AG Anadolu Grubu Holding
Annual Report 2023

ANADOLU GROUP

Contents

Anadolu Group

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

Anadolu Group in Brief

Undertaking strategic investments in beer, soft drinks, retail and agriculture, Anadolu Group's operations embrace a broad range of sectors that also include automotive, stationery and energy.

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

1950
Founded
Established by Yazıcı and Özilhan families

20
Countries
Türkiye, Azerbaijan, Bangladesh, Belarus, Georgia, Germany, Iraq, Jordan, Kazakhstan, Kyrgyzstan, Moldova, Netherlands, Pakistan, Russia, Syria, Tajikistan, Turkish Republic of Northern Cyprus, Turkmenistan, Ukraine, Uzbekistan

7
Sectors
Beer, soft drink, retail, agriculture, automotive, stationery, energy

~100,000
Employees

90
Production facilities

6
R&D centers

100+
Countries exported to

Anadolu Group operates with the vision of being "The star that links Anatolia to the world and the world to Anatolia" and maintains its activities in 7 sectors (beer, soft drink, retail, agriculture, automotive, stationery and energy) and in 20 countries with approximately 80 companies, 90 production facilities, 6 R&D centers and more than 100,000 employees. The Group, which was founded by Yazıcı and Özilhan families in 1950, is a driving force of Turkish economy with its financial assets, its strong production capacity and the projects it is involved with. It acts in accordance with its mission of being a multinational and entrepreneurial group through its partnerships with leading brands and companies of the world such as AB InBev, The Coca-Cola Company, Faber-Castell, Isuzu, Kia, Honda, Honda Marine, Kohler, Johns Hopkins Medicine. With assets worth TRL 391,8 billion in value in 2023, the Group booked a total turnover of TRL 375,6 billion on its operations.

Anadolu Group manages its environmental, social and corporate governance activities in the strategic areas "future" of Nature, Business and People, with the sustainability strategy "From Anadolu to the Future". Within the context of its social responsibility, the Group is involved in several areas like agriculture, education, health, sports, culture, arts and tourism and also contributes to the society through its social organizations; Anadolu Foundation, Anadolu Medical Center and Anadolu Efes Sports Club.

Anadolu Group strives to produce value in sustainable manner and consistently achieves a rapid and healthy growth through its commitment to a culture of partnership with global brands and international companies, its expertise in branded consumer products, its experience and strength as regional player in a broad geography and its understanding of strong corporate governance.

As of year-end 2023

TRL **375.6** billion

Turnover

6

Companies

Quoted on Borsa İstanbul (BIST) (including the holding company)

Experience and Strength as a Regional Player in a Broad Geography

Commitment to a Culture of Partnership with Global Brands and International Companies

Anadolu Grubu

Expertise in Branded Consumer Products

Fair, Transparent, Responsible and Accountable Corporate Governance

ANADOLU GROUP

OUR FOUNDING PHILOSOPHY

COLLECTIVE MIND

The business philosophy of our Group stems from the collective mind of our founders and it is based on a culture of cooperation and collective decision-making. The diversity of our employees and our stakeholders strengthens our collective mind. We enrich our collective mind by embracing different ideas and competencies and combining them with our experience from the past. We conduct our business with collective mind, we decide together and we build our future together with our collective mind.

OUR VALUES

WE ALWAYS FOCUS ON HUMAN

In the foundations of our management perspective and stakeholder relations, there is always a human-oriented approach. We respect our people, esteem and support their ideas. We invest in the development of our employees and recognize their needs to provide a desirable working environment for them. We always prioritize quality and endeavour to present our people the best in every area.

WE MANAGE OUR BUSINESS WITH A FAIR AND EGALITARIAN APPROACH

Our group is formed by reliable, honest, ethical and responsible individuals. Our companies adopt a fair and egalitarian approach in all their activities, decisions and implementations in and out of their organizations. We do not allow discrimination on any subject. We are transparent and accountable in all our actions. We take possession and responsibility of our business.

WE LEAD INNOVATION WITH OUR ENTREPRENEURIAL SPIRIT

With an innovative and entrepreneurial spirit, we always support innovation and embrace change. We work with passion and excitement to grow and develop our business. We encourage our employees to be creative and empower them to experiment. We endeavor to keep up with change and be a pioneer in new developments. With a visionary perspective, we make future-oriented investments.

WE STRIVE TO PRODUCE VALUE IN A SUSTAINABLE MANNER

In all our operations, we strive to produce value in a sustainable manner for our world and our stakeholders. In addition to the economic value we produce, we are always involved in activities that will create positive impact on social and environmental areas. Our principal mission is to fulfil our responsibility to carry our people and our society forward and leave a better world to the future generations.

Milestones

Anadolu Group was founded in 1950 by the Yazıcı and Özilhan families.

ANADOLU GROUP

1950

1960
Çelik Motor was established.

1965
Anadolu Motor was established.

1969
Anadolu Efes was established.

1969
Adel Kalemcilik was established.

1976
Anadolu Efes Sports Club was established.

2007
Stakes were acquired in Aslancık Electricity.

2008
AEH Insurance Agency was established.

2008
AES Electricity Wholesale was established.

2009
Anatolian Caucasia Energy was established.

ANADOLU FOUNDATION

1979
Anadolu Foundation was established.

ANADOLU ISUZU

1983
A licensing agreement was made with ISUZU Motors.

CCI

1993
Efes Sınai was set up to conduct Coca-Cola production and distribution operations.

ANADOLU
In Affiliation with JOHNS HOPKINS MEDICINE

2005
Anadolu Medical Center was established.

ANADOLU ETAP

2009
Anadolu Etap was established.
(Demerged as Anadolu Etap Tarım and Anadolu Etap İçecek in 2022.)

MiGROS

2015
Migros stakes were acquired.

ANADOLU GRUBU

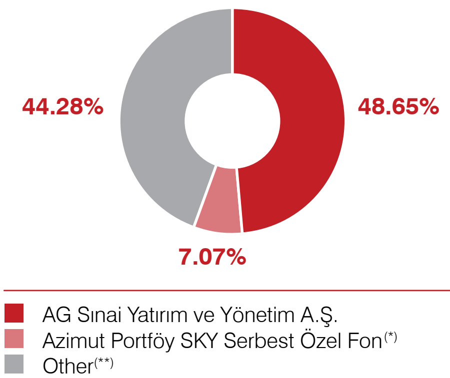
2017
Anadolu Group holding companies merged under one roof.

Togg

2018
Anadolu Group becomes a founding partner in newly-established Turkey's Automobile Joint Venture Group (Togg)

2023

Capital and Shareholding Structure



BIST code:	AGHOL.IS
2023-end market cap.	TRL 48.9 billion

AG Anadolu Grubu Holding Shareholding Structure (31 December 2023)	Paid-in Capital (TRL thousand)	Share (%)
AG Sınai Yatırım ve Yönetim A.Ş.	118,474	48,65
Azimut Portföy SKY Serbest Özel Fon (*)	17,219	7,07
Other (**)	107,842	44,28
Total	**243,535**	**100,00**
Inflation Adjustments on Capital	3,767,407	
Total share capital	**4,010,942**	

Class	# shares	% shareholding	Board candidate designation rights
A (bearer)	194,827,614	80.00	-
B (registered)	48,706,904	20.00	6
	243,534,518	**100.0**	

(*) Süleyman Kamil Yazıcı and his 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.
(**) Publicly-traded shares and shares held individually by members of the Özilhan and Yazıcı families.

AG Sınai Yatırım ve Yönetim A.Ş. is a management company in which İzzet Türkan Özilhan Yönetim ve Danışmanlık A.Ş. and Kamil Yazıcı Yönetim ve Danışma A.Ş. each control 50% stakes. It was set up to manage the owners' interests in AGHOL and its subsidiaries.

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 Sınai Yatırım ve Yönetim A.Ş. Class A shares are all bearer type shares and consist of the shares that belong to AG Sınai Yatırım ve Yönetim A.Ş., the shares that belong to the Yazıcı families and the Özilhan family, and the shares that make up the company's free float.

AG Sınai Yatırım ve Yönetim A.Ş. is indirectly managed by S. Kamil Yazıcı family and İzzet Özilhan family on the basis of equal representation and equal management principle.

Our Business Lines

Beer
Anadolu Efes

Soft Drink
Coca-Cola İçecek

Migros
Migros

Automotive
Anadolu Isuzu
Çelik Motor
Anadolu Motor

Agribusiness, Energy & Industry
Anadolu Etap
Anadolu Kafkasya
AES Electricity
Aslancık Electricity
Adel Kalemcilik

Others
AEH Insurance Agency

Social Organizations
Anadolu Foundation
Anadolu Medical Center Hospital
Anadolu Efes Sports Club

International Business Partners

Anadolu Group continues to produce value in all of the territories in which it has operations through its partnerships with leading global brands and its joint ventures with multinational companies.

Key Financial Indicators

2023 YEAR-END FINANCIAL PERFORMANCE:

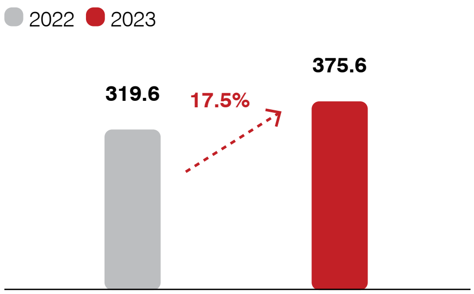
Total sales
TRL 375.6 billion, up 17.5%

EBITDA
TRL 36.1 billion, up 10.9%

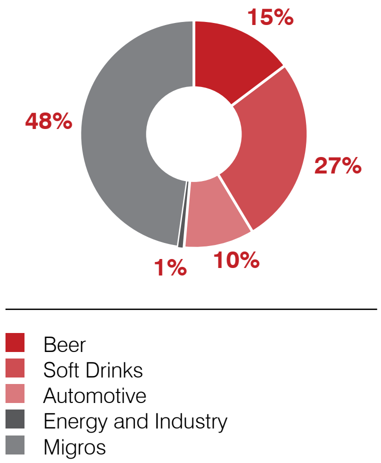
Net profit of the parent company
TRL 19.6 billion, up 25.6%

	Consolidated		
(TRL million)	2022	2023	Change
Net Sales	319,648	375,583	17.5%
EBITDA	32,572	36,119	10.9%
Pre-tax Profit	44,193	59,569	34.8%
Net Profit	15,639	19,638	25.6%
Total Assets	377,715	391,799	3.7%
Total Shareholders' Equity	169,432	179,581	6.0%
Parent Company Equity	53,965	64,410	19.4%
Net Debt	28,261	23,211	-17.9%
Total Liabilities/Total Equity	1.18	1.18	
Short-Term Liabilities/Long-Term Liabilities	1.60	1.95	
Net Debt /EBITDA	0.9	0.6	
EBITDA MArgin	10.2%	9.6%	
Pre-tax Profit Margin	13.8%	15.9%	
Net Profit Margin (Parent Company)	4.9%	5.2%	

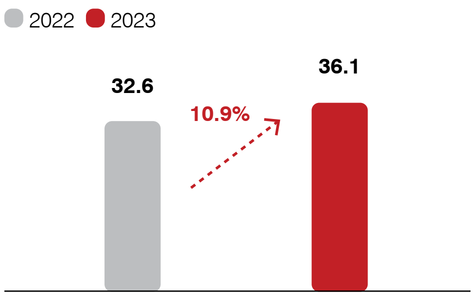
Net Sales (TRL billion)



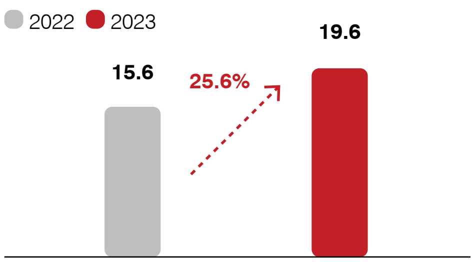
Net Sales Breakdown (*)



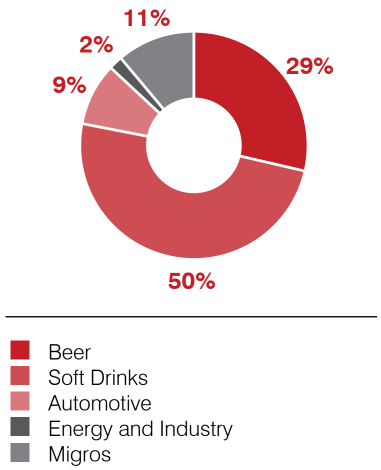
EBITDA (TRL billion)



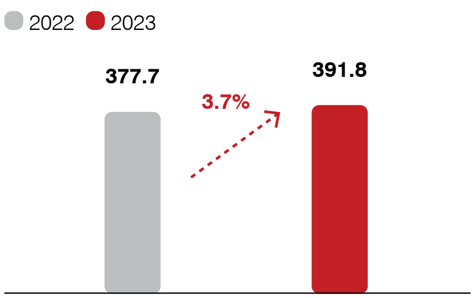
Net Profit (TRL million)



EBITDA Breakdown (*)



Total Assets (TRL billion)



(*) Sum of segmental percentages may exceed 100% due to eliminations.

Chairman's Message

We, as Anadolu Group, are a large family that can fulfill our responsibilities in any situation and knows how to emerge stronger from adversity. We will continue to carry out our work in the most efficient and value-generating manner, fueled by the strength we derive from our values and one another.

We are forging ahead with our companies, brands, and social organizations, each of which is the best in its field.

Esteemed Stakeholders,

2023 was an eventful and challenging year, in which many sorrowful events occurred both in Türkiye and around the world, economic difficulties and political tensions shaped the conjuncture and the impacts of climate change and natural disasters were felt acutely. Geopolitical uncertainties on regional and global scale brought many negative conditions on energy and commodity prices, inflation, interest rates, costs and consumer prices. As the central banks all around the word, increase the interest rates to combat inflation, economic growth slows down. Much work remains to be done for global and domestic economic recovery.

Humanity must focus on putting an end to its conflicts in various parts of the world and focus on how to build a better collective future. The solidarity, unity and the flood of aid seen in many negative images such as earthquakes, floods and wars demonstrate that good values are alive and well, and offer hope. On the other hand, the rapid transformation of humanity and lifestyles, new technological products and innovative developments in concepts such as artificial intelligence, add a new level of excitement to our outlook on the future. We move on with forethought, caution and confidence, as we face a time when many of the concepts in our lives, are being tested for their longevity.

Thanks to a combination of factors including our flexible and resilient business models, our strong financial and operational infrastructure, our companies' ability to adapt quickly and effectively to changing conditions, and most importantly, our skilled workforce, Anadolu Group remains one of the most resilient conglomerates against any adversity brought about by the conjuncture. This year, we achieved successful results in all our sectors and maintained our strong and healthy growth. We continue to add value in every field, in which we operate by focusing on the needs of all our stakeholders. Every day, our Group companies and brands achieve new milestones and create innovative works. We are adding new ones to our factories, production lines and fields of activity, and investing in innovation, digitalization, sustainability goals and areas that will allow us to provide better services to our customers. Every day, we broaden the scope of our work within the framework of our From Anadolu to the Future sustainability strategy, moving closer to our visionary goals. We are forging ahead with our companies, brands, and social organizations, each of which is the best in its field.

Working for our collective future, doing and producing the best, self-developing for it, being a pioneer in everything we do, being in the high ranks... As long as we stay focused on these objectives, nothing can stand in the way of our collective mind. We, as Anadolu Group, are a large family that can fulfill our responsibilities in any situation and knows how to emerge stronger from adversity. We will continue to carry out our work in the most efficient and value-generating manner, fueled by the strength we derive from our values and one another.

On behalf of Anadolu Group, I would like to express my gratitude to all our stakeholders, who believed in us, confided in us and contributed to us.

Tuncay Özilhan
Chairman

CEO's Assessment

As Anadolu Group, we recorded consolidated sales of TRL 375.6 bn which is 17.5% higher compared to 2022. Main contributors to the increase of our sales were soft drink, beer, Migros and automotive operations.

We focus on the future of nature, business and people in all our operations.

Esteemed Stakeholders,

In this significant year, which marked the celebration of the 100th anniversary of the foundation of Turkish Republic, Anadolu Group continued to grow strongly. We maintain our operations successfully in 7 sectors with our approximately 80 companies, 90 production facilities, 6 R&D centers and 100.000 employees in 20 countries. Despite a challenging year, we take prudent steps toward our goals thanks to the effective financial and operational strategies we employ. While creating economic value with our products, services and investments for our country and all the other geographies we are operating in, we also generate value in several social areas and produce benefits for our society and stakeholders. We were listed among The 20 Most Admired Companies of Türkiye for the third consecutive time. Our Group companies come up with new success stories every day. We are carrying our sustainability works forward with our "From Anadolu to the Future" sustainability strategy and our goals for a better future. We focus on the future of nature, business and people in all our operations. It has also been a significant development for both our Group and our country that Togg, in which we have a 23% share and we consider as an important asset among our Group's investments, came onto the market. We continue to work together for our common future, become more motivated with new success stories and begin the new year with new expectations and targets.

Honored Stakeholders,

As Anadolu Group, we recorded consolidated sales of TRL 375.6 bn which is 17.5% higher compared to 2022. Main contributors to the increase of our sales were soft drink, beer, Migros and automotive operations. Our consolidated EBITDA improved by 10.9% to TRL 36.1 bn, implying a margin of 9.6% as a result of better operational profitability in 2023. On the balance sheet side, our consolidated assets increased by 3.7% and exceeded TRL 391.8 bn. Despite foreign currency appreciation against TRL, our consolidated net debt decreased in TRL terms and we generated a strong free cash flow.

Our Group companies continued to embrace significant achievements this year.

Anadolu Efes launched more than 35 new products to consumers. It established the Anadolu Efes Sustainability Academy to raise sustainability awareness at all levels of its organization. It also became the first company in its sector to publish an integrated report. With a focus on circular economy, it transformed brewer's spent grain into functional malt fiber and brought a new raw material to the food industry. It launched the open innovation program 'BrewFuture' to collaborate with startups. As part of its 2030 Sustainability Commitments, **Coca-Cola** İçecek **(CCI)** accelerated its renewable energy investments with wind turbines in Çorlu, solar power panels in Isparta and Köyceğiz, solar power panels in KPGF and Multan in Pakistan. It launched its water replenishment projects in Türkiye, Pakistan and Jordan. It started the Proud Hundreds program to increase women's employment in Türkiye. CCI's financial and governance success in its domestic and international operations have been recognized by reputable institutions such as Institutional Investor and Fitch Ratings, while its sustainability initiatives have been recognized by CDP with a rating upgrade. CCI was the first bottler in the Coca-Cola System to

CEO’s Assessment

In 2024, we will continue to add value in every field in which we operate.

receive the ‘Equal Pay Certificate’ and the first company in its geography to receive this certification. The 2022 Integrated Annual Report was published in four languages for the first time. While **Migros** continues to grow with more than 3,200 stores; it provides services all over Türkiye with Migros Sanal Market, Migros Hemen, Migros Ekstra, Tazedirekt, Macroonline, Mion and Migros Yemek which all unite under the Migros application. The number of customers served by the retail media company Mimeda and Moneypay, which offers payment transactions and financial services, increases every day. As Migros invests in new and efficient delivery models with Paket Taxi, the number of stores of cosmetics store chain Mion and electric vehicle charging stations of Migen increases rapidly. Included in the BIST Sustainability 25 index published by Borsa Istanbul, Migros was also named the “Most Admired” company in the organized retail sector for the 20th time in a row.

In total of our companies operating in the automotive sector, we achieved a growth of 40% and we continue our innovative studies steadily. **Anadolu Isuzu** has made significant progress in terms of R&D, sustainability and efficiency in addition to the sales records achieved at home and abroad. While introducing NovoVolt, the new electric medium-size coach model, which was designed and produced entirely in its own facilities, the ratio of electric bus sales to total sales that was initiated with the Novociti Volt model, reached 10%. It began implementing its sustainability strategy with the participation of all business units. By expanding the capacity of the solar power plant installed on the roof of its production facilities, it started to obtain 70% of the electricity it needs in production from renewable energy. Achieving a record sales volume in 2023, **Kia Türkiye** was honored with the “Best Distributor” award by Kia Global. Additionally, for its outstanding performance in the CRM field, it received recognition as the “3rd Most Successful Country Globally” among all Kia countries. Our brand, offering electric, hybrid, and plug-in hybrid versions of its models, continued to rapidly progress in the electrification process throughout this year. In pursuit of leadership in customer satisfaction, **Garenta** innovatively provided next-generation solutions, continually generating added value for the automotive industry through vigilant tracking of transportation trends. Operating in more than 80 offices across 39 provinces, Garenta has crafted solutions, tailored to fulfill the diverse needs and expectations of its customers, employing a combination of creative campaigns and a customer-centric approach. This year marked a transformative period of innovation for **ikinciyeni.com**. By monitoring the dynamic shifts in digital user behaviors, it has introduced a range of initiatives, encompassing loyalty programs, a multi-channel strategy, financial solutions, and additional services like logistics and expertise reports. **Carwizz Oto Ekspertiz**, born out of Çelik Motor’s wealth of experience and expertise in the inspection sector, has embarked on delivering independent, unbiased, and professional used car inspection services. With its customer-centric structure and a commitment to experienced and prompt service, it now caters to both corporate entities and individual consumers alike. It has already distinguished itself in the industry through its mobile expertise practice. **Anadolu Motor** focused on R&D activities with the aim of increasing its export volume and added GX200, GX270 and GX390 models to the Antrac gasoline product group family. It completed the Stage 5 certification process for Antor 2AD 510 single-cylinder diesel engines, not only breaking new ground in Türkiye, but also took its place among the first five companies in the world to have Stage 5 certification. It started an important investment on the marine side. Honda Marine, a brand distributed by Anadolu Motor started to produce gasoline marine engines with a maximum power of 250 HP at 350 HP, aiming for higher power.

We also consistently maintain our activities in our Agribusiness, Energy and Industry Group companies. **Anadolu Etap Tarım** has made significant investments in smart agriculture, focusing on sustainable farming practices. It initiated the "Harvest for the Future – Geleceğe Hasat" Internship Program, enabling young engineers to gain experience on the farm. This year, through its MİÇO project, which provides uninterrupted education opportunities for the children of seasonal nomadic workers, the company reached over 2,300 children. **Anadolu Etap** İçecek, operating in the fruit juice concentrate sector with three plants, became the market leader this year by processing 320,000 tons of fruit. It increased its production tonnage by investing in capacity expansion at the Mersin Factory. The company, which earns 70% of its sales from exports, expanded its product portfolio and entered new markets. Aslancık and Paravani Hydroelectric Power Plants, our renewable energy investments in the **energy sector,** are continuing their activities successfully. Having a successful and efficient year in the domestic market by reaching all strategic and commercial goals, **Adel Kalemcilik** took the step for important international business opportunities by entering UNICEF's approved global suppliers list. Developing its collaborations on a global scale by participating in international trade fairs, Adel entered the North American market for the first time. It started offering its products to Russian consumers on Ozon, which is Russia's largest online marketplace. It was chosen as the Happiest Workplace in its sector in the "2023 Happy Place to Work - Happiest Workplaces of Türkiye" research.

We continue to generate value for our society with our social organizations. Since its establishment, **Anadolu Foundation** has provided scholarship support to more than 30.000 students from 81 provinces of Türkiye, studying in almost every department, from engineering to medicine, from basic sciences to arts. The number of Mentees in the 11th term of Mentoring Program reached 151. With the internship program implemented for the first time, 26 scholars did internships in Anadolu Group companies. Our Foundation presented Mahmut-Dudu Yazıcı Anatolian High School in Nevşehir to our young people, who will add value to the future of our country. Social Responsibility in Health efforts have provided more than 700,000 free health services to more than 60,000 people in need to date.**Anadolu Medical Center** has been ranked in the top 500 in Türkiye in the health services export by the Turkish Exporters Assembly for the third time and was ranked among the top three hospitals that make the utmost health services export. It was ranked among the Top three hospitals in the healthcare industry in the Most Admired Companies Research by the Capital Magazine. The Pink Ball, which was implemented by Anadolu Medical Center and Anadolu Efes Sports Club to draw attention to the importance of early diagnosis in breast cancer, was on the court for the 10th time. **Anadolu Efes Sports Club** clinched the Turkish Basketball Super League championship for the 2022 - 2023 season, adding another triumph to its countless victories. It also was honored with the Silver Award in the EuroLeague Devotion Marketing Awards with #YuvaOl (#BeHome) project among more than 40 teams competing in EuroLeague and EuroCup.

Esteemed Stakeholders,

These significant accomplishments give inspiration to all of us. In 2024, we will continue to add value in every field in which we operate. While leaving behind another year in our success story, I would like to thank all of our stakeholders for their support and their trust.

Hurşit Zorlu
CEO

Board of Directors

Tuncay Özilhan
Chairman

Kamil Süleyman Yazıcı
Vice Chairman

Talip Altuğ Aksoy
Board Member

Dr. Yılmaz Argüden
Board Member

Rasih Engin Akçakoca
Board Member

Uğur Bayar
Independent Board Member

Beliz Çevik Chappuie
Board Member

Tuğban İzzet Aksoy
Board Member

Efe Yazıcı
Board Member

İzzet Karaca
Independent Board Member

Dr. Mehmet Ercan Kumcu
Independent Board Member

Ahmet Cemal Dördüncü*
Independent Board Member

* Our Board Member Ali Galip Yorgancıoğlu, whose independence criteria expired on 26 December 2023 in accordance with the Corporate Governance Principles, resigned from his membership in the Board of Directors. It has been decided that the appointment of Ahmet Cemal Dördüncü as the Independent Member of the Board of Directors vacated by Ali Galip Yorgancıoğlu will be submitted for approval at the first General Assembly.

Board of Directors

Tuncay Özilhan
Chairman

Tuncay Özilhan was born in Kayseri. He studied in Saint-Joseph High School, then graduated from the Faculty of Economics of İstanbul University. He received his MBA degree from Long Island University in the United States. He started his career in 1977 as General Director of Erciyas Brewery and has undertaken responsibilities such as Coordinator of the Beer Group and General Coordinator of Anadolu Group. Tuncay Özilhan acted as the CEO of Anadolu Group from 1984 to February 2017. He is the Chairman of Anadolu Group since May 2007. He has also been serving as Chairman of Anadolu Foundation as well as various Group companies.

Tuncay Özilhan served as the Chairman of TÜSİAD (Turkish Industry & Business Association) between 2001 to 2003, as the Chairman of its High Advisory Council between 2015-2023 and became its Honorary President in 2024. His other responsibilities include; Member of The Board at the Foreign Economic Relations Board (DEİK), Honorary Consul for the Republic of Estonia and President of Anadolu Efes Sports Club. He also served as Chairman of the Turkish – Russian Business Council at DEİK. Tuncay Özilhan holds a Ministerial Medal given by the Ministry Foreign Affairs of the Republic of Estonia, a Service Medal given by the Republic of Kazakhstan and "The Order of the Rising Sun, Gold and Silver Star", constituting one of the most important orders awarded by the Japanese government.

Kamil Süleyman Yazıcı
Vice Chairman

Kamil Yazıcı graduated from New York Military Academy as lieutenant captain (96'), holds a BA degree from Emory University's Goizueta Business School (00'), an MBA degree from American Institute of Business and Economics (05') and has completed the GMP program at the Harvard Business School (17'). Yazıcı started his career in Anadolu Group in year 2000 and after completing the orientation program at the holding, continued his career in Anadolu Efes' Russian beer operations, where he assumed the roles of Supply Chain Director and Business Development Director between 2008-2011. In 2011, Yazıcı was appointed as General Manager of Efes Vitanta in Moldova and resumed this role until 2014. In 2014, he was appointed as Market Development Director and held this position until 2017. Since 2017, Yazıcı has been serving as Board Member and Vice-Chairman on Anadolu Group holding and subsidiary boards. In addition, Yazıcı serves as Board Member for TAİK (Türkiye-U.S. Business Council), TOGG (Turkish National Auto Initiative), HBS Alumnus (Harvard Business School's Alumni Board) and KYYDAS (the Kamil Yazici Family Trust).

Talip Altuğ Aksoy
Board Member

Talip Altuğ Aksoy received his bachelor's degree in economics from Oglethorpe University in USA. He began his career as Finance Assistant Specialist at Anadolu Group in 1995 and was appointed as a Finance Specialist in 1996. Aksoy worked as Human Resources and Treasury Specialist from 1998 to 2000. He served as Director of Sales and Marketing at Efes Invest from 2000 to 2003 and was appointed as the Director of Trade and Export at Efes Beer Group in January 2003. Continuing his career at Anadolu Group as the Director of Purchasing and Logistics between 2006-2008, Aksoy was appointed as Director of Supply Chain of Efes Beer Group in June 2008. In November 2011, he was appointed as Efes Türkiye Managing Director and served in this position until January 2017. Aksoy still continues to serve as a Board Member in various Anadolu Group companies.

Beliz Çevik Chappuie
Board Member

Beliz Çevik Chappuie received her bachelor's degree in environmental engineering from Istanbul Technical University and MBA degree from Indiana University with a concentration in finance. She began her career as finance program evaluator in Office of State Audits and Evaluations in 2001 and still serves as a Chief of Audit Services in California Public Employees' Retirement System. With over 20 years of experience in investment and finance, Beliz Çevik Chappuie holds Certified Public Accountant and Certified Information Systems Auditor licences.

Tuğban İzzet Aksoy
Board Member

Tuğban İzzet Aksoy graduated from the Management and International Finance Department of the University of Oglethorpe in the USA, following his education at the Austrian High School. He began his professional career as an Assistant Expert in the Financial Affairs Directorate at Anadolu Endüstri Holding, in 1996. In December 1998 he was appointed as a Senior Broker at the Alternatifbank Treasury Department. Following five years in this role, Aksoy took on the role of Corporate Finance and Risk Manager at the Treasury and Risk Management Department of Anadolu Endüstri Holding A.Ş. in June 2003. In April 2008, he became Assistant Coordinator at Business Development Directorate, and between 2009-April 2019, he worked as Anadolu Group Energy Sector Coordinator. He continues to serve as Board Member in various Anadolu Group companies. Aksoy, who has participated in professional training and seminars in his field, is member of energy groups of TÜSİAD and TOBB. He is also the executive board member of the Turkish Jockey Club. Aksoy has been serving as an honorary consul of Georgia since 2016 and also holds Georgian Government Medal of Honor.

Efe Yazıcı
Board Member

Efe Yazıcı received his undergraduate degree in Management from George Washington University in 1999 and his MBA from Sabancı University in 2003. He worked as Assistant Fund Manager in Merrill-Lynch between 1997-1999 and joined Anadolu Group in 1999. During 1999-2002 period, he assumed various positons in Abank, Anadolu Endüstri Holding, TurkeCom, Anadolu Efes and Efes Moscow. Efe Yazıcı worked in Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş. during 2003-2014, overtaking positions of Export Specialist, Export Executive, Marketing Executive, Marketing Manager, Sales Manager and Exports Manager in order. Efe Yazıcı has been working as the General Manager of Antgıda A.Ş. since 2015; he serves as the board member of Billurtuz A.Ş. and in various Anadolu Group companies.

Dr. Yılmaz Argüden
Board Member

Dr. Yılmaz Argüden is a leading strategist, advisor, and board member of major public and private institutions, and NGOs. He is the Founder and Chairman of ARGE Consulting, a globally recognized management consulting firm based in Istanbul. ARGE Consulting has served as the B20 Knowledge Partner (Governance & Sustainability), as EFQM Certified Advisory Organization, and International Integrated Reporting Council's Licensed Training Partner. ARGE Consulting is the first Turkish signatory of the UN Global Compact and has been recognized at the European Parliament as one of the best three companies "Shaping the Future" with its commitment to corporate social responsibility. He is also the Chairman of Rothschild & Co. investment bank in Türkiye and served on the boards of more than 70 companies in different jurisdictions. He is an author of numerous books and a columnist focusing on business, strategy, and governance issues. He has served as an adjunct Professor of Business Strategy at the Bogazici University, Koç University, and the Military Academy. He is a renowned governance expert who served as the Chairman of the Governance Committee of the Business at OECD and as a member of the IFC's Corporate Governance Advisory Board. He is also the Chairman of the Trustees of the Argüden Governance Academy. As a social entrepreneur he has founded and led numerous NGOs and initiated the National Quality Movement. As the elected Global Chair, he represented the National Networks on the Board of the UN Global Compact, the world's largest sustainability platform. He has a B.S. degree in Industrial Engineering from the Bogazici University, where he received both the Top Academic Achievement Award and the President's Prize for Student Leadership. He received his PhD in policy analysis from the RAND Graduate School with General Distinction. He was a playmaker for the high school and university basketball teams that won the National Championships and later served as the Vice-Chair of Turkish Basketball Federation. He is an Eisenhower, Fulbright, NATO, and Tübitak fellow; and a recipient of numerous leadership, distinguished citizenship, and career awards. He was selected as a Global Leader for Tomorrow, by the World Economic Forum for his commitment to improve the state of the world.

Rasih Engin Akçakoca
Board Member

R. Engin Akçakoca received his undergraduate degree from Middle East Technical University in Management and started his career in banking in 1974. He assumed Deputy General Manager position in Koç-Amerikan Bank during 1986 and 1991 and General Manager position in Koçbank A.Ş. during 1991 and 2000. He was appointed as the Chairman of the Banking Regulation and Supervision Agency and the Savings Deposit Insurance Fund in 2001 responsible for a large-scale banking sector restructuring program held in Türkiye. Akçakoca has been working as a consultant since 2004 and holds board member positions in various Anadolu Group companies.

Board of Directors

Uğur Bayar
Independent Board Member

Uğur Bayar graduated from New York State University, Department of Mathematics & Statistics with a BSc. degree. Bayar started his career at Citibank Türkiye in 1987 and served in various roles in the treasury department until he started public service in 1992. He served as the Vice President in Public Partnership Administration between 1992-1997 and President at Prime Ministry Privatization Administration of Türkiye between 1997-2002. During this time, he also assumed the Chairmanships of the Board at Erdemir and Petrol Ofisi, and the Board Memberships at Turkish Airlines and Turk Telekom. He joined Credit Suisse Türkiye in 2004 and served as the country CEO and Head of Investment Banking until 2017. He is currently serving as the Chairman of the Board of Tekfen Teknoloji Yatırım and as a board member at Anadolu Grubu, Anadolu Efes and Coca-Cola İçecek. Bayar has also served as the Chairman of the Board of WWF Türkiye (World Wildlife Foundation) between 2010-2022. Bayar fulfills all requirements of the independent member criteria specified in the CMB's Corporate Governance Principles.

İzzet Karaca
Independent Board Member

İzzet Karaca graduated from Boğaziçi University Industrial Engineering Department in 1977. Having started his professional career in 1977 at Koç Research and Development Centre, he held Industrial Engineer and IT Manager position until 1985. Between 1985-1988, Karaca worked as Systems and Organization Director at Ford Otosan. Since 1988, he held several positions at Unilever in Germany, Türkiye and Baltic States including Internal Audit Group Manager, Logistics Manager, Commercial Director and Managing Director. In addition, between 2011- 2013, İzzet Karaca served as the Chairperson at YASED (International Investors Association). After serving as Executive Chairman at Unilever Türkiye and Unilever NAMET RUB (North Africa, Middle East, Russia, Ukraine and Belarus) and being a member of the Unilever CEO Forum, Karaca retired at December 2013. In 2015, he published his first book called "The New CEO is... You".

Dr. Mehmet Ercan Kumcu
Independent Board Member

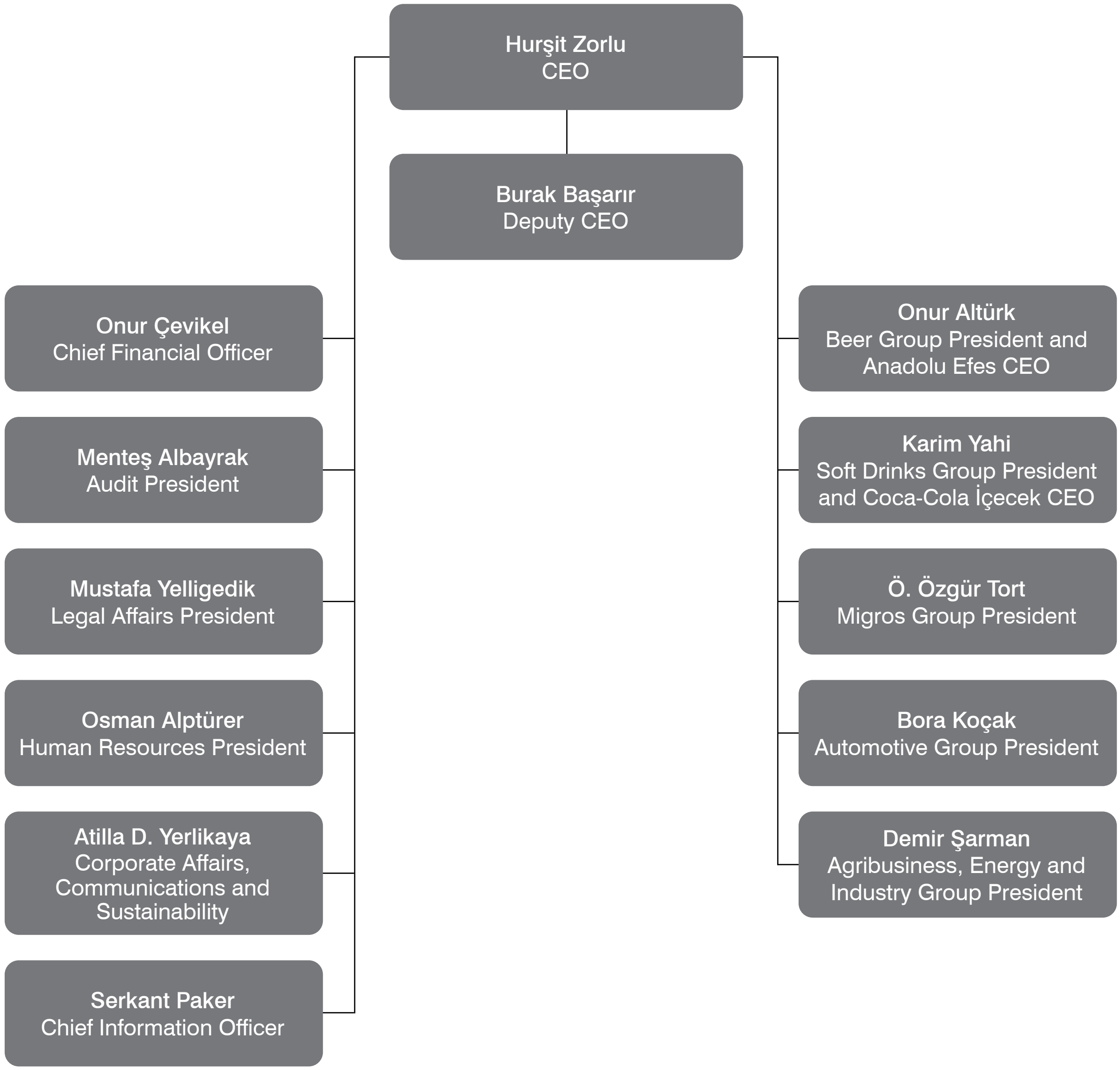
Mehmet Ercan Kumcu graduated from Boğaziçi University Department of Economics and received his doctorate degree from Boston College, Department of Economics. He was a university lecturer in Boston College, Eastern Michigan University and State University of New York giving lectures about macroeconomics, theory of money, international economics and finance. Prior to his career at the Central Bank of Türkiye, he worked as a guest researcher, general secretary and finally as Vice President between 1988-1993. Dr. Kumcu worked both as the Vice Chairman and later as the Chairman of Tekfenbank (Eurobank Tekfen) between 1995-2008. Dr. Kumcu gives lectures at Kadir Has University and he has published many articles. He is the author of the books "İstikrar Arayışları" (In Pursuit of Stability) "Krizleri Nasıl Çıkardık?" (How Did We Create Crises) (with Mahfi Eğilmez), "Ekonomi Politikası: Teori ve Türkiye Uygulaması" (Economic Policy: Theory and Practice in Türkiye) (with Mahfi Eğilmez), "Kadın Matematikçiler" (Female Mathematicians) and "Krizler, Para ve İktisatçılar" (Crises, Money and Economists). Kumcu, complies with all of the independent member requirements, defined in the Capital Markets Board (CMB) Corporate Governance Principles.

Ahmet Cemal Dördüncü*
Independent Board Member

Ahmet Cemal Dördüncü was born in 1953 in İstanbul. After graduating from Çukurova University, Department of Business Administration, he did post graduate studies at Mannheim and Hannover Universities. He started his career at Claas OHG company in Germany. He continued his career at Mercedes Benz A.Ş. in Türkiye between 1984-1987. Dördüncü joined Sabancı Group in 1987 and took on various positions at Kordsa A.Ş. until 1998. In 1998, he served as General Manager/President of the Group's DUSA company, DUSA South America and later DUSA North America. After serving as Sabancı Holding Strategic Planning and Business Development Group President in 2004, he served as Sabancı Holding Chief Executive Officer between 2005 and 2010. Between 2013-2023, he served as CEO of Akkök Holding A.Ş. He continues to work as a Board Member at Akkök Holding. He is also the Chairman of the Board of Directors of Epsilon Composite, one of the Akkök Holding group companies, and a Board Member of DoWAksa. Dördüncü is the founder Member of "Yanındayız" Association, United Nations Global Compact Türkiye Chairman and board member of International Paper Co. Ahmet Cemal Dördüncü complies with all of the independent member requirements, defined in the Capital Markets Board (CMB) Corporate Governance Principles.

* Our Board Member Ali Galip Yorgancıoğlu, whose independence criteria expired on 26 December 2023 in accordance with the Corporate Governance Principles, resigned from his membership in the Board of Directors. It has been decided that the appointment of Ahmet Cemal Dördüncü as the Independent Member of the Board of Directors vacated by Ali Galip Yorgancıoğlu will be submitted for approval at the first General Assembly.

Organization Chart



Senior Management

Hurşit Zorlu
CEO

Burak Başarır
Deputy CEO

Onur Çevikel
Chief Financial Officer

Atilla D. Yerlikaya
President of Corporate Affairs, Communications and Sustainability

Serkant Paker
Chief Information Officer

Onur Altürk
Beer Group President and Anadolu Efes CEO

Demir Şarman
Agribusiness, Energy and Industry Group President

Menteş Albayrak
Audit President

Mustafa Yelligedik
Legal Affairs President

Osman Alptürer
Human Resources President

Karim Yahi
Anadolu Group Soft Drinks Group President and Coca-Cola İçecek CEO

Ö. Özgür Tort
Migros Group President

Bora Koçak
President Automotive Group

Senior Management

Hurşit Zorlu
CEO

Hurşit Zorlu holds a BCs degree in Economics from Istanbul University. Prior to joining Anadolu Group as a Marketing Specialist at the Efes Beverage Group in 1984, he held various positions in Toz Metal and Turkish Airlines. During his career at Efes Beverage Group, he held various positions including Assistant Marketing Manager, Assistant Project Development Manager, Project Development Manager and Business Development & Investor Relations Director respectively. Zorlu held the position of Chief Financial Officer (CFO) at Efes Beverage Group between 2000-2008 and the position of CFO at Anadolu Group between 2008-2013. In January 2013, Zorlu was appointed as Deputy CEO and as of February 2017 he was appointed as CEO of Anadolu Group. Hurşit Zorlu, a Board Member of various Anadolu Group companies, is also the Chairman of the Sustainability Committee of the Group and leads the works within the scope of sustainability strategy, "From Anadolu to the Future". Zorlu is a board member of DEİK Outbound Investment Business Council, High Advisory Council Member of the Turkish Investor Relations Society (TÜYİD) and served as the 8th term Chairman of the Corporate Governance Association of Türkiye (TKYD) between 2015-2017.

Burak Başarır
Deputy CEO

Burak Başarır holds a BA in Business Administration and a minor in Computer Sciences from American River College. He studied management at California State University of Sacramento and received a BSc degree in business administration from Middle East Technical University in 1995. Başarır joined Anadolu Group in 1998 with his first post at Coca Cola İçecek (CCI) and assumed increasing managerial responsibilities in finance and commercial functions. He was assigned as Coca-Cola İçecek CFO in 2005 and has played a significant role during CCI's IPO process and effectively managed the financial integration of Efes Invest with CCI. Başarır led the largest operation of CCI in terms of volume and sales as the Türkiye Region President between 2010 and 2013. Başarır was appointed as Coca-Cola İçecek CEO in January 2014. He served as Anadolu Group Soft Drinks Group President and Coca-Cola İçecek CEO between 2014 -2023. Başarır was appointed as Anadolu Group Deputy CEO in September 2023 and has been serving as Anadolu Group CEO since April 1st, 2024. Başarır is the Chairman of Anadolu Group Sustainability Committee and a member of the Turkish Industry & Business Association (TÜSİAD).

Onur Çevikel
Chief Financial Officer

Onur Çevikel graduated from Istanbul University Business Administration (English) faculty in 1993. His career started at Ermenegildo Zegna Giyim Sanayi ve Ticaret A.Ş. as Finance Specialist. He joined Anadolu Group in 1995 as a Finance Specialist at Efes Beer Group. Çevikel continued his career holding positions such as Finance Manager at Coca-Cola Kuban Bottlers, Finance Manager at Coca-Cola Rostov Bottlers, Finance Director at Efes Russia, Operations Director at Efes Russia. Following the announcement of the strategic alliance with SABMiller Plc. in 2011, he was appointed as Integration Director leading the integration team coordinating the integration activities in Russia. He served as Anadolu Efes Chief Financial Officer between January 2013 - December 2018. Çevikel has been serving as Anadolu Group Chief Financial Officer since January 2019. Çevikel is also a member of Anadolu Group Sustainability Committee.

Menteş Albayrak
Audit President

After finishing Kadıköy Anatolian High School in 1991, Menteş Albayrak graduated from Economics department at Istanbul University in 1995. In 2007, he received his post graduate degree, Executive (MBA) from Sabancı University. He started to work in Anadolu Endüstri Holding in 1995. He served in various Anadolu Group companies and assumed finance and audit roles between 1995-2018. Starting from 2018, he has been working as Audit President of Anadolu Group. In his professional field; Albayrak acted as Board Member and Vice President of Türkiye Internal Audit Institute (TİDE) between 2010-2016. He also acted as the Chairman of the Board role at Türkiye Internal Audit Institute (TİDE) between 2016-2018. Additionally, he was a member of Public Affairs Committee of European Confederation of Internal Auditors (ECIIA) between 2014-2016. He serves as a member of Anadolu Group Sustainability Committee, Board Member and Vice President at TEİD (Turkish Ethics and Reputation Society).

Mustafa Yelligedik
Legal Affairs President

Mustafa Yelligedik graduated from Darüşşafaka High School in 1990 and from Ankara University Faculty of Law in 1994. He also completed Sports Law Program at Kadir Has University Faculty of Law in 2006 and the General Management Program at Bled School of Management in Slovenia in 2008. He began his career in Anadolu Group at Efes Beverage Group as a lawyer in 1997. Afterwards, he worked at Anadolu Endüstri Holding A.Ş. as a lawyer, Legal Affairs Manager, Assistant Legal Affairs Coordinator and Legal Affairs Coordinator, respectively. Mustafa Yelligedik has been Anadolu Group Legal Affairs President since 1 February 2018. Yelligedik is also a member of Anadolu Group Sustainability Committee.

Osman Alptürer
Human Resources President

Osman Alptürer completed Moda High School in 1984. He graduated from Marmara University Economics Department in 1989 and obtained Postgraduate Diploma in Economics from University of Surrey, UK in 1992. He began his career in Anadolu Group as an operation specialist at Efestur Turizm İşletmeleri A.Ş. in 1994 and continued his career in Anadolu Group, Efestur, Anadolu Endüstri Holding A.Ş., Honda Türkiye and Efes Beverage Group, respectively. Osman Alptürer currently holds Anadolu Group Human Resources President position. Alptürer is also a member of Anadolu Group Sustainability Committee.

Atilla D. Yerlikaya
President of Corporate Affairs, Communications and Sustainability

Atilla Yerlikaya received his BA degree in Economics from the Faculty of Economics and Administrative Sciences at Boğaziçi University in 1996. He started his career in 1994 in Doğan Media Group. He worked as the General Manager of the Magazine Segment of Doğuş Media Group between 1999 and 2001, as the Corporate Affairs Manager at PMSA between 2001 and 2005 and as the External Affairs Director at Shell Türkiye between 2006 and 2007. Yerlikaya started at Anadolu Group first as Coca-Cola İçecek Group Corporate Affairs and Communications Director and he occupied this post between 2007 and 2018. In 2018, he led Amazon's launch in Türkiye as the General Manager of Corporate Strategy and Policy before rejoining Anadolu Group in 2022 as Coca-Cola İçecek Chief Strategy and Business Development Officer. As of the 1st of July, 2023 he was appointed as President of Corporate Affairs, Communications and Sustainability at Anadolu Group. Yerlikaya is a member of Anadolu Group Sustainability Committee and is also responsible from its coordination. Atilla Yerlikaya acted as YASED (International Investors Association) as a member of audit committee between 2005 and 2009 as the Chairman of Food and Agriculture Working Group between 2011 and 2014. Yerlikaya was elected as a board member of GSSB (Global Sustainability Standards Board) and served until 2018. He is the founding chairman of the Public Affairs Institute of Türkiye and elected as the Chairperson of Türkiye-Pakistan Business Council of DEİK (Foreign Economics Relations Board) until 2026. Yerlikaya is also the Chairman of TÜSİAD Retail Working Group.

Senior Management

Serkant Paker
Chief Information Officer

Serkant Paker graduated from the Electronics and Telecommunication Engineering Department of Istanbul Technical University in 1995 and started his career in Hürriyet Gazetecilik A.Ş. as Technical Supervisor in 1997. Between 1998 and 2014, he worked at Coca-Cola İçecek A.Ş. as Information Systems and Technologies Specialist, Business Systems Group Project Leader, Business Systems Infrastructure & Technology Manager and Business Solutions Group Manager respectively. In March 2014, he was appointed as Anadolu Efes Information Systems Director and in October 2014, was appointed as Anadolu Efes Business Solutions Technologies Director. In July 2015, he was appointed as Anadolu Group Chief Information Officer (CIO). Serkant Paker worked both as Anadolu Efes Business Solutions Technologies Director and Anadolu Group Chief Information Officer (CIO) between July 2015 and November 2017. Since November 2017 he has been working as Anadolu Group Chief Information Officer (CIO). Paker is also a member of Anadolu Group Sustainability Committee.

Onur Altürk*
Beer Group President and Anadolu Efes CEO

Onur Altürk was graduated from Middle East Technical University, Faculty of Architecture City and Regional Planning in 1998. He started his career as Site Leasing & Procurement Specialist at Turkcell. He worked in various positions at Avea as Sales & Marketing Contracting Specialist and Event Marketing Senior Specialist between years 2002-2005. He joined Fritolay / PepsiCo in 2005 and worked as Trade Marketing Specialist, POS & Channel Development Manager, Trade Marketing & Horeca Manager, Sales Development & Merchandising Manager, Sales Planning Manager, District Sales Manager, Head of Sales Operations, Development, Capability and Head of Sales Strategy & Sales Audit between 2005-2015. He worked as Traditional Trade Sales Director at PepsiCo between 2015-2018. Onur Altürk, who worked as Sales Director of Anadolu Efes Türkiye Operations between 2018-2022, worked as Anadolu Efes Türkiye General Manager between 2022-2024. He was assigned as Beer Group President and Anadolu Efes CEO as of March 2024.
He is also a member of Anadolu Group Sustainability Committee.

Karim Yahi
Anadolu Group Soft Drinks Group President and Coca-Cola İçecek CEO

Karim Yahi graduated from Audit Department of EM Strasbourg Business School in France. He worked as Auditor at Segec Audit (now KPMG) in Strasbourg-France between 1997–1999, Assistant Controller–Europe, Middle East & Africa at Crown Cork & Seal in Paris-France between 1999–2001, Deputy Finance Director at Berlinwasser Holding in Berlin-Germany between 2001- 2003. Yahi has almost 18 years of experience across diverse roles at The Coca-Cola Company in multiple geographies. He held roles of increasing responsibility in general management, strategy, growth, finance and mergers & acquisitions, in multiple locations including France, Türkiye, Germany, Latin-America and the United States. He started in Anadolu Group as Deputy CEO of Coca-Cola İçecek in March 2023. Yahi was appointed as Anadolu Group Soft Drinks Group President and Coca-Cola İçecek CEO as of September 1, 2023.

* Onur Altürk was appointed as Beer Group President and Anadolu Efes CEO, replacing Can Çaka as of 1 March 2023.

Ö. Özgür Tort
Migros Group President

Ö. Özgür Tort, PhD joined the Business Development Department of Migros in 1996 and went on to lead, in chronological order, Project Management, International Investments Coordination and Customer Relationship Management (CRM). In 2002, he was posted as Chief Operations Officer of Ramstore retail operations in Russia, where he stayed for the next four years before returning to Migros Türkiye as Chief Human Resources Officer in 2006. In 2008, Dr. Ö. Özgür Tort was appointed as Chief Executive Officer of Migros and has been serving in this role ever since. Tort is a member of Anadolu Group Sustainability Committee. In addition, since 2013 Dr. Ö. Özgür Tort has been a board member of the Consumer Goods Forum (CGF), a global organization formed by the world's leading retailers and manufacturers. Between 2019 – 2021, he took over as the Co-Chair (retail) of the CGF. On the national level, Dr. Ö. Özgür Tort is the Vice Co-Chair of Food Retailers Association (GPD) and board member of the Turkish Federation of Shopping Centers and Retailers (TAMPF). In 2020, Tort became a board member of both GS1 Global and GS1 Turkey. Tort graduated from Istanbul Technical University with a BSc in Industrial Engineering and in addition holds an MS degree in Engineering Management from Missouri University of Science and Technology. He received his doctorate degree in Engineering Management from Marmara University.

Bora Koçak
President Automotive Group

Bora Koçak graduated from the Turkish Naval Academy, Department of Mechanical Engineering. In the following years after his graduation, Koçak received education in the Advanced Management Program at Harvard Business School. He served as Chief Technician Officer in the technical management positions at the Naval Forces between 1989 – 1996 and later started working in the automotive industry. As of 1996, he gained experience in Çelik Motor as Chief Trainer, After-Sales Services Chief and After-Sales Services Manager. He became KIA Product Manager and then KIA-HondaLada Product Manager between 1999 – 2005. He served as the General Manager of Citroen Baylas Otomotiv between 2005-2008. He was the General Manager (Turkey) of Mazda Motor Europe from 2008 to 2010. Appointed as the General Manager of Çelik Motor in April 2010, Bora Koçak continued his duty until July 2016. Since August 2016, Bora Koçak holds the office of President for Anadolu Group, Automotive Group. Bora Koçak is a member of Anadolu Group Sustainability Committee, the vice president and board member of MESS and board member of TİSK.

