

**CONVENIENCE TRANSLATION INTO ENGLISH OF
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

**ANADOLU EFES BİRACILIK VE
MALT SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2023**

Convenience Translation into English of Interim Condensed Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2023**

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Convenience Translation into English of Interim Condensed Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

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

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

		Unaudited	Audited
	Notes	September 30, 2023	December 31, 2022
ASSETS			
Cash and Cash Equivalents	5	40.641.045	23.867.233
Financial Investments	6	761.465	760.333
Trade Receivables		20.737.291	7.883.346
- Trade Receivables from Related Parties	25	1.955.959	826.663
- Trade Receivables from Third Parties		18.781.332	7.056.683
Other Receivables	9	368.624	776.052
- Other Receivables from Related Parties	25	210.330	716.531
- Other Receivables from Third Parties		158.294	59.521
Derivative Financial Assets	8	639.906	22.133
Inventories		20.894.600	14.095.834
Prepaid Expenses	17	3.648.399	2.141.356
- Prepaid Expenses to Related Parties		-	100.000
- Prepaid Expenses to Third Parties		3.648.399	2.041.356
Current Tax Assets		311.228	522.268
Other Current Assets	18	1.482.279	1.477.035
- Other Current Assets from Related Parties		79.997	-
- Other Current Assets from Third Parties		1.402.282	1.477.035
Current Assets		89.484.837	51.545.590
Financial Investments		822	822
Trade Receivables		2.348	1.914
- Trade Receivables from Third Parties		2.348	1.914
Other Receivables	9	411.135	131.875
- Other Receivables from Related Parties	25	162.768	25.191
- Other Receivables from Third Parties		248.367	106.684
Derivative Financial Assets	8	77.591	15.229
Assets Due to Investments Accounted for Using Equity Method	10	495	801
Property, Plant and Equipment	12	39.847.446	28.329.449
Right-of-Use Assets	11	1.344.433	781.114
Intangible Assets		57.988.015	48.876.909
- Goodwill	14	9.613.607	9.163.615
- Other Intangible Assets	13	48.374.408	39.713.294
Prepaid Expenses	17	1.729.112	681.802
Deferred Tax Asset	22	4.672.664	2.990.454
Other Non-Current Assets	18	2.933	1.559
Non-Current Assets		106.076.994	81.811.928
TOTAL ASSETS		195.561.831	133.357.518

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

Convenience Translation into English of Interim Condensed Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

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

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

		Unaudited	Audited
	Notes	September 30, 2023	December 31, 2022
LIABILITIES			
Current Borrowings		8.598.687	7.414.991
- Current Borrowings from Third Parties		8.598.687	7.414.991
- Banks Loans	7a	7.403.909	7.414.686
- Lease Liabilities	7b	80	305
- Issued Debt Instruments	7a	1.194.698	-
Current Portion of Non-Current Borrowings		11.517.367	4.455.104
- Current Portion of Non-Current Borrowings from Third Parties		11.517.367	4.455.104
- Banks Loans	7a	1.306.169	780.412
- Lease Liabilities	7b	536.388	275.525
- Issued Debt Instruments	7a	9.674.810	3.399.167
Other Current Financial Liabilities	7c	2.060.038	69.875
Trade Payables		32.832.358	20.032.943
- Trade Payables to Related Parties	25	1.035.120	1.228.626
- Trade Payables to Third Parties		31.797.238	18.804.317
Employee Benefit Obligations		659.711	572.793
Other Payables	9	12.674.270	7.129.761
- Other Payables to Related Parties	25	2.967.764	1.911.900
- Other Payables to Third Parties		9.706.506	5.217.861
Derivative Financial Liabilities	8	420.141	305.065
Deferred Income	17	362.920	394.900
Current Tax Liabilities		1.344.139	274.037
Current Provisions		2.144.848	1.308.370
- Current Provisions for Employee Benefits		1.146.184	598.024
- Other Current Provisions		998.664	710.346
Other Current Liabilities	18	151.291	73.579
Current Liabilities		72.765.770	42.031.418
Non-Current Long-Term Borrowings		32.288.140	25.702.061
- Non-current Borrowings from Third Parties		32.288.140	25.702.061
- Banks Loans	7a	1.800.747	1.054.950
- Lease Liabilities	7b	1.263.371	628.884
- Issued Debt Instruments	7a	29.224.022	24.018.227
Other Non-Current Financial Liabilities	7c	129.290	-
Trade Payables		2.045	120
- Trade Payables to Third Parties		2.045	120
Employee Benefit Obligations		53.468	-
Other Payables	9	11.790	8.219
- Other Payables to Third Parties		11.790	8.219
Liabilities due to Investments Accounted for Using Equity Method	10	-	649.400
Derivative Financial Liabilities	8	-	545.288
Deferred Income	17	34.090	55.957
Non-Current Provision		906.439	869.918
- Non-Current Provision for Employee Benefits		906.439	869.918
Deferred Tax Liabilities	22	8.167.696	6.907.713
Other Non-Current Liabilities	18	1.418	5.579
Non-Current Liabilities		41.594.376	34.744.255
Equity Attributable to Equity Holders of the Parent		38.144.593	25.595.961
Issued Capital	15	592.105	592.105
Inflation Adjustment on Capital	15	63.583	63.583
Share Premium (Discount)		-	-
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		(226.687)	(195.134)
- Revaluation and Remeasurement Gain/Loss		(226.687)	(195.134)
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		21.266.229	15.178.454
- Currency Translation Differences		35.626.454	24.745.810
- Gains (Losses) on Hedge		(14.360.225)	(9.567.356)
Restricted Reserves Appropriated from Profits	15	426.080	374.805
Prior Years' Profits or Losses		8.010.966	6.153.080
Current Period Net Profit or Losses		8.012.317	3.429.068
Non-Controlling Interests		43.057.092	30.985.884
Total Equity		81.201.685	56.581.845
TOTAL LIABILITIES		195.561.831	133.357.518

