

ANADOLU GROUP

OUR FOUNDING PHILOSOPHY



COLLECTIVE MIND

OUR VALUES



**WE ALWAYS FOCUS
ON HUMAN**



**WE MANAGE OUR BUSINESS
WITH A FAIR AND EGALITARIAN APPROACH**



**WE LEAD INNOVATION
WITH OUR ENTREPRENEURIAL SPIRIT**



**WE STRIVE TO PRODUCE VALUE
IN A SUSTAINABLE MANNER**



I. Strategical Overview

II. Governance Approach

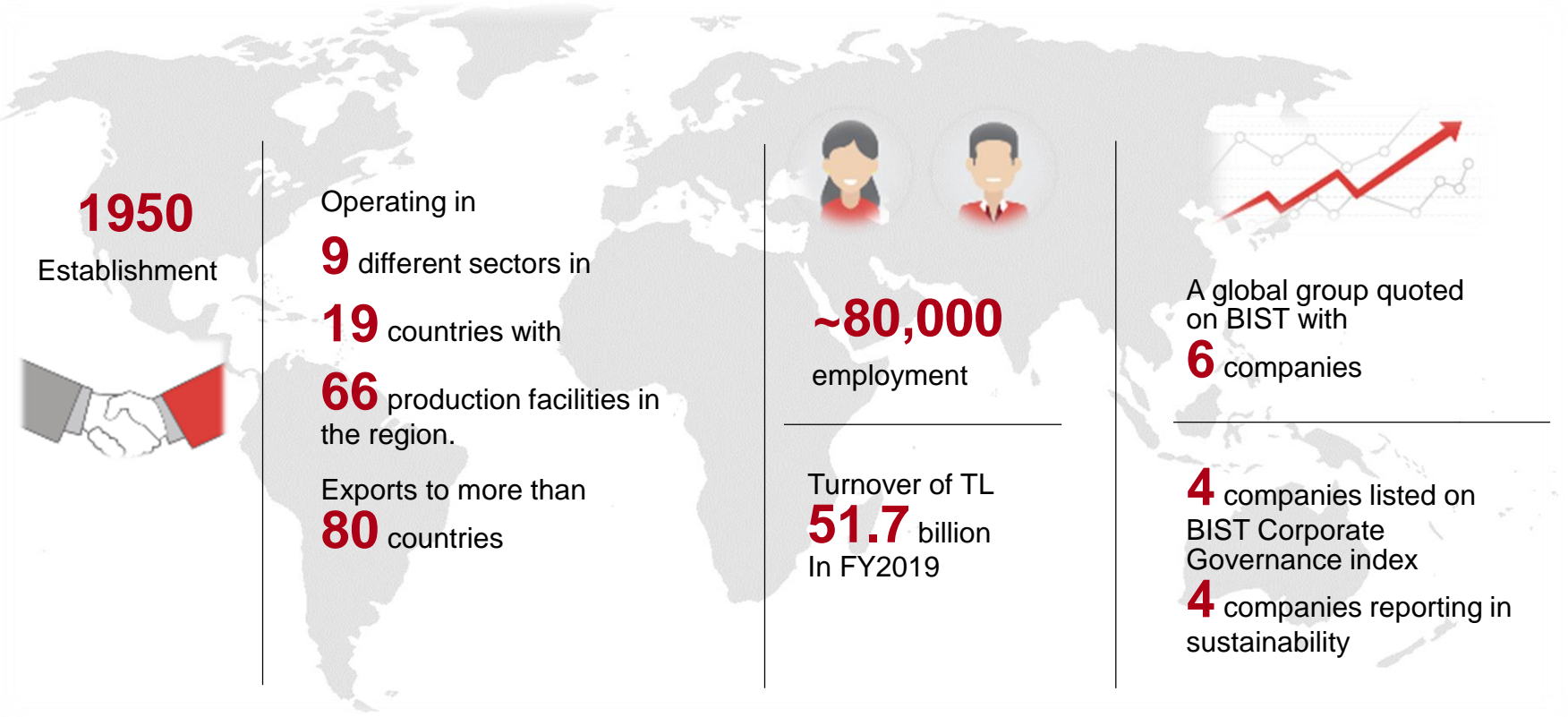
III. Investment Case

IV. 1Q20 Financial Highlights

V. Segmental Operational and Financial Summary

VI. Financial Summary

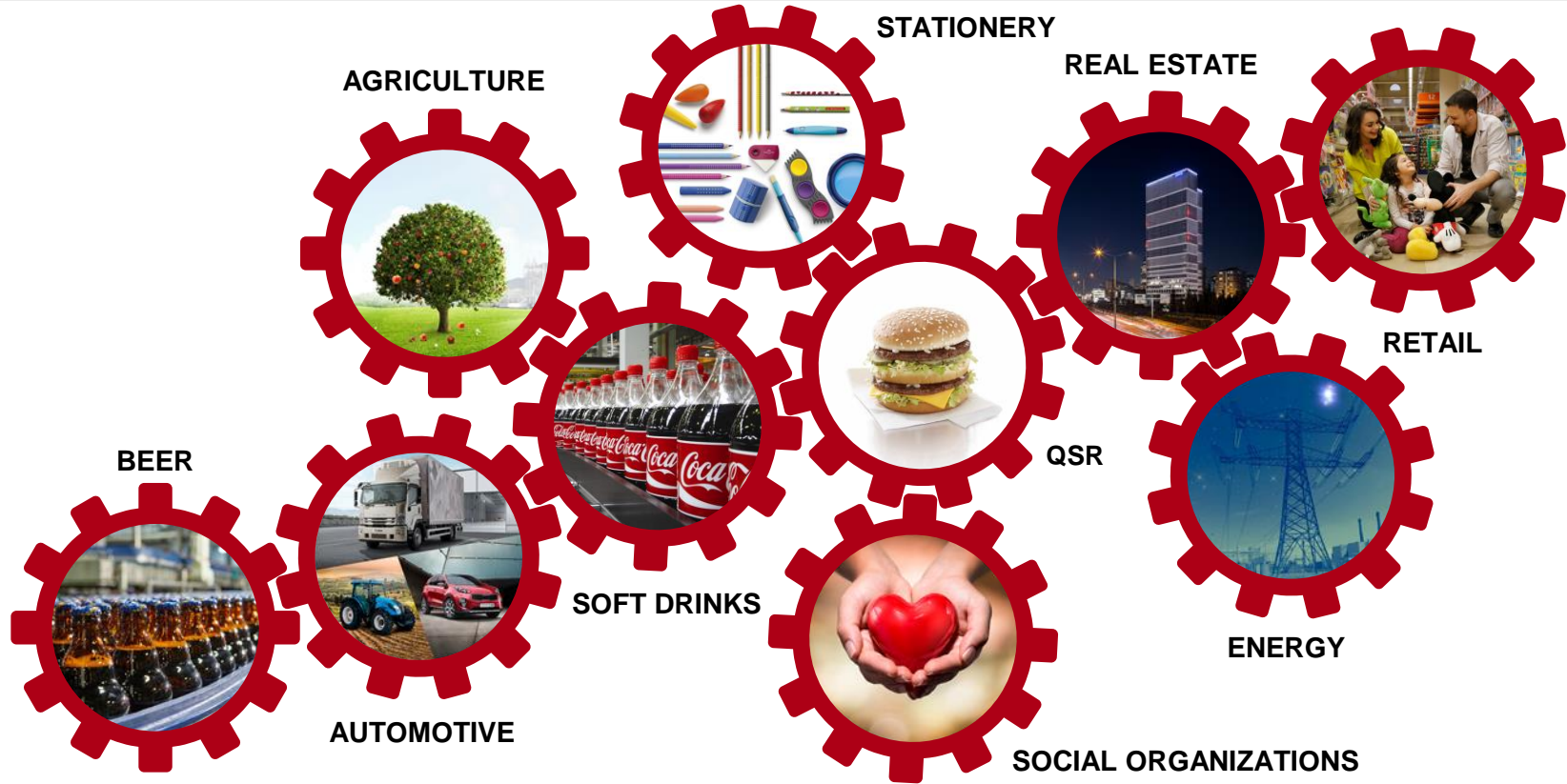
Strong roots and extensive coverage...