Demir Şarman
Agribusiness, Energy and Industry Group President

Demir Şarman started his career in 1993 as a Financial Audit Specialist at Arthur Andersen Türkiye and joined Anadolu Group's Beverage Division (Anadolu Efes) in 1997 as a Financial Controller. Between 1997-2009, Şarman held various positions at Anadolu Efes including CFO of Efes International and Group's Strategy and Business Development Director. Şarman served as the Chief Executive Officer of Anadolu Etap since its incorporation until June 2019. Demir Şarman, who assumed the responsibilities of Anadolu Group energy companies in April 2019, was appointed as Anadolu Group Agribusiness, Energy and Industry Group President in July 2019. Şarman is also a member of Anadolu Group Sustainability Committee. Besides carrying out his duties as the Chairman of the Federation of Food and Drink Industry Associations of Türkiye (TGDF) and Vice President of the International Fruit and Vegetable Juice Association (IFU), Şarman also performs his duties as the member of the Private Sector Advisory Committee of the Food and Agriculture Organization of the United Nations (FAO). Demir Şarman graduated from Middle East Technical University, Department of Economics in 1993. He has an MBA degree from University of Chicago and is also a Certified Public Accountant.

Operational Assessment

Beer

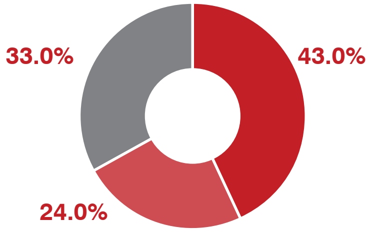
Anadolu Efes supplies more than a hundred international and local beer brands to about 400 million consumers in 5 countries.

Operational Assessment
Beer

ANADOLU EFES

Anadolu Efes

Shareholding Structure



- AG Anadolu Grubu Holding
- AB InBev Harmony Ltd
- Free Float

Founded	1969
BIST code:	AEFES.IS
2023-end market cap.	TRL 81.4 billion

2023 market shares & rankings**		
Türkiye	%52	1st
Russia	%29	1st
Kazakhstan	%46	1st
Georgia	%44	1st
Moldova	%64	1st

* The Barth Report 2022/2023
** Türkiye-Kazakhstan Nielsen January-December 2023, Average Moldova-Gergia Company estimates January-December 2023, Average Russia MD, GE Retail Audit

With twenty-one breweries, six malteries, one hop processing, and one preform manufacturing plant, Anadolu Efes conducts its alcoholic beverages market operations in five countries: Türkiye, Russia, Ukraine* Kazakhstan, Georgia, and Moldova. The company supplies more than a hundred domestic and international beer brands to consumers.

The beers that Anadolu Efes brews are enjoyed by many hundreds of millions of people across the world, nearly 400 million alone of whom live in the region in which its export markets are located. Starting out initially with two breweries in Türkiye, Anadolu Efes quickly established itself as the leader of the Turkish market. An important turning-point in Anadolu Efes' history occurred in the 1990s when the company decided to expand its operations abroad. Anadolu Efes' international operations are the responsibility of Efes Breweries International BV (EBI), a wholly-owned subsidiary based in Holland. Anadolu Efes also controls a majority stake in Coca-Cola İçecek A.Ş. (CCI), which is responsible for Coca-Cola operations in Türkiye and some other countries.

As measured by sales volume, Anadolu Efes is Türkiye's biggest, the world's tenth* biggest, and Europe's fifth biggest beer producer.

As of end-2023 the company had annual brewing and malting capacities of 51.8 million hectoliters and 403 thousand tons respectively. In 2023, Anadolu Efes' beer operations registered total sales of 35.7 million hectoliters, or 5.0% more than the previous year.

Aware of its standing as one of biggest assets Türkiye has created, Anadolu Efes gives maximum attention to its social responsibilities and has made a point of behaving as a good corporate citizen ever since the day it was founded. Anadolu Efes contributes to social sustainability by supporting local development through the creation of viable models in the areas of agriculture and tourism on the one hand and by supporting social and cultural wellbeing through its activities in such areas as theater, cinema, and sport on the other.

Despite the global challenges that confronted it in 2023, Anadolu Efes maintained its leading position in all of its markets, continued to invest in branding and innovation, and strengthened its bonds with consumers. Continuing to benefit from the momentum generated by its sales of premium and non-alcoholic beer as it has always done, in 2023 Anadolu Efes strengthened its portfolio with the launch of new products in the craft and flavored categories.

Beer Operations in Türkiye

Anadolu Efes' Turkish beer operations commenced in 1969 at two breweries, one in İstanbul and the other in İzmir. Today the company is Türkiye's leading beer producer

Europe's 5th and the world's 10th* biggest brewer from the standpoint of total sales volume, Anadolu Efes is also the enduring leader of the Turkish market.

with three breweries in Ankara, İzmir, and Adana; two malteries in Afyon and Konya; and one hop processing plant in Bilecik. As the Turkish brewing industry's leader for almost half a century, Anadolu Efes is the maker of Efes Pilsen, the beer brand that comes first to consumers' minds in Türkiye. Anadolu Efes' annual production capacity in Türkiye is 6.9 million hectoliters of beer and 115 thousand tons of malt.

Despite the erosion of consumer purchasing power caused by devastating natural disasters, macroeconomic volatilities, and high inflation, Anadolu Efes's beer operations in Turkey benefited from tourism and were also supported by exports. Sales were up by 9.1% year-on-year by volume and amounted to 6.2 million hectoliters. Turkish-market sales in 2023 contributed a 17% share of Anadolu Efes total sales worldwide.

International Beer Operations

Anadolu Efes' Russian operations began with the onset of production at the Moscow-Efes Brewery in 1999. The performance of the operations was augmented by the acquisition of the Krasny Vostok beer group (at the time Russia's 7th biggest brewer) in 2006 and by a strategic collaboration with SABMiller that it entered into in 2012. As a result of the acquisition of SABMiller by Anheuser-Busch Inbev (AB InBev) in 2017, the latter company now controls a 24% stake in Anadolu Efes. In the first quarter of 2018, Anadolu Efes' Russian operations and AB InBev's Russian and Ukrainian operations were all brought together under the single control of AB InBev Efes BV. Conducting its operations in Russia with eleven breweries and three malteries located in Kaluga, Kazan, Novosibirsk, Ufa, Ulyanovsk, Vladivostok, Klin, Volzhskiy, Omsk, Saransk, and Ivanovo, Anadolu Efes remains the leader of the country's beer market especially as measured by value. Anadolu Efes' Russian beer operations make the biggest contribution to the company's international beer operations from the standpoint of sales volume. They have annual production capacities of 31.7 million hectoliters of beer and 288 thousand tons of malt.

Having been brought under the control of AB InBev, the company's Ukrainian operations* have an annual beer production capacity of 7.9 million hectoliters at three breweries (Chernihiv, Kharkiv, Mykolaiv).

The second biggest market in Anadolu Efes' international beer operations after Russia is Kazakhstan, which is also one of the most important for the company. Anadolu Efes first entered the Kazakhstani market when it acquired a newly-privatized brewery in Karaganda in 1996. The company expanded its operations in the country with the opening of a new brewery in Almaty in 2003. Today Anadolu Efes remains the country's market leader with both breweries still in operation. Anadolu Efes' annual production capacity in Kazakhstan is 2.6 million hectoliters of beer.

Anadolu Efes has also been conducting beer operations in Moldova ever since entering the country in 2003 with its acquisition of a brewery in the city of Chisinau. Today the company is the largest player of the Moldovan market with an annual production capacity of 1.5 million hectoliters of beer and soft drinks.

Anadolu Efes entered the Georgian market in 2008 when it acquired Lomisi, the country's leading local brewery at the time. Continuing its operations at its brewery in Natakhtari, Anadolu Efes is the market leader in the country with an annual production capacity of 1.2 million hectoliters.

Having previously suspended all beermaking operations in Ukraine in February 2022, partial production resumed at Anadolu Efes's Chernihiv brewery in the last quarter of the year and also at its Mykolaiv brewery in the second quarter of 2023.

First and second-quarter Russian beer operations were down on a year-to-year basis, partly owing to pricing issues. Strong sales volume momentum was regained in the second half-year as a result of restratigization aided by a market performing better than expectations and by the previous year's low-base effects. The upshot is that Russian beer sales volumes increased modestly in the low single-digit ranges on a twelve-month basis. The company remains the market share leader as measured by total sales value owing to its strategy of focusing on the premium segment. It also entered the energy drinks market with a new offering that quickly took off and numbered among the top-selling brands by year-end.

Although the company focused on balancing volume performance and commercial strategies throughout the year in the conduct of its Ukrainian beer operations, competition exerted noticeable pressure, particularly on the matter of pricing. Market conditions visibly improved during the reporting period; indeed compared with 2021 beer production figures, they were more than 20% ahead of what the company expected them to be.

Georgian beer operations experienced only low-to-mid single-digit sales volume growth in 2023, even with a strong previous-year performance and investment in premium brands.

Sales volumes across all CIS country markets experienced contractions in the low-single digit range in 2023. In the case of our beer operations in Kazakhstan, this was due to price pressure: the company itself outperformed the market and remained its leader, even to the extent of picking up some market share. A confluence of inflation, price pressure, and a consumer based reduced by population decline resulted in our Moldovan beer operations slightly underperforming the market.

* The Barth Report 2022/2023

Operational Assessment

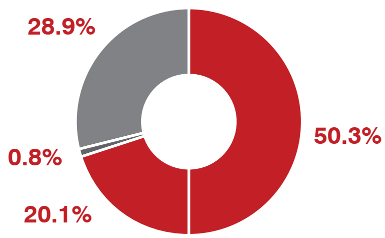
Soft Drinks

With 30 bottling and 3 fruit processing plants in 11 countries and an annual bottling capacity of 1.5 billion unit cases, CCI is one of the biggest bottlers in the Coca-Cola system as measured by total sales volume.

Operational Assessment
Soft Drinks

Coca-Cola İçecek (CCI)

Shareholding Structure



- Anadolu Efes
- TCCC
- Özgörkey Holding
- Free Float

Founded	1969
BIST code:	CCOLA.IS
2023-end market cap.	TRL 133.7 billion

2023 sparkling beverages market shares & rankings

Türkiye	59.4%	1st
Pakistan	47.1%	1st
Kazakhistan	50.0%	1st
Iraq	33.0%	2nd
Uzbekistan	47.6%	1st
Azerbaijan	75.8%	1st
Bangladesh	45.3%	1st
Kyrgyzstan	56.5%	1st
Jordan	12.7%	2nd
Tajikistan	-	-
Turkmenistan	-	-
Syria	-	-

Source: (1) & (2) S&P Global (Formerly IHS Markit), Market Intelligence, Jan'24
(3) GlobalData (Industry Estimates), 2023 Forecast; S&P Global (Population); NARTD includes Sparkling, Juices, Packaged Water, RTD Tea & Energy Drinks; Per cap per year in terms of number of 8-ounce servings
(4) & (5); TR/KZ: Nielsen Retail Panel, YTD Dec'23; PK: Foresight Household Panel (only covers Household consumption, not OOH consumption), YTD Dec'23; IQ: Retail Zoom Retail Panel (Urban), YTD Dec'23; UZ/AZ/KG/JO based on GlobalData Industry Estimates & CCI Internal Volume, FY'23

Anadolu Efes controls a 50.3% stake in Coca-Cola İçecek (CCI), which is primarily responsible for carrying out domestic and international soft drinks operations The company engages in the production, sale, and distribution of sparkling and still (non-sparkling) beverages bearing The Coca-Cola Company (TCCC) brand in 11 countries: Türkiye, Pakistan, Kazakhstan, Iraq, Uzbekistan, Azerbaijan, Kyrgyzstan, Jordan, Tajikistan, Turkmenistan and Syria. With a total bottling capacity of 2.0 billion unit cases in 30 bottling plants, CCI is the third biggest bottler in the Coca-Cola System from the standpoint of the 500 million people it has access to across its operational territories. On the measure of total sales volume, CCI is the system's seventh biggest bottler.

Along with the sparkling beverages that it supplies to a target audience of half a billion people, CCI's product portfolio also boast an extensive lineup of fruit juices, water, energy & sports beverages, and iced teas & coffees in the still beverages category. The company employs over 10 thousand people in the conduct of its operations.

CCI continued to face operational challenges in 2023. Externalities such as natural disasters and macroeconomic headwinds as well as political unrest in neighboring regions weighed heavily on consumers' purchasing power and willingness to spend, hampered production, and adversely impacted the company's sales volumes.

CCI's consolidated sales were down by 2.6% year-on-year and numbered 1.5 billion unit cases in 2023. Despite the significant contributions made by the company's operations in Central Asia and Iraq, where sales were up by 11.9% and 10.7% respectively, consolidated sales growth was negatively impacted by operations in Türkiye and Pakistan. CCI's international operations contributed a 63.1% share of total sales, up by 95 basis points year-on.

While unit-case sales in the sparkling beverages category were down by 3.3% overall in 2023, Coca-Cola sales performed relatively more strongly than did others.

Up by 95 basis points year-on, CCI's international operations contributed a 63.1% share of its total sales in 2023.

Sales in the still beverages category, which were up by 18.7% in 2022, increased by only 6.2% last year. Although sales in the waters category were down by 3.5% year-on, this was largely attributable to CCI's strategy of focusing on premium-segment growth. Sales in the energy drinks and adult (Schweppes-branded) premium categories were up by 4.6% and 10.9% respectively.

CCI continued to focus on value-generation by prioritizing both immediate-consumption (IC) container sizes and the on-premise consumption channel. In the twelve months to end-2023, the overall market share of IC products grew by 129 basis points to 27.3% while that of sales to the on-premise consumption channel were up by 101 basis points and reached 19.0%. The continued focus on the low-sugar/sugar-free portfolio has also yielded positive results, with the share of this portfolio in total sparkling beverage sales increasing by 5 percentage points year-on-year and reaching 13.3%.

Türkiye

Responding immediately to the devastating earthquakes that struck Türkiye in 2023, the entire Coca-Cola System mobilized its resources to come to the aid of its victims. Such tragic events understandably impacted consumer spending. CCI's Turkish operations registered a 5.1% decrease in volume in 2023. In addition to the repercussions of the February earthquakes, consumers' willingness to spend was also constrained by second-quarter national elections and by persistently high inflation throughout the year.

In 2023, the overall market share of IC products grew by 187 basis points to 33.6% while that of sales to the on-premise consumption channel were up by 265 basis points and reached 30.1%. The continued focus on the low-sugar/sugar-free portfolio has also yielded positive results, with the share of this portfolio in total sparkling beverage sales increasing by 20 percentage points year-on-year and reaching 38.8%.

International

CCI's international operations experienced a slight (1.1%) decrease in 2023, largely attributable to lower production volumes in Pakistan.

The company's focus on portfolio mix quality also paid off in its international operations last year: the market share of IC products grew by 109 basis points to 23.7% while that of sales to the on-premise consumption channel were up by 29 basis points and reached 12.7%.

As a result of the historically unprecedented macroeconomic hardships that Pakistan endured in 2023, the country's consumer-confidence index plummeted to its lowest level in over a decade in the second half-year. The Pakistani rupee weakened significantly against the US dollar, reaching historic lows and losing roughly 25% of its value in the course of twelve months. Meanwhile inflation reached an all-time half-century high and severely impacted consumers' buying power. While this translated into an overall 16.4% decrease in total sales by volume (which had registered a 13.1% rate of growth in 2022), CCI's continued systematic approach to marketing initiatives and there effectiveness helped soften the impact by successfully expanding overall market share year-on-year. (Source: Nielsen, Urban Value Share as of Nov 2023.)

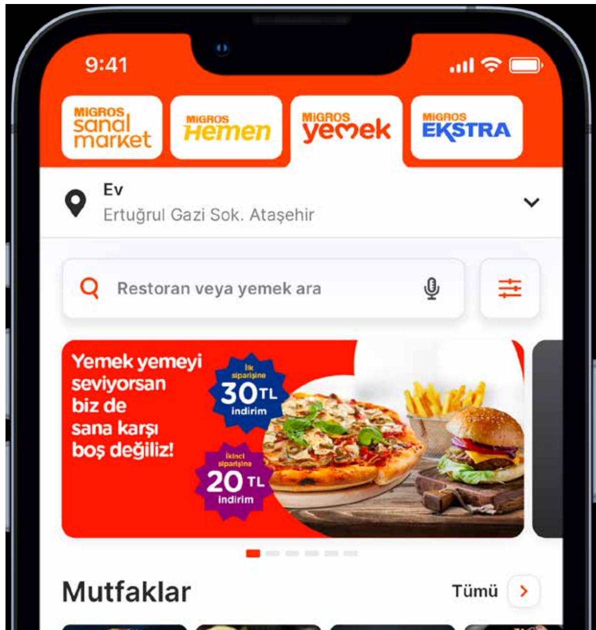
Among all of CCI's national markets, Uzbekistan's grew the fastest, registering an annualized 25.8% rate of growth in 2023.

Diligent adherence to CCI's playbook and strategic placement of coolers have in Uzbekistan have led to a robust route-to-market (RTM) infrastructure that continues to drive strong operational results in this country.

In Kazakhstan, sales were up by 2.4% year-on-year in 2023 (16.0% in 2022). This growth was nourished mainly by sparkling beverage sales, which were up by 4.7% last year (19.7% in 2022).

Operational Assessment

Migros Group



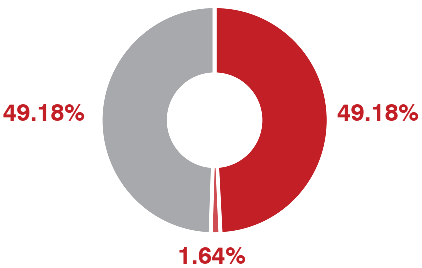
Migros continues to extend the reach of its ecosystem and service offerings by investing in new integrated channels and subsidiaries beyond food retailing.

Operational Assessment
Migros Group

MiGROS

Migros

Shareholding Structure



- MH Perakendecilik
- Migros Ticaret A.Ş.
- Other

Founded	1954
BIST code:	MGROS.IS
2023-end market cap.	TRL 60.6 billion

The distinguished leader of food retailing in Türkiye with 70 years of deep-rooted experience in the sector, Migros has built up a vast ecosystem of 70,000 employees, 23,500 business partners, and millions of loyal customers. Migros offers shoppers a wide range of products at affordable prices through 3,300 physical stores and online platforms.

Migros achieved all of its 2023 consolidated sales growth, new store opening, and investment outlay targets thanks to its strong operational and financial performance throughout the year. Increased customer traffic in both online and offline venues nourished by new store openings and price discounts were the main drivers of strong sales growth last year. These factors enabled Migros to gain an additional 120 basis points of market share in Türkiye's modern fast-moving consumer goods retailing sector.

Migros continued to invest in both online and offline operations in 2023, expanding its retailing footprint with the addition of 517 new stores that brought the total number in its national chain to 3,363 as of year-end. Migros has had a physical presence in all 81 of Türkiye's provinces. The geographical reach of its online operations continued to expand last year. Migros Sanal Market is accessible to shoppers in all 81 of the country's provinces and is supplied by 958 offline stores. Migros Hemen is likewise accessible and is served by 528 stores. Macroonline serves online shoppers through 87 stores in 9 provinces while Tazedirekt is accessible to them in 5. As of 31 December 2023, Migros's online shopping operations were being supported by 1,093 offline stores across the country.

A genuinely national footprint, strong omnichannel capabilities, innovative solutions, and budget-friendly pricing strategies are among the reasons why Migros has achieved a 100% rate of household penetration across the country.

New subsidiaries and ventures

Offering quality, affordable products through offline and online channels, Migros focuses both on reaching more customers and on creating a seamless shopping experience across all formats. For Migros, 2023 was a year of successful transformation and expansion. The company enlarged its service footprint through investments in new business lines and subsidiaries addressing the constantly evolving lifestyles and working conditions of consumers.

Mion, Migros's new venture in cosmetics retailing, was launched in January. Rapidly expanding its geographical reach, Mion was serving customers through 70 stores in 22 provinces by year-end. Having commenced operations in June 2022, the company's online takeaway ordering platform Migros Yemek had expanded to all 81 provinces by year-end. Last year a "Delivered by Migros" feature was also added to its service mix. The number of cloud kitchens preparing Migros Yemek's menu of 15 private-label offerings reached 42 in 2023.

Looking to further grow Migros's online food ordering and delivery services, a combined 50% stake in CRC Danışmanlık ve Organizasyon AŞ ("Gurmepack") was acquired in late 2023 by Migros (30%) and Migros subsidiary Dijital Platform Gıda Hizmetleri AŞ (20%). Gurmepack is a company with experience in the production of heat-and-eat prepackaged meals.

Migros fintech subsidiary Moneypay further enlarged its service network and customer base and delivered payment processing and financial services to 1.7 million users in 2023. Migen Enerji, a company set up to provide EV charging services at Migros store locations, had an operational footprint of 55 charging stations in 19 provinces as of end-2023.

Mimeda is a Migros Group media company that focuses on developing and delivering data-driven advertising and marketing solutions for a steadily growing customer base. Migros subsidiary Paket Taksi is a courier service provider that also explores and invests in new delivery models. The company is currently expanding its existing EV fleet.

Sustainable growth nourished by a healthy balance sheet

Migros registered strong sales growth in 2023, generating cashflow that further strengthened its robust balance sheet. The company's online sales contributed a 17% share of its consolidated sales (excluding tobacco products and alcoholic beverages).

Creating value for all stakeholders

77% of Migros's turnover is generated by the sale of groceries, meat & dairy products, and fresh produce. Indeed the company sells more perishables than any other Turkish retailer. Because so much of its turnover is agriculture-based, Migros undertakes significant investments in sustainable farming and agricultural sustainability that also create jobs and support local communities in different parts of the country.

Migros creates value for its customers through regularly-conducted special-priced deals and discounts in an effort to boost their buying power and help them cope with inflation. One-day campaigns organized during November and December last year offered Migros shoppers targeted discounts on virtually everything they might need.

Blending seven decades of experience with state-of-the-art technology, Migros develops new business models that keep it at the leading edge of the retailing industry's ongoing digital transformation. In addition to kiosks that are installed outside some stores, the company's seagoing Migros Deniz Market also continued to provide cloud kitchen services in 2023. Migros Up, a collaborative-innovation platform, supports an entrepreneurial ecosystem in which Migros specialists and independent entrepreneurs develop projects together. Migros One Kitchen, which was brought into the Migros One stable in 2022, continued to expand its hybrid-concept network of Migros-owned offline, online, and self-service outlets that benefit from the company's logistical and procurement strengths and keep consumers supplied with a wide variety of options that deliver Migros quality and affordable Migros prices.

Migros' efforts to keep its customers supplied with quality, service, and value continues to earn the appreciation of consumers and the attention of business circles. In Capital magazine's 2023 survey, Migros once again headed that business journal's "Türkiye's Most Admired Retailers" list, this time for the 20th year in a row. Migros's efforts to promote its employees' happiness as well as their professional and personal development earned it first place in the "Chain Store" category of the 2023 Happy Workplaces survey conducted by Happy Place To Work.

A comprehensive focus on sustainability.

Migros focuses on sustainability in the conduct of all of its operations. Under its Migros Better Future Plan, Migros has committed itself to reducing its total carbon emissions by 42% by 2030 in support of its goal of becoming carbon-neutral by 2050. To achieve this, the company has decided to source a third of the electricity it needs from renewables. Last year the company launched investments to install solar power plants capable of supplying renewable-sourced electricity sufficient to meet the needs of four distribution centers and 300 stores. Migros is also developing new renewable energy investments. As an ongoing supporter of sustainable agriculture, small producers, and localization, Migros has set itself the goal of reducing the amounts of food wasted in the conduct of its operations by half by 2030. As an ongoing supporter of workplace gender equality, Migros has set itself the goals of having 35% of its management positions filled by women by 2027 and 50% of them by 2050.

Migros is the only Turkish retailer whose free-float shares have been included in the İstanbul stock exchange's BIST Sustainability 25 Index of the country's most sustainable publicly-traded companies since the index's inauguration. The company ranks second in Refinitive's global survey of food retailers. MSCI's rating of its ESG performance has been increased from "A" to "AA". Migros is one of only twelve companies–and the only food retailer–headquartered in Turkey to be included in the Bloomberg Gender Equality Index. Regularly reporting its climate-mitigation and water-management efforts to the Carbon Disclosure Project, Migros has been designated a Climate Leader on four occasions and a Water Leader twice. Migros is a signatory to the UN Global Compact, an initiative supporting companies that align their operations with ten principles covering human rights, labor standards, environmental protection, and anti-corruption. As a Women's Empowerment Principles signatory, Migros has also pledged itself to abide by WEP's seven gender-equality principles.

In addition to its ongoing investments in digital transformation and innovation, Migros also strives to reduce energy costs through investments in energy conservation and alternative green energy resources. The company intends to make this an even higher-priority issue in the period ahead.

Operational Assessment

Automotive Group

Anadolu Group’s automotive segment collaborates with world-leading names Isuzu, Kia, Kohler, Honda, and Honda Marine.

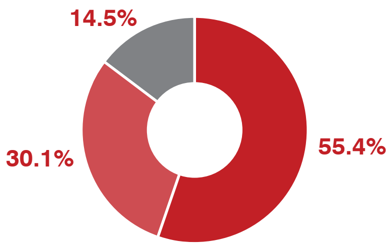
Operational Assessment

Automotive Group

ANADOLU ISUZU

Anadolu Isuzu

Shareholding Structure



- AG Anadolu Grubu Holding
- Isuzu&Itochu
- Other

Founded	1980
BIST code:	ASUZU.IS
2023-end market cap.	TRL 16.5 billion

Focusing on the commercial vehicle segment of the automotive market, Anadolu Isuzu offers a strong product line, provides effective after-sales services, and is the hub of an extensive dealership and service network. As a leading Turkish manufacturer of trucks, light trucks, midibuses, and buses, the company actively serves both domestic and international markets. Its Kocaeli Çayırova factory boasts a 318,000 m2 footprint and an single-shift annual production capacity of 19,000 vehicles.

Anadolu Isuzu further strengthened its home market position through effective and proactive marketing and sales campaigns. As of end-2023, Anadolu Isuzu controlled a 20.6% share of Türkiye's midibus market segment and 6.3%, 9.7%, and 2.4% market shares in the truck, pickup, and light truck segments respectively.

Serving customers through 32 sales point and 92 authorized service outlets in Türkiye, Anadolu Isuzu has also entered into 36 distributorship agreements encompassing 44 countries. Anadolu Isuzu successfully expanded its exports, increasing them to an impressive EUR 149 million in value.

In 2023 Anadolu Isuzu's sales to its home market increased by 37% and its export sales by 16%. The rise in the company's net sales during the same twelve-month period was 30%.

In 2023 Anadolu Isuzu accounted for an 8.9% share of all the buses and midibuses exported from Türkiye. In the midibus category, Anadolu Isuzu ranked first among all of the country's automotives manufacturers, a distinction which the

Reaching customers in Türkiye through 32 dealerships and 92 authorized services, Anadolu Isuzu is also the hub of an international network embracing 36 distributorships in 44 countries.

company has enjoyed now for 20 years in a row. Anadolu Isuzu successfully met its export targets in 2023, exporting 1,248 units and generating EUR 149 million in export turnover. In 2023, the top twelve countries accounted for 90% of Anadolu Isuzu's total export sales while France, Israel, and Georgia ranked highest on the measure of overall export turnover. In the twelve months to December 2023, Anadolu Isuzu manufactured and exported a total of 22,000 commercial vehicles from Türkiye to the rest of the world.

In 2023, Anadolu Isuzu:

- Received the Uludağ Automotive Industry Exporters' Association (OİB) "Export Success" award in recognition of its export achievements.
- Topped Turkishtime's Türkiye Ar-Ge 250 2022 Survey, with the most utility models and design registrations awarded to its R&D center.
- Was designated "Year's Best Commercial Automotive Brand in Customer Experience Management" at the year's ALFA Awards.
- Was designated "Prestigious Brand of the Year" in the Commercial Automotive Category at 2023 The ONE Integrated Marketing Awards.

The company's all-electric CitiVolt bus earned it the "German Design Award Winner" title in the "Passenger Vehicles" category at the German Design Awards.

Anadolu Isuzu's success stems largely from its expertise in R&D and innovation. The company proactively monitors evolving trends and customer expectations, enabling it to develop unique technologies, designs, and applications with complete ownership of all contingent intellectual property rights.

Anadolu Isuzu is committed to constantly raising the standards by which its after-sales services are judged. To enhance after-sales service quality and customer satisfaction in international markets, Anadolu Isuzu has opened a European logistics center in Stuttgart. Anadolu Isuzu's "ProEye" online support service, developed by its Technology Center, offers remote technical support and online training system assistance to authorized service centers both in Turkey and abroad.

Anadolu Isuzu's Smart Factory project employs "3D Digital Twin" technology to manage the complex production-flow and greater production-space requirements dictated by the variability and diversity of "Tailor-Made Manufacturing" and "Internet of Things" technologies so as to ensure that operators have full access to all information about customized-production operations.

In a move to bolster its production capabilities, Anadolu Isuzu acquired the chassis production operations of FZK, a well-established player in the automotives industry. Anadolu Isuzu is now manufacturing chassis and associated components under its own brand at FZK's Gebze-based production facilities.

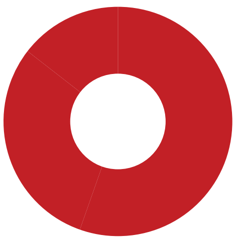
Driven by its commitment to sustainability, Anadolu Isuzu has launched its "Transforming for Tomorrow" strategy. This initiative aims to transform the company's business models and products in order to achieve a zero-waste, renewable energy-based, and more prosperous future. The company is carrying out a comprehensive transformation across its operations, value chain, and business practices in order to achieve its net zero emissions target. Anadolu Isuzu contributes to climate crisis mitigation by developing next-generation transportation solutions. It derives 55% of the electricity needed in the conduct of its manufacturing operations at Çayırova from renewables thanks to a solar power plant installed at the factory.

The NovoVolt electric bus, Anadolu Isuzu's first offering designed for the shuttle service and tourism transportation segment, was added to the company's product line in 2023. The NovoVolt was unveiled at Busworld Europe Brussels Fair.

Operational Assessment
Automotive Group

Çelik Motor

Shareholding Structure



AG Anadolu Grubu Holding

Founded	1960

Kia's 2023 sales increased by 14.59% achieving an all-time record-breaking performance of 23,339 units in a single year.

Kia

The strong sales momentum that Kia achieved in 2022 carried over into 2023. The company booked a record-breaking 14.59% year-on-year increase in total sales and reached a historic high of 23,339 units sold. Up by 11.74%, Kia's passenger car sales numbered 20,629 units that corresponded to a 2.13% market share. Light commercial vehicle sales surged 42.26%: the 2,710 units that were sold last year gave the company a 1.02% share of Turkey's LCV market.

Kia aims to launch 14 new electric models by 2030 as part of its global "Plan S" strategy and has begun manufacturing them. Three of these–Niro EV, Kia EV6, and Kia EV9–have gone on sale in Turkey. The Kia Sportage, a plug-in hybrid representing another move in the company's ongoing vehicle electrification process, made its Turkish market debut in 2023. The Kia EV3 Concept, an entry in the B SUV segment, is due to go on sale in the last quarter of 2024.

Rapidly adapting itself to the increasing digitalization and mobility needs of its customers. Kia continued to provide existing and potential customers with access to its services through the deployment of new digital channels and technologies. Focused on ensuring customer satisfaction sustainability, in 2023 Kia increased its customer demand rate by 75% as compared with the previous year.

In line with its goal of being the automotives brand that delivers the most benefit to customer, Kia has provided users of its Kia Fan loyalty-program app with more than 410 discount codes for more than 240 different products.

All these successes have earned Kia Türkiye Kia Global's "Best Distributor" award. Kia Türkiye's CRM initiatives have also been acknowledged as the third most effective in the Kia Global system.

ikinciyeni.com & Carwizz Oto Ekspertiz

The benchmark name in Türkiye's second-hand car market, ikinciyeni.com continues to distinguish itself with its innovative service approaches while also striving to

Managing an extensive fleet of vehicles more than 70% of which are less than a year old, Garenta continues to focus on customer satisfaction. The company's success in delivering customer experience excellence is attested to by a 9.5/10.0 score in a 2023 poll of 70 thousand customers and by the numerous awards and recognitions the company has received.

better respond to vehicle buyers' needs and expectations through the online vehicle auction and sales campaign models and practices that it develops.

ikinciyeni.com has been innovating without letup since day one. It is Türkiye's first corporate-branded used-car dealership to offer credit card payment options both online and at dealers' premises. ikinciyeni.com recently updated its website and mobile app. In 2023, it continued to innovate by launching "YeniPara," a loyalty program that is a first in the industry. ikinciyeni.com is always listening to its customers to get a better understanding of their needs and expectations. It has partnered with other brands to offer inventory financing in the second-hand sector.

ikinciyeni.com placed first in the "Car Sales Platform" category in the "Best In E-Commerce" series of ECHO awards handed out jointly by Marketing Türkiye and AKADEMETRE.

ikinciyeni.com's transparent, trustworthy, and institutional approach to doing business is what sets it apart from others in the sector. Since the brand was launched, it has mediated the sale of 135 thousand used cars through its website and dealerships.

Leveraging its deep and extensive automotives-sector knowledge and experience, Çelik Motor launched its Carwizz brand in 2023. Prioritizing customer satisfaction by providing proficient and responsive service, Carwizz supplies independent, impartial, and professional second-hand vehicle appraisals to businesses and consumers in Turkey. By the year's end, Carwizz already had nine branches in eight provinces. The company is aiming to have at least a hundred branches nationwide within five years' time.

Garenta

Offering an extensive selection of vehicles, Türkiye's innovative vehicle-rental company Garenta has over 80 offices in 38 provinces. 21 of them are located in airports.

Garenta leverages its expertise and human resources with a focus on a digital-platform ecosystem consisting of its own website, dealerships, and an array of service-providers. This approach allows the company to be customers' one-stop transportation solution partner wherever and whenever it interacts with them.

In the eighth round of Achievement in Customer Excellence (ACE) awards conducted by the sikayetvar.com consumer-complaints website in 2023, Garenta was awarded gold in the "Excellent Customer Satisfaction" category among vehicle-rental service providers. It also placed among the top tree contenders in the "Vehicle Leasing" category in the "Best In E-Commerce" series of ECHO awards handed out jointly by Marketing Türkiye and AKADEMETRE.

Garenta Academy is a project that Garenta launched in 2023 to further enhance customer satisfaction by supporting institutional standardization in the vehicle-rental industry. Garenta Academy has been designed to serve as the industry's digital-platform training hub. It provides access to an extensive catalogue of resources ranging from interactive training modules to professional presentations.

Garenta experienced significant growth in 2023, with a 34% increase in contracts and a 40% increase in rental days as compared with 2022. It also achieved a more than 28% expansion in its fleet, which numbered 7,101 vehicles at year-end and consisted of a steadily more diverse array of gasoline, diesel, electric, and hybrid engine options. The company is giving particular attention to growing its electric vehicle fleet and plans to double it in size by the end of 2024.

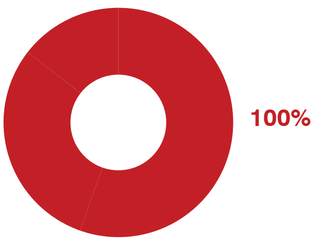
Operational Assessment

Automotive Group

ANADOLU MOTOR

Anadolu Motor

Shareholding Structure



AG Anadolu Grubu Holding

Founded	1965

Türkiye's only domestic manufacturer of single-cylinder air-cooled diesel engines, Anadolu Motor also acts as the Turkish distributor for Honda power equipment and Honda Marine outboard motors.

Türkiye's only domestic manufacturer of single-cylinder air-cooled diesel engines, Anadolu Motor has more than half a century of engine production and marketing experience. The company also acts as the Turkish distributor for Honda power equipment and Honda Marine outboard motors.

Besides manufacturing and exporting its Antor line of diesel engines, in the power equipment category Anadolu Motor also sells a range of tiller machines, water pumps, generators, brush cutters, and lawn mowers under its Antrac brand.

The company additionally acts as a distributor for:

- Kohler-Lombardini diesel engines for use in industrial applications
- Honda Power Equipment for use in gardening, grounds maintenance, and industrial applications
- Honda Marine outboard motors and Honda 4XC Design by Ranieri motor boats
- OXE Marine outboard diesel engines.

Focused on satisfying customer expectations at the highest level by entering into partnerships with leading global brands in line with market dynamics, in 2022 Anadolu Motor began representing Sweden-based OXE Marine, makers of the world's first high-performance diesel outboard engine.

In the R&D center at its Şekerpınar plant where it conducts its manufacturing operations, Anadolu Motor develops efficiency and environment-focused technologies conforming to global standards. In the last quarter of 2022, a diesel engine being developed at the center successfully passed European Stage V non-road emission standards.

Besides offering an extensive portfolio of products with the aim of exceeding customer expectations, Anadolu Motor also serves its customers through an extensive, country-wide network of dealerships and spare parts and service-providers.

Another of Anadolu Motor's goals is to be a leading domestic and international producer of industrial engines and applications.

Besides offering an extensive portfolio of products with the aim of exceeding customer expectations, Anadolu Motor also serves its customers through an extensive, country-wide network of dealerships and spare parts and service-providers.

Operational Assessment

Agribusiness, Energy & Industry Group

One of the best-recognized names in stationery supplies, Adel Kalemcilik is the biggest manufacturer of stationery products in Türkiye and its region.

Adhering to sustainable agriculture principles, Anadolu Etap invests in the future of agriculture.

Anadolu Group has operations in the energy sector since 2010.

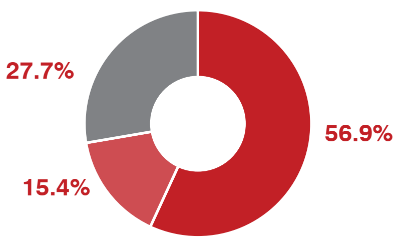
Operational Assessment

Agribusiness, Energy & Industry Group

ADEL

Adel Kalemcilik

Shareholding Structure



- AG Anadolu Grubu Holding
- Faber-Castell AG
- Free Float

Founded	1969
BIST code:	ADEL.IS
2023-end market cap.	TRL 2.6 billion

One of the best-recognized names in stationery supplies, Adel Kalemcilik's journey in Türkiye began with the opening of its factory in Kartal outside İstanbul in 1969. The well-known superior quality of Adel-manufactured writing implements and stationery supplies has made them an important and indispensable part of the education of many successive generations.
Since its inception, Adel Kalemcilik has been working in tandem with Faber-Castell, the world's oldest maker of pens, pencils, and other office supplies. Since the strengthening of that partnership in 1995, the company has been continuing to undertake value-adding investments in Türkiye without letup.

Adel Kalemcilik is the biggest manufacturer (as measured by production volume and product range) in Türkiye and its surrounding region in every category other than paper. The company exports goods to more than 40 countries.

Relocated in its manufacturing plant in Çayırova-İstanbul in 2015, Adel Kalemcilik makes blacklead pencils, coloring and copying pencils, ballpoint pens, mechanical pencils and leads, fineliners, highlighters, markers, oil pastels, crayons, watercolors, erasers, finger paints, modelling compounds, gouaches, and more at its plant located on an area of 36 thousand m^2 in Çayırova.

With its well-established past and experience, Adel Kalemcilik today markets and sells a catalog of close to 3,000 items consisting not only of Faber-Castell, Graf von Faber-Castell, Adel, Atlas, Max, and Panfix brand stationery supplies manufactured in or imported into Türkiye the world's leading -brand toys.

In keeping with its “We will never sell anything that we wouldn’t let our own kids use” principle, Adel Kalemcilik has an average of 10 thousand product safety and 30 thousand product quality tests carried out every year.

In the conduct of all of its operations since the day it was founded, Adel Kalemcilik has also been striving to be beneficial to its stakeholders and to society at large and to support sustainable projects whose aims are the same. Under its Goodness Tree Corporate Social Responsibility Program, whose core value is “goodness”, Adel Kalemcilik undertakes a large number of projects whose priority is to deal with quality-education and climate-action issues in line with United Nations 2030 Sustainable Development Goals.

Operational Assessment

Agribusiness, Energy & Industry Group

ANADOLU ETAP

Anadolu Etap, Turkey's leading grower of fresh fruit and producer of fruit juice concentrate, conducts its operations as two separate companies: one specializing in orchard and farm cultivation (Anadolu Etap Plantasyon ve Taze Ürünler) and the other in beverage production (Anadolu Etap İçecek).

Anadolu Etap's cultivation arm is Türkiye's biggest fresh-fruit grower, conducting its operations at eight farms and with more than 3.5 million trees on 25,000 decares of land. This company is committed to the principles of sustainable agriculture and pioneers the development of agriculture and agriculture-based industries. Generating over 50% of its revenues from international sales and driven by its "Healthy fruit for healthy generations" mission, the company employs over 4,000 people, including seasonal workers, and grows a wide range of fresh fruit. During 2023, it continued to contribute to the sustainability of its cultivation operations through continuous improvement initiatives, mechanization, optimization projects, and orchard rejuvenations. Anadolu Etap's commitment to sustainable agriculture was further demonstrated last year by harvesting machine investments aimed at making its business processes more productive and efficient. The introduction of apple harvesting machines has raised the company's harvesting efficiency to global standards.

The company prioritizes the production of high-quality, sustainable, and safe food, while simultaneously undertaking social investments that support regional development. As signatory of the United Nations Global Compact, the company conduct its operations economically, environmentally, and socially compatible with United Nations 2030 Sustainable Development Goals.

Recognizing its responsibility to create social value, the company carries out sustainable programs to support the improvement of the agricultural workforce, social gender equality, equality in educational opportunity, and rural development by increasing women's participation in the formal economy and by encouraging and supporting school enrolment. Through the AgroAkademi project that it launched in 2012, Anadolu Etap has provided sustainable-agricultural education to 875 farmers, 75% of whom are women; through the MİÇO (Children of Seasonal Agricultural Workers) program that it has been conducting since 2015, the company has undertaken projects that have provided educational and schooling resources to more than 2,300 children whose parents worked on its farms. Carrying out projects to ensure that water and all other natural resources are used productively and efficiently in all of its operations, Anadolu Etap also protects biodiversity and endangered wildlife species in regions where its farms are located.

Serving customers and consumers in its home market and across a broad region from the United States to the Far East, Anadolu Etap is Türkiye's biggest fresh-fruit grower and fruit-juice concentrate producer and continues to expand its market presence by delivering product and service quality that conforms to the highest international standards.

Recognizing social, economic, and environmental sustainability as being the most important value in the conduct of all of its operations, in 2014 Anadolu Etap became the first company in its sector to put together a set of Sustainable Agriculture Principles and to incorporate those principle into its business plans. Respectful of everyone, the environment, and the planet, Anadolu Etap Tarım conducts all of its production operations so as to ensure that they are end-to-end traceable and safe. Having successfully passed 600 different tests and analyses, Anadolu Etap grown fruits have been awarded both "Global GAP" and national "Good Agricultural Practices" certifications.

Anadolu Etap's beverages arm conducts its operations at three fruit-concentrate processing plants. The 320 thousand tons of fresh fruit that this company processed in 2023 made it the industry leader. Typically generating over 70% of its revenues from international sales, the company's export performance broke all previous records and made it the sector's leader. Last year's investments in a fruit-juice concentrate plant in Mersin further increased production capacity while the company also continued to pursue market growth through product and customer portfolio expansion.

The company's products are shipped to more than 40 countries around the world ranging from the Far East to North America. The company sources fruit not only from Anadolu Etap farms but also from about 70 thousand growers and nearly 4 thousand villages located all over the country.

Anadolu Etap boasts an extensive product portfolio of fruit juice concentrates and purees. The beverages company operates three highly automated fruit juice concentrate factories. These facilities produce high-quality, food-safe fruit juice concentrates and purees conforming both to international standards and to market demand. An extensive domestic and international customer base, coupled with a huge fruit processing capacity, positions Anadolu Etap nationwide as an industry leader whose operations are constantly informed by its vision of supplying quality products and services and maintaining sustainable and profitable growth.

Operational Assessment
Agribusiness, Energy & Industry Group

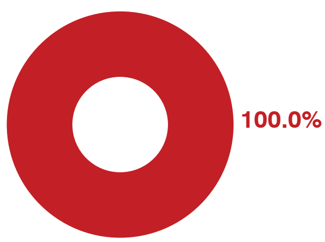

Paravani Hydroelectric Power Plant, Georgia


Aslancık Hydroelectric Power Plant, Giresun

PARAVANI HEPP

Georgia Urban Enerji

Shareholding Structure



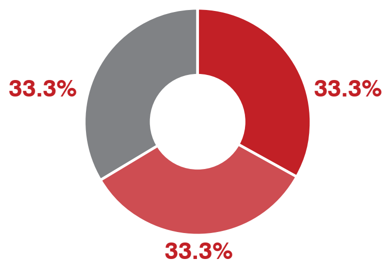
- Anadolu Kafkasya Enerji Yatırımları

Founded	1999

ASLANCIK ELEKTRİK ÜRETİM A.Ş.

Aslancık Elektrik Üretim

Shareholding Structure

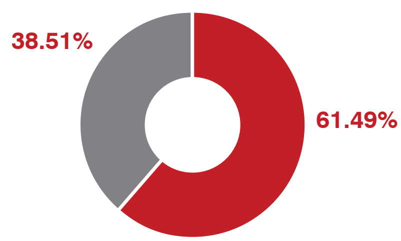


- AG Anadolu Grubu Holding
- Doğuş Group
- Doğan Group

Founded	1999

Anadolu Kafkasya Enerji Yatırımları

Shareholding Structure



- AG Anadolu Grubu Holding
- Paravani Energy B.V.

Founded	2009

In 2023 the Aslancık and Paravani hydroelectric power plants generated 306 GWh and 343 GWh of electricity, respectively.

Anadolu Group continues its energy-industry operations with a portfolio of sustainable renewable energy investments that create value and respect environmental and social values.

The hydroelectric-power operations in the group's energy-industry portfolio are managed in Türkiye by Aslancık Elektrik Üretim A.Ş. (Aslancık HPP) and by Georgia Urban Enerji Ltd (Paravani HPP) in Georgia. The group has also plans to develop a wind farm project (Taba LLC) in the Shida Kartli region in Georgia as a subsidiary of Anadolu Kafkasya Enerji Yatırımları A.Ş.

Anadolu Group's first investment in the energy sector was the 120 MW installed-capacity Aslancık Dam & Hydroelectric Power Plant, a joint venture with Doğan Group and Doğuş Group. The plant became operational in March 2014. Located on Harşit Çayı, a river in the province of Giresun, the Aslancık HPP generated 306 GWh of electricity in 2023, all of which was sold in Energy Exchange Istanbul (EXIST).

The Paravani HPP investment in Georgia, which became operational in September 2014, has an installed capacity of 90 MW and represents the first cross-border investment involving the tapping of a neighboring country's natural resources to meet Türkiye's and Georgia's energy requirements ever realized in the history of the Turkish Republic. Located on the Paravani river in Georgia about 25 kilometers from the border with Türkiye, Paravani HPP generated 343 GWh of electricity in 2023, all of which was sold to the Turksih grid for 3 months and to the Georgian grid for 9 months.

Taba LLC in Georgia (Ricoti Windfarm project) is in development phase to build a 24 MW wind farm in Georgia.

Operational Assessment
Other Companies - Insurance

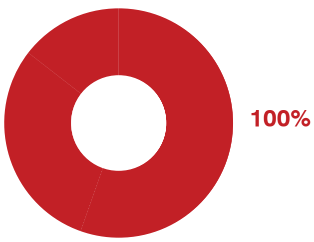
Other Companies

Among the corporate agencies working with Anadolu and Allianz insurance firms in Turkey, AEH has consistently ranked among the top three from the standpoint of both portfolio and technical profitability for many years.

AEH Sigorta Acenteliği A.Ş.

AEH Insurance Agency

Shareholding Structure



AG Anadolu Grubu Holding

Founded	2008

AEH has agency relationships with Anadolu Sigorta, Allianz Sigorta, Aksigorta, HDI Sigorta, AXA Sigorta, Anadolu Hayat Emeklilik, Generali Sigorta, Gulf Sigorta, Eureko Sigorta, VHV Sigorta, Corpus Sigorta, Fiba Emeklilik, Türkiye Sigorta, Quick Sigorta and AgeSA Hayat ve Emeklilik companies.

Among the corporate agencies working with Anadolu and Allianz insurance firms in Türkiye, AEH has consistently ranked among the top three from the standpoint of both portfolio and technical profitability for many years.

Anadolu Group and

Social Responsibility

In keeping with its social responsibility approach, Anadolu Group makes meaningful contributions to society through Anadolu Foundation, Anadolu Medical Center Hospital, and Anadolu Efes Sports Club.

Anadolu Group and Social Responsibility

Anadolu Foundation has provided more than 30 thousand students haling from all 81 of Türkiye's provinces with scholarships to pursue their studies in disciplines ranging from engineering to medicine and from the sciences to the arts. The foundation has also financed the construction of more than fifty schools, dormitories, gymnasiums, and other socially-beneficial facilities to date.

ANADOLU VAKFI

Anadolu Foundation

Established in 1979 by the Yazıcı and Özilhan families, the founders of Anadolu Group, in order to give something of what they had gained back to their country, Anadolu Foundation undertakes substantive investments in health and education.

"We share what we gain from the land with the people who dwell in the land."

Chartered in 1979, for 45 years Anadolu Foundation has been contributing to Türkiye's sociocultural development through the education and healthcare services that it provides in recognition of its founders' desire to share what has been gained from the country with its people and to constantly do so even better. Keeping its fingers on the pulse of society and its eyes on the national agenda, the foundation seeks to constantly improve its operations in line with the needs of the day.

Striving to ensure equal opportunity in education, it has provided scholarship support to more than 30 thousand young people in Türkiye to date.

Through the activities of Anadolu Foundation Academy, it also contributes to the acquisition and development of personal and professional skills among young people.

Through its "My Dear Teacher" project, it provides training and development programs for those who teach youngsters.

Through its ongoing "Free Healthcare Services" project, it has provided more than 750 thousand instances of free healthcare service to nearly 62 thousand needy patients.

For 45 years, Anadolu Foundation has been investing in the future of Türkiye through maximally beneficial social-impact projects which focus on the social development of people and society and which improve the quality of life. To date, these projects have resulted in the endowment of over 50 schools, dormitories, gymnasiums, hospitals, and clinics.

ANADOLU

In Affiliation with
JOHNS HOPKINS MEDICINE

Anadolu Medical Center Hospital

Anadolu Medical Center Hospital, one of the many socially-beneficial institutions that Anadolu Foundation has bestowed on our country, was founded in 2005. Staffed by a team of medical specialists and equipped with state-of-the-art medical technologies, the hospital has been providing world-class diagnostic, treatment, and healthcare services to thousands of patients in Türkiye and from abroad ever since. An ongoing strategic partnership with Johns Hopkins Medicine (JHM), widely regarded as one of the world's premier medical institutions, supports Anadolu Medical Center Hospital's vision of being a top-notch healthcare services provider.

Missioned with providing medical services which conform to the highest international standards and also improve quality of life, Anadolu Medical Center Hospital gives its patients access to the best and most comprehensive healthcare resources available to modern medicine today. In addition to its strategic partnership with JHM, the internationally recognized accreditations and certificates of quality with which Anadolu Medical Center Hospital has been awarded distinguish it among its peers. Among these are Joint Commission International accreditation, globally regarded as the gold standard of medical service providers, Organization of European Cancer Institutes accreditation, European Society for Medical Oncology, and Planetree International Person-Centered-Care "Gold" certification.

Anadolu Medical Center Hospital is one of three hospitals worldwide recently awarded the International Accreditation System for Interventional Oncology Services (IASIOS) seal, an accreditation system that is also supported by the European Cancer Organization.

A frequently consulted oncological referral clinic, Anadolu Medical Center Hospital is one of Türkiye's leading providers of healthcare services. It is particularly experienced in bone marrow transplants: its bone marrow transplantation clinic has performed over 3,500 bone marrow transplants since it first opened in 2010. The hospital's cancer care services have been expanded with the addition of a breast cancer clinic in 2015 and a urological oncology clinic in 2017.

Anadolu Medical Center Hospital's oncology department has an outstanding feature that supports its multidisciplinary approach to healthcare: specialist tumor boards. These boards review and discuss the treatment of every patient diagnosed with cancer. They are responsible for reviewing and planning both general and specific treatment approaches. As required by Organization of European Cancer Institutes (OEIC) standards, the meetings of these boards are attended by representatives of every medical specialty that may be involved in the patient's care. This ensures that the best possible course of action that is in the patient's best interests is decided on. There are currently eleven Anadolu Medical Center Hospital tumor boards, each specialized in the treatment of a particular type of cancer.

Anadolu Group and Social Responsibility

Anadolu Medical Center Hospital provides world-class healthcare services to patients from all over the world. Equipped with state-of-the-art medical technology, the hospital employs a skilled team of specialists in oncology, surgery, internal medicine, women's health & IVF, cardiology, medical imaging & diagnostics, and other key areas of medicine.

Anadolu Medical Center Hospital is at the forefront of medical innovation. The hospital's MedTech resources include:

- Da Vinci XI and Accuray Cyberknife M6 Robotic-assisted surgery units
- Discovery RT Tomographic CT scanner, Radixact, Varian Edge, Flash CT, 3 Tesla MRI scanner, and MR Fusion Medical imaging
- Hybrid operating rooms equipped with neuromonitoring, neuroendoscopy, O-arm CT, fluorescent filter microscope, and neuronavigation
- ERCP, endoscopic ultrasonography, Fibroscan, Endobronchial Ultrasonography (EBUS), and CTC diagnostic & treatment procedures.

In its tenth year of life, the "Pink Basketball" campaign conducted jointly by Anadolu Medical Center and Anadolu Efes Sports Club continued to foster public awareness of the importance of early diagnosis in breast cancer.

Focusing on Person-Centered Care since the day it was founded, Anadolu Medical Center Hospital was the first healthcare facility in Turkey to qualify for Planetree International "Gold" accreditation twice.

Included in the Turkish Exporters Assembly's list of the country's 500 biggest services exporters, Anadolu Medical Center Hospital is one of Türkiye's top three exporters of healthcare and medical treatment services.

In a survey that Capital, one of Türkiye's foremost economics and business journals, has been conducting for 24 years, 1,510 executives from a wide range of business lines cited Anadolu Medical Center Hospital as one of the healthcare industry's most admired medical facilities.

Anadolu Efes Sports Club

Anadolu Efes Sports Club (Anadolu Efes)is a socially-beneficial Anadolu Group undertaking that has played a tremendous role in promoting basketball and gaining widespread acceptance of it as a popular sport in Türkiye. Originally founded in 1976 and headed by Tuncay Özilhan, the club continues to represent Turkish basketball and sport at top national and international events.

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Much more than just a basketball team known for its on-court triumphs from the very outset, Anadolu Efes's corporate social responsibility projects, communication initiatives, sustainable governance practices, and marketing strategies have made it a pioneering role model for the international basketball community as well.

Never failing to acknowledge and express its appreciation for the support of its partners in the successes it achieves, Anadolu Efes contributes to the economic viability of amateur and professional basketball in Türkiye by means of marketing and communication packages specially tailored according to each supporting partner's needs. Anadolu Efes Sports Club's partners include leading names in such diverse sectors as retailing, food & drink, fashion, personal care, sportswear, health, transportation, automotives, radio, services, hygiene, education, supplementary food, betting and media.

