

AG ANADOLU GRUBU HOLDİNG ANONİM ŐİRKETİ

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD JANUARY 1 - JUNE 30, 2023
AND THE AUDITOR'S REVIEW REPORT**

(ORIGINALLY ISSUED IN TURKISH)



**CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT
AUDITOR'S REVIEW REPORT ORIGINALLY ISSUED IN TURKISH**

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION**

To the General Assembly of AG Anadolu Grubu Holding A.Ş.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of AG Anadolu Grubu Holding A.Ş. (the "Company") and its subsidiaries (collectively referred as the "Group") as at 30 June 2023 and the related condensed consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the six-month period then ended. The management of the Group is responsible for the preparation and fair presentation of this interim condensed consolidated financial information in accordance with Turkish Accounting Standard 34 ("TAS 34") "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of review

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and the objective of which is to express an opinion on the consolidated financial statements. Consequently, a review on the interim condensed consolidated financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to conclude that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with TAS 34.



Additional explanation for convenience translation into English

Turkish Financial Reporting Standards differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of "IAS 29 - Financial Reporting in Hyperinflationary Economies" by 30 June 2023. Accordingly, the accompanying condensed consolidated financial statements are not intended to present fairly the condensed consolidated financial position and results of operations of the Group in accordance with IFRS.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

A handwritten signature in blue ink, appearing to read "Burak Özpoyraz", is written over a light blue horizontal line.

Burak Özpoyraz, SMMM
Partner

Istanbul, 10 August 2023

AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

Interim Condensed Consolidated Financial Statements as at June 30, 2023

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(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)

AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
JUNE 30, 2023**

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

ASSETS	Notes	Reviewed	Audited
		June 30, 2023	Reclassified (Note 2) December 31, 2022
Cash and Cash Equivalents	5	53.155.227	35.542.343
Financial Investments		1.774.225	1.740.002
Trade Receivables		23.377.661	9.091.348
- Due from Related Parties	22.1	50.379	43.324
- Trade Receivables, Third Parties		23.327.282	9.048.024
Other Receivables		422.859	907.673
- Due from Related Parties	22.1	-	494.000
- Other Receivables, Third Parties		422.859	413.673
Derivative Financial Assets	24.2	781.789	29.428
Inventories	6	40.533.012	27.360.804
Prepaid Expenses		4.999.828	3.048.491
Current Income Tax Assets	20.1	238.791	700.262
Other Current Assets	12.1	1.985.225	1.679.177
TOTAL CURRENT ASSETS		127.268.617	80.099.528
Financial Investments		935.138	604.080
Trade Receivables		4.110	1.914
- Trade Receivables, Third Parties		4.110	1.914
Other Receivables		928.146	731.997
- Due from Related Parties	22.1	47.073	38.634
- Other Receivables, Third Parties		881.073	693.363
Derivative Financial Assets	24.2	50.537	18.260
Investments Accounted Through Equity Method	8	1.249.166	1.160.275
Property, Plant and Equipment	9	46.780.440	35.439.942
Right of Use Assets	10	6.858.505	5.212.180
Intangible Assets		63.570.839	53.451.468
- Goodwill	11.2	14.022.679	12.964.858
- Other Intangible Assets	11.1	49.548.160	40.486.610
Prepaid Expenses		1.671.977	811.961
Deferred Tax Assets	20.2	5.767.344	4.646.557
Other Non-Current Assets	12.2	30.410	25.808
TOTAL NON-CURRENT ASSETS		127.846.612	102.104.442
TOTAL ASSETS		255.115.229	182.203.970

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)
AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
JUNE 30, 2023**

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

	Notes	Reviewed	Audited
		June 30, 2023	Reclassified (Note 2) December 31, 2022
LIABILITIES			
Short-Term Borrowings	7	15.682.196	11.094.131
- Bank Loans		14.622.106	10.503.994
- Lease Liabilities		159	305
- Issued Debt Instruments		582.232	299.272
- Other Short-Term Borrowings		477.699	290.560
Current Portion of Long-Term Borrowings	7	11.985.131	10.467.447
- Bank Loans		4.495.501	3.833.416
- Lease Liabilities		1.986.226	1.527.517
- Issued Debt Instruments		5.503.404	5.106.514
Other Financial Liabilities	7	2.661.995	69.875
Trade Payables		63.994.731	43.002.510
- Due to Related Parties	22.2	257.171	111.076
- Trade Payables, Third Parties		63.737.560	42.891.434
Employee Benefit Obligations		2.145.070	1.412.472
Other Payables		14.507.358	7.530.678
- Other Payables, Related Parties	22.2	-	45.264
- Other Payables, Third Parties		14.507.358	7.485.414
Derivative Financial Liabilities	24.2	168.311	350.825
Deferred Income		1.667.218	988.015
Income Tax Payable	20.1	1.357.423	280.042
Short-Term Provisions		3.101.357	2.549.550
- Short-Term Provisions for the Employee Benefits	13	1.749.851	1.224.428
- Other Short-Term Provisions		1.351.506	1.325.122
Other Current Liabilities	12.3	210.328	111.593
TOTAL CURRENT LIABILITIES		117.481.118	77.857.138
Long-Term Borrowings	7	44.259.579	32.802.191
- Bank Loans		5.071.810	4.470.720
- Lease Liabilities		5.920.451	4.313.244
- Issued Debt Instruments		33.267.318	24.018.227
Other Financial Liabilities	7	210.111	-
Trade Payables		737	120
- Trade Payables, Third Parties		737	120
Employee Benefit Obligations		69.234	-
Other Payables		53.040	40.453
- Other Payables, Third Parties		53.040	40.453
Liabilities due to Investments Accounted for Using Equity Method	8	195.418	833.745
Derivative Financial Liabilities	24.2	385.926	563.047
Deferred Income		526.344	145.898
Long-Term Provisions		1.550.756	2.355.942
- Long-Term Provisions for the Employee Benefits	13	1.550.756	2.355.942
Deferred Tax Liability	20.2	8.183.974	6.907.713
Other Non-Current Liabilities	12.4	8.312	5.576
TOTAL NON-CURRENT LIABILITIES		55.443.431	43.654.685
TOTAL LIABILITIES		172.924.549	121.511.823
EQUITY			
Equity Attributable to Equity Holders of the Parent		20.725.529	14.514.372
Paid-in Share Capital	15	243.535	243.535
Inflation Adjustments on Capital		65.771	65.771
Share Premium (Discounts)		9.711	9.711
Effects of Business Combinations Under Common Control		(7.145)	(7.145)
Other Comprehensive Income (Loss) Not To Be Reclassified to Profit or Loss		(455.685)	(499.151)
- Revaluation and Remeasurement Gain (Loss)		(455.685)	(499.151)
- Gains (Losses) on Remeasurements Defined Benefit Plans		(541.101)	(524.633)
- Other Revaluation and Remeasurement Gain (Loss)		85.416	25.482
Other Comprehensive Income (Loss) To Be Reclassified to Profit or Loss		8.765.927	5.971.268
- Currency Translation Differences		14.951.927	10.539.924
- Gains (Losses) on Hedge		(6.478.733)	(4.765.236)
- Gains (Losses) on Revaluation and Reclassification		292.733	196.580
Restricted Reserves Allocated From Net Profit	15	283.986	163.809
Retained Earnings	15	8.164.388	4.765.376
Net Profit or Loss		3.655.041	3.801.198
Non-Controlling Interests		61.465.151	46.177.775
TOTAL EQUITY		82.190.680	60.692.147
TOTAL LIABILITIES AND EQUITY		255.115.229	182.203.970

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE SIX AND THREE MONTHS PERIODS ENDED ON JUNE 30, 2023 AND 2022

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

	Notes	Reviewed		Not Reviewed	
		January 1 - June 30, 2023	Reclassified (Note 2) January 1 - June 30, 2022	April 1 - June 30, 2023	Reclassified (Note 2) April 1 - June 30, 2022
Revenue		133.741.885	71.299.894	77.383.796	43.562.649
Cost of Sales		(92.065.100)	(49.252.169)	(52.595.390)	(29.947.962)
GROSS PROFIT (LOSS)		41.676.785	22.047.725	24.788.406	13.614.687
General Administrative Expenses		(5.482.862)	(3.041.232)	(3.044.449)	(1.649.216)
Marketing Expenses		(20.800.200)	(11.500.100)	(11.424.829)	(6.618.007)
Research and Development Expenses		(39.416)	(11.357)	(18.190)	(6.728)
Other Operating Income	16.1	2.885.406	2.592.399	2.121.815	1.925.467
Other Operating Expenses	16.2	(4.106.652)	(2.973.047)	(2.808.920)	(1.418.728)
Gain (Loss) from Investments Accounted Through Equity Method	8	(184.353)	(212.456)	(143.533)	(117.558)
OPERATING PROFIT (LOSS)		13.948.708	6.901.932	9.470.300	5.729.917
Income from Investing Activities	17.1	1.761.517	1.196.399	1.733.407	1.147.258
Expenses from Investing Activities	17.2	(35.927)	(603.879)	(19.608)	(29.993)
OPERATING PROFIT (LOSS) BEFORE FINANCIAL INCOME (EXPENSE)		15.674.298	7.494.452	11.184.099	6.847.182
Financial Income	18	7.612.823	3.858.885	4.971.974	1.592.383
Financial Expenses	19	(9.134.413)	(5.963.710)	(5.447.188)	(3.199.095)
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		14.152.708	5.389.627	10.708.885	5.240.470
Tax (Expense) Income from Continuing Operations		(4.295.213)	(1.745.652)	(3.060.210)	(1.544.122)
- Current Period Tax (Expense) Income	20.3	(3.009.877)	(1.706.744)	(1.763.734)	(1.195.108)
- Deferred Tax (Expense) Income	20.3	(1.285.336)	(38.908)	(1.296.476)	(349.014)
NET PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		9.857.495	3.643.975	7.648.675	3.696.348
PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS	21	-	52.621	-	63.576
Attributable to:		9.857.495	3.696.596	7.648.675	3.759.924
- Non-controlling Interests		6.202.454	2.184.004	4.654.410	2.246.090
- Equity Holders of the Parent		3.655.041	1.512.592	2.994.265	1.513.834
Earnings (Loss) per share (full TRL)		15,0083	6,2110	12,2950	6,2161
- Earnings (Loss) per share from continuing operations (full TRL)		15,0083	5,9949	12,2950	5,9550
- Earnings (Loss) per share from discontinued operations (full TRL)		-	0,2161	-	0,2611

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE SIX AND THREE MONTHS PERIODS ENDED JUNE 30, 2023 AND 2022**

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

	Reviewed		Not Reviewed	
	January 1 - June 30, 2023	Reclassified (Note 2) January 1 - June 30, 2022	April 1 - June 30, 2023	Reclassified (Note 2) April 1 - June 30, 2022
NET PROFIT (LOSS)	9.857.495	3.696.596	7.648.675	3.759.924
OTHER COMPREHENSIVE INCOME				
Items Not To Be Reclassified To Profit or Loss	(7.568)	(29.016)	(4.889)	(17.123)
- Remeasurement Gain (Loss) from Defined Benefit Plans	(95.305)	(19.314)	(92.853)	(21.283)
- Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss	4.746	(721)	4.008	(303)
- Other Components of Other Comprehensive Income that will Not To Be Reclassified to Other Profit or Loss	79.912	(18.413)	81.731	(1.144)
- Tax Effect of Other Comprehensive Income Not To Be Classified To Profit or Loss	3.079	9.432	2.225	5.607
- Deferred Tax (Expense) Income	3.079	9.432	2.225	5.607
Items To Be Reclassified To Profit or Loss	12.707.720	16.452.057	14.226.765	15.306.993
- Exchange Differences on Translation of Foreign Operations	18.170.659	20.449.764	19.795.968	19.461.100
- Gains (losses) on Exchange Differences on Translation of Foreign Operations	18.595.925	20.449.764	20.221.234	19.461.100
- Reclassification adjustments on exchange differences on translation of Foreign Operations	(425.266)	-	(425.266)	-
- Gains (Losses) on Financial Assets Measured at Fair Value through Other Comprehensive Income	256.409	-	251.900	-
- Other Comprehensive Income (Loss) on Cash Flow Hedge	1.264.642	(360.977)	597.875	(1.949.827)
- Other Comprehensive Income (Loss) Related with Hedges of Net Investments in Foreign Operations (Note 23)	(8.430.179)	(4.575.161)	(7.851.102)	(2.882.680)
- Tax Effect of Other Comprehensive Income To Be Classified To Profit or Loss	1.446.189	938.431	1.432.124	678.400
- Deferred Tax (Expense) Income	1.446.189	938.431	1.432.124	678.400
OTHER COMPREHENSIVE INCOME (LOSS)	12.700.152	16.423.041	14.221.876	15.289.870
TOTAL COMPREHENSIVE INCOME (LOSS)	22.557.647	20.119.637	21.870.551	19.049.794
Attributable to:				
- Non-controlling Interest	16.064.481	15.620.941	15.790.084	14.711.345
- Equity Holders of the Parent	6.493.166	4.498.696	6.080.467	4.338.449

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

(Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish)
AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTHS PERIODS ENDED JUNE 30, 2023 AND 2022

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

					Other Comprehensive Income or Loss Not To Be Reclassified To Profit or Loss	Other Comprehensive Income or Loss To Be Reclassified To Profit or Loss				Retained Earnings					
	Paid-in Capital	Inflation Adjustments on Capital	Share Premium/Discount	Effects of Business Combinations Under Common Control	Profit (Loss) on Remeasurements of Defined Benefit Plans	Other Revaluation and Remeasurement Gain (Loss) (*)	Currency Translation Differences	Gain (Loss) on Hedge	Gains (Losses) on Revaluation and Reclassification	Restricted Reserves Allocated from Net Profit	Retained Earnings	Net Profit (Loss)	Attributable to Equity Holders of the Parent	Non-Controlling Interests	Equity
Balances as of January 1, 2022	243.535	65.771	97.540	(7.145)	(44.603)	34.246	6.591.209	(2.875.363)	-	637.105	2.955.192	1.290.782	8.988.269	30.334.634	39.322.903
Transfers	-	-	-	-	-	-	-	-	-	(473.296)	1.764.078	(1.290.782)	-	-	-
Total Comprehensive Income (Loss)	-	-	-	-	(15.458)	(13.810)	4.042.250	(1.026.878)	-	-	-	1.512.592	4.498.696	15.620.941	20.119.637
Net Profit (Loss)	-	-	-	-	-	-	-	-	-	-	1.512.592	-	1.512.592	2.184.004	3.696.596
Other Comprehensive Income (Loss)	-	-	-	-	(15.458)	(13.810)	4.042.250	(1.026.878)	-	-	-	-	2.986.104	13.436.937	16.423.041
Capital Increase	-	-	-	-	-	-	-	-	-	-	-	-	-	1.540	1.540
Dividends Paid	-	-	-	-	-	-	-	-	-	-	(60.000)	-	(60.000)	(955.862)	(1.015.862)
Transactions With Non-Controlling Shareholders	-	-	-	-	-	-	-	-	-	-	17.399	-	17.399	50.416	67.815
Increase (Decrease) Due to Other Changes	-	-	-	-	-	-	-	-	-	-	4.017	-	4.017	4.017	8.034
Balances as of June 30, 2022	243.535	65.771	97.540	(7.145)	(60.061)	20.436	10.633.459	(3.902.241)	-	163.809	4.680.686	1.512.592	13.448.381	45.055.686	58.504.067
Balances as of January 1, 2023	243.535	65.771	9.711	(7.145)	(524.633)	25.482	10.539.924	(4.765.236)	196.580	163.809	4.765.376	3.801.198	14.514.372	46.177.775	60.692.147
Transfers	-	-	-	-	-	-	-	-	-	120.177	3.681.021	(3.801.198)	-	-	-
Total Comprehensive Income (Loss)	-	-	-	-	(16.468)	59.934	4.412.003	(1.713.497)	96.153	-	-	3.655.041	6.493.166	16.064.481	22.557.647
Net Profit (Loss)	-	-	-	-	-	-	-	-	-	-	-	3.655.041	3.655.041	6.202.454	9.857.495
Other Comprehensive Income (Loss)	-	-	-	-	(16.468)	59.934	4.412.003	(1.713.497)	96.153	-	-	-	2.838.125	9.862.027	12.700.152
Capital Increase	-	-	-	-	-	-	-	-	-	-	-	-	-	3.688	3.688
Dividends Paid	-	-	-	-	-	-	-	-	-	-	(200.000)	-	(200.000)	(1.494.360)	(1.694.360)
Acquisition or Disposal of a Subsidiary (Note 3)	-	-	-	-	-	-	-	-	-	-	-	-	-	(25.237)	(25.237)
Increase (Decrease) Through Changes in Ownership Interests in Subsidiaries That Do Not Result in Loss of Control, Equity (Note 3)	-	-	-	-	-	-	-	-	-	-	(82.009)	-	(82.009)	82.009	-
Transactions With Non-Controlling Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	656.795	656.795
Balances as of June 30, 2023	243.535	65.771	9.711	(7.145)	(541.101)	85.416	14.951.927	(6.478.733)	292.733	283.986	8.164.388	3.655.041	20.725.529	61.465.151	82.190.680

(*) Balances in the other revaluation and remeasurement gain (loss) consists of the increase and disposals due to revaluation of the assets used in renting activities.