...with well-structured track...



...in numerous different sectors...



... and companies with prominent international partners.

Beer



- **Anadolu Efes (P)** (Turkey, Russia, Kazakhstan, Georgia, Moldova, Ukraine)

International Partners

ABInBev

Soft Drinks



- **Coca-Cola İçecek (P)** (Turkey, Pakistan, Kazakhstan, Iraq, Azerbaijan, Jordan, Turkmenistan, Kyrgyzstan, Tajikistan, Syria)

International Partners

Coca-Cola

Migros



- **Migros (P)** (Turkey, Kazakhstan, Macedonia)

Automotive



- **Anadolu Isuzu (P)**
- **Çelik Motor**
- **Anadolu Motor**

International Partners

ISUZU **KIA**

LOMBARDINI **HONDA MARINE** **HONDA**

Energy & Industry



- **Adel Kalemcilik (P)**
- **McDonald's**
- **Efestur**
- **Aslancık Electricity**
- **Anadolu Kafkasya**
- **AES Eletricity Trading**
- **AND Real Estate**

International Partners

FABER-CASTELL



Others



- **Anadolu Etap**
- **Anadolu Foundation**
- **Anadolu Medical Center**
- **A. Efes Sports Club**

(P) Public companies

In summary...

Global player
with strong
local presence



Expertise in
branded
consumer
products



Partnership
culture with
global brands



Strong
ownership ties
coupled with
high corporate
governance
standards



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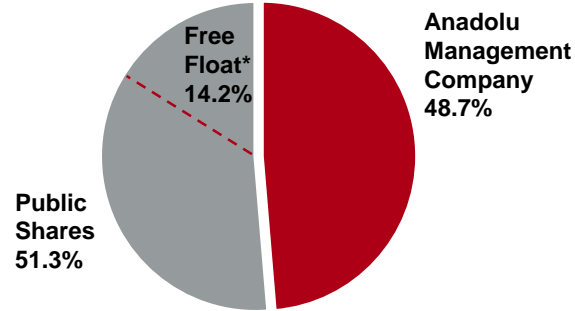
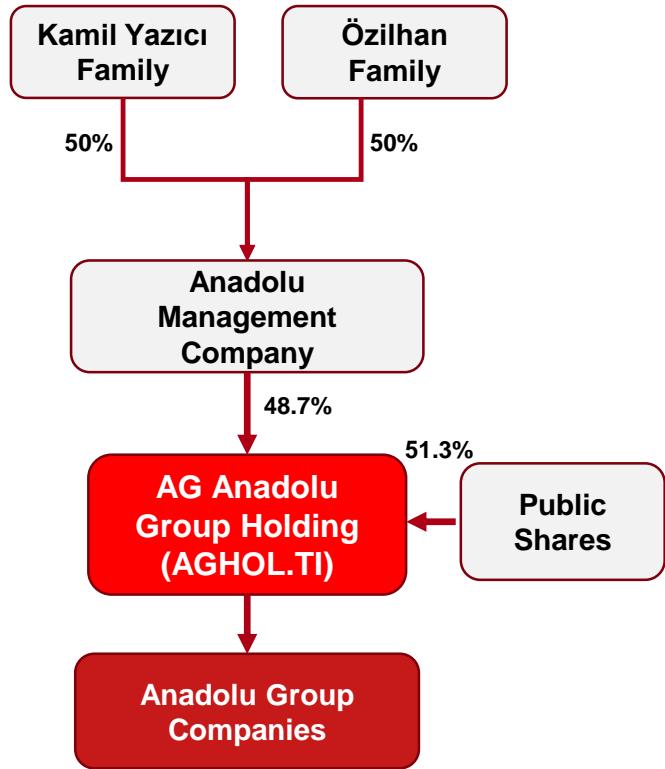
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Shareholding Structure



Type of Shares	Share in Paid-in Capital (TL)	Share in Paid-in Capital (%)
A-type (Bearer)	194.828	80%
B-type (Registered)	48.707	20%
Total	243.535	100%

- Equal shareholding and equal representation by the founding Kamil Yazıcı and Özilhan Families is designed in Anadolu Management Company (AMC).
- The families' aligned interests due to equal rights through AMC ensures sustainable value creation.
- Almost all wealth of the families' is invested in Anadolu Group
- 55% of free float held by international investors.
- Anadolu Management Company holds total of B-type shares and some portion of A-type shares. The portion of A-type shares that does not belong to Anadolu Management Company are held by individual family shareholders and free float.

*Free float is presented based on non-family held public shares.

Corporate Governance

- **Families' joint control is in effect through all legal aspects;**
 - Kamil Yazıcı Family and Özilhan Family's joint control and equal representation at the board of every company in Anadolu Group is established through a family constitution (including a JV agreement and internal procedures).
- **Families only assume board level responsibility;**
 - On the board of AGHOL, there are 4 board members-quota for Kamil Yazıcı Family and 4 board-members quota for Özilhan Family. There are additional 4 independent board members as required by CMB legislations.
 - Strong professional/independent view is enabled via having the majority of the seats at the boards of the subsidiaries from professionals/independents,
 - There is limited quota for family members for employment in Group companies.
- **Professional top management is secured;**
 - Professional operational management is required for all key positions (Holding CEO, BU&Function Presidents and all GMs).
 - The highly experienced and recognized top management with broad vision ensures the sustainability of the Group and focuses on the shareholder value creation.
 - The management is incentivised through certain KPI's, including ST targets mainly concentrated on net income, FCF and long-term targets based on shareholder value creation linked to Equity Value and stock performance.

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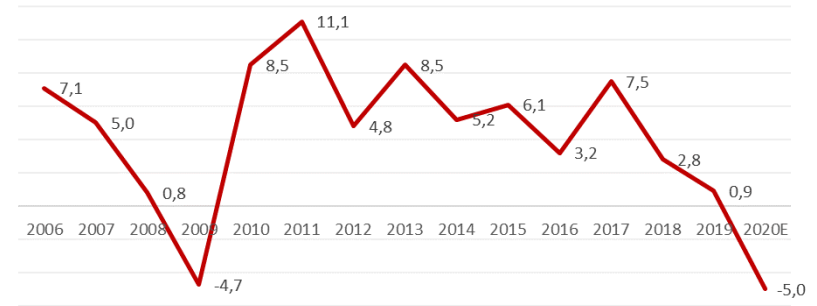
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Investment Case - I

✓ Dominant consumer play

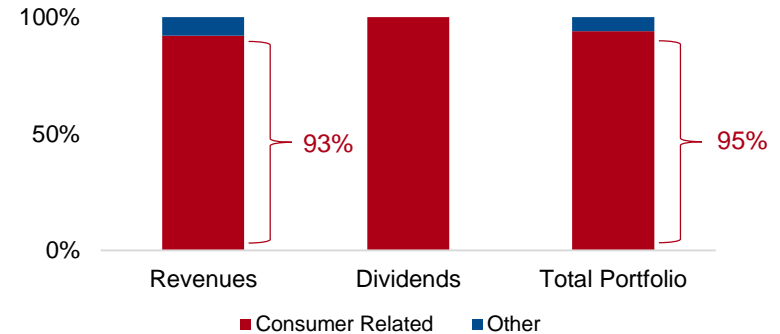
- Extensive range of consumer-products coverage benefiting from a resilient sector mix.
- Young and dynamic population with an average age of around 30.
- Domestic know-how driving international growth.
- Far-reaching distribution network (through beer, soft drinks and automotive operations) and wide-range customer database analytics (through Migros) to enhance productivity, business gains and create competitive advantage.

Annual GDP Growth (%)



Source: IMF Expectations

Share of Consumer Related Segments

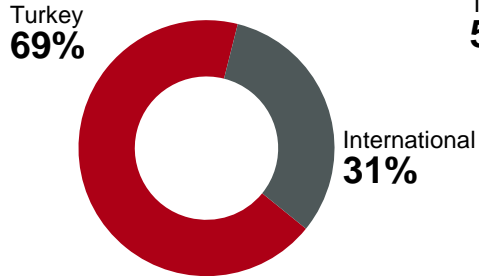


Investment Case - II

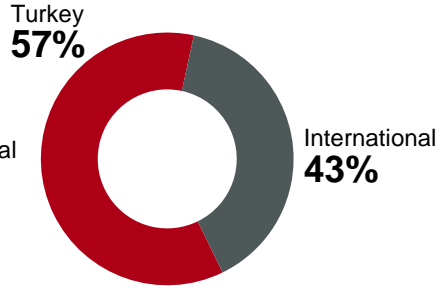
✓ Balanced Geographical Risk

Geographical diversity ensures protection from macroeconomic and political imbalances in the operating region.

Net Sales, 2019



EBITDA, 2019



✓ Accumulated Knowhow in Partnership with Global Companies

The Group's long-dated experience in its operations coupled with the know-how from the global partner companies enhances operational excellence.



Investment Case - III

✓ Efficient portfolio management

The Group completed the sale of various non-core assets in recent years; yet still continuously keeps a close eye on opportunities, with the aim of maximizing portfolio efficiency. Migros acquisition was one of the biggest transactions in the Group history.

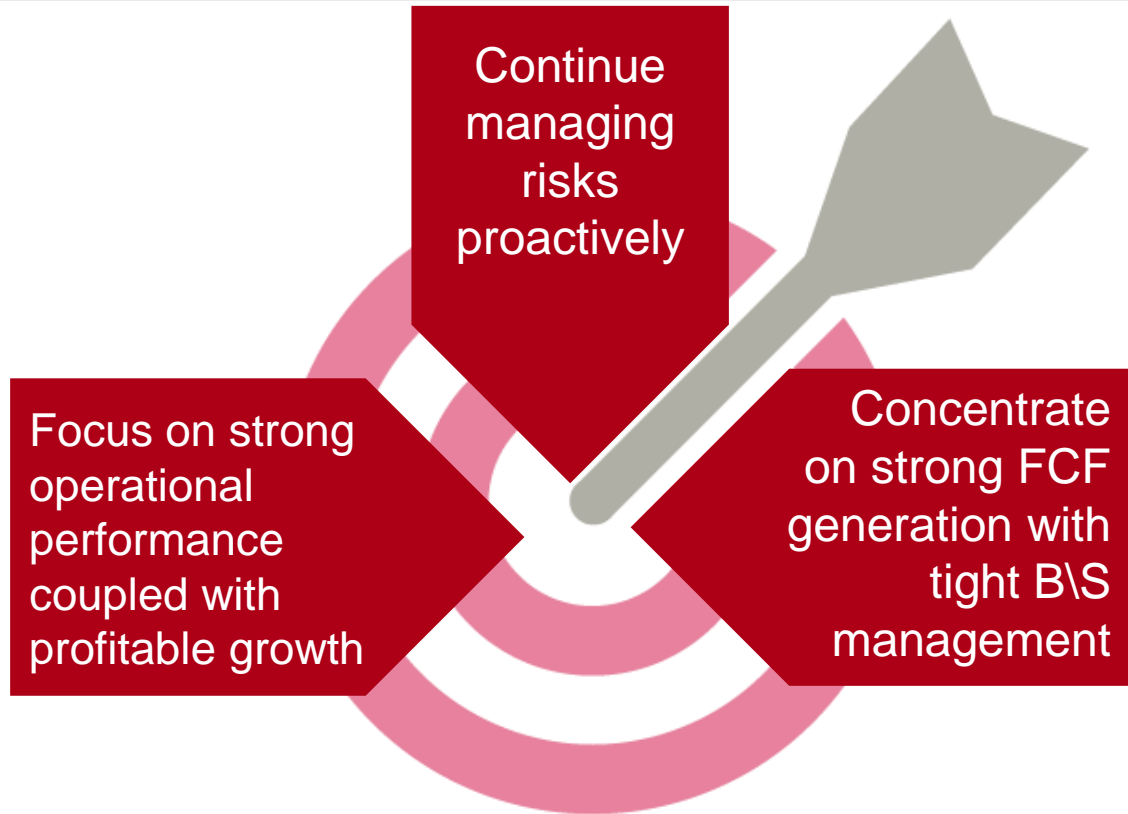


✓ Well-governed portfolio play

Access to various number of sectors, ranging from industrial to retail and services, which are well managed and professionally run; as such, a well-governed proxy to Turkey's high growth economy.



What's on the agenda?



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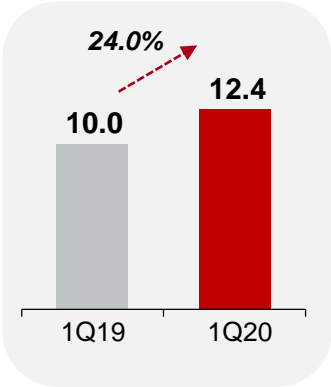
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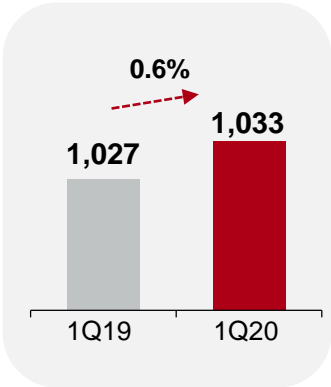
VI. Financial Summary

Key Financial Indicators* – 1Q20

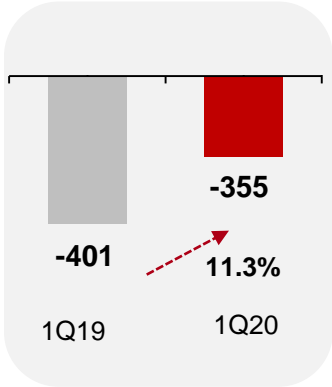
Net Sales (TL bn)



EBITDA (TL mn)



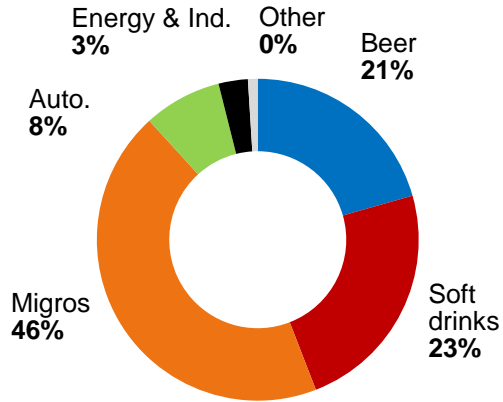
Net Income (TL mn)



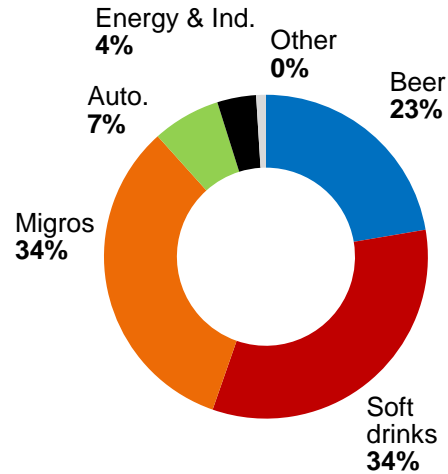
* All figures include IFRS16 impact.
* For comparison purposes consolidated figures include Migros as fully consolidated for 1Q19.

Segmental Sales and EBITDA Breakdown

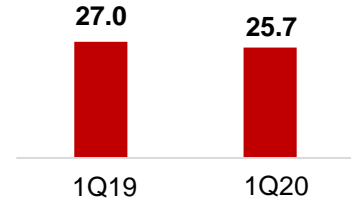
Net Sales (1Q20)



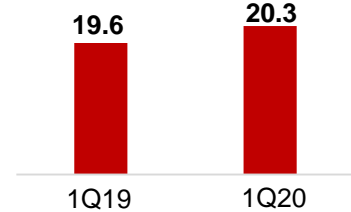
EBITDA (1Q20)



Share of Int. Sales (%)



Share of Int. EBITDA (%)

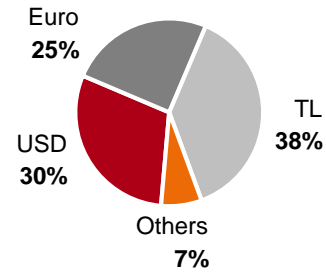


Financial Priorities: Deleveraging right on track

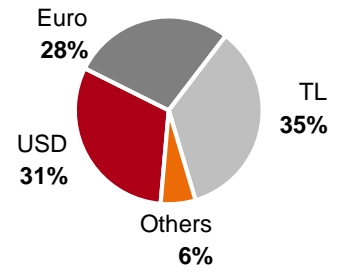
As of 1Q20 (TL mn)	Consolidated Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Beer	5.879	2.746	3.134	2,0
Soft Drinks	5.757	3.045	2.712	1,0
Migros	7.518	2.549	4.969	2,1
Automotive	2.162	600	1.562	3,5
Energy & Industry	2.360	172	2.189	8,8
Other (incl. Holding)	2.821	351	2.469	n.m.
<i>Holding-only</i>	2.820	302	2.518	n.m.
Proforma Consolidated	26.439	9.463	16.976	2,5
Proforma Consolidated (Euro mn)	3.664	1.312	2.353	2,5

As of 2019YE (TL mn)	Consolidated 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	7.521	2.348	5.173	2,3
Automotive	1.991	488	1.503	3,5
Energy & Industry	2.145	75	2.070	7,5
Other (incl. Holding)	2.482	238	2.244	n.m.
<i>Holding-only</i>	2.482	200	2.282	n.m.
Proforma Consolidated	24.640	9.344	15.296	2,2
Proforma Consolidated (Euro mn)	3.692	1,400	2.292	2,2

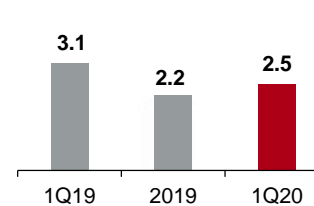
Breakdown of Gross Debt* (1Q20)



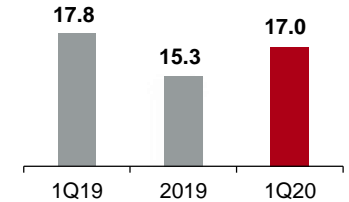
Breakdown of Gross Debt* (2019)



Consolidated Net Debt / EBITDA (x)



Consolidated Net Debt (TL bn)



*Excluding hedging instruments

Financial risk metrics

Low debt ratios despite TL depr.

- ✓ Net debt /EBITDA at 2.5x as of 1Q20-end vs. 3.1x as of 1Q19-end

Long-term maturity debt

- ✓ Average consolidated debt maturity of 27 months

Holding -only Cash and Debt

- ✓ Cash TL 302 mn
- ✓ Gross debt TL 2.8 bn, 82% Euro
- ✓ Net debt at TL 2.5 bn.
- ✓ LT (National) credit rating (TR) AAA, ST (National) credit rating (TR) A1+

Natural hedge in place

- ✓ Share of International sales at 26%, EBITDA at 20%
- ✓ Export revenues in automotive operations on the rise

Deleveraging in progress

- ✓ Evaluation of idle assets
- ✓ Efficient use of assets
- ✓ Focus on FCF

Financial Priorities

-  **Profitability & Efficiency Improvements**
-  **Tight B/S Management**
-  **Proactive Risk Management**
-  **FCF Generation**
-  **Deleveraging**

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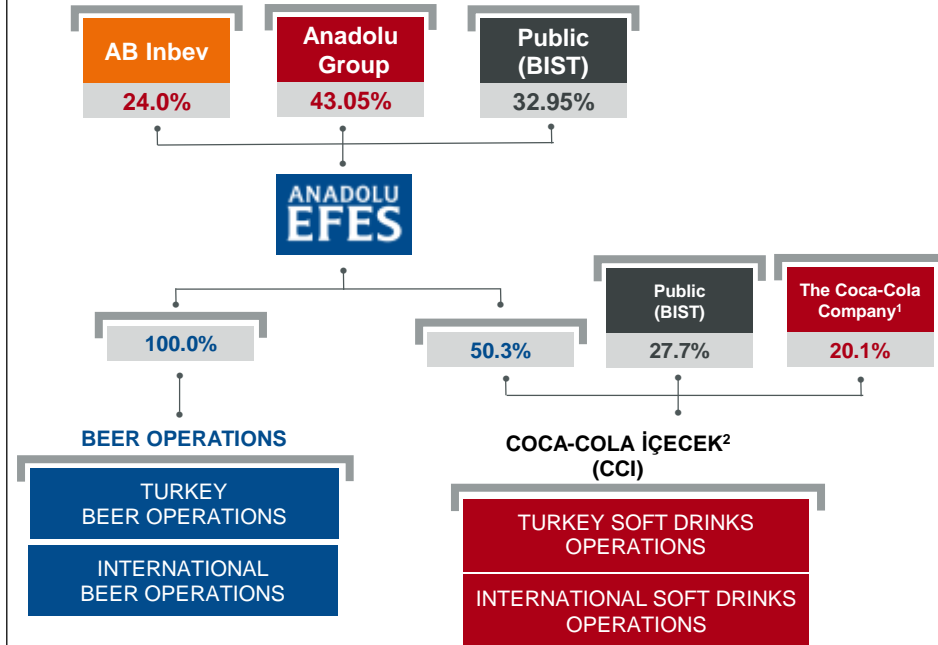
A total beverage company serving more than

690 mn consumers in **16** countries

- ❑ A world class brand portfolio, balanced between beer and soft drink operations
- ❑ Operating in countries with significant growth potential indicated by low per capita consumption levels
- ❑ Through an experienced and financially strong organization
- ❑ Having world's largest brewer ABI Inbev and soft drinks giant TCCC in soft drinks arm as partners
- ❑ New operating structure in Russia & Ukraine through collaboration of ABI Inbev and Anadolu Efes

First Turkish signatory company of UGC CEO Water Mandate
Quoted in BIST Corporate Governance and Sustainability Indexes

Ownership Structure



(1) Through The Coca-Cola Export Corporation
(2) 2.0% held by Özgörkey Holding



5th
largest
in Europe

10th
largest
In the World
In terms
of sales
volume

Exports
to more than
70
countries

21
Breweries

5
Malt complexes

1
Hops processing
facility

1
Preform Plant

in **6**
countries:
Turkey
Russia
Kazakhstan
Ukraine
Georgia
Moldova

Annual
48.4 mhl
beer,

344 k
tons malt
production
capacity

FY2019 revenues:
TL11.1 bn

FY2019 EBITDA:
TL 1.7 bn
with EBITDA margin
15.4%

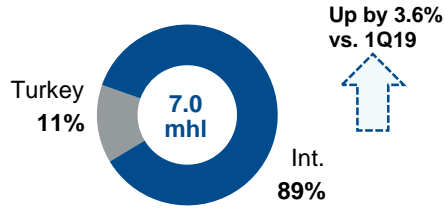
Leader in the Turkish market

Market Leadership achieved in Russia & Ukraine

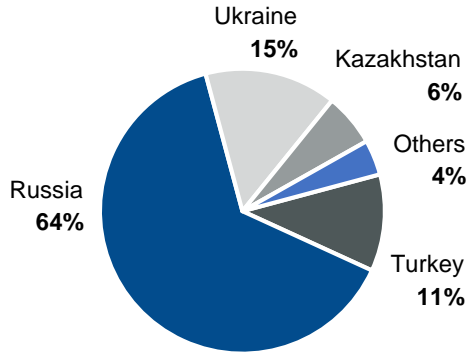
Strongly positioned in CIS countries

Leader in Kazakhstan, Moldova, Georgia

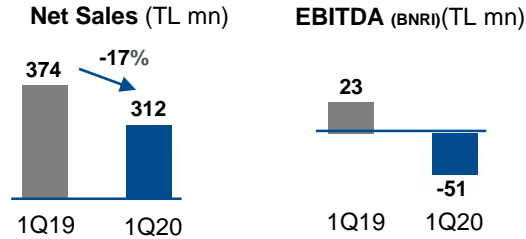
Beer Sales Volume (1Q20)



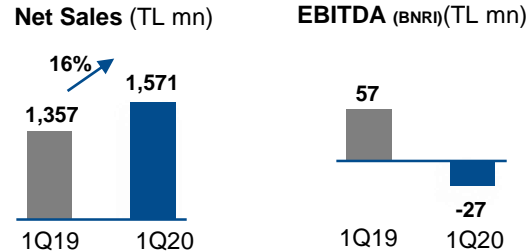
Volume Breakdown (1Q20)



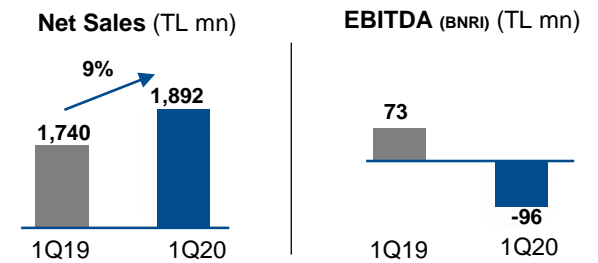
Turkey Beer



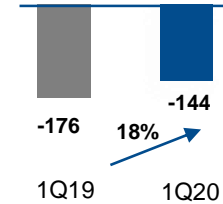
International Beer



Beer Segment Performance



Net Income (TL mn)



- Strong volume growth achieved in International Beer
- Turkey beer under pressure starting from mid-March
- Negative FCF due to seasonality
- Int. beer lower operational profitability and higher working capital vs. 1Q19 to normalize throughout the year



7th
largest bottler
In Coca-Cola system

~920 thousand
sales points

Serving **400 mn**
people

Annual production
capacity
1.6 bn u/c

2019 sales volume
1.32 bn u/c

A total of
26
plants in
10
countries:
Turkey, Pakistan,
Kazakhstan,
Azerbaijan,
Turkmenistan,
Kyrgyzstan, Iraq
Jordan, Tajikistan,
Syria

FY2019 revenues:
TL 12.2 bn

FY2019 EBITDA:
TL2.3 bn

Strong market positions in Sparkling

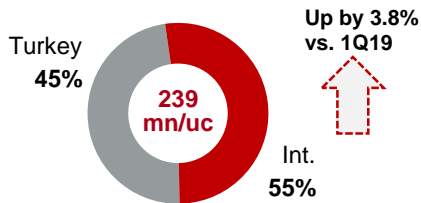
TURKEY 66%	#1
PAKISTAN 48%	#2
KAZAKHSTAN 51%	#1
AZERBAIJAN 86%	#1
KYRGYZSTAN 70%	#1
IRAQ 42%	#2
JORDAN 20%	#2

Quoted in BIST Corporate Governance
and Sustainability Indexes

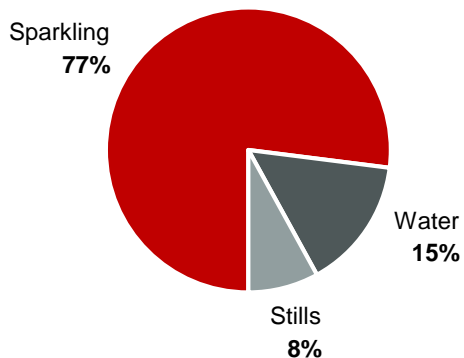
The first & only Turkish company
to be quoted in the UNGC
Compact 100 Index

Honored with the Climate Leadership
Award by CDP Turkey in performance and
transparency categories three times

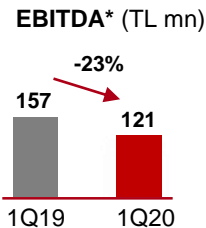
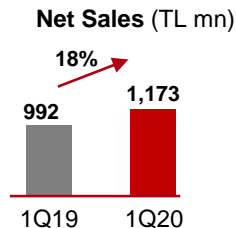
Soft Drinks Sales Volume (1Q20)



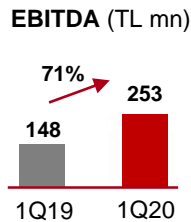
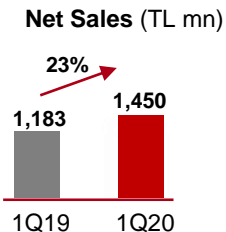
Volume Breakdown (1Q20)



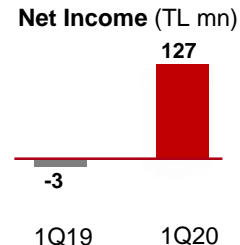
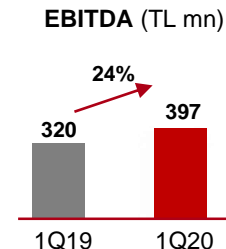
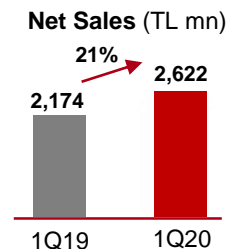
Turkey Operations



International Operations



Soft Drinks Segment Performance



- Limited volume growth due to sudden slowdown in March, despite high teens growth in first two months
- Positive FCF generation despite the challenging environment in March
- Sharp declines in on-premise channel

*Excluding other income/expense



The pioneer of organized retail
in Turkey

17.0%
share in modern FMCG

8.8%
share in total FMCG

A total of
2,231 stores
covering app.

1.5 mn m²

Active Loyalty Card holders

12 mn, reaching
5.8 mn active
households in Turkey

FY2019 revenues:
TL23.2 bn

FY2019 EBITDA:
TL 1.5 bn
with EBITDA margin
6.6%

Complementary operations in Kazakhstan
and Macedonia with **43** Ramstores and **1**
Macrocenter.

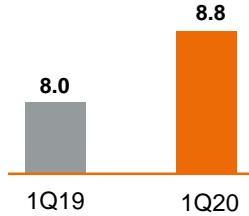
Over **20** years retail experience abroad

350 Online service stores

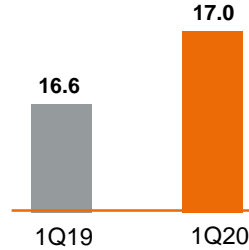
Best retailer of the Country Award for
14 years in a row

Quoted BIST Corporate Governance Index
and the first & only retail company quoted
in BIST Sustainability Index

Total FMCG Market Shares (%)

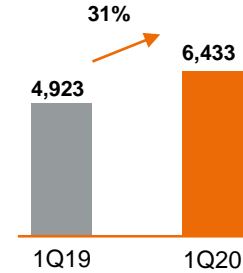


Modern FMCG Market Shares (%)

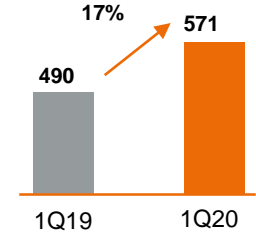


Migros Performance

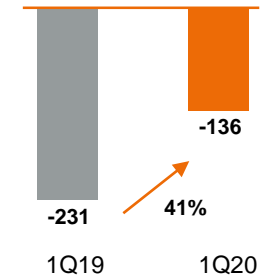
Net Sales (TL mn)



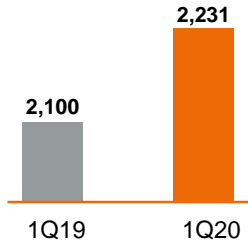
EBITDA (TL mn)



Net Income (TL mn)



Number of Stores



- 80 bps market share gain in total FMCG, 40 bps gain in modern FMCG
- 131 new stores in 1Q20 (62 new stores in 4M20)
- 215 new online service stores in 4M20
- Expansion continues despite pandemic conditions
- Net debt/EBITDA decreased to 2.1x in 1Q20 from 2.3x in 2019YE

ÇELİK MOTOR

Distribution of Kia-branded vehicles and operational leasing activities

FY2019 revenues:
TL 2.6 bn

Leasing revenues: **36%**
Second-hand Sales: **40%**
Car and spare parts sales: **24%**

1Q20-end market share
in passenger cars:
2.0%

Garenta Pro
fleet size
4,900

Garenta Day & Moov
fleet size **1,700**



All car rental & leasing solutions under one powerful umbrella brand

ikinciyei.com:
the leading **second-hand automotive e-commerce** platform in Turkey **sold over 20.000** cars in 2019. With app. **400k members**, the platform daily brings together more than **100 cars** with their new owners.

PRO LONG TERM CAR LEASING

Garenta

DAY NEW GENERATION RENT A CAR

Garenta



MOOV
by **Garenta**

MOOV by Garenta gives drivers the freedom and convenience of renting a vehicle only when they need one and paying only for the time that they actually drive it.



ANADOLU ISUZU

More than
170 k
vehicles produced
in **34**
years

FY2019 revenues:
TL 1.4 bn

Exports to around
60 countries

The record exports of
USD **144** mn in 2019



The first Japanese automotive partnership in Turkey, with Isuzu and Itochu

Turkey's one and only pick-up locally manufactured, recently refreshed with its new generation 1.9lt motor and new face- D-MAX

Patent Leader **R&D** in its segment awarded by its designs

6-16t trucks market leader

One and only IMM (Isuzu Manufacturing Management) Certificate, for bus segment, owner across Europe

ANADOLU MOTOR

Production, import and distribution of wide-range of industrial engines

21,000 m²
Production, factory, office areas

More than
400,000
gas and diesel engines manufactured

Production capacity of
20,000
units in one shift

Automotive Segment

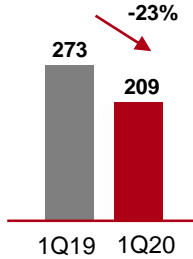


ANADOLU ISUZU

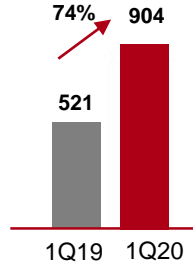


Garenta

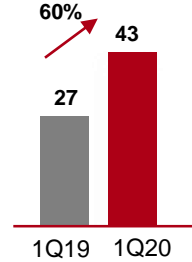
Anadolu Isuzu Net Sales (TL mn)



Çelik Motor Net Sales (TL mn)

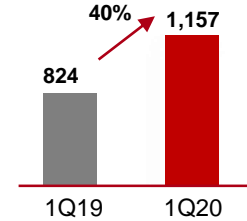


Anadolu Motor Net Sales (TL mn)

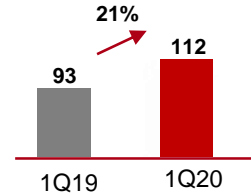


Auto. Segment Performance

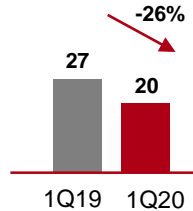
Net Sales (TL mn)



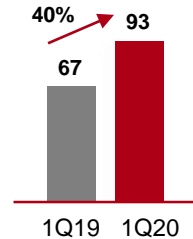
EBITDA (TL mn)



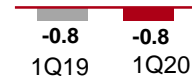
Anadolu Isuzu EBITDA (TL mn)



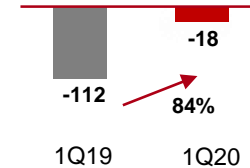
Çelik Motor EBITDA (TL mn)



Anadolu Motor EBITDA (TL mn)



Net Income (TL mn)



- Segment revenues surged due to higher consignment sales of Çelik Motor
- Çelik Motor fleet optimization; fleet size at ~7K in 1Q20
- Deleveraging in progress; net debt/EBITDA at 3.5x



ADEL KALEMCİLİK

Leader
of the Turkish
Stationery Sector

4.500
Product varieties in
Stationery and Toy

50
Export Countries

FY2019
revenues:
TL 347 mn

Newest
Production Plant in Europe
36.000 m²
300 mn pcs/year

Unique Ability
to produce around **1000**
different products requiring
different production techniques

Environmental
60% of natural gas need
provided from waste wood dust

1995
Partnership with Faber-Castell

2015
Introduction of World Class
Toy Brands in Turkey

2018
Licensed toy and stationery
producer for Turkish Radio and
Television Association (TRT)





253
restaurants

Around
7,000
employees

Serving more than
100 mn
customers
in Turkey
annually

FY2019
revenues:
TL 994 mn

40
Franchisee

59
Franchisee
restaurants

Turkish
suppliers
provide
93%
of the
450
items used in
McDonald's
restaurants

McDonald's Turkey won
24 awards in 2019
including
"Circle of Excellence"

The first project of AND
Gayrimenkul in Istanbul:

AND Kozyatağı

Highest achieved rent
on the Asian side
of Istanbul

A+ Office Tower

75,000 m²
construction area

31,500 m²
GLA

~70% occupancy rate

8 International
award winner

Completed in
2015



Game-changer in the
residential market:

AND Pastel

Residential oriented
mixed-use project in Kartal-
Istanbul

250,000 m²
construction area,

7 blocks,
approx. **1,200**
residential units

Deliveries started as of 3Q18
and **72%** sales completed

8 International
award winner

Launched in
2016

Paravani HEPP*

The first energy project undertaken by a Turkish company in Georgia since October 2014

90 MW

installed capacity

Annual electricity output:

410 mn kWh

80%

of the electricity produced is exported to Turkey

FY2019 revenues:
TL 80.0 mn



*Sale of 13.51% portion of our shares in Anadolu Kafkasya for an amount of USD 10 mn was completed in 2018; sale of another 14.19% portion for an amount of USD 10.5 mn was finalized in November 2019. Effective shareholding in Anadolu Kafkasya is 61,49%

Aslancik HEPP

The first investment of Anadolu Group in the energy sector

Installed capacity:

120 MW

FY2019

revenues:

TL 140 mn

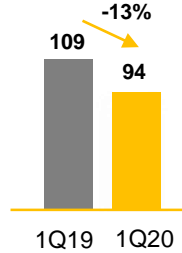
Undertaken jointly with the Doğan and Doğuş Groups

Annual Electricity Output:

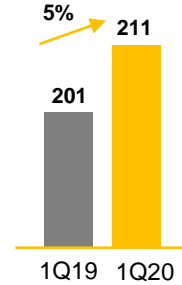
418 mn kWh



Adel Net Sales (TL mn)



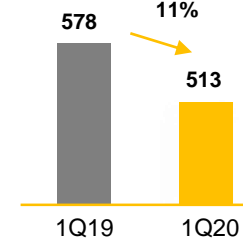
McDonald's Net Sales (TL mn)



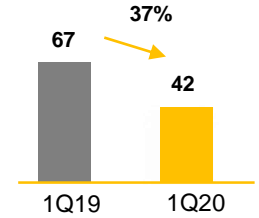
➤ Adel, McDonald's, Energy, Real Estate and our tourism company Efestur are included in Energy & Industry segment.

Retail Segment Performance

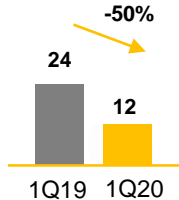
Net Sales (TL mn)



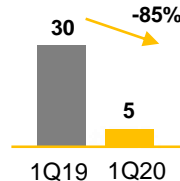
EBITDA (TL mn)



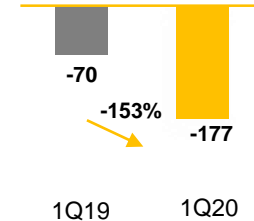
Adel EBITDA (TL mn)



McDonald's EBITDA (TL mn)



Net Income (TL mn)



Other - Agriculture



8
farms
30,000
da land
1
packing
house

240,000
tons fruit
processed
in **3**
production plants
in **2019**

The largest fruit
grower and fruit
juice producer
in Turkey

5 mn
Fruit trees

Launched the first
fruit brand of Turkey
in Dec. 2015: **Doal**
Created a new natural
sugar category with **Doal**
Meyveden Şeker in 2017

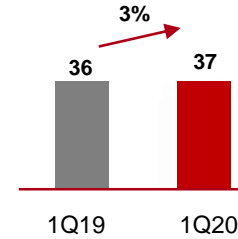


Other

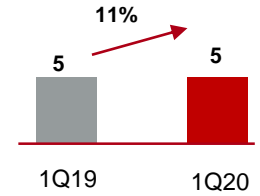
- Holding, Insurance and other small scale businesses are consolidated under the other segment.
- Net sales revenues of the other segment merely increased by 3.1% to TL 37 mn. EBITDA came at TL 5 mn in 1Q20, unchanged compared to 1Q19.
- Despite sharper FX appreciation in 1Q20, bottom-line improved, thanks to the focus on risk management and measures taken accordingly.

Other Segment Performance

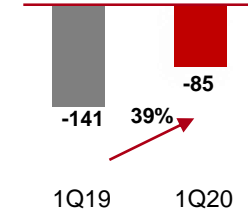
Net Sales (TL mn)



EBITDA (TL mn)



Net Income* (TL mn)



Social Organizations



ANADOLU VAKFI

Projects mainly focusing on education and health

29,000+ Scholarships

42,000 + hours
Mentoring Support

Celebrating its
40th
year in **2019**

Social Entrepreneurship
Seminars for **~80,000**
teachers

637,000
free of charge health
services provided

Book and Materials
Support for **55,000 +**
disadvantaged students

50+
educational institutions,
hospitals built

ANADOLU^H

In Affiliation with
JOHNS HOPKINS MEDICINE

Strategic partnership with **Johns
Hopkins Medicine International**

Bone Marrow Transplant Center
Transplanted bone marrow to more than
2,250 patients

The center employs state-of-the-art
technology in its **urologic-
oncology, bone marrow
transplant**, and **breast-health**
units in the provision of services that
focus largely on **oncology-related**
issues.



1
Koraç Cup
1996

11
Turkish
Cups
and

12
Presidential
Cups

14
Turkish League
Championships

Gold Awards

3 Euroleague
Devotion Marketing
Awards, 1 EuroLeague
One Team CSR Award

Silver Award

1 EuroLeague
Devotion Marketing
Award

Sustainability at Anadolu Group

316 projects/applications are related to one or more Sustainable Development Goals (SDG).

32 PROJECTS



15 PROJECTS



52 PROJECTS



79 PROJECTS ★



30 PROJECTS



16 PROJECTS



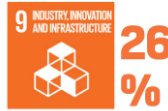
15 PROJECTS



192 PROJECTS ★



83 PROJECTS ★



68 PROJECTS



32 PROJECTS



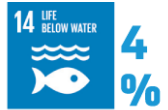
151 PROJECTS ★



74 PROJECTS



13 PROJECTS



11 PROJECTS



16 PROJECTS



135 PROJECTS ★



★ UN Sustainable Development Goals that Anadolu Group has mainly contributed.



316
Projects and Applications

Contents



I. Strategical Overview

II. Governance Approach

III. Investment Case

IV. 1Q20 Financial Highlights

V. Segmental Operational and Financial Summary

VI. Financial Summary

Segmental Financial Data* – 1Q20

<i>TL mn</i>	Net Sales	Yearly Change	Gross Profit	Yearly Change	EBITDA	Yearly Change	Net Profit	Yearly Change
Beer	1.892	9%	510	-2%	-97	<i>n.m.</i>	-144	18%
Soft Drinks	2.622	21%	847	22%	397	24%	127	<i>n.m.</i>
Migros	6.433	31%	1.722	27%	571	17%	-136	41%
Automotive	1.157	40%	169	21%	112	21%	-18	84%
Energy and Industry	513	-11%	77	-23%	42	-36%	-177	-153%
Other	37	3%	30	34%	5	11%	-85	39%
Consolidated	12.443	24%	3.315	19%	1.033	1%	-355	11%

*Yearly changes are calculated as Migros fully consolidated in 1Q19

The star that links Anatolia to the world and the world to Anatolia



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