Never failing to acknowledge and express its appreciation for the support and importance of its partners in the successes it achieves, Anadolu Efes contributes to the development of amateur and professional basketball in Türkiye by means of marketing and communication packages specially tailored according to each supporting partner's needs. Anadolu Efes Sports Club's partners include leading names in such diverse sectors as retailing, food & drink, fashion, personal care, sportswear, health, transportation, automotives, radio, services, education, supplementary food, betting and media.

Anadolu Efes has brought home more trophies than any other Turkish basketball team. As of January 2024 its museum contained

- 2 EuroLeague championships,
- 1 Korac Cup,
- 16 Turkish Basketball League championships,
- 12 Turkish Cup championships,
- 13 President's Cup championships,
- 2 General Directorate of Youth and Sports Cup championships.

Evidence of Anadolu Efes' successful efforts to nurture new generations of basketball players is also to be found in its museum, which houses

- 2 Youth League championships,
- 4 U20 Team championships,
- 20 Turkish U18 championships,
- 18 Turkish U16 championships,
- 17 Turkish U14 championships.

Acknowledged as the feeder club of countless players who have gone on to pursue national and international careers in basketball, Anadolu Efes recognizes the vital importance of a good education and thus takes pains to ensure that its young athletes do not neglect their formal studies. It does this by arranging training and away-game schedules around school calendars so that their academic progress is not interrupted by their participation in sports. Anadolu Efes believes that being a good athlete is important but knows that being a well-rounded individual is even more important and acts accordingly.

With a reputation for being the author of many firsts in the world of Turkish sport, Anadolu Efes is a five-time recipient of the EuroLeague Devotion Marketing Gold award in recognition of its outstanding work off the courts and has also received the Silver award three times. In the 2023 round of Turkish Airlines EuroLeague Devotion Marketing Awards recognizing outstanding marketing initiatives by 38 EuroLeague and EuroCup sports clubs, Anadolu Efes's #YuvaOl stray animal homing project earned it a silver award. This was the fifth season in a row that the club returned from the awards ceremony as a winner.

Creating social value in many different ways through the social responsibility projects that it conitnues to carry out, Anadolu Efes uses basketball as a metaphor in the EuroLeague One Team CSR projects. Through the same One Team projects it also contributes to the social wellbeing and development of players who take part in them.

Anadolu Efes has received Gold twice in EuroLeague's "One Team" CSR awards program and is again the only Turkish team ever to have done so.

Anadolu Efes Sports Club's 2022-2023 season One Team corporate social responsibility project earned it a Gold Compass award in the "CSR - Sports" category during the 2023 round of Altın Pusula Türkiye Public Relations Awards.

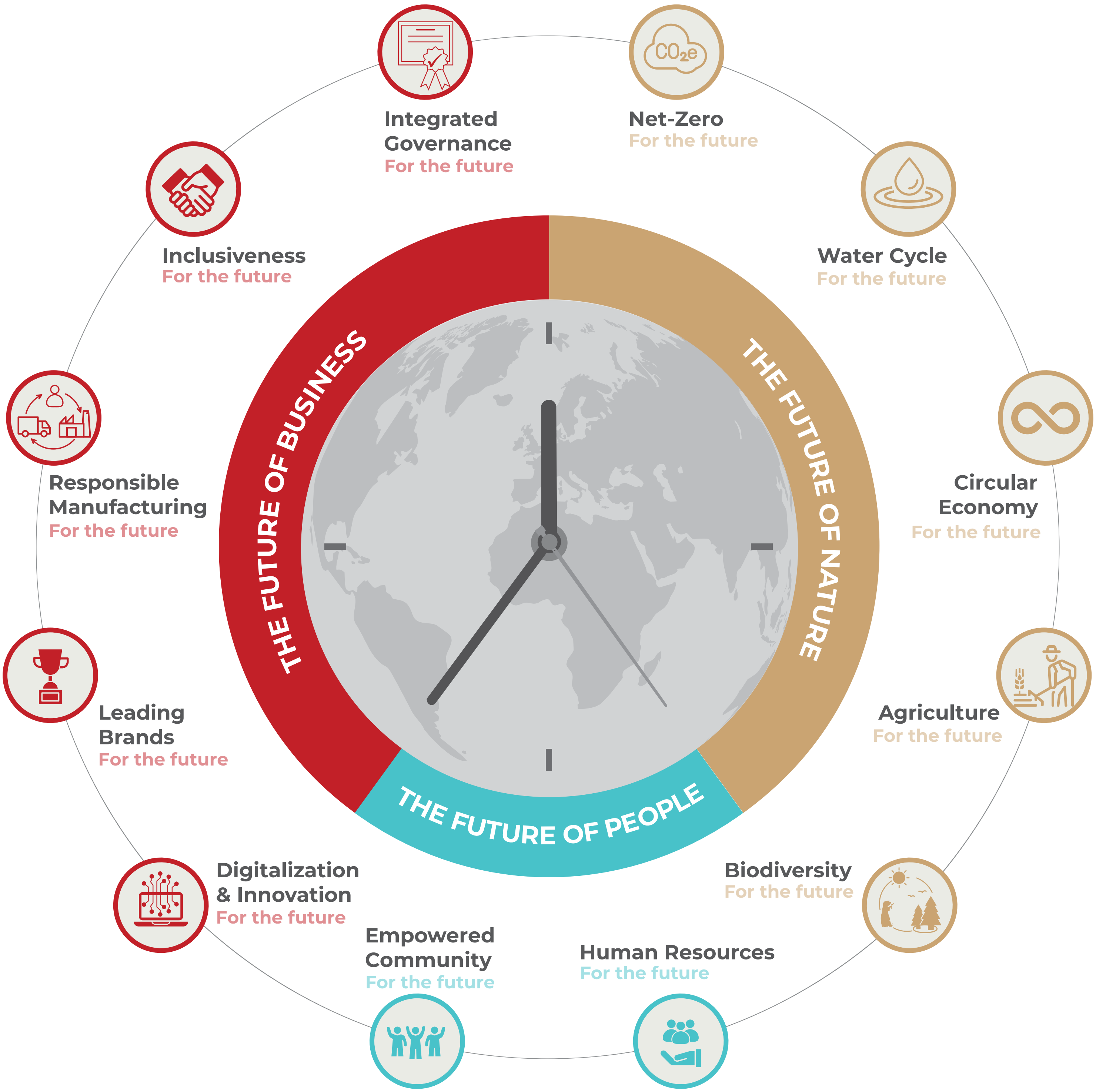
Every year the Anadolu Efes Sports Club also undertakes a variety of other social responsibility projects such as Pink Ball On The Court campaign carried out in partnership with the Anadolu Medical Center that draws public attention to the importance of early diagnosis in breast cancer and another Bring a Book campaign in partnership with the Anadolu Foundation that encourages people to donate books to be given to needy students.

From Anadolu to the Future

Sustainability at Anadolu Group

Act today for a better future

We act today for the future of nature, business and people.



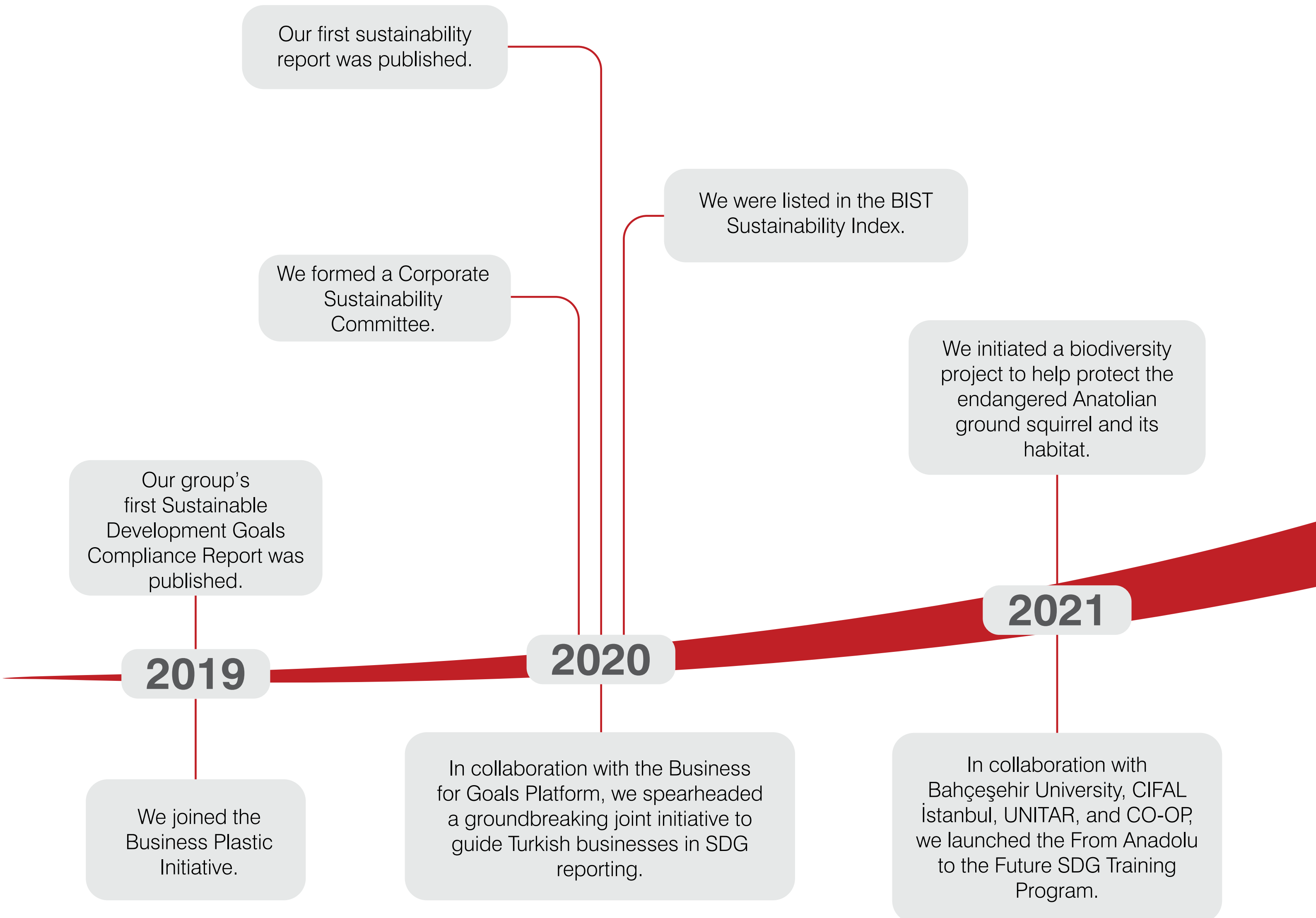
THE FUTURE OF BUSINESS
THE FUTURE OF NATURE
THE FUTURE OF PEOPLE
Integrated Governance
For the future
Net-Zero
For the future
Inclusiveness
For the future
Water Cycle
For the future
Responsible Manufacturing
For the future
Circular Economy
For the future
Leading Brands
For the future
Agriculture
For the future
Digitalization & Innovation
For the future
Biodiversity
For the future
Empowered Community
For the future
Human Resources
For the future

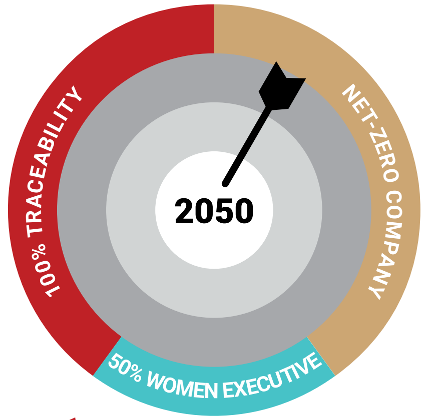
Sustainability at Anadolu Group

A Sustainability-Focused Timeline

Since the day it was founded, Anadolu Group has been conducting its operations with a focus on sustainability, carefully considering all the economic, environmental, and social impact of its operations. The group has a long history of pioneering sustainability initiatives across its companies.

In 2019, Anadolu Group introduced its "From Anadolu to the Future" brand, marking a new chapter in its sustainability journey. The group takes a holistic approach to managing every aspect of the sustainability of all of its domestic and international operations.





2022

We reported our compliance with World Economic Forum Stakeholder Capitalism Metrics.

We identified our **“Future of Nature, Business, and People”** values and twelve focus areas and revealed our three visionary goals

From Anadolu to the Future we created our sustainability strategy.

We formulated our From Anadolu to the Future sustainability strategy and became a United Nations Global Compact signatory.

We ranked first among holding companies worldwide in the Refinitiv Diversity & Inclusion Index.

In Refinitiv’s global league tables of holding companies, we ranked first for our environmental performance and second for our social performance.

2023

We were one of the founding members of the Global Compact Signatories Association.

We were among the supporters of the Turkish Industrialists’ and Businessmen’s Association’s “Forest Ecosystems and Sink Area Management in Combating the Climate Crisis in Türkiye“ project.

We submitted a comprehensive UNGC SDG Communication on Progress.

Our “Anatolian Ground Squirrel” project received UNGC Ukraine’s “Partnership for Sustainability” award in the “Planet” category.

Sustainability at Anadolu Group

Our Sustainability Strategy: From Anadolu to the Future

The right time to build a better future is today.

Sustainability transformation is realizing that transformation is 'a present-day activity'. It takes creating new habits, aiming positive change and taking action, knowing that the smallest act can change the world when we come together. Thus, we consciously stand among the pioneers of change, act today for a better future.

We are connected to our roots, we work in harmony and we build bridges between Anatolia and the world.

We connect deeper with the land we live on, with the business we do, and with the communities that we share a purpose with. Owing to our ability to think globally and act locally, we build bridges between Anatolia and the world, planting seeds of goodness today for our common future.

We are a part of the collective movement. We act today better for a sustainable future.

We are aware that the sustainability transformation has become indispensable all over the world. We truly know that the ultimate key to build a better future for our world and communities is "sustainability". We acknowledge the fast-changing expectations and needs that come along with the dynamics of the new century and the new world rising.

Foreseeing this global shift, we are eager to create shared value environmentally, socially and in terms of governance in all the regions where we have been operating since many years. We move forward with new and enhanced goals. We bring sustainability-focused strategic transformation into action. As we transform, we consciously aim that every piece of land, every piece of work and every single life we touch transform, heal and strengthen with us. Through our strategy "From Anadolu to the Future", we build a sustainable future in every region we operate today. We act today for the future of nature, business and people, in order to build a better tomorrow.

Our Goals

THE FUTURE OF NATURE

By 2030, reducing greenhouse gas emissions in scope 1 and 2 by **50%** compared to 2020, working with the vision of becoming a **net-zero** company by 2050

THE FUTURE OF BUSINESS

To be traceable in **50%**of operations by 2030 and **100%*** by 2050

*Limited to private label products for Migros.

THE FUTURE OF PEOPLE

Aim to increase the rate of women executives to **35%** % by 2030 and **50%** by 2050

Strategic Pillars & Focus Areas

The Future of Nature

We act today for the future of nature.

The right time to take action for the future of nature is today. Thus, we consciously aim to nourish lives in every country and field in which we operate. We are deeply aware that the continuity of our business depends on the gifts that nature offers us. We know that the most fundamental relationship between humanity and nature is the constant exchange of resources. We plant seeds that nourish our world today, we carry the love and respect we have for nature to our work. We protect "The Future of Nature", preserving all living things with whom we share the planet; the continuity of our business and the welfare of the communities we are connected to. We embrace international pledges, particularly the United Nations Sustainable Development Goals and the European Green Deal.

We provide tangible solutions for the future of nature:

We combat climate change. We encourage low carbon manufacturing, embracing the **net-zero for the future** principle. We responsibly source the raw materials we use, water in particular and reintroduce the wastes resulting from our operations into the economy. We preserve the **water cycle for the future,** working consciously to provide uninterrupted flow for our common future, providing solutions for reducing and reusing water. We embrace the principle of **circular economy for the future** as we reduce, recycle and re-use waste instead of linear consumption in our waste management processes. We consciously support **agriculture for the future.** We actively take steps to transform agriculture, knowing that it is the true pioneer of a sustainable world today and tomorrow. We encourage the suppliers in our value chain to adopt restorative and regenerative agricultural practices, ensuring that the agricultural products that have a significant share in our portfolio are manufactured with innovative and purposeful methods. We protect **biodiversity for the future.** We consciously conduct projects that preserve the diversity of all ecosystems and life forms, reducing the impacts of our operations for a better, more sustainable world today.

The Future of Business

We act today for the future of business.

The right time to take action for the future of business is today. We consciously operate in a wide geography. As one of the major driving forces of the Turkish economy, establishing partnerships with global brands and multinational companies, we are aware of the scope of our impact.

We provide tangible solutions to build a better future for business:

We make responsible and purposeful investments that provide benefits in environmental, social and governance areas to secure "the Future of Business" and to meet the expectations of business partners, suppliers, customers, investors and public institutions. We own the principle of **digitalization and innovation for the future** as we move forward by seeing opportunities. Following tech developments closely, we passionately integrate them into our business. We prioritize R&D and innovation studies. We lead digital transformation and support entrepreneurship. We believe in creating shared value and making a difference. Embracing the principle of creating l**eading brands for the future,** we meet the fast-changing needs of our customers with customer-oriented solutions and with our leading consumer products. In every single work we do, we intend that the only trace we leave for tomorrow is the value we create. Owning the principle of **responsible manufacturing for the future,** we prioritize environmental and social standards throughout the supply chain, ensuring that the products and services we offer meet the international quality standards. We acknowledge that being inclusive moves us all forward. Standing by the principle of **inclusiveness for the future,** we empower all our stakeholders, including the vulnerable segments along the value chain, increasing welfare and creating shared value. Embracing the principle of **integrated governance for the future,** we acknowledge environmental, social and governance risks and opportunities while managing our portfolio and making conscious investment decisions for a better future.

The Future of People

We act today for the future of people.

The right time to take action to build a better future for the people is today. Thus, we consciously place our human-oriented governance approach at the core of our relations with all our stakeholders, employees in particular and the communities we are connected to.

We provide tangible solutions to build a better future for the people:

For "the Future of People", we get stronger together. As we embrace the principle of **human resources for the future,** we provide equal and fair working conditions through our people-oriented corporate culture. We support our employees in their growth and transformation, encouraging creative expression. We encourage new talents to join us. Standing by the principle of **empowered community for the future,** we conduct social investment programs for various stakeholder groups as we have been doing since many years. First and foremost, we utilize all our experience for creating shared value environmentally, socially and in terms of governance. With our core strategy "From Anadolu to the Future", we conduct purpose-oriented projects in which our priorities and the needs of our stakeholders intersect. Our goal is to create higher shared value with purpose-oriented collaborations, products and services, aiming for the betterment of every single life we touch today.

Sustainability at Anadolu Group

Sustainability management

Sustainability management at Anadolu Group falls under the responsibility of the Sustainability Committee and, reporting to it, the Sustainability Steering Committee. The Sustainability Committee's purpose is to determine the sustainability strategy of the Group with regard to environmental, social and governance; to ensure coordination between the Group companies; and monitor and supervise the policies, goals and practices regarding sustainability by reporting them to the Board of Directors. During the reporting period the Anadolu Group Sustainability Committee convened twice. The Sustainability Steering Committee, whose members are approved by the Sustainability Committee, is responsible for monitoring and aligning group companies' performance in the fulfilment of sustainability goals in line with the "From Anadolu to the Future" strategy.

The Sustainability Committee may also authorize thematic and temporary working groups tailored to the needs to perform duties set forth by the Committee.

You can find AG Anadolu Grubu Holding Duties and Working Principles of the Sustainability Committee **here**.

Material Issues

In 2020, we conducted a comprehensive and participatory stakeholder analysis process to identify the priority sustainability issues warranting Anadolu Group's focus. Using an online questionnaire, we reached our internal stakeholders (employees) and strategic external stakeholders (representatives from suppliers, business partners, investors, analysts, nongovernmental organizations, public institutions, media, universities and international organizations) to identify stakeholder priorities.

We reviewed, in 2021, our Group's sustainability priorities while developing the sustainability strategy, From Anadolu to the Future. We reevaluated our priorities in light of the COVID-19 pandemic and the ensuing global developments. We carried out the following in this process:

We analyzed the trends in Türkiye and the world through a literature review. Within this scope, we assessed striking global and local agenda items through an in-depth study of the World Economic Forum's global risk predictions, sector-based priority maps defined by the Sustainability Accounting Standards Board (SASB), the Sustainable Development Goals and the 11th Development Plan.

We organized one-on-one meetings with Anadolu Group CEO, Group Presidents and CEOs of Group companies. We evaluated our focal subject areas in line with our business strategy.

We drew upon the impact analysis methodology, which is recommended by the SASB for determining priority areas, allowing us to address each area in terms of its impacts and opportunities. We evaluated the significant risks and opportunities in finance, law, innovation and competition. Following the materiality analysis, we identified top-priority and high-priority issues. Climate change and energy ranked high in top-priority issues given the global and local developments. Responsible resource management and purchasing became a top priority as COVID-19 brought disruptions to the supply chain. As talent deficit gained importance in the global and local agendas, talent management climbed up the high-priority list.

● Extremely Important

1 Climate change and energy
2 Digital transformation
3 Water and wastewater
4 R&D and innovation
5 Packaging and waste
6 Responsible resource management and procurement

● Very Important

7 Product quality and safety
8 Talent management
9 Human rights and fair working conditions
10 Risk management
11 Business ethics
12 Stakeholder engagement

● Important

13 Anti-bribery and anti-corruption
14 Corporate governance
15 Circular economy
16 Equal opportunity and safety
17 Employee loyalty and satisfaction
18 Customer satisfaction and communication
19 Occupational health and safety
20 Biodiversity
21 Data privacy and cybersecurity
22 Contribution to local development
23 Multi-stakeholder initiatives and collaborations
24 Community investment programs

LEVEL OF IMPORTANCE	PRIORITY TOPIC	RELATED SDG	MANAGEMENT	RELEVANT SECTION
Top Priority	Top Priority Climate change and energy	13 CLIMATE ACTION	Risks arising from climate change affect the industries in which we operate at different levels. We focus on energy efficiency and strive to minimize greenhouse gas emissions to contribute to the fight against the climate crisis and mitigate the risks.	**The Future of Nature -** Net-Zero for the Future
	Digital transformation	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 17 PARTNERSHIPS FOR THE GOALS	Having integrated technology and digitalization into our business processes, we have made our business more efficient and maintained our competitive edge with digital transformation. We are investing in digital technologies in our own business processes and activities.	**The Future of Business -** Digitalization and Innovation for the Future
	Water and wastewater	6 CLEAN WATER AND SANITATION; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	We aim to maintain the continuity of our business by managing water resources in the most efficient way possible. We strive to minimize water consumption and wastewater and improve the quality of water emissions.	**The Future of Nature -** Water Cycle for the Future
	R&D and innovation	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 17 PARTNERSHIPS FOR THE GOALS	We invest in R&D and innovation for the sustainable transformation of our business models. We carry out innovative projects for product, process and operation development, which will sustain our global success and increase end-user satisfaction. We support an entrepreneurship ecosystem both within and outside our company.	**The Future of Business -** Digitalization and Innovation for the Future
	Packaging and waste	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	To fight against waste, one of the most significant environmental concerns, we strive to reduce our waste production at the source as much as possible. We also apply recycling techniques and provide the necessary human, technology and financing resources to dispose of waste in an eco-friendly manner.	**The Future of Nature -** Circular Economy for the Future
	Responsible resource management and procurement	8 DECENT WORK AND ECONOMIC GROWTH; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	We aim to strengthen our stakeholders while managing a large value chain in the industries in which we operate. Furthermore, we prioritize transparency and environmental responsibility in our procurements and strive to raise supplier standards.	**The Future of Business -** Responsible Manufacturing for the Future
High Priority	Product quality and safety	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	By maintaining high standards in the value chain, we ensure that our customers always receive safe, high-quality products and services.	**The Future of Business -** Responsible Manufacturing for the Future
	Talent management	4 QUALITY EDUCATION; 8 DECENT WORK AND ECONOMIC GROWTH	We aim to recruit new-generation talents to Anadolu Group companies, retain the talents we have and develop personal-development and career-planning practices.	**The Future of People -** Human Resources for the Future
	Human rights and fair working conditions	5 GENDER EQUALITY; 10 REDUCED INEQUALITIES	We protect employee rights and prevent discrimination throughout our value chain, providing an equal and fair work environment.	**The Future of People -** Human Resources for the Future
	Risk management	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	To ensure the sustainability of our business, we identify financial and non-financial risks on a domestic and global scale in advance, take necessary measures and seize new opportunities.	**The Future of Business -** Integrated Governance for the Future
	Business ethics	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	We establish business relationships based on principles of ethics and transparency with all stakeholders, particularly employees.	**The Future of Business -** Integrated Governance for the Future
	Stakeholder dialog	17 PARTNERSHIPS FOR THE GOALS	We continuously seek opinions and feedback from our stakeholders on a range of topics through various communication platforms.	**From Anadolu to the Future** Stakeholder Communication

Sustainability at Anadolu Group

Anadolu Group strive to constantly improve their sustainability performance.	Listed in the BIST Sustainability Index.
Listed in the BIST Corporate Governance Index.	Turkish retailing industry's only representative in the BIST Sustainability 25 Index.
Ranked second in Refinitiv's global league table of food retailers on the basis of its ESG performance.	Listed in the FTSE4Good Emerging Markets Index.
Increased its score in the S&P Global Corporate Sustainability Assessment and was a global beer industry leader for the third year in a row in 2023.	Is the first and only Turkish company listed in the UNGC 100 Index. Is also listed in the MSCI Global Sustainability Index, the S&P Global Corporate Sustainability Assessment, and the ECPI Emerging Markets ESG Equity Index.
Is rated "A" (above sectoral-average) by MSCI MSG.	Is rated "AA" (above retailing industry -average) by MSCI MSG.

MiGROS

Is Türkiye’s first food retailer listed in the Bloomberg Gender Equality Index.

ANADOLU ISUZU ADEL

Listed in the Women-Friendly Companies Stock Index, compiled by İş Asset Management.

ANADOLU EFES* CCI MiGROS ANADOLU ISUZU

Report their carbon emissions annually to the Carbon Disclosure Project (CDP) on their performance in the mitigation of climate change.

ANADOLU EFES*

Maintained its global food & beverages industry above-average CDP Türkiye Climate Change Program “B” score and is the only Turkish company in this sector to publish a CDP report.

CCI

Outperformed global, regional, and sectoral averages by increased its CDP Türkiye Climate Change Program score from “B” to “A-” and its Water Security Program score from “A-” to “A”.

MiGROS

Is one of five Turkish companies–and the only food retailer–whose A-level CDP Climate Change and Water Security program scores qualify it for inclusion in the CDP Global A List.

ANADOLU ISUZU

Remains the leading Turkish retailing company with a CDP Türkiye Climate Change Program “A” score.

MiGROS

Qualifies as a Global SER Leader on the basis of its “A” CDP Supplier Engagement Rating.

*Anadolu Efes Türkiye

Human Resources at Anadolu Group

Anadolu Group seeks to be an organization that goes beyond fulfilling the requirements of just being a preferred employer in today's world. Anadolu Group believes that success can only be achieved through a joint and united effort, which advances along the same path towards the same goal and is guided by the "Collective Mind" approach that is inherent in the group's DNA. Therefore, team spirit and teamwork are highly valued in Anadolu Group.

As an employer of nearly 100,000 employees-in 20 countries and 7 different sectors, Anadolu Group embraces diversity in its human resources policies and practices in the light of its strong values and deep-rooted corporate culture and is being empowered by this synergy. The "AG Code of Business Ethics and Non- Compliance Notification " policy provides guidance for all group companies and must be referred to whenever they deal with such matters. Whenever recruiting, hiring, or interacting with personnel, there is to be absolutely no discrimination whatsoever based on such considerations as age, gender, race, religion, language, ethnicity, sexual orientation, creed, (marital, social, or economic) status, disability, political opinion, trade union membership or participation in trade union activities, pregnancy, or military service obligations.

Anadolu Group is aware that the digitalization of its human resources processes is of enormous strategic importance to its ability to adapt more easily to the rapid changes taking place in today's world. The "AG People First" digital human resources platform, which has been created as an important first step in this direction, is used to manage employee center, external hiring, performance, backup and development processes.

The Bi-Fikir ("An Idea") innovation program that enables group employees in Türkiye and abroad to share their ideas, completed its ninth year in 2023. Bi-Fikir is an important initiative for Group employees as a platform in which they can make their dreams turn into reality within Anadolu Group, which values creativity and innovation for creating new business lines and making new business ideas more applicable. Of the 45,000 innovation suggestions submitted by employees between 2015 and 2023, the 8,900 ideas that were implemented generated benefits amounting to more than TRL 1.2 billion in value. Nearly one in five of the suggestions submitted by Anadolu Group employees were made use of during this six-year period. Employee-submitted ideas continue to be used to inform the group's innovation efforts. Bi-Fikir KAP ("Plan Your Career At Anadolu Group") has been supporting the innovative ideas of university students seeking to turn their dreams into reality since 2018. Under the Bi-Fikir KAP program, 1,074 project submissions were made by 180 universities and 312 departments during the last four years. Projects judged to be feasible are included in the group's Innovation Camp & Mentoring program and the projects themselves are carried out in group companies. Those who submit Bi-Fikir KAP projects that are deemed to be successful are given an opportunity to pursue a career in the group.

Conducting its operations in 20 countries with nearly 100,000 employees, Anadolu Group regards diversity as an essential element of its strong values and deep-rooted corporate culture.

AG Academy is a platform, which has been providing employees in Anadolu Group's Turkish operations with training and development opportunities ever since its launch in 2015. Leaders Touch, a senior management development program that also began in 2015, was reorganized and has been continuing as the Development Dialogues Program since 2019. Working together with some of the world's leading universities, employees' development and progression are supported by online tools, classroom training and webinars. Another way in which employee development is supported throughout the group is the Open Vacancies system. Every time a position becomes vacant, it is initially announced through this system only within the group so as to give existing employees a head start in submitting applications. This system further enriches on-the-job learning and thus makes it possible to offer employees a more diversified career map.

In 2016 Anadolu Group launched its CYO (Chief Young Officer) program, a traineeship scheme designed to attract young talent to the group. Targeting university students, the program gives them opportunities to gain work experience in group companies and those who are successful are given preference when recruiting for position vacancies once they have graduated. So far, 116 students have taken part in Anadolu Group's CYO program. Both the CYO Program and various other programs being conducted by Anadolu Group companies result in the recruitment of many new graduates every year.

Emphasis is placed on the equal participation of every employee in the workforce. According to a survey conducted by Capital magazine, Anadolu Group companies are ranked among Turkish firms employing the most women in management-level positions for so many years. Female employees are provided with flexible work schedule opportunities to allow them to balance their personal and working lives before and after giving birth. 38% of the people on Anadolu Group companies' payrolls are female and 62% are male. Anadolu Group employees are provided with private medical insurance and dialup healthcare service with optional coverage for their family members. In talent acquisition and management processes, the evaluations are made with attention to position-related experience, knowledge, competency criterias and organizational needs.

Anadolu Group's management approach is rooted in the collective mind of four successive generations of people representing 40 national backgrounds. Adept at doing business in the midst of a geographically and culturally diverse landscape, Anadolu Group conducts its operations with nearly 80 companies, 90 production facilities, and 6 R&D centers in 20 countries. Believing in the importance of ensuring the continuity of its in-house culture of working globally, the group therefore conducts its operations with an eye on ensuring that all employees individually regard themselves and behave as value ambassadors for the group. Adherence to the principles of diversity and equality of opportunity at every level and the maintenance of a demographic structure that successfully embraces different generations are two outstanding qualities that will enable Anadolu Group to advance confidently into the future.

Corporate Governance Principles Compliance Report 2023

AG Anadolu Grubu Holding A.Ş. ("the Company") has espoused it as a key management principle to comply with the Corporate Governance Principles ("the Principles") published by the Capital Markets Board of Türkiye ("CMB"). All of our Company's activities are carried out in conformity with the said Principles, as well as all applicable regulations and directives.

A crucial step has been taken in terms of consummating our corporate governance practices as a result of the merger realized at the level of holding companies at Anadolu Group by year-end 2017. Within the frame of simplification and transparency with respect to control and organization, increased clarity with respect to joint control and representation of shareholder families and improved sustainability with respect to governance and structures, the Group carried on its operations with a strong corporate structure in 2022.

The activities carried out for many years at our Company to increase the level of corporate governance compliance were first subjected to corporate governance rating in 2010. In the light of the findings therefrom and our own evaluations, the infrastructure and harmonization work necessary to achieve alignment with additional considerations have been our constant agenda items, making up as an important component of our management systems. Assigned a corporate governance rating of 8.04 on 8 November 2010 as a result of the assessment by SAHA Kurumsal Yönetim ve Kredi Derecelendirme A.Ş. (SAHA), our Company consistently increased its score in the years that followed in view of the importance we attach to corporate governance principles, our willingness to maintain it as a continuous and dynamic process, and the improvements carried out since the assignment of our previous rating score. Hence, our corporate governance rating was most recently updated as 9.57 (on a scale of 10) as of 7 July 2023.

The breakdown of our corporate governance rating on the basis of subsections is presented below:

Subsections	Weight	Rating
Shareholders	25%	92.85
Public Disclosure and Transparency	25%	98.10
Stakeholders	15%	99.48
Board of Directors	35%	94.36
Total		**95.68**

The present Corporate Governance Report provides information about the Company's practices in relation to each heading incorporated in the Corporate Governance Principles; explanations and grounds for unimplemented principles, if any; conflicts of interest resulting from failure to achieve full compliance with these principles, if applicable, and whether there are any plans for future changes in the Company's administrative practices within the frame of these principles.

Based on the operating year covering the period from 1 January 2023 through 31 December 2023, our Company complied with the Corporate Governance Principles, save for some non-compulsory principles, whereas there are no conflicts of interest arising from the non-implemented points summarized below:

- A donations and grants policy has not been established due to the fact that some individual donations in small amounts are made each year at the Company. Shareholders are provided information about the amount of these donations during the ordinary general assembly within the frame of a dedicated agenda item.
- Our Company, which espouses the corporate governance principle of constituting 25% of its Board of Directors of women members, currently has 1 female member on its Board of Directors. We are planning to maintain our sensitive attitude towards this topic and to work with women Board of Directors members in the future.
- Pursuant to Article 4.6.6 of the "Corporate Governance Principles", remunerations and all other benefits provided to the Board of Directors members and senior executives are publicly disclosed in the annual report. The said disclosure is not on the basis of individuals, but is differentiated on the basis of the entire Board of Directors and senior management.

Uğur Bayar
Corporate Governance Committee Chairman

İzzet Karaca
Corporate Governance Committee Member

Dr. Yılmaz Argüden
Corporate Governance Committee Member

Mehmet Çolakoğlu, CFA
Corporate Governance Committee Member

Corporate Governance Compliance Report - 2023

	Company Compliance Status					
Corporate Governance Compliance Report	Yes	Partial	No	Exempted	Not Applicable	Explanation
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.	X					
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.		X				According to the related provisions of the internal directive on general assembly, guests who are perceived necessary and suitable can attend the general assembly meeting.
1.4. VOTING RIGHTS						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					Our company'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. All shares have the same voting rights and there are no privileges regarding voting rights.

	Company Compliance Status					
Corporate Governance Compliance Report	Yes	Partial	No	Exempted	Not Applicable	Explanation
1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.	X					
1.5. MINORITY RIGHTS						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			Minority rights are not recognized for shareholders who hold an amount less than one-twentieth of the share capital and our Company has adopted exactly the rate foreseen in the legislation for listed companies.
1.6. DIVIDEND RIGHT						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					X	Dividend distribution has been made during the period.
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					
2.1. CORPORATE WEBSITE						
2.1.1. - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					

Corporate Governance Compliance Report - 2023

	Company Compliance Status					
Corporate Governance Compliance Report	Yes	Partial	No	Exempted	Not Applicable	Explanation
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
2.2. ANNUAL REPORT						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.		X				Employee Satisfaction and Engagement Survey, designed to support employee participation in management, is a vehicle for employees to express their needs and improvement demands about the organization and is administered once every year. In addition, our employees can share their value-added projects with the management via "Bi Fikir" system developed by Anadolu Group HR Department.
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X					
3.3. HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					

	Company Compliance Status					
Corporate Governance Compliance Report	Yes	Partial	No	Exempted	Not Applicable	Explanation
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X					
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.					X	Anadolu Grubu Holding provides Holding services to Group companies
3.4.2 - Customers are notified of any delays in handling their requests.					X	Anadolu Grubu Holding provides Holding services to Group companies
3.4.3 - The company complied with the quality standards with respect to its products and services.					X	Anadolu Grubu Holding provides Holding services to Group companies
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					

Corporate Governance Compliance Report - 2023

	Company Compliance Status					
Corporate Governance Compliance Report	Yes	Partial	No	Exempted	Not Applicable	Explanation
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X					
4.2.7-The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	X					
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.		X				Our Company has adopted the principle of constituting at least 25% of the total number of board members as women. Our Holding has currently 1 woman board member and our policy regarding Board Diversity clearly states that we aimed to keep the ratio of the number of female board members within Anadolu Group Board of Directors at least 25%.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1-Each board member attend the majority of the board meetings in person or via an electronic board meeting system	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	X					
4.4.4 - Each member of the board has one vote.	X					

	Company Compliance Status					
Corporate Governance Compliance Report	Yes	Partial	No	Exempted	Not Applicable	Explanation
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		X				There are no limits to external commitments of board members. We are acting in accordance with the provisions of TCC and CMB. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.
4.5. BOARD COMMITTEES						
4.5.5 - Board members serve in only one of the Board's committees.	X					
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.					X	No advisory service has been received.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
4.6. FINANCIAL RIGHTS						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.			X			No specific study was conducted at board level regarding performance evaluation.
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.		X				Total benefits of the top management are provided in the annual report but not disclosed individually.

Corporate Governance Information Form

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	Investor Relations and Executive management participated in 104 investor meetings including the conference calls, number of investors met reached over 200. Two webcasts were held in 2023, sharing the 2022 year-end and 2023 first half financial results.
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	0
The number of special audit requests that were accepted at the General Shareholders' Meeting	0
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/en/Bildirim/1127515
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Provided both in Turkish and English.
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	No such transaction has taken place.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)	No such transaction has taken place.
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II- 17.1)	No such transaction has taken place.
The name of the section on the corporate website that demonstrates the donation policy of the company	There is no donation policy as our company only makes negligible amounts of donations every year.
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	None.
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	None.
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	Independent auditors, rating agencies, and company employees have attended as observers under the cognizance of the company to the General Shareholders' Meeting.

1.4. Voting Rights	
Whether the shares of the company have differential voting rights	No
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	None
The percentage of ownership of the largest shareholder	48.65%
1.5. Minority Rights	
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	No
If yes, specify the relevant provision of the articles of association.	None.
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	Specified in the "Dividend Distribution Policy" under "Corporate Governance" subtitle of Investor Relations section at www.anadolugrubu.com.tr
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	The Board of Directors did not make any such proposal.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	The Board of Directors did not make any such proposal.

General Assembly Meetings

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
19/04/2023	0	86.9%	1.8%	85.1%	Investor Relations / Corporate Governance / General Assembly	Investor Relations / Corporate Governance /General Assembly	Article 12.	None.	https://www.kap.org.tr/en/Bildirim/1127515

Corporate Governance Information Form

2. DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	The Investor Relations section in corporate website www.anadolugrubu.com.tr is updated continuously as required by CMB Corporate Governance Principals.
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	Specified in the “Ownership Structure” under “Shareholders and Investor Relations” subtitle title of Investor Relations section at www.anadolugrubu.com.tr
List of languages for which the website is available	Both in Turkish and English
2.2. Annual Report	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	“Structure and Composition of the Board of Directors” section under “Additional Information related to Corporate Governance” in the Annual Report and declarations on independence of board members are on Other Information section of the Annual Report.
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	“Number, Structure and Independence of Board of Directors Committees” section under “Additional Information related to Corporate Governance” in the Annual Report.
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	“Operating Principles of the Board of Directors” section under “Corporate Governance Information Form” in the Annual Report.
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	None.
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Explained under “Other Information” section of the Annual Report.
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	None.
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	None.
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	“Human Resources at Anadolu Group” and “Sustainability at Anadolu Group” sections in the Annual Report.

3. STAKEHOLDERS	
3.1. Corporation's Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Specified in the "Indemnity Policy" under "Corporate Governance" subtitle title of Investor Relations section at www.anadolugrubu.com.tr
The number of definitive convictions the company was subject to in relation to breach of employee rights	None.
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Necessary mechanisms are formed for employees to carry unethical processes to the Audit Committee. The Audit Committee oversees that the management has established a system and regularly monitors compliance to the Company's code of business conduct and ethical rules. The Committee monitors whether the management makes fraud risk assessments and gives code of business conduct and ethics trainings to Company employees. Additionally, there is an Ethical Committee for Anadolu Group employees
The contact detail of the company alert mechanism	Head of Human Resources is also the Head of Ethical Committee.
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	Employee Satisfaction and Loyalty Survey creates a platform for the employees every year to express their opinions and ideas for improvement. Also the system called "Bi Fikir" is created by Anadolu Group Human Resources Department for value added ideas of employees to be shared with the executive management. All these are in the internal communication platform "AGenda"
Corporate bodies where employees are actually represented	None.
3.3. Human Resources Policy	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	Organizational development meetings are arranged every year in order to identify and confirm the backup strategy for the key management positions of the Group and also the determination of the action plans as well. Succession plans of some positions in the Gorup are objectively evaluated for short/mid and long terms and appointments are carried through the assessment and approval of the Board of Directors.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	Anadolu Group Human Resources policy is developed with the leadership of Human Resources Department and contribution of all Group companies. Within the context of this policy, starting from the hiring stage, it is important for the employees to have the same standards for education, compensation and career opportunities.
Whether the company provides an employee stock ownership programme	There is no employee stock ownership programme
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Specified in the "Working Principles" under "Corporate Governance" subtitle of Investor Relations section at www.anadolugrubu.com.tr
The number of definitive convictions the company is subject to in relation to health and safety measures	None.

Corporate Governance Information Form

3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	Specified in the “Working Principles” under “Corporate Governance” subtitle of Investor Relations section at www.anadolugrubu.com.tr
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	Specified in the “Anadolu Group and Social Responsibility” section of Annual Report.
Any measures combating any kind of corruption including embezzlement and bribery	Accepting or offering bribes and corruption is forbidden at AGHOL under any circumstances and there is zero tolerance on these issues. This prohibition includes all the activities of AGHOL. All Employees and third persons acting on behalf of AGHOL are obligated to follow the anti-bribery and anticorruption rules and the relevant national and international law and regulations

4. BOARD OF DIRECTORS-I	
4.2. Activity of the Board of Directors	
Date of the last board evaluation conducted	None.
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	There has been no delegation.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	4
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Risk Management and Internal Control Mechanism section of the Annual Report.
Name of the Chairman	Tuncay Özilhan
Name of the CEO	Hurşit Zorlu
If the CEO and Chairman functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	Not combined
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	https://www.kap.org.tr/en/Bildirim/1248936
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	AG Anadolu Grubu Holding Board Diversity Policy is specified under “Policies and Procedures” section under subtitle of Sustainability section at www.anadolugrubu.com.tr
The number and ratio of female directors within the Board of Directors	1, 8%

Composition of Board of Directors

Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/ He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/ Or Finance Or Not
Tuncay Özilhan	Non-executive	Not independent director	27/12/2017		-	-	Yes
Kamilhan Süleyman Yazıcı	Non-executive	Not independent director	27/12/2017		-	-	Yes
Beliz Çevik	Non-executive	Not independent director	28/04/2022		-	-	Yes
Talip Altuğ Aksoy	Non-executive	Not independent director	27/12/2017		-	-	Yes
Tuğban İzzet Aksoy	Non-executive	Not independent director	06/05/2019		-	-	Yes
Efe Yazıcı	Non-executive	Not independent director	26/12/2017		-	-	Yes
Dr. Yılmaz Argüden	Non-executive	Not independent director	27/12/2017		-	-	Yes
Rasih Engin Akçakoca	Non-executive	Not independent director	06/05/2019		-	-	Yes
Ahmet Cemal Dördüncü	Non-executive	Independent director	27/12/2023	https://www.kap.org.tr/en/Bildirim/1229881	Considered	No	Yes
Uğur Bayar	Non-executive	Independent director	27/12/2017	https://www.kap.org.tr/en/Bildirim/1144750	Considered	No	Yes
İzzet Karaca	Non-executive	Independent director	20/11/2020	https://www.kap.org.tr/en/Bildirim/1144750	Considered	No	Yes
Dr. Mehmet Ercan Kumcu	Non-executive	Independent director	24/04/2018	https://www.kap.org.tr/en/Bildirim/1144750	Considered	No	Yes

Corporate Governance Information Form

4. BOARD OF DIRECTORS-II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical or electronic board meetings in the reporting period	11 meetings have been done physically. Prior to the board decisions taken on dates other than the dates of these meetings, the directors have been informed and the issues have been discussed as necessary.
Director average attendance rate at board meetings	96%
Whether the board uses an electronic portal to support its work or not	Yes
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	Information to directors is provided around 3 to 5 days ahead of the board meeting to ensure smooth flow of information among members.
The name of the section on the corporate website that demonstrates information about the board charter	Specified in the article of 11 the “Articles of Association” under “Corporate Governance” subtitle title of Investor Relations section at www.anadolugrubu.com.tr
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	None.
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	“Number, Structure and Independence of Board of Directors Committees” section under “Corporate Governance” in the Annual Report.
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/en/Bildirim/657773

Composition of Board Committees-I

Names Of The Board Committees	Name Of Committees Defined As “Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chairman Or Not	Whether Board Member Or Not
Corporate Governance Committee		Uğur Bayar	Yes	Board member
Corporate Governance Committee		İzzet Karaca	No	Board member
Corporate Governance Committee		Dr. Yılmaz Argüden	No	Board member
Corporate Governance Committee		Mehmet Çolakoğlu	No	Not board member
Audit Committee		Dr. Mehmet Ercan Kumcu	Yes	Board member
Audit Committee		Ahmet Cemal Dördüncü	No	Board member
Committee of Early Detection of Risk		İzzet Karaca	Yes	Board member
Committee of Early Detection of Risk		Rasih Engin Akçakoca	No	Board member
Committee of Early Detection of Risk		Talip Altuğ Aksoy	No	Board member

4. BOARD OF DIRECTORS-III	
4.5. Board Committees-II	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	“Board of Directors’ Assessment of the Operating Principles and Efficiency of the Committees under the Board of Directors” section under “Additional Information related to Corporate Governance” in the Annual Report.
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	“Board of Directors’ Assessment of the Operating Principles and Efficiency of the Committees under the Board of Directors” section under “Additional Information related to Corporate Governance” in the Annual Report.
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	The functions of the Nomination committee, which is not present, are being fulfilled by the Corporate Governance Committee.
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	“Board of Directors’ Assessment of the Operating Principles and Efficiency of the Committees under the Board of Directors” section under “Additional Information related to Corporate Governance” in the Annual Report.
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	The functions of the Remuneration committee, which is not present, are being fulfilled by the Corporate Governance Committee.
4.6. Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Specified in Chairman’s Message and CEO’s Assessment in Annual Report.
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Specified in the “Compensation Principles” under “Corporate Governance” subtitle title of Investor Relations section at www.anadolugrubu.com.tr
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	Specified in note 32.3 Related Party Transactions in Financial Statements.

Composition of Board Committees-II

Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Corporate Governance Committee		100%	50%	4	4
Audit Committee		100%	100%	4	4
Committee of Early Detection of Risk		100%	33%	6	6

Sustainability Principles Compliance Framework

The publicly-disclosed 2023 annual and 2022 sustainability reports as well as corporate website content comply with the principles set out in SPK Sustainability Principles Compliance Framework. The 2022 sustainability report contains comparative figures for 2022 and previous years. Anadolu Group's 2023 sustainability report, which will be published in 2024, will contain data for 2023. Anadolu Group has committed to expanding the scope and content of its sustainability reporting and will continue its efforts to achieve full compliance with SPK-mandated principles.

		COMPLIANCE STATUS					REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	
	A. General Principles						
	A1. Strategy, Policy and Targets						
A1.1	Material environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's board of directors.	X				In order to identify the material issues that Anadolu Group should concentrate on in terms of sustainability, a comprehensive and inclusive stakeholder analysis process was carried out in 2020. While identifying stakeholder priorities, employees, who are internal stakeholders, and suppliers, business partners, investors, analysts, non-governmental organizations, public institutions, media, universities and representatives from international organizations, who are strategic external stakeholders, were reached through an online questionnaire. Anadolu Group sets its goals in line with these priorities. Furthermore, the Board of Directors identifies material ESG issues, risks and opportunities and establishes relevant ESG policies accordingly. In terms of the effective implementation of these policies, internal guidelines, work procedures etc. can be developed. The Board of Directors takes decisions concerning these policies and publicly discloses them.	Sustainability Report 2022, page 42, 43, 110 - 115 Website, Sustainability Menu, Policies and Procedures Submenu: Duties and Working Principles of the Sustainability Committee
	Material environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's board of directors.	X				Anadolu Group conducts its sustainability management practices in compliance with its policies and procedures. All policies are publicly available on the website. The Board of Directors takes decisions concerning these policies and publicly discloses them.	Website, Sustainability Menu, Policies and Procedures Submenu: Duties and Working Principles of the Sustainability Committee, page 2 Website, Sustainability Menu, Policies and Procedures Submenu
A1.2	ESG Policies (i.e., Environmental Policy, Energy Policy, Human Rights and Labor Policy etc.) have been established and publicly disclosed by the Company's board of directors.	X				Within the framework of the sustainability report, the company has announced its short and long-term goals in line with its ESG policies under the strategy "From Anadolu to the Future".	Sustainability Report 2022, page 36-41

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
	A2. Application/Monitoring						
A2.1	The committees and/or departments responsible for the execution of ESG policies and top-level executives in the Company related to ESG issues, their duties have been identified, and they are publicly disclosed.	X				At Anadolu Group, sustainability management is carried out through the Sustainability Committee and its affiliated Sustainability Steering Committee. The Sustainability Committee strives to determine the Group's sustainability strategy in terms of environmental, social and corporate governance, to ensure coordination among Group companies, to monitor and audit the policies, goals and practices in terms of sustainability by reporting them to the Board of Directors. Established with the approval of the Sustainability Committee, the Sustainability Steering Committee works to align the Group companies in line with its strategy "From Anadolu to the Future", to monitor the target-oriented performance of the companies, and to identify risks and opportunities in ESG issues. Duties and Working Principles of the Sustainability Committee are publicly shared in the report.	Sustainability Report 2022, page 42-43 Website, Sustainability Menu, Policies and Procedures Submenu: Duties and Working Principles of the Sustainability Committee,
	The responsible committee/ unit reported the activities carried out within the scope of the policies to the Board of Directors at least once a year.	X				The Committee meets at least twice a year. The meetings are held with the participation of at least half the number of Committee members. The Committee is responsible for reporting the decisions to the Board of Directors via the President of the Committee. The responsible committee/unit reports to the Board of Directors at least once a year within the scope of the policies and in any case within the maximum periods specified in the relevant regulations of the Board for the disclosure of the annual reports to the public.	Sustainability Report 2022, page 111 Website, Sustainability Menu, Policies and Procedures Submenu: Duties and Working Principles of the Sustainability Committee, page 1
A2.2	In line with ESG targets, implementation and action plans were developed and disclosed to the public.	X				"From Anadolu to the Future", which is the company's sustainability strategy, has been shared on its website and in the 2022 Sustainability Report. Thus, implementation and action plans in line with ESG targets were created and publicly disclosed.	Sustainability Report 2022, page 34 - 41 Website, Sustainability Menu Annual Report 2023, MD&A, page 108-109
A2.3	ESG Key Performance Indicators (KPI) and the level of achievement of these indicators were disclosed to the public on a yearly basis.	X				ESG Key Performance Indicators of the Anadolu Group are explained in the relevant sections of the Sustainability Report and shared in the tables of performance indicators in the appendices section of the Report.	Sustainability Report 2022, page 54-79, 82-121, 124-162, 164-172 Website, Sustainability Menu

Sustainability Principles Compliance Framework

		COMPLIANCE STATUS					
		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
A2.4	Activities to improve the sustainability performance of business processes or products and services have been disclosed to the public.	X				Its performance on the related topics is covered under the heading "The Future of Business" in the 2022 Sustainability Report. The company discloses that it supports entrepreneurship by pioneering technological development with a sustainable business approach. It contributes to the responsible value chain through responsible product and service development. It offers experiences that make a difference through customer-oriented solutions and announces that it has adopted a development model that includes stakeholders. It also strengthens its corporate governance approach through effective risk management.	Sustainability Report 2022, page 82-121
	A3. Reporting						
A3.1	In the Company's annual reports, information regarding sustainability performance, targets and actions should be disclosed in an understandable, accurate and sufficient manner.	X				AG Anadolu Grubu Holding included explanations about its Sustainability targets in the "Sustainability in Anadolu Group" section of its 2023 Annual Report. The "Strategic Value Areas & Focus Areas" section provides information on sustainability actions. Additionally, there are explanations about sustainability performance in the Performance Indicators table in the 2022 Sustainability Report.	Sustainability Report 2022, page 164-172 Annual Report 2023, Sustainability at Anadolu Group, page 68-77
A3.2	Information on which of the Company's activities are related to the United Nations (UN) 2030 Sustainable Development Goals (SDGs) has been disclosed to the public by the Company.	X				In the 2022 Sustainability Report, material issues, and activities shared in the topics regarding material issues, and the relevant Sustainable Development Goals (SDGs) that are referenced in sustainability efforts are revealed in the Material Issues. Focus areas in the strategic framework called "From Anadolu to the Future" were also matched with the SDGs they serve. Moreover, there is a detailed SDG alignment study in the "From Anadolu to the Future: Anadolu Group Sustainable Development Goals Alignment Report" published on the corporate website. Information on how the activities relate to the UN 2030 Sustainable Development Goals is provided in detail in the Alignment Report.	Sustainability Report 2022, page 46, 47, 55, 82, 124 Website, Sustainability Menu, Reports Submenu: Sustainable Development Goals Alignment Reports Annual Report 2023, Sustainability at Anadolu Group, page 68-77
A3.3	Lawsuits filed and/or concluded against ESG issues, which are important in terms of ESG policies and/or will significantly affect activities, have been disclosed to the public.	X				Of the lawsuits filed against and/or concluded to the company, those deemed necessary/ important are disclosed on the Public Disclosure Platform.	Annual Report 2023, page 90

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
	A4. Verification						
A4.1	The Company's ESG Key Performance metrics have been verified by an independent third party and publicly disclosed.	X				Anadolu Efes, Coca-Cola İçecek and Migros, which are group companies, had their carbon emissions, which they consider as key performance indicators in ESG, verified by third parties and publicly disclosed them.	Anadolu Efes Integrated Report 2022, page 113-115 CCI Integrated Annual Report 2022, page 270-271 Migros Integrated Annual Report 2022, page 171-173
	B. Environmental Principles						
B1	The Company has publicly disclosed its policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs in the field of environmental management.	X				The company holds the ISO 14001 certification. In the 2022 Sustainability Report, it disclosed the material issues and action plan in detail within the framework of "From Anadolu to the Future".	Website, Sustainability Menu, Policies and Procedures Submenu: Environmental Policy Website, Sustainability Menu, Policies and Procedures Submenu: Environmental Management System - 14001:2015 Website, Sustainability Menu, Policies and Procedures Submenu: Environmental Management System Framework Sustainability Report 2022, page 54, 55
B2	The scope of the report, reporting period, reporting date, and the limitations regarding the reporting conditions were disclosed to the public regarding the environmental reports prepared regarding information on environmental management.	X				It includes the consolidated sustainability performance data of AG Anadolu Grubu Holding and all Group companies in Türkiye and abroad for the operating year from January 1, to December 31, 2022.	Sustainability Report 2022, page 4
B4	Environmental targets included in the reward criteria within the scope of performance incentive systems on the basis based on (such as members of the Board of Directors, managers, and employees) have been disclosed to the public.	X				Sustainability Committee strives to determine the Group's sustainability strategy in terms of environmental, social and corporate governance, to ensure coordination among Group companies, to monitor and audit the policies, goals and practices in terms of sustainability by reporting them to the Board of Directors.	Website, Sustainability Menu, Policies and Procedures Submenu: Duties and Working Principles of the Sustainability Committee, page 2
B5	It has been disclosed to the public that the way of material environmental issues integration into business objectives and strategies.	X				The company adheres to its environmental, social and economic priorities, focus areas and road map in terms of sustainability within the framework of "From Anadolu to the Future". It monitors and analyzes the environmental impacts that may occur as a result of its operations and pursues its activities in line with the goal of minimizing these impacts. Environmental management strategy, our focus areas and management processes are provided in detail in Anadolu Group Environmental Policy.	Sustainability Report 2022, page 34-37 Website, Sustainability Menu, Policies and Procedures Submenu: Environmental Policy

Sustainability Principles Compliance Framework

		COMPLIANCE STATUS					
		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
B7	It has been publicly disclosed how environmental issues are managed and integrated into business objectives and strategies throughout the Company's value chain; including the operational process, suppliers and customers.	X				The company expects all its product and service suppliers to comply with the Code of Ethics and incorporates the Code of Ethics in its contracts. Within the scope of the Code of Business Ethics and the Non-Compliance Notification Regulation, AG Anadolu Grubu Holding require its suppliers to sign a commitment to comply with the relevant principles. Thus, a declaration of will is obtained from each supplier regarding compliance with ethical principles. In the Supplier Assessment and Selection Criteria covered in the Procurement Procedure of AG Anadolu Grubu Holding, the expectations from the suppliers in this context are specified under the "Environmental Responsibility" heading within the scope of Compliance with the Codes of Business Ethics. Additionally, customers and suppliers are communicated through various channels throughout the year.	Sustainability Report 2022, page 97-107 Website, Sustainability Menu, Policies and Procedures Submenu: Code of Business Ethics and Non Compliance Notification Regulation
B8	Whether relevant organizations and non-governmental organizations on the environment are involved in the policy-making processes and the collaborations with these institutions and organizations were disclosed to the public.	X				Multi-stakeholder initiatives and collaborations are among the company's material issues. AG Anadolu Grubu Holding is a signatory of the UN Global Compact and a founding member of the Association of United Nations Global Compact Signatories. It has joined the Business Plastic Initiative (IPG), which was established in collaboration with UN Global Compact Türkiye, the Business Council for Sustainable Development Türkiye and TÜSİAD to take the fight against plastic pollution one-step further. A joint study that serves as a guide for the business community in Türkiye for SDG reporting has been realized in cooperation with the Business For Goals Platform (B4G). A project has been carried out with the Hatay Nature Conservation Foundation for the contribution to the conservation of Anatolian ground squirrels (Spermophilus xanthoprymnus), which are classified in the near-endangered category on the International Union for Conservation of Nature (IUCN) red list.	Website, Sustainability Menu, Collaborations Submenu: United Nations Global Compact Sustainability Report 2022, page 8, 42, 43, 74-79, 163
B9	Environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts) information about the impacts of the Company has been disclosed to the public on a comparable basis periodically.	X				A summary table of the 3-year trends and target base years related to the information on environmental indicators, which can also be easily seen, is provided in the report (see Performance Indicators). Since the company is not a manufacturer, it has no contribution to the air quality.	Sustainability Report 2022, page 54, 55, 57, 58, 62, 67, 164-172

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
B10	Details of the standard, protocol, methodology, and base year used to collect and calculate data have been publicly disclosed.	X				Carbon emission measurement is based on the GHG protocol. Besides, the WRI Aqueduct tool is employed to measure water risks.	Sustainability Report 2022, page 54, 55, 57, 58, 62, 67, 169-172
B11	In comparison with previous years, the increase or decrease of environmental indicators for the reporting year has been disclosed to the public.	X				The environmental sustainability performance increase is presented as a minimum 3-year trend. On an annual basis, the status is described within the scope of the targets (see Performance Indicators).	Sustainability Report 2022, page 54, 55, 57, 58, 62, 67, 169-172
B12	Short and long-term targets have been determined to reduce the Company's environmental impacts, and the progress of these targets and the targets determined in previous years has been disclosed to the public.	X				Short and long-term targets have been set to reduce environmental impacts. Furthermore, in the "Developments in 2022" section, savings, reductions and other ESG-related positive impacts regarding environmental goals are shared.	Sustainability Report 2022, page 24, 25, 41, 54, 169-172
B13	A strategy to combat the climate crisis has been created and the planned actions have been publicly announced.	X				The company's Sustainability Report, prepared in compliance with GRI standards, includes its targets regarding the climate crisis. Moreover, the Company has stated that it will reduce its emissions gradually, and disclosed reduction of scope 1 and 2 50% by 2030 and to work with the vision of becoming a net zero company by 2050.	Sustainability Report 2022, page 34-37, 41, 54-79
B14	Programs or procedures have been established and disclosed to the public in order to prevent or minimize the potential negative impact of products and/or services on the environment.	X				In the 2022 Sustainability Report, efforts regarding this issue are disclosed under the heading "The Future of Nature".	Sustainability Report 2022, page 54-79
	Actions have been taken to reduce greenhouse gas emissions of third parties (i.e., suppliers, subcontractors, dealers, etc.) and these actions have been disclosed to the public.	X				Efforts regarding this issue are disclosed under the heading "The Future of Business" in the 2022 Sustainability Report. The company prioritizes the compliance of its suppliers with the environmental and social standards set, and supports their development in environmental, social and governance areas. It also aims to set standards in the supply chain and increase the proportion of responsible products and services.	Sustainability Report 2022, page 97-101
B15	The environmental benefits and cost savings of initiatives and projects aimed at reducing environmental impacts have been disclosed to the public.	X				The company shared the results of its efforts to reduce environmental impacts under the heading "Developments in 2022" in the 2022 Sustainability Report.	Sustainability Report 2022, page 24, 25

Sustainability Principles Compliance Framework

		COMPLIANCE STATUS					REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	
B16	Energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) data are publicly disclosed as Scope-1 and Scope-2.	X				Scope 1 and 2 emissions are disclosed in the Environmental Performance Indicators in the 2022 Sustainability Report prepared in compliance with GRI standards.	Sustainability Report 2022, page 170
B17	Public disclosure was made about the electricity, heat, steam and cooling produced in the reporting year.	X				In the 2022 Sustainability Report, the company has publicly disclosed the information on energy generated.	Sustainability Report 2022, page 169
B18	Actions on increasing the use of renewable energy and transition to zero or low carbon electricity have been made and publicly announced.	X				The company has shared its efforts and goals in this area under the heading "The Future of Nature" in the 2022 Sustainability Report.	Sustainability Report 2022 page 52-61 Annual Report 2023, MD&A, page 108-109
B19	Renewable energy production and consumption data is publicly disclosed.	X				The company has disclosed its data on renewable energy generation, usage and sales in the "Net-Zero for the Future" section and Performance Indicators tables.	Sustainability Report 2022, page 58, 169
B20	Energy efficiency projects have been carried out and the amount of energy consumption and emission reduction achieved through energy efficiency projects has been disclosed to the public.	X				The company has disclosed its efforts in this area in detail under the heading "The Future of Nature" in the 2022 Sustainability Report, which is prepared in compliance with GRI standards, and throughout the report.	Sustainability Report 2022, page 54-61, 169, 170
B21	Water consumption, and if any amounts of water drawn, recycled and discharged from underground or above ground, sources and procedures are publicly disclosed.	X				The company has disclosed the relevant information in the Performance Indicators tables in the 2022 Sustainability Report, which was prepared in compliance with GRI standards.	Sustainability Report 2022, page 170, 171
B22	It has been publicly disclosed whether the Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).	X				The Company is not involved in any carbon pricing system.	Sustainability Report 2022, page 56
B23	Information on carbon credits gained or purchased during the reporting period has been disclosed to the public.				X	No carbon credits have been purchased.	

		COMPLIANCE STATUS					
		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
B24	If carbon pricing is applied within the Company, the details are disclosed to the public.			X		Carbon pricing is not implemented.	Sustainability Report 2022, page 56
B25	The platforms where the Company discloses its environmental information are publicly disclosed.	X				The company discloses its environmental data throughout its GRI-compliant Sustainability Report. Group companies Anadolu Efes, Coca-Cola İçecek, Migros and Anadolu Isuzu respond to the Climate Change Program of the Carbon Disclosure Project (CDP).	Sustainability Report 2022, page 26-27, 173-176 Annual Report 2023, Sustainability at Anadolu Group, page 68-77
	C. Social Principles						
	C1. Human Rights and Employees Rights						
C1.1	The Corporate Human Rights and Employee Rights Policy has been established in a way to cover the Universal Declaration of Human Rights, ILO Conventions ratified by Türkiye and other relevant legislation, those responsible for the execution of the policy have been determined and both the policy and responsible departments from the policies have been disclosed to the public.	X				The Company has created the Human Rights and Employee Rights policy within the scope of the Code of Business Ethics and the Non Compliance Notification Regulation. It is also a signatory of UNGC.	Website, Sustainability Menu, Policies and Procedures Submenu: Code of Business Ethics and Non Compliance Notification Regulation, page 1, 10-13 Website, Sustainability Menu, Collaborations Submenu: United Nations Global Compact
C1.2	Considering the effects of supply and value chain; fair workforce, improvement of labor standards, women's employment, and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non- discrimination) are included in the Company's policy on employee rights.	X				In the 2022 Sustainability Report, under the heading "The Future of People", it has been disclosed that there will be no discrimination in recruitment processes. The Company adopts the principle of not discriminating against in terms of their age, sex, race, religion, language, ethnic origin, sexual orientation, belief, marital, social or economic status, disability, political opinion, participation in union activities and membership in unions, pregnancy or military service status, during their recruitment stage and employment term. It is also a signatory of UNGC. In this context, it has a principle that covers all its stakeholders and suppliers in the value chain.	Sustainability Report 2022, page 103-107, 124-141 Website, Sustainability Menu, Policies and Procedures Submenu: Equal Opportunity Policy Website, Sustainability Menu, Collaborations Submenu: United Nations Global Compact

Sustainability Principles Compliance Framework

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT		
C1.3	Measures taken along the value chain regarding the observance of certain economic, environmental, social factors (low-income groups, women, etc.) or minority rights/equality of opportunity have been publicly disclosed.	X				The company has shared information on the rights of vulnerable groups or minorities under the heading “The Future of People”. In this context, the Holding has an Equal Opportunity Policy.	Sustainability Report 2022, page 124-127, 150-162 Website, Sustainability Menu, Policies and Procedures Submenu: Equal Opportunity Policy
C1.4	Developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed publicly.	X				The Company shares its working principles regarding ethical issues. It also details its progress in this regard under the heading “The Future of People” in the 2022 Sustainability Report. It maintains its human resources practices and processes within the framework of AG Anadolu Grubu Holding Equal Opportunity Policy and Code of Business Ethics and Non Compliance Notification Regulation. It is also a signatory of UNGC.	Sustainability Report 2022, page 124-127 Website, Sustainability Menu, Policies and Procedures Submenu: Equal Opportunity Policy Website, Sustainability Menu, Policies and Procedures Submenu: Code of Business Ethics and Non Compliance Notification Regulation, page 3, 4 Website, Sustainability Menu, Collaborations Submenu: United Nations Global Compact

		COMPLIANCE STATUS					
		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
C1.5	Investments in employees (training and development policies), compensation, recognized fringe benefits, unionization right, work/life balance solutions and talent management are included in the employee rights policy.	X				Information on investment in employees, employee rights and satisfaction are disclosed in the 2023 Annual Report and 2022 Sustainability Report under the heading “The Future of People”. The Company supports the development of employees who play a key role in achieving its strategic goals. It contributes to the acquisition of new competencies that will support existing talents in adapting to the necessities of the time. The employees are offered benefits such as private health insurance services in which they can involve their families, and gift certificates.	Annual Report 2023, Human Resources at Anadolu Group, page 78-79 Sustainability Report 2022, page 124, 142 Website, Sustainability Menu, Policies and Procedures Submenu: Equal Opportunity Policy
	Disagreement resolution processes have been determined by establishing mechanisms for employee complaints and resolution of disputes.	X				The Company’s non-compliance solution processes are disclosed in detail in the AG Anadolu Grubu Holding Code of Business Ethics and the Non-Compliance Notification Regulation. Besides, non-compliance with ethical principles can be reported to Anadolu Group Ethics Line through various channels. All notifications can be reported to the Ethics Committee anonymously, if desired, through various communication channels, including e-mail address anadolugrubu@etikhat.com, phone line +90 (212) 401 3066 and website http://www.anadolugrubuetikhat.com. Information on this process is available in the 2022 Sustainability Report.	Sustainability Report 2022, page 117, 118 Website, Sustainability Menu, Policies and Procedures Submenu: Code of Business Ethics and Non Compliance Notification Regulation
	Activities conducted within the reported period to ensure employee satisfaction were disclosed publicly.	X				Employee engagement and satisfaction are among the priorities of the company. Programs carried out in this context are covered under the heading “Talent Management” and “Employee Engagement and Volunteering”.	Sustainability Report 2022, page 131-145 Website, Sustainability Menu, Policies and Procedures Submenu: Code of Business Ethics and Non Compliance Notification Regulation
C1.6	Occupational health and safety policies have been established and disclosed publicly.	X				The Company has an Occupational Health and Safety Policy. It also holds ISO 45001 certification.	Sustainability Report 2022, page 146, 147 Website, Sustainability Menu, Policies and Procedures Submenu: Occupational Health and Safety Policy Website, Sustainability Menu, Policies and Procedures Submenu: ISO 45001:2018 Certificate
	Occupational health and safety policies have been established and disclosed publicly.	X				The company has disclosed the relevant information in the Occupational Health and Safety Policy and in the Performance Indicators tables in the 2022 Sustainability Report prepared in compliance with GRI standards.	Website, Sustainability Menu, Policies and Procedures Submenu: Occupational Health and Safety Policy Sustainability Report 2022, page 146-149, 168
C1.7	Personal data protection and data security policies have been established and disclosed publicly.	X				The company has publicly disclosed its policy on the protection and security of personal data. It carries out the required efforts in this context. Detailed information is shared in the 2022 Sustainability Report and on the website.	Website, Personal Data Protection Menu: Personal Data Protection and Processing Policy Sustainability Report 2022, page 119-120

Sustainability Principles Compliance Framework

		COMPLIANCE STATUS					
		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
C1.8	Ethics policy has been established and disclosed publicly.	X				The company discloses its ethical rules in the Ethics and Compliance section of the 2022 Sustainability Report, Code of Business Ethics and Non-Compliance Notification Regulation and publicly shares it on its website.	Website, Sustainability Menu, Policies and Procedures Submenu: Code of Business Ethics and Non Compliance Notification Regulation Sustainability Report 2022, page 117
C1.9	Discloses information on activities with regards to community investments, social responsibility, financial inclusion and access to finance.	X				The company contributed its activities within the scope of social investment, social responsibility, financial inclusion and access to finance, with the "Charity Expenses" table included in the 2022 Sustainability Report.	Sustainability Report 2022, page 168
C1.10	Informative meetings and training programs have been organized for employees on ESG policies and activities.	X				The company contributed to this issue with the "From Anadolu to the Future Sustainability Training", which was covered in the 2022 Sustainability Report. Furthermore, the Sustainability Committee is responsible for ensuring that all employees of the Holding and its companies are informed in line with the Holding's sustainability policy and goal, and to ensure that employees embrace these policies. The Sustainability Committee also identifies the training needs on the Environmental Management System, considering the relevant regulations. The Human Resources unit conducts training sessions on environmental awareness and risks in general and on Environmental Management System aspects.	Sustainability Report 2022, page 138 Website, Sustainability Menu, Policies and Procedures Submenu: Duties and Working Principles of the Sustainability Committee page 2 Website, Sustainability Menu, Policies and Procedures Submenu: Environmental Management System Framework, page 1
	C2. Stakeholders, International Standards and Initiatives						
C2.1	The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed publicly.	X				AG Anadolu Grubu Holding A.Ş. is engaged in investments. Besides, Customer Satisfaction is among high priorities of the company. It also benefits from the innovations that digitalization has brought about in order to boost customer satisfaction.	Sustainability Report 2022, page 45, 94-96
C2.2	Information about the communication with stakeholders (which stakeholder, subject and frequency) is publicly disclosed.	X				Communication with stakeholders is shared in detail in the "Stakeholder Communication" section of the 2022 Sustainability Report.	Sustainability Report 2022, page 48-49
C2.3	International reporting standards adopted in reporting are explained.	X				The 2022 Sustainability Report has been prepared in compliance with the GRI Standards, the World Economic Forum Stakeholder Capitalism Metrics and UNGC. The report discloses its economic, social and environmental performance as well as its contribution to the United Nations Sustainable Development Goals. Anadolu Group, in cooperation with the Business for Goals Platform, has signed a joint study that will serve as a guideline for Sustainable Development Goals reporting.	Sustainability Report 2022, page 4, 46-47, 173-183 Website, Sustainability Menu, Collaborations Submenu: United Nations Global Compact

		COMPLIANCE STATUS					REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (Page number should also be indicated)/LINK
		YES	NO	PARTIAL	NOT RELEVANT	EXPLANATION	
C2.4	Principles adopted in relation to sustainability, international organizations, committees and principles of which the Company is a signatory or member are disclosed publicly.	X				AG Anadolu Grubu Holding A.Ş. and Group companies Anadolu Efes, Coca-Cola İçecek, Migros, Anadolu Isuzu and Anadolu Etap are signatories of the United Nations Global Compact, the world's largest and only corporate sustainability platform supported by the United Nations.	Sustainability Report 2022, page 163 Website, Sustainability Menu, Collaborations Submenu: United Nations Global Compact
C2.5	Improvements were made and studies were carried out to be included in the sustainability indices of Borsa Istanbul and/or international indices providers.	X				Anadolu Group and its companies are listed in several sustainability indexes, primarily BIST. This information is shared in the 2023 Annual Report.	Annual Report 2023, Sustainability at Anadolu Group, page 68-77
	D. Corporate Governance Principles						
D1	Stakeholders' opinions were consulted in determining the measures and strategies on sustainability.	X				Determining the sustainability strategy of the company, ensuring the coordination between the Group companies, executing, monitoring and supervising the policies, goals and practices in terms of sustainability by reporting them to the Board of Directors, are carried out by the Sustainability Committee. The Sustainability Committee is responsible for informing the employees of the Holding and its companies in line with the sustainability strategy and targets of "From Anadolu to the Future", ensuring that the employees embrace these policies, and ensuring engagement for all stakeholders. In this respect, stakeholders are contacted through questionnaires and their opinions are taken.	Sustainability Report 2022, page 42, 43 Website, Sustainability Menu, Policies and Procedures Submenu: Duties and Working Principles of the Sustainability Committee
D2	Social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X				In the 2022 Sustainability Report, the projects of 2022 are disclosed in detail under the headings "The Future of Nature", "The Future of Business" and "The Future of People". Furthermore, under the heading "Developments in 2022", actions and charitable expenditures are disclosed.	Sustainability Report 2022, page 24-25, 54-162, 167-168

Management Discussion & Analysis

2023 was a year fraught with economic hardships, natural disasters, and geopolitical tensions which deeply affected everyone both in Turkey and elsewhere around the world and which spawned uncertainties about everything from energy costs to commodity prices, from surging inflation to soaring interest rates, and from the cost of doing business to consumer prices. Thanks to the effective financial and operational strategies to which adhered in the face of these difficulties however, Anadolu Group continued to advance confidently but cautiously towards its goals even in so challenging a year as 2023.

Thanks also to its flexibly resilient business models, geographical and sectoral mix, focus on productivity and cost, strong operational performance, and well-timed investment decisions, Anadolu Group increased its consolidated revenues by 17.5% in the year to end-2023 while its EBITDA improved by 10.9%. AG Anadolu Grubu Holding showed a consolidated net loss of TRL 19.6 billion for the reporting period. It should be noted that all three metrics have been adjusted in accordance with TAS 29 however. On an unadjusted basis, the group's sales revenues and EBITDA increased by 80.3% and 82.2% respectively while its net profit was up by 130.7% and amounted to more than TRL 8.8 billion. Although all business lines played significant roles in achieving last year's results, the contributions made by the Automotives division are particularly worthy of note.

Turning now to an assessment of Anadolu Group's principal operations, net sales revenues in the Soft Drinks division surpassed USD 4 billion for the first time last year. With the completion of its acquisition of Coca-Cola Bangladesh Beverages Limited, CCI became the third biggest bottler in the Coca-Cola System from the standpoint of potential customer base across its operational territory. Continuing to perform strongly all year long, the Beers division registered solid volume growth and posted year-end results that significantly exceeded expectations. Migros had yet another successful year thanks to strong turnover growth, market share gain, and disciplined balance sheet management. The Automotive division's strong performance in both its domestic and international markets enabled it to report correspondingly strong financial results. Commercial sales of Togg, an automotive brand in which Anadolu Group controls a 23% stake, also began last year.

In the twelve months to end-2023, the group's consolidated net debt/EBITDA ratio dropped from 0.9 to 0.6. The transformation of AG Anadolu Grubu Holding's balance sheet health continues to move forward successfully. The improvement in the net debt/EBITDA ratio is even more remarkable when the effects of TMS 29 are excluded: after peaking at around 3.6 in 2018, the ratio was down to 0.5 as of end-2023. The group's financials have continued to grow stronger as a result of the priority being given to such issues as successful operational performance, generating free cashflow, maintaining a robust balance sheet, utilizing idle assets, and reducing FX exposure. At the same time, the dividends that group companies pay to their own shareholders (including the holding company) are also increasing year over year.

As the author of many groundbreaking sustainability initiatives, Anadolu Group continues to manage its environmental, social, and corporate governance operations under the umbrella of its "From Anadolu to the Future" strategy. All ESG activities across the entire group are strategically planned and carried out with the aims of increasing sustainability performance, promoting sustainability culture and improving employees' sustainability competencies, and serving as a role model throughout every business ecosystem in which there is an operational presence. A decision has also been made to add sustainability parameters to holding company senior executives' business targets.

Anadolu Group has identified three sets of specific ESG targets to be achieved over the next three decades. The group aims to reduce base-year 2020 Scope 1 and Scope 2 greenhouse gas emissions by 50% by 2030 and to become a net-zero company by 2050; to make 50% of its operations traceable by 2030 and 100% of them by 2050; to increase the number of women in management to 35% of positions by 2030 and to 50% of them by 2050. Task force groups have been assigned for each target set.

In 2022, the group's combined Scope 1 and Scope 2 GHG emissions were 3.5% less than what they were in 2021. Solar power plant investments are high-priority issues on every group company's agenda. In 2023 an Energy Working Group was set up and tasked with coordinating renewable energy investments. This is part of an overall strategy to promote auto-generation and consumption across all group companies. Anadolu Group companies generated a combined 675,827 MWh of renewable energy last year.

As of 31 December 2022, 33.6% of Anadolu Group companies' management positions were held by women; as of 31 December 2023, it was 33.8%. Under the Anadolu Group Bi-Fikir Innovation Program that has been running for nine years, group companies' employees are rewarded for usefully innovative ideas that they come up with, including those having to do with improving sustainability. As of end-2023, ideas submitted through this program have led to improvements valued at over TRL 1.2 billion.

AG Anadolu Grubu Holding is a signatory to the United Nations Global Compact, the world's biggest sustainability initiative. In 2023 it was one of the founding members of the Turkish Association of Global Compact Signatories. Last year AG Anadolu Grubu Holding also published its first UNGC SDG Communication on Progress.

AG Anadolu Grubu Holding's shares have been regularly included in the İstanbul stock exchange's BIST Sustainability Index since 1 December 2020. In global league tables of holding companies published by Refinitiv, a subsidiary of the London Stock Exchange Group (LSEG), AG Anadolu Grubu Holding's ESG score increased from 75 in December 2022 to 79 in December 2023. As of 26 September 2023, AG Anadolu Grubu Holding ranked first and third respectively on the measure of its overall environmental and social performance.

AG Anadolu Grubu Holding's SAHA Corporate Governance rated is 9.57/10.00.

All Anadolu Group subsidiaries strive to consistently improve their sustainability performance. The shares of publicly-traded Anadolu Group companies are regularly included in national and international sustainability. The indexes listing the group companies can be accessed by clicking here.

In 2023, Anadolu Group published a report of the consolidated 2022 sustainability performance results of AG Anadolu Grubu Holding and of all of its domestic and international subsidiaries. To ensure the transparent communication of this information, the report complied with GRI Standards, World Economic Forum Stakeholder Capitalism Metrics, and United Nations Global Compact Principles.

Anadolu Group's "Anatolian Ground Squirrel" biodiversity conservation and habitat preservation project received a UNGC Ukraine "Partnership for Sustainability" award in the "Planet" category.

With the same inspiration and motivation that it has always had, in 2024 Anadolu Group will continue building on its legacy of adding value across all its operations while also undertaking investments to support growth. Global uncertainties, high inflation, fears of looming recession, and political and geopolitical instabilities will remain the group's most pressing concerns. Anadolu Group will therefore be prioritizing strengthening consumer bonds, optimizing operational efficiency, managing costs, ensuring positive cash flow, practicing disciplined financial management, driving digitalization, and continuing to improve sustainability performance.

Additional Information on Corporate Governance

SHAREHOLDERS

1. Shareholder Relations Unit

At the Company, there is the Investor Relations Unit reporting to Onur Çevikel, the Chief Financial Officer. The unit is staffed by the following individuals who hold Capital Markets Board Advanced 3 Level and Corporate Governance Rating licenses.

Mehmet Çolakoğlu, CFA - Corporate Governance and Investor Relations Director
Tel: +90 216 5788559
E-mail: mehmet.colakoglu@anadolugrubu.com.tr

Burak Berki - Investor Relations Manager
Tel: +90 216 5788647
E-mail: burak.berki@anadolugroup.com.tr

As per the requirements of Corporate Governance Principles, Mehmet Çolakoğlu is also assigned as a member of the Corporate Governance Committee.

Investor Relations Unit is responsible primarily for ensuring the communication between the Board of Directors and shareholders, and exercise of shareholders' rights. In this context, Investor Relations Unit is assigned with making the material event disclosures on topics prescribed pursuant to the Capital Market legislation, preparing periodic information sheets about operations in order to keep the investors informed, providing the Company website's content, creating the annual report, fulfilling shareholders' written/verbal information requests and so on.

An annual report on the activities of the Investor Relations Unit is prepared and presented to the Corporate Governance Committee within the first three months of the subsequent year. The report summarizing the investor relations activities during 2023 were submitted in the Corporate Governance Committee's first meeting held on 8 March 2024. In that meeting, detailed information was provided about the action plans for investor relations, which were quickly enforced in the aftermath of the AG Anadolu Grubu Holding reorganization, along with information about our increased activities and the plans for the period ahead.

When necessary, the Corporate Governance Committee provides information to the Board of Directors about the content of the investor relations report during the Board meetings. In addition, feedback is sought from the Board of Directors at relevant times about our corporate governance rating report, our weaknesses and improvement areas regarding corporate governance.

2. Exercise of Shareholders' Right to Information

In line with the Company's Disclosure Policy, special emphasis is placed on conveying all necessary information in a timely and complete manner to all shareholders so as to ensure due exercise of their shareholding rights. Information requests from shareholders are considered within this framework and information is disclosed within the scope of the content made public previously.

During the reporting period, contact was established with domestic and international institutional and individual investors, shareholders and analysts about the Company's operating results, performance and other developments and all matters prescribed as per the Capital Market Legislation have been disclosed to the public by way of material event disclosures and press releases.

The up-to-date versions of material event disclosures and the Company presentation summarizing the latest developments concerning the Company are posted on the corporate website, thereby enabling investors to exercise their right to obtain information electronically in the easiest fashion. On the other hand, questions of individual investors who contact us through the contact form available on the Company website are responded to as soon as possible in line with the publicly disclosed information.

The Company's Articles of Association contains no provisions that complicate the conduct of a special audit, and the Company administration avoids any transactions that might complicate the same. The Company acts in accordance with the relevant provisions of the Turkish Commercial Code (TCC) with respect to the exercise of the right to request a special audit. During 2022, the shareholders did not request the appointment of a special auditor.

3. Voting Rights and Minority Rights

There are no implementations complicating the exercise of voting right at the Company; necessary mechanisms are in place that will grant each shareholder, including those abroad, the chance to cast their votes in the easiest and the most convenient fashion within the frame of the TCC's provisions governing electronic general assembly.

There are two share groups, namely Groups A and B, at AG Anadolu Grubu Holding. Save for the privilege granted to Group B to nominate six of the Board of Directors members composed of 12 members, these shares are entitled to same rights.

The Company takes utmost care with respect to exercise of minority shares. In line with the provision of Article 4.3.3 of the Corporate Governance Principles, independent members serving on the Company's Board of Directors are capable of performing their duties without prejudice, hence they contribute to impartial management of the Company and ensure protection of minority rights. While minority rights can be granted to those holding less than one twentieth of the capital by way of the Articles of Association pursuant to the Corporate Governance Principles, the Company's Articles of Association do not contain any provisions broadening the scope of minority rights beyond the limits set forth by the law.

4. Dividend Right

No shareholders are granted any privileges with respect to participating in the Company's profit.

Our Dividend Distribution Policy, which was approved by the Board of Directors decision dated 23 February 2018 and was presented for the information of shareholders at the General Assembly Meeting convened on 26 April 2018, is given below.

"DIVIDEND DISTRIBUTION POLICY

In accordance with the Turkish Commercial Code, Capital Markets Board regulations, tax regulations and other related regulations together with provisions regarding dividend distribution in our Company's Articles of Association;

(i) During the first (5) years following the Merger registered on 27 December 2017; at least, the higher of the below will be paid in cash;

a) 25% of the distributable income based on unconsolidated financial statements of our Company,

b) 50% of the distributable income of our Company for the related period, except for special conditions caused by investment and other funding requirements necessary for the long term growth of the Company as well as extraordinary developments in economic conditions.

(ii) During years, following the 5th year of the Merger registered on 27 December 2017; at least, the higher of the below will be paid in cash;

a) 20% of the distributable income based on unconsolidated financial statements of our Company,

b) 50% of the distributable income of our Company for the related period, except for special conditions caused by investment and other funding requirements necessary for the long-term growth of the Company as well as extraordinary developments in economic conditions.

Nonetheless; in case of the disallowance of cash dividend payments, the prohibition of cash dividend payments, the obligations of the company to pay less or more than the approved amount or to issue shares to take place of cash payment or the evaluation of the distributable dividends as "withdrawal of cash" partially or completely due to tax regulations, by Capital Markets Board or another official institution, administrative or legal regulation for whatever reason; the abovementioned regulations will be in place and according to these circumstances company does not pay dividends in cash or does not pay cash dividends in the amounts specified above.

Our dividend distribution policy is available at our company's website as well as in the corporate governance report section of the annual report.

Additional Information on Corporate Governance

5. Share Transfer

There are two share groups, namely Groups A and B, at AG Anadolu Grubu Holding. Save for the privilege granted to Group B to nominate six of the Board of Directors members composed of 12 members, these shares are entitled to same rights. Group A shares are bearer shares, and Group B shares are registered shares.

Information on the two share groups as of 31 December 2023 is presented in the table below:

Share Groups	Share in Capital (TRL thousand)	Share Ratio (%)	Voting Rights at the Board of Directors
A (Bearer)	194,828	80.00	-
B (Registered)	48,707	20.00	6
Total	243,535	100.00	-

PUBLIC DISCLOSURE AND TRANSPARENCY

1. Annual Reports

The Company's annual reports are prepared in sufficient detail to provide complete and accurate information about the Company's operations to the public, and so as to contain the information mentioned under Section 2, Article 2.2.2 of Corporate Governance Principles, in addition to considerations specified under other sections of Corporate Governance Principles and in the legislation.

STAKEHOLDERS

1. Keeping Stakeholders Informed

A Disclosure Policy was established to keep stakeholders informed. Anadolu Group Human Resources Policy is followed with respect to keeping employees informed. Our Company does not have any material commercial ties with other stakeholder groups such as creditors, customers, suppliers, unions, etc. and hence, the Company did not create a disclosure mechanism targeting these stakeholder groups.

The necessary mechanisms are established for the stakeholders to communicate the Company's practices which are contrary to the legislation or are unethical to the Audit Committee, which is responsible for monitoring whether a system regarding compliance to the Company's code of business conduct and ethical rules is established by the management, and whether this system runs properly. The Audit Committee also oversees that the management monitors the Company's compliance to code of business conduct and code of ethics, makes fraud risk assessments and gives fraud, code of business conduct and code of ethics trainings to employees. Additionally, there is an Ethics Committee to which Anadolu Group employees have access.

The Company implements the provisions of applicable legislation in the utilization of mechanisms such as compensation provided to stakeholders. Pursuant to Article 3.1.2 of Corporate Governance Principles appended to the CMB's Corporate Governance Communiqué no. II-17.1, a Compensation Policy for employees was drawn up and posted on the company website upon being approved by the Board of Directors decision dated 30 September 2015.

“Anadolu Grubu Holding A.Ş. Compensation Policy

The Company implements the provisions of the Labor Law no. 4857 in relation to severance and notice pay. In the event that the Labor Law no 4857 is modified, the provisions of the applicable law that will enter into force will be applied.

Within this framework;

The provisions of the Labor Law no. 4857 and Article 14 of the superseded Labor Law no. 1475 with reference to Provisional Article 6 of the Labor Law no. 4857 are applied in entitlement to severance pay.

Aggregated new job search leave in relation to the notice pay can be applied if and only when the employee shall have made a written request to that effect on the date the notice time is given.”

2. Stakeholder Participation in Management

Models supporting participation of stakeholders and primarily company employees in the Company management are developed in a manner not to hinder the activities of the Company. Relevant actions are summarized below:

Open to shareholders, General Assembly meetings provide an open platform for shareholders to convey their positive or negative opinions about the Company. Furthermore, the contact form on the Company website is also an effective communication mechanism for shareholders.

On the other hand, Employee Satisfaction and Engagement Survey designed to support employee participation in management is a medium for employees to express their desires and improvement demands about the organization for which they work, and is administered once every year. In addition, our employees can share their value adding suggestions with the management via the “Bi Fikir” system developed by the Anadolu Group HR Department.

Employee Loyalty Survey is another instrument for our employees to convey their requests and improvement demands about the organization for which they work, and is administered periodically.

In this respect, from the standpoint of our shareholders and employees, stakeholder feedback is sought in important decisions that have implications for stakeholders.

On another front, being an investment company that is mainly engaged in the administration of its subsidiaries, our Company did not design arrangements for participation of other stakeholder groups in management other than shareholders and employees.

Additional Information on Corporate Governance

3. Human Resources Policy

Our Company espouses the Anadolu Group Human Resources Policy developed under the Human Resources Department's leadership and with the contributions of all Anadolu Group companies.

Anadolu Group;

- Aims to create an HR potential possessing a global perspective and set of skills, without exercising discrimination on the basis of cultural differences;
- Targets to contribute added value to the entire organization by increasing employee motivation and building on their skills;
- Espouses a business culture that constantly pursues the better, working as a team on the basis of knowledge in a business environment built on open communication and mutual trust, and works to put the same into life;
- Does not discriminate on the basis of race, nationality, religion, sex and faith while maintaining any kind of relationship with its employees. The group takes pride in the differences and cultural diversity of its employee body, and regards this diversity as a tool for development;
- Makes it a principle to offer its employees a safe and peaceful working environment and to take due care to protect their health;
- Deems it as its duty to respect and protect the rights employees have by virtue of laws and regulations;
- Attaches great importance to training at every stage and level to gear up the employees for the future, offers it transparently through the systems created, and "invests in human";
- Takes care to provide equality of opportunity in various aspects including training, remuneration and career to employees who join the Anadolu Group family starting immediately from their hiring.

4. Ethical Rules and Social Responsibility

Our Company gives the utmost importance to ethical rules. These values are being implemented for many years within the corporate culture notion of Anadolu Group. Anadolu Group HR Department has made the report titled "Anadolu Group Working Principles" about this topic available for all employees; the document can also be reached at the Company website, under the Corporate Governance tab.

On the other hand, in a bid to consolidate compliance with the capital market legislation and corporate governance practices at Anadolu Group, which enjoys a high level of recognition and reliability in national and international capital markets, Anadolu Group Working Principles - Appendix that has been prepared for the group companies was enforced based on the Company's Board of Directors decision dated 4 June 2009. The said document reminds the group employees of their regulatory obligations with respect to insider trading and also raises a "Black-out Period" practice that bans the trading of related company stock for those who are included in the list of individuals with access to inside information at publicly-floated Group companies.

The Anadolu Group Working Principles - Appendix is posted on the corporate website, under the Corporate Governance tab.

Through the Anadolu Education and Social Assistance Foundation supported by the Anadolu Group companies, our Company contributed to giving more than 50 institutions in the areas of education, healthcare and community to Türkiye to date. The Foundation works to create added value for the development of educators, in particular, and continues to contribute value and social benefit to the society through its "My Dear Teacher" initiative.

Representing one of the most notable projects of the Foundation, Anadolu Medical Center (ASM) began offering services in February 2005 as a general hospital in Gebze, İzmit. Having a strategic partnership with Johns Hopkins Medicine (JHM), one of the leading healthcare institutions in the USA, Anadolu Medical Center provides services in all branches, and is particularly specialized in cardiovascular health, cancer and hematology. In the latest report released by the Ministry of Health, ASM was cited as the "hospital admitting the most foreign patients in Türkiye".

On the other hand, set up in 1976 by our Group in a bid to contribute to advancement of sports in our country, Anadolu Efes Sports Club signs its name under major achievements across Europe. Free-of-charge basketball schools organized by Anadolu Efes Basketball Club's expert instructors and coaches offer basketball training and open the door for a bright future for the younger generations.

BOARD OF DIRECTORS

1. Structure and Composition of the Board of Directors

Members of our Board of Directors were elected to serve a term of office of one (1) year based on the resolution adopted in the Extraordinary General Assembly convened on 19 April 2023.

Tuncay Özilhan	Chairman
Kamilhan Süleyman Yazıcı	Vice Chairman
Talip Altuğ Aksoy	Member
Tuğban İzzet Aksoy	Member
Beliz Çevik Chappuie	Member
Efe Yazıcı	Member
Dr. Yılmaz Argüden	Member
Rasih Engin Akçakoca	Member
Ali Galip Yorgancıoğlu *	Independent Member
Uğur Bayar	Independent Member
İzzet Karaca	Independent Member
Dr. Mehmet Ercan Kumcu	Independent Member

*Our Board Member Ali Galip Yorgancıoğlu, whose independence criteria expired on 26 December 2023 in accordance with the Corporate Governance Principles, resigned from his membership in the Board of Directors. It has been decided that the appointment of Ahmet Cemal Dördüncü as the Independent Member of the Board of Directors vacated by Ali Galip Yorgancıoğlu will be submitted for approval at the first General Assembly.

The resumés of our Board members and CEO, covering the outside positions they hold, are presented in the 2023 Annual Report and posted on the company website. The positions our Board members hold outside the Company are also summarized in the table below:

Board Member	Outside Positions Currently Held
Dr. Yılmaz Argüden	Chairman of the Board of Directors at ARGE Consulting, Chairman of the Board of Directors at Rothschild & Co. Türkiye, Chairman of the Board of Directors at DeFacto, Board of Directors Member at Akkök Holding, Member of Board of Directors at Kocaer Çelik, Member of Board of Directors at Marmara Group, Member of Board of Directors at Migros, Member of Board of Directors at TFI TAB Gıda Yatırımları, Chairman of the Board of Trustees at Argüden Governance Academy, Chairman of the Board of Directors at Business at OECD, Member of the Board of Trustees at Altınbaş University, Vice Chairman at the Turkish Basketball Federation
Uğur Bayar	Chairman of Directors at Tekfen Teknoloji, Member of High Advisory Council at TÜYİD (Turkish Investor Relations Society)
Dr. Mehmet Ercan Kumcu	Chairman of the Board of Directors at the Tekfen Foundation for Education, Health, Culture, Art, and Protection of Natural Resources (Tekfen Foundation). Member of Board of Directors at Hallesche Mitteldeutsche Bau - A.G. (HMB)
Rasih Engin Akçakoca	Partner at KAB Danışmanlık İthalat İhracat Eğitim Ticaret Ltd. Şti., Member of Board of Directors at Business Development Bank, Tashkent

Additional Information on Corporate Governance

2. Operating Principles of the Board of Directors

Articles 9, 10, 11, 12 and 13 of the Company's Articles of Association set out the operating principles of the Board of Directors.

The Board of Directors meets as, when and where necessitated by the Company affairs. The Board of Directors meets upon invitation by the chairman, and in his/her absence, by the vice chairman. The agenda, meeting place and meeting time are set by the individual convening the Board of Directors for a meeting. Any Board member may ask the Chairman in writing to convene the Board, in which case the Chairman shall invite the Company's Board of Directors for a meeting in the shortest time legally possible.

In 2023, Board of Directors of the Company had 11 physical meetings, with the attendance of all members to 7, 11 members to 3, and 10 members to 1. Prior to the meetings, necessary information was provided to board of directors and required discussions were realized.

Questions posed by Board members in the meetings and reasonable and detailed grounds for dissenting votes, if applicable, in relation to difference in opinions, are entered into the decisions record. Each member on the Board of Directors is entitled to one vote, and there are no weighted votes and/or negative vetoing rights.

Board of Directors decisions passed in relation to the Company's transactions of a material nature with the related parties are carried out with the approval of the majority of independent Board members in line with Corporate Governance Principles. During 2023, no material transactions with related parties requiring the Company's Board of Directors decision were carried out.

Our Company has an officers' liability insurance policy covering the Board members and executives in our Company and in our subsidiaries, in order to provide coverage for any losses that such individuals may cause to the company as a result of their faults during the performance of their duties.

3. Number, Structures and Independence of Board of Directors Committees

The Board of Directors decision concerning the appointment of the new Board of Directors members elected at the General Assembly convened on 19 April 2023 to committees was passed on 24 April 2023.

	Independent member?	Executive member?
Audit Committee		
Dr. Ercan Kumcu - Chairman	Yes	No
Ali Galip Yorgancıoğlu * - Member	Yes	No
Corporate Governance Committee		
Uğur Bayar- Chairman	Yes	No
İzzet Karaca- Member	No	No
Dr. Yılmaz Argüden - Member	No	No
Mehmet Çolakoğlu- Member	Not a Board member	Not a Board member
Committee for the Early Detection of Risks		
İzzet Karaca - Chairman	Yes	No
Rasih Engin Akçakoca- Member	No	No
Talip Altuğ Aksoy - Member	No	No

*Our Board Member Ali Galip Yorgancıoğlu, whose independence criteria expired on 26 December 2023 in accordance with the Corporate Governance Principles, resigned from his membership in the Board of Directors. It has been decided that the appointment of Ahmet Cemal Dördüncü as the Independent Member of the Board of Directors vacated by Ali Galip Yorgancıoğlu will be submitted for approval at the first General Assembly.

The functions of the Nomination and Remuneration committees, which are currently not present under the Board of Directors, are being fulfilled by the Corporate Governance Committee in accordance with the Corporate Governance Principles.

As per the Corporate Governance Principles, the Board of Directors determines and publicly discloses the duties and operating principles of the committees, as well as the members that will form them.

The Board of Directors' assessment of the operating principles and efficiency of the committees under the Board of Directors is presented at the end of the section titled Additional Information on Corporate Governance (Att. 1).

4. Risk Management and Internal Control Mechanism

The Company is a holding company basically engaged in the administration of its subsidiaries and associates, and has no other operations. In this sense, the Company's day-to-day operations consist of taking investment decisions, making capital call payments for these investments, and management of the cash holdings resulting from dividend collections. The operation of internal control systems for these activities is included within the job description of the Company's Financial Affairs Director. The responsibilities of the Company's Financial Affairs Director in relation to the running of the internal control system are supervised firstly by the Company's CFO and CEO, and ultimately by the Audit Committee.

In the Audit Committee's assessment of the effectiveness of the internal control system and the outcomes of internal control activities, the Audit Report produced by the Audit Department is taken into consideration as one of the most important sources of data, and the Audit Committee shares the suggestions formulated based on the findings in the said Report with the Board of Directors.

In addition to the above, individual internal control systems have been set up in each of the subsidiaries and associates in our investments portfolio, the fundamental principles of which have been determined by our Financial Affairs Department. The individuals in charge of the operation of these systems have been appointed from within the own organizations of the respective companies.

Due to the reasons explained above, Corporate Risk Management Coordination actively works together with the Company's CEO and is supervised by the Committee for Early Detection of Risks for implementing our risk management concept which relies on identifying the existing and potential risk exposure of the Company, developing and monitoring the practices for minimizing the identified risks.

The Company's existing and potential risk exposure is basically classified as follows:

- Financial risks: assets and liabilities risk, credibility, capital/indebtedness relationship, exchange rate risk and other risk factors with a potential direct impact upon the Company's financial condition.
- Operational risks: risk factors which might affect the efficiency of the Company operations, its productivity, profitability, prestige and business continuity in line with the Company's goals and which may be managed through the control environment to be created by the management.
- Strategic Risks: Risk factors arising from the country, geography and the competitive environment in which the Company is active and which might affect the Company's existence and sustainable growth.
- Risk factors which might negatively affect the Company's occupational health and safety and business continuity such as states of emergency and disasters, fire, earthquake and floods, and for which contingency action plans are devised and tested.

In all of the subsidiaries and associates in our portfolio, an individual in charge of the coordination of risk management activities has been appointed, who will be led and supervised by the Company's CEO and Corporate Risk Management Coordinator, and designated as an integral part of risk management activities at all of our subsidiaries and associates within the scope mentioned above. As part of their strategic planning processes, all of our subsidiaries and associates assess financial, operational and strategic risks, identify their respective priority risks, create their risk maps, follow the action plans necessary to manage these risks, and integrate their investment decisions in their strategic business plans. The extensively used SAP and ERP systems enable measurement within this framework and are heavily employed in supporting decision support processes and they increase the efficiency of internal control systems. The financial affairs units of our subsidiaries and associates actively take part in the management of financial risks, and activities on the main headings of assets/liabilities management, capital/debt balance, exchange rate risk and budget/actuals make up a substantial part of risk management systems. There are compulsory policies that must be adhered to for contingencies and disasters, and necessary drills and follow-up actions are in place.

The external audit of our Company has been carried out by the independent audit firm PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. in 2023. The financial audit of our Company, on the other hand, has been conducted by Osman Özen, CPA.

Additional Information on Corporate Governance

5. Strategic Goals of the Company

Our mission is spelled out as contributing in the most effective manner to achievement of their goals by Anadolu Group companies, in the administrations of which we take place by virtue of our shareholding interests, and thus, maximizing the value that can be transferred to our shareholders. The central principles of this mission are as follows:
- Continued growth in the main lines of business,
- Cooperation with international companies,
- Act on a global vision based on local action,
- Experienced management team,
- Flexible and innovative management concept,
- Consumer-oriented approach,
- Capitalizing on extensive distribution network, and
- Cautious approach in terms of financial indebtedness.

AG Anadolu Grubu Holding devises the strategic plans on the basis of subsidiaries. Each year, the said goals and indicators set for each subsidiary are discussed in the budget meetings held at the onset of the year and approved by the boards of directors on which members representing the Company also sit. In a number of ordinary board of directors meetings held during the year, operating results are reviewed in comparison with previous year performances and targeted values.

6. Financial Rights

Pursuant to the resolution adopted in the annual Ordinary General Assembly, the Board of Directors members apart from independent members do not receive any remuneration. On the other hand, based on the resolution adopted in the Extraordinary General Assembly convened on 19 April 2023, each member appointed as independent Board members will be paid an annually net remuneration of TRL 648,000, a level that will ensure preservation of their independence throughout their terms of office. Other than that, there are no remunerations or benefits provided to the Board of Directors.

Remuneration principles of the Company's Board of Directors members and senior executives have been put into writing, and approved and enforced based on the Board of Directors decision dated 26 April 2012. These principles are also accessible on the Company website.

As per Article 4.6.6 of the Corporate Governance Principles, remuneration and all other benefits provided to senior executives, besides Board members, are publicly disclosed in the annual report. The said disclosure makes a differentiation among Board of Directors and senior executives as mentioned in the above paragraph.

The Company did not lend any money, extend any credit, grant an extension or improved terms on any loans or credits extended, allocate a loan under the name personal loan through a third party to any Board of Directors member or senior executive, nor did it grant guarantees in their favor such as suretyship.

APP. 1

Board of Directors' Assessment of the Operating Principles and Efficiency of the Committees under the Board of Directors

In 2023, the Audit Committee, the Corporate Governance Committee, and the Committee for Early Detection of Risks fulfilled their duties and responsibilities imposed upon them by their respective charters, and operated effectively. As a result of the AG Anadolu Grubu Holding organization, charters of all our committees have been updated and disclosed on KAP on 2 February 2018.

- Responsible for effective implementation of the internal control system along with taking all necessary measures for adequate and transparent conduct of all kinds of internal and independent audits, the Audit Committee conveyed all of its suggestions in all of its responsibility areas, including its opinions and recommendations regarding internal audit and internal control system.

- Set up to monitor the Company's compliance with Corporate Governance Principles, to undertake improvement efforts and to present recommendations to the Board of Directors in this regard, the Corporate Governance Committee has established whether Corporate Governance Principles are being implemented at the Company, grounds for non-implementation, if applicable, and conflicts of interest arising from failure to achieve full compliance with these principles. The Corporate Governance Committee presented improvement suggestions for corporate governance practices to the Board of Directors and supervised the activities of the Investor Relations Unit.

- Carrying out activities to early detect the risks that may endanger the Company's existence, development and survival, to implement necessary measures in relation to identified risks, and to manage the risks, the Committee for Early Detection of Risks has reviewed the Company's risk management systems in accordance with the Corporate Governance Principles and the Charter of the Committee for Early Detection of Risks.

Financial Review

SUMMARY FINANCIALS

Beer (TRL million)	2022	2023	Change
Sales Volume (mhl)	34.0	35.7	5.0%
Net Sales	61,872	58,003	-6.3%
Gross Profit	25,103	26,023	3.7%
EBITDA (BNRI)	11,073	10,671	-3.6%
Net income (attributable to parent)	9,096	12,293	35.2%
Gross Profit Margin	40.6%	44.9%	
EBITDA Margin	17.9%	18.4%	
Net Income Margin (attr. to parent)	14.7%	21.2%	
Soft Drinks (TRL million)	**2022**	**2023**	**Change**
Sales Volume (million unit case)	1,577	1,535	-2.6%
Net Sales	93,190	101,042	8.4%
Gross Profit	28,479	33,040	16.0%
EBITDA	15,941	18,127	13.7%
EBITDA (Excl. other)	16,168	18,135	12.2%
Net income (attributable to parent)	13,877	20,580	48.3%
Gross Profit Margin	30.6%	32.7%	
EBITDA Margin	17.1%	17.9%	
Net Income Margin (attr. to parent)	14.9%	20.4%	
Migros (TRL million)	**2022**	**2023**	**Change**
Net Sales	140,480	181,674	29.3%
Gross Profit	26,270	34,003	29.4%
EBITDA	4,377	3,873	-11.5%
Net Income (attributable to parent)	9,140	8,829	-3.4%
Gross Profit Margin	18.7%	18.7%	
EBITDA Margin	3.1%	2.1%	
Net Income Margin (attr. to parent)	6.5%	4.9%	
Automotive (TRL million)	**2022**	**2023**	**Change**
Net Sales	26,386	36,993	40.2%
Gross Profit	2,946	5,656	92.0%
EBITDA	1,149	3,131	172.6%
Net Income (attributable to parent)	1,094	3,243	196.4%
Gross Profit Margin	11.2%	15.3%	
EBITDA Margin	4.4%	8.5%	
Net Income Margin (attr. to parent)	4.1%	8.8%	

Agriculture, Energy and Industry (TRL million)	2022	2023	Change
Net Sales	2,079	3,524	69.5%
Gross Profit	683	1,312	92.0%
EBITDA	418	568	35.8%
Net Income (attributable to parent)	536	893	66.7%
Gross Profit Margin	32.9%	37.2%	
EBITDA Margin	20.1%	16.1%	
Net Income Margin (attr. to parent)	25.8%	25.3%	

Other (TRL million)	2022	2023	Change
Net Sales	580	976	68.2%
Gross Profit	468	720	53.6%
EBITDA	9	-170	n.m.
Net Income (attributable to parent)	2,983	2,766	-7.3%
Gross Profit Margin	80.7%	73.7%	
EBITDA Margin	1.5%	-17.4%	
Net Income Margin (attr. to parent)	514.1%	283.4%	

Consolidated (TRL million)	2022	2023	Change
Net Sales	319,648	375,583	17.5%
Gross Profit	82,966	99,289	19.7%
EBITDA	32,572	36,119	10.9%
Net Income	37,015	49,263	33.1%
Net Income (attributable to parent)	15,639	19,638	25.6%
Net Income* (attr. to parent excl. one-off gains/expenses)	14,740	19,012	29.0%
Gross Profit Margin	26.0%	26.4%	
EBITDA Margin	10.2%	9.6%	
Net Income Margin (attr. to parent)	4.9%	5.2%	

*All figures and tables in this report include IFRS16 and TAS 29 impact. Figures excluding the effect of TAS 29 are also shown on the last page of the report. The effect of McDonald's, whose sale has been completed in 2022 has been eliminated from the 2022 financial statements (except net income).

** Excludes impairment losses in our beer operations, McDonald's in 2022 and income derived from Anadolu Etap consolidation change in 2023.

Financial Review

MESSAGE FROM CEO MR. HURŞİT ZORLU

2023 was a year with many important events both in Turkey and in the world including economic difficulties, natural disasters and geopolitical tensions that set the global agenda. Energy costs to commodity prices, Inflation to high interest rates, and cost of doing business to consumer prices all brought many challenges to our operations. Despite all these difficulties, we continued to advance towards our goals with cautious and confident steps in 2023, thanks to the effective financial and operational strategies we have implemented.

Looking at 2023 results; Thanks to our flexible and resilient business models, geographical and sectoral distribution, efficiency and cost-oriented structure, strong operational performance and timely investment decisions, we achieved a consolidated annual sales revenue growth of 17.5% while EBITDA grew 10.9%. Our Holding net income was TRL 19.6 billion. Excluding the impact of TAS 29, revenue and EBITDA grew by 80.3% and 82.2% respectively while bottom-line increased by 130.7% to TRL 8.8 billion. All segments all played an important role in this successful performance. Specifically, we need to emphasize the strong contribution of our automotive segment to the group's positive performance in 2023.

If we evaluate the performance of our main operations; the soft drinks segment, exceeded the USD 4 billion mark in consolidated revenue for the first time. We completed the acquisition of Coca-Cola Bangladesh Beverages Limited from The Coca-Cola Company making CCI's operating region the third-largest population served by a Coke bottler. The beer group recorded strong performance since the beginning of the year that has resulted in a remarkable volume growth, significantly outpacing our initial expectations. Migros had another successful year with strong turnover growth, market share gain and disciplined balance sheet management. In the auto segment, we continued to announce strong financials with positive performance in both domestic and export markets. We are also proud that Turkey's Automobile Joint Venture Group ("Togg"), in which our company has a 23% stake, started commercial sales as planned in the year.

Consolidated net debt/EBITDA ratio decreased to 0.6x at the end of 2023 down from 0.9x at the end of 2022. The Holding is successfully continuing a major transformation on its balance sheet structure, and excluding the effect of TAS 29, our net debt/EBITDA ratio, which rose to 3.6x during 2018, has decreased to 0.5x by the end of 2023. Our key priorities which are successful operational performance, FCF generation, tight balance sheet and proactive risk management, utilization of idle assets and lowering short FX positions continue to support our strong results. Consequently the dividends our group companies and the Holding pay have been increasing over the years.

In the coming period we will continue to tackle the challenges we face with the same determination, add value and grow in every field we operate and make investments that will support our growth with the same inspiration and motivation. Global uncertainties, high inflation, global recession concerns, politics, geopolitical developments will be the most important agenda items we will follow. Our priorities will continue to be preserving close ties with the consumers, operational efficiency, managing costs, free cash flow, disciplined financial management, digitalization and sustainability efforts.

CONSOLIDATED FINANCIAL PERFORMANCE

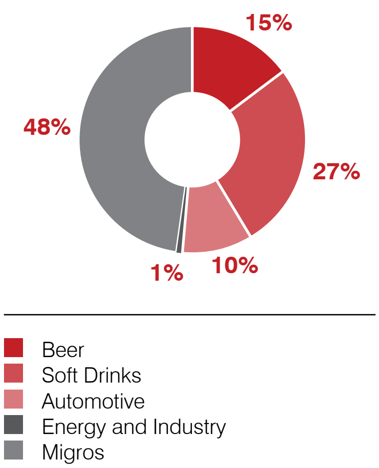
Consolidated (TRL million)	2022	2023	Change
Net Sales	319,648	375,583	17.5%
Gross Profit	82,966	99,289	19.7%
EBITDA	32,572	36,119	10.9%
Net Income	37,015	49,263	33.1%
Net Income (attributable to parent)	15,639	19,638	25.6%
Net Income* (attr. to parent excl. one-off gains/expenses)	14,740	19,012	29.0%
Gross Profit Margin	26.0%	26.4%	
EBITDA Margin	10.2%	9.6%	
Net Income Margin (attr. to parent)	4.9%	5.2%	

* Excludes impairment losses in our beer operations and gain from McDonald's sales in 2022 and income derived from Anadolu Etap consolidation change in 2023.

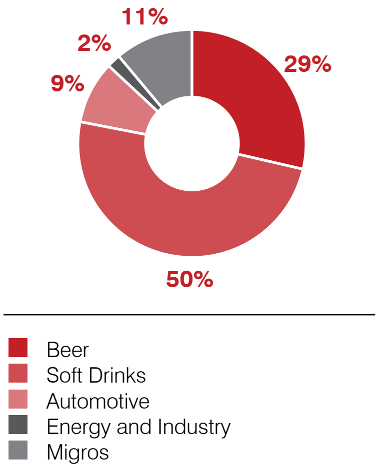
AG Anadolu Grubu Holding ("Anadolu Grubu")'s consolidated revenues increased by 17.5% YoY to reach TRL 375.6 billion in 2023. Within our main segments, Migros had the strongest performance with a 29.3% revenue growth followed by 8.4% growth in soft drinks and while beer segment revenues contracted by 6,3% YoY. Auto segment revenues grew 40.2% in 2023. On the other hand, Agriculture, Energy and Industry segment's revenues increased by 69.5% YoY with the inclusion and consolidation of Anadolu Etap Tarım with this segment.

Share of international revenues was at 25.7% in 2023 thanks particularly to strong domestic performance of Migros and auto segments. EBITDA share outside of Türkiye, was at 62.2% while its share in net profit was 29.0%. As a result of the implementation of TAS 29 only in domestic operations, the EBITDA margins of our domestic operations decreased according to reporting with inflation accounting, but the net profit margins of our domestic operations increased as a result of "monetary gain" reported under inflation accounting. As a result, the share of our domestic operations in total EBITDA decreased, but its share in total net profit increased.

Net Sales Breakdown (*)

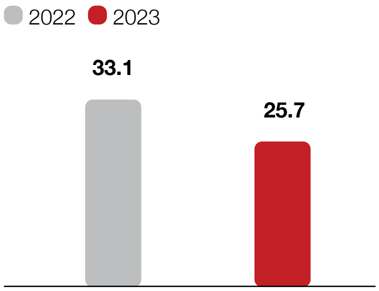


EBITDA Breakdown (*)

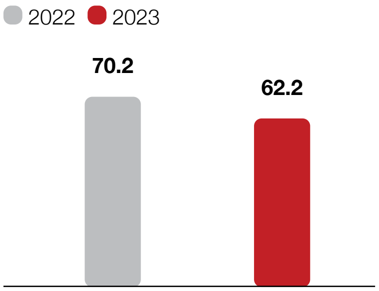


(*) Sum of segmental percentages may exceed 100% due to eliminations. 12-months trailing net sales breakdown and EBITDA figures.

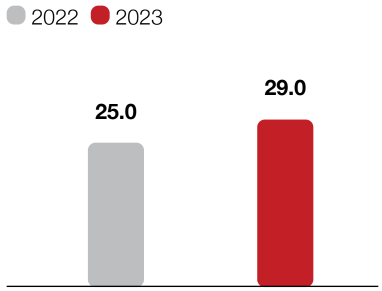
Share of International Revenues (%)



Share of International EBITDA (%)



Foreign Net Profit Share (%)



Consolidated EBITDA increased by 10.9% to TRL 36.1 billion in 2023. Soft Drinks and Auto segments primarily supported the increase in operational profit and recorded strong EBITDA growth. Soft Drinks, Beer and Migros' share in total EBITDA were 50%, 29% and 11% respectively in 2023 while auto, agriculture energy & industry and other segments had a combined share of 10% in total EBITDA mix during this period.

Financial Review

The group recorded TRL 19.6 billion net profit in 2023. The breakdown of net profit by segment was Beer 27%, Soft Drinks and Migros 23%, auto 13%, other 14%. Anadolu Etap consolidation positively impacted the net profit of the parent company (TRL 626 million) in 2023. The net impact resulting from beer operations impairment charge (TRL 242 million) and McDonalds's sale gain (TRL 1.1 billion) impacted the bottom-line in 2022. After these adjustments, and as excluding one-time income/expenses, adjusted net income increased from TRL 14.7 billion in 2022 to TRL 19.0 billion in 2023.

Despite unfavorable moves in TRL, volatility in commodity prices and uncertainties in geopolitics, we have managed to lower leverage ratios in 2023 on the back of strong operational performance as well as conservative and proactive balance sheet management, positive FCF, utilization of idle assets, efficient and disciplined working capital management. The Holding on a consolidated basis generated TRL 16.7 billion FCF in 2023.

Focus on financing in local currency, active use of derivative instruments in order to minimize the foreign currency risks on debt and lowering short FX positions have played a key role reducing short FX positions and risks particularly at the Holding and Migros but also on our other Group companies as well and also continue to positively impact the bottom-line performance.

Consolidated net debt/EBITDA ratio decreased to 0.6x at the end of 2023 down from 0.9x at the end of 2022. The Holding is successfully continuing a major transformation on its balance sheet structure, and excluding the effect of TAS 29, our net debt/EBITDA ratio, which rose to 3.6x during 2018, has decreased to 0.5x by the end of 2023.

Net debt/EBITDA ratio is below 1.0x in all major segments. Soft drinks segment net debt to EBITDA was 0.8x at 2023, quite a low level. Beer net debt to EBITDA (BNRI) declined to 0.3x at 2023. Auto net debt to EBITDA was 0.6x at 2023. Lastly, net debt to EBITDA at Agriculture, Energy and Industrial segment was 5.5x at 2023. On the other hand, Migros is in net cash position.

As of 2023, 45% of our consolidated debt is short term and 55% is long term. Average duration of our consolidated debt is 29 months. (40 months at 2022, 34 months at 2021, 21 months at 2020).

Our efforts continues within both Holding and the group companies in line with the strategy of deleveraging the businesses through cash flows and focus on our core business. We will continue to add value in every field in which we operate and continue with our investments that will support our long-term growth. Our priorities will continue to be preserving close ties with the consumers, operational efficiency, managing costs, free cash flow, disciplined financial management, digitalization and sustainability efforts.

Coca-Cola İçecek also recently completed the acquisition of Coca-Cola Bangladesh Beverages Limited. Together with Bangladesh, the 12th country in our operating geography, CCI has solidified its position as one of the leading bottlers in the Coca-Cola system with more than 10,000 people across 31 bottling plants, offering a diverse portfolio of beverages to 600 million people.

Turkey's Automobile Joint Venture Group ("Togg"), in which our company has a 23% stake, started commercial sales as planned. Also, the construction of Siro Silk Road Clean Energy Storage Technologies Battery Development and Production Campus, founded with the 50-50 JV between Farasis Energy, one of the world's leading companies in Li-ion batteries and Togg has begun in Gemlik.

Segmental Indebtedness
(in accordance with TAS29 (Financial Reporting in Hyperinflationary Economies))

FY2023 (TRL million)	Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Beer	22,613	19,466	3,148	0.3
Soft Drinks	37,040	22,130	14,909	0.8
Migros	10,270	12,817	-2,547	-0.7
Automotive	7,589	5,634	1,956	0.6
Agriculture, Energy and Industry	4,178	1,025	3,153	5.5
Other (Inc. Holding)	5,157	2,434	2,724	n.m.
Holding-only	*5,028*	*2,150*	*2,878*	*n.m.*
Consolidated	86,717	63,506	23,211	0.6
Consolidated (Euro million)	2,657	1,946	711	0.6

FY2022 (TRL million)	Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Beer	27,727	16,244	11,483	1.1
Soft Drinks	34,345	24,336	10,010	0.6
Migros	12,284	13,292	-1,007	-0.2
Automotive	4,975	4,447	528	0.5
Agriculture, Energy and Industry	3,735	594	3,141	7.5
Other (Inc. Holding)	6,734	2,519	4,215	n.m.
Holding-only	*6,649*	*2,347*	*4,302*	*n.m.*
Consolidated	89,692	61,431	28,261	0.9
Consolidated (Euro million)	2,749	1,883	866	0.9

Financial Review

BEER SEGMENT

Beer (TRL million)	2022	2023	Change
Sales Volume (mhl)	34.0	35.7	5.0%
Net Sales	61,872	58,003	-6.3%
Gross Profit	25,103	26,023	3.7%
EBITDA (BNRI)	11,073	10,671	-3.6%
Net income (attributable to parent)	9,096	12,293	35.2%

Gross Profit Margin	40.6%	44.9%
EBITDA Margin	17.9%	18.4%
Net Income Margin (attr. to parent)	14.7%	21.2%

Beer group consolidated volume reached 35.7 mhl in FY2023, marking a 5.0% year-on-year increase. The growth in volumes came particularly from Türkiye and Russia while Georgia also contributed. The consolidated sales volume of the International Beer Operations increased by 4.3% and was reported at 29.5 mhl in FY2023. Russian beer operations recorded full-year growth of low-single digit percentages. The competitive landscape remained challenging particularly in terms of pricing, however our long-standing focus on maintaining a balance between profitability and volume performance remained consistent throughout the year. In Ukraine, the production continued in two breweries. However, Ukrainian beer market continued to be under pressure. Across CIS countries, volume was down by low-single digit percentage on average. On the other hand, it was a highly successful year for Türkiye beer operations achieving a full-year growth of 9.1%; totaling 6.2 mhl.

Beer Group concluded the year with a consolidated revenue of TRL 58.0 billion, 6.3% below previous year. The revenue from international beer operations declined by 14.7% year-on-year to TRL 41.9 billion in FY2023; due to mismatch between the inflation rate and the devaluation/ appreciation rate of international operation's reporting currencies against TRL. The sales revenue from Türkiye beer operations was recorded at TRL 16,0 billion in FY2023; implying a growth of 27.8%.

Excluding the impact of TAS 29, beer group revenue was recorded at TRL 55.5 billion in FY2023, marking a strong yearly growth of 50.2% while international beer operations' revenue displayed a strong growth of 40.5%. Türkiye beer revenue was at TRL 13.4 billion registering a growth of 92.3%; thanks to strong volume momentum throughout the year together with timely and effective implementation of pricing.

Beer Group gross profit expanded by 3.7% to TRL 26,0 billion in 2023, yielding a margin improvement of 429 bps to 44.9% as a result of effective pricing strategies and efficient cost management. Excluding the impact of TAS 29, gross margin expansion was 488 bps.

Beer group EBITDA (BNRI) declined by 3.6% to TRL 10,7 billion while the margin expansion was recorded at 50 bps; reaching 18.4%. Excluding the impact of TAS 29, EBITDA (BNRI) expansion was 126 bps; significantly beating guidance of flat margin; attributable to the robust profitability margin achieved both in Türkiye and Russia. Excluding the impact of TAS 29, EBITDA (BNRI) was TRL 11.7 billion in 2023.

Beer Group net income was reported at TRL 12,3 billion in 2023 versus TRL 9,1 billion in 2022. The increase is mainly due to higher monetary gain recorded as a result of implementation of TAS 29 while the net financial expenses were lower; positively affecting net profitability. Excluding the impact of TAS 29, net income was TRL 3.7 billion in 2023.

SOFT DRINKS SEGMENT

Soft Drinks (TRL million)	2022	2023	Change
Sales Volume (million unit case)	1,577	1,535	-2.6%
Net Sales	93,190	101,042	8.4%
Gross Profit	28,479	33,040	16.0%
EBITDA	15,941	18,127	13.7%
EBITDA (Excl. other)	16,168	18,135	12.2%
Net income (attributable to parent)	13,877	20,580	48.3%
Gross Profit Margin	30.6%	32.7%	
EBITDA Margin	17.1%	17.9%	
Net Income Margin (attr. to parent)	14.9%	20.4%	

CCI's consolidated volume in 2023 was down by 2.6% vs last year at 1.5 billion unit cases ("uc"). While Central Asia and Iraq operations contributed quite positively to the volume growth, with 11.9% and 10.7% y/y increase, respectively, Türkiye and Pakistan diluted the volume performance. Overall, international operations' volume share reached 63.1% with 95 bps increase y/y. Consequently, we have registered 5.1% y/y volume decline in Türkiye annually especially due to the decline in the 4th quarter, which was mostly a result of lower purchasing power ahead of the salary adjustments and intentionally reduced marketing campaigns, given lower spending appetite of consumers amid the sensitivities toward the political unrest in the Middle East. International operations posted a slight decline of 1.1% y/y in FY23 mostly due to the subdued volume generation in Pakistan, as the country experienced the most difficult macroeconomic disruptions in its history. In Pakistan, CCI posted 16.4% volume decline in FY23 (cycling 13.1% growth). Uzbekistan was again the champion for delivering the fastest growth among all CCI countries with 25.8% y/y surge in FY23 by deploying CCI's playbook and therefore setting up the right RTM infrastructure and execution standards. In Kazakhstan, FY23 volume growth was 2.4% yoy, cycling 16.0% growth.

The net sales revenue ("NSR") increased by 8.4% on a year-over-year basis and reached TRL 101.0 billion. Türkiye recorded 25.7% NSR growth in 2023 and NSR/uc grew by 32.4%. Timely and delicate price adjustments, along with close tracking of consumer purchasing power, led to an increased share of premium categories such as "Energy" and "Adult Premium". In the international operations, due to the purchasing power adjustment with TAS 29, NSR declined by 3.3%, while without the impact of TAS 29, 59.3% growth is recorded. NSR/uc evolution, on the other hand, realized as 61.2% yoy before TAS 29 in TRL terms. Focus on quality mix growth along with dynamic pricing actions delivered robust NSR generation in international operations as well, thereby yielding USD 2.4 NSR/uc – up by 12.3% vs same period last year.

Gross margin expanded by 214 bps to 32.7% y/y on a consolidated basis, mostly on the back of Türkiye and Kazakhstan. In Türkiye, the main cost benefit was achieved in packaging, while in international markets lower sugar prices were the main contributor in 2023.

The EBITDA margin was also up by 83 bps to 17.9% in 2023. Without TAS 29 reporting, our EBITDA margin was 20.8% and grew by 195 bps yoy. Without the impact of TAS 29, EBITDA was TRL 18.9 billion in 2023

Net profit is recorded as TRL 20.6 billion in 2023 vs. TRL 13.9 billion last year. The increase in net profit is partly attributable to the "monetary gain/loss" item, that arose due to the effect of TAS 29 accounting. Without TAS 29 accounting, net profit grew by 33.6% in USD terms. Without the impact of TAS 29, Net Profit was TRL 8.3 billion in 2023.

The free cash flow was TRL 3.9 billion in 2023 with improvement in NWC/Sales vs previous year and slightly lower capex.

Financial Review

MİGROS

Migros (TRL million)	2022	2023	Change
Net Sales	140,480	181,674	29.3%
Gross Profit	26,270	34,003	29.4%
EBITDA	4,377	3,873	-11.5%
Net Income (attributable to parent)	9,140	8,829	-3.4%
Gross Profit Margin	18.7%	18.7%	
EBITDA Margin	3.1%	2.1%	
Net Income Margin (attr. to parent)	6.5%	4.9%	

Net sales revenues of Migros increased by 29.3% YoY in 2023 to TRL 181.7 billion. While online sales supported the growth in turnover, the competitive pricing strategy in all categories also resulted with a higher market share. Migros continued its efforts to improve the omni-channel shopping experience in 2023 as well.

Online sales remained strong in 2023 and its share in total revenues was 17.0% (excl. alcohol, tobacco). Migros is now better equipped to meet a potential sudden increase in demand on the back of higher capacity and wider of coverage of its internet sales. The stores covering online operations increased to 1,093 as of 2023.

Total number of stores increased by 455 compared to the same period of last year to reach 3,363 stores at 2023YE.

Gross profit increased by 29.4% YoY in 2023 to reach TRL 34.0 billion, implying a gross profit margin of 18.7%. Migros also generated TRL 3.9 billion EBITDA in 2023, down by 11.5% YoY, with an EBITDA margin of 2.1%. Without the impact of TAS 29, EBITDA was TRL 10.4 billion in 2023

Migros has a net cash position as of 2023 YE. Migros has a net cash/EBITDA ratio of 0.7x as of 2023YE. Net Income in 2023 was at TRL 8.8 billion. Without the impact of TAS 29, Net Income was TRL 5.9 billion in 2023.

AUTOMOTIVE SEGMENT

Automotive (TRL million)	2022	2023	Change
Net Sales	26,386	36,993	40.2%
Gross Profit	2,946	5,656	92.0%
EBITDA	1,149	3,131	172.6%
Net Income (attributable to parent)	1,094	3,243	196.4%
Gross Profit Margin	11.2%	15.3%	
EBITDA Margin	4.4%	8.5%	
Net Income Margin (attr. to parent)	4.1%	8.8%	

Automotive segment sales revenues increased by 40.2% to TRL 37.0 billion in 2023. Especially Anadolu Isuzu and Çelik Motor's successful sales performances were particularly effective in the increase in the sales revenues of the segment. While Çelik Motor showed a successful performance and increased its sales revenues by 51%, Anadolu Isuzu increased its total sales revenues by 30% in 2023. Anadolu Motor's revenues rose by 19% in 2023.

Çelik Motor constituted 55% of automotive sales revenues, remaining shares were 41% of Anadolu Isuzu and 4% of Anadolu Motor in 2023.

Gross profit margin of the segment was at 15.3% in 2023. While Çelik Motor and Anadolu Isuzu gross profits were up by 100.3% and 99.5% in 2023 respectively Anadolu Motor gross profit was also up by 14.7% in 2023.

EBITDA of the segment increased by 172.6% to TRL 3.1 billion in 2023. Çelik Motor, and Anadolu Isuzu EBITDAs increased by 155.6% and 290.5% respectively while Anadolu Motor EBITDA contracted by 47%. Without the impact of TAS 29, EBITDA was TRL 4.6 billion in 2023

Net debt/EBITDA ratio of the segment was at 0.6x at while net income increased by 196.4% to reach TRL 3.2 billion. Without the impact of TAS 29, net income was TRL 3.0 billion in 2023

In line with our long term strategy, we continue to invest in electric transportation vehicles and believe that this transformation in the sector will be the driving force of our growth in the automotive segment in the long term. In the short to mid-term we aim to continue with our successful performance in truck, bus, minibus, Kia branded vehicle sales and leasing activities under our Garenta brand.

Financial Review

AGRICULTURE, ENERGY AND INDUSTRY SEGMENT

Agriculture, Energy and Industry (TRL million)	2022	2023	Change
Net Sales	2,079	3,524	69.5%
Gross Profit	683	1,312	92.0%
EBITDA	418	568	35.8%
Net Income (attributable to parent)	536	893	66.7%
Gross Profit Margin	32.9%	37.2%	
EBITDA Margin	20.1%	16.1%	
Net Income Margin (attr. to parent)	25.8%	25.3%	

Adel, GUE and Anadolu Etap Tarım are included in the Agriculture, Energy and Industry segment. As of the second quarter, the name of this segment is now changed from “Energy and Industry” segment to “Agriculture, Energy and Industry” segment as a result of addition of Anadolu Etap Tarım this segment.

As of April 11, 2023, Anadolu Etap Tarım financial results started to be consolidated within the Agriculture, Energy and Industry segment, therefore 2023 results includes May and the following monthly results.

As Anadolu Group Holding, there has been no change in our ownership share in Anadolu Etap Tarım before or after this consolidation and segmental change. Therefore, although this change has an impact on the Agriculture, Energy and Industry segment, it does not have any impact on Anadolu Group Holding’s total consolidated net profit attributable to parent, other than a one-off re-valuation gain arising from the consolidation of Anadolu Etap Tarım affecting only the second quarter.

Agriculture, Energy and Industry segment reported TRL 3.5 billion net sales revenues in 2023, up by 69.5% YoY. Adel’s net sales increased by 35.0% compared to the previous year and reached TRL 2.3 billion. With regards to Adel, traditional channel orders as well as modern channel orders have picked up pace compared to the previous year positively impacting Adel’s revenue performance. GUE revenues increased by 63.0% to TRL 660 million.

Adel, Anadolu Etap Tarım and GUE hold 64%, 24% and 19% share in total sales of the segment.

Gross profit margin of the segment was 37.2% in 2023. EBITDA was registered at TRL 568 million, up by 35.8% YoY in 2023 on the back of in particular by Adel’s successful operational performance, effective cost management and pricing policy. Without the impact of TAS 29, EBITDA was TRL 742 million in 2023.

The segment’s net profit with the inclusion of Anadolu Etap Tarım was TRL 893 million. Without TAS reporting, bottom-line loss was TRL 194 million.

Net debt/EBITDA ratio of the segment was to 5.5x as of 2023. Net debt of the segment was TRL 3.2 billion as of 2023.

Anadolu Etap Tarım is Türkiye’s first large-scale fruit growing company and currently is the largest fruit growing company in Türkiye. Anadolu Etap Tarım has generated more than 50% of its revenue through exports to a vast geography ranging from Europe to Far Asia, Middle East and India. The Company has been investing in its operations in Türkiye, where it currently runs eight farms with a total area of 30,000 decrease where 5 million trees are planted.

OTHER

Other (TRL million)	2022	2023	Change
Net Sales	580	976	68.2%
Gross Profit	468	720	53.6%
EBITDA	9	-170	n.m.
Net Income (attributable to parent)	2,983	2,766	-7.3%
Gross Profit Margin	80.7%	73.7%	
EBITDA Margin	1.5%	-17.4%	
Net Income Margin (attr. to parent)	514.1%	283.4%	

Holding, AEH Sigorta A.Ş. and other businesses are consolidated under the other segment. Net sales revenues of the other segment was TRL 976 million in 2023.

The net profit of the other segment was TRL 2.8 billion due to the monetary gain with the inflation accounting and the impact of Togg.

SUMMARY SEGMENTAL FINANCIAL RESULTS – 2023

TRL million	Net Sales	Yearly Change	Gross Profit	Yearly Change	EBITDA	Yearly Change	Net Profit (parent)	Yearly Change
Beer	58,003	-6%	26,023	4%	10,671	-4%	12,293	35%
Soft Drinks	101,042	8%	33,040	16%	18,127	14%	20,580	48%
Migros	181,674	29%	34,003	29%	3,873	-12%	8,829	-3%
Automotive	36,993	40%	5,656	92%	3,131	173%	3,243	196%
Agriculture, Energy and Industry	3,524	69%	1,312	92%	568	36%	893	67%
Other	976	68%	720	54%	-170	n.m.	2,766	-7%
Consolidated	375,583	17%	99,289	20%	36,119	11%	19,638	26%

Financial Review

AG ANADOLU GRUBU HOLDİNG A.Ş.

Summary Consolidated Balance Sheet

(TRL million)	31 December 2023	31 December 2022
Cash and equivalents	62,352	58,564
Financial Investments	1,154	2,867
Trade receivables	18,445	14,980
Inventories	52,812	46,401
Prepaid expenses	5,521	5,524
Other current assets	6,560	5,465
Current Assets	**146,844**	**133,801**
Investments accounted through equity method	5,909	4,257
Tangible assets	81,863	78,567
Right of use assets	18,753	16,098
Intangible assets	125,383	136,101
-Goodwill	*28,898*	*32,647*
-Other intangible assets	*96,485*	*103,454*
Other non-current assets	13,047	8,891
Non-Current Assets	**244,955**	**243,914**
Total Assets	**391,799**	**377,715**
Short term borrowings	19,644	18,280
- Bank Loans	16,027	17,308
- Issued debt instruments	1,819	493
- Other Short-Term Borrowings	1,797	479
Short term portion of long term borrowings	17,879	17,247
- Bank Loans	3,371	6,316
- Lease Liabilities	2,599	2,517
- Issued debt instruments	11,909	8,414
Other financial liabilities	1,187	115
Trade payables	73,651	70,856
Other current liabilities	27,821	21,812
Current Liabilities	**140,181**	**128,309**
Long term borrowings	47,921	54,050
- Bank Loans	4,989	7,367
- Lease Liabilities	7,913	7,107
- Issued debt instruments	35,019	39,576
Other financial liabilities	85	0
Deferred tax liability	20,742	20,331
Other non-current liabilities	3,288	5,592
Non-Current Liabilities	**72,036**	**79,973**
Total Liabilities	**212,218**	**208,283**
Equity	**179,581**	**169,432**
Non-controlling interests	115,171	115,467
Equity of the parent	64,410	53,965
Total Liabilities & Equity	**391,799**	**377,715**

AG ANADOLU GRUBU HOLDİNG A.Ş.

Summary Consolidated Income Statement

(TRL million)	31 December 2023	31 December 2022
Revenues	375,583	319,648
Cost of sales (-)	(276,295)	(236,682)
Gross Profit	**99,288**	**82,966**
Operating expenses (-)	(79,475)	(65,919)
Other operations income/(expense)	(3,854)	(3,595)
Gain/(Loss) from investments accounted through equity method	1,677	696
Operating Income/(Loss) (EBIT)	**17,636**	**14,148**
Income /(expense) from investment operations	1,062	589
Financial income/(expense)	(6,719)	(8,442)
Monetary Gain / (Loss)	47,589	37,898
Income/(Loss) Before Tax from Continuing Operations	**59,568**	**44,193**
Tax income/(expense)	(10,306)	(7,178)
Net Income/(Loss) from Continuing Operations	**49,262**	**37,015**
Net Income/(Loss) from Discontinued Operations	**-**	**256**
Net Income/(Loss)	**49,262**	**37,271**
Net Income/(Loss)		
Non-controlling interests	29,624	21,632
Equity holders of the parent	19,638	15,639

Dividend Distribution Table

AG ANADOLU GRUBU HOLDİNG A.Ş. PROFIT DISTRIBUTION TABLE FOR THE YEAR 2023 (TRL)

1.	**Paid/Issued Capital**		**243,534,517.96**
2.	**Total Reserve Funds (According to Legal Records)**		**89,843,573.57**
	According to the Articles of the Association, if there is any privilege in the profit distribution, information related with the mentioned privilege		NONE
		According to CMB	**According to Legal Records**
3.	**Profit for the Fiscal Period**	**29,944,565,000.00**	**710,155,384.41**
4.	**Tax Payable (-)**	**10,306,085,000.00**	**-**
5.	**Net Profit for the Fiscal Period (=)**	**19,638,480,000.00**	**710,155,384.41**
6.	**Losses for the Previous Years (-)**	**-**	**1,115,222,949.40**
7.	**First Scheme Legal Reserve (-)**	**-**	**-**
8.	**NET DISTRIBUTABLE PROFIT FOR THE FISCAL PEROD (=)**	**19,638,480,000.00**	**-**
	Dividend Advance Distributed (-)	**-**	**-**
	Dividend Advance Less Net Distributable Current Period Profit	**-**	**-**
9.	**Donations made during the year (+)**	**261,297,911.00**	
10.	**Net Distributable period profit in which the donations are added to the primary dividend**	**19,899,777,911.00**	
11.	**Primary Dividend to the Shareholders'**	**-**	
	Cash	-	
	Bonus shares	-	
	Total	-	
12.	**Dividend Distributed to the Privileged Shareholders**	**-**	
13.	**Other Distributed Profit**	**-**	
	Board Members	-	
	Employees	-	
	People other than shareholders	-	
14.	**Dividend Distributed to Founder Shares**	**-**	
15.	**Secondary Dividend to the Shareholders'**	**-**	
16.	**Second Scheme Legal Reserve Fund**	**-**	
17.	**Statutory Reserves**	**-**	
18.	**Special Reserve Account**	**-**	
19.	**EXCESS RESERVE**	**19,638,480,000.00**	**-**
20.	**Other Sources Proposed to be Distributed**	**700,000,000.00**	**700,000,000.00**
	Profit for the Previous Year	-	-
	Extraordinary Reserves	700,000,000.00	700,000,000.00
	Other Reserves Distributed According to the Law and Articles of Association	-	-
	Total Dividend to be Distributed	**700,000,000.00**	**700,000,000.00**
	Dividend to equity	287.43%	287.43%
	Dividend corresponding to TRL 1 Nominal Value Share	**Net (TRL)**	**Gross (TRL)**
	Corporate Resident shareholders	2.8743359	2.8743359
	Real Person	2.5869023	2.8743359

AG ANADOLU GRUBU HOLDİNG A.Ş. PROFIT DISTRIBUTION TABLE

	Group	Total Dividend Amount		Total Dividend / Net Distributable Profit	Dividend Corresponding to TRL 1 Nominal Share Value	
		Cash (TRL)	Bonus Share (TRL)	Percentage (%)	Amount (TRL)	Percentage (%)
NET	A	504,000,000.00	-	-	2.5869023	258.69%
	B	140,000,000.00	-	-	2.8743359	287.43%
	Total	**644,000,000.00**	**-**	**-**		

Grubu	Sermaye (TRL)	Oran (%)
A	194,827,614.36	80
B	48,706,903.60	20
Total	**243,534,517.96**	**100**

Total Dividend to be Distributed	700,000,000.00
Paid/Issued Capital	243,534,517.96

Statement of Responsibility

PURSUANT TO ARTICLE 9 OF THE SECOND SECTION OF THE CAPITAL MARKETS BOARD COMMUNIQUE ON PRINCIPLES OF FINANCIAL REPORTING IN CAPITAL MARKETS

STATEMENT OF RESPONSIBILITY BY THE BOARD OF DIRECTORS CONCERNING THE APPROVAL AND SUBMISSION OF THE ANNUAL REPORT AND CORPORATE GOVERNANCE COMPLIANCE REPORT (CRF) AND CORPORATE GOVERNANCE INFORMATION FORM (CGIF)

RESOLUTION DATE: 26 March 2024

RESOLUTION NUMBER: 2024/8

Presented in attachment is the Annual Report for the period January-December 2023, which is approved by the Company's Board of Directors and Audit Committee and which has been prepared in accordance with the Capital Markets Board of Türkiye (CMB) Communiqué no. II.14.1 on Principles of Financial Reporting in Capital Markets and with the formats set out in the Turkish Accounting/Financial Reporting Standards (TAS/TFRS) as stipulated by the said Communiqué.

a) We have examined the Annual Report dated 31 December 2023,

b) To the best of our knowledge within the framework of our duties and responsibilities at the Company, the Annual Report does not contain any assertion that is untrue insofar as matters of material importance are concerned or any omission that would cause such assertions to be misleading as of the date on which they were made,

c) To the best of our knowledge within the framework of our duties and responsibilities at the Company, the Annual Report and the Corporate Governance Compliance Report (CRF), the Corporate Governance Information Form (CGIF) and the Sustainability Principles Compliance Report that have been prepared in accordance with the CMB Communiqué no. II-14.1 represent the business performance and evolution, and present a true and fair view of the Company's financial position, along with the major risks and volatilities that it is faced with.

M. Ercan Kumcu

Mehmet Ercan KUMCU
Chairman of the Audit Committee

Ahmet Cemal DÖRDÜNCÜ
Member of the Audit Committee

Onur ÇEVİKEL
CFO

Evren Çankurtaran
Financial Affairs Coordinator

Convenience Translation Into English of

Independent Auditor's Report on the Board of Directors' Annual Report

Originally Issued in Turkish

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

1. Opinion

We have audited the annual report of AG Anadolu Grubu Holding A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") for the 1 January - 31 December 2023 period.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Group's position in the Board of Directors' Annual Report are consistent and presented fairly, in all material respects, with the audited full set consolidated financial statements and with the information obtained in the course of independent audit.

2. Basis for Opinion

Our independent audit was conducted in accordance with the Independent Standards on Auditing that are part of the Turkish Standards on Auditing (the "TSA") adopted within the framework of the regulations of the Capital Markets Board and issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities in the Audit of the Board of Directors' Annual Report section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA and the regulations of the Capital Markets Board and other relevant legislation that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Our Audit Opinion on the Full Set Consolidated Financial Statements

We expressed an unqualified opinion in the auditor's report dated 26 March 2024 on the full set consolidated financial statements for the 1 January - 31 December 2023 period.

4. Board of Director's Responsibility for the Annual Report

Group management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102 and Capital Markets Board's ("CMB") Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué") are as follows:

a) to prepare the annual report within the first three months following the balance sheet date and present it to the general assembly;

b) to prepare the annual report to reflect the Group's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Group may encounter are clearly indicated. The assessments of the Board of Directors in regards to these matters are also included in the report.

c) to include the matters below in the annual report:

- events of particular importance that occurred in the Company after the operating year,
- the Group's research and development activities,
- financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.

5. Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC and Communiqué provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited consolidated financial statements of the Group and with the information we obtained in the course of independent audit.

Our audit was conducted in accordance with the TSAs.These standards require that ethical requirements are complied with and that the independent audit is planned and performed in a way to obtain reasonable assurance of whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited[consolidated] financial statements and with the information obtained in the course of audit.

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

Burak Özpoyraz, SMMM
Independent Auditor

Istanbul, 26 March 2024

AG Anadolu Grubu Holding Anonim Şirketi

Convenience Translation into English of Consolidated Financial Statements Together With Independent Auditor's Report for the Period January 1 - December 31, 2023

(Originally Issued in Turkish)

INDEPENDENT AUDITOR'S REPORT

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

A. Audit of the consolidated financial statements

1. Our opinion

We have audited the accompanying consolidated financial statements of AG Anadolu Grubu Holding A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements comprising a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2. Basis for opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

Key Audit Matters	How the key audit matter was addressed in the audit
Application of TAS 29 - Financial Reporting in Hyperinflationary Economies	
The Group has applied TAS 29 "Financial reporting in hyperinflationary economies" ("TAS 29") in its consolidated financial statements as at and for the year ending 31 December 2023. TAS 29 requires financial statements to be restated at the current purchasing power at the end of the reporting period. Therefore, transactions in 2023 and non-monetary balances at the end of the period were restated to reflect the changes in the price index as of the balance sheet date,31 December 2023. The application of TAS 29 has a pervasive and material impact on the consolidated financial statements. Considering the risk of inaccurate or incomplete data used in the application of TAS 29 and the additional associated audit effort, the application of TAS 29 has been identified as a key audit matter for our audit. Disclosures regarding the application of TAS 29 are provided in Note 2.	We performed the following auditing procedures in relation to the application of TAS 29: - Understanding and evaluating the process and controls related to the implementation of TAS 29 designed and implemented by management, - Verifying whether the determination of monetary and non-monetary items made by the management is in compliance with TAS 29, - Obtaining detailed lists of non-monetary items and testing the original entry dates and amounts on a sample basis, - Evaluating the calculation methods used by management and verifying whether they are consistently used consistently in all periods, - Verifying the general price index rates used in calculations with the coefficients obtained from the Consumer Price Index in Turkey published by the Turkish Statistical Institute, - Testing the mathematical accuracy of non-monetary items, the statement of profit or loss and the statement of cash flows adjusted for the effects of inflation, - Evaluating the adequacy of disclosures related to the application of TAS 29 in the notes to the consolidated financial statements in accordance with TFRS.

Key Audit Matters	How the key audit matter was addressed in the audit
Revenue recognition in retail segment	
Migros Ticaret A.Ş., a subsidiary of the Group, operates in the retail market, had 3,363 stores as of 31 December 2023 and obtained revenue of 181.6 billion TRY in 2023. In addition to being one of the most important financial statement item for the retail industry and for the consolidated financial statements, revenue is one of the most important criteria for performance measurement and evaluation of the results of strategies applied by management. “Recognition of revenue obtained from retail sales” was identified as a key audit matter since the transaction volume is high due to the number of stores and revenue is obtained from so many sales points. There is risk in the retail industry due to the amount of data processed by information technology systems. The relevant explanations, including accounting policies related to revenue recognition, are provided in Notes 2 and 4.	We performed the following auditing procedures in relation to the recognition of revenue in the financial statements: - We developed an understanding of sales processes and tested the design, implementation and operating effectiveness of key controls within the revenue recognition process. In this framework, cash obtained from retails sales passing through the cashier system throughout the year was verified using the relevant bank documents on a sample basis and reconciled with the turnover accounted for. - We evaluated the appropriateness of the Group’s accounting policy for revenue recognition. - We performed analytical tests to analyze the change in sales. The annual inflation rate used in these reviews was obtained from independent sources and square meters were evaluated by checking maps of selected stores on a sample basis. Product-based and category-based sales and gross margins were compared to prior periods and their consistency was evaluated. - Since revenue is realized at a large number of sales points, the accuracy of amounts transferred to the cashier system at the end of each day was tested by comparing the end of day reports with the accounting records.

INDEPENDENT AUDITOR'S REPORT

Key Audit Matters	How the key audit matter was addressed in the audit
Impairment Testing of Goodwill and Intangible Assets with Indefinite Useful Lives	
The carrying value of bottling rights, license agreements, brands and goodwill which are accounted for under intangible assets amounted to TRY 70,491,315 thousand, TRY 17,900,020, TRY 2,691,658 and TRY 28,898,255 thousand, respectively, in the consolidated financial statements as of 31 December 2023. In accordance with TFRS, these indefinite-life intangible assets should be tested for impairment annually. Bottling rights, license agreements, brands and goodwill are material to the consolidated financial statements. In addition, significant judgements and estimates are used in the impairment tests performed by management. These are, for goodwill impairment tests; earnings before interest, tax, depreciation and amortization ("EBITDA") growth forecasts, long term growth rates and discount rates and in addition to these, royalty rates used in the relief from royalty method for the brand impairment tests. The outcome of such estimates is very sensitive to changes in market conditions. Therefore, these impairment tests are key matters for our audit. Please refer to Notes 2 and 14 of the consolidated financial statements for the relevant disclosures, including the accounting policy and sensitivity analysis.	We performed the following auditing procedures in relation to the impairment tests of indefinite lived intangible assets and goodwill: - Evaluating the appropriateness of the Cash Generating Units ("CGUs") determined by management, - Evaluating management forecasts and future plans based on macroeconomic information for each relevant CGU, - Comparing forecasted cash flows for each CGU with its historical financial performance, - Through involvement of our valuation specialists, assessing the reasonableness of key assumptions, including long term growth rates, discount rates and benchmarking these against rates used in the industry, - Testing of the setup of the discounted cash flow models and their mathematical accuracy, - Assessing management's sensitivity analysis for key assumptions, - Testing of the disclosures in the consolidated financial statements in relation to indefinite-life intangible assets and evaluating the adequacy of these disclosures for TFRS' requirements.

4. Responsibilities of management and those charged with governance for the consolidated financial statements

The Group management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

5. Auditor's responsibilities for the audit of the consolidated financial statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an independent audit conducted in accordance with SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT

B. Other responsibilities arising from regulatory requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the AG Anadolu Grubu Holding A.Ş. 's bookkeeping activities concerning the period from 1 January to 31 December 2023 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor's report on the early risk identification system and committee was submitted to the Company's Board of Directors on 26 March 2024.

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

Burak Özpoyraz, SMMM

Independent Auditor
Istanbul, 26 March 2024

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AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

		Audited	
ASSETS	**Notes**	**December 31, 2023**	December 31, 2022
Cash and Cash Equivalents	5	**62.351.824**	58.564.156
Financial Investments	6.1	**1.153.995**	2.867.050
Trade Receivables		**18.445.276**	14.980.079
- Due from Related Parties	*31.1*	***52.837***	*71.386*
- Trade Receivables, Third Parties	*8.1*	***18.392.439***	*14.908.693*
Other Receivables		**2.573.101**	1.495.601
- Due from Related Parties	*31.1*	***-***	*813.978*
- Other Receivables, Third Parties	*9.1*	***2.573.101***	*681.623*
Derivative Financial Assets	33.2	**253.536**	48.489
Inventories	10	**52.811.638**	46.400.553
Prepaid Expenses	18.1	**5.520.953**	5.523.907
Current Income Tax Assets	29.1	**1.249.712**	1.153.842
Other Current Assets	19.1	**2.483.191**	2.766.828
TOTAL CURRENT ASSETS		**146.843.226**	133.800.505
Financial Investments	6.2	**1.174.412**	997.458
Trade Receivables		**1.299**	3.154
- Trade Receivables, Third Parties	*8.1*	***1.299***	*3.154*
Other Receivables		**520.207**	1.206.132
- Due from Related Parties	*31.1*	***133.120***	*63.658*
- Other Receivables, Third Parties	*9.2*	***387.087***	*1.142.474*
Derivative Financial Assets	33.2	**47.140**	30.088
Investments Accounted Through Equity Method	11	**5.908.988**	4.256.655
Property, Plant and Equipment	12	**81.863.345**	78.566.530
Right of Use Assets	13	**18.753.262**	16.097.744
Intangible Assets		**125.383.307**	136.101.143
- Goodwill	*14.2*	***28.898.255***	*32.647.169*
- Other Intangible Assets	*14.1*	***96.485.052***	*103.453.974*
Prepaid Expenses	18.2	**4.661.722**	2.117.807
Deferred Tax Assets	29.2	**6.596.329**	4.494.771
Other Non-Current Assets	19.2	**46.191**	42.525
TOTAL NON-CURRENT ASSETS		**244.956.202**	243.914.007
TOTAL ASSETS		**391.799.428**	377.714.512

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

AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

		Audited	
LIABILITIES	**Notes**	**December 31, 2023**	December 31, 2022
Short-Term Borrowings	7	**19.643.658**	18.280.123
- Bank Loans		***16.027.306***	*17.307.737*
- Lease Liabilities		**-**	*503*
- Issued Debt Instruments		***1.818.904***	*493.119*
- Other Short-Term Borrowings		***1.797.448***	*478.764*
Current Portion of Long-Term Borrowings	7	**17.879.748**	17.247.518
- Bank Loans		***3.372.579***	*6.316.431*
- Lease Liabilities		***2.598.586***	*2.516.935*
- Issued Debt Instruments		***11.908.583***	*8.414.152*
Other Financial Liabilities	7	**1.187.171**	*115.135*
Trade Payables		**73.651.212**	70.856.492
- Due to Related Parties	*31.2*	***4.430***	*183.023*
- Trade Payables, Third Parties	*8.2*	***73.646.782***	*70.673.469*
Employee Benefit Obligations	16.1	**2.729.077**	2.327.371
Other Payables		**17.930.834**	12.409.213
- Other Payables, Related Parties	*31.2*	**-**	*74.583*
- Other Payables, Third Parties	*9.3*	***17.930.834***	*12.334.630*
Derivative Financial Liabilities	33.2	**314.608**	578.065
Deferred Income	20.1	**2.411.359**	1.647.800
Income Tax Payable	29.1	**722.061**	461.433
Short-Term Provisions		**3.539.444**	4.200.963
- Short-Term Provisions for the Employee Benefits	*16.2*	***2.162.569***	*2.017.522*
- Other Short-Term Provisions	*16.3*	***1.376.875***	*2.183.441*
Other Current Liabilities	19.3	**172.460**	186.347
TOTAL CURRENT LIABILITIES		**140.181.632**	128.310.460
Long-Term Borrowings	7	**47.920.574**	54.049.127
- Bank Loans		***4.988.366***	*7.366.536*
- Lease Liabilities		***7.913.009***	*7.107.057*
- Issued Debt Instruments		***35.019.199***	*39.575.534*
Other Financial Liabilities	7	***85.404***	-
Trade Payables		**2.131**	198
- Trade Payables, Third Parties	*8.2*	***2.131***	*198*
Employee Benefit Obligations	*16.1*	**181.368**	**-**
Other Payables		**55.212**	66.656
- Other Payables, Third Parties	*9.3*	***55.212***	*66.656*
Liabilities due to Investments Accounted for Using Equity Method	11	**61.037**	392.354
Derivative Financial Liabilities	33.2	**2.965**	927.749
Deferred Income	20.2	**697.718**	314.245
Long-Term Provisions		**2.287.365**	3.881.954
- Long-Term Provisions for the Employee Benefits	*16.2*	***2.287.365***	*3.881.954*
Deferred Tax Liability	29.2	**20.742.185**	20.330.719
Other Non-Current Liabilities	19.4	**479**	9.193
TOTAL NON-CURRENT LIABILITIES		**72.036.438**	79.972.195
TOTAL LIABILITIES		**212.218.070**	208.282.655
EQUITY			
Equity Attributable to Equity Holders of the Parent		**64.409.758**	53.964.851
Paid-in Share Capital	21	**243.535**	243.535
Inflation Adjustments on Capital		**3.767.397**	3.767.397
Share Premium (Discounts)		**643.748**	643.748
Other Comprehensive Income (Loss) Not To Be Reclassified to Profit or Loss		**(1.018.312)**	(779.669)
- Revaluation and Remeasurement Gain (Loss)		***(1.018.312)***	*(779.669)*
- Gains (Losses) on Remeasurements Defined Benefit Plans		***(1.018.312)***	*(779.669)*
Other Comprehensive Income (Loss) To Be Reclassified to Profit or Loss		**(4.885.461)**	2.209.243
- Currency Translation Differences		***10.087.875***	*13.299.983*
- Gains (Losses) on Hedge		***(15.296.892)***	*(11.414.651)*
- Gains (Losses) on Revaluation and Reclassification		***323.556***	*323.911*
Restricted Reserves Allocated From Net Profit	21	**1.378.029**	1.192.356
Retained Earnings	21	**44.642.342**	31.048.989
Net Profit or Loss		**19.638.480**	15.639.252
Non-Controlling Interests		**115.171.600**	115.467.006
TOTAL EQUITY		**179.581.358**	169.431.857
TOTAL LIABILITIES AND EQUITY		**391.799.428**	377.714.512

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

AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

		Audited	
	Notes	**January 1 - December 31, 2023**	January 1 - December 31, 2022
Revenue	22	**375.583.477**	319.647.531
Cost of Sales	22	**(276.294.877)**	(236.681.513)
GROSS PROFIT (LOSS)		**99.288.600**	82.966.018
General Administrative Expenses	23	**(16.073.765)**	(13.660.486)
Marketing Expenses	23	**(63.271.998)**	(52.197.479)
Research and Development Expenses		**(130.193)**	(60.302)
Other Operating Income	25.1	**8.174.917**	9.563.499
Other Operating Expenses	25.2	**(12.028.660)**	(13.158.595)
Gain (Loss) from Investments Accounted Through Equity Method	11	**1.677.438**	695.562
OPERATING PROFIT (LOSS)		**17.636.339**	14.148.217
Income from Investing Activities	26.1	**1.531.276**	1.816.523
Expenses from Investing Activities	26.2	**(469.164)**	(1.227.889)
OPERATING PROFIT (LOSS) BEFORE FINANCIAL INCOME (EXPENSE)		**18.698.451**	14.736.851
Financial Income	27	**18.785.170**	13.506.645
Financial Expenses	28	**(25.504.422)**	(21.947.812)
Gains (Losses) on Net Monetary Position		**47.589.483**	37.897.653
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		**59.568.682**	44.193.337
Tax (Expense) Income from Continuing Operations (-)		**(10.306.085)**	(7.178.352)
- Current Period Tax (Expense) Income	29.3	**(6.592.295)**	(5.187.178)
- Deferred Tax (Expense) Income	29.3	**(3.713.790)**	(1.991.174)
NET PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		**49.262.597**	37.014.985
NET PROFIT (LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATIONS	35	**-**	256.083
NET PROFIT (LOSS) FOR THE PERIOD		**49.262.597**	37.271.068
Attributable to:			
- Non-controlling Interests		**29.624.117**	21.631.816
- Equity Holders of the Parent		**19.638.480**	15.639.252
Earnings (Loss) per share (full TRL)	30	**80,6394**	64,2178
- Earnings (Loss) per share from continuing operations (full TRL)		**80,6394**	63,1663
- Earnings (Loss) per share from discontinued operations (full TRL)		**-**	1,0515

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

AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

	Audited	
	January 1 - December 31, 2023	January 1 - December 31, 2022
NET PROFIT (LOSS)	**49.262.597**	37.271.068
OTHER COMPREHENSIVE INCOME		
Items Not To Be Reclassified To Profit or Loss	**(474.848)**	(1.744.412)
- Remeasurement Gain (Loss) from Defined Benefit Plans	**(624.436)**	(2.265.023)
- Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss	**(6.521)**	(345)
- Tax Effect of Other Comprehensive Income Not To Be Classified To Profit or Loss	**156.109**	520.956
- Deferred Tax (Expense) Income	**156.109**	520.956
Items To Be Reclassified To Profit or Loss	**(29.107.151)**	(27.077.379)
- Exchange Differences on Translation of Foreign Operations	**(16.264.318)**	(16.093.000)
- Gains (losses) on Exchange Differences on Translation of Foreign Operations	**(16.110.206)**	(16.093.000)
- Reclassification adjustments on exchange differences on translation of Foreign Operations (Note 26)	**(154.112)**	-
- Gains (Losses) on Financial Assets Measured at Fair Value through Other Comprehensive Income	**(1.014)**	863.760
- Other Comprehensive Income (Loss) on Cash Flow Hedge	**(627.438)**	(76.463)
- Other Comprehensive Income (Loss) Related with Hedges of Net Investments in Foreign Operations (Note 32)	**(16.369.384)**	(14.721.253)
- Tax Effect of Other Comprehensive Income To Be Classified To Profit or Loss	**4.155.003**	2.949.577
- Deferred Tax (Expense) Income	**4.155.003**	2.949.577
OTHER COMPREHENSIVE INCOME (LOSS)	**(29.581.999)**	(28.821.791)
TOTAL COMPREHENSIVE INCOME (LOSS)	**19.680.598**	8.449.277
Attributable to:		
- Non-Controlling Interest	**7.375.110**	1.440.825
- Equity Holders of the Parent	**12.305.488**	7.008.452

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

AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

				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		
	Paid-in Capital	**Inflation Adjustments on Capital**	**Share Premium/ Discount**	**Profit (Loss) on Remeasurements of Defined Benefit Plans**	**Currency Translation Differences**	**Gain (Loss) on Hedge**	**Gains (Losses) on Revaluation and Reclassification**
Balances as of January 1, 2022	243.535	3.767.397	824.242	-	17.843.254	(7.782.880)	-
Transfers	-	-	-	-	-	-	-
Total Comprehensive Income (Loss)	-	-	-	(779.669)	(4.543.271)	(3.631.771)	323.911
Net Profit (Loss)	-	-	-	-	-	-	-
Other Comprehensive Income (Loss)	-	-	-	(779.669)	(4.543.271)	(3.631.771)	323.911
Dividends Paid	-	-	(180.494)	-	-	-	-
Transactions With Non-Controlling Shareholders	-	-	-	-	-	-	-
Balances as of December 31, 2022	243.535	3.767.397	643.748	(779.669)	13.299.983	(11.414.651)	323.911
Balances as of January 1, 2023	**243.535**	**3.767.397**	**643.748**	**(779.669)**	**13.299.983**	**(11.414.651)**	**323.911**
Transfers	-	-	-	-	-	-	-
Total Comprehensive Income (Loss)	-	-	-	(238.643)	(3.212.108)	(3.882.241)	-
Net Profit (Loss)	-	-	-	-	-	-	-
Other Comprehensive Income (Loss)	-	-	-	(238.643)	(3.212.108)	(3.882.241)	-
Dividends Paid	-	-	-	-	-	-	-
Acquisition or Disposal of a Subsidiary (Note 3)	-	-	-	-	-	-	-
Increase (Decrease) Through Changes in Ownership Interests in Subsidiaries That Do Not Result in Loss of Control, Equity (Note 3)	-	-	-	-	-	-	-
Transactions With Non-Controlling Shareholders	-	-	-	-	-	-	-
Increase (Decrease) Due to Other Changes	-	-	-	-	-	-	(355)
Balances as of December 31, 2023	**243.535**	**3.767.397**	**643.748**	**(1.018.312)**	**10.087.875**	**(15.296.892)**	**323.556**

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

	Retained Earnings				
Restricted Reserves Allocated from Net Profit	**Retained Earnings**	**Net Profit (Loss)**	**Attributable to Equity Holders of the Parent**	**Non-Controlling Interests**	**Equity**
4.127.657	28.022.949	-	47.046.154	115.066.172	162.112.326
(2.935.301)	2.935.301	-	-	-	-
-	-	15.639.252	7.008.452	1.440.825	8.449.277
-	-	15.639.252	15.639.252	21.631.816	37.271.068
-	-	-	(8.630.800)	(20.190.991)	(28.821.791)
-	60.760	-	(119.734)	(2.021.937)	(2.141.671)
-	29.979	-	29.979	981.946	1.011.925
1.192.356	31.048.989	15.639.252	53.964.851	115.467.006	169.431.857
1.192.356	**31.048.989**	**15.639.252**	**53.964.851**	**115.467.006**	**169.431.857**
185.673	15.453.579	(15.639.252)	-	-	-
-	-	19.638.480	12.305.488	7.375.110	19.680.598
-	-	19.638.480	19.638.480	29.624.117	49.262.597
-	-	-	(7.332.992)	(22.249.007)	(29.581.999)
-	(285.926)	-	(285.926)	(2.128.153)	(2.414.079)
-	-	-	-	256.320	256.320
-	(1.574.300)	-	(1.574.300)	(7.049.920)	(8.624.220)
-	-	-	-	1.251.592	1.251.592
-	-	-	(355)	(355)	(710)
1.378.029	**44.642.342**	**19.638.480**	**64.409.758**	**115.171.600**	**179.581.358**

AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira (“TRL”) as of December 31, 2023, unless otherwise stated)

		Audited	
	Notes	January 1- December 31, 2023	January 1- December 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		**41.822.372**	36.231.095
Profit (Loss)		**49.262.597**	37.271.068
Net Profit (Loss) for The Period From Continuing Operations		**49.262.597**	37.014.985
Net Profit (Loss) for The Period From Discontinued Operations		**-**	256.083
Adjustments to Reconcile Profit (Loss)		**12.896.537**	15.178.820
Adjustments for Depreciation and Amortization Expense	12,13,14,24	**14.405.211**	13.870.240
Adjustments for Impairment Loss (Reversal of Impairment Loss)		**257.818**	1.003.076
- Adjustments for Impairment Loss (Reversal) of Receivables	*8.1*	***36.912***	*26.470*
- Adjustments for Impairment Loss (Reversal) of Inventories	*10*	***193.690***	*146.546*
- Adjustments for Impairment Loss (Reversal of Impairment Loss) of Property, Plant and Equipment	*12,26.1,26.2*	***27.216***	*62.362*
- Adjustments for Impairment Loss (Reversal of Impairment Loss) of Other Intangible Assets	*26.2*	***-***	*767.698*
Adjustments for Provisions		**2.400.407**	767.219
- Adjustments for (Reversal of) Provisions Related with Employee Benefits		***2.046.138***	*1.589.118*
- Adjustments for (Reversal of) Warranty Provisions	*16.3*	***143.257***	*99.183*
- Adjustments for (Reversal of) Other Provisions		***211.012***	*(921.082)*
Adjustments for Interest (Income) and Expenses		**12.471.470**	10.103.926
Adjustments for Unrealized Foreign Exchange Differences		**821.410**	(1.019.047)
Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments		**(540.774)**	2.068.405
Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method	11	**(1.677.438)**	(695.562)
Adjustments for Tax (Income) Expense	29.3	**10.306.085**	7.178.352
Adjustments for Losses (Gains) Arised From Disposal of Non-Current Assets		**(612.510)**	(280.478)
- Adjustments for Losses (Gains) on Disposal of Tangible Assets	26.1,26.2	***(612.510)***	*(280.478)*
Adjustments for Losses (Gains) on Disposal of Subsidiaries or Joint Operations	26.1	**-**	(1.141.430)
Other Adjustments to Reconcile Profit (Loss)		**(731.040)**	1.758.323
Adjustments for Monetary Gain (Loss)		**(24.204.102)**	(18.434.204)
Adjustments for Working Capital		**(6.514.520)**	(5.783.611)
Adjustments for Decrease (Increase) in Trade Accounts Receivables		**(3.575.811)**	1.172.672
Adjustments for Decrease (Increase) in Other Operating Receivables		**(252.271)**	(516.471)
Adjustments for Decrease (Increase) in Inventories		**(4.415.002)**	(12.899.042)
Adjustments for Increase (Decrease) in Trade Accounts Payables		**2.177.255**	5.716.421
Adjustments for Increase (Decrease) in Other Operating Payables		**178.811**	2.497.035
Increase (Decrease) in Deferred Income		**1.141.085**	477.065
Other Adjustments for Increase (Decrease) in Working Capital		**(1.768.587)**	(2.231.291)
- Decrease (Increase) in Other Assets Related with Operations		***(1.621.470)***	*(3.975.704)*
- Increase (Decrease) in Other Liabilities Related with Operations		***(147.117)***	*1.744.413*
Cash Flows from Operations		**55.644.614**	46.666.277
Interest Paid	25.2	**(4.726.936)**	(4.095.530)
Interest Received	25.1	**886.222**	764.009
Payments Related with Provisions for Employee Benefits		**(2.819.294)**	(431.090)
Payments Related with Other Provisions		**(709.402)**	(1.017.882)
Income Taxes Refund (Paid)		**(6.452.832)**	(5.654.689)
CASH FLOWS FROM INVESTING ACTIVITIES		**(20.898.419)**	(13.456.918)
Cash Inflows from Losing Control of Subsidiaries or Other Businesses		**-**	1.497.844
Cash Flows Used in Obtaining Control of Subsidiaries or Other Businesses		**139.013**	(405.111)
Cash Outflows from Purchase of Additional Shares of Subsidiaries		**(2.860.040)**	-
Cash Outflows Arising From Purchase of Shares or Capital Increase of Associates and/or Joint Ventures		**(579.884)**	(1.058.150)
Proceeds from Sales of Property, Plant, Equipment and Intangible Assets		**1.729.316**	1.090.737
Purchase of Property, Plant, Equipment and Intangible Assets		**(18.512.139)**	(13.583.948)
Cash Advances and Loans Made to Related Parties		**(814.685)**	(998.290)
CASH FLOWS FROM FINANCING ACTIVITIES		**(2.184.086)**	3.743.288
Payments from Changes in Ownership Interests in Subsidiaries that do not Result in Loss of Control		**-**	(129.961)
Proceeds from Borrowings	7	**52.530.621**	62.858.657
Repayments of Borrowings	7	**(47.702.510)**	(47.243.263)
Payments of Lease Liabilities		**(2.799.833)**	(3.087.444)
Proceeds from Derivative Instruments		**662.622**	323.004
Payments of Derivative Instruments		**(32.804)**	(202.377)
Dividends Paid		**(2.414.079)**	(2.141.671)
Interest Paid		**(8.716.916)**	(7.583.816)
Interest Received		**3.184.119**	2.291.682
Other Inflows (Outflows) of Cash		**3.104.694**	(1.341.523)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		**18.739.867**	26.517.465
MONETARY LOSS ON CASH AND CASH EQUIVALENTS		**(13.619.296)**	(9.698.653)
Effect of Exchange Rate Changes on Cash and Cash Equivalents		**(1.425.985)**	(2.148.263)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**3.694.586**	14.670.549
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5	**58.383.138**	43.712.589
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	**62.077.724**	58.383.138

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

AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

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 consolidated financial statements as of December 31, 2023 are authorized for issue by the Board of Directors on March 26, 2024 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 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 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 year ended at December 31, 2023 is 71.587 (December 31, 2022: 62.957).

List of Shareholders

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

	December 31, 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 (*)	**17.219**	**7,07**	17.461	7,17
Other (**)	**107.842**	**44,28**	107.600	44,18
Paid-in share capital - historical	**243.535**	**100,00**	243.535	100,00
Inflation adjustment on capital	**3.767.397**		3.767.397	
Total share capital	**4.010.932**		4.010.932	

(*) 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.

AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira (“TRL”) as of December 31, 2023, unless otherwise stated)

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 December 31, 2023 and 2022 are as follows:

	Place of Incorporation	Principal activities	Segment	Effective shareholding and voting rights (%) December 31, 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] [9]	Türkiye	Production of Coca-Cola products	Soft-drinks	**21,64**	21,64
Coca-Cola Satış ve Dağıtım A.Ş. (CCSD) [9]	Türkiye	Distribution and selling of Coca-Cola 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
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
MH Perakendecilik ve Ticaret A.Ş. (MH Perakendecilik)	Türkiye	Retailing	Other	**100,00**	100,00
Ant Sınai 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
Moneypay Ödeme ve Elektronik Para Hizmetleri A.Ş. (Moneypay) [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 A.Ş. [3]	Türkiye	Logistics	Migros	**37,50**	37,50
Migen Enerji ve Elektrikli Araç Şarj Hizmetleri A.Ş. [3]	Türkiye	Electrical vehicles charging service	Migros	**50,00**	50,00
Efes Pazarlama ve Dağıtım Ticaret A.Ş. (Ef-Pa) [8]	Türkiye	Marketing and distribution company of Anadolu Efes	Beer	**43,05**	43,05
AEP Anadolu Etap Penkon Gıda ve Tarım Ürünleri Sanayi ve Ticaret A.Ş. (Anadolu Etap) (Note 3)	Türkiye	Production, distribution and sale 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 juice concentrate and puree and sale of fresh fruit	Soft-drinks	**24,08**	-
Anadolu Etap Dış Ticaret A.Ş. (Note 3)	Türkiye	Sale of puree with juice concentrate	Soft-drinks	**24,08**	-
CRC Danışmanlık ve Organizasyon A.Ş [4]	Türkiye	Packaged food production	Migros	**25,00**	-
Anadolu Ulaştırma ve Dijital Hizmetler A. Ş. [5]	Türkiye	Inactive	Automotive	**100,00**	-

[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.

[4] 30% of the paid capital of CRC Danışmanlık ve Organizasyon A.Ş. was acquired by Migros Ticaret A.Ş. and 20% of the paid capital of CRC Danışmanlık ve Organizasyon A.Ş. was acquired by Dijital Platform Gıda Hizmetleri A.Ş. on December 26, 2023. Considering the concept of monetary materiality, it is not included in the scope of consolidation.

[5] It was established on October 26, 2023 with the title “Anadolu Ulaştırma ve Dijital Hizmetler A. Ş.” as a 100% subsidiary of Çelik Motor. Considering the concept of monetary materiality, it is not included in the scope of consolidation.

AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

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 (%)	
				December 31, 2023	December 31, 2022
Efes Breweries International B.V. (EBI) [9]	The Netherlands	Holding company that facilitates Anadolu Efes' foreign investments in breweries	Beer	**43,05**	43,05
AB InBev Efes B.V. [9]	The Netherlands	Investment company	Beer	**21,53**	21,53
LLC Vostok Solod [7] [9]	Russia	Production of malt	Beer	**21,53**	21,53
LLC Bosteels Trade [7] [9]	Russia	Selling and distribution of beer	Beer	**21,53**	21,53
Euro-Asien Brauerein Holding GmbH (Euro-Asien) [6] [8] [9]	Germany	Investment company	Beer	**21,53**	21,53
JSC AB InBev Efes [6] [9]	Russia	Production and marketing of beer	Beer	**21,53**	21,53
LLC Inbev Trade [7] [9]	Russia	Production of malt	Beer	**21,53**	21,53
PJSC AB InBev Efes Ukraine [6] [9]	Ukraine	Production and marketing of beer	Beer	**21,25**	21,25
Bevmar GmbH [6] [8] [9]	Germany	Investment company	Beer	**21,53**	21,53
JSC FE Efes Kazakhstan Brewery (Efes Kazakhstan) [9]	Kazakhstan	Production and marketing beer	Beer	**43,05**	43,05
International Beers Trading LLP (IBT) [9]	Kazakhstan	Marketing of beer	Beer	**43,05**	43,05
Efes Vitanta Moldova Brewery S.A. (Efes Moldova) [9]	Moldova	Production of beer and low alcoholic drinks	Beer	**41,70**	41,70
JSC Lomisi (Efes Georgia) [9]	Georgia	Production and marketing and of beer and carbonated soft drinks	Beer	**43,05**	43,05
PJSC Efes Ukraine (Efes Ukraine) [9]	Ukraine	Production and marketing of beer	Beer	**43,02**	43,02
Efes Trade BY FLLC (Efes Belarus) [9]	Belarus	Marketing and distribution of beer	Beer	**43,05**	43,05
Efes Holland Technical Management Consultancy B.V. (EHTMC) [9]	The Netherlands	Leasing of intellectual property and similar products	Beer	**43,05**	43,05
Cypex Co. Ltd. (Cypex) [9]	Northern Cyprus	Marketing and distribution of beer	Beer	**43,05**	43,05
Efes Deutschland GmbH (Efes Germany) [9]	Germany	Marketing and distribution of beer	Beer	**43,05**	43,05
Blue Hub Ventures B.V. (Blue Hub) [9]	The Netherlands	Investment company	Beer	**43,05**	43,05
Efes Brewery S.R.L. (Romania) [9]	Romania	Marketing and distribution of beer	Beer	**43,05**	43,05
J.V. Coca-Cola Almaty Bottlers LLP (Almaty CC) [9]	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) [9]	Azerbaijan	Production, distribution and selling of Coca Cola products	Soft-drinks	**21,61**	21,61
Coca-Cola Bishkek Bottlers CJSC (Bishkek CC) [9]	Kyrgyzstan	Production, distribution and selling of Coca Cola products	Soft-drinks	**21,64**	21,64
CCI International Holland B.V. (CCI Holland) [9]	The Netherlands	Investment company of CCI	Soft-drinks	**21,64**	21,64
Sardkar for Beverage Industry Ltd. (SBIL) [9]	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) [9]	Jordan	Production, distribution and selling of Coca Cola products	Soft-drinks	**21,64**	21,64
Coca-Cola Beverages Pakistan Ltd. (CCBPL) [9] [10]	Pakistan	Production, distribution and selling of Coca Cola products	Soft-drinks	**10,75**	10,75
Turkmenistan Coca-Cola Bottlers Ltd. (Turkmenistan CC) [9] [10]	Turkmenistan	Production, distribution and selling of Coca Cola products	Soft-drinks	**12,87**	12,87
Waha Beverages B.V. [9]	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) [9]	Iraq	Production, distribution and selling of Coca Cola products	Soft-drinks	**21,64**	21,64
Coca-Cola Beverages Tajikistan LLC (Coca Cola Tajikistan) [9]	Tajikistan	Production, distribution and selling of Coca Cola products	Soft-drinks	**21,64**	21,64
Coca-Cola Bottlers Uzbekistan Ltd. (CCBU) [9]	Uzbekistan	Production, distribution and selling of Coca Cola products	Soft-drinks	**21,64**	21,64
CCI Samarkand Limited LLC (Samarkand) [9] [11]	Uzbekistan	Production, distribution and selling of Coca Cola products	Soft-drinks	**21,64**	-
CCI Namangan Limited LLC (Namangan) [12]	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
Taba LLC	Georgia	Production and sale of electricity (Investment in progress)	Agriculture, Energy and Industry	**30,75**	30,75
Kheledula Enerji Ltd. (Kheledula)	Georgia	Inactive	Agriculture, Energy and Industry	**61,49**	61,49
Georgia Urban Enerji Ltd. (GUE) [13]	Georgia	Production and sale of electricity	Agriculture, Energy and Industry	**61,49**	55,34

[6] Companies which AB Inbev Efes B.V. directly participates.

[7] Subsidiary of JSC AB Inbev Efes.

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

[9] Subsidiaries of Anadolu Efes and are fully consolidated in accordance with TFRS as the Company has control over Anadolu Efes.

[10] CCBPL and Turkmenistan CC are controlled by CCI and are fully consolidated in accordance with TFRS as the Company has control over CCI.

[11] As of April 18, 2023, CCI Samarkand Limited LLC was established.

[12] As of October 25, 2023, CCI Namangan Limited LLC was established.

[13] On August 24, 2023, Anadolu Kafkasya Enerji Yatırımları A.Ş. the subsidiary of the Group, acquired 10% shares of Georgia Urban Enerji LTD. As a result of the transaction, Anadolu Kafkasya's share in GUE increased from 90% to 100%. The Group's final shareholding in GUE increased from 55,34% to 61,49%.

AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

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

Joint Ventures

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

			Effective shareholding and voting rights (%)	
	Country	**Main activities**	**December 31, 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
AEP 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

Associates

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

			Effective shareholding and voting rights (%)	
	Country	**Main activities**	**December 31, 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 CONSOLIDATED FINANCIAL STATEMENTS

Basis of Preparation of Financial Statements

The consolidated financial statements are prepared in accordance with the Capital Markets Board (CMB)'s "Communiqué on Financial Reporting in Capital Market" Numbered II-14,1 (Communiqué), promulgated in the Official Gazette numbered 28676 dated June 13, 2013 and Turkish Accounting/Financial Reporting Standards (TAS/TFRS) including amendments and interpretations published by Public Oversight Authority (POA) as prescribed in the CMB Communiqué.

The consolidated financial statements are presented in accordance with "Announcement regarding with TAS/TFRS 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 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 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.

AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

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

Basis of Preparation of Financial Statements (cont'd)

Financial Reporting in High-Inflation Economies

The Group prepared its consolidated financial statements as at and for the year ended December 31, 2023 by applying TAS 29 "Financial Reporting in Hyperinflationary Economies" in accordance with the announcement made by Public Oversight Accounting and Auditing Standards Authority ("POA") on November 23, 2023 and the "Implementation Guide on Financial Reporting in Hyperinflationary Economies". The standard requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the purchasing power of that currency at the reporting period and that comparative figures for prior period financial statements be expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Group has presented its consolidated financial statements as of December 31, 2022, on the purchasing power basis as of December 31, 2023.

In accordance with the CMB's decision dated December 28, 2023, and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 to their annual financial statements for the accounting periods ending on December 31, 2023.

The restatements in accordance with TAS 29 have been made using the adjustment factor derived from the Consumer Price Index ("CPI") in Türkiye published by the Turkish Statistical Institute. As of December 31, 2023, the indexes and adjustment factors used in the restatement of the consolidated financial statements are as follows:

Dates	Index	Adjustment Coefficent	Three-Year Compound Inflation Rate
December 31, 2023	1.859,38	1,00000	268%
December 31, 2022	1.128,45	1,64773	156%
December 31, 2021	686,95	2,70672	74%

The main components of Group's restatement for the purpose of financial reporting in hyperinflationary economies are as follows:

- The consolidated financial statements for the current period presented in TRL are expressed in terms of the purchasing power at the balance sheet date and the amounts for the previous reporting periods are restated in accordance with the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not restated as they are currently expressed in terms of the purchasing power at the reporting period. Where the inflation-adjusted amounts of non-monetary items exceed the recoverable amount or net realizable value, the provisions of TAS 36 and TAS 2 have been applied, respectively.
- Non-monetary assets, liabilities and equity items that are not expressed in the current purchasing power at the reporting period are restated by applying the relevant conversion factors.
- All items in the statement of comprehensive income, except for the effects of non-monetary items in the statement of financial position on the statement of comprehensive income, have been restated by applying the multipliers calculated over the periods in which the income and expense accounts were initially recognized in the financial statements.
- The effect of inflation on the Group's net monetary asset position in the current period is recognized in the consolidated statement of profit or loss in the net monetary position gains (losses) account.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

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

Basis of Preparation of Financial Statements (cont'd)

Functional and Presentation Currency

(a) Functional and presentation currency

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of each entity are expressed in TRL, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss, except when recognized in statement of other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of profit or loss within 'finance income and expenses'. All other foreign exchange gains and losses are presented in the statement of profit or loss within 'Other operating income and expense'.

(c) Group companies

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities presented in the statement of financial position are translated at the closing rate at the date of that statement of financial position;

(ii) income and expenses presented in the statements of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rates prevailing on the dates of the transactions); and

(iii) all resulting exchange differences are recognized in the statement of other comprehensive income.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

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

Basis of Preparation of Financial Statements (cont'd)

Functional and Presentation Currency (cont'd)

Functional currency of significant subsidiaries and joint ventures located in foreign countries are as follows:

		December 31, 2023	December 31, 2022
	Local Currency	**Functional Currency**	Functional Currency
Oyex	European Currency (EUR)	**EUR**	EUR
GUE	Georgian Lari (GEL)	**GEL**	GEL
Kheledula	Georgian Lari (GEL)	**GEL**	GEL
Taba	Georgian Lari (GEL)	**GEL**	GEL
EBI	European Currency (EUR)	**USD**	USD
JSC AB Inbev Efes	Russian Ruble (RUR)	**RUR**	RUR
PJSC AB InBev Efes Ukraine	Ukraine Hryvnya (UAH)	**UAH**	UAH
AB InBev Efes B.V.	European Currency (EUR)	**USD**	USD
Efes Kazakhstan	Kazakh Tenge (KZT)	**KZT**	KZT
Efes Moldova	Moldovan Leu (MDL)	**MDL**	MDL
Efes Georgia	Georgian Lari (GEL)	**GEL**	GEL
EHTMC	European Currency (EUR)	**USD**	USD
Efes Germany	European Currency (EUR)	**EUR**	EUR
Almaty CC	Kazakh Tenge (KZT)	**KZT**	KZT
Azerbaijan CC	Azerbaijani Manat (AZN)	**AZN**	AZN
Turkmenistan CC	Turkmenistan Manat (TMT)	**TMT**	TMT
Bishkek CC	Kyrgyz Som (KGS)	**KGS**	KGS
TCCBCJ	Jordan Dinar (JOD)	**JOD**	JOD
SBIL	Iraqi Dinar (IQD)	**IQD**	IQD
SSDSD	Syrian Pound (SYP)	**SYP**	SYP
CCBPL	Pakistan Rupee (PKR)	**PKR**	PKR
CCI Holland	European Currency (EUR)	**USD**	USD
Waha B.V.	European Currency (EUR)	**USD**	USD
Al Waha	Iraqi Dinar (IQD)	**IQD**	IQD
Tajikistan CC	Tajikistani Somoni (TJS)	**TJS**	TJS
CCBU	Uzbekistani Som (UZS)	**UZS**	UZS
Ramstore Kazakhstan	Kazakh Tenge (KZT)	**KZT**	KZT

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

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

Basis of Preparation of Financial Statements (cont'd)

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 December 31, 2023, compared to the end of the year.

New and Amended Turkish Financial Reporting Standards

a) Standards, amendments and interpretations applicable as at December 31, 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.
- **Amendment to TAS 12 - International tax reform ;** The temporary exception is effective for December 2023 year ends and the disclosure requirements are effective for accounting periods beginning on or after January 1, 2023, with early application permitted. These amendments give companies temporary relief from accounting for deferred taxes arising from the Minimum Tax Implementation Handbook international tax reform. The amendments also introduce targeted disclosure requirements for affected companies.
- **TFRS 17, 'Insurance Contracts';** effective from annual periods beginning on or after January 1, 2023. This standard replaces TFRS 4, which permited a wide variety of practices in accounting for insurance contracts. TFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

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

Basis of Preparation of 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 December 31, 2023:

- **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.
- **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. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
- **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.
- **Amendments to TAS 21 - Lack of Exchangeability;** effective from annual periods beginning on or after January 1, 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.
- **TSRS S1, 'General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after January 1, 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.
- **TSRS S2, 'Climate-related disclosures';** effective from annual periods beginning on or after January 1, 2024. 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.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

Changes in Accounting Policies, Accounting Estimates and Errors

Changes in accounting policies or accounting errors are applied retrospectively and the consolidated financial statements of the comparative period are restated. If estimated changes in accounting policies are for only one period, changes are applied on the current year but if the estimated changes are for the following periods, changes are applied both on the current and following years prospectively. Except for the subject mentioned in “Comparative Information and Restatement of Prior Period Financial Statements”, the Group has not identified any significant accounting error or estimated changes in accounting policies in the current year.

Basis of Consolidation

The principal accounting policies adopted in preparing the consolidated financial statements of the Group are as follows:

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. The consolidation of subsidiary ceases when the Company loses control of the subsidiary.

The consolidated financial statements of the Group include AG Anadolu Grubu Holding A.Ş. and subsidiaries under its control. This control is normally evidenced when the Group owns, either directly or indirectly, more than 50% of the voting rights of a company’s share capital and is able to manage the financial and operating policies to benefit from its operations. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- the size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

AG ANADOLU GRUBU HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

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

Basis of Consolidation (cont'd)

Subsidiaries (cont'd)

The Company holds 43,05% of the shares in Anadolu Efes that is described as a subsidiary. The remaining 24% shares of Anadolu Efes are held by AB Inbev Harmony Ltd ("AB Inbev" - SAB Miller Harmony Ltd on the date the partnership was established), and 32,95% of the shares are publicly held. Yazıcılar Holding, Özilhan Sınai Yatırım A.Ş. and Anadolu Endüstri Holding A.Ş.-(3 holding companies before the merger) are described as Anadolu Efes Control Group ("AECG"). Pursuant to the agreement between AECG and AB Inbev, AECG is granted right to exercise voting rights pertaining to 24% of the shares held by AB Inbev; thus AG Anadolu Grubu Holding A.Ş., as a reflection of this clause to the practice, such voting rights are granted to the Chairman of the Board of Directors of AGHOL that is under joint control of Yazıcı and Özilhan families by proxy in the general assembly of Anadolu Efes. Pursuant to terms and conditions of the agreement, this situation applies as long as the shareholding ratio (of AECG) in Efes is above 35%. From this perspective, AGHOL is able to exercise controlling power on Anadolu Efes together with the shares held by AB Inbev. Likewise, Shareholders Agreement executed with AB Inbev shall be terminated in case AGHOL sells Anadolu Efes shares and its shareholding ratio on Anadolu Efes declines below 35%, and this voting right and right to represent in the general assembly AB Inbev granted to AECG shall no longer exist.

On the other hand;

- The number of Board members representing The Company 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 The Company and Anadolu Efes and providing internal audit services and high level finance, tax, legal and human resources support to Anadolu Efes by the managerial personnel of The Company are indicators of the Company's control power.

The Group management assessed whether or not the Group has control over Anadolu Efes based on whether the Group has the practical ability to direct the relevant activities of Anadolu Efes unilaterally. In making their judgement, the Group management considered the Group's absolute size of holding in Anadolu Efes and the relative size of and dispersion of the shareholdings owned by the other shareholders. After this assessment, it is concluded that the Group has control over Anadolu Efes.

Anadolu Efes and The Coca Cola Export Corporation (TCCEC) which owns 20,09% shares of CCI, decided to change some of the provisions defined as the "important decisions" in the Association Agreement which is effective from January 1, 2013. As a result of this change, in accordance with the Shareholders' Agreement, TCCEC will have certain protective rights on major decisions. As a result, with effect from January 1, 2013, Anadolu Efes gained control over CCI and started to include CCI and its subsidiaries in consolidation scope.

A joint venture agreement was signed between EBI, the subsidiary of Anadolu Efes and AB Inbev Efes BV with a 50% stake in Anheuser Busch InBev SA/NV (AB InBev). As a result of this partnership agreement EBI has gained control over JSC Sun InBev, PJSC Sun InBev Ukraine and Bevmar GmbH. In addition to that EBI's control over Euro-Asien is continuing. Therefore, since March 29, 2018 EBI, has started to consolidate companies of JSC Sun InBev, PJSC Sun InBev Ukraine and Bevmar GmbH. As of March 29, 2018, Euro-Asien companies, which were previously consolidated with a 100% direct final ratio, continued to be consolidated with a 50% direct ownership to EBI.

"Business Partnership Agreement" related with the management of Migros, in which the Group has indirect 50% share, executed between the Group and Moonlight Capital S.A, the other shareholder of Migros has expired on April 30, 2019, as a result, there is no change in the shareholding rates. In TFRS 10 Consolidated Financial Statements under "Assessing Control" title, it is stated that an investor has rights that are sufficient to give it power when the investor has the practical ability to direct the relevant activities unilaterally. Also, it is stated that an investor holds significantly more voting rights than any other vote holder or organised group of vote holders, and the other shareholdings are numerous and widely dispersed, the investor has power over the investee. Since the related criteria in this standard have been fulfilled as of May 1, 2019, Migros has been accounted under investment accounted through equity method until April 30, 2019 and as of May 1, 2019 Migros has been accounted with full consolidation method.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

Basis of Consolidation (cont’d)

Subsidiaries (cont’d)

Non-controlling interests in the net assets of the subsidiaries included in consolidation, appears as a separate item in Group’s equity. Non-controlling interest consists of non-controlling amount that already exists as of the first acquisition date and the amounts take place during the changes in the parent company’s equity related to non-controlling interest after the first acquisition date. Losses exceeding the shares belonging to non-controlling interest are distributed to the shares of the Group, unless there is a mandatory obligation to compensate the recognized losses and an opportunity to make additional investments to cover the stated losses of the non-controlling interest. The equity and net income attributable to non-controlling shareholders’ interests are shown separately in the consolidated balance sheet and statement of profit or loss, respectively.

Transactions with non-controlling interests that do not result in loss of control are accounted under equity. These type of transactions are done among the shareholders. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group loses control, any retained interest in the entity is remeasured to its fair value at the date when the control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies.

The potential cash payments related to put options issued by the Group over the equity of subsidiary companies are accounted for as financial liabilities when such options may only be settled other than by exchange of a fixed amount of cash or another financial asset for a fixed number of shares in the subsidiary. The amount that may become payable under the option on exercise is initially recognized at fair value within borrowings with a corresponding charge directly to equity. The charge to equity is recognized separately as written put options over non-controlling interests, adjacent to non-controlling interests in the net assets of consolidated subsidiaries.

Such options are subsequently measured at amortized cost, using the effective interest rate method, in order to accrete the liability up to the amount payable under the option at the date at which it first becomes exercisable. The charge arising is recorded as a financial expense. In the event that the option expires unexercised, the liability is derecognized with a corresponding adjustment to equity.

Investments in Associates

The Group’s investments in associates are accounted under the equity method of accounting. Investments in associates are undertakings over which the Group generally has between 20% and 50% of the voting rights and the Group has significant influence and which are not subsidiaries or joint ventures of the Group. The investments in associates are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group’s share of net assets of the associates, less any impairment in value. The statement of profit or loss reflects the Group’s share of the results of operations of the associates. The group’s investment in associates includes goodwill identified on acquisition.

The Group’s investments in associates which the Group has direct interest or indirect interest by its subsidiaries are accounted under the equity method of accounting considering direct or indirect shareholding rate in total. Non-controlling interest is calculated regarding the effective shareholding rate through its subsidiaries.

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

Basis of Consolidation (cont'd)

Investments in Associates (cont'd)

The investments valued accounted through equity method are carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates, less any impairment in value. The consolidated statement of profit or loss reflects the Group's share of the results of operations of the associates. The effect of the amounts that has not reflected to the profit or loss of the associate on the equity of the associate may require an adjustment on the book value of the associate. Group's share in these changes is directly being recorded in Group's equity.

Unrealized gains on transactions between the Group and its associates have been adjusted to the extent of the Group's interest in the associate and unrealized losses have been restated if the transaction does not imply impairment of the transferred asset.

Investments in the Joint Ventures

Joint ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by the Group and its subsidiaries together with one or more other parties. The Group's interest in joint ventures is accounted for under the equity method of accounting.

As stated in the Anadolu Efes's the subsidiary of the Group, disclosure dated January 26, 2023, certain rights granted to Özgörkey Holding A.Ş. (Özgörkey Holding) under the agreements regarding the control of AEP Anadolu Etap Penkon Gıda ve Tarım Ürünleri Sanayi ve Ticaret A.Ş. (Anadolu Etap) between Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (Anadolu Efes) and Özgörkey Holding have expired. On April 11, 2023, Competition Authority approval was obtained regarding this matter, and as a result, Anadolu Efes has become able to solely control Anadolu Etap (including Anadolu Etap Penkon Gıda ve İçecek Ürünleri Sanayi ve Ticaret A.Ş. and Anadolu Etap Dış Ticaret A.Ş. companies) (Note 3).

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize the group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

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

Summary of Significant Accounting Policies

2.1 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognizes revenue when it transfers control over a product or service to a customer:

Sale of Goods

Revenues are recognized on an accrual basis at the time deliveries are made, the amount of revenue can be measured reliably and it's probable that the economic benefits associated with the transaction will flow to the Company at the fair value of considerations received or receivable. Net sales represent the invoiced value of goods shipped or services given without value added tax less sales returns and sales discounts.

Revenue recognition:

Group recognizes revenue when the goods or services is transferred to the customer and when performance obligation is fulfilled. Goods is counted to be transferred when the control belongs to the customer.

Group recognizes revenue based on the following main principles:
- Identification of customer contracts
- Identification of performance obligations
- Determination of transaction price in the contract
- Allocation of price to performance obligations
- Recognition of revenue when the performance obligations are fulfilled

The Group assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some sales taxes).

A customer receives a discount for purchasing a bundle of goods or services if the sum of the stand-alone selling prices of those promised goods or services in the contract exceeds the promised consideration in a contract. Except when the Group has observable evidence that the entire discount relates to only one or more, but not all, performance obligations in a contract, the Group allocates a discount proportionately to all performance obligations in the contract.

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. When (or as) a performance obligation is satisfied, the Group recognises as revenue the amount of the transaction price that is allocated to that performance obligation. An asset is transferred when (or as) the customer obtains control of that asset.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

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

Summary of Significant Accounting Policies (cont'd)

2.1 Revenue (cont'd)

Sale of Goods (cont'd)

Group recognized revenue from its customers only when all of the following criteria are met:

- The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations,
- Group can identify each party's rights regarding the goods or services to be transferred,
- Group can identify the payment terms for the goods or services to be transferred,
- The contract has commercial substance,
- It is probable that Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due.

Sale of goods: Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods,
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold,
- The amount of revenue can be measured reliably,
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably

Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend Income

Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

Rent Income

Rent income from investment properties is recognized on a straight-line basis over the term of the respective lease. When there is significant amount of cost of financing included in the sales, the fair value is determined by discounting all probable future cash flows with the yield rate, which is embedded in the cost of financing. The difference is included in financial statements on accrual basis.

2.2 Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution. Cost is determined primarily on the basis of the weighted average cost method. For processed inventories, cost includes direct materials, direct labor and the applicable allocation of fixed and variable overhead costs based on a normal operating capacity. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale. When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in statement of income/(loss) in the period the write-down or loss occurred. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the original write-down. Such situations may occur with the improvements observed in aging analysis and the disappearance of the unfavorable conditions that constitute the current assumptions.

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

Summary of Significant Accounting Policies (cont'd)

2.3 Property, Plant and Equipment

Property, plant and equipment are carried with their cost after subtracting accumulated depreciation and impairment. Property, plant and equipment are depreciated principally on a straight-line basis. Land is not depreciated as it is deemed to have an indefinite life. The estimated useful lives of assets are as follows:

Land improvements	2-50 years
Buildings	2-50 years
Machinery and equipment	2-20 years
Motor vehicles	3-10 years
Furniture and fixtures	3-20 years
Returnable bottles and cases	5-10 years
Other tangible assets	2-20 years
Leasehold improvements	Lower of lease period or useful life

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amounts. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. The increase in the carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years. The increase is recognized in the consolidated statement of profit or loss (Note 26).

The Group management recognizes returnable bottles as property, plant and equipment. The Group sells its products also in non-returnable bottles. For such sales, there is no deposit obligation of the Group.

Expenses for repair and maintenance of property, plant and equipment are normally charged to the statement of profit or loss. They are, however, capitalized and depreciated through the estimated useful life of the property, plant and equipment in exceptional cases if they result in an enlargement or substantial improvement of the respective assets.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

2.4 Assets Used in Renting Activities

In the case of the operating lease business, the economic ownership of the object of the lease remains with the lessor. Assets used in operational lease, which consist of motor vehicles, are carried at fair value in accordance with TAS 16, revaluation model. The fair values of assets used in renting activities are determined using the market value determined by taking into account the valuation of the experts of the company and valuation experts with professional qualifications. In the determination of fair value, "sample comparison approach analysis" method is used. Depreciation is calculated on a pro-rata basis at rates based on the contract periods of assets after deducting the residual value of the assets and accounted to cost of sales account. The depreciable amount of an asset used in operational lease is the cost of the asset less its residual value, which is determined as the expected market value at the end of the leasing period. The residual value represents the net amount which Çelik Motor expects to obtain from an asset at the end of its useful life after deducting the expected costs of disposal.

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

Summary of Significant Accounting Policies (cont'd)

2.4 Assets Used in Renting Activities (cont'd)

Residual values are initially recorded based on appraisals and estimates. Realization of the residual values is dependent on Çelik Motor's future ability to market the vehicles under the prevailing market conditions.

Çelik Motor revalues according to residual values the status of its portfolio once a year or more frequently depending on the size and risk profile and decides whether revaluation is needed. In addition, the vehicles used in the leasing activity which have been transferred to the legal process with the lessor, are periodically tested for impairment. Çelik Motor management assumes that the residual value for the assets used in short-term leasing activities is equal to the vehicle's cost at the purchase date.

2.5 Intangible Assets

(i) Goodwill and impairment of goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the consolidated statement of profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(ii) Other intangible assets

Intangible assets acquired separately from a business are capitalized at cost. Intangible assets, excluding development costs, created within the business are not capitalized and expenditure is charged against profits in the period in which it is incurred.

Useful lives of intangible assets are determined as either finite or infinite.

Intangible assets are amortized on a straight line basis over the estimated useful lives. The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Intangible assets with indefinite useful life formed in the financial statements in accordance with purchase method, are not subject to amortization and the carrying amounts of such intangibles are reviewed for impairment at least annually and whenever there is an indication of possible impairment.

a) Brands

The brands, which belong to International Beer Operations of Anadolu Efes and Migros; which are acquired as part of a business combination, are carried at their fair value and brands are separately carried at cost in the financial statements. The Group expects that the brands will generate cash inflow indefinitely and therefore are not amortized. Brands are reviewed for impairment annually.

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

Summary of Significant Accounting Policies (cont'd)

2.5 Intangible Assets (cont'd)

b) Bottlers and Distribution Agreements

Bottlers and distribution agreements include,

i) Bottlers and distribution agreements that are signed with the Coca Cola Company identified in the financial statements of the subsidiaries acquired through change in scope of consolidation in 2013

ii) "Distribution Agreements" that are signed related with various brands identified in the fair value financial statements of the subsidiaries acquired by EBI in 2012 and 2018

Since the management of Anadolu Efes, the subsidiary of the Group, expects to renew these agreements without any additional costs after expiration, it is decided that there are no definite useful lives of such assets. The intangible assets relating to the bottlers and distribution agreements are therefore not amortized. Bottlers and distribution agreements are tested for impairment annually.

c) License Agreements

License agreements includes, the agreements that are signed related with various brands identified in the fair value financial statements of subsidiaries acquired in 2012 and 2018 by EBI in the scope of consolidation. Since the Group management expects to renew these agreements without any additional costs after expiration, it is decided that there are no definite useful lives of such assets. License agreements are treated as cash generating units with indefinite useful life. License agreements are tested for impairment annually. License agreements are treated as cash generating unit with indefinite useful life.

d) Rights

The rights acquired as part of a business combination is carried at their fair value and if they are acquired separately, then they are carried at cost in the financial statements. Rights in the consolidated financial statements comprise mainly water sources usage rights and are amortized on a straight-line basis over 9 to 40 years.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized. This difference is recognized in profit or loss when the asset is excluded from the statement of financial position.

2.6 Business Combinations

The acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

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

Summary of Significant Accounting Policies (cont'd)

2.6 Business Combinations (cont'd)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

- Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with TAS 12 *Income Taxes* and TAS 19 *Employee Benefits* respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with TFRS 2 *Share-Based Payment* at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with TFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another TFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent considerations are remeasured at fair value and changes are accounted in the statement of profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

Summary of Significant Accounting Policies (cont’d)

2.6 Business Combinations (cont’d)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

2.7 Impairment of Assets

All assets other than goodwill and intangible assets with indefinite useful lives are tested whether there is an indication of impairment of asset or not for each periods of the balance sheet. If such an indication exists, recoverable amount of that asset is estimated. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

2.8 Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs shall be recognized as an expense when incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.9 Financial Instruments

Financial assets and financial liabilities are recognized in the Group’s statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

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

Summary of Significant Accounting Policies (cont'd)

2.9 Financial Instruments (cont'd)

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

The Group classifies its financial assets as (a) Business model used for managing financial assets, (b) financial assets subsequently measured at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss based on the characteristics of contractual cash flows. The Group reclassifies all financial assets effected from the change in the business model it uses for the management of financial assets. The reclassification of financial assets is applied prospectively from the reclassification date. In such cases, no adjustment is made to gains, losses (including any gains or losses of impairment) or interest previously recognized in the financial statements.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset; the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met.

(i) Amortized cost and effective interest method

Interest income on financial assets carried at amortized cost is calculated using the effective interest method. The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. This income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset:

a) Credit-impaired financial assets when purchased or generated. For such financial assets, the Group applies the effective interest rate on the amortized cost of a financial asset based on the loan from the date of the recognition in the financial statements.
b) Non-financial assets that are impaired at the time of acquisition or generation but subsequently become a financial asset that has been impaired. For such financial assets, the Group applies the effective interest rate to the amortized cost of the asset in the subsequent reporting periods.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

Summary of Significant Accounting Policies (cont’d)

2.9 Financial Instruments (cont’d)

Financial assets (cont’d)

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI (see (i) above) are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy).

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically,

- for financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss in the ‘other gains and losses’ line item;
- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortized cost of the debt instrument are recognized in profit or loss in the ‘other gains and losses’ line item. Other exchange differences are recognized in other comprehensive income in the investments revaluation reserve;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss in the ‘other gains and losses’ line item; and
- for equity instruments measured at FVTOCI, exchange differences are recognized in other comprehensive income in the investments revaluation reserve.

Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as financial guarantee contracts. No impairment loss is recognized for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group utilizes a simplified approach for trade receivables, contract assets and lease receivables that does not have significant financing component and calculates the allowance for impairment against the lifetime ECL of the related financial assets.

For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets’ gross carrying amount at the reporting date.

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

Summary of Significant Accounting Policies (cont'd)

2.9 Financial Instruments (cont'd)

Measurement and recognition of expected credit losses (cont'd)

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities

Financial liabilities are classified as at FVTPL on initial recognition. On initial recognition of liabilities other than those that are recognized at FVTPL, transaction costs directly attributable to the acquisition or issuance thereof are also recognized in the fair value.

A financial liability is subsequently classified at amortized cost except:

a) Financial liabilities at FVTPL: These liabilities including derivative instruments are subsequently measured at fair value.
b) Financial liabilities arising if the transfer of the financial asset does not meet the conditions of derecognition from the financial statements or if the ongoing relationship approach is applied: When the Group continues to present an asset based on the ongoing relationship approach, a liability in relation to this is also recognized in the financial statements. The transferred asset and the related liability are measured to reflect the rights and liabilities that the Company continues to hold. The transferred liability is measured in the same manner as the net book value of the transferred asset.
c) A contingent consideration recognized in the financial statements by the entity acquired in a business combination where TFRS 3 is applied: After initial recognition, the related contingent consideration is measured as at FVTPL.

The Group does not reclassify any financial liability.

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

Summary of Significant Accounting Policies (cont'd)

2.9 Financial Instruments (cont'd)

Financial liabilities (cont'd)

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, options and interest rate swaps. Further details of derivative financial instruments are disclosed in Note 33.

Derivatives are recognized initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

2.10 Foreign Currency Transactions

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in TRL, which is the functional currency of the Group, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the Company and its Turkish subsidiaries, transactions in currencies other than TRL (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The foreign currency income or expenses incurred from the translation of foreign currency denominated transaction or restatement of monetary items is reflected within the statement of income in the related period.

Exchange differences which relate to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings are recognized in profit or loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in TRL using exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such exchange differences are recognized in profit or loss in the period in which the foreign operation is disposed of. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

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

Summary of Significant Accounting Policies (cont'd)

2.11 Earnings per Share

Earnings per share disclosed in the consolidated statement of income are determined by dividing net income by the weighted average number of shares in existence during the period concerned.

In Türkiye, companies can raise their share capital by distributing shares ("Bonus Shares") to shareholders in their retained earnings. In computing earnings per share, such "bonus share" distributions are assessed as issued shares. Accordingly, the retrospective effect for those share distributions is taken into consideration in determining the weighted-average number of shares outstanding used in this computation.

2.12 Events After the Reporting Period

Subsequent events cover all events between the balance sheet date and authorization date of balance sheet for issue even if subsequent event has occurred after any announcement about the profit or any other selected financial information made public. Those matters that do not require adjustment after the balance sheet date are disclosed in the consolidated financial statements in the event that matters affect the financial decisions of the financial statements users.

The Group adjusts the amounts recognized in its consolidated financial statements to reflect the adjusting events after the balance sheet date. If non-adjusting events after the balance sheet date have material influence on the economic decisions of users of the financial statements, they are disclosed in the notes to the consolidated financial statements.

2.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are assessed continuously to determine whether the possibility of an outflow of resources embodying economic benefits is probable. When the possibility of an outflow of resources embodying economic benefits is probable for the accounts classified as contingent liabilities, provision is provided in the financial statements for related contingent liabilities except for the situations there is not a reliable estimation.

The Group discloses the contingent liabilities that are probable but there is not a reliable estimation for the amount of resources embodying economic benefits.

Assets that result from previous events that cannot be controlled fully by the Group and depend on the realization of one or more uncertain events, is considered as a contingent asset. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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

Summary of Significant Accounting Policies (cont'd)

2.14 Leases

As a lessee

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, The Group assess whether:

a) The contract involved the use of an identified asset - this may be specified explicitly or implicitly.
b) The asset should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If The supplier has a substantive substitution right, the asset is not identified.
c) The Group has the right to obtain substantially all of the economic benefits from the use of an asset throughout the period of use; and
d) The Group has the right to direct use of the asset. The Group concludes to have the right of use, when it is predetermined how and for what purpose the Group will use the asset. The Group has the right to direct use of asset if either:

The Group has the right to direct the use of the asset in the following situations:

i. The Group has the right to operate (or to have the right to direct others to operate) the asset over its useful life and the lessor does not have the rights to change the terms to operate or;
ii. The Group designed the asset (or the specific features) in a way that predetermines how and for what purpose it is used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration the contract to each lease component on the basis of their relative stand-alone prices.

Right of use asset

The right of use asset is initially recognized at cost comprising of:

a) Amount of the initial measurement of the lease liability;
b) Any lease payments made at or before the commencement date, less any lease incentives received;
c) Any initial direct costs incurred by the Group; and

To apply a cost model, the Group measure the right-of-use asset at cost:

a) Less any accumulated depreciation and any accumulated impairment losses; and
b) Adjusted for any remeasurement of the lease liability.

The Group applies the straight-line method to depreciate the right of use. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the Group depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, The Group depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Group applies TAS 36 Impairment of Assets Standard to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

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

Summary of Significant Accounting Policies (cont'd)

2.14 Leases (cont'd)

Lease Liability

At the commencement date, The Group measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group use the lessee's incremental borrowing rate.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

a) Fixed payments, less any lease incentives receivable;
b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
c) The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
d) Payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, the Group measure the lease liability by:

a) Increasing the carrying amount to reflect interest on the lease liability;
b) Reducing the carrying amount to reflect the lease payments made; and
c) Remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in- substance fixed lease payments.

The Group as a Lessor

Operating Lease

The Group presents assets subject to operating leases in the balance sheets according to their nature. Lease income from operating leases is recognized in income on a straight-line basis over the lease term. The aggregate cost of incentives provided to lessees is recognized as a reduction of rental income over the lease term on a straight-line basis. Operating leases are amortized based on their cost after deducting their residual values.

TAS 16 "Property, Plant and Equipment", items of property, plant and equipment held for rental that are routinely sold in the ordinary course of business after rental, are transferred to inventory when rental ceases.

Sale and leaseback transaction

A sale and leaseback transaction involves the sale of an asset and the leasing back of the same asset. The lease payment and the sale price are usually interdependent because they are negotiated as a package. The accounting treatment of a sale and leaseback transaction depends upon the type of lease involved. If a sale and leaseback transaction results in a finance lease, any excess of sales proceeds over the carrying amount shall not be immediately recognised as income by a seller-lessee. The Group continues to account property, plant and equipment which are subject to sale and leaseback, with previous carrying amount as if the related sale and leaseback does not exist.

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

Summary of Significant Accounting Policies (cont'd)

2.15 Related Parties

Parties are considered related to the Group if;

(a) Directly, or indirectly through one or more intermediaries, the party:
- (i) controls, is controlled by, or is under common control with, the Company (this includes parents, subsidiaries and fellow subsidiaries);
- (ii) has an interest in the Company that gives it significant influence over the Company; or
- (iii) has joint control over the Company;

(b) The party is an associate of the Company;
(c) The party is a joint venture in which the Company is a venture;
(d) The party is member of the key management personnel of the Company or its parent;
(e) The party is a close member of the family of any individual referred to in (a) or (d);
(f) The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e);
(g) The party has a defined benefit plan for the employees of the Company or a related party of the Company.

Related party transactions are transfer of resources or obligations between related parties, regardless of whether a price is charged.

2.16 Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the Group Management to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

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).

2.17 Government Incentives and Grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to such grants, and that the grants will be received. They are recognized as income over the period to match them with the related costs that they are intended to compensate. Income relating to government grants is recognized as a deduction from the appropriate expense.

2.18 Taxes

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes have been calculated on a separate-entity basis.

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The current income tax payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

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

Summary of Significant Accounting Policies (cont'd)

2.18 Taxes (cont'd)

Current Tax (cont'd)

The current income tax charge is calculated in accordance with the tax laws enacted or substantively enacted at the balance sheet date in the countries where the subsidiaries and joint ventures of the Group operate.

Corporate Tax Rate of Significant Subsidiaries Located in Foreign Countries:

	2023	2022
The Netherlands	**25%**	25%
Russia	**20%**	20%
Kazakhstan	**20%**	20%
Moldova	**12%**	12%
Georgia	-	-
Ukraine	**18%**	18%
Azerbaijan	**20%**	20%
Kyrgyzstan	**10%**	10%
Pakistan	**39%**	33%
Iraq	**15%**	15%
Jordan	**20%**	19%
Turkmenistan	**8%**	8%
Tajikistan	**18%**	13%
Uzbekistan	**15%**	15%

Deferred Tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

Summary of Significant Accounting Policies (cont’d)

2.18 Taxes (cont’d)

Current Income Tax and Deferred Tax

The tax expense for the year comprises current and deferred tax. Tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized directly in equity. In such case, the tax is also recognized in equity.

2.19 Employee Termination Benefits

Defined Benefit Plan

In accordance with existing social legislation in Türkiye, the Group companies operating in Türkiye are required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Group and whose employment is terminated due to retirement or for reasons other than resignation or misconduct.

In the consolidated financial statements, the Group has reflected a liability using the projected unit credit method and based upon estimated inflation rates and factors derived using the Group’s experience of personnel terminating their services and being eligible to receive such benefits and discounted by using the current market yield at the balance sheet date on government bonds.

Also, CCBPL has gratuity fund provision as a defined benefit plan and calculated in accordance with TAS 19 ‘‘Employee Benefits’’ using actuarial works. Employee is eligible for gratuity after completing 3 years with the Company and can take his accrued gratuity amount at the time of separation from the Company or at retirement age. This provision is calculated by actuarial firm and the actuarial gain/loss accumulated on this provision is reflected to financial statements the gains/loss originated from the changes in actuarial assumptions and the fluctuations between actuarial assumptions and the actual results are reflected as other comprehensive income to equity.

Defined Contribution Plan

The Group pays contributions to the Social Security Institution of Türkiye on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are accrued.

Long Term Incentive Plans

The Group provides a benefit to its employees over a certain seniority level under the name “long term incentive plan”. Provision for long term incentive plan accrued in consolidated financial statements reflects the discounted value of the estimated total provision of possible future liabilities until the financial statement date.

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

Summary of Significant Accounting Policies (cont'd)

2.20 Statement of Cash Flows

Cash flows during the period are classified and reported by operating, investing and financing activities in the cash flow statements.

Cash flows from operating activities represent the cash flows generated from the Group's activities.

Cash flows from investing activities represent the cash flows that are used in or provided from the investing activities of the Group (fixed assets and financial assets).

Cash flows from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds.

2.21 Hedge Accounting

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge).

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognized directly as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the statement of consolidated income as part of financial income and expense. Amounts recognized as other comprehensive income are transferred to the statement of consolidated income when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast purchase occurs.

Foreign Currency Hedge of Net Investments in Foreign Operations

Group that is determined to be effective on the gain or loss arising from the hedging instrument related to the net investments in foreign subsidiaries operating in foreign countries is recognized directly in equity and the ineffective portion is recognized in the statement of profit or loss. In the case of disposal of a foreign subsidiary, the amount recognized in equity for the hedging instrument is recognized in profit or loss.

Other derivatives not designated for hedge accounting

Other derivatives not designated for hedge accounting are recognized initially at fair value; attributable transaction costs are recognized in statement of consolidated income when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes in the fair value of such derivatives are recognized in the consolidated income statement as part of finance income and costs.

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

Summary of Significant Accounting Policies (cont'd)

2.22 Share Capital and Dividends

Common shares are classified as equity. Dividends on common shares are recognized in equity in the period in which they are approved and declared.

2.23 Research and Development Expenses

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other development expenditures are recognised as expenses as incurred. Development expenses recognised as expense in prior periods are not subject to capitalization in subsequent periods.

Use of Accounting Estimates and Assumptions

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of balance sheet date. Actual results may vary from the current estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the periods in which they become known. The source of the risk carrying estimates, assumptions and calculation indefinitions which may cause to significant adjustments at assets and liabilities at following periods as of balance sheet date are; actuarial assumptions used for employee termination benefits, impairment of assets and useful lives of tangibles and intangibles. These estimates and assumptions are explained at related disclosure in detail:

Useful economic lives of property, plant and equipment

Group management has made important assumptions in determining the useful economic lives of property, plant and equipment in line with the experience of its technical team (Note 12).

Recoverable amount of property, plant and equipment

The Group reviews its assets in order to set aside a provision for impairment when it is revealed that the recoverable amount of property, plant and equipment are below the carrying amount in line with developing events or changing conditions. In such a case, assets and cash-generating units are shown at their recoverable amount. The recoverable amount of assets is the higher of their fair value or value in use, including costs of disposal (Note 12).

Goodwill impairment

The Group performs impairment test for tangible assets, intangible assets with indefinite useful life and goodwill annually or when circumstances indicate that the carrying value may be impaired. As of December 31, 2023, Group made impairment test for the intangible assets with indefinite useful life and goodwill is generated by comparing its carrying amount with the recoverable amount. The recoverable amount is the higher of net selling price and value in use. In the calculations regarding the impairment test performed based on five to ten-year periods, free cash flow estimates based on the financial budget covering the three-year period approved by the board of directors were taken as basis; Estimated free cash flows after the three-year period are calculated using expected growth rates. Since the Group's operations are in emerging market conditions, these calculations are also based on estimates longer than five years. Information such as growth rates in the markets, GDP per capita and price indexes have been obtained from external sources. Estimates regarding variables such as product and raw material prices, working capital needs and capital expenditures are based on the Group's projections and prior period realizations.

The enterprise value used as a base for the impairment test has been calculated using cash flow projections from the strategic business plan approved by the Board of Directors. Perpetuity growth rate used in impairment test in the operating units is between 3,00% - 17,20% (December 31, 2022: between 3,00% and 14,80%) and after tax discount rate is between 11,44% and 27,65% (December 31, 2022: between 11,30% and 31,58%).

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

Summary of Significant Accounting Policies (cont'd)

Use of Accounting Estimates and Assumptions (cont'd)

Goodwill impairment (cont'd)

In the sensitivity analysis performed; It has been observed that the recoverable amount are above the carrying amount in all cash generating units when each key assumption which are constant growth rate, weighted average cost of capital and EBITDA growth expectation, is assumed to be 1% more negative with other variables held constant. Accordingly, no provision for impairment is required.

Provision for expected credit loss

Allowance for expected credit loss is recognized by using the expected credit loss defined in TFRS 9. Expected credit losses are calculated based on Group's future estimates and experience over the past years. The provision for expected credit loss is explained in the Note 8.1 as of consolidated statement of financial position's date.

Provisions for impairment in inventories

During the assessment of the provision for impairment in inventory the followings are considered; analyzing the inventories physically and historically, considering the employment and usefulness of the inventories respecting to the technical personnel view. Sales prices listed, average discount rates given for sale and expected cost incurred to sell are used to determine the net realizable value of the inventories. As a result of this, the inventories with the net realizable values below the costs are explained in the Note 10.

Employee termination benefit

Discount rates are determined using actuarial valuations which involve making assumptions about future salary increases and employee turnover rates. The details related with the defined benefit plans are explained in Note 16.2.

Warranty provision

Group has determined the warranty provision by considering the realized warranty expense per each product in the previous years for each product model/type and the warranty period left per each product. Group also takes into consideration the warranty expenses that can be recourse to the manufacturer along with expenses of previous years and contracts and does not make provisions for these amounts. The details related with warranty provision are explained in Note 16.3.

Impairment on leasehold improvements

As explained in related accounting policy, property, plant and equipment are carried at the cost less accumulated depreciation and, if any, impairment. Migros evaluates its operational performance on a store-by-store basis and each store's continuity depends on the discounted net cash flow projections. Those cash flow projections are calculated, on a consistent basis to the Migros's five year business plans and on a store-by-store basis by taking into consideration the remaining useful life of each store. In this context, Migros executes an impairment estimate on the leasehold improvements on stores where it is a lessee by considering the continuity of each store.

Extension option in lease contracts

The lease obligation is determined by taking into account the extension options in the contracts. Most of the extension options included in the long-term lease contracts consist of applicable extension options by the Migros. Migros reassesses the extension options in the lease term based on the medium-term business plans in the last year of the lease term and, if necessary, adds the extension right prospectively to the contract period. If the conditions change significantly, the assessment is reviewed by the Migros.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

Summary of Significant Accounting Policies (cont’d)

Use of Accounting Estimates and Assumptions (cont’d)

Carry forward tax losses subject to deferred tax calculation

Carry forward tax losses are reviewed each reporting period. Under the circumstances that a taxable income will be realized in the future, deferred tax is calculated over the temporary differences by carrying forward the deferred tax asset in the previous years and the accumulated losses (Note 29.2).

Assets used in operational leases carried with their revalued amounts are subject to valuation at a frequency that will ensure that the carrying value does not differ from the fair value. Revaluation increases are accounted for in the revaluation reserve in the statement of comprehensive income.

Assets used in renting activities

The accumulated depreciation on the revaluation date is netted off from the carrying amount of the assets used in the operational lease and the net amount is brought to the revalued amount of the asset used in the operational lease.

In the disposal of the assets carried at fair value, the profit or loss to be obtained (the difference between the net cash from the sale and the carrying value of the asset) is primarily transferred to the revaluation fund for this asset item in the valuation fund, previous year’s profit or loss. The remaining amount is then reflected in the profit or loss statement in the year the asset is disposed of.

Residual values of assets used in operational lease

The Group management has significant assumptions regarding the technical team’s experience in determining the second hand vehicle sales values at the end of the rental period of the vehicles located in property, plant and equipment and leased to the operator. The difference between the cost values of these vehicles and the second hand sales values is amortized over the term of the lease contracts.

Returnable bottles

The Group accounts its returnable bottles liabilities under other payables within the framework of the accounting policies. The Group accounts its liabilities related to the part of current returnable bottles available in the market that expected to return in the future periods under other payables based on its estimates and assumptions (Note 9).

Participation contracts

Group applies depreciation according to the terms of time-based marketing activities participation contracts (Note 18).

NOTE 3 - BUSINESS COMBINATIONS

Transactions for year of 2023

Acquisitions for obtaining control of subsidiaries

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.

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(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

NOTE 3 - BUSINESS COMBINATIONS (cont'd)

Transactions for year of 2023 (cont'd)

Acquisitions for obtaining control of subsidiaries (cont'd)

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 "TFRS 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 626.497, 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 26.1).

	Anadolu Etap	
April 11, 2023	**Book Value**	**Fair Value**
Cash and cash equivalents	139.013	139.013
Trade receivables	580.649	580.649
Due from related parties	24.500	24.500
Inventories	1.626.593	1.626.593
Other current assets	567.450	567.450
Property, plant, and equipment	2.381.069	3.784.951
Right-of-use assets	891.043	891.043
Intangible assets	106.392	106.392
Deferred tax assets	576.502	295.726
Other non-current assets	104.946	104.946
Borrowings	(5.402.764)	(5.402.764)
- Borrowings from related parties	(1.521.233)	(1.521.233)
- Borrowings from third parties	(3.881.531)	(3.881.531)
Other financial liabilities	(338.034)	(338.034)
Lease obligations	(486.232)	(486.232)
Trade payables	(466.794)	(466.794)
Due to related parties	(44.170)	(44.170)
Other current liabilities	(106.519)	(106.520)
Provision for corporate tax	(14.417)	(14.417)
Provision for employee benefits	(65.693)	(65.693)
Net Assets (Liabilities)	**73.534**	**1.196.639**
Carried value of the previously held equity method investment	**313.821**	**940.319**
Gain on equity investment (Note 26.1)		**626.497**
Fair value of non-controlling interests		**256.320**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira (“TRL”) as of December 31, 2023, unless otherwise stated)

NOTE 3 - BUSINESS COMBINATIONS (cont’d)

Transactions for year of 2023 (cont’d)

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 a consequence of this transaction, Anadolu Efes’ effective ownership share in its subsidiary, Anadolu Etap İcecek, 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 in ownership interests in subsidiaries that do not result in loss of control” on the statement of changes in equity.

Coca-Cola Beverages Pakistan Ltd (CCBPL)

CCI acquired 49,67% of Coca-Cola Beverages Pakistan Ltd (CCBPL) from Atlantic Industries Company, a subsidiary of The Coca-Cola Company, through its wholly owned subsidiary CCI International Holland BV (“CCI Holland”) for USD 300 Million (equivalent to TRL 8.624.220 based on the transaction date exchange rate). Through CCI Holland, CCİ became the indirect sole owner of CCBPL with a 99,34% shareholding. As a result of this transaction, noncontrolling interests with a book value of TRL 5.333.968 were included in the parent company, and a net result amount of TRL (3.290.252) was recoqnized in Prior Years’ Profits or Losses. The effect of this transaction is presented in the equity movement statement under the line item “Changes in ownership interests in subsidiaries that do not result in loss of control”. As of December 31, 2023, the amount owed by CCI to Atlantic Industries Company related to the acquisition of shares is TRL 5.887.640.

Transactions for year of 2022

None.

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)

December 31, 2023	Beer	Soft-Drinks	Migros	Automotive	Agriculture, Energy and Industry(**)	Other	Eliminations and Adjustments	Consolidated
Sales	55.314.450	97.959.717	181.651.240	36.990.380	3.419.066	248.624	-	375.583.477
Inter-segment sales	2.689.007	3.082.661	23.097	2.682	105.058	727.392	(6.629.897)	-
Total Sales	**58.003.457**	**101.042.378**	**181.674.337**	**36.993.062**	**3.524.124**	**976.016**	**(6.629.897)**	**375.583.477**
GROSS PROFIT(LOSS)	**26.022.923**	**33.039.733**	**34.002.933**	**5.655.696**	**1.312.102**	**719.696**	**(1.464.483)**	**99.288.600**
Operating expenses	(20.419.616)	(18.809.436)	(36.982.761)	(2.718.275)	(1.100.464)	(887.316)	1.441.912	(79.475.956)
Other operating income (expenses), net	(75.481)	244.653	(3.630.233)	(289.829)	22.916	2.862	(128.631)	(3.853.743)
Gain (loss) from the investments accounted through equity method (*)	(126.981)	(16.847)	-	37.915	(1.121)	1.784.472	-	1.677.438
OPERATING INCOME (LOSS)	**5.400.845**	**14.458.103**	**(6.610.061)**	**2.685.507**	**233.433**	**1.619.714**	**(151.202)**	**17.636.339**
Income (expense) from investing activities, net	527.807	(26.408)	352.102	51.075	(26.066)	417	183.185	1.062.112
Financial income (expense), net	(942.613)	(4.198.087)	224.714	(1.018.954)	(365.328)	(437.794)	18.810	(6.719.252)
Gains (losses) on net monetary position	10.483.353	15.722.625	16.825.164	2.185.404	727.615	1.640.977	4.345	47.589.483
INCOME (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**15.469.392**	**25.956.233**	**10.791.919**	**3.903.032**	**569.654**	**2.823.314**	**55.138**	**59.568.682**
Tax (expense) income from continuing operations, net	**(1.474.093)**	**(4.795.687)**	**(1.886.524)**	**(660.107)**	**315.201**	**(57.110)**	**(1.747.765)**	**(10.306.085)**
NET INCOME (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	**13.995.299**	**21.160.546**	**8.905.395**	**3.242.925**	**884.855**	**2.766.204**	**(1.692.627)**	**49.262.597**
Attributable to:								
- Non-controlling interest	1.701.941	580.727	76.699	(4)	(8.253)	-	27.273.007	29.624.117
- Equity holders of the parent	12.293.358	20.579.819	8.828.696	3.242.929	893.108	2.766.204	(28.965.634)	19.638.480
Total Assets	**105.978.392**	**110.157.984**	**92.129.481**	**19.774.355**	**9.939.257**	**40.691.618**	**13.128.341**	**391.799.428**
Total Liabilities	**58.583.072**	**65.203.205**	**55.875.344**	**13.573.809**	**5.021.146**	**5.846.474**	**8.115.020**	**212.218.070**
Net debt	**3.147.561**	**14.909.158**	**(2.547.072)**	**1.955.540**	**3.152.946**	**2.723.676**	**(131.073)**	**23.210.736**
Purchases of tangible & intangible assets, assets used in renting activities	4.348.701	6.129.278	6.408.186	1.269.297	352.654	4.201	(178)	18.512.139
EBITDA	**10.584.399**	**18.126.861**	**3.873.149**	**3.131.462**	**568.118**	**(169.731)**	**4.830**	**36.119.088**
- Depreciation and amortization	3.667.079	3.687.254	6.200.922	453.344	310.926	13.244	72.442	14.405.211
- Provision for employee termination benefits	165.836	184.199	7.612	7.300	34.356	(21.000)	82.886	461.189
- Provision for vacation pay liability	116.807	32.995	644.443	24.817	4.599	2.783	704	827.148
- Other	1.106.851	(252.537)	3.630.233	(1.591)	(16.317)	-	-	4.466.639

(*) Loss recognized from Anadolu Etap which is accounted through equity method amounting TRL 126.677 and loss amounting to 304 TRL recognized from Malty Gıda are recorded under 'beer' segment; loss recognized from SSDSD amounting TRL 16.847 is recorded under 'soft-drinks' segment; profit recognized from Aslancık amounting TRL 241.680, profit recognized from TOGG amounting TRL 1.542.792 are recorded under 'other' segment; profit recognized from Getir Araç amounting TRL 37.915 is recorded under 'automotive' segment, loss recognized from LLC Faber Castel amounting TRL 1.121 is recorded under 'Agriculture, Energy and Industry' 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)

December 31, 2022	Beer	Soft-Drinks	Migros	Automotive	Energy& Industry	Other	Eliminations and Adjustments	Consolidated
Sales	59.773.124	90.974.989	140.468.890	26.373.537	2.042.065	14.926	-	319.647.531
Inter-segment sales	2.099.284	2.214.586	11.178	12.658	37.372	565.303	(4.940.381)	-
Total Sales	61.872.408	93.189.575	140.480.068	26.386.195	2.079.437	580.229	(4.940.381)	319.647.531
GROSS PROFIT(LOSS)	25.103.197	28.478.565	26.269.736	2.946.379	683.381	468.438	(983.678)	82.966.018
Operating expenses	(20.391.413)	(16.438.545)	(27.254.348)	(1.858.156)	(505.828)	(508.786)	1.038.809	(65.918.267)
Other operating income (expenses), net	1.102.031	(566.089)	(3.838.033)	(406.215)	5.456	31.734	76.020	(3.595.096)
Gain (loss) from the investments accounted through equity method (*)	450.685	(5.185)	-	(5.573)	-	255.635	-	695.562
OPERATING INCOME (LOSS)	6.264.500	11.468.746	(4.822.645)	676.435	183.009	247.021	131.151	14.148.217
Income (expense) from investing activities, net	(240.769)	457.560	(300.588)	(87.280)	811	1.143.511	(384.611)	588.634
Financial income (expense), net	(2.453.333)	(2.472.172)	(1.689.133)	(662.822)	(70.320)	(1.185.581)	92.194	(8.441.167)
Gains (losses) on net monetary position	8.028.476	9.548.871	15.944.918	1.353.736	216.872	2.944.736	(139.956)	37.897.653
INCOME (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	11.598.874	19.003.005	9.132.552	1.280.069	330.372	3.149.687	(301.222)	44.193.337
Tax (expense) income from continuing operations, net	(2.233.852)	(4.615.771)	22.982	(186.045)	(7.659)	(166.800)	8.793	(7.178.352)
NET INCOME (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	9.365.022	14.387.234	9.155.534	1.094.024	322.713	2.982.887	(292.429)	37.014.985
NET INCOME (LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATIONS	-	-	-	-	256.083	-	-	256.083
Attributable to:								
- Non-controlling interest	269.104	510.498	15.729	(59)	43.044	-	20.793.500	21.631.816
- Equity holders of the parent	9.095.918	13.876.736	9.139.805	1.094.083	535.752	2.982.887	(21.085.929)	15.639.252
Total Assets	115.045.298	107.259.230	81.620.198	14.493.540	4.852.436	38.010.100	16.433.710	377.714.512
Total Liabilities	64.729.966	60.108.927	54.112.847	10.509.271	4.088.649	7.706.296	7.026.699	208.282.655
Net debt	11.483.232	10.009.634	(1.007.199)	527.756	3.140.910	4.214.621	(108.257)	28.260.697
Purchases of tangible & intangible assets, assets used in renting activities	3.371.933	5.735.542	3.736.457	676.630	63.477	460	(551)	13.583.948
EBITDA	10.542.005	15.941.224	4.376.918	1.148.817	418.248	8.849	135.477	32.571.538
- Depreciation and amortization	4.512.868	3.984.356	4.745.376	407.666	200.652	16.003	3.319	13.870.240
- Provision for employee termination benefits	277.763	125.951	(122.716)	65.505	34.477	63	-	381.043
- Provision for vacation pay liability	76.923	17.473	738.870	4.628	110	1.397	993	840.394
- Other	(139.364)	339.513	3.838.033	(10.990)	-	-	14	4.027.206

(*) Profit recognized from Anadolu Etap which is accounted through equity method amounting TRL 451.010 is recorded under 'beer' segment; loss recognized from Malty Gıda amounting TRL 325 is recorded under 'beer' segment; loss recognized from SSDSD amounting TRL 5.185 is recorded under 'soft-drinks' segment; loss recognized from Aslancık amounting TRL 204.876, profit recognized from TOGG amounting TRL 460.511 are recorded under 'other' segment; loss recognized from Getir Araç amounting TRL 5.573 is recorded under 'automotive' segment.

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NOTE 5 - CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents are as follows:

	December 31, 2023	December 31, 2022
Cash	**408.313**	368.737
Time deposit	**49.833.547**	43.949.479
Demand deposit	**8.317.268**	9.344.038
Credit card receivables	**3.498.375**	4.715.635
Other cash and cash equivalents (*)	**20.221**	5.249
Cash and cash equivalents in the consolidated cash flow statement	**62.077.724**	58.383.138
Expected credit loss (-)	**(203)**	(3.027)
Interest income accruals	**274.303**	184.045
	62.351.824	58.564.156

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

As of December 31, 2023, while annual interest rates of the TRL denominated time deposits vary between 10,00% and 47,50%, annual interest rates of the USD, EUR and other currency denominated time deposits vary between 0,01% and 20,50% (December 31, 2022: Annual interest rates of the TRL time deposits vary between 10,00% - 28,00%, USD, EUR and other currency denominated time deposits vary between 0,30% and 15,25%).

As of December 31, 2023, cash and cash equivalents of AGHOL amount to TRL 2.004.311 (December 31, 2022: TRL 1.895.462).

As of December 31, 2023, the Group has designated its bank deposits amounting to TRL 1.155.737, equivalent of USD 37.600 Thousand and EUR 1.500 Thousand for the future raw material purchases, operational and interest expense related payments (December 31, 2022: TRL 2.618.871, equivalent of USD 82.657 Thousand and EUR 2.200 Thousand).

Migros, the subsidiary of the Group, transfers the cash in its stores registers to the bank on a daily basis. In accordance with the bank agreements, transferred cash amounts have temporary blockages for a certain period of time and available for use at the end of this period. As of December 31, 2023, a cash amount of TRL 296.183 in bank accounts is temporarily blocked due to the mentioned cash transfer (December 31, 2022: TRL 802.418).

Credit card receivables with a maturity of less than one month are discounted at December 31, 2023 with annual rate of 42,9% (2022: 10,8%).

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NOTE 6 - FINANCIAL INVESTMENTS

6.1 Short Term Financial Investments

	December 31, 2023	December 31, 2022
Fx protected TRL deposits	**1.001.101**	2.364.482
Restricted cash (*)	**68.763**	217.996
Time deposits	**36.175**	192.185
Investment fund	**47.956**	92.387
	1.153.995	2.867.050

(*) The restricted bank balance is the blocked amount in the bank for collateral of letters of credit in Uzbekistan and Pakistan.

As of December 31, 2023, deposits with maturities longer than 3 months with 1 to 229 days are in USD, TRL and EUR and interest rate for vary between 1,00%-2,25% for USD, 40,00% for TRL, 0,50% for EUR (December 31, 2022: deposits with maturities longer than 3 months with 1 to 357 days vary between 2,25%-3,80% for USD, 13,50%-21,00% for TRL and 8,00% for UZS).

As of December 31, 2023, the interest rates for fx protected 3 and 6 month maturity TRL deposits are 18,00%-40,00% (December 31, 2022: the interest rates for fx protected 3 and 6 month maturity TRL deposits are 12,00%-21,00%).

6.2 Long Term Financial Investments

	December 31, 2023	December 31, 2022
Financial assets measured at fair value through other comprehensive income	**1.059.775**	985.913
Other	**114.637**	11.545
	1.174.412	997.458

	December 31, 2023	December 31, 2022
Colendi Holdings Limited	**1.059.775**	985.913
CRC Danışmanlık ve Organizasyon A.Ş.	**88.764**	-
Migen Enerji ve Elektrikli Araç Şarj Hizmetleri A.Ş.	**7.414**	7.414
Other	**18.459**	4.131
	1.174.412	997.458

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NOTE 7 - BORROWINGS

	December 31, 2023	December 31, 2022
Bank borrowings	**16.027.306**	17.307.737
Issued debt instruments	**1.818.904**	493.119
Current portion of long term borrowings	**3.372.579**	6.316.431
Current portion of long term issued debt instruments	**11.908.583**	8.414.152
Lease liabilities	**2.598.586**	2.517.438
Factoring debts	**1.797.448**	478.764
Short term borrowings	**37.523.406**	35.527.641
Bank borrowings	**4.988.366**	7.366.536
Issued debt instruments	**35.019.199**	39.575.534
Lease liabilities	**7.913.009**	7.107.057
Long term borrowings	**47.920.574**	54.049.127
Total borrowings	**85.443.980**	89.576.768

As of December 31, 2023 AGHOL's total bond and bank borrowings amount to TRL 5.027.918 (December 31, 2022: TRL 6.649.228).

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. Performance criteria have been met as of December 31, 2023 and 2022.

Other Financial Liabilities

	December 31, 2023	December 31, 2022
Short term credit card payables	**1.187.171**	115.135
Long term credit card payables	**85.404**	-
	1.272.575	115.135

The movement of bank loans, issued debt instruments and factoring debts as of December 31, 2023 and 2022 is as follows:

	December 31, 2023	December 31, 2022
Opening balance	**79.952.273**	83.763.445
Interest expense	**10.575.134**	7.832.951
Interest paid	**(8.716.916)**	(7.583.816)
Proceeds from borrowings	**52.530.621**	62.858.657
Repayments of borrowings	**(47.702.510)**	(47.243.263)
Foreign exchange (gain)/loss, net	**19.866.336**	16.420.063
Addition through subsidiary acquired (Note 3)	**3.881.531**	-
Currency translation differences	**(866.318)**	(3.811.623)
Monetary (gain)/loss	**(34.587.766)**	(32.284.141)
Closing balance	**74.932.385**	79.952.273

As of December 31, 2023, net interest expense on cross currency swap contracts is TRL 17.173 (December 31, 2022: TRL 125.008).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023

(Amounts expressed in thousands of TRL based on the purchasing power of Turkish Lira ("TRL") as of December 31, 2023, unless otherwise stated)

NOTE 7 - BORROWINGS (cont'd)

	December 31, 2023			December 31, 2022		
Short term	**Amount**	**Fixed interest rate**	**Floating interest rate**	Amount	Fixed interest rate	Floating interest rate
Borrowing in Turkish Lira	**12.855.908**	**9,0% - 50,5%**	**TLref +(2,0% - 11,0%)**	18.695.397	8,5% - 44,2%	TLref + (1,0% - 11,0%)
Bonds in Turkish Lira	**8.973.362**	**11,7% - 48,3%**	**TLref + 1,8%**	4.851.892	11,7% - 33,0%	TLref + 1,8%
Factoring debts in Turkish Lira	**1.797.448**	**37,5%- 49,9%**	**-**	478.764	26,0% - 33,5%	-
Borrowing in foreign currency (EUR)	**3.805.271**	**2,8% - 8,8%**	**Euribor + (1,3% - 6,0%)**	1.141.099	-	Euribor + (1,3% - 6,0%)
Borrowing in foreign currency (USD)	**655.323**	**3,0% - 9,5%**	**Libor + (2,50% - 4,3%)**	620.504	3,0% - 6,7%	Libor + (2,5% - 4,3%)
Bonds in foreign currency (USD)	**4.754.125**	**3,4%- 4,5%**	**-**	4.055.380	3,8% - 4,5%	-
Borrowing in foreign currency (Other)	**2.083.383**	**9,5% - 16,9%**	**Kibor + (0,0% - 0,2%)**	3.167.167	10,3% - 22,8%	Kibor + (0,1% - 0,2%)
	34.924.820			33.010.203		

Long term	**Amount**	**Fixed interest rate**	**Floating interest rate**	Amount	Fixed interest rate	Floating interest rate
Borrowing in Turkish Lira	**781.954**	**8,5% - 49,0%**	**TLref + 4,0%**	3.180.107	8,5% - 26,9%	TLref + (1,8% - 11,0%)
Bonds in Turkish Lira	**5.757.140**	**33,5% - 48,3%**	**-**	4.407.824	11,7% - 33,0%	-
Borrowing in foreign currency (EUR)	**1.659.028**	**-**	**Euribor + (1,3% - 6,0%)**	1.985.809	2,8%	Euribor + (1,3% - 6,0%)
Borrowing in foreign currency (USD)	**2.172.603**	**3,4% - 7,0%**	**Libor + 4,3%**	2.116.465	-	Libor + (2,5% - 4,3%)
Bonds in foreign currency (USD)	**29.262.059**	**3,4% - 4,5%**	**-**	35.167.710	3,8% - 4,5%	-
Borrowing in foreign currency (Other)	**374.781**	**9,0% - 14,3%**	**-**	84.155	10,3%	-
	40.007.565			46.942.070		
	74.932.385			79.952.273		

Repayments schedules of long-term bank loans, issued debt instruments and factoring debts are as follows:

	December 31, 2023	December 31, 2022
1-2 years	**7.376.407**	12.812.156
2-3 years	**989.037**	1.508.905
3-4 years	**394.382**	1.025.942
4-5 years	**14.922.265**	620.597
5 years and more	**16.325.474**	30.974.470
	40.007.565	46.942.070

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NOTE 8 - TRADE RECEIVABLES AND TRADE PAYABLES

8.1 Trade Receivables, Third Parties

	December 31, 2023	December 31, 2022
Trade receivables	**18.401.793**	15.316.508
Post-dated cheques and notes receivables	**533.040**	236.605
Less: provision for expected credit loss	**(542.394)**	(644.420)
	18.392.439	14.908.693

As of December 31, 2023, the Group has TRL 1.299 long term trade receivables from third parties (December 31, 2022: TRL 3.154).

Movement of provision for expected credit loss is as follows:

	December 31, 2023	December 31, 2022
Balance at January 1	**644.420**	918.400
Provisions (Note 25.2)	**73.292**	81.638
Reversal of provision (including collections)	**(36.380)**	(55.168)
Acquired through business combination	**23.537**	-
Write-off from expected credit loss	**(24.687)**	(57.303)
Foreign exchange gain/loss	**3.603**	-
Currency translation differences	**14.730**	(32.651)
Monetary gain/(loss)	**(156.121)**	(208.426)
Disposals through sale of a subsidiary	**-**	(2.070)
Balance at the end of the year	**542.394**	644.420

8.2 Trade Payables, Third Parties

	December 31, 2023	December 31, 2022
Short-term trade payables	**73.646.782**	70.673.469
Long-term trade payables	**2.131**	198
	73.648.913	70.673.667

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NOTE 9 - OTHER RECEIVABLES AND PAYABLES

9.1 Other Short Term Receivables, Third Parties

	December 31, 2023	December 31, 2022
Receivables from tax office	**2.136.347**	162.051
Due from personnel	**200.150**	156.986
Deposits and guarantees given	**11.492**	10.402
Other	**225.112**	352.184
	2.573.101	681.623

9.2 Other Long Term Receivables, Third Parties

	December 31, 2023	December 31, 2022
Receivables from tax office	**229.648**	988.044
Deposits and guarantees given	**157.439**	154.430
	387.087	1.142.474

9.3 Other Short Term Payables, Third Parties

	December 31, 2023	December 31, 2022
Taxes payable	**6.381.751**	6.717.034
Payables related to share changes in subsidiaries that do not result in loss of control (Note 3)	**5.887.640**	-
Deposits and guarantees taken	**1.981.703**	2.263.902
Dividends payable	**276.823**	226.680
Other	**3.402.917**	3.127.014
	17.930.834	12.334.630

As of December 31, 2023 the non-current portion of other payables to third parties consists of deposits and guarantees taken amounting TRL 55.212 (December 31, 2022: TRL 66.656).

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NOTE 10 - INVENTORIES

	December 31, 2023	December 31, 2022
Raw materials	**12.560.050**	12.209.110
Work-in-process	**2.654.576**	1.979.198
Finished and trade goods	**32.948.456**	28.051.014
Packaging materials	**3.006.276**	3.418.877
Supplies	**2.062.097**	1.124.068
Other inventories	**525.736**	513.622
Provisions for impairment (-)	**(945.553)**	(895.336)
	52.811.638	46.400.553

The movement of provision for impairment in inventories is as follow:

	December 31, 2023	December 31, 2022
Balance at January 1	**895.336**	859.223
Provision	**805.597**	1.653.894
Provisions no longer required (-)	**(611.907)**	(1.507.348)
Inventories written-off (-)	**(73.150)**	(14.912)
Currency translation differences	**(70.323)**	(95.521)
Balance at the end of the period	**945.553**	895.336

NOTE 11 - INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD

			December 31, 2023		December 31, 2022	
Entity	**Principle activities**	**Country**	**Carrying value**	**Effective shareholding and voting rights (%)**	Carrying value	Effective shareholding and voting rights (%)
Aslancık	Production of electricity	Türkiye	**(61.037)**	**33,33**	(392.354)	33,33
LLC Faber-Castell Anadolu	Inactive	Russia	**-**	**28,44**	-	28,44
AEP Anadolu Etap Penkon Gıda ve Tarım Ürünleri San. ve Tic. A.Ş. (Anadolu Etap)	Production and sale of fruit juice concentrate and puree and sales of fresh fruit	Türkiye	**-**	**-**	440.493	33,83
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	**5.823.056**	**23,00**	3.736.532	23,00
Getir Araç Dijital Ulaşım Çözümleri Ticaret A.Ş. (Getir Araç)	Hourly car rental services	Türkiye	**85.442**	**25,00**	78.312	25,00
Malty Gıda A.Ş.	Distribution and sales of malt bars	Türkiye	**490**	**10,76**	1.318	10,76
			5.847.951		3.864.301	

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NOTE 11 - INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD (cont'd)

Entity	**January 1 - December 31, 2023**	January 1 - December 31, 2022
	Group's interest in net income/(loss)	
Aslancık	**241.680**	(204.876)
LLC Faber-Castell Anadolu	**(1.121)**	-
Anadolu Etap	**(126.677)**	451.010
SSDSD	**(16.847)**	(5.185)
TOGG	**1.542.792**	460.511
Getir Araç	**37.915**	(5.573)
Malty Gıda A.Ş.	**(304)**	(325)
	1.677.438	695.562

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

	December 31, 2023	December 31, 2022
Aslancık		
Total Assets	**3.840.514**	2.635.675
Total Liabilities	**2.014.896**	1.971.243
Net Assets	**1.825.618**	664.432
Fair value adjustment	**(270.306)**	-
Net assets included in consolidation	**1.555.312**	664.432
Group's share in net assets	**(61.037)**	(392.354)

	January 1 - December 31, 2023	January 1 - December 31, 2022
Revenue	**2.064.175**	2.475.972
Current Period Net Profit (Losses)	**725.041**	(614.633)
Group's share in net profit (losses) of the joint venture	**241.680**	(204.876)

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NOTE 12 - PROPERTY, PLANT AND EQUIPMENT (PP&E)

Movements of property, plant and equipment for the year ended on December 31, 2023 are as follows:

	Land and land improvements	Buildings	Machinery and equipment	Motor vehicles	Furniture and fixtures	Bearer plants	Other tangible assets (***)	Leasehold improvements	Construction in progress	Total
Cost										
January 1, 2023	7.022.290	35.107.361	86.766.634	1.868.897	17.065.679	-	24.590.657	10.388.982	3.898.450	186.708.950
Additions	109.217	131.998	2.832.096	523.670	2.020.378	81.754	1.693.635	945.243	7.934.659	16.272.650
Disposals (-)	(47.710)	(534.219)	(941.558)	(205.078)	(1.103.190)	(164.430)	(952.829)	(4.742)	(7.261)	(3.961.017)
Acquired trough business combination	1.115.640	679.041	838.576	60.078	127.800	1.711.062	304.167	15.226	68.087	4.919.677
Currency translation differences	(408.058)	(2.850.826)	(6.252.567)	(86.960)	(147.909)	-	(2.308.123)	(9.355)	(263.141)	(12.326.939)
Transfers (*)	54.347	675.941	2.504.046	51.794	471.193	-	931.501	365.368	(5.652.533)	(598.343)
Impairment	-	-	-	-	-	-	-	(29.920)	-	(29.920)
December 31, 2023	7.845.726	33.209.296	85.747.227	2.212.401	18.433.951	1.628.386	24.259.008	11.670.802	5.978.261	190.985.058
Accumulated depreciation										
January 1, 2023	1.630.421	11.797.427	58.568.074	1.133.596	11.514.856	-	16.209.051	7.282.783	6.212	108.142.420
Depreciation charge for the period (**)	93.748	758.102	3.792.016	208.546	1.580.584	14.831	2.099.760	721.572	-	9.269.159
Disposals (-)	(4.098)	(29.027)	(790.033)	(146.324)	(1.029.563)	(35.986)	(807.346)	(1.792)	(729)	(2.844.898)
Acquired trough business combination	301.480	5.670	42.451	48.558	91.619	463.455	167.505	13.988	-	1.134.726
Currency translation differences	(146.816)	(734.651)	(3.718.424)	(68.103)	(113.143)	-	(1.664.219)	(19.422)	(1.417)	(6.466.195)
Transfers (*)	(4.958)	(20.635)	(59.244)	(2)	(18.042)	-	(858)	(2.996)	(4.060)	(110.795)
Impairment/ (impairment reversal), net	(22.169)	-	7.587	-	-	26.282	-	(14.404)	-	(2.704)
December 31, 2023	1.847.608	11.776.886	57.842.427	1.176.271	12.026.311	468.582	16.003.893	7.979.729	6	109.121.713
Net carrying amount	5.998.118	21.432.410	27.904.800	1.036.130	6.407.640	1.159.804	8.255.115	3.691.073	5.978.255	81.863.345

(*) TRL 21.958 of other intangible assets is transferred to PP&E and TRL 509.506 of PP&E is transferred to inventories.

(**) Distribution of the depreciation charge for the period is given in Note 24.

(***) Other tangibles consist of coolers, returnable containers and their complementary assets.

As at December 31, 2023, there are mortgages on PP&E amounting TRL 91.713 (December 31, 2022: TRL 96.053) for the loans that CCI and GUE, the Group’s subsidiaries borrowed. As at December 31, 2023, TRL 2.327.112 of the PP&E is pledged (December 31, 2022: TRL 2.535.041) for the loans that GUE, the Group’s subsidiary borrowed. The GPM position table of the “Commitments” note includes this amount (Note 17).

Assumptions used for property, plant and equipment are explained in Note 2.

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NOTE 12 - PROPERTY, PLANT AND EQUIPMENT (PP&E) (cont'd)

Movements of property, plant and equipment for the year ended on December 31, 2022 are as follows:

	Land and land improvements	Buildings	Machinery and equipment	Motor vehicles	Furniture and fixtures	Other tangible assets (***)	Leasehold improvements	Construction in progress	Total
Cost									
January 1, 2022	7.845.633	36.017.629	93.087.047	1.874.760	16.475.517	26.364.507	10.457.859	4.750.753	196.873.705
Additions	62.507	226.494	2.362.677	237.425	1.342.871	1.849.426	548.341	5.627.000	12.256.741
Recorded due to the change in consolidation scope	-	-	13.029	183.784	36.865	-	8.586	71.518	313.782
Disposals due to subsidiary sale (-)	-	(80.585)	(582.630)	12	(110.327)	-	(766.575)	(21.827)	(1.561.932)
Disposals (-)	(140.846)	(62.016)	(593.703)	(119.801)	(593.311)	(1.835.966)	(115)	(17.736)	(3.363.494)
Currency translation differences	(757.205)	(1.709.135)	(9.529.838)	(303.239)	(326.915)	(3.084.406)	(26.632)	(1.351.056)	(17.088.426)
Transfers (*)	12.201	714.974	2.010.052	(4.044)	240.979	1.297.096	173.610	(5.160.202)	(715.334)
Impairment	-	-	-	-	-	-	(6.092)	-	(6.092)
December 31, 2022	7.022.290	35.107.361	86.766.634	1.868.897	17.065.679	24.590.657	10.388.982	3.898.450	186.708.950
Accumulated depreciation									
January 1, 2022	1.605.535	11.764.550	60.385.988	1.240.139	10.974.620	16.836.778	7.349.979	-	110.157.589
Depreciation charge for the period (**)	124.058	839.074	4.378.270	143.842	1.371.418	2.450.626	394.384	-	9.701.672
Recorded due to the change in consolidation scope	-	-	4.195	64.538	5.007	-	929	-	74.669
Disposals due to subsidiary sale (-)	-	(27.753)	(380.016)	16	(61.230)	-	(453.676)	-	(922.659)
Disposals (-)	(22.554)	(33.314)	(518.639)	(117.748)	(540.579)	(1.595.966)	(69)	-	(2.828.869)
Currency translation differences	(75.476)	(661.721)	(4.895.687)	(125.783)	(234.380)	(1.543.155)	(7.622)	-	(7.543.824)
Transfers (*)	(183)	(121.836)	(429.285)	(39.704)	-	38.580	-	-	(552.428)
Impairment/(impairment reversal), net	(959)	38.427	23.248	(31.704)	-	22.188	(1.142)	6.212	56.270
December 31, 2022	1.630.421	11.797.427	58.568.074	1.133.596	11.514.856	16.209.051	7.282.783	6.212	108.142.420
Net carrying amount	5.391.869	23.309.934	28.198.560	735.301	5.550.823	8.381.606	3.106.199	3.892.238	78.566.530

(*) TRL 147.721 of PP&E is transferred to other intangible assets and TRL 15.185 of PP&E is transferred from inventories to tangible assets.

(**) Distribution of the depreciation charge for the period is given in Note 24.

(***) Other tangibles consist of coolers, returnable containers and their complementary assets.

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NOTE 13 - RIGHT OF USE ASSET

For the year ended on December 31, 2023 and 2022 movement of right of use asset is as follows:

	January 1, 2023	Additions	Disposals	Acquired through business combination	Disposals due to subsidiary sale (-)	Currency translation differences	Changes in leasing	December 31, 2023
Land	255.142	34.726	(1.953)	1.005.393	-	(58.480)	1.179	1.236.007
Buildings	24.431.812	6.358.905	(862.736)	17.088	-	(129.465)	79.643	29.895.247
Machinery and equipment	93.231	14.779	(1.499)	-	-	(17.011)	7.389	96.889
Vehicles	1.046.791	273.085	(117.270)	32.883	-	(133.868)	(26.763)	1.074.858
Furniture and fixture	1.310	31	-	-	-	(2.075)	429	(305)
Other	3.368	-	-	-	-	(2.166)	-	1.202
Cost	25.831.654	6.681.526	(983.458)	1.055.364	-	(343.065)	61.877	32.303.898
Land	60.267	46.853	(245)	133.547	-	8.968	-	249.390
Buildings	9.349.265	3.716.040	(238.919)	17.089	-	(69.995)	-	12.773.480
Machinery and equipment	38.900	16.162	(1.499)	-	-	2.639	-	56.202
Vehicles	275.225	301.528	(94.270)	13.685	-	(24.796)	-	471.372
Furniture and fixture	1.481	70	-	-	-	(2.163)	-	(612)
Other	8.772	183	-	-	-	(8.151)	-	804
Accumulated depreciation	9.733.910	4.080.836	(334.933)	164.321	-	(93.498)	-	13.550.636
Net carrying amount	16.097.744	2.600.690	(648.525)	891.043	-	(249.567)	61.877	18.753.262

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NOTE 13 - RIGHT OF USE ASSET (cont'd)

	January 1, 2022	Additions	Disposals	Recorded due to the change in consolidation scope	Disposals due to subsidiary sale (-)	Currency translation differences	Changes in leasing	December 31, 2022
Land	243.337	-	-	-	-	(47.709)	59.514	255.142
Buildings	21.123.536	4.713.532	(219.440)	19.285	(888.947)	(282.249)	(33.905)	24.431.812
Machinery and equipment	105.066	1.936	(7.850)	-	-	(11.752)	5.831	93.231
Vehicles	812.070	746.291	(218.031)	-	-	(335.868)	42.329	1.046.791
Furniture and fixture	5.172	-	1.101	-	-	(4.963)	-	1.310
Other	14.945	-	(8.209)	-	-	(3.368)	-	3.368
Cost	22.304.126	5.461.759	(452.429)	19.285	(888.947)	(685.909)	73.769	25.831.654
Land	55.810	11.241	-	-	-	(6.784)	-	60.267
Buildings	7.076.944	2.991.176	(61.020)	9.469	(494.544)	(172.760)	-	9.349.265
Machinery and equipment	48.399	38.646	(7.581)	-	-	(40.564)	-	38.900
Vehicles	534.347	256.896	(196.759)	-	-	(319.213)	(46)	275.225
Furniture and fixture	3.193	1.331	1.101	-	-	(4.144)	-	1.481
Other	12.387	1.076	(8.178)	-	-	3.487	-	8.772
Accumulated depreciation	7.731.080	3.300.366	(272.437)	9.469	(494.544)	(539.978)	(46)	9.733.910
Net carrying amount	14.573.046	2.161.393	(179.992)	9.816	(394.403)	(145.931)	73.815	16.097.744

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NOTE 14 - INTANGIBLE ASSETS

14.1 Other Intangible Assets

Movements of intangible assets for the year ended on December 31, 2023 and 2022 are as follows:

	Bottling contracts	License agreements	Brands	Other intangible assets	Total
Cost					
January 1, 2023	71.813.190	25.163.094	4.086.006	11.311.006	112.373.296
Additions	-	-	-	2.239.489	2.239.489
Acquired through business combination	-	-	-	200.466	200.466
Disposals (-)	-	-	-	(83.406)	(83.406)
Currency translation differences	(1.321.875)	(6.038.908)	(781.298)	(266.778)	(8.408.859)
Transfers (*)	-	-	-	(22.123)	(22.123)
December 31, 2023	70.491.315	19.124.186	3.304.708	13.378.654	106.298.863
Accumulated amortization/impairment					
January 1, 2023	-	1.277.668	641.613	7.000.041	8.919.322
Amortization charge for the period (**)	-	-	-	1.052.097	1.052.097
Acquired through business combination	-	-	-	94.074	94.074
Disposals (-)	-	-	-	(72.962)	(72.962)
Currency translation differences	-	(53.502)	(28.563)	(96.490)	(178.555)
Transfers (*)	-	-	-	(165)	(165)
December 31, 2023	-	1.224.166	613.050	7.976.595	9.813.811
Net carrying amount	70.491.315	17.900.020	2.691.658	5.402.059	96.485.052

(*) TRL 21.958 of PP&E is transferred to other intangible assets.

(**) Distribution of the amortization for the period is given in Note 24.

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NOTE 14 - INTANGIBLE ASSETS (cont'd)

14.1 Other Intangible Assets (cont'd)

	Bottling contracts	License agreements	Brands	Other intangible assets	Total
Cost					
January 1, 2022	78.819.952	28.043.022	4.527.720	10.067.373	121.458.067
Additions	-	-	-	1.327.205	1.327.205
Recorded due to the change in consolidation scope	-	-	-	50.796	50.796
Disposals due to subsidiary sale (-)	-	-	-	(6.787)	(6.787)
Disposals (-)	-	-	-	(235.021)	(235.021)
Currency translation differences	(7.006.762)	(2.879.928)	(441.714)	(40.281)	(10.368.685)
Transfers (*)	-	-	-	147.721	147.721
December 31, 2022	71.813.190	25.163.094	4.086.006	11.311.006	112.373.296
Accumulated amortization/impairment					
January 1, 2022	-	377.559	708.537	6.186.254	7.272.350
Amortization charge for the period (**)	-	-	-	963.763	963.763
Recorded due to the change in consolidation scope	-	-	-	12.732	12.732
Disposals due to subsidiary sale (-)	-	-	-	(8.232)	(8.232)
Disposals (-)	-	-	-	(112.533)	(112.533)
Currency translation differences	-	161.006	(95.517)	(41.943)	23.546
Impairment/(reversal of impairment, net) (***)	-	739.103	28.593	-	767.696
December 31, 2022	-	1.277.668	641.613	7.000.041	8.919.322
Net carrying amount	71.813.190	23.885.426	3.444.393	4.310.965	103.453.974

(*) TRL 147.721 of PP&E is transferred to other intangible assets.
(**) Distribution of the amortization for the period is given in Note 24.
(***) A provision of TRL 767.696 has been recognized for the Group's beer operations in Ukraine.

As of December 31, 2023 and 2022 there is no pledge on intangible assets.

Assumptions used in the calculation of impairment of intangible assets with indefinite useful lives are explained in Note 2.5.

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NOTE 14 - INTANGIBLE ASSETS (cont'd)

14.2 Goodwill

Movements of the goodwill for the years ended December 31, 2023 and 2022 are as follows:

	December 31, 2023	December 31, 2022
At January 1	**32.647.169**	34.851.372
Addition	**106.248**	194.361
Currency translation differences	**(3.855.162)**	(2.398.564)
Balance at the end of the period	**28.898.255**	32.647.169

As of December 31, 2023 and 2022 operating segment distributions of goodwill are presented below:

	Migros	**Beverage**	**Automotive**	**Total**
2023	**16.909.552**	**11.882.455**	**106.248**	**28.898.255**
2022	16.909.552	15.737.617	-	32.647.169

Assumptions used in the calculation of impairment of goodwill are explained in Note 2.5.

NOTE 15 - GOVERNMENT INCENTIVES AND GRANTS

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 1.220.435 (December 31, 2022: TRL 727.852) that the Group's will benefit from in the foreseeable future as of December 31, 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 December 31, 2023, deferred tax income amounting to TRL 492.583 has been realized in the consolidated profit or loss statement for January 1- December 31, 2023. According to the incentive certificates summarized above, the current period corporate tax provision is reduced TRL 67.807 (December 31, 2022: TRL 11.948) 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 December 31, 2023, Group took advantage of R&D deduction amounting to TRL 443.929 in the current period corporate tax provision (December 31, 2022: TRL 277.817). As of December 31, 2023, there are no future R&D deduction advantages recognized as deferred tax assets in the financial statements (December 31, 2022: TRL 161.591). As a result of the recognition of the said tax advantage, deferred tax expense amounting to TRL 161.591 has been realized in the consolidated profit or loss statement for January 1 - December 31, 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 December 31, 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.

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NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

16.1 Employee Benefits Obligations

	December 31, 2023	December 31, 2022
Social security and withholding tax liabilities	**1.560.885**	1.435.978
Payables to personnel	**1.349.560**	891.393
	2.910.445	2.327.371

16.2 Short Term Provision for Employee Benefits

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

	December 31, 2023	December 31, 2022
Short-term	**2.162.569**	2.017.522
Provision for bonus	**907.258**	594.195
Provision for vacation pay liability	**1.174.399**	1.159.982
Other short-term employee benefits	**80.912**	262.875
Provision for employee termination benefits	**-**	470
Long-term	**2.287.365**	3.881.954
Provision for employee termination benefits	**2.215.692**	3.820.205
Provision for incentive plan	**71.673**	61.749
	4.449.934	5.899.476

The movement of provision for employment termination benefits is as follows:

	December 31, 2023	December 31, 2022
Balance at January 1	**3.820.675**	2.189.802
Interest expense	**168.097**	142.998
Charge for the period (net)	**732.667**	460.789
Acquired through business combination	**65.693**	-
Payments (-)	**(2.163.843)**	(291.277)
Actuarial losses	**609.774**	2.147.436
Currency translation differences	**(10.633)**	(14.198)
Monetary gain/(loss)	**(1.006.738)**	(814.875)
Balance at the end of the period	**2.215.692**	3.820.675

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NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

16.2 Short Term Provision for Employee Benefits (cont'd)

The movement of provision for incentive plan is as follows:

	December 31, 2023	December 31, 2022
Balance at January 1	**61.749**	41.048
Payments (-)	**(94.135)**	(58.890)
Interest expense	**456**	1.669
Charge for the period (net)	**140.267**	99.922
Actuarial losses/(gains)	**(956)**	258
Currency translation differences	**(1.565)**	388
Monetary gain/(loss)	**(34.143)**	(22.646)
Balance at the end of the period	**71.673**	61.749

Actuarial loss from defined benefit plans, included in other short-term employee benefits and provision for employee termination benefits, amounting to TRL 624.436 was reflected to consolidated statements of other comprehensive income (December 31, 2022: TRL 2.265.023).

Provision for Employee Termination Benefits

In accordance with the existing social legislation, the Group is required to make lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are calculated on the basis of 30 days' pay (Maximum limit of employee termination benefits respectively for December 31, 2023 and 2022 TRL 23,490/year and TRL 25,327/year.) per year of employment at the rate of pay applicable at the date of retirement or termination.

In the consolidated financial statements as of December 31, 2023 and 2022 their experience of personnel terminating their services and being eligible to receive retirement pay and discounted by using the current market yield at the balance sheet date on government bonds. As of December 31, 2023 discount rate (yearly) used in calculations is between 1,72% - 3,72% (December 31, 2022: -2,3% - 0,5%).

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. As the maximum liability is revised once every six months, the maximum amount of TRL 35,059 effective from January 1, 2024 has been taken into consideration in calculating the reserve for employment termination benefit of the Group.

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NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

16.3 Other Provisions

The provisions as of December 31, 2023 and 2022 are as follows:

	December 31, 2023	December 31, 2022
Provision for litigations	**1.137.440**	993.869
Warranty provisions (**)	**94.533**	76.184
Provision for personnel expense	**65.070**	510.793
Provision for competition authority penalty (*)	**-**	336.335
Other provisions	**79.832**	266.260
	1.376.875	2.183.441

(*) As of December 31, 2022, CCI, the subsidiary of the Group, has a provision TRL 336.335 due to the penalty imposed by the Competition Authority, which was paid during the year ended December 31, 2023.

(**) Warranty provisions are resulting from sales of Anadolu Motor and Anadolu Isuzu which are subsidiaries of the Company. Çelik Motor a subsidiary of the Company has the right of recourse the compensation payments of imported vehicles under warranty to the manufacturer company, therefore no warranty provision is recorded.

The movement of warranty provision is as follows:

	December 31, 2023	December 31, 2022
Balance at January 1	**76.184**	59.967
Charge for the period (net)	**143.257**	99.183
Payments (-)	**(114.082)**	(59.406)
Monetary gain/(loss)	**(10.826)**	(23.560)
Balance at the end of the period	**94.533**	76.184

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NOTE 17 - COMMITMENTS

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

December 31, 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	**8.779.141**	5.358.250	90.845	17.364	49.343	162.152	120.797
B. Total amount of GPMs given in favor of subsidiaries included in full consolidation	**12.871.358**	236.906	161.490	79.195	400.000	16.800.000	3.238.098
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	**270.639**	-	9.177	-	-	-	-
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	**270.639**	-	9.177	-	-	-	-
iii. Total amount of GPMs given in favor of third party companies not in the scope of C above	**-**	-	-	-	-	-	-
	21.921.138	5.595.156	261.512	96.559	449.343	16.962.152	3.358.895

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NOTE 17 - 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	5.584.479	2.051.560	84.650	21.900	78.377	162.150	111.444
B. Total amount of GPMs given in favor of subsidiaries included in full consolidation	6.697.513	180.632	51.877	60.445	1.750.092	6.150.000	621.391
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	2.520.444	266.591	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	2.520.444	266.591	13.330	55.990	-	-	-
iii. Total amount of GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-
	14.802.436	2.498.783	149.857	138.335	1.828.469	6.312.150	732.835

As of December 31, 2023, the ratio of other GPMs over the Group’s equity is 0,2% (December 31, 2022: 1,5%).

CCBPL, a subsidiary of the Group has signed murabaha facility agreements with Standard Chartered Bank and Habib Bank Limited (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 December 31, 2023, CCBPL has USD 74,1 Million sugar and resin purchase until the end of March 31, 2024 and USD 37,6 Million sugar and resin purchase until the end of June 30, 2024 commitment to the Banks (December 31, 2022: USD 60 Million sugar purchase until the end of 30th 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.

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NOTE 17 - COMMITMENTS (cont’d)

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 400.977 (equivalent to 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 Management objected and litigated this request, since withdrawal decisions of constitutional court could not be applied retrospectively in principle. In the opinion of CCBPL Management, the outcome of the litigation will be favourable (December 31, 2022: TRL 522.325 (equivalent to PKR 3.839 Million)).

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 December 31, 2023, the remaining amount of the related loan is USD 71.000 Thousand (December 31, 2022: USD 76.754 Thousand).

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 December 31, 2023, the balance of the loan is USD 20.709 Thousand and the warranty per the Group is USD 6.903 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 Thousand).

The loan amounting to TRL 72.500 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 (December 31, 2022: TRL 72.500).

The loan amounting to TRL 92.273 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 (December 31, 2022: TRL 92.273).

As of December 31, 2023 the obligation of TRL 69.474 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 booked in put option of share from non-controlling interest under other current liabilities (December 31, 2022: TRL 72.843)

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 410.285. As of December 31, 2023, there are no defaulting installments (December 31, 2022: None).

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NOTE 18 - PREPAID EXPENSES

18.1 Short-term Prepaid Expenses

	December 31, 2023	December 31, 2022
Advances given	**2.280.540**	3.034.255
Prepaid expenses	**3.240.413**	2.489.652
	5.520.953	5.523.907

18.2 Long-term Prepaid Expenses

	December 31, 2023	December 31, 2022
Prepaid expenses	**3.638.851**	1.745.131
Advances given	**1.022.871**	372.676
	4.661.722	2.117.807

NOTE 19 - OTHER ASSETS AND LIABILITIES

19.1 Other Current Assets

	December 31, 2023	December 31, 2022
Deferred VAT	**1.817.272**	2.472.627
VAT receivable and other taxes	**136.208**	53.898
Assets used in renting activities	**8.291**	18.125
Other current assets	**521.420**	222.178
	2.483.191	2.766.828

19.2 Other Non-Current Assets

	December 31, 2023	December 31, 2022
VAT receivable and other taxes	**29.478**	41.880
Other non-current assets	**16.713**	645
	46.191	42.525

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NOTE 19 - OTHER ASSETS AND LIABILITIES (cont'd)

19.3 Other Current Liabilities

	December 31, 2023	December 31, 2022
Put option liability (Note 17)	**69.474**	72.843
Deferred VAT and other taxes	**44.794**	76.420
Other payables	**58.192**	37.084
	172.460	186.347

19.4 Other Non-Current Liabilities

	December 31, 2023	December 31, 2022
Deferred VAT and other taxes	**454**	1.369
Other	**25**	7.824
	479	9.193

NOTE 20 - DEFERRED INCOME

20.1 Short-term Deferred Income

	December 31, 2023	December 31, 2022
Advances taken	**1.371.737**	956.423
Other deferred income	**1.039.622**	691.377
	2.411.359	1.647.800

20.2 Long-term Deferred Income

	December 31, 2023	December 31, 2022
Other deferred income	**697.718**	314.245
	697.718	314.245

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NOTE 21 - EQUITY

Share Capital/Adjustments to Share Capital and Equity Instruments

As of December 31, 2023 and 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 year ended December 31, 2023 and 2022 are as follows (the amounts are historical):

	December 31, 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 Sınai Yatırım ve Yönetim A.Ş. Class A shares are all bearer type shares; belonging to AG Sınai Yatırım ve Yönetim A.Ş. and also Yazıcı Families, Özilhan Families and publicly traded shares are included in Class A.

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.

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NOTE 21 - EQUITY (cont'd)

Restricted Reserves Allocated from Net Profit, Revaluation and Reclassification Loss/Gain (cont'd)

Quoted companies are subject to dividend requirements regulated by the CMB's Dividend Communique No II-19.1 which was effective as of February 1, 2014. Based on the CMB Decree 1/6, dated January 9, 2009, 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.

The Company's amount of other resources which may be subject to dividend distribution in the Company's legal records for 2023 is TRL 3.112.705.

	December 31, 2023	December 31, 2022
Restricted reserves allocated from net profit	**1.378.029**	1.192.356
- Legal reserves	**859.181**	859.181
- Gain on sales of real estate and associates (*)	**518.848**	333.175

(*) The Group's gain from sale of real estate and associates amounting TRL 518.848 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 be stay in this special fund for 5 years.

As of December 31, 2023, breakdown of the equity in the legal financial statements of the Company's are as follows:

	December 31, 2023		
	PPI Indexed Legal Records	**CPI Indexed Records**	**Amounts followed in Accumulated Profit/Loss**
Share Capital Adjustment Differences	11.831.317	3.767.397	8.063.920
Restricted Reserves Allocated from Net Profit	2.019.066	1.378.029	641.037

As of January 1, 2022, the amount of accumulated (profit/loss) without inflation accounting is TRL 11.492.657, while the amount of accumulated (profit/loss) inflation accounting applied is TRL 28.022.949.

As of December 31, 2022, the amount of accumulated (profit/loss) without inflation accounting is TRL 14.100.564, while the amount of accumulated (profit/loss) with inflation accounting applied is TRL 31.048.989.

Non-Controlling Interest

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

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NOTE 22 - SALES AND COST OF SALES

	January 1 - December 31, 2023	January 1 - December 31, 2022
Domestic revenues	**272.775.486**	208.767.093
Foreign revenues	**102.807.991**	110.880.438
Total sales, net	**375.583.477**	319.647.531
Cost of Sales (-)		
Current year purchases and net change in inventory	**246.192.344**	209.052.945
Personnel expenses	**5.686.448**	4.617.936
Depreciation and amortization	**4.531.411**	5.211.990
Utilities and communication expenses	**3.349.085**	4.238.993
Other expenses	**16.535.589**	13.559.649
Total Cost of Sales	**276.294.877**	236.681.513
Gross Profit	**99.288.600**	82.966.018

NOTE 23 - OPERATING EXPENSES

	January 1 - December 31, 2023	January 1 - December 31, 2022
General administrative expenses		
Personnel expenses	**9.412.803**	7.411.590
Consultancy and services rendered expenses	**2.372.397**	2.107.457
Depreciation and amortization	**968.476**	1.024.434
Utilities and communication expenses	**323.963**	317.845
Taxes and duties	**294.945**	228.792
Insurance expenses	**270.699**	129.971
Rent expenses	**201.919**	219.352
Maintenance and repair expenses	**108.129**	122.242
Other expenses	**2.120.434**	2.098.803
	16.073.765	13.660.486

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NOTE 23 - OPERATING EXPENSES (cont'd)

	January 1 - December 31, 2023	January 1 - December 31, 2022
Marketing expenses		
Personnel expenses	**20.442.483**	15.182.981
Transportation and distribution expenses	**10.392.976**	10.130.727
Depreciation and amortization	**8.894.678**	7.626.931
Advertisement and promotion expenses	**8.429.602**	6.885.931
Rent expenses	**4.801.548**	3.564.692
Utilities and communication expenses	**3.070.392**	2.949.532
Repair and maintenance expenses	**1.026.487**	766.743
Other expenses	**6.213.832**	5.089.942
	63.271.998	52.197.479

NOTE 24 - EXPENSES BY NATURE

The amounts of depreciation and amortization expenses recorded in the consolidated statement of profit or loss accounts are as follows:

	January 1 - December 31, 2023	January 1 - December 31, 2022
Depreciation and amortization expenses		
Cost of sales	**4.531.411**	5.211.990
Marketing expenses	**8.894.678**	7.626.931
General administrative expenses	**968.476**	1.024.434
Research and development expenses	**10.646**	6.885
	14.405.211	13.870.240

Depreciation and amortization amounting TRL 13.555 is reflected in construction in progress, TRL 16.674 is reflected in inventories (As of December 31, 2022: TRL 17.659 is reflected in construction in progress, TRL 23.348 is reflected in inventories and TRL 54.554 is reflected in discontinued operations).

The amounts of personnel expenses recorded in the consolidated statement of profit or loss accounts are as follows:

	January 1 - December 31, 2023	January 1 - December 31, 2022
Personnel expenses		
Marketing expenses	**20.442.483**	15.182.981
General administrative expenses	**9.412.803**	7.411.590
Cost of sales	**5.686.448**	4.617.936
Research and development expenses	**96.043**	39.320
	35.637.777	27.251.827

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NOTE 25 - OTHER OPERATING INCOME/EXPENSES

25.1 Other Operating Income

	January 1 - December 31, 2023	January 1 - December 31, 2022
Foreign exchange gains arising from trading activities	**4.225.137**	5.428.717
Interest income on term sales	**886.222**	764.009
Income from scrap and other materials	**725.651**	565.590
Reversal of provision for inventory obsolescence	**69.179**	593.045
Rediscount gain from trading activities	**22.890**	27.089
Rent income	**21.248**	36.408
Other	**2.224.590**	2.148.641
	8.174.917	9.563.499

25.2 Other Operating Expenses

	January 1 - December 31, 2023	January 1 - December 31, 2022
Foreign exchange losses arising from trading activities	**5.253.771**	5.952.628
Interest expense on term purchases	**4.726.936**	4.095.530
Donations	**261.298**	148.808
Provision for inventory obsolescence	**206.475**	740.316
Provision for expected credit loss	**73.292**	81.638
Rediscount loss from trading activities	**23.445**	14.528
Other	**1.483.443**	2.125.147
	12.028.660	13.158.595

NOTE 26 - INCOME/EXPENSES FROM INVESTING ACTIVITIES

26.1 Income from Investing Activities

	January 1 - December 31, 2023	January 1 - December 31, 2022
Gain on sale of property, plant and equipment	**850.059**	509.271
Gain on business combination achieved in stages (*)	**626.497**	-
Provisions no longer required for property plant and equipment (Note 12)	**50.287**	163.590
Gain on sales of subsidiaries	**-**	1.141.430
Other	**4.433**	2.232
	1.531.276	1.816.523

(*) 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 TRL 626.497 variance between the fair value and the carrying value of Anadolu Efes’ previously owned shares in Anadolu Etap.

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NOTE 26 - INCOME/EXPENSES FROM INVESTING ACTIVITIES (cont'd)

26.2 Expenses from Investing Activities

	January 1 - December 31, 2023	January 1 - December 31, 2022
Loss on sale of tangible & intangible assets	**237.549**	228.793
Transfer of currency translation differences recognized in other comprehensive expenses in the prior period to the profit of loss statement	**154.112**	-
Provision for impairment on tangible assets (Not 12)	**61.993**	221.002
Losses from leasehold improvements of closed stores (Note 12)	**15.510**	4.950
Provision for impairment on intangible assets (Note 14)	**-**	767.698
Other	**-**	5.446
	469.164	1.227.889

NOTE 27 - FINANCIAL INCOME

	January 1 - December 31, 2023	January 1 - December 31, 2022
Foreign exchange gain	**11.599.194**	9.903.201
Interest income	**6.023.679**	2.805.417
Derivative transactions income	**1.115.815**	773.466
Other	**46.482**	24.561
	18.785.170	13.506.645

NOTE 28 - FINANCIAL EXPENSES

	January 1 - December 31, 2023	January 1 - December 31, 2022
Interest expense	**10.877.298**	9.116.752
Foreign exchange loss	**9.250.567**	7.812.319
Bank commission and fees	**2.934.222**	1.053.749
Interest expense from leases	**1.405.007**	1.421.508
Loss on derivative transactions	**606.120**	2.272.108
Other expenses	**431.208**	271.376
	25.504.422	21.947.812

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NOTE 29 - 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 25% 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% was applied as 25% for the earnings of the corporations for the 2021 taxation period, applied as 23% for the earnings for the 2022 taxation period, and it has been decided to implement as 20% for the earnings for the 2023 taxation period. Subsequently, "Law on the Establishment of Additional Motor Vehicles Tax for the Compensation of Economic Losses Caused by the Earthquakes on February 6, 2023 and the Amendment of Certain Laws and the Decree Law No. 375" which entered into force by being published in the Official Gazette numbered 32249 and dated July 15, 2023, the Corporate Tax rate has been increased from 20% to 25% for 2023.

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.

29.1 Current Income Tax Assets and Tax Provision

	December 31, 2023	December 31, 2022
Current income tax assets	**1.249.712**	1.153.842
Income tax payable (-)	**(722.061)**	(461.433)
Net tax (liability)/asset	**527.651**	692.409

29.2 Deferred Tax Assets and Liabilities

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

	December 31, 2023	December 31, 2022
Deferred tax asset	**6.596.329**	4.494.771
Deferred tax liability (-)	**(20.742.185)**	(20.330.719)
Total deferred tax asset/(liability), net	**(14.145.856)**	(15.835.948)

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NOTE 29 - TAX ASSETS AND LIABILITIES (cont'd)

29.2 Deferred Tax Assets and Liabilities (cont'd)

As of December 31, 2023 and 2022, the breakdown of consolidated deferred tax assets and liabilities is as follows:

	Asset		**Liability**		**Net**	
	December 31, 2023	December 31, 2022	**December 31, 2023**	December 31, 2022	**December 31, 2022**	December 31, 2022
Property, plant and equipment, intangibles, assets used in renting activities	**-**	-	**(18.155.601)**	(20.509.908)	**(18.155.601)**	(20.509.908)
Tax losses carried forward	**3.416.621**	3.874.370	**-**	-	**3.416.621**	3.874.370
Employee termination benefit and other employee benefits	**843.768**	1.124.091	**-**	-	**843.768**	1.124.091
Inventories	**199.631**	-	**-**	(55.827)	**199.631**	(55.827)
Investment incentive	**1.220.435**	889.443	**-**	-	**1.220.435**	889.443
Other provisions and accruals	**416.812**	92.617	**-**	-	**416.812**	92.617
Derivative financial instruments	**-**	-	**(171.381)**	(91.395)	**(171.381)**	(91.395)
Other	**-**	-	**(1.916.141)**	(1.159.339)	**(1.916.141)**	(1.159.339)
	6.097.267	5.980.521	**(20.243.123)**	(21.816.469)	**(14.145.856)**	(15.835.948)

As of December 31, 2023 and 2022, the movement of deferred tax asset and liability is as follows:

	December 31, 2023	December 31, 2022
Balance at January 1	**(15.835.948)**	(17.497.730)
Recognized in consolidated statement of profit or loss	**(3.713.790)**	(1.991.174)
Recognized in consolidated statement of other comprehensive income	**4.298.810**	3.371.063
Acquired through business combination (Note 3)	**295.726**	-
Currency translation adjustment	**809.346**	321.722
Disposals through sale of a subsidiary	**-**	(39.829)
	(14.145.856)	(15.835.948)

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NOTE 29 - TAX ASSETS AND LIABILITIES (cont'd)

29.2 Deferred Tax Assets and Liabilities (cont'd)

Whereas carried forward tax losses of companies reside in Türkiye can be carried for 5 years, JSC AB Inbev Efes and PJSC AB Inbev Efes Ukraine's can be carried forward with an indefinite life according to local tax regulations. Assumptions used in the calculation of deferred tax assets are explained in Note 2.18.

Maturity of prior years' losses for which no deferred tax asset is recognized of companies based in Türkiye are as follows:

	December 31, 2023	December 31, 2022
Between 0-1 years	**278.835**	1.721.539
Between 1-2 years	**610.896**	207.218
Between 2-3 years	**2.841.297**	1.005.872
Between 3-4 years	**3.077.143**	4.216.136
Between 4-5 years	**8.013.332**	8.081.070
	14.821.503	15.231.835

29.3 Tax Expense

	January 1 - December 31, 2023	January 1 - December 31, 2022
Current period tax expense (-)	**(6.592.295)**	(5.187.178)
Deferred tax (expense)/income	**(3.713.790)**	(1.991.174)
	(10.306.085)	(7.178.352)

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NOTE 29 - TAX ASSETS AND LIABILITIES (cont’d)

29.3 Tax Expense (cont’d)

	January 1 - December 31, 2023	January 1 - December 31, 2022
Profit/(loss) before tax from continuing operations	**59.568.682**	44.193.337
Gain (loss) from investments accounted through equity method	**(1.677.438)**	(695.562)
Taxable income	**57.891.244**	43.497.775
Tax ratio used by the parent company 25% (2022: 23%)	**(14.472.811)**	(10.004.488)
Tax effect of the companies using different ratio	**(1.038.034)**	891.160
Non-taxable income (-)	**378.697**	446.833
Carry forward tax losses that are not subject to deferred tax	**79.000**	104.136
Non-deductible expenses	**(1.676.346)**	(1.996.812)
Deferred tax effect of translation difference on non-monetary items	**(27.767)**	(25.388)
Cancellation of tax losses	**(2.115.541)**	(1.779.813)
Deferred tax effect of fixed asset revaluation	**1.829.957**	1.985.813
Deferred tax effect of unused investment incentives	**223.554**	322.373
Non-taxable inflation adjustments	**1.878.234**	2.274.090
Deferred tax impact calculated for temporary differences arising from inflation accounting according to Tax Procedure Law provisions	**3.766.781**	-
Other	**868.191**	603.744
	(10.306.085)	(7.178.352)

NOTE 30 - EARNINGS PER SHARE

	December 31, 2023	December 31, 2022
Net (loss) profit - equity holders of the parent	**19.638.480**	15.639.252
Weighted average number of shares	**243.534.518**	243.534.518
- Earnings (Loss) per share from continuing operations (full TRL)	**80,6394**	63,1663
- Earnings/(Loss) per share from discontinued operations (full TRL)	**-**	1,0515
- Earnings (Loss) per share (full TRL)	**80,6394**	64,2178

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NOTE 31 - RELATED PARTY BALANCES AND TRANSACTIONS

31.1 Trade and Other Receivables from Related Parties

	December 31, 2023	December 31,2022
Syrian Soft Drink L.L.C. (1)	**43.482**	35.304
ASM Anadolu Sağlık Merkezi A.Ş. (3)	**6.575**	102
LLC Faber-Castell Anadolu (Russia) (1)	**1.032**	1.079
Getir Araç (2)	**437**	409
Anadolu Efes Spor Kulübü (3)	**184**	555
Anadolu Etap (4)	**-**	28.997
Other	**1.127**	4.940
	52.837	71.386

As of December 31, 2023 there is no amount in other short term receivables from related parties (December 31, 2022: TRL 813.978).

As of December 31, 2023 there is TRL 133.120 other long term receivables from related parties (December 31, 2022: TRL 63.658).

31.2 Trade Payables to Related Parties

	December 31, 2023	December 31, 2022
ASM Anadolu Sağlık Merkezi A.Ş. (3)	**3.038**	1.778
Anadolu Efes Spor Kulübü (3)	**-**	164.773
Anadolu Etap (4)	**-**	15.993
Other	**1.392**	479
	4.430	183.023

As of December 31, 2023 there is no amount in short term other payables due to related parties (December 31, 2022: TRL 74.583).

(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 31 - RELATED PARTY BALANCES AND TRANSACTIONS (cont'd)

31.3 Transactions with Related Parties

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 has been no guarantees given or received for any related party receivables or payables. For the year ended December 31, 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 year ended as of December 31, 2023 and 2022 are as follows:

	December 31, 2023	December 31, 2022
Purchases of goods, property, plant & equipment and other charges		
Anadolu Efes Spor Kulübü (3)	**703.332**	830.586
Anadolu Eğitim ve Sosyal Yardım Vakfı (3)	**182.843**	117.308
Getir Araç (2)	**119.298**	106.654
Anadolu Etap (4)	**-**	48.845
Other	**19.644**	10.099
	1.025.117	1.113.492

(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.

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 year ended on December 31, 2023 and 2022 are as follows:

	December 31, 2023	December 31, 2022
Short-term employee benefits	**546.017**	307.603
Post-employment benefits	**-**	-
Other long-term benefits	**270.832**	67.479
Termination benefits	**814**	1.845
Share based payments	**-**	-
	817.663	376.927

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 December 31, 2023, donations amount to TRL 191.670 (December 31, 2022: TRL 117.708).

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NOTE 32 - 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.

Credit Risk

Financial instruments have a counterparty risk as they may not fulfill requirements of the agreement.

The Group manages credit risk by constantly evaluating the credibility of the related parties and by determining counterparty credit limits and due dates on a customer basis. Group also receives collaterals from customers as needed. Instruments that increase the credit reliability as guarantees received to determine the maximum amount of credit risk as of reporting date, are not taken into account.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location.

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NOTE 32 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Credit Risk (cont'd)

As of December 31, 2023 and 2022 details of maximum credit risk exposure and aging of assets overdue but not impaired are stated below:

December 31, 2023	Receivables						
	Trade Receivables		Other Receivables				
	Due from related parties	Due from third parties	Due from related parties	Due from third parties	Deposits in banks	Derivative Instruments	Other
Maximum exposure to credit risk at the end of reporting period (A+B+C+D+E)	**52.837**	**18.393.738**	**133.120**	**2.960.188**	**59.462.394**	**300.676**	**3.518.596**
- Maximum credit risk secured by guarantees	-	9.898.008	-	-	-	-	-
A. Net carrying amount of financial assets that are neither past due nor impaired	52.837	16.772.108	133.120	2.960.188	59.462.394	300.676	3.518.596
B. Carrying amount of financial assets whose term has been renegotiated, otherwise past due or impaired	-	-	-	-	-	-	-
C. Net carrying amount of financial assets past due but not impaired	-	1.602.449	-	-	-	-	-
- Under guarantee	-	363.966	-	-	-	-	-
D. Net carrying amount of financial assets impaired	-	19.181	-	-	-	-	-
- Past due (gross carrying value)	-	561.575	-	-	-	-	-
- Impaired (-)	-	(542.394)	-	-	-	-	-
- Net carrying amount of financial assets under guarantee	-	19.181	-	-	-	-	-
- Not past due (gross carrying value)	-	-	-	-	-	-	-
- Impaired (-)	-	-	-	-	-	-	-
- Net carrying amount of financial assets under guarantee	-	-	-	-	-	-	-
E. Off-balance sheet items which include credit risk	-	-	-	-	-	-	-

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NOTE 32 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Credit Risk (cont'd)

December 31, 2022	Receivables						
	Trade Receivables		Other Receivables				
	Due from related parties	Due from third parties	Due from related parties	Due from third parties	Deposits in banks	Derivative Instruments	Other
Maximum exposure to credit risk at the end of reporting period (A+B+C+D+E)	71.386	14.911.847	877.636	1.824.097	56.034.229	78.577	4.720.884
- Maximum credit risk secured by guarantees	-	5.943.783	-	-	-	-	-
A. Net carrying amount of financial assets that are neither past due nor impaired	71.386	14.300.600	877.636	1.824.097	56.034.229	78.577	4.720.884
B. Carrying amount of financial assets whose term has been renegotiated, otherwise past due or impaired	-	-	-	-	-	-	-
C. Net carrying amount of financial assets past due but not impaired	-	593.286	-	-	-	-	-
- Under guarantee	-	150.085	-	-	-	-	-
D. Net carrying amount of financial assets impaired	-	17.961	-	-	-	-	-
- Past due (gross carrying value)	-	662.381	-	-	-	-	-
- Impaired (-)	-	(644.420)	-	-	-	-	-
- Net carrying amount of financial assets under guarantee	-	17.961	-	-	-	-	-
- Not past due (gross carrying value)	-	-	-	-	-	-	-
- Impaired (-)	-	-	-	-	-	-	-
- Net carrying amount of financial assets under guarantee	-	-	-	-	-	-	-
E. Off-balance sheet items which include credit risk	-	-	-	-	-	-	-

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NOTE 32 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Credit Risk (cont'd)

December 31, 2023

	Trade Receivables	**Other Receivables**	**Deposits**
Past due between 1-30 days	**1.023.768**	**-**	**-**
Past due between 1-3 months	**254.837**	**-**	**-**
Past due between 3-12 months	**98.544**	**-**	**-**
Past due for more than 1 year	**225.300**	**-**	**-**

December 31, 2022

	Trade Receivables	Other Receivables	Deposits
Past due between 1-30 days	486.662	-	-
Past due between 1-3 months	31.023	-	-
Past due between 3-12 months	69.300	-	-
Past due for more than 1 year	6.301	-	-

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NOTE 32 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Foreign currency risk

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. Anadolu Efes's foreign currency liability consists of mainly long term liabilities. Accordingly, in the short term foreign currency risk that may arise from fluctuation of foreign currencies are relatively limited. The Group also conducts foreign exchange forward transactions and cross currency swap transactions in order to avoid foreign exchange risk as denoted in Note 33.

December 31, 2023		TRL Equivalent (Functional currency)	Thousand USD	Thousand EUR	Other TRL
1.	Trade receivables	16.277.365	482.070	63.915	4.110
2a.	Monetary financial assets (cash and cash equivalents included)	18.751.794	504.678	90.191	957.098
2b.	Non - monetary financial assets	22.301	582	159	-
3.	Other	604.615	5.274	13.574	7.188
4.	**Current assets (1+2+3)**	**35.656.075**	**992.604**	**167.839**	**968.396**
5.	Trade receivables	-	-	-	-
6a.	Monetary financial assets	-	-	-	-
6b.	Non - monetary financial assets	-	-	-	-
7.	Other	77.102	170	2.211	77
8.	**Non - current assets (5+6+7)**	**77.102**	**170**	**2.211**	**77**
9.	**Total assets (4+8)**	**35.733.177**	**992.774**	**170.050**	**968.473**
10.	Trade payables	13.151.514	227.258	191.298	225.672
11.	Short - term borrowings and current portion of long - term borrowings	8.905.981	184.612	106.469	-
12a.	Monetary other liabilities	721.313	266	21.865	-
12b.	Non - monetary other liabilities	565.598	2.278	15.277	-
13.	**Current liabilities (10+11+12)**	**23.344.406**	**414.414**	**334.909**	**225.672**
14.	Trade payables	218	-	6	14
15.	Long - term borrowings	33.360.204	1.072.443	52.933	-
16a.	Monetary other liabilities	-	-	-	-
16b.	Non - monetary other liabilities	-	-	-	-
17.	**Non - current liabilities (14+15+16)**	**33.360.422**	**1.072.443**	**52.939**	**14**
18.	**Total liabilities (13+17)**	**56.704.828**	**1.486.857**	**387.848**	**225.686**
19.	**Off balance sheet derivative items' net asset/(liability) position (19a-19b)**	**38.022.630**	**1.178.657**	**101.190**	**24.896**
19a.	Total hedged assets	35.784.360	1.178.657	32.600	24.896
19b.	Total hedged liabilities	(2.238.270)	-	(68.590)	-
20.	**Net foreign currency asset/(liability) position (9-18+19)**	**17.050.979**	**684.574**	**(116.608)**	**767.683**
21.	**Monetary items net foreign currency asset/(liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)**	**(21.110.071)**	**(497.831)**	**(218.465)**	**735.522**
22.	**Total fair value of financial instruments used to manage the foreign currency position**	**82.087**	**(258)**	**2.707**	**1.392**

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NOTE 32 - 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	6.221.923	168.093	30.344	46.267
2a.	Monetary financial assets (cash and cash equivalents included)	7.715.512	182.426	58.750	165.224
2b.	Non - monetary financial assets	2.795	-	85	-
3.	Other	142.937	3.313	878	12.037
4.	Current assets (1+2+3)	14.083.167	353.832	90.057	223.528
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)	14.083.167	353.832	90.057	223.528
10.	Trade payables	11.912.298	204.672	152.614	589.142
11.	Financial liabilities	5.789.689	152.432	34.871	-
12a.	Monetary other liabilities	36.632	298	205	20.710
12b.	Non - monetary other liabilities	168.881	2.342	2.940	-
13.	Current liabilities (10+11+12)	17.907.500	359.744	190.630	609.852
14.	Trade payables	198	-	5	18
15.	Long - term borrowings	39.477.308	1.214.889	62.186	-
16a.	Monetary other liabilities	-	-	-	-
16b.	Non - monetary other liabilities	17.868	-	543	-
17.	Non - current liabilities (14+15+16)	39.495.374	1.214.889	62.734	18
18.	Total liabilities (13+17)	57.402.874	1.574.633	253.364	609.870
19.	Off balance sheet derivative items' net asset/(liability) position (19a-19b)	43.445.952	1.313.549	89.867	20.954
19a.	Total hedged assets	41.766.244	1.311.049	41.167	20.954
19b.	Total hedged liabilities	(1.679.708)	(2.500)	(48.700)	-
20.	Net foreign currency asset/(liability) position (9-18+19)	126.245	92.748	(73.440)	(365.388)
21.	Monetary items net foreign currency asset/(liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)	(43.278.690)	(1.221.772)	(160.787)	(398.379)
22.	Total fair value of financial instruments used to manage the foreign currency position	(17.685)	5.295	(5.495)	(774)

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NOTE 32 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)

Financial Risk Management Objectives and Policies (cont’d)

Foreign Currency Risk (cont’d)

Information related to export and import as of December 31, 2023 and 2022 are as follows:

	2023	2022
Total Export Amount	**9.628.413**	9.110.646
Total Import Amount	**54.668.998**	43.841.348

	Foreign currency position sensitivity analysis	
	December 31, 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	(1.449.220)	1.449.220
2- USD denominated hedging instruments(-)	3.476.013	(3.476.013)
3- Net effect in USD (1+2)	**2.026.793**	**(2.026.793)**
Change in the EUR against TRL by 10% +/-:		
4- Eur denominated net asset/liability	(708.455)	708.455
5- Eur denominated hedging instruments(-)	330.209	(330.209)
6- Net effect in Eur (4+5)	**(378.246)**	**378.246**
Change in the other foreign currencies against TRL by 10% +/-:		
7- Other foreign currency denominated net asset/liability	74.279	(74.279)
8- Other foreign currency hedging instruments(-)	-	-
9- Net effect in other foreign currency (7+8)	**74.279**	**(74.279)**
TOTAL (3+6+9)	**1.722.826**	**(1.722.826)**

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NOTE 32 - 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	
	December 31, 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	(2.281.498)	2.281.498
2- USD denominated hedging instruments(-)	2.460.540	(2.460.540)
3- Net effect in USD (1+2)	179.042	(179.042)
Change in the EUR against TRL by 10% +/-:		
4- Eur denominated net asset/liability	(325.228)	325.228
5- Eur denominated hedging instruments(-)	179.472	(179.472)
6- Net effect in Eur (4+5)	(145.756)	145.756
Change in the other foreign currencies against TRL by 10% +/-:		
7- Other foreign currency denominated net asset/liability	(38.634)	38.634
8- Other foreign currency hedging instruments(-)	-	-
9- Net effect in other foreign currency (7+8)	(38.634)	38.634
TOTAL (3+6+9)	(5.348)	5.348

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

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NOTE 32 - 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 the 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 16.369.384 (TRL 12.277.038 - 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 14.721.253 (TRL 11.777.002 - including deferred tax effect)).

Interest Rate Risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing assets and liabilities. The Group manages interest rate risk by using natural hedges that arise from offsetting interest rate of assets and liabilities or derivative financial instruments.

Certain parts of the interest rates related to borrowings are based on market interest rates; therefore, the Group is exposed to interest rate fluctuations on domestic and international markets. The Group's exposure to market risk for changes in interest rates relates primarily to the Group's debt obligations.

The Group manages interest rate risk arising from the interest rate fluctuations on international markets, by using interest rate swap which are given in Note 33.

Interest position table	**December 31, 2023**	December 31, 2022
Financial instruments with fixed interest rate		
Financial assets		
- Time deposits	**51.145.126**	46.690.191
Financial liabilities	**68.505.685**	70.624.058
Financial instruments with floating interest rate		
Financial liabilities	**6.426.700**	9.328.215

At December 31, 2023, if interest rate on the Group's borrowings would have been 100 basis points higher/lower with all other variables held constant, then profit before tax and minority interest for the year ended March 31, 2024 which is the following reporting period, would be:

	Effect on profit before tax	
Interest Increase	**December 31, 2023**	December 31, 2022
1% increase	**(13.889)**	(23.017)

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NOTE 32 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

Liquidity Risk

Liquidity risk arises from the possibility that customers may not be able to settle within the normal terms of trade. To manage this risk, the Group periodically assesses the financial liability of customers. In addition, with the support of the reliable lenders' credit limits, cash inflows and outflows are balanced.

December 31, 2023

Maturities according to agreement	**Book Value**	**Total cash outflow according to agreement (=I+II+III+IV)**	**Less than 3 months (I)**	**3 to 12 months (II)**	**1 to 5 years (III)**	**More than 5 years (IV)**
Non-derivative financial liabilities	**151.565.647**	**167.943.368**	**73.376.146**	**44.415.484**	**32.602.188**	**17.549.550**
Bank borrowings	74.932.385	91.256.301	14.655.932	26.632.131	32.418.882	17.549.356
Trade payable and due to related parties	73.653.343	73.707.148	55.991.137	17.713.879	1.938	194
Put option liability	69.474	69.474	-	69.474	-	-
Employee benefit obligations	2.910.445	2.910.445	2.729.077	-	181.368	-

December 31, 2022

Maturities according to agreement	Book Value	Total cash outflow according to agreement (=I+II+III+IV)	Less than 3 months (I)	3 to 12 months (II)	1 to 5 years (III)	More than 5 years (IV)
Non-derivative financial liabilities	153.209.177	166.293.763	69.597.930	40.441.040	38.979.720	17.275.073
Bank borrowings	79.952.273	93.018.923	12.377.089	24.387.239	38.979.720	17.274.875
Trade payable and due to related parties	70.856.690	70.874.626	54.893.470	15.980.958	-	198
Put option liability	72.843	72.843	-	72.843	-	-
Employee benefit obligations	2.327.371	2.327.371	2.327.371	-	-	-

Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Regarding capital risk management the Group follows net financial debt/equity ratio. Net financial debt is calculated by subtracting cash and cash equivalents and short term financial investments from total financial debt.

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NOTE 33 - FINANCIAL INSTRUMENTS

33.1 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.

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

	December 31, 2023	**Level 1**	**Level 2**	**Level 3**
Derivative financial assets	**300.676**	**-**	**300.676**	**-**
Derivative financial liabilities	**317.573**	**-**	**317.573**	-
Put option liability	**69.474**	**69.474**	**-**	**-**
Long term financial investments	**1.174.412**	**18.459**	**1.155.953**	**-**

	December 31, 2022	Level 1	Level 2	Level 3
Derivative financial assets	78.577	-	78.577	-
Derivative financial liabilities	1.505.814	-	1.505.814	-
Put option liability	72.843	72.843	-	-
Long term financial investments	997.458	4.131	993.327	-

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NOTE 33 - FINANCIAL INSTRUMENTS (cont'd)

33.2 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.

The movement of derivative instruments as of December 31, 2023 and 2022 is as follows:

	December 31, 2023	December 31, 2022
Balance at January 1	**(1.427.237)**	(1.582.449)
Other Comprehensive Income that will be Reclassified to Profit or Loss		
- Cash flow hedge gain/(losses)	**752.209**	133.087
- Currency translations differences	**93.399**	265.005
Valuation differences recognized in consolidated statement of profit or loss	**425.315**	259.897
Realized cash outflows (inflows)	**(272.370)**	(697.922)
Monetary gain/(loss)	**411.787**	195.145
Balance at December 31	**(16.897)**	(1.427.237)

	Beer	**Soft Drinks**	**Other Operations except from Beer and Soft Drinks**	**Total**
2023	**24.276**	**(106.491)**	**65.318**	**(16.897)**
2022	(331.505)	(1.008.085)	(87.647)	(1.427.237)

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NOTE 33 - FINANCIAL INSTRUMENTS (cont’d)

33.2 Derivative Financial Instruments and Hedge Accounting (cont’d)

The details of derivatives instruments for Beer Operations as of December 31, 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:						
Currency forwards:						
- EUR/TRL	1.581.463	EUR 48,6 Million	21.093	Derivative Instruments	-	January - May 2024
- USD/TRL	1.336.494	USD 45,4 Million	(17.351)	Derivative Instruments	-	January - August 2024
Commodity swaps:						
- Aluminium	535.379	7.787 tons	20.534	Derivative Instruments	-	January - December 2024
	3.453.336		**24.276**			
Derivatives held for hedging:						
Net investment hedge:	-	USD 500 Million	(14.745.650)	Borrowings	-	June 2028
Cash flow hedge						
Designated cash						
- USD/TRL	-	USD 35 Million	1.030.337	Cash and Cash Equivalents	-	October - December 2024
- EUR/TRL	-	EUR 1,5 Million	48.861	Cash and Cash Equivalents	-	March - July 2024

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NOTE 33 - FINANCIAL INSTRUMENTS (cont'd)

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

The details of derivatives instruments for Soft Drink Operations as of December 31, 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	1.584.776	22.580 tons	27.530	Derivative Instruments	-	January 2024 - December 2025
- Sugar	1.229.871	89.650 tons	114.696	Derivative Instruments	-	January 2024 - December 2025
Fx forward (hedging exchange rate risk)	1.471.910	USD 50 Million	12.822	Derivative Instruments	-	September 2024
Cross currency participation swaps	4.415.730	USD 150 Million	(261.539)	Derivative Instruments	-	September 2024
	8.702.287		**(106.491)**			
Derivatives held for hedging:						
Net investment hedge	-	USD 650 Million	(19.169.345)	Borrowings	-	January 2029

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NOTE 33 - FINANCIAL INSTRUMENTS (cont'd)

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

The details of derivatives instruments of other operations except from Beer and Soft Drinks as of December 31, 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	9.000	-	713	Derivative Instruments	-	June 2026
Currency forwards:						
- USD/TRL	526.492	USD 17,2 Million	(3.034)	Derivative Instruments	-	January - June 2024
- EUR/TRL	344.387	EUR 32.600 Thousand	13.404	Derivative Instruments	-	March - September 2024
- JPY/TRL	22.138	JPY 120 Million	609	Derivative Instruments	-	January - April 2024
Derivatives held for trading:						
Currency forwards:						
- EUR/TRL	2.234.243	EUR 56.300 Thousand	53.626	Derivative Instruments	-	January - December 2024
	3.136.260		**65.318**			

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NOTE 33 - FINANCIAL INSTRUMENTS (cont'd)

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

The details of derivatives instruments 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	346.023	-	(41.094)	Derivative Instruments	-	October 2023
Currency forwards:						
- USD/TRL	1.110.692	USD 36,1 Million	(44.835)	Derivative Instruments	-	January - June 2023
- EUR/TRL	1.116.810	EUR 34,0 Million	(4.546)	Derivative Instruments	-	January - July 2023
- USD/RUR	2.320.169	USD 75,3 Million	(95.596)	Derivative Instruments	-	January - June 2023
- EUR/RUR	1.334.087	EUR 40,6 Million	(103.975)	Derivative Instruments	-	January - June 2023
Commodity swaps:						
- Aluminium	429.377	5.904 tons	(23.343)	Derivative Instruments	-	January - December 2023
- PET						
Derivatives held for trading:	33.719	1.181 tons	(4.408)	Derivative Instruments	-	January 2023
Currency forwards:						
- USD/RUR	24.123	USD 0,8 Million	(397)	Derivative Instruments	-	January - June 2023
- EUR/RUR	377.215	EUR 11,5 Million	(13.311)	Derivative Instruments	-	January - June 2023
	7.092.215		(331.505)			
Derivatives held for hedging:						
Net investment hedge:	-	USD 500 Million	(15.432.639)	Borrowings	-	June 2028
Cash flow hedge						
Designated cash						
- USD/TRL	-	USD 80,0 Million	2.464.780	Cash and Cash Equivalents	-	August 2023 - December 2024
- EUR/MDL	-	EUR 2,2 Million	72.264	Cash and Cash Equivalents	-	January - June 2023

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NOTE 33 - FINANCIAL INSTRUMENTS (cont'd)

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

The details of derivatives instruments 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	1.991.073	25.000 tons	(141.894)	Derivative Instruments	-	January 2023 - December 2025
- Sugar	1.050.119	70.100 tons	27.883	Derivative Instruments	-	January - December 2023
Cross currency participation swaps	4.621.460	USD 150,0 Million	(894.074)	Derivative Instruments	-	September 2024
	7.662.652		(1.008.085)			
Derivatives held for hedging:						
Net investment hedge	-	USD 770 Million	(23.766.253)	Borrowings	-	January 2029

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NOTE 33 - FINANCIAL INSTRUMENTS (cont'd)

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

The details of derivatives instruments 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	1.359.377	-	(24.241)	Derivative Instruments	-	May -July 2023
Currency forwards:						
- USD/TRL	321.995	USD 10.450 Thousand	(8.267)	Derivative Instruments	-	January - March 2023
- JPY/TRL	21.093	JPY 90 Million	(780)	Derivative Instruments	-	January - February 2023
Derivatives held for trading:						
Currency forwards:		USD 1.500 Thousand		Derivative Instruments	-	January 2023
- USD/TRL	78.685	EUR 48.700 Thousand	(1.215)	Derivative Instruments	-	January- June 2023
- EUR/TRL	1.671.315	JPY 1.307.869 Thousand	(28.384)	Derivative Instruments	-	January - March 2023
- JPY/EUR	304.503		(24.760)			
	3.756.968		(87.647)			
Derivatives held for hedging:						
Cash flow hedge						
Designated cash						
- USD/TRL	-	USD 2,7 Million	81.828	Cash and Cash Equivalents	-	December 2023

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NOTE 34 - DISCLOSURES OF INTERESTS IN OTHER ENTITIES

The summary financial information of Anadolu Efes, the subsidiary of the Group, of which non-controlling interest is at considerable level, is presented below:

	December 31, 2023			
Subsidiary	**Non-controlling interest (%)**	**Profit/loss allocated to non-controlling interest**	**Accumulated non-controlling interest**	**Dividend paid to non-controlling interest**
Anadolu Efes	**56,95**	**12.602.431**	**36.765.623**	**1.082.840**

	December 31, 2022			
Subsidiary	Non-controlling interest (%)	Profit/loss allocated to non-controlling interest	Accumulated non-controlling interest	Dividend paid to non-controlling interest
Anadolu Efes	56,95	8.761.296	36.751.316	1.308.734

Summary financial information for the related subsidiary is presented below:

Summary consolidated statement of financial position:	**Anadolu Efes**	Anadolu Efes
	December 31, 2023	December 31, 2022
Current assets	90.128.134	85.826.237
Non-current assets	175.097.552	182.418.333
Total assets	**265.225.686**	268.244.570
Short-term borrowings	23.868.447	19.673.847
Other current liabilities	54.628.951	49.585.092
Long-term borrowings	36.365.161	42.350.057
Other non-current liabilities	20.485.232	21.910.356
Total liabilities	**135.347.791**	133.519.352
Net assets	**129.877.895**	134.725.218
Attributable to:		
Non-controlling interests	65.320.173	70.192.617
Net assets of the equity holders of the parent	**64.557.722**	64.532.601

Summary consolidated statement of profit or loss:	**Anadolu Efes**	Anadolu Efes
	December 31, 2023	December 31, 2022
Revenue	159.877.208	155.060.052
Net income	33.541.789	23.003.578
Non-controlling interests	11.412.850	7.619.389
Equity holders of the parent	**22.128.939**	15.384.189

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NOTE 34 - DISCLOSURES OF INTERESTS IN OTHER ENTITIES (cont'd)

Summary cash flow:	**Anadolu Efes**	Anadolu Efes
	December 31, 2023	December 31, 2022
Cash flows from operating activities	22.332.110	14.550.131
Cash flows used in investing activities	(10.898.199)	(9.722.625)
Cash flows used in financing activities	(4.872.772)	10.207.352
Effect of currency translation differences	(2.025.467)	(762.883)
Monetary loss on cash and cash equivalents	(2.587.364)	(2.779.727)
Net increase in cash and cash equivalents	**1.948.308**	11.492.248
Cash and cash equivalent at the beginning of the period	39.245.890	27.753.642
Total cash and cash equivalent at the end of the period	**41.194.198**	39.245.890

The summary financial information of Migros, the subsidiary of the Group, of which non-controlling interest is at considerable level, is presented below:

	December 31, 2023			
Subsidiary	**Non-controlling interest (%)**	**Profit/loss allocated to non-controlling interest**	**Accumulated non-controlling interest**	**Dividend paid to non-controlling interest**
Migros	**50,00**	**4.452.698**	**18.012.159**	**331.876**

	December 31, 2022			
Subsidiary	Non-controlling interest (%)	Profit/loss allocated to non-controlling interest	Accumulated non-controlling interest	Dividend paid to non-controlling interest
Migros	50,00	4.569.903	13.717.374	-

Summary financial information for the related subsidiary is presented below:

Summary consolidated statement of financial position:	**Migros**	Migros
	December 31, 2023	December 31, 2022
Current assets	37.875.773	33.624.651
Non-current assets	54.253.708	47.995.547
Total assets	**92.129.481**	81.620.198
Short-term borrowings	2.978.835	4.025.472
Other current liabilities	41.916.704	38.832.442
Long-term borrowings	7.291.143	8.258.833
Other non-current liabilities	3.688.662	2.996.100
Total liabilities	**55.875.344**	54.112.847
Net assets	**36.254.137**	27.507.351
Attributable to:		
Non-controlling interests	229.819	72.604
Net assets of the equity holders of the parent	**36.024.318**	27.434.747

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NOTE 34 - DISCLOSURES OF INTERESTS IN OTHER ENTITIES (cont'd)

Summary consolidated statement of profit or loss:	**Migros**	Migros
	December 31, 2023	December 31, 2022
Revenue	181.674.337	140.480.068
Net profit/(loss)	8.905.395	9.155.534
Non-controlling interests	76.699	15.729
Equity holders of the parent	**8.828.696**	9.139.805

Summary cash flow:	**Migros**	Migros
	December 31, 2023	December 31, 2022
Cash flows from operating activities	13.978.429	13.696.182
Cash flows from investing activities	(5.298.826)	(4.181.281)
Cash flows used in financing activities	(1.980.599)	(2.341.968)
Effect of currency translation differences	25.098	258.325
Monetary loss on cash and cash equivalents	(7.021.296)	(4.610.942)
Net increase in cash and cash equivalents	**(297.194)**	2.820.316
Cash and cash equivalent at the beginning of the period	12.652.044	9.831.728
Total cash and cash equivalent at the end of the period	**12.354.850**	12.652.044

NOTE 35 - 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 the 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 54.786.040 (TRL 1.728.440). As of December 31, 2022 items belonging to Anadolu Restoran were classified as discontinued operations in accordance with TFRS 5 in the consolidated financial statement.

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

	December 31, 2022
Revenue	2.477.314
Cost of Sales (-)	(2.124.459)
General Administrative Expenses (-)	(105.549)
Marketing Expenses (-)	(81.617)
Other Operating Income	42.363
Other Operating Expenses (-)	(66.574)
Income from Investing Activities	787
Expense from Investing Activities	(541)
Financial Income	38.552
Financial Expense (-)	(77.931)
Gains (Losses) on Net Monetary Position	155.382
Profit (Loss) Before Tax from Discontinuing Operations	257.727
Current Period Tax Expense from Discontinuing Operations (-)	-
Deferred Tax Income (Expense) from Discontinuing Operations	(1.644)
Net Profit (Loss) for the Period from Discontinuing Operations	256.083

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NOTE 36 - FEES FOR SERVICES FROM INDEPENDENT AUDIT FIRMS

The fees related to the services from independent audit firms (IAF) received by the Group for the periods January 1 - December 31, 2023 and January 1 - December 31, 2022 are as follows:

	December 31, 2023	December 31, 2022
Audit fee for the reporting period	**40.379**	31.508
Tax consulting fee	**14.549**	16.048
Other assurance services fee	**3.551**	2.561
Other service fee apart from audit	**-**	-
	58.479	50.117

NOTE 37 - EVENTS AFTER THE REPORTING PERIOD

1) The sale transaction of bonds with ISIN code TRFYAZI22513, 364 days term, with two coupon payments and fixed interest rate of 48,00% at maturity date of February 20, 2025, was completed on February 21, 2024. The settlement completed on February 22, 2024. The final issuance amount is realized as TRL 750.000, within the ceiling which was approved by the Capital Markets Board's decision numbered 60/1297 on October 12, 2023.

2) As per the decision numbered 57/1219 dated September 28, 2023, approved by the Capital Markets Board, within the issuance limit, Anadolu Efes the subsidiary of the Group finalized the issuance amount of TRL 1.000.000 for the 364-day maturity, fixed interest rate of 47,75%, semi-annual coupon payment, and redemption date of February 26, 2025, under the ISIN code TRFEFES22518 for the financial bond to be sold to qualified investors domestically without public offering. The sale transaction was completed on February 27, 2024, and the settlement took place on February 28, 2024.

3) Coca-Cola İçecek A.Ş. ("CCI") the subsidiary of the Group, and its wholly owned subsidiary, CCI International Holland B.V. ("CCI Holland"), have signed a share purchase agreement on February 15, 2024, for the acquisition of 100% of the shares of Coca-Cola Bangladesh Beverages Limited ("CCBB"), a subsidiary of The Coca-Cola Company ("TCCC"). The registration of the share transfer was completed as of February 20, 2024. Following the transaction, CCI Holland has become the direct parent company of CCBB. CCBB is one of the two bottling companies in Bangladesh engaged in the production, sale, and distribution of TCCC's carbonated and non-carbonated beverage brands. Under the agreement, CCI the subsidiary of the group will acquire 100% of the shares representing the capital of CCBB for a share value calculated at the enterprise value of USD 130 Million as of the closing date, with an estimated net financial debt deducted. The share value is subject to a price adjustment mechanism, and it will be recalculated upon the finalization of CCBB's net financial debt through a closing audit to be conducted after the closing date. The acquisition is expected to be financed by CCI Holland's existing cash resources and is anticipated to have a minor impact on CCI's net leverage.

Other Information

DECLARATION OF INDEPENDENCE BY INDEPENDENT BOARD MEMBERS

I hereby declare that, with respect to AG Anadolu Grubu Holding A.Ş. (the Company);

- No employment relationship has been established during the last five years between me, my spouse and my relatives by blood or marriage up to second degree and the company, partnerships which the company controls the management of or has material influence over or shareholders who control the management of or have material influence over the company and legal entities which these shareholders control the management of, which has caused me to assume important duties and responsibilities in an executive position nor have I/we individually or jointly held more than 5% of the capital or voting rights or privileged shares in or established a material business relationship with the same,
- I was not a shareholder of (5% and more) nor held an executive position which would cause me to assume important duties and responsibilities or officiated as a board member, during the last five years, in any company from or to which the company purchases or sells a substantial quantity of services or products based on agreements made, during the periods these services or products were sold or purchased including especially those companies which carry out audit (including tax audits, legal audits, internal audits), rating and consultancy services for the company,
- I have the professional education, knowledge and experience necessary to duly carry out the duties which I shall assume due to my position as an independent board member,
- I am not a full time employee with any public entity or organization following my election,
- I am assumed to be a resident in Türkiye in accordance with the Income Tax Law dated 31 December 1960 and numbered 193.
- I have strong ethical standards, professional reputation and experience that shall allow me to contribute positively to the activities of the company, maintain partiality in conflicts of interests between the company and its shareholders and decide freely by taking into account the rights of beneficiaries;
- I am able to dedicate a sufficient amount of time to the affairs of the company in a manner to follow up the conduct of company activities and duly perform the duties I have assumed,
- I did not officiate as a board member at the board of directors of the company for longer than 6 years during the last ten years,
- I am not officiating as an independent board member with more than three of the companies which the company controls or shareholders that control the management of the company control the management and in total more than five of the companies which are traded on the stock exchange and that therefore, I will serve in my position as a member of the Company's Board of Directors as an independent board member,
- I have not been registered and announced as a board member representing the legal entity for which I will be elected.

Tarih: 02.02.2024

İzzet Karaca

Other Information

DECLARATION OF INDEPENDENCE BY INDEPENDENT BOARD MEMBERS

I hereby declare that, with respect to AG Anadolu Grubu Holding A.Ş. (the Company);

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- I have not been registered and announced as a board member representing the legal entity for which I will be elected.

Tarih: 02.02.2024

Hüseyin Faik Açıkalın

DECLARATION OF INDEPENDENCE BY INDEPENDENT BOARD MEMBERS

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- I was not a shareholder of (5% and more) nor held an executive position which would cause me to assume important duties and responsibilities or officiated as a board member, during the last five years, in any company from or to which the company purchases or sells a substantial quantity of services or products based on agreements made, during the periods these services or products were sold or purchased including especially those companies which carry out audit (including tax audits, legal audits, internal audits), rating and consultancy services for the company,

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- I am not a full time employee with any public entity or organization following my election,

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- I am not officiating as an independent board member with more than three of the companies which the company controls or shareholders that control the management of the company control the management and in total more than five of the companies which are traded on the stock exchange and that therefore, I will serve in my position as a member of the Company’s Board of Directors as an independent board member,

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Tarih: 02.02.2024

Bekir Ağırdır

Other Information

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- I have not been registered and announced as a board member representing the legal entity for which I will be elected.

Tarih: 02.02.2024

Ahmet Cemal Dördüncü

LEGAL AND OTHER INFORMATION ABOUT ACTIVITIES

1. Trade Registry Information

Trade Name: AG Anadolu Grubu Holding A.Ş.

Mersis (Central Registration System) No.: 0-9450 0453-3100015

Trade Registry No.: 143399/90907

Date of Incorporation: 30 December 1976

Head Office Address: Fatih Sultan Mehmet Mah. Balkan Cad. No: 58 Buyaka E Blok Tepeüstü Ümraniye/İstanbul

Head Office Contact No.: (216) 578 85 00

Website Address: www.anadolugrubu.com.tr

2. Amendments to the Articles of Association

None.

3. Capital Structure

The Company's paid-in capital is TRL 243,534,518 as at 31 December 2023. Out of the Company's capital, TRL 194,827,614 consists of Group A shares, and TRL 48,706,904 consists of Group B shares. Information about voting rights and privileged shares are presented on pages 8 and 9 of our annual report.

4. Organizational Structure

The organization chart and the resumés of the executives named therein are presented on pages 20 and 31 of our annual report.

5. Information about the Governing Body, Senior Executives and Employees

Information about the Company's Board of Directors is presented on pages 20-24 of the Annual Report.

Remuneration, benefits and similar interests provided to the Board of Directors members and senior executives are provided under the related section of the Corporate Governance Principles Compliance Report and additionally, under note no. 31 of the Consolidated Financial Statements.

Total number of employees as at 31 December 2023 is 71,587 on consolidated basis (31 December 2021: 63,612) and 133 on an unconsolidated basis (31 December 2022: 123).

Other Information

6. Financial Condition

Analysis, summary and key ratios pertaining to the Company's consolidated financial results as at 31 December 2023 are presented on pages 120 to 133 of the Annual Report.

In 2023, the Company booked a dividend income in the amount of TRL 1,509,217,387 on a nominal basis and TRL 1,968,660,789 on an indexed basis from its subsidiaries and associates.

	TRL (Nominal)	TRL (Indexed)
Anadolu Efes Biracılık ve Malt San. A.Ş.	568,086,947	717,275,284
Migros Tic. A.Ş.	232,000,000	331,877,294
Çelik Motor Ticaret A.Ş.	550,000,000	695,956,212
Anadolu Isuzu Otomotiv San. ve Tic. A.Ş.	110,798,570	158,401,235
Anadolu Motor Üretim Pazarlama A.Ş.	22,500,000	32,180,587
Adel Kalemcilik Ticaret ve Sanayi A.Ş.	10,240,679	11,260,120
Oyex Handels GmbH	9,365,269	12,883,784
AEH Sigorta Acenteliği A.Ş.	6,000,000	8,581,490
Ülkü Kırtasiye Ticaret ve Sanayi A.Ş.	213,325	226,774
Coca-Cola İçecek A.Ş.	12,596	18,008
Total	1,509,217,387	1,968,660,789

The Company management predicts that the robust and regular cash flow of the Company's financial structure will allow the Company to cover all of its obligations; the capital did not remain uncovered nor the Company is overindebted. In this framework, the Company's financial structure is sufficiently healthy, and does not require improvement.

The Company's Dividend Policy is presented under the relevant section of the Corporate Governance Principles Compliance Report of the Annual Report.

7. Production and Sales

In 2023, the Company booked TRL 488,517,400 in consultancy income on a nominal basis and TRL 588,700,169 on an indexed basis

8. Research & Development

The Company does not have any R&D activities or investments, nor does it have an R&D policy.

9. Investment Expenses

The Company incurred TRL 242,535 in investment expenses during 2023.

10. Donations

The Company's donations during 2023 amounted to TRL 261,297,911 on a consolidated basis and TRL 25,861 on an unconsolidated basis.

11. Affiliated Company Report

The "Affiliated Company Report" describing our relations with our controlling shareholder that the Company's Board of Directors is obliged to prepare under Article 199 of the Turkish Commercial Code has been approved at the Board of Directors meeting held on 26 March 2024, and its conclusion part is quoted hereinbelow:

"It has been concluded that AG Anadolu Grubu Holding A.Ş. did not engage in any transaction with its controlling shareholders or subsidiaries thereof at the instruction of the controlling company or with the intent to obtain results that would be to the benefit of exclusively to the controlling company or a company affiliated thereto, nor is there any action taken or avoided to the benefit of the controlling company or a company affiliated thereto; also according to the conditions and circumstances known to us, a counter-performance on arm's length was provided in all transactions the Company carried out in 2023 with its controlling shareholder or subsidiaries thereof so as to ensure continuation of the operation in a competitive manner at the market conditions prevailing at the time the transaction was performed. Furthermore, there were no actions taken or avoided to the benefit of the controlling shareholder in AG Anadolu Grubu Holding A.Ş. or subsidiaries thereof that might cause loss to the Company and hence, there are no transactions or actions that would require offsetting."

12. Other Information

This section covers our explanations regarding other matters that are required to be included in the Annual Report pursuant to the TCC other than those listed above.

- At the Company's Ordinary General Assembly, the Board of Directors members were authorized under Articles 395 and 396 of the Turkish Commercial Code no. 6762 with respect to prohibition of doing business and competing with the Company. In the related fiscal year, the Board members did not do business nor did they compete with the Company.
- Information about the Company's direct and indirect subsidiaries and shareholding interests is presented on pages 158-160 of our annual report
- The Company did not repurchase its own shares during the reporting period.
- The Company did not undergo any special audit during the fiscal year.
- Regarding the request for annulment of the resolutions (4), (5), (6), (7), (8) and (12) taken at the General Assembly of AG Anadolu Grubu Holding A.Ş. dated 19 April 2023, Mehmet Okan Yazıcı, one of the shareholders, filed a lawsuit (numbered 2023/451) against AG Anadolu Grubu Holding A.Ş. on 20 June 2023 before the Istanbul Anatolian 5th Commercial Court of First Instance.
- There are no administrative or judicial sanctions imposed against the Company or the Board of Directors members on account of violation of regulatory provisions.
- Information about the Company's internal control and internal audit activities, risk management policy and the Committee for Early Detection of Risks is provided under the related sections within the Corporate Governance Principles Compliance Report of the Annual Report.
- The Company's Ordinary General Assembly convened on 19 April 2023, and all of the resolutions adopted at the meeting have been implemented.
- During the reporting period, no extraordinary General Assembly meeting was held.
- Significant events that took place following the end of the fiscal year are described under note 37 of Consolidated Financial Statements.

Directory

Anadolu Group

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