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

Convenience Translation into English of Interim Condensed Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023**

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

		Unaudited		Unaudited	
	Notes	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
Revenue	4	112.358.548	49.790.434	68.053.082	29.755.166
Cost of Sales (-)		(67.174.645)	(28.815.050)	(42.979.610)	(18.286.128)
GROSS PROFIT (LOSS)		45.183.903	20.975.384	25.073.472	11.469.038
General Administrative Expenses (-)		(6.886.241)	(2.795.975)	(4.026.201)	(1.584.550)
Sales, Distribution and Marketing Expenses (-)		(17.656.654)	(7.501.335)	(10.530.954)	(4.277.080)
Other Income from Operating Activities	19	2.791.604	893.556	3.362.914	1.056.594
Other Expenses from Operating Activities (-)	19	(3.286.606)	(1.134.217)	(3.100.317)	(1.210.362)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	4	20.146.006	10.437.413	10.778.914	5.453.640
Investment Activity Income	20	1.203.094	29.078	268.325	56.737
Investment Activity Expenses (-)	20	(50.927)	(22.913)	(608.900)	(9.151)
Share of Loss from Investments Accounted for Using Equity Method	10	(138.192)	(3.601)	(23.328)	38.980
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)	4	21.159.981	10.439.977	10.415.011	5.540.206
Finance Income	21	8.004.032	2.919.103	4.105.454	1.259.057
Finance Expenses (-)	21	(9.704.227)	(3.467.121)	(6.109.700)	(2.207.511)
PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE TAX	4	19.459.786	9.891.959	8.410.765	4.591.752
Tax (Expense) Income, Continuing Operations	4	(5.854.630)	(2.333.800)	(2.983.700)	(1.423.616)
- Current Period Tax Expense (-)		(4.140.261)	(1.793.265)	(2.293.445)	(890.407)
- Deferred Tax Income (Expense)		(1.714.369)	(540.535)	(690.255)	(533.209)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		13.605.156	7.558.159	5.427.065	3.168.136
PROFIT/(LOSS)		13.605.156	7.558.159	5.427.065	3.168.136
Profit/(Loss) Attributable to		13.605.156	7.558.159	5.427.065	3.168.136
- Non-Controlling Interest		5.592.839	2.826.432	2.051.425	1.086.422
- Owners of Parent		8.012.317	4.731.727	3.375.640	2.081.714
Earnings / (Loss) Per Share (Full TRL)	23	13,5319	7,9914	5,7011	3,5158
Earnings / (Loss) Per Share From Continuing Operations (Full TRL)	23	13,5319	7,9914	5,7011	3,5158

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

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Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023**

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

	Unaudited		Unaudited	
	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
PROFIT/(LOSS)	13.605.156	7.558.159	5.427.065	3.168.136
OTHER COMPREHENSIVE INCOME				
Other Comprehensive Income that will not be Reclassified to Profit or Loss	(62.785)	-	-	-
Gains (Losses) on Remeasurements Defined Benefit Plans	(78.481)	-	-	-
Taxes Relating to Components of Other Comprehensive Income that will not be Reclassified to Other Profit or Loss	15.696	-	-	-
- <i>Deferred Tax Income (Expense)</i>	15.696	-	-	-
Other Comprehensive Income that will be Reclassified to Profit or Loss	11.883.588	(536.903)	17.680.945	1.586.183
Currency Translation Differences	18.855.781	317.390	23.713.567	3.332.669
Currency Translation Differences Reclassified to Profit or Loss	(425.266)	-	-	-
Other Comprehensive Income (Loss) Related with Cash Flow Hedge	1.344.646	125.636	(269.584)	374.250
Other Comprehensive Income (Loss) Related with Hedges of Net Investment in Foreign Operations (Note 26)	(10.257.066)	(1.826.887)	(7.161.773)	(2.666.675)
Taxes Relating to Components of Other Comprehensive Income that will be Reclassified	2.365.493	846.958	1.398.735	545.939
- <i>Deferred Tax Income (Expense)</i>	2.365.493	846.958	<i>1.398.735</i>	<i>545.939</i>
OTHER COMPREHENSIVE INCOME (LOSS)	11.820.803	(536.903)	17.680.945	1.586.183
TOTAL COMPREHENSIVE INCOME (LOSS)	25.425.959	7.021.256	23.108.010	4.754.319
Total Comprehensive Income (Loss) Attributable				
- <i>Non-Controlling Interest</i>	11.357.420	2.300.239	12.807.969	1.995.327
- <i>Owners of Parent</i>	14.068.539	4.721.017	10.300.041	2.758.992

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Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023**

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

					Other Accumulated Comprehensive Income that will not be reclassified in Profit or Loss	Other Accumulated Comprehensive Income that will be reclassified in Profit or Loss			Retained Earