increased by 210 bps to 20.3% in 2020 thanks to the jump in domestic light commercial vehicles in Turkey.

EBITDA of the auto segment increased to TL 608 mn in 2020 vs. TL 433 mn in 2019, with EBITDA margin improving by 20 bps in 2020.

Anadolu Isuzu's EBITDA margin despite improvement in gross margin contracted by 130 bps to 9.2% in 2020 due to the increase in foreign exchange loss resulted from Trade Receivables and Payables.

Çelik Motor's profitability has been positively impact from Kia sales performance and sale of autos at its short and long term rental portfolio. Çelik Motor with a 71% increase in EBITDA has been the key driver of the growth in total auto segment EBITDA in 2020. As such, Çelik Motor continued to optimize its fleet size, generated around TL 803 mn funds in 2020 and the total fleet size of the company dropped to as low as 2,400 as of 2020-end. Çelik Motor in the coming period will continue to focus on sales and distribution of KIA branded vehicles, online auto sales at ikinciyeni.com and hourly auto rental operations (MOOV).

Despite unfavorable moves in FX, Net debt/EBITDA ratio of the segment declined to 1.4x at 2020-end vs. 3.5x at 2019-end on the back of EBITDA increase as a result of auto sales within the company's rental portfolio and lower debt as a result of funds generated from these auto sales. Çelik Motor's net debt declined from TL 2.2 bn TL at 2018YE and TL 1.1 bn at 2019YE to TL 489 mn at 2020 end. Automotive segment companies will continue their operations with efficient and prudent financial management principles.

ENERGY & INDUSTRY SEGMENT

Energy and Industry (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Net Sales	364	352	-3,2%	1.894	1.687	-10,9%
Gross Profit	51	105	105,3%	366	386	5,4%
EBITDA	26	97	266,1%	274	300	9,3%
Net Income	-88	-82	6,2%	-274	-356	-30,1%
<i>Gross Profit Margin</i>	14,1%	29,9%		19,3%	22,9%	
<i>EBITDA Margin</i>	7,3%	27,5%		14,5%	17,8%	
<i>Net Income Margin</i>	-24,2%	-23,4%		-14,5%	-21,1%	

Adel, McDonald's, Energy, Real Estate and our tourism company Efestur are included in Energy and Industry segment.

Energy and Industry segment reported TL 1.7 bn net sales revenues in 2020, down by 10.9% YoY. Adel revenues increased by 12.7% in 2020. McDonald's revenues declined by 22.5% YoY in 2020 due to Covid-19 related restrictions while real estate revenues dropped by 3.4%.

McDonald's holds 46% share in total sales of the segment, followed by 24% share of Real Estate, Adel 23% and 6% share of GUE. Additionally, while net debt of real estate companies constitute 42% of the segment's net debt, GUE's net debt is 34% of segment's total net debt.

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 2020.

Gross margin of the segment was 22.9% in 2020. EBITDA was registered at TL 300 million, with an increase of 9.3% YoY.

Net debt/EBITDA ratio of the segment decreased to 7.1x as of 2020-end vs. 7.5x as of 2019YE.

OTHER

Other (TL mn)	4Q19	4Q20	Change	2019	2020	Change
Net Sales	33	38	15,2%	139	156	12,1%
Gross Profit	25	27	8,8%	96	118	23,0%
EBITDA	12	-37	n.m.	40	-21	n.m.
Net Income	-126	-225	-79,0%	-408	-571	-40,0%
Gross Profit Margin	75,3%	71,2%		68,8%	75,4%	
EBITDA Margin	36,8%	-96,9%		28,9%	-13,6%	
Net Income Margin	-377,6%	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 156 mn in 2020.

SUMMARY SEGMENTAL FINANCIAL RESULTS - 2020*

TL mn	Net Sales	Yearly Change	Gross Profit	Yearly Change	EBITDA	Yearly Change	Net Profit	Yearly Change
Beer	12.352	12%	4.878	6%	1.961	10%	320	-55%
Soft Drinks	14.391	20%	5.072	21%	3.137	38%	1.233	28%
Migros	28.790	26%	7.399	21%	2.352	5%	-403	13%
Automotive	5.741	38%	942	41%	608	41%	397	n.m.
Energy and Industry	1.687	-11%	386	5%	300	9%	-356	-30%
Other	156	12%	118	23%	-21	n.m.	-571	-40%
Consolidated	62.111	21%	18.752	21%	8.409	21%	-280	n.m.

*Yearly changes are calculated as Migros fully consolidated in 2019

SUMMARY BALANCE SHEET

TL million	31.12.2020	31.12.2019
Cash and equivalents	12.878	8.928
Trade receivables	3.372	3.316
Inventories	7.169	5.698
Prepaid expenses	867	758
Other current assets	1.829	1.776
Non-current Assets or Disposal Groups Classified as Held for Sale	326	0
Current Assets	26.441	20.476
Investments accounted through equity method	141	74
Investment properties	173	324
Tangible assets	16.370	16.544
Right of use assets	3.390	3.059
Intangible assets	24.708	23.723
-Goodwill	7.012	6.934
-Other intangible assets	17.696	16.789
Other non-current assets	2.090	2.229
Non-Current Assets	46.872	45.953
Total Assets	73.313	66.429
Short term borrowings	5.529	3.335
Short term portion of long term borrowings	3.577	4.046
- Bank Loans	2.768	3.271
- Lease Liabilities	809	775
Trade payables	14.209	11.483
Deferred income	390	265
Other current liabilities	4.279	2.704
Current Liabilities	27.984	21.833
Long term borrowings	16.691	16.575
- Bank Loans	13.894	13.983
- Lease Liabilities	2.797	2.592
Deferred tax liability	3.368	3.196
Other non-current liabilities	1.005	853
Non-Current Liabilities	21.064	20.624
Total Liabilities	49.048	42.457
Equity	24.265	23.972
Non-controlling interests	18.435	17.789
Equity of the parent	5.830	6.183
Total Liabilities & Equity	73.313	66.429

SUMMARY INCOME STATEMENT

TL million	31.12.2020	31.12.2019
Revenues	62.111	44.782
Cost of sales (-)	(43.359)	(31.105)
Gross Profit	18.752	13.677
Operating expenses (-)	(13.941)	(10.509)
Other operations income/(expense)	(345)	(201)
Gain/(Loss) from investments accounted through equity method	(280)	(375)
Operating Income/(Loss) (EBIT)	4.186	2.592
Income /(expense) from investment operations	502	1.893
Financial income/(expense)	(3.186)	(2.716)
Income/(Loss) Before Tax from Continuing Operations	1.502	1.769
Tax income/(expense)	(888)	(518)
Net Income/(Loss) from Continuing Operations	614	1.251
Net Income/(Loss) from Discontinued Operations	(1)	10
Net Income/(Loss)	613	1.261
Net Income/(Loss)		
Non-controlling interests	893	696
Equity holders of the parent	(280)	565

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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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document may contain certain forward-looking statements concerning for 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.