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW FOR
THE SIX MONTHS PERIODS ENDED JUNE 30, 2023 AND 2022**
(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

	Notes	Reviewed	
		January 1- June 30, 2023	January 1- June 30, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		16.545.895	10.443.421
Profit (Loss)		9.857.495	3.696.596
Net Profit (Loss) for The Period From Continuing Operations		9.857.495	3.643.975
Net Profit (Loss) for The Period From Discontinued Operations		-	52.621
Adjustments to Reconcile Profit (Loss)		10.592.442	6.954.283
Adjustments for Depreciation and Amortization Expense		3.387.118	2.489.429
Adjustments for Impairment Loss (Reversal of Impairment Loss)		126.091	940.034
- Adjustments for Impairment Loss (Reversal) of Receivables		8.263	82.993
- Adjustments for Impairment Loss (Reversal) of Inventories		124.337	295.944
- Adjustments for Impairment Loss (Reversal of Impairment Loss) of Property, Plant and Equipment	17.1, 17.2	(6.509)	95.184
- Adjustments for Impairment Loss (Reversal of Impairment Loss) of Other Intangible Assets	17.2	-	465.913
Adjustments for Provisions		675.626	213.565
- Adjustments for (Reversal of) Provisions Related with Employee Benefits		482.529	505.022
- Adjustments for (Reversal of) Warranty Provisions		56.513	30.186
- Adjustments for (Reversal of) Other Provisions		136.584	(321.643)
Adjustments for Interest (Income) and Expenses		3.181.342	1.754.288
Adjustments for Unrealized Foreign Exchange Differences		675.446	231.285
Adjustments for Fair Value Losses (Gains)		(296.715)	363.405
- Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments		(296.715)	363.405
Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method	8	184.353	212.456
Adjustments for Tax (Income) Expense	20.3	4.295.213	1.745.652
Adjustments for Losses (Gains) Arised From Disposal of Non-Current Assets		(613.501)	(181.060)
- Adjustments for Losses (Gains) on Disposal of Tangible Assets	17.1, 17.2	(613.501)	(181.060)
Transfer of Currency Translation Differences Previously Accounted as Other Comprehensive Income	17.1	(425.266)	-
Adjustments for Losses (Gains) on Disposal of Subsidiaries or Joint Operations	17.1	-	(922.806)
Other Adjustments to Reconcile Profit (Loss)		(597.265)	108.035
Adjustments for Working Capital		314.946	663.107
Decrease (Increase) in Financial Investments		(52.119)	-
Adjustments for Decrease (Increase) in Trade Accounts Receivables		(13.920.651)	(8.021.013)
Adjustments for Decrease (Increase) in Other Operating Receivables		(188.457)	173.810
Adjustments for Decrease (Increase) in Inventories		(11.984.677)	(9.445.639)
Adjustments for Increase (Decrease) in Trade Accounts Payables		19.996.759	14.402.473
Adjustments for Increase (Decrease) in Other Operating Payables		8.196.550	3.609.543
Increase (Decrease) in Deferred Income		1.055.492	92.563
Other Adjustments for Increase (Decrease) in Working Capital		(2.787.951)	(148.630)
- Decrease (Increase) in Other Assets Related with Operations		(2.841.075)	(207.064)
- Increase (Decrease) in Other Liabilities Related with Operations		53.124	58.434
Cash Flows from Operations		20.764.883	11.313.986
Interest Paid		(1.299.664)	(96.736)
Interest Received		234.133	312.128
Payments Related with Provisions for Employee Benefits		(1.267.831)	(104.828)
Payments Related with Other Provisions		(284.441)	(11.447)
Income Taxes Refund (Paid)		(1.601.185)	(969.682)
CASH FLOWS FROM INVESTING ACTIVITIES		(5.474.995)	(2.762.996)
Cash Inflows from Losing Control of Subsidiaries or Other Businesses		-	904.279
Cash Flows Used in Obtaining Control of Subsidiaries or Other Businesses		97.196	-
Cash Outflows Arising From Purchase of Shares or Capital Increase of Associates and/or Joint Ventures		(63.000)	(390.275)
Cash Payments to Acquire Equity or Debt Instruments of Other Entities		-	(347.310)
Proceeds from Sales of Property, Plant, Equipment and Intangible Assets		1.000.546	296.992
Purchase of Property, Plant, Equipment and Intangible Assets		(5.940.127)	(3.028.682)
Advances and Funds Given to Related Parties		(569.610)	(198.000)
CASH FLOWS FROM FINANCING ACTIVITIES		(63.765)	2.355.121
Payments from Changes in Ownership Interests in Subsidiaries That Do Not Result in Loss of Control		-	(78.873)
Proceeds from Issuing Shares or Other Equity Instruments		3.688	1.540
Proceeds from Borrowings	7	17.109.034	18.463.670
Repayments of Borrowings	7	(17.434.383)	(11.723.800)
Payments of Lease Liabilities		(908.876)	(704.954)
Proceeds from Derivative Instruments		135.483	36.990
Payments of Derivative Instruments		(281.308)	(141.000)
Dividends Paid		(1.694.360)	(1.015.863)
Interest Paid		(2.596.404)	(1.719.117)
Interest Received		1.619.172	380.518
Other Inflows (Outflows) of Cash		3.984.189	(1.143.990)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		11.007.135	10.035.546
Effect of Exchange Rate Changes on Cash and Cash Equivalents		6.509.809	1.128.150
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		17.516.944	11.163.696
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5	35.432.484	16.149.625
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	52.949.428	27.313.321

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT JUNE 30, 2023**

(Currency - Thousands of Turkish Lira (TRL) unless otherwise indicated)

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES OF THE GROUP

The company is controlled by AG Anadolu Grubu Holding A.Ş., the parent company. AG Anadolu Grubu Holding A.Ş. is controlled by AG Sınai Yatırım ve Yönetim A.Ş. and AG Sınai Yatırım ve Yönetim A.Ş. is a management company, which is ultimately managed by the Özilhan Family and Süleyman Kamil Yazıcı Family in accordance with equal representation and equal management principle and manages AG Anadolu Grubu Holding A.Ş.'s companies.

AG Anadolu Grubu Holding A.Ş. ("Company" or "AGHOL") a certain part of the shares are traded in Borsa İstanbul A.Ş. ("BİST").

The registered office address of the Company is Fatih Sultan Mehmet Mahallesi Balkan Caddesi No:58, Buyaka E Blok Ümraniye, İstanbul, Türkiye.

The interim condensed consolidated financial statements as of June 30, 2023 are authorized for issue by the Board of Directors on August 10, 2023 and are approved by the Finance President Onur Çevikel and the Financial Control and Reporting Director Evren Cankurtaran on behalf of Board of Directors. General Assembly and specified regulatory bodies have the right to change the financial statements after the interim condensed consolidated financial statements are issued.

Activities of the Group

The Company and its subsidiaries will be referred as the "Group" for the purpose of the interim condensed consolidated financial statements.

The Group is organized and primarily managed in six principal segments: Beer, Soft drinks, Migros, Automotive (including passenger vehicles, commercial vehicles, generator, spare and component parts, motor vehicle renting), Agriculture, Energy and Industry (agriculture, stationery, production and sale of electricity and real estate) and Other (information technology, trade).

The average number of personnel of the Group for the period ended at June 30, 2023 is 68.015 (December 31, 2022: 62.922).

List of Shareholders

As of June 30, 2023 and December 31, 2022 the shareholders and shareholding rates are as follows:

	June 30, 2023		December 31, 2022	
	Paid in Capital	(%)	Paid in Capital	(%)
AG Sınai Yatırım ve Yönetim A.Ş.	118.474	48,65	118.474	48,65
Azimut Portföy SKY Serbest Özel Fon (*)	17.461	7,17	17.461	7,17
Other (**)	107.600	44,18	107.600	44,18
Paid-in share capital - historical	243.535	100,00	243.535	100,00
Inflation adjustment on capital	65.771		65.771	
Total share capital	309.306		309.306	

(*) Süleyman Kamil Yazıcı family members are the Qualified Investors of Azimut Portföy SKY Serbest Özel Fon and the shares of the fund have been allocated only to these mentioned individuals as predetermined.

(**) Consists of Özilhan and Yazıcı Family members and public shares.

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AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT JUNE 30, 2023**

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES OF THE GROUP (cont'd)

List of Subsidiaries

The subsidiaries included in consolidation and their shareholding percentages at June 30, 2023 and December 31, 2022 are as follows:

	Place of Incorporation	Principal activities	Segment	Effective shareholding and voting rights (%)	
				June 30, 2023	December 31, 2022
Anadolu Isuzu Otomotiv San. ve Tic. A.Ş. (Anadolu Isuzu) (1)	Türkiye	Production and sales of Isuzu branded commercial vehicles	Automotive	55,40	55,40
Anadolu Efes Biracılık ve Malt San. A.Ş. (Anadolu Efes) (1) (2)	Türkiye	Production, bottling, distribution and sales of beer, carbonated and non-carbonated beverages	Beer	43,05	43,05
Migros Ticaret A.Ş. (Migros) (1)	Türkiye	Sales of food and beverage and durable goods	Migros	50,00	50,00
Coca-Cola İçecek A.Ş. (CCI) (1) (7)	Türkiye	Production of Coca-Cola products	Soft-drinks	21,64	21,64
Coca-Cola Satış ve Dağıtım A.Ş. (CCSD) (7)	Türkiye	Distribution and selling of Coca-Cola and Mahmudiye products	Soft-drinks	21,63	21,63
Çelik Motor Ticaret A.Ş. (Çelik Motor)	Türkiye	Import, distribution and marketing of Kia motor vehicles and motor vehicle renting	Automotive	100,00	100,00
Anadolu Motor Üretim ve Pazarlama A.Ş. (Anadolu Motor)	Türkiye	Production of industrial engines, sale of tractors	Automotive	100,00	100,00
Anadolu Otomotiv Dış Ticaret ve Sanayi A.Ş.	Türkiye	Inactive	Automotive	100,00	100,00
Anadolu Elektronik Aletler Pazarlama ve Ticaret A.Ş. (Anadolu Elektronik)	Türkiye	Inactive	Automotive	51,00	51,00
Adel Kalemcilik Ticaret ve Sanayi A.Ş. (Adel) (1)	Türkiye	Production of writing instruments under Adel, Johann Faber and Faber Castell brand names	Agriculture, Energy and Industry	56,89	56,89
Ülkü Kırtasiye Ticaret ve Sanayi A.Ş. (Ülkü)	Türkiye	Distribution of the products of Adel and other imported stationery products	Agriculture, Energy and Industry	73,17	73,17
Garenta Ulaşım Çözümleri A.Ş.	Türkiye	Car rental service	Automotive	100,00	100,00
Anadolu Bilişim Hizmetleri A.Ş. (ABH)	Türkiye	IT, internet and e-commerce services	Other	99,38	99,38
Oyex Handels GmbH (Oyex)	Germany	Trading of various materials used in the Group	Other	100,00	100,00
Artı Anadolu Danışmanlık A.Ş. (Artı Anadolu)	Türkiye	Inactive	Other	100,00	100,00
Anadolu Araçlar Ticaret A.Ş. (Anadolu Araçlar)	Türkiye	Import, distribution and marketing of motor vehicles	Automotive	100,00	100,00
AES Elektrik Enerjisi Toptan Satış A.Ş. (AES Elektrik)	Türkiye	Whole sale and retail sale of electricity and/or its capacity	Agriculture, Energy and Industry	100,00	100,00
AEH Sigorta Acenteliği A.Ş. (AEH Sigorta)	Türkiye	Insurance agency	Other	100,00	100,00
Anadolu Kafkasya Enerji Yatırımları A.Ş. (Anadolu Kafkasya)	Türkiye	Production and transmission of electricity, and establishment and operation of distribution facilities	Agriculture, Energy and Industry	61,49	61,49
Taba LLC	Georgia	Production and sale of electricity (Investment in progress)	Agriculture, Energy and Industry	30,75	30,75
Georgia Urban Enerji Ltd. (GUE)	Georgia	Production and sale of electricity	Agriculture, Energy and Industry	55,34	55,34
AND Ankara Gayrimenkul Yatırımları A.Ş. (AND Ankara Gayrimenkul)	Türkiye	Inactive	Agriculture, Energy and Industry	100,00	100,00
AND Kartal Gayrimenkul Yatırımları A.Ş. (AND Kartal Gayrimenkul)	Türkiye	Purchase, sale and rental of real estate	Agriculture, Energy and Industry	100,00	100,00
Kheledula Enerji Ltd. (Kheledula)	Georgia	Inactive	Agriculture, Energy and Industry	61,49	61,49
MH Perakendecilik ve Ticaret A.Ş. (MH Perakendecilik)	Türkiye	Retailing	Other	100,00	100,00
Ant Sinai ve Tic. Ürünleri Paz. A.Ş.	Türkiye	Purchase and sale of spare parts	Automotive	55,40	55,40
Dijital Platform Gıda Hizmetleri A.Ş.(3)	Türkiye	Online food retailing	Migros	50,00	50,00
Money pay Ödeme ve Elektronik Para Hizmetleri A.Ş. (Money pay) (3)	Türkiye	Services limited by e-money legislation	Migros	40,00	40,00
Mimeda Medya Platform A.Ş. (3)	Türkiye	Media	Migros	50,00	50,00
Paket Lojistik ve Teknoloji Lojistik A.Ş. (3)	Türkiye	Logistics	Migros	37,50	37,50
Migen Enerji ve Elektrikli Araç	Türkiye	Electrical vehicles charging service	Migros	50,00	50,00
Şarj Hizmetleri A.Ş. (3)	Türkiye				
Efes Pazarlama ve Dağıtım Ticaret A.Ş. (Ef-Pa) (7)	Türkiye	Marketing and distribution company of Anadolu Efes	Beer	43,05	43,05
Anadolu Etap Penkon Gıda ve Tarım Ürünleri Sanayi ve Ticaret A.Ş. (Anadolu Etap) (Note 3)	Türkiye	Production and sale of fruit juice concentrate and puree and sales of fresh fruit	Agriculture, Energy and Industry	33,83	-
Anadolu Etap Penkon Gıda ve İçecek Ürünleri Sanayi ve Ticaret A.Ş.(Anadolu Etap İçecek) (Note 3)	Türkiye	Production and sale of fruit and vegetable juice concentrate and puree	Soft-drinks	24,08	-
Anadolu Etap Dış Ticaret A.Ş. (Note 3)	Türkiye	Sale of puree with juice concentrate	Soft-drinks	24,08	-

(1) Shares of Anadolu Isuzu, Anadolu Efes, Adel, CCI and Migros are quoted in BİST.

(2) The Company has control over Anadolu Efes although the Company holds less than 50 percent of its shares. In concluding to have control over Anadolu Efes, the Company management considers the number of Board members representing AGHOL in the Board of Directors of Anadolu Efes, the Company's participation in policy-making processes, including participation in decisions about dividends or other distributions, the transactions between AGHOL and Anadolu Efes. The managerial personnel of AGHOL provide internal audit services and high level finance, tax, legal and human resources support to Anadolu Efes.

(3) Subsidiaries of Migros.

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AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

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AS AT JUNE 30, 2023**

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES OF THE GROUP (cont'd)

List of Subsidiaries (cont'd)

	Place of Incorporation	Principal activities	Segment	Effective shareholding and voting rights (%)	
				June 30, 2023	December 31, 2022
Efes Breweries International B.V. (EBI) (7)	The Netherlands	Holding company that facilitates Anadolu Efes' foreign investments in breweries	Beer	43,05	43,05
AB InBev Efes B.V. (7)	The Netherlands	Investment company	Beer	21,53	21,53
LLC Vostok Solod (5) (7)	Russia	Production of malt	Beer	21,53	21,53
LLC Bosteels Trade (5) (7)	Russia	Selling and distribution of beer	Beer	21,53	21,53
Euro-Asien Brauerein Holding GmbH (Euro-Asien) (4) (6) (7)	Germany	Investment company	Beer	21,53	21,53
JSC AB InBev Efes (4) (7)	Russia	Production and marketing of beer	Beer	21,53	21,53
LLC Inbev Trade (5) (7)	Russia	Production of malt	Beer	21,53	21,53
PJSC AB InBev Efes Ukraine (4) (7)	Ukraine	Production and marketing of beer	Beer	21,25	21,25
Bevmar GmbH (4) (6) (7)	Germany	Investment company	Beer	21,53	21,53
JSC FE Efes Kazakhstan Brewery (Efes Kazakhstan) (7)	Kazakhstan	Production and marketing beer	Beer	43,05	43,05
International Beers Trading LLP (IBT) (7)	Kazakhstan	Marketing of beer	Beer	43,05	43,05
Efes Vitanta Moldova Brewery S.A. (Efes Moldova) (7)	Moldova	Production of beer and low alcoholic drinks	Beer	41,70	41,70
JSC Lomisi (Efes Georgia) (7)	Georgia	Production and marketing and of beer and carbonated soft drinks	Beer	43,05	43,05
PJSC Efes Ukraine (Efes Ukraine) (7)	Ukraine	Production and marketing of beer	Beer	43,02	43,02
Efes Trade BY FLLC (Efes Belarus) (7)	Belarus	Marketing and distribution of beer	Beer	43,05	43,05
Efes Holland Technical Management Consultancy B.V. (EHTMC) (7)	The Netherlands	Leasing of intellectual property and similar products	Beer	43,05	43,05
Cypex Co. Ltd. (Cypex) (7)	Northern Cyprus	Marketing and distribution of beer	Beer	43,05	43,05
Efes Deutschland GmbH (Efes Germany) (7)	Germany	Marketing and distribution of beer	Beer	43,05	43,05
Blue Hub Ventures B.V. (7)	The Netherlands	Investment company	Beer	43,05	43,05
Efes Brewery S.R.L. (Romania) (7)	Romania	Marketing and distribution of beer	Beer	43,05	43,05
J.V. Coca-Cola Almaty Bottlers LLP (Almaty CC) (7)	Kazakhstan	Production, distribution and selling of and distribution of Coca Cola products	Soft-drinks	21,64	21,64
Azerbaijan Coca-Cola Bottlers LLC (Azerbaijan CC) (7)	Azerbaijan	Production, distribution and selling of Coca Cola products	Soft-drinks	21,61	21,61
Coca-Cola Bishkek Bottlers CJSC (Bishkek CC) (7)	Kyrgyzstan	Production, distribution and selling of Coca Cola products	Soft-drinks	21,64	21,64
CCI International Holland B.V. (CCI Holland) (7)	The Netherlands	Investment company of CCI	Soft-drinks	21,64	21,64
Sardkar for Beverage Industry Ltd. (SBIL) (7)	Iraq	Production, distribution and selling of Coca Cola products	Soft-drinks	21,64	21,64
The Coca-Cola Bottling Company of Jordan Ltd. (Jordan CC) (7)	Jordan	Production, distribution and selling of Coca Cola products	Soft-drinks	21,64	21,64
Coca-Cola Beverages Pakistan Ltd. (CCBPL) (7) (8)	Pakistan	Production, distribution and selling of Coca Cola products	Soft-drinks	10,75	10,75
Turkmenistan Coca-Cola Bottlers Ltd. (Turkmenistan CC) (7)	Turkmenistan	Production, distribution and selling of Coca Cola products	Soft-drinks	12,87	12,87
Waha Beverages B.V. (7)	The Netherlands	Investment company of CCI	Soft-drinks	21,64	21,64
Al Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC (Al Waha) (7)	Iraq	Production, distribution and selling of Coca Cola products	Soft-drinks	21,64	21,64
Coca-Cola Beverages Tajikistan LLC (Coca Cola Tajikistan) (7)	Tajikistan	Production, distribution and selling of Coca Cola products	Soft-drinks	21,64	21,64
Coca-Cola Bottlers Uzbekistan Ltd. (CCBU) (7)	Uzbekistan	Production, distribution and selling of Coca Cola products	Soft-drinks	21,64	21,64
CCI Samarkand Limited LLC (Samarkand) (9)	Uzbekistan	Production, distribution and selling of Coca Cola products	Soft-drinks	21,64	-
Ramstore Kazakhstan LLC (Ramstore Kazakhstan)	Kazakhstan	Shopping center management	Migros	50,00	50,00

(4) Companies which AB Inbev Efes B.V. directly participates.

(5) Subsidiary of JSC AB Inbev Efes.

(6) Liquidation process of Euro-Asien and Bevmar initiated with the BOD decision of AB Inbev Efes B.V. dated December 22, 2021.

(7) Subsidiaries of Anadolu Efes and are fully consolidated in accordance with TFRS as the Company has control over Anadolu Efes.

(8) CCBPL and Turkmenistan CC are controlled by CCI and are fully consolidated in accordance with TFRS as the Company has control over CCI.

(9) As of April 18, 2023, CCI Samarkand Limited LLC was established.

Joint Ventures

The joint ventures included in consolidation by equity method and its shareholding percentages at June 30, 2023 and December 31, 2022 are as follows:

	Country	Main activities	Effective shareholding and voting rights (%)	
			June 30, 2023	December 31, 2022
Aslancık Elektrik Üretim A.Ş. (Aslancık)	Türkiye	Electricity production	33,33	33,33
LLC Faber-Castell Anadolu	Russia	Inactive	28,44	28,44
Anadolu Etap Penkon Gıda ve Tarım Ürünleri San. ve Tic. A.Ş. (Anadolu Etap) (Note 3)	Türkiye	Production and sale of fruit juice concentrate and puree and sales of fresh fruit	-	33,83
Syrian Soft Drink Sales & Dist. LLC (SSDSD)	Syria	Distribution and sales of Coca-Cola products	10,82	10,82
Türkiye'nin Otomobili Girişim Grubu Sanayi ve Ticaret A.Ş. (TOGG)	Türkiye	Development, production and trade of all kinds of electrical motor vehicles	23,00	23,00

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT JUNE 30, 2023**

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES OF THE GROUP (cont'd)

Associates

The associates included in consolidation by equity method and its shareholding percentages at June 30, 2023 and December 31, 2022 are as follows:

	Country	Main activities	Effective shareholding and voting rights (%)	
			June 30, 2023	December 31, 2022
Getir Araç Dijital Ulaşım Çözümleri Ticaret A.Ş. (Getir Araç)	Türkiye	Hourly car rental service	25,00	25,00
Malty Gıda A.Ş.	Türkiye	Distribution and sales of malt bars	10,76	10,76

NOTE 2 - BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Basis of Preparation of Financial Statements

The accompanying financial statements are prepared in accordance with the requirements of Capital Markets Board (“CMB”) Communiqué Serial II, No: 14.1 “Basis of Financial Reporting in Capital Markets”, which was published in the Official Gazette No:28676 on June 13, 2013. The accompanying financial statements are prepared based on the Turkish Accounting Standards and interpretations (“TAS”) issued by the Public Oversight Accounting and Auditing Standards Authority (“POA”) under Article 5 of the Communiqué.

The interim condensed consolidated financial statements are presented in accordance with “Announcement regarding with TAS/IFRS Taxonomy” which was published on October 4, 2022 by POA and the format and mandatory information recommended by CMB.

The Group companies, which operate in Türkiye, keep their accounting books and their statutory financial statements in Turkish Lira in accordance with the Generally Accepted Accounting Principles in Türkiye accepted by the Capital Markets Board (CMB), Turkish Commercial Code, Tax Legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The foreign subsidiaries and joint ventures keep their accounting books and statutory financial statements in their local currencies and in accordance with the rules and regulations of the countries in which they operate.

The interim condensed consolidated financial statements are based on the statutory financial statements of the Group’s subsidiaries and joint ventures and presented in TRL in accordance with the principles CMB Financial Reporting Standards with certain adjustments and reclassifications for the purpose of fair presentation. Such adjustments are primarily related to application of consolidation accounting, accounting of deferred taxes, accounting of employment termination benefits on an actuarial basis and accruals for various expenses. These interim condensed consolidated financial statements have been prepared on the historical cost basis except for assets used in renting activities and certain financial assets and liabilities. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

As per the announcement published by the Public Oversight, Accounting and Auditing Standards Authority (“POA”) on January 20, 2022, it has been stated that entities applying the Turkish Financial Reporting Standards (“TFRS”) are not required to make any restatements in their financial statements for 2021 within the scope of TAS 29 “Financial Reporting in High Inflation Economies”. As of the preparation date of these consolidated financial statements, no new disclosure has been made by POA within the scope of TAS 29, while preparing the consolidated financial statements as of June 30, 2023, no inflation adjustment was made in accordance with TAS 29.

In the scope of the CMB’s “Communiqué on Financial Reporting in Capital Market” Numbered II-14.1 (Communiqué), the Group has prepared interim condensed consolidated financial statements as at June 30, 2023 in accordance with TAS 34, “Interim Financial Reporting”. The interim condensed consolidated financial statements and explanatory notes are presented using the compulsory standard formats as published by the Communiqué.

In accordance with the TAS, the entities are allowed to prepare a complete or condensed set of interim financial statements in accordance with TAS 34, “Interim Financial Reporting”. In this respect, the Group has preferred to prepare condensed consolidated financial statements in the interim periods.

The interim condensed consolidated financial statements as of June 30, 2023 have been prepared by applying the accounting policies consistent with the accounting policies applied in the preparation of the consolidated financial statements for the year ended December 31, 2022. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements as of December 31, 2022.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT JUNE 30, 2023**

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

NOTE 2 - BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

Comparative Information and Restatement of Prior Period Financial Statements

The consolidated financial statements of the Group include comparative financial information to enable the determination of the trends in the financial position and performance. Comparative figures are reclassified, where necessary, to conform to changes in presentation in the current period consolidated financial statements and significant changes are explained. In order to be consistent with the current period presentation, the reclassifications on the consolidated financial statements for the periods ended June 30, 2022:

Reclassifications made in the financial statements as of June 30, 2022:

Anadolu Efes, the subsidiary of the Group, a discount amounting to TRL 6.770 has been reclassified from “Marketing Expenses” to “Revenue” account of the June 30, 2022. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

Migros, the subsidiary of the Group, has reclassified interest income from operating activities of TRL 139.810 reported under “Other Operating Income” was classified under “Financial Income” in the income statement of the June 30, 2022 period. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

Migros, the subsidiary of the Group, has reclassified in-store production expenses of TRL 8.152 reported in “Marketing Expenses” were classified under “Cost of Sales” in the income statement of the June 30, 2022 period. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

Seasonality of Operations

Due to higher consumption of beverage during the summer season, the interim condensed consolidated financial statements of Anadolu Efes, a subsidiary of the Group, may include the effects of the seasonal variations. Therefore, the results of Beer and Soft Drinks segment for the first six months up to June 30, 2023 may not necessarily constitute an indicator for the results to be expected for the overall fiscal year.

Adel, a subsidiary of the Group, starts sales campaigns for specific products at the beginning of each year and then carries out ‘dealer fairs’ for the sales of the brands produced and imported in the first quarter of the year. At these sales campaigns and dealer fairs, cheques, direct billing system DBS and credit card are received in the amount of orders from the customers and the received orders are met in the first half of the year.

Developments in Russia and Ukraine

The Group is closely following the developments in Russia and Ukraine, where the Group has beer operations. The Group has taken all possible precautions to ensure the safety of its employees, as well as its manufacturing facilities and infrastructure security. Accordingly, as of February 24, 2022, breweries were shut down and the sales operations were halted. In the light of the developments in the region, the brewery facilities in Chernihiv and Mykolayiv, in Ukraine restarted production as of October 2022 and May 2023, respectively.

The Group has evaluated the possible effects of the developments in Russia and Ukraine on the financial statements and reviewed the estimates and assumptions used in the preparation of the consolidated financial statements. In this context, the Group has not made any significant changes in the estimates of possible impairment in the values of financial assets, inventories, property, plant and equipment, right-of-use assets, deferred tax assets, goodwill and brands in the interim consolidated financial statements as of June 30, 2023, compared to the end of the year.

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NOTE 2 - BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

New and Amended Turkish Financial Reporting Standards

a) Standards, amendments, and interpretations applicable as of June 30, 2023:

- **Narrow scope amendments to TAS 1, Practice statement 2 and TAS 8;** effective from annual periods beginning on or after January 1, 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.
- **Amendment to TAS 12 – Deferred tax related to assets and liabilities arising from a single transaction;** effective from annual periods beginning on or after January 1, 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.
- **TFRS 17, ‘Insurance Contracts’;** effective from annual periods beginning on or after January 1, 2023. This standard replaces TFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. TFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.
- **Amendment to TAS 12 - International tax reform - pillar two model rules;** The deferred tax exemption and disclosure of the fact that the exception has been applied, is effective immediately. The other disclosure requirements are effective annual periods beginning on or after January 1, 2023. These amendments give companies temporary relief from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development’s (OECD) international tax reform. The amendments also introduce targeted disclosure requirements for affected companies.

b) Standards, amendments, and interpretations that are issued but not effective as of June 30, 2023:

- **Amendment to TAS 1 – Non current liabilities with covenants;** effective from annual periods beginning on or after January 1, 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.
- **Amendment to TFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after January 1, 2024. These amendments include requirements for sale and leaseback transactions in TFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- **Amendments to TAS 7 and TFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after January 1, 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company’s liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB’s response to investors’ concerns that some companies’ supplier finance arrangements are not sufficiently visible, hindering investors’ analysis.
- **TSRS S1, ‘General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after January 1, 2024. This is subject to endorsement of the standards by local jurisdictions. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity’s value chain.

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NOTE 2 - BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

New and Amended Turkish Financial Reporting Standards (cont'd)

b) Standards, amendments, and interpretations that are issued but not effective as of June 30, 2023 (cont'd):

- **TSRS S2, ‘Climate-related disclosures’;** effective from annual periods beginning on or after January 1, 2024. This is subject to endorsement of the standards by local jurisdictions. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

The effects of standards, amendments and interpretations on Group’s consolidated financial statements and performance of are being evaluated by Group.

NOTE 3 - BUSINESS COMBINATIONS

Transactions for the period of June 30, 2023

Anadolu Efes, a subsidiary of the Group, as per the announcement dated January 26, 2023, some of the rights granted to Özgörkey Holding A.Ş. (Özgörkey Holding) related to the agreements between Anadolu Efes Biracılık ve Malt Sanayi A.Ş. (Anadolu Efes) and Özgörkey Holding regarding the control of AEP Anadolu Etap Penkon Gıda ve Tarım Ürünleri Sanayi ve Ticaret A.Ş. (Anadolu Etap) had expired. The approval of the Competition Board has been received in this regard at April 11, 2023 and Anadolu Efes is now able to control Anadolu Etap Tarım (Anadolu Etap Penkon Gıda ve İçecek Ürünleri Sanayi ve Ticaret A.Ş. and Anadolu Etap Dış Ticaret A.Ş. included) on its own.

The transactions related to the determination of the fair values of the identifiable assets, liabilities and contingent liabilities in the financial statement of the company under control have been completed in accordance with the definition of a business combination realized in stages within the scope of “IFRS 3 Business Combinations”. Anadolu Efes, a subsidiary of the Group has revalued its previously held 78,58% of equity share in Anadolu Etap at fair value as part of the acquisition achieved in stages. The resulting gain of TRL 680.076, arising from the difference between the fair value of these equity share and their carrying amount in the books, has been recognized in the interim condensed consolidated statement of profit or loss under the "Income from Investing Activities" account (Note 17.1).

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NOTE 3 - BUSINESS COMBINATIONS (cont'd)

Transactions for the period of June 30, 2023 (cont'd)

April 11, 2023	Anadolu Etap	
	Book Value	Fair Value
Cash and cash equivalents	97.196	97.196
Trade receivables	406.870	406.870
Due from related parties	17.130	17.130
Inventories	946.430	946.430
Other current assets	393.004	393.004
Property, plant, and equipment	477.109	1.827.408
Right-of-use assets	332.887	332.887
Intangible assets	25.450	25.450
Deferred tax assets	859.282	602.264
Other non-current assets	73.385	73.385
Borrowings	(3.762.204)	(3.762.204)
- Borrowings from related parties	(1.063.613)	(1.063.613)
- Borrowings from third parties	(2.698.591)	(2.698.591)
Other financial liabilities	(236.346)	(236.346)
Lease obligations	(355.255)	(355.255)
Trade payables	(349.976)	(349.976)
Due to related parties	(30.883)	(30.883)
Other current liabilities	(49.204)	(49.204)
Provision for corporate tax	(10.080)	(10.080)
Provision for employee benefits	(45.931)	(45.931)
Net Assets (Liabilities)	(1.211.136)	(117.855)
Carried value of the previously held equity method investment	(772.694)	(92.618)
Gain on equity investment (Note 17.1)		680.076
Fair value of non-controlling interests		(25.237)

Changes in Ownership Interests in Subsidiaries that do not result in Loss of Control

Anadolu Etap Penkon Gıda ve İçecek Ürünleri Sanayi Ve Ticaret A.Ş

As of December 26, 2022, Anadolu Etap, in which Anadolu Efes, a subsidiary of the Group has a 78,58% stake, and CCI has signed binding share transfer agreement regarding the purchase of 80% of the shares representing the capital of Anadolu Etap Penkon Gıda ve İçecek Ürünleri Sanayi ve Ticaret A.Ş. (Anadolu Etap İçecek), which is a subsidiary of Anadolu Etap, by CCI for USD 112 Million. The prerequisites in the agreement have been completed and on April 11, 2023, it obtained the approval of the Competition Board for the transaction. The transfer of 80% of the shares representing Anadolu Etap İçecek's capital to CCI was completed on April 19, 2023.

As of April 19, 2023, this transaction occurred as transaction under common control between Anadolu Etap, in which the Anadolu Efes has a 78,58% share, and CCI, in which it has a 50,26%. As a consequence of this transaction, Anadolu Efes' effective ownership share in its subsidiary, Anadolu Etap İçecek, decreased from 78,58% to 55,92% and Group's effective ownership share decreased from 33,83% to 24,08%. Furthermore, the Anadolu Efes' effective ownership ratio in Anadolu Etap Dış Ticaret A.Ş., in which Anadolu Etap İçecek holds a 100% share, has also decreased from 78,58% to 55,92% and Group's effective ownership share decreased from 33,83% to 24,08%. The effect of the change in the effective ownership share as a result of this transaction on the Group's financial statements presented in the statement of "increase/decrease through changes in ownership interests in subsidiaries that do not result in loss of control" on the statement of changes in equity.

Transactions for the period of June 30, 2022

None.

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NOTE 4 - SEGMENT REPORTING

The management monitors the operating results of its six business units separately for the purpose of making decisions about the resource allocation and performance assessment. The six operating segments are: Beer, Soft-drinks, Migros, Automotive (including passenger vehicles, commercial vehicles, generator, spare and component parts, motor vehicle renting); Agriculture, Energy and Industry (agriculture, stationery, production and sale of electricity and real estate) and Other (information technologies, trade).

Since segment reporting and information used in the Group management reporting is consistent with consolidated statement of financial position and consolidated statement of profit or loss the Group does not need to perform reconciliation between the consolidated statement of profit or loss, consolidated statement of financial position and the segment reporting disclosure.

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NOTE 4 - SEGMENT REPORTING (cont'd)

January 1 - June 30, 2023	Beer	Soft-Drinks	Migros	Automotive	Agriculture, Energy and Industry	Other	Eliminations and Adjustments	Consolidated
Sales	22.806.661	37.991.842	60.102.920	11.718.855	1.074.393	47.214	-	133.741.885
Inter-segment sales	830.369	836.363	31.624	1.516	15.047	247.081	(1.962.000)	-
Total Sales	23.637.030	38.828.205	60.134.544	11.720.371	1.089.440	294.295	(1.962.000)	133.741.885
GROSS PROFIT (LOSS)	10.899.970	13.293.756	14.053.232	2.784.582	525.100	225.858	(105.713)	41.676.785
Operating expenses	(7.678.867)	(6.534.045)	(11.005.372)	(814.533)	(252.964)	(203.369)	166.672	(26.322.478)
Other operating income (expenses), net	(449.183)	242.946	(921.297)	(35.801)	(4.858)	(3.196)	(49.857)	(1.221.246)
Gain (loss) from the investments accounted through equity method (*)	(123.522)	(11.069)	-	17.306	-	(67.068)	-	(184.353)
OPERATING INCOME (LOSS)	2.648.398	6.991.588	2.126.563	1.951.554	267.278	(47.775)	11.102	13.948.708
Income (expense) from investing activities, net	383.022	458.091	280.382	7.609	(13.701)	238	609.949	1.725.590
Financial income (expense), net	281.784	(1.432.503)	121.178	(306.058)	(66.594)	(122.641)	3.244	(1.521.590)
INCOME (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	3.313.204	6.017.176	2.528.123	1.653.105	186.983	(170.178)	624.295	14.152.708
Tax (expense) income from continuing operations, net	(726.563)	(2.429.179)	(447.283)	(237.219)	(412.534)	(56.375)	13.940	(4.295.213)
NET INCOME (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	2.586.641	3.587.997	2.080.840	1.415.886	(225.551)	(226.553)	638.235	9.857.495
Attributable to:								
- Non-controlling interest	980.743	165.258	21.235	(58)	(282.178)	-	5.317.454	6.202.454
- Equity holders of the parent	1.605.898	3.422.739	2.059.605	1.415.944	56.627	(226.553)	(4.679.219)	3.655.041
Total Assets	80.056.608	90.813.785	46.828.036	12.652.232	5.913.596	8.482.588	10.368.384	255.115.229
Total Liabilities	54.029.577	59.380.698	40.864.616	10.005.446	4.446.466	5.641.740	(1.443.994)	172.924.549
Net debt	3.747.420	13.429.269	(3.363.020)	1.120.028	2.823.117	2.101.797	10.949	19.869.560
Purchases of tangible & intangible assets, purchases of assets used in renting activities	1.422.355	2.602.280	1.412.905	439.962	35.240	190	4	5.912.936
EBITDA	4.725.530	7.971.323	4.181.430	1.987.343	357.636	20.371	(3.104)	19.240.529
- Depreciation and amortization	1.246.117	1.092.682	910.917	71.281	74.220	5.273	(13.372)	3.387.118
- Provision for employee termination benefits	48.385	67.537	(37.291)	(23.613)	10.530	(7.304)	-	58.244
- Provision for vacation pay liability	63.483	55.006	259.944	5.943	5.548	3.109	574	393.607
- Other	595.625	(246.559)	921.297	(516)	60	-	(1.408)	1.268.499

(*) Loss recognized from Anadolu Etap which is accounted through equity method until April 11, 2023 amounting TRL 123.294 and loss recognized from Malty Gıda amounting TRL 228 is recorded under 'beer' segment; loss recognized from SSDSD amounting TRL 11.069 is recorded under 'soft-drinks' segment; profit recognized from Getir Araç amounting TRL 17.306 is recorded under 'automotive' segment; loss recognized from Aslançık amounting TRL 74.072 and profit recognized from TOGG amounting TRL 7.004 are recorded under 'other' segment.

(**) Anadolu Etap financials have been consolidated as of April 11, 2023 and presented in Agriculture, Energy and Industry segment. For this reason, the name of the segment, which was previously Energy and Industry, has been changed as Agriculture, Energy and Industry.

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NOTE 4 - SEGMENT REPORTING (cont'd)

January 1 - June 30, 2022	Beer	Soft-Drinks	Migros	Automotive	Energy and Industry	Other	Eliminations and Adjustments	Consolidated
Sales	14.496.526	22.942.598	28.232.375	5.194.772	421.900	11.723	-	71.299.894
Inter-segment sales	442.876	416.350	2.390	3.066	2.098	137.632	(1.004.412)	-
Total Sales	14.939.402	23.358.948	28.234.765	5.197.838	423.998	149.355	(1.004.412)	71.299.894
GROSS PROFIT (LOSS)	6.092.853	7.505.817	7.174.215	1.020.417	219.684	105.404	(70.665)	22.047.725
Operating expenses	(4.905.083)	(3.812.179)	(5.326.693)	(399.093)	(101.914)	(99.154)	91.427	(14.552.689)
Other operating income (expenses), net	368.787	80.227	(706.690)	(95.270)	(4.875)	6.046	(28.873)	(380.648)
Gain (loss) from the investments accounted through equity method (*)	(60.639)	(1.669)	-	(19.357)	-	(130.791)	-	(212.456)
OPERATING INCOME (LOSS)	1.495.918	3.772.196	1.140.832	506.697	112.895	(118.495)	(8.111)	6.901.932
Income (expense) from investing activities, net	(268.014)	206.702	76.471	7.691	60	924.278	(354.668)	592.520
Financial income (expense), net	(521.767)	(534.025)	(458.382)	(96.916)	(11.548)	(517.154)	34.967	(2.104.825)
INCOME (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	706.137	3.444.873	758.921	417.472	101.407	288.629	(327.812)	5.389.627
Tax (expense) income from continuing operations, net	(195.685)	(1.371.220)	(156.114)	25.327	7.932	(63.236)	7.344	(1.745.652)
NET INCOME (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	510.452	2.073.653	602.807	442.799	109.339	225.393	(320.468)	3.643.975
NET INCOME (LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATIONS	-	-	-	-	52.621	-	-	52.621
Attributable to:								
- Non-controlling interest	(157.964)	210.525	3.601	(9)	13.318	-	2.114.533	2.184.004
- Equity holders of the parent	668.416	1.863.128	599.206	442.808	148.642	225.393	(2.435.001)	1.512.592
Total Assets	70.163.928	51.245.830	23.964.698	5.424.762	2.574.990	5.974.815	8.795.149	168.144.172
Total Liabilities	43.175.069	32.441.902	22.742.102	4.288.486	2.523.158	3.603.455	865.933	109.640.105
Net debt	4.932.127	7.555.675	1.767.967	1.317.697	2.016.868	2.328.044	(61.998)	19.856.380
Purchases of tangible & intangible assets and purchases of assets used in renting activities	649.190	1.762.666	474.492	121.364	20.501	160	309	3.028.682
EBITDA	2.050.507	4.763.182	2.644.974	588.652	159.088	15.784	(14.575)	10.207.612
- Depreciation and amortization	1.022.975	856.905	532.113	41.970	38.340	3.625	(6.499)	2.489.429
- Provision for employee termination benefits	57.438	22.603	52.919	22.581	6.480	(180)	-	161.841
- Provision for vacation pay liability	43.346	22.379	212.420	2.163	1.373	43	30	281.754
- Other	(629.809)	87.430	706.690	(4.116)	-	-	5	160.200

(*) Loss recognized from Anadolu Etap which is accounted through equity method amounting TRL 60.618 and loss recognized from Maly Gıda amounting TRL 21 is recorded under 'beer' segment; loss recognized from SSDSD amounting TRL 1.669 is recorded under 'soft-drinks' segment; loss recognized from Getir Araç amounting TRL 19.357 is recorded under 'automotive' segment; loss recognized from Aslançık amounting TRL 59.633 and loss recognized from TOGG amounting TRL 71.158 is recorded under 'other' segment.

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NOTE 4 - SEGMENT REPORTING (cont'd)

April 1 - June 30, 2023	Beer	Soft-Drinks	Migros	Automotive	Agriculture, Energy and Industry	Other	Eliminations and Adjustments	Consolidated
Sales	14.113.003	22.840.264	32.931.155	6.757.652	715.057	26.665	-	77.383.796
Inter-segment sales	513.047	432.284	20.015	1.249	296	125.878	(1.092.769)	-
Total Sales	14.626.050	23.272.548	32.951.170	6.758.901	715.353	152.543	(1.092.769)	77.383.796
GROSS PROFIT (LOSS)	6.980.745	8.133.734	7.503.622	1.711.195	308.148	117.349	33.613	24.788.406
Operating expenses	(4.332.433)	(3.695.923)	(5.800.884)	(419.213)	(149.576)	(102.459)	13.020	(14.487.468)
Other operating income (expenses), net	(338.316)	222.321	(525.397)	5.533	(3.889)	(3.881)	(43.476)	(687.105)
Gain (loss) from the investments accounted through equity method	(84.422)	(1.633)	-	14.856	-	(72.334)	-	(143.533)
OPERATING INCOME (LOSS)	2.225.574	4.658.499	1.177.341	1.312.371	154.683	(61.325)	3.157	9.470.300
Income (expense) from investing activities, net	378.960	455.937	277.825	19.314	(13.580)	90	595.253	1.713.799
Financial income (expense), net	366.273	(983.246)	326.842	(211.614)	(86.284)	94.876	17.939	(475.214)
INCOME (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	2.970.807	4.131.190	1.782.008	1.120.071	54.819	33.641	616.349	10.708.885
Tax (expense) income from continuing operations, net	(587.012)	(1.617.172)	(266.997)	(208.073)	(393.381)	(472)	12.897	(3.060.210)
NET INCOME (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	2.383.795	2.514.018	1.515.011	911.998	(338.562)	33.169	629.246	7.648.675
Attributable to:								
- Non-controlling interest	668.533	125.784	15.358	(38)	(290.793)	-	4.135.566	4.654.410
- Equity holders of the parent	1.715.262	2.388.234	1.499.653	912.036	(47.769)	33.169	(3.506.320)	2.994.265
Purchases of tangible & intangible assets, purchases of assets used in renting activities	715.668	1.325.393	927.773	328.064	28.509	34	39	3.325.480
EBITDA	3.422.193	5.064.156	2.365.136	1.310.820	210.361	12.620	(6.105)	12.379.181
- Depreciation and amortization	641.256	573.946	480.052	38.824	46.164	2.595	(7.198)	1.775.639
- Provision for employee termination benefits	37.363	40.796	(55.242)	(14.030)	7.094	(1.627)	-	14.354
- Provision for vacation pay liability	28.902	26.488	237.588	(11.247)	2.360	643	(652)	284.082
- Other	404.676	(237.206)	525.397	(242)	60	-	(1.412)	691.273

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NOTE 4 - SEGMENT REPORTING (cont'd)

April 1 - June 30, 2022	Beer	Soft-Drinks	Migros	Automotive	Energy and Industry	Other	Eliminations and Adjustments	Consolidated
Sales	9.557.093	14.439.976	15.962.809	3.344.443	253.492	4.836	-	43.562.649
Inter-segment sales	280.176	253.546	559	1.889	1	74.182	(610.353)	-
Total Sales	9.837.269	14.693.522	15.963.368	3.346.332	253.493	79.018	(610.353)	43.562.649
GROSS PROFIT (LOSS)	4.149.479	4.662.021	4.041.623	614.882	126.403	51.884	(31.605)	13.614.687
Operating expenses	(2.805.855)	(2.294.559)	(2.905.175)	(206.588)	(50.616)	(53.993)	42.835	(8.273.951)
Other operating income (expenses), net	863.464	78.409	(361.693)	(62.245)	(3.817)	2.213	(9.592)	506.739
Gain (loss) from the investments accounted through equity method	(7.794)	(1.464)	(6.785)	(7.876)	-	(93.639)	-	(117.558)
OPERATING INCOME (LOSS)	2.199.294	2.444.407	767.970	338.173	71.970	(93.535)	1.638	5.729.917
Income (expense) from investing activities, net	290.436	169.541	39.853	5.880	4.926	924.185	(317.556)	1.117.265
Financial income (expense), net	(604.886)	(324.919)	(230.174)	(59.674)	30.791	(416.000)	(1.850)	(1.606.712)
INCOME (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	1.884.844	2.289.029	577.649	284.379	107.687	414.650	(317.768)	5.240.470
Tax (expense) income from continuing operations, net	(467.757)	(916.287)	(133.429)	(2.254)	11.824	(41.379)	5.160	(1.544.122)
NET INCOME (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	1.417.087	1.372.742	444.220	282.125	119.511	373.271	(312.608)	3.696.348
NET INCOME (LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATIONS	-	-	-	-	63.576	-	-	63.576
Attributable to:								
- Non-controlling interest	300.314	139.554	3.411	(5)	12.286	-	1.790.530	2.246.090
- Equity holders of the parent	1.116.773	1.233.188	440.809	282.130	170.801	373.271	(2.103.138)	1.513.834
Purchases of tangible & intangible assets and purchases of assets used in renting activities	382.456	895.576	310.364	81.552	5.775	133	298	1.676.154
EBITDA	2.014.302	2.968.737	1.569.934	384.769	98.429	1.394	(10.756)	7.026.809
- Depreciation and amortization	575.189	462.100	279.567	20.771	20.339	1.808	(12.424)	1.347.350
- Provision for employee termination benefits	47.464	10.108	27.948	19.483	6.097	(322)	-	110.778
- Provision for vacation pay liability	10.646	6.642	125.971	(278)	23	(196)	31	142.839
- Other	(826.085)	44.016	361.693	(1.256)	-	-	(1)	(421.633)

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NOTE 5 - CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents are as follows:

	June 30, 2023	December 31, 2022
Cash	212.213	223.785
Time deposit	38.616.429	26.672.756
Demand deposit	9.998.872	5.670.858
Credit card receivables	4.075.825	2.861.899
Other cash and cash equivalents (*)	46.089	3.186
Cash and cash equivalents in the consolidated cash flow statement	52.949.428	35.432.484
Expected credit loss (-)	(344)	(1.837)
Interest income accruals	206.143	111.696
	53.155.227	35.542.343

(*) Other liquid assets consist of cheques in collection and direct billing system (DBS) balances.

As of June 30, 2023, cash and cash equivalents of AGHOL amount to TRL 2.612.380 (December 31, 2022: TRL 1.150.348).

As of June 30, 2023, the Group has designated its bank deposits amounting to TRL 2.114.570, equivalent of USD 81.886 Thousand for the future raw material purchases, operational and interest expense related payments (December 31, 2022: TRL 1.589.382, equivalent of USD 82.657 Thousand and EUR 2.200 Thousand).

NOTE 6 - INVENTORIES

	June 30, 2023	December 31, 2022
Raw materials	9.212.156	7.238.330
Work-in-process	1.956.405	1.175.760
Finished and trade goods	24.072.019	16.056.257
Packaging materials	2.678.466	2.058.197
Supplies	1.546.982	674.410
Other inventories	1.773.728	699.102
Provisions for impairment (-)	(706.744)	(541.252)
	40.533.012	27.360.804

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NOTE 7 – BORROWINGS

	June 30, 2023	December 31, 2022
Bank borrowings	14.622.106	10.503.994
Issued debt instruments	582.232	299.272
Current portion of long term borrowings	4.495.501	3.833.416
Current portion of long term issued debt instruments	5.503.404	5.106.514
Lease liabilities	1.986.385	1.527.822
Factoring debts	477.699	290.560
Short term borrowings	27.667.327	21.561.578
Bank borrowings	5.071.810	4.470.720
Issued debt instruments	33.267.318	24.018.227
Lease liabilities	5.920.451	4.313.244
Long term borrowings	44.259.579	32.802.191
Total borrowings	71.926.906	54.363.769

As of June 30, 2023 AGHOL's total bond and bank borrowings amount to TRL 4.978.689 (December 31, 2022: TRL 4.035.389).

Some of the Group's borrowings are subject to covenants. According to the mentioned provisions, certain performance criteria have to be fulfilled by the Group. As of June 30, 2023 and December 31, 2022, performance criteria have been fulfilled.

The movement of bank loans, bond and factoring as of June 30, 2023 and 2022 is as follows:

	June 30, 2023	June 30, 2022
Opening balance	48.522.703	30.946.629
Addition through subsidiary acquired (Note 3)	2.698.591	-
Interest expense	3.539.856	2.065.946
Interest paid	(2.596.404)	(1.719.115)
Proceeds from borrowings	17.109.034	18.463.670
Repayments of borrowings	(17.434.383)	(11.723.800)
Foreign exchange (gain)/loss, net	10.422.330	5.685.703
Currency translation differences	1.737.758	850.992
Change in interest accrual	20.585	-
Closing balance	64.020.070	44.570.025

As of June 30, 2023, there is no net interest expense on cross currency swap contracts (June 30, 2022: TRL 16.511).

	June 30, 2023	December 31, 2022
Short-term credit card payables	2.661.995	69.875
Long-term credit card payables	210.111	-
	2.872.106	69.875

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NOTE 7 - BORROWINGS (cont'd)

Short term	June 30, 2023			December 31, 2022		
	Amount	Fixed interest rate	Floating interest rate	Amount	Fixed interest rate	Floating interest rate
Borrowing in Turkish Lira	13.059.407	9,0% - 43,0%	TLref + (2,0% - 11,0%)	11.346.159	8,5% - 44,2%	TLref + (1,0% - 11,0%)
Bonds in Turkish Lira	5.811.202	11,7% - 42,0%	TLref + 1,8%	2.944.593	11,7% - 33,0%	TLref + 1,8%
Factoring debts in Turkish Lira	477.699	13,9% - 25,5%	-	290.560	26,0% - 33,5%	-
Borrowing in foreign currency (EUR)	2.316.852	1,3% - 8,9%	Euribor + (1,3% - 6,0%)	692.528	-	Euribor + (1,3% - 6,0%)
Borrowing in foreign currency (USD)	808.087	2,5% - 6,9%	Libor + 4,3%	376.581	3,0% - 6,7%	Libor + (2,5% - 4,3%)
Bonds in foreign currency (USD)	274.434	3,4% - 4,5%	-	2.461.193	3,8% - 4,5%	-
Borrowing in foreign currency (Other)	2.933.261	8,8% - 21,3%	Kibor + (0,1% - 1,0%)	1.922.142	10,3% - 22,8%	Kibor + (0,1% - 0,2%)
	25.680.942			20.033.756		
Long term	Amount	Fixed interest rate	Floating interest rate	Amount	Fixed interest rate	Floating interest rate
Borrowing in Turkish Lira	1.067.215	13,5% - 38,4%	TLref + (4,0% - 11,0%)	1.929.994	8,5% - 26,9%	TLref + (1,8% - 11,0%)
Bonds in Turkish Lira	3.754.844	33,5% - 41,5%	-	2.675.090	11,7% - 33,0%	-
Borrowing in foreign currency (EUR)	1.947.053	1,3% - 2,8%	Euribor + (2,8% - 6,0%)	1.205.179	2,8%	Euribor + (1,3% - 6,0%)
Borrowing in foreign currency (USD)	1.739.325	2,5% - 6,9%	Libor + 4,3%	1.284.474	-	Libor + (2,5% - 4,3%)
Bonds in foreign currency (USD)	29.512.474	3,4% - 4,5%	-	21.343.137	3,8% - 4,5%	-
Borrowing in foreign currency (Other)	318.217	9,0% - 15,0%	-	51.073	10,3%	-
	38.339.128			28.488.947		
	64.020.070			48.522.703		

Repayments schedules of long-term bank loans are as follows:

	June 30, 2023	December 31, 2022
1-2 years	9.075.497	7.775.644
2-3 years	1.444.784	915.748
3-4 years	1.475.415	622.640
4-5 years	13.288.074	376.638
5 years and more	13.055.358	18.798.277
	38.339.128	28.488.947

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NOTE 8 - INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD

Joint Ventures and Associates

Entity	Principle activities	Country	June 30, 2023		December 31, 2022	
			Carrying value	Effective shareholding and voting rights (%)	Carrying value	Effective shareholding and voting rights (%)
Aslancık	Production of electricity	Türkiye	(195.418)	33,33	(184.345)	33,33
LLC Faber-Castell Anadolu	Inactive	Russia	-	28,44	-	28,44
AEP Anadolu Etap Penkon	Production and sale of fruit juice concentrate and puree and sales of fresh fruit	Türkiye	-	-	(649.400)	33,83
Gıda ve Tarım Ürünleri San. ve Tic. A.Ş. (Anadolu Etap)						
Syrian Soft Drink Sales & Dist. LLC (SSDSD)	Distribution and sales of Coca-Cola products	Syria	-	10,82	-	10,82
Türkiye'nin Otomobili Girişim Grubu Sanayi ve Ticaret A.Ş. (TOGG)	Development, production and trade of all kind of electrical motor vehicles	Türkiye	1.122.771	23,00	1.111.922	23,00
Getir Araç Dijital Ulaşım Çözümleri Ticaret A.Ş. (Getir Araç)	Hourly car rental services	Türkiye	125.822	25,00	47.552	25,00
Malty Gıda A.Ş.	Distribution and sales of malt bars	Türkiye	573	10,76	801	10,76
			1.053.748		326.530	

Entity	Group's interest in net income/ (loss)			
	January 1 - June 30, 2023	January 1 - June 30, 2022	April 1 - June 30, 2023	April 1 - June 30, 2022
Aslancık	(74.072)	(59.633)	(71.079)	(45.423)
LLC Faber-Castell Anadolu	-	-	-	-
Anadolu Etap	(123.294)	(60.618)	(93.208)	(7.773)
SSDSD	(11.069)	(1.669)	(1.633)	(1.464)
TOGG	7.004	(71.158)	(1.255)	(48.217)
Getir Araç	17.306	(19.357)	14.856	(7.875)
Malty Gıda A.Ş.	(228)	(21)	8.786	(21)
Paket Lojistik	-	-	-	(6.785)
	(184.353)	(212.456)	(143.533)	(117.558)

Summary financial information of the Group's investment in joint venture Aslancık is as follows:

	June 30, 2023	December 31, 2022		
Aslancık				
Total Assets	779.173	770.199		
Total Liabilities	1.095.120	1.047.337		
Net Assets	(315.947)	(277.138)		
Fair value adjustment	(270.306)	(270.306)		
Net assets included in consolidation	(586.253)	(547.444)		
Group's share in net assets	(195.418)	(184.345)		
	January 1 - June 30, 2023	January 1 - June 30, 2022	April 1 - June 30, 2023	April 1 - June 30, 2022
Revenue	362.735	270.571	281.572	155.767
Net loss	(166.859)	(178.721)	(213.237)	(136.267)
Group's share in net loss	(74.072)	(59.633)	(71.079)	(45.423)

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NOTE 9 - PROPERTY, PLANT AND EQUIPMENT (PP&E)

Movements of property, plant and equipment for the period ended on June 30, 2023 and 2022 are as follows:

	Net book value January 1, 2023	Addition	Depreciation	Disposals, net	Recorded due to the change in consolidation scope, net	Disposals through selling of business, net	Currency translation differences, net	Transfers, net	Impairment, net	Net book value June 30, 2023
Land and land improvements	1.669.194	32.600	(21.635)	(36.026)	443.713	-	541.915	14.645	-	2.644.406
Buildings	9.557.408	30.752	(213.118)	(136.780)	408.707	-	3.162.897	147.215	-	12.957.081
Machinery and equipment	13.769.527	839.069	(1.113.873)	(16.371)	610.345	-	2.421.967	400.264	23.481	16.934.409
Motor vehicles	447.105	179.569	(67.673)	(14.748)	2.500	-	64.439	7.100	-	618.292
Furniture and fixtures	1.930.798	711.741	(265.370)	(4.025)	14.074	-	41.957	137.913	-	2.567.088
Other tangible assets	4.538.977	852.214	(680.198)	(156.498)	47.792	-	1.024.390	353.563	(9.228)	5.971.012
Bearer plants	-	18.169	(12.786)	-	279.786	-	-	-	-	285.169
Leasehold improvements	917.853	135.653	(91.608)	-	543	-	-	108.788	(7.744)	1.063.485
Construction in progress	2.609.080	2.661.883	-	(1.529)	19.948	-	72.238	(1.622.122)	-	3.739.498
	35.439.942	5.461.650	(2.466.261)	(365.977)	1.827.408	-	7.329.803	(452.634)	6.509	46.780.440

	Net book value January 1, 2022	Addition	Depreciation	Disposals, net	Recorded due to the change in consolidation scope, net	Disposals through selling of business, net	Currency translation differences, net	Transfers, net	Impairment, net	Net book value June 30, 2022
Land and land improvements	1.398.244	9.530	(17.814)	(33.889)	-	-	295.174	(6.675)	-	1.644.570
Buildings	6.954.948	286.810	(161.914)	(36.189)	-	(6.365)	2.366.083	45.572	(15.373)	9.433.572
Machinery and equipment	10.374.310	596.260	(938.856)	(11.369)	1.212	(47.112)	3.173.070	420.247	(12.645)	13.555.117
Motor vehicles	229.169	34.350	(34.264)	(767)	43.968	(3)	76.048	12.742	4	361.247
Furniture and fixtures	1.408.632	199.018	(178.750)	-	8.578	(12.229)	51.778	76.853	-	1.553.880
Other tangible assets	3.251.554	931.813	(578.791)	(31.629)	-	-	746.606	132.784	(64.166)	4.388.171
Leasehold improvements	633.554	37.631	(49.583)	(1)	1.441	(54.305)	(583)	34.091	(3.004)	599.241
Construction in progress	1.689.285	699.467	-	(1.291)	-	(13.247)	479.978	(769.373)	-	2.084.819
	25.939.696	2.794.879	(1.959.972)	(115.135)	55.199	(133.261)	7.188.154	(53.759)	(95.184)	33.620.617

As at June 30, 2023, there are mortgages on PP&E amounting TRL 80.523 (December 31, 2022: TRL 58.254) for the loans that CCI and GUE, the Group's subsidiaries borrowed. As at June 30, 2023, TRL 2.144.046 of the PP&E is pledged (December 31, 2022: TRL 1.538.506) for the loans that GUE, the Group's subsidiary borrowed. The GPM position table of the "Commitments" note includes this amount (Note 14).

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NOTE 10 - RIGHT OF USE ASSET

The movement of right of use asset is as follows for the periods ended June 30, 2023 and 2022:

	January 1, 2023	Additions	Amortization	Recorded due to the change in consolidation scope	Disposals through selling of business (-)	Disposals, net	Currency translation differences	Amendments to Leasing	June 30, 2023
Land	118.276	24.094	(6.595)	320.559	-	(1.582)	35.272	7.542	497.566
Buildings	4.619.349	1.792.081	(557.846)	2.004	-	(878)	33.769	7.747	5.896.226
Machinery and equipment	30.437	-	(6.086)	-	-	-	(4.203)	-	20.148
Motor vehicles	448.009	84.873	(108.905)	10.324	-	(7.790)	17.399	403	444.313
Furniture and fixtures	87	-	(108)	-	-	-	163	384	526
Other	(3.978)	-	(129)	-	-	-	3.833	-	(274)
Net book value	5.212.180	1.901.048	(679.669)	332.887	-	(10.250)	86.233	16.076	6.858.505

	January 1, 2022	Additions	Amortization	Recorded due to the change in consolidation scope	Disposals through selling of business (-)	Disposals, net	Currency translation differences	Amendments to Leasing	June 30, 2022
Land	69.288	-	(2.791)	-	-	-	32.772	12.162	111.431
Buildings	3.283.258	821.035	(381.933)	6.708	(156.059)	(1.571)	78.153	27.241	3.676.832
Machinery and equipment	18.551	1.108	(6.305)	-	-	(162)	8.155	-	21.347
Motor vehicles	92.776	55.274	(47.938)	-	-	(2.119)	18.499	14.405	130.897
Furniture and fixtures	811	-	(269)	-	-	-	(38)	-	504
Other	798	-	(332)	-	-	-	756	-	1.222
Net book value	3.465.482	877.417	(439.568)	6.708	(156.059)	(3.852)	138.297	53.808	3.942.233

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NOTE 11 - INTANGIBLE ASSETS

11.1 Other Intangible Assets

Movements of intangible assets for the period ended on June 30, 2023 and 2022 are as follows:

	Net book value January 1, 2023	Additions	Amortization	Recorded due to the change in consolidation scope	Disposals through selling of business (-)	Disposals, net	Currency translation differences, net	Impairment, net	Transfers, net	Net book value June 30, 2023
Bottling and distribution agreements	22.240.827	-	-	-	-	-	6.729.068	-	-	28.969.895
Licence agreements	14.491.399	-	-	-	-	-	1.682.457	-	-	16.173.856
Brands	2.206.796	-	-	-	-	-	340.888	-	-	2.547.684
Other intangible assets	1.547.588	451.286	(234.473)	25.450	-	(624)	74.332	-	(6.834)	1.856.725
	40.486.610	451.286	(234.473)	25.450	-	(624)	8.826.745	-	(6.834)	49.548.160

	Net book value January 1, 2022	Additions	Amortization	Recorded due to the change in consolidation scope	Disposals through selling of business(-)	Disposals, net	Currency translation differences, net	Impairment, net	Transfers, net	Net book value June 30, 2022
Bottling and distribution agreements	18.026.563	-	-	-	-	-	2.489.773	-	-	20.516.336
Licence agreements	10.218.243	-	-	-	-	-	7.990.707	(448.560)	-	17.760.390
Brands	1.527.401	-	-	-	-	-	1.039.750	(17.353)	-	2.549.798
Other intangible assets	1.009.063	233.803	(126.580)	2.069	877	(1.430)	119.366	-	53.686	1.290.854
	30.781.270	233.803	(126.580)	2.069	877	(1.430)	11.639.596	(465.913)	53.686	42.117.378

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NOTE 11 - INTANGIBLE ASSETS (cont'd)

11.2 Goodwill

Movements of the goodwill for the periods ended June 30, 2023 and 2022 are as follows:

	June 30, 2023	June 30, 2022
At January 1	12.964.858	10.219.645
Additions	72.556	155.226
Currency translation differences	985.265	4.500.522
Balance at the end of the period	14.022.679	14.875.393

NOTE 12 - OTHER ASSETS AND LIABILITIES

12.1 Other Current Assets

	June 30, 2023	December 31, 2022
VAT receivable	1.431.924	1.500.627
Other current asset from related parties (Anadolu Efes Spor Kulübü)	256.777	-
VAT receivable and other taxes	48.273	32.712
Assets used in renting activities	8.571	11.000
Other current assets	239.680	134.838
	1.985.225	1.679.177

12.2 Other Non-Current Assets

	June 30, 2023	December 31, 2022
VAT receivable and other taxes	26.882	25.417
Other non-current assets	3.528	391
	30.410	25.808

12.3 Other Current Liabilities

	June 30, 2023	December 31, 2022
Deferred VAT and other taxes	67.383	46.379
Put option liability (Note 14)	60.943	44.208
Other	82.002	21.006
	210.328	111.593

12.4 Other Non-Current Liabilities

	June 30, 2023	December 31, 2022
Deferred VAT and other taxes	922	802
Other	7.390	4.774
	8.312	5.576

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NOTE 13 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Provisions for Employee Benefits

The provisions for employee benefits as of June 30, 2023 and December 31, 2022 are as follows:

	June 30, 2023	December 31, 2022
Short-term	1.749.851	1.224.428
Provision for bonus	629.892	360.615
Provision for vacation pay liability	937.633	703.990
Other short-term employee benefits	182.326	159.538
Provision for employee termination benefits	-	285
Long-term	1.550.756	2.355.942
Provision for employee termination benefits	1.481.780	2.318.467
Provision for incentive plan	68.976	37.475
	3.300.607	3.580.370

NOTE 14 - COMMITMENTS

As of June 30, 2023 and December 31, 2022 letter of guarantees, pledges and mortgages (GPMs) are as follows:

June 30, 2023	Total TRL Equivalent	Original Currency TRL	Original Currency Thousand USD	Original Currency Thousand EUR	Original Currency Thousand UAH	Original Currency Thousand PKR	TRL Equivalent of Other Currency
Letter of guarantees, pledge and mortgages provided by the Company							
A. Total amount of GPMs given on behalf of the Company's legal personality	5.605.862	2.263.715	97.856	23.477	62.563	162.153	90.441
B. Total amount of GPMs given in favor of subsidiaries included in full consolidation	7.523.926	197.712	53.149	79.197	400.006	6.150.000	2.885.507
C. Total amount of GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-	-
D. Total amount of other GPM's	344.842	-	13.330	-	-	-	-
i. Total amount of GPMs given in favor of the parent Company	-	-	-	-	-	-	-
ii. Total amount of GPMs given in favor of other group companies not in the scope of B and C above	344.842	-	13.330	-	-	-	-
iii. Total amount of GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-
	13.474.630	2.461.427	164.335	102.674	462.569	6.312.153	2.975.948

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NOTE 14 - COMMITMENTS (cont'd)

December 31, 2022	Total TRL Equivalent	Original Currency TRL	Original Currency Thousand USD	Original Currency Thousand EUR	Original Currency Thousand UAH	Original Currency Thousand PKR	TRL Equivalent of Other Currency
Letter of guarantees, pledge and mortgages provided by the Company							
A. Total amount of GPMs given on behalf of the Company's legal personality	3.389.197	1.245.083	84.650	21.900	78.377	162.150	67.635
B. Total amount of GPMs given in favor of subsidiaries included in full consolidation	4.064.691	109.625	51.877	60.445	1.750.092	6.150.001	377.119
C. Total amount of GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-	-
D. Total amount of other GPM's	1.529.649	161.793	13.330	55.990	-	-	-
i. Total amount of GPMs given in favor of the parent Company	-	-	-	-	-	-	-
ii. Total amount of GPMs given in favor of other group companies not in the scope of B and C above	1.529.649	161.793	13.330	55.990	-	-	-
iii. Total amount of GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-
	8.983.537	1.516.501	149.857	138.335	1.828.469	6.312.151	444.754

As of June 30, 2023, the ratio of other GPMs over the Group's equity is 0,4% (December 31, 2022: 2,5%).

CCBPL has signed Murabaha facility agreements with Habib Bank Limited and Standard Chartered Bank (Banks). Based on these agreements, the Banks and CCBPL agree that they shall enter into a series of sugar and resin purchase transactions from time to time on the dates and in the amounts to be agreed between them subject to the terms of this agreement. As of June 30, 2023, CCBPL has USD 14,1 Million purchase commitment to the banks for sugar and resin until September 2023 and USD 62,9 Million purchase commitment to the Banks for sugar and resin until December 2023 (December 31, 2022: USD 60 Million sugar and resin until the end of June 2023 commitment to the Banks).

Legislation and regulations regarding taxation and foreign currency transactions in most of the territories in which the Group operates out of Türkiye continue to evolve as a result of the transformation from command to market oriented economy managed by the government. The various legislation and regulations are not always clearly written and the interpretation related with the implementation of these regulations is subject to the opinions of the local, regional and national tax authorities, Central Banks and Ministries of Finance. Tax declarations, together with other legal compliance areas (i.e., customs and currency control) are subject to review and investigation by a number of authorities, who are enabled by law to impose significant fines, penalties and interest charges. These facts may create tax risks in the territories in which the Group operates substantially more so than typically found in countries with more developed tax systems.

As per the change in governing law in Pakistan, "Capacity Tax" was started to be applied as of July 9, 2013, replacing "Sales and Excise Tax". CCBPL fulfilled all the obligations as per the new law and change in regulations.

As of May 2014, "Capacity Tax" application was cancelled by the constitutional court and the law has been reverted to "Sales and Excise Tax". After this withdrawal, CCBPL fulfilled all the obligations again according to "Sales and Excise Tax" system.

After the withdrawal, Federal tax office in Pakistan requested TRL 346.680 (PKR 3.839 Million) additional tax payment from CCBPL, by arguing that "Sales and Excise Tax" should be applied retrospectively by considering the period before the cancellation of "Capacity Tax" application. CCBPL objected and litigated this request, since withdrawal decisions of constitutional court could not be applied retrospectively in principle. In the opinion of CCBPL, the outcome of the litigation will be favorable (December 31, 2022: TRL 316.997 (PKR 3.839 Million)).

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NOTE 14 - COMMITMENTS (cont'd)

GUE, which is a subsidiary of the Group, has a guarantor for the long term loan for construction of a hydroelectric power plant with a capacity of 87 MW in Georgia for the period until start of electricity production following the fulfillment of specified conditions. As of June 30, 2023, the remaining amount of the related loan is USD 72.675 Thousand (December 31, 2022: USD 76.754 Thousands).

The Company, has acted as a guarantor in the proportion of its capital (33,33%), to its joint venture Aslancık's long term project finance loan which was taken in 2011 amounting to USD 160.000.000 in relation to its 120 MW hydro power plant under construction in Giresun. As of June 30, 2023, the balance of the loan is USD 25.568 Thousand and the warranty per the Group is USD 8.523 Thousand (December 31, 2022: USD 10.027 Thousand). The Company, has acted as a guarantor in the proportion of its capital to Aslancık's loan amounting to USD 8.423 Thousand, the warranty per the Group is USD 2.808 Thousand (December 31, 2022: USD 3.303 Thousands).

The loan amounting to TRL 44.000 with a maturity of June 2023 obtained by AND Kartal Gayrimenkul, the subsidiary of the Group on December 2022 was closed on June 20, 2023 and the bail expired as of June 30, 2023 (December 31, 2022: TRL 44.000).

The loan amounting to TRL 56.000 with a maturity of June 2023 obtained by AND Ankara Gayrimenkul, the subsidiary of the Group on December 2022 was closed on June 20, 2023 and the bail expired as of June 30, 2023 (December 31, 2022: TRL 56.000).

As of June 30, 2023, the obligation of TRL 60.943 results from the put option carried, for the purchase of 12,5% of Turkmenistan CC shares from Day Investment Ltd., with a consideration of USD 2.360 Thousand. USD amount is converted with the official USD purchase rate announced by Central Bank of Republic of Türkiye and resulting TRL amount is reflected under other current liabilities (December 31, 2022: TRL 44.208).

Kartal Gayrimenkul, the subsidiary of the Group, in accordance with the contract terms based on the guarantorship agreements and in the case of the customer does not make loan payments on time, commits to pay the unpaid installments to the bank and all other installments that have not become due yet with its interest and expenses. The total limit committed by Kartal Gayrimenkul, the subsidiary of the Group, in guarantorship agreements amounts to TRL 249.000. As of June 30, 2023, there are no defaulting installments (December 31, 2022: None).

NOTE 15 - EQUITY

Share Capital / Adjustments to Share Capital and Equity Instruments

As of June 30, 2023 and December 31, 2022 the Company's shareholders and their respective shareholding percentages are stated in Note 1 - Organization and Nature of Activities of the Group.

Movements of paid capital for the period ended June 30, 2023 and December 31, 2022 are as follows (the amounts are historical):

	June 30, 2023		December 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the period	243.534.518	243.535	243.534.518	243.535
Balance at the end of the period	243.534.518	243.535	243.534.518	243.535

AGHOL's common shares are divided into two classes as A and B with each class of shares having equal voting rights on all matters except for the privilege to nominate 6 of the 12 members of the Board of Directors recognized for Class B. Class B consists of registered shares and are owned by AG Sinai Yatırım ve Yönetim A.Ş.. Class A shares are all bearer type shares; belonging to AG Sinai Yatırım ve Yönetim A.Ş. and also Yazıcılar Families, Özilhan Families and publicly traded shares are included in Class A.

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NOTE 15 - EQUITY (cont'd)

Share Capital / Adjustments to Share Capital and Equity Instruments (cont'd)

AG Sınai Yatırım ve Yönetim A.Ş. (Management Company) which is an associate of İzzet Türkan Özilhan Yönetim ve Danışmanlık A.Ş. and Kamil Yazıcı Yönetim ve Danışma A.Ş. by 50% share each is a management company established to manage AGHOL and the subsidiaries of AGHOL. AG Sınai Yatırım ve Yönetim A.Ş. is indirectly managed by S. Kamil Yazıcı Family and İzzet Özilhan Family through equal shareholding and equal representation principle.

Class	Number of shares	Percentage of capital (%)	Number of members on Board
A (Bearer)	194.827.614	80,00	-
B (Registered)	48.706.904	20,00	6
	243.534.518	100,00	

Restricted Reserves Allocated from Net Profit, Revaluation and Reclassification Loss / Gain

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory net income (inflation-restated income in accordance with CMB at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's issued capital (inflation restated issued capital in accordance with the communiqués and announcements of CMB). The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's issued capital (inflation restated capital in accordance with CMB). The legal reserves are not available for distribution unless they exceed 50% of the issued capital, other than that legal reserves cannot be used.

Quoted companies are subject to dividend requirements regulated by the CMB's Dividend Communiqué No II-19.1 which was effective as of February 1, 2014. Companies that take their consolidated financial statements as basis for their distributable profit, shall consider the profits of their subsidiaries, joint ventures and associates to the extent that such profits do not exceed the amount recorded in the statutory financial statements of these companies and without considering whether a profit distribution resolution is taken at their annual general meetings. Such profits as reported in the financial statement as per Communiqué shall be subject to distributable dividend computations.

Companies distribute dividend within the framework of profit distribution policies determined by the general assemblies and in accordance with the related legislation by the decision of the general assembly. Companies pay dividends specified in their articles of incorporation or profit distribution policies.

Inflation adjustment to shareholders' equity can only be netted-off against prior years' losses and used as an internal source in capital increase where extraordinary reserves can be netted-off against prior years' loss and used in the distribution of bonus shares and dividends to shareholders. Inflation adjustment to shareholders' equity, in the case of cash used for profit distribution will be subject to corporate income tax.

	June 30, 2023	December 31, 2022
Restricted reserves allocated from net profit	283.986	163.809
- Legal reserves	89.844	89.844
- Gain on sales of real estate and associates (*)	194.142	73.965

(*) The Group's gain from sale of real estate and associates amounting TRL 194.142 is followed in a special fund in legal records in order to benefit from gain from sale of an associate and real estate exemption. In order to benefit from this exemption, this amount has to stay in this special fund for 5 years.

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NOTE 15 - EQUITY (cont'd)

Retained Earnings

As of June 30, 2023 and December 31, 2022 the summary of equity reserves, extraordinary reserves, other profit reserves and retained earnings are as follows:

	June 30, 2023	December 31, 2022
Equity reserves	2.416	2.416
Extraordinary reserves	2.052.177	2.203.952
Other profit reserves	5.119	5.119
Prior years' profits or (losses)	6.104.676	2.553.889
	8.164.388	4.765.376

Non-Controlling Interest

Non-controlling interests are separately classified in the interim condensed consolidated financial statements.

NOTE 16 - OTHER OPERATING INCOME/EXPENSES

16.1 Other Operating Income

	January 1 - June 30, 2023	January 1 - June 30, 2022	April 1 - June 30, 2023	April 1 - June 30, 2022
Foreign exchange gains arising from trading activities	2.133.822	1.879.318	1.754.443	1.518.875
Interest income on term sales	200.001	172.318	124.495	96.873
Income from scrap and other materials	82.537	104.041	29.143	78.519
Reversal of provision for inventory obsolescence	54.031	143.134	25.020	127.683
Rent income	12.242	9.518	5.440	5.419
Rediscount gain from trading activities	5.835	6.632	2.184	3.789
Other	396.938	319.852	181.090	94.309
	2.885.406	2.592.399	2.121.815	1.925.467

16.2 Other Operating Expenses

	January 1 - June 30, 2023	January 1 - June 30, 2022	April 1 - June 30, 2023	April 1 - June 30, 2022
Foreign exchange losses arising from trading activities	2.484.629	1.421.002	1.891.551	789.673
Interest expense on term purchases	1.010.761	880.164	597.317	451.951
Provision for inventory obsolescence	97.642	379.385	52.207	41.039
Donations	66.415	3.836	24.694	2.034
Rediscount loss from trading activities	23.772	17.267	12.072	6.561
Provision for expected credit loss	17.685	96.736	7.648	34.470
Other	405.748	174.657	223.431	93.000
	4.106.652	2.973.047	2.808.920	1.418.728

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NOTE 17 - INCOME/EXPENSES FROM INVESTING ACTIVITIES

17.1 Income from Investing Activities

	January 1 - June 30, 2023	January 1 - June 30, 2022	April 1 - June 30, 2023	April 1 - June 30, 2022
Gain on business combination achieved in stages (*)	680.076	-	680.076	-
Gain on sale of property, plant and equipment	630.985	188.743	604.319	160.210
Transfer of currency translation differences recognized in other comprehensive expenses in the prior period to the profit of loss statement	425.266	-	425.266	-
Reversal of provision for impairment of property, plant and equipment (Note 9)	24.952	35.099	23.657	14.451
Rent income	164	97	84	212
Gain on sales of subsidiaries	-	922.806	-	922.806
Subsidiary fair value gain	-	48.250	-	48.250
Other	74	1.404	5	1.329
	1.761.517	1.196.399	1.733.407	1.147.258

(*) As part of the business combination achieved in stages on April 11, 2023 regarding Anadolu Efes, the subsidiary of the Group obtaining control in Anadolu Etap, gain derived from the variance between the fair value and the carrying value of Anadolu Efes' previously owned shares in Anadolu Etap.

17.2 Expenses from Investing Activities

	January 1 - June 30, 2023	January 1 - June 30, 2022	April 1 - June 30, 2023	April 1 - June 30, 2022
Loss on sale of tangible & intangible assets	17.484	7.683	12.920	3.426
Provision for impairment on tangible assets (Note 9)	10.699	127.279	540	26.451
Losses from leasehold improvements of closed stores (Note 9)	7.744	3.004	6.148	116
Provision for impairment on intangible assets (Note 11)	-	465.913	-	-
	35.927	603.879	19.608	29.993

NOTE 18 - FINANCIAL INCOME

	January 1 - June 30, 2023	January 1 - June 30, 2022	April 1 - June 30, 2023	April 1 - June 30, 2022
Foreign exchange gain	5.381.440	3.182.685	3.857.580	1.419.862
Interest income	1.699.365	435.993	972.675	253.114
Derivative transactions income	518.519	233.545	141.185	(84.183)
Interest income from subleases	6.942	6.662	3.909	3.590
Gain arising from the termination of lease agreements	478	-	(3.277)	-
Other	6.079	-	(98)	-
	7.612.823	3.858.885	4.971.974	1.592.383

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NOTE 19 - FINANCIAL EXPENSES

	January 1 - June 30, 2023	January 1 - June 30, 2022	April 1 - June 30, 2023	April 1 - June 30, 2022
Foreign exchange loss	3.885.454	2.832.088	2.620.667	1.411.615
Interest expense	3.629.813	2.059.692	2.044.755	1.104.733
Interest expense from leases	488.541	325.335	253.253	169.265
Loss on derivative transactions	220.713	505.682	(68.704)	373.559
Other expenses	909.892	240.913	597.217	139.923
	9.134.413	5.963.710	5.447.188	3.199.095

NOTE 20 - TAX ASSETS AND LIABILITIES

The Group is subject to taxation in accordance with the tax procedures and the legislation effective in the countries in which the Group companies operate.

The corporate tax rate for the fiscal year is 20% in Türkiye. Corporate tax returns are required to be filed until the twenty-fifth of the fourth month following the balance sheet date and paid in one installment until the end of the related month. The tax legislation provides for a provisional tax to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final corporate tax liability for the fiscal year.

According to Amendment to the Corporate Tax Law, which came into force after being published in the Official Gazette dated April 22, 2021 and numbered 31462; the legal corporate tax rate of 20% as of March 31, 2021 will be applied as 25% for the earnings of the corporations for the 2021 taxation period, and as 23% for the earnings for the 2022 taxation period.

According to the Turkish Tax Law, corporate tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

In Türkiye, the tax legislation does not permit to file a consolidated tax return. Therefore, provision for taxes, as reflected in the interim condensed consolidated financial statements, has been calculated on a separate-entity basis.

20.1 Current Income Tax Assets and Tax Provision

	June 30, 2023	December 31, 2022
Current income tax assets	238.791	700.262
Income tax payable (-)	(1.357.423)	(280.042)
Net tax (liability) / asset	(1.118.632)	420.220

20.2 Deferred Tax Assets and Liabilities

The distribution of deferred tax assets and liabilities is as follows:

	June 30, 2023	December 31, 2022
Deferred tax asset	5.767.344	4.646.557
Deferred tax liability (-)	(8.183.974)	(6.907.713)
Total deferred tax asset/(liability), net	(2.416.630)	(2.261.156)

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NOTE 20 - TAX ASSETS AND LIABILITIES (cont'd)

20.2 Deferred Tax Assets and Liabilities (cont'd)

Movement of net deferred tax liabilities as of the period ended on June 30, 2023 is as follows:

	Balance December 31, 2022	Recorded to profit or loss	Balance June 30, 2023
Property, plant and equipment, intangibles, assets used in renting activities	(7.267.931)	(1.134.624)	(8.402.555)
Tax losses carried forward	2.351.339	319.681	2.671.020
Employee termination benefit and other employee benefits	652.663	(114.485)	538.178
Inventories	141.181	8.584	149.765
Investment incentive	539.799	202.829	742.628
Receivables and payables	1.101.681	730.457	1.832.138
Derivative financial instruments	9.544	(145.229)	(135.685)
Other	210.568	(22.687)	187.881
Net deferred tax liability	(2.261.156)	(155.474)	(2.416.630)
Addition as a result of change in consolidation scope	-	(602.264)	-
Currency translation difference	-	938.756	-
Recognized in other comprehensive income	-	(1.466.355)	-
	(2.261.156)	(1.285.337)	(2.416.630)

The movement of net deferred tax liabilities as of the period ended on June 30, 2022 is as follows:

	Balance December 31, 2021	Recorded to profit or loss	Balance June 30, 2022
Property, plant and equipment, intangibles, assets used in renting activities	(5.913.913)	(2.557.846)	(8.471.759)
Tax losses carried forward	1.844.486	662.323	2.506.809
Employee termination benefit and other employee benefits	231.328	183.743	415.071
Inventories	70.458	85.348	155.806
Investment incentive	225.208	126.391	351.599
Receivables and payables	687.059	596.973	1.284.032
Derivative financial instruments	(80.505)	90.174	9.669
Other	109.560	(13.112)	96.448
Net deferred tax liability	(2.826.319)	(826.006)	(3.652.325)
Disposals through selling of subsidiaries	-	14.715	-
Currency translation difference	-	1.709.531	-
Recognized in other comprehensive income	-	(937.148)	-
	(2.826.319)	(38.908)	(3.652.325)

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NOTE 20 - TAX ASSETS AND LIABILITIES (cont'd)

20.3 Tax Expense

	January 1 - June 30, 2023	January 1 - June 30, 2022	April 1 - June 30, 2023	April 1 - June 30, 2022
Current period tax expense (-)(*)	(3.009.877)	(1.706.744)	(1.763.734)	(1.195.108)
Deferred tax (expense)/income	(1.285.336)	(38.908)	(1.296.476)	(349.014)
	(4.295.213)	(1.745.652)	(3.060.210)	(1.544.122)

(*) Article 10/27 of the Law on Restructuring of Certain Receivables and Amendments to Certain Laws dated March 9, 2023 and numbered 7440 introduced a one-time Additional Tax. The additional tax amount calculated within the scope of this application is TRL 237.585.

Tax Advantages Obtained Under the Investment Incentive System;

The Group's earnings from investments tied to an incentive certificate are subject to corporate tax at discounted rates, starting from the accounting period in which the investment is partially or fully operational, until the investment contribution amount is reached. In this context, tax advantage amounting to TRL 662.692 (December 31, 2022: TRL 441.730) that the Group's will benefit from in the foreseeable future as of June 30, 2023 is reflected in the consolidated financial statements as a deferred tax asset. As a result of the recognition of the said tax advantage as of June 30, 2023, deferred tax income amounting to TRL 156.502 has been realized in the consolidated profit or loss statement for January 1 - June 30, 2023. According to the incentive certificates summarized above, the current period corporate tax provision is reduced TRL 25.729 (June 30, 2022: TRL 8.020) through using incentive certificates' tax advantage and this amount has been deducted from the deferred tax asset.

The Group capitalizes the R&D expenditures it has made in its statutory books. The Group makes calculations over the R&D expenditures in accordance within the framework of the relevant legislation and take benefits from the R&D discount according to law's permission. As of June 30, 2023, Group took advantage of R&D deduction amounting to TRL 111.593 in the current period corporate tax provision (June 30, 2022: TRL 82.237). Tax advantage amounting through unused R&D amount to TRL 79.936 (December 31, 2022: TRL 98.069) that the Group's will benefit from in the foreseeable future as of June 30, 2023 in the consolidated financial statements as a deferred tax asset. As a result of the recognition of the said tax advantage, deferred tax expense amounting to TRL 18.133 has been realized in the consolidated profit or loss statement for January 1 - June 30, 2023 period.

Deferred tax assets are recognized when it is determined that taxable income is likely to occur in the coming years. In cases where taxable income is likely to occur, deferred tax assets are calculated over deductible temporary differences, tax losses and tax advantages vested in indefinite-lived investment incentives that allow reduced corporate tax payments. In this context, the Group's bases the reflection of deferred tax assets arising from investment incentives in the consolidated financial statements on long-term plans and evaluates the recoverability of deferred tax assets related to these investment incentives as of each balance sheet date, based on business models that include taxable profit estimations. It is foreseen that the deferred tax assets in question will be recovered within 5 years from the balance sheet date.

In the sensitivity analysis carried out as of June 30, 2023, when the inputs in the basic macroeconomic and sectoral assumptions that make up the business plans are increased/decreased by 10%, the recovery period of deferred tax assets regarding investment incentives, which is foreseen as 5 years, has not changed.

NOTE 21 - DISCONTINUED OPERATIONS

As presented in Public Disclosure Platform declarations of the Company dated on May 11, 2022, binding share purchase agreement for the sale of 100% shares of Anadolu Restoran which is 100% subsidiary of Group and the franchise operator of McDonald's restaurants in Türkiye, to Boheme Investment GmbH is signed. With the fulfillment of the prerequisites in the share transfer agreement, the transfer of shares representing 100% of Anadolu Restaurant's capital to Boheme Investment GmbH was completed on June 30, 2022. Share transfer price was realized as USD 54.529.010 (TRL 904.279). As of March 31, 2022 and June 30, 2022 items belonging to Anadolu Restoran were classified as discontinued operations in accordance with TFRS 5 in the consolidated financial statement.

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NOTE 21 - DISCONTUNIED OPERATIONS (cont'd)

Profit or loss statement reclassifications presented in the profit (loss) for the period from discontinued operations are as follows:

	January 1 - June 30, 2022	April 1 - June 30, 2022
Revenue	1.167.802	692.616
Cost of Sales (-)	(997.648)	(567.699)
General Administrative Expenses (-)	(49.354)	(26.748)
Marketing Expenses (-)	(37.708)	(17.550)
Other Operating Income	21.089	19.543
Other Operating Expenses (-)	(32.984)	(29.626)
Income From Investing Activities	368	199
Expenses From Investing Activities (-)	(269)	(248)
Financial Income	18.502	13.040
Financial Expense (-)	(36.363)	(19.220)
Profit (Loss) Before Tax from Discontinuing Operations	53.435	64.307
Deferred Tax Income (Expense) from Discontinuing Operations	(814)	(731)
Net Profit (Loss) for the Period from Discontinuing Operations	52.621	63.576

NOTE 22 - RELATED PARTY BALANCES AND TRANSACTIONS

22.1 Trade and Other Receivables from Related Parties

	June 30, 2023	December 31, 2022
Syrian Soft Drink L.L.C. (1)	34.863	21.426
Anadolu Eğitim ve Sosyal Yardım Vakfı Sağlık Tes. İkt. İşl. (3)	12.453	62
LLC Faber-Castell Anadolu (Russia) (1)	987	655
Getir Araç (2)	284	248
Anadolu Efes Spor Kulübü (3)	134	337
Anadolu Etap (4)	-	17.598
Other	1.658	2.998
	50.379	43.324

As of June 30, 2023 there is no amount in long term portion of trade receivables from related parties (December 31, 2022: None).

As of June 30, 2023 there is no amount in other short term receivables from related parties (December 31, 2022: TRL 494.000).

As of June 30, 2023 there is TRL 47.073 other long term receivables from related parties (December 31, 2022: TRL 38.634).

- (1) Joint venture
- (2) Associates
- (3) Other
- (4) Includes the amounts belonging to the period when Anadolu Etap was defined as a joint venture until April 11, 2023.

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NOTE 22 - RELATED PARTY BALANCES AND TRANSACTIONS (cont'd)

22.2 Trade Payables to Related Parties

	June 30, 2023	December 31, 2022
Anadolu Efes Spor Kulübü (3)	256.765	100.000
Anadolu Etap (4)	-	9.706
Other	406	1.370
	257.171	111.076

As of June 30, 2023 there is no amount in short term other payables due to related parties (December 31, 2022: TRL 45.264).

As of June 30, 2023 there is no amount in long term trade payables due to related parties (December 31, 2022: None).

- (1) Joint venture
- (2) Associates
- (3) Other
- (4) Includes the amounts belonging to the period when Anadolu Etap was defined as a joint venture until April 11, 2023.

22.3 Related Party Transactions

Terms and conditions of transactions with related parties

Outstanding balances at the end of the period are unsecured, interest free and will be settled in cash. There have been no guarantees given or received for any related party receivables or payables. For the period ended June 30, 2023, the Group has not provided for any expected credit loss, relating to amounts due from related parties (December 31, 2022: None). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related parties operate.

Significant transactions with related parties during the period ended as of June 30, 2023 and 2022 are as follows:

	January 1 - June 30, 2023	January 1 - June 30, 2022	April 1 - June 30, 2023	April 1 - June 30, 2022
Purchases of goods, property, plant & equipment and other charges				
Anadolu Efes Spor Kulübü (3)	263.032	274.757	83.718	188.424
Getir Araç (2)	66.223	24.085	28.718	14.039
Anadolu Eğitim ve Sosyal Yardım Vakfı Sağlık Tes. İkt. İşl. (3)	11.955	103	11.759	-
Anadolu Etap (4)	-	9.183	(17.346)	3.559
Other	5.231	2.878	2.573	1.687
	346.441	311.006	109.422	207.709

- (1) Joint venture
- (2) Associates
- (3) Other
- (4) Includes the amounts belonging to the period when Anadolu Etap was defined as a joint venture until April 11, 2023.

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NOTE 22 - RELATED PARTY BALANCES AND TRANSACTIONS (cont'd)

22.3 Related Party Transactions (cont'd)

Compensation of Key Management Personnel of the Group

Group has defined the key management personnel as follows; the managers directly reporting to the general manager and board of directors, and the board of directors and general managers in the rest of the subsidiaries. Benefits provided to senior managers include benefits such as wages, seniority, notice and leave.

The details of benefits provided to the key management personnel for the period ended on June 30, 2023 and 2022 are as follows:

	January 1 - June 30, 2023	January 1 - June 30, 2022	April 1 - June 30, 2023	April 1 - June 30, 2022
Short-term employee benefits	194.879	93.655	83.430	39.852
Post-employment benefits	-	-	-	-
Other long-term benefits	3.877	8.794	-	-
Termination benefits	3.839	1.110	-	-
Share based payments	-	-	-	-
	202.595	103.559	83.430	39.852

Other

The Company and its subsidiaries other than Migros donate 1% - 5% of their profit before corporate tax and such fiscal obligations to Anadolu Eğitim ve Sosyal Yardım Vakfı as stated in the entities' foundation agreements as long as these donations are exempt from tax. As of June 30, 2023, donations amount to TRL 11.955 (December 31, 2022: TRL 71.194).

NOTE 23 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial Risk Management Objectives and Policies

General

The Group's principal financial instruments comprise bank borrowings, finance leases, and cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, interest rate risk, price risk, credit risk and liquidity risk. The Group manages these risks as stated below. The Group also monitors the market price risk arising from all financial instruments.

Foreign currency risk

The following table summarizes the exchange rate of Turkish Lira to 1 USD and 1 EUR:

		Exchange buying rate at June 30, 2023	Average exchange buying rate in the period	Exchange selling rate at June 30, 2023
USD/TRL	Türkiye	25,8231	19,8612	25,8696
EUR/TRL	Türkiye	28,1540	21,4727	28,2048

Foreign currency risk arises from the EUR and USD denominated assets and liabilities of the Group. The Group has transactional currency exposures. Such exposures arise from sales or purchases or borrowings by the Group in currencies other than the Group's functional currency. The Group manages foreign currency risk by using natural hedges that arise from offsetting foreign currency denominated assets and liabilities. Anadolu Efes and Adel, the subsidiaries of the Group, as mentioned in Note 5, reserves a certain portion of its bank deposits for future purchases of raw materials, operating expenses and interest payments.

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NOTE 23 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Foreign currency risk (cont'd)

The majority of the foreign currency liabilities consist of long-term liabilities. Therefore, the foreign currency risk that may arise from fluctuations in foreign currencies in the short term is relatively limited. The Group also performs foreign exchange forward transactions and cross currency swap transactions in order to hedge foreign currency risk as stated in Note 24.

June 30, 2023	TRL Equivalent (Functional currency)	Thousand USD	Thousand EUR	Other TRL
1. Trade receivables	5.801.746	165.663	52.587	43.277
2a. Monetary financial assets (cash and cash equivalents included)	11.219.852	314.259	103.672	185.918
2b. Non - monetary financial assets	3.431	-	122	-
3. Other	287.057	1.801	8.281	7.394
4. Current assets (1+2+3)	17.312.086	481.723	164.662	236.589
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non - monetary financial assets	-	-	-	-
7. Other	-	-	-	-
8. Non - current assets (5+6+7)	-	-	-	-
9. Total assets (4+8)	17.312.086	481.723	164.662	236.589
10. Trade payables	11.112.203	231.772	173.198	246.045
11. Short - term borrowings and current portion of long - term borrowings	3.431.681	42.767	82.599	-
12a. Monetary other liabilities	8.492	278	47	-
12b. Non - monetary other liabilities	532.620	4.876	14.400	384
13. Current liabilities (10+11+12)	15.084.996	279.693	270.244	246.429
14. Trade payables	162	-	5	12
15. Long - term borrowings	33.422.201	1.214.824	70.858	-
16a. Monetary other liabilities	-	-	-	-
16b. Non - monetary other liabilities	13.905	-	493	-
17. Non - current liabilities (14+15+16)	33.436.268	1.214.824	71.356	12
18. Total liabilities (13+17)	48.521.264	1.494.517	341.600	246.441
19. Off balance sheet derivative items' net asset / (liability) position (19a-19b)	33.270.448	1.211.101	69.300	41.366
19a. Total hedged assets	31.251.181	1.208.601	-	41.366
19b. Total hedged liabilities	(2.019.267)	(2.500)	(69.300)	-
20. Net foreign currency asset / (liability) position (9-18+19)	2.061.270	198.307	(107.638)	31.514
21. Monetary items net foreign currency asset / (liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)	(30.953.141)	(1.009.719)	(170.448)	(16.862)
22. Total fair value of financial instruments used to manage the foreign currency position	951.273	20.472	15.001	456

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NOTE 23 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Foreign Currency Risk (cont'd)

December 31, 2022	TRL Equivalent (Functional currency)	Thousand USD	Thousand EUR	Other TRL
1. Trade receivables	7.796.193	383.093	30.344	28.079
2a. Monetary financial assets (cash and cash equivalents included)	4.682.610	182.426	58.750	100.372
2b. Non - monetary financial assets	1.696	-	85	-
3. Other	86.748	3.313	878	7.305
4. Current assets (1+2+3)	12.567.247	568.832	90.057	135.756
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non - monetary financial assets	-	-	-	-
7. Other	-	-	-	-
8. Non - current assets (5+6+7)	-	-	-	-
9. Total assets (4+8)	12.567.247	568.832	90.057	135.756
10. Trade payables	7.231.232	204.672	152.614	359.257
11. Short - term borrowings and current portion of long - term borrowings	3.513.738	152.432	34.871	-
12a. Monetary other liabilities	22.232	298	205	12.569
12b. Non - monetary other liabilities	102.493	2.342	2.940	-
13. Current liabilities (10+11+12)	10.869.695	359.744	190.630	371.826
14. Trade payables	120	-	5	11
15. Long - term borrowings	23.958.614	1.214.889	62.186	-
16a. Monetary other liabilities	-	-	-	-
16b. Non - monetary other liabilities	10.844	-	543	-
17. Non - current liabilities (14+15+16)	23.969.578	1.214.889	62.734	11
18. Total liabilities (13+17)	34.839.273	1.574.633	253.364	371.837
19. Off balance sheet derivative items' net asset / (liability) position (19a-19b)	26.367.168	1.313.549	89.867	12.717
19a. Total hedged assets	25.347.760	1.311.049	41.167	12.717
19b. Total hedged liabilities	(1.019.408)	(2.500)	(48.700)	-
20. Net foreign currency asset / (liability) position (9-18+19)	4.095.142	307.748	(73.440)	(223.364)
21. Monetary items net foreign currency asset / (liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)	(22.247.133)	(1.006.772)	(160.787)	(243.386)
22. Total fair value of financial instruments used to manage the foreign currency position	(10.733)	5.295	(5.495)	(470)

Information related to export and import as of June 30, 2023 and 2022 are as follows:

	January 1 - June 30, 2023	January 1 - June 30, 2022	April 1 - June 30, 2023	April 1 - June 30, 2022
Total Export Amount	3.031.235	1.927.568	1.773.232	1.119.397
Total Import Amount	20.325.685	10.499.907	12.395.009	6.575.553

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NOTE 23 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Foreign Currency Risk (cont'd)

Foreign currency position sensitivity analysis		
June 30, 2023 (*)		
	Income / (loss)	Income / (loss)
	Increase of the foreign currency	Decrease of the foreign currency
Change in the USD against TRL by 10% +/-:		
1- USD denominated net asset / liability	(2.613.108)	2.613.108
2- USD denominated hedging instruments(-)	3.133.070	(3.133.070)
3- Net effect in USD (1+2)	519.962	(519.962)
Change in the EUR against TRL by 10% +/-:		
4- Euro denominated net asset / liability	(497.315)	497.315
5- Euro denominated hedging instruments(-)	195.459	(195.459)
6- Net effect in Euro (4+5)	(301.856)	301.856
Change in the other foreign currencies against TRL by 10% +/-:		
7- Other foreign currency denominated net asset / liability	(985)	985
8- Other foreign currency hedging instruments(-)	-	-
9- Net effect in other foreign currency (7+8)	(985)	985
TOTAL (3+6+9)	217.121	(217.121)

Foreign currency position sensitivity analysis		
June 30, 2022(*)		
	Income / (loss)	Income / (loss)
	Increase of the foreign currency	Decrease of the foreign currency
Change in the USD against TRL by 10% +/-:		
1- USD denominated net asset / liability	(2.670.598)	2.670.598
2- USD denominated hedging instruments(-)	2.567.368	(2.567.368)
3- Net effect in USD (1+2)	(103.230)	103.230
Change in the EUR against TRL by 10% +/-:		
4- Euro denominated net asset / liability	(175.666)	175.666
5- Euro denominated hedging instruments(-)	174.089	(174.089)
6- Net effect in Euro (4+5)	(1.577)	1.577
Change in the other foreign currencies against TRL by 10% +/-:		
7- Other foreign currency denominated net asset / liability	(55.778)	55.778
8- Other foreign currency hedging instruments(-)	-	-
9- Net effect in other foreign currency (7+8)	(55.778)	55.778
TOTAL (3+6+9)	(160.585)	160.585

(*) Monetary assets and liabilities eliminated during the consolidation are not included.

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NOTE 23 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Foreign Currency Risk (cont'd)

Foreign Currency Hedge of Net Investments in Foreign Operations

Anadolu Efes, the subsidiary of Group has designated an instrument which is amounting to USD 500 Million out of USD 500 Million bond issued as of June 29, 2021 to hedge its foreign currency risk arising from the translation of net assets of its subsidiary located in Netherlands, Efes Breweries International (whose main activity is facilitating foreign investments in breweries).

CCI, the subsidiary of the Group, has designated three instruments, the first one amounting to USD 150 Million out of USD 500 Million bond issued as of September 19, 2017 and the third one amounting to USD 500 Million out of USD 500 Million bond issued as of January 20, 2022 as a hedging instrument in order to hedge its foreign currency risk arising from the translation of net assets of its subsidiary located in Netherlands, CCI Holland and Waha B.V.

The effective part of the change in the value of the bonds and loans designated as hedging of net investments amounting to TRL 8.430.179 (TRL 6.744.143 - including deferred tax effect) is recognized as “Gains (Losses) on Hedge” under Equity and to “Other Comprehensive Income (Loss) Related with Hedges of Net Investment in Foreign Operations” under Other Comprehensive Income (December, 31 2022: TRL 7.465.241 (TRL 5.972.192 - including deferred tax effect), June 30, 2022: TRL 4.575.161 (TRL 3.660.128 - including deferred tax effect)).

NOTE 24 - FINANCIAL INSTRUMENTS

24.1 Fair Value

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The optimum fair value of a financial instrument is the quoted market value, if any.

The financial assets and liabilities which are denominated in foreign currencies are evaluated by the foreign exchange rates prevailing on the date of balance sheet which approximate to market rates. The following methods and assumptions were used to estimate the fair value of each class of financial instrument of the Group for which it is practicable to estimate a fair value:

a) Financial Assets

The fair values of certain financial assets carried at cost in the consolidated financial statements, including cash and cash equivalents plus the respective accrued interest and other financial assets are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses. The carrying value of trade receivables along with the related allowance for unearned income and uncollectibility are estimated to be their fair values.

b) Financial liabilities

Trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The bank borrowings are stated at their amortized costs and transaction costs are included in the initial measurement of loans and bank borrowings. The fair value of bank borrowings are considered to state their respective carrying values since the interest rate applied to bank loans and borrowings are updated periodically by the lender to reflect active market price quotations. The carrying value of trade payables along with the related allowance for unrealized cost is estimated to be their fair values.

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NOTE 24 - FINANCIAL INSTRUMENTS (cont'd)

24.1 Fair Value (cont'd)

Fair Value Hedge Accounting

Level 1: Market price valuation techniques for the determined financial instruments traded in markets (unadjusted)

Level 2: Other valuation techniques including direct or indirect observable inputs

Level 3: Valuation techniques not containing observable market inputs

	June 30, 2023	Level 1	Level 2	Level 3
Derivative financial assets	832.326	-	832.326	-
Derivative financial liabilities	554.237	-	554.237	-
Put option liability	60.943	60.943	-	-
Long term financial investments	935.138	1.006	934.132	-
	December 31, 2022	Level 1	Level 2	Level 3
Derivative financial assets	47.688	-	47.688	-
Derivative financial liabilities	913.872	-	913.872	-
Put option liability	44.208	44.208	-	-
Long term financial investments	604.080	1.234	602.846	-

24.2 Derivative Financial Instruments and Hedge Accounting

Derivative financial instruments are initially recognized at cost, and subsequently valued at fair value.

The Group documented the relationship between hedging instruments and hedged items at the beginning of the hedge transaction and also documented risk management objectives and the strategy for performing a variety of hedging transactions. Group, both at the beginning of the process of hedging transaction and on a regular basis of the hedging transaction, documented the assessment whether instruments used in hedging transactions are effective in high-level balancing changes in values of hedged items.

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NOTE 24 - FINANCIAL INSTRUMENTS (cont'd)

24.2 Derivative Financial Instruments and Hedge Accounting (cont'd)

The details of derivatives instruments for Beer Operations held for hedging and held for trading as of June 30, 2023 is as follows:

	Nominal Value	Contract Amounts or Quantities	Carrying Amount Asset/(Liability)	Account in the Statement of the Financial Position	Hedge Ineffectiveness Recognized in Profit or Loss	Maturity
Derivatives held for hedging:						
Cash flow hedge:						
Interest swap	210.000	-	(13.200)	Derivative Instruments	-	October 2023
Currency forwards:						
-USD/TRL	198.838	USD 7,7 Million	38.674	Derivative Instruments	-	July 2023
-EUR/TRL	42.231	EUR 1,5 Million	10.041	Derivative Instruments	-	July 2023
-USD/RUR	2.629.725	USD 101,8 Million	277.239	Derivative Instruments	-	July - December 2023
-EUR/RUR	1.053.102	EUR 37,4 Million	127.295	Derivative Instruments	-	July - December 2023
Commodity swaps:						
- Aluminium	515.341	9.519 tons	(58.551)	Derivative Instruments	-	July - December 2024
Derivatives held for trading:						
Currency forwards:						
-USD/RUR	207.753	USD 8,0 Million	25.652	Derivative Instruments	-	July - December 2023
-EUR/RUR	454.411	EUR 16,1 Million	57.137	Derivative Instruments	-	July - December 2023
	5.311.401		464.287			
Derivatives held for hedging:						
Net investment hedge:	-	USD 500 Million	(12.934.800)	Borrowings	-	June 2028
Cash flow hedge						
Designated cash	-	USD 80,0 Million	2.065.848	Cash and Cash Equivalents	-	August 2023 - December 2024
- USD/TRL	-	USD 80,0 Million	2.065.848	Cash and Cash Equivalents	-	August 2023 - December 2024

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NOTE 24 - FINANCIAL INSTRUMENTS (cont'd)

24.2 Derivative Financial Instruments and Hedge Accounting (cont'd)

The details of derivatives instruments held for hedging for Soft Drink Operations as of June 30, 2023 is as follows:

	Nominal Value	Contract Amounts or Quantities	Carrying Amount Asset/(Liability)	Account in the Statement of the Financial Position	Hedge Ineffectiveness Recognized in Profit or Loss	Maturity
Derivatives held for hedging:						
Cash flow hedge						
Commodity swaps:						
- Aluminium	1.720.272	26.478 tons	(194.025)	Derivative Instruments	-	July 2023 - December 2025
- Sugar	830.298	98.850 tons	119.135	Derivative Instruments	-	July 2023 - December 2025
Cross currency participation swaps	3.873.465	USD 150,0 Million	(352.155)	Derivative Instruments	-	September 2024
	6.424.035		(427.045)			
Derivatives held for hedging:						
Net investment hedge	-	USD 650 Million	(16.815.240)	Borrowings	-	January 2029

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NOTE 24 - FINANCIAL INSTRUMENTS (cont'd)

24.2 Derivative Financial Instruments and Hedge Accounting (cont'd)

The details of derivatives instruments held for hedging and held for trading of other operations except from Beer and Soft Drinks as of June 30, 2023 is as follows:

	Nominal Value	Contract Amounts or Quantities	Carrying Amount Asset/(Liability)	Account in the Statement of the Financial Position	Hedge Ineffectiveness Recognized in Profit or Loss	Maturity
Derivatives held for hedging:						
Cash flow hedge:						
Interest swap	325.000	-	(3.549)	Derivative Instruments	-	July 2023
Currency forwards:						
-USD/TRL	330.247	USD 16,1 Million	16.999	Derivative Instruments	-	August - December 2023
-JPY/TRL	41.640	JPY 230 Million	459	Derivative Instruments	-	August - December 2023
Derivatives held for trading:						
Currency forwards:						
-USD/TRL	64.558	USD 12,5 Million	1.834	Derivative Instruments	-	September – December 2023
-EUR/TRL	1.951.072	EUR 69,3 Million	225.104	Derivative Instruments	-	July 2023 – December 2024
	2.712.517		240.847			
Derivatives held for hedging:						
Cash flow hedge						
Designated cash						
- USD/TRL	-	USD 1,9 Million	48.722	Cash and Cash Equivalents	-	December 2023

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NOTE 24 - FINANCIAL INSTRUMENTS (cont'd)

24.2 Derivative Financial Instruments and Hedge Accounting (cont'd)

The details of derivatives instruments held for hedging and held for trading for Beer Operations as of December 31, 2022 is as follows:

	Nominal Value	Contract Amounts or Quantities	Carrying Amount Asset/(Liability)	Account in the Statement of the Financial Position	Hedge Ineffectiveness Recognized in Profit or Loss	Maturity
Derivatives held for hedging:						
Cash flow hedge:						
Interest swap	210.000	-	(24.940)	Derivative Instruments	-	October 2023
Currency forwards:						
-USD/TRL	674.074	USD 36,1 Million	(27.210)	Derivative Instruments	-	January - June 2023
-EUR/TRL	677.787	EUR 34,0 Million	(2.759)	Derivative Instruments	-	January - July 2023
-USD/RUR	1.408.100	USD 75,3 Million	(58.017)	Derivative Instruments	-	January - June 2023
-EUR/RUR	809.651	EUR 40,6 Million	(63.102)	Derivative Instruments	-	January - June 2023
Commodity swaps:						
- Aluminium	260.587	5.904 tons	(14.167)	Derivative Instruments	-	January - December 2023
- PET	20.464	1.181 tons	(2.675)	Derivative Instruments	-	January 2023
Derivatives held for trading:						
Currency forwards:						
-USD/RUR	14.640	USD 0,8 Million	(241)	Derivative Instruments	-	January - June 2023
-EUR/RUR	228.931	EUR 11,5 Million	(8.078)	Derivative Instruments	-	January - June 2023
	4.304.234		(201.189)			
Derivatives held for hedging:						
Net investment hedge:	-	USD 500 Million	(9.366.000)	Borrowings	-	June 2028
Cash flow hedge						
Designated cash						
- USD/TRL	-	USD 80,0 Million	1.495.864	Cash and Cash Equivalents	-	August 2023 – December 2024
- EUR/MDL	-	EUR 2,2 Million	43.857	Cash and Cash Equivalents	-	January - June 2023

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NOTE 24 - FINANCIAL INSTRUMENTS (cont'd)

24.2 Derivative Financial Instruments and Hedge Accounting (cont'd)

The details of derivatives instruments held for hedging for Soft Drink Operations as of December 31, 2022 is as follows:

	Nominal Value	Contract Amounts or Quantities	Carrying Amount Asset/(Liability)	Account in the Statement of the Financial Position	Hedge Ineffectiveness Recognized in Profit or Loss	Maturity
Derivatives held for hedging:						
Cash flow hedge						
Commodity swaps:						
- Aluminium	1.208.373	25.000 tons	(86.114)	Derivative Instruments	-	January 2023 – December 2025
- Sugar	637.313	70.100 tons	16.922	Derivative Instruments	-	January - December 2023
Cross currency participation swaps	2.804.745	USD 150,0 Million	(542.610)	Derivative Instruments	-	September 2024
	4.650.431		(611.802)			
Derivatives held for hedging:						
Net investment hedge	-	USD 770 Million	(14.423.640)	Borrowings	-	January 2029

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NOTE 24 - FINANCIAL INSTRUMENTS (cont'd)

24.2 Derivative Financial Instruments and Hedge Accounting (cont'd)

The details of derivatives instruments held for hedging and held for trading of other operations except from Beer and Soft Drinks as of December 31, 2022 is as follows:

	Nominal Value	Contract Amounts or Quantities	Carrying Amount Asset/(Liability)	Account in the Statement of the Financial Position	Hedge Ineffectiveness Recognized in Profit or Loss	Maturity
Derivatives held for hedging:						
Cash flow hedge:						
Interest swap	825.000	-	(14.712)	Derivative Instruments	-	May -July 2023
Currency forwards:						
-USD/TRL	195.417	USD 10.450 Thousand	(5.017)	Derivative Instruments	-	January - March 2023
-JPY/TRL	12.801	JPY 90 Million	(473)	Derivative Instruments	-	January - February 2023
Derivatives held for trading:						
Currency forwards:						
-USD/TRL	47.754	USD 1.500 Thousand	(737)	Derivative Instruments	-	January 2023
-EUR/TRL	1.014.314	EUR 48.700 Thousand	(17.227)	Derivative Instruments	-	January- June 2023
-JPY/EUR	184.802	JPY 1.307.869 Thousand	(15.027)	Derivative Instruments	-	January - March 2023
	2.280.088		(53.193)			
Derivatives held for hedging:						
Cash flow hedge						
Designated cash						
-USD/TRL	-	USD 2,7 Million	49.661	Cash and Cash Equivalents	-	December 2023

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT JUNE 30, 2023**

(Currency – Thousands of Turkish Lira (TRL) unless otherwise indicated)

NOTE 25 - EVENTS AFTER THE REPORTING PERIOD

- According to “A Law on the Establishment of an Additional Motor Vehicle Tax to Compensate for the Economic Losses Caused by the Earthquake Occurred” published in the Official Gazette on July 15, 2023, the corporate tax rate increased from 20% to 25%.

The Group continues to assess the potential impact of the law on its consolidated financial statements.

- Migros, the subsidiary of the Group, has evaluated new investment opportunities to fortify the ready to eat/package food sale channels online and in brick and mortar stores and to meet staff food needs. As a result, it was decided to invest in CRC Danışmanlık ve Organizasyon Anonim Şirketi (“CRC”), which has capital of TRL 10.000 and manufactures and sells packaged foods, and to buy 200.000 shares corresponding to 50% of shares representing the paid-in capital of CRC for the corresponding TRL amount of USD 2.900.000. In this way, 100.000 shares corresponding to 25% of CRC’s paid-in capital will be taken over by Migros, and 100.000 shares corresponding to 25% of shares will be taken over by Dijital Platform Gıda Hizmetleri A.Ş. (“Dijital Platform”), the subsidiary of Migros. The total share transfer amount may be amended on the closing date. The closing date will be defined following the fulfilment of prerequisites and it will be no later than November 15, 2023.
- As a result of the corporate governance rating study conducted by SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş. (“SAHA”), The Company's corporate governance rating score is confirmed as 9,57 (out of 10) as of July 7, 2023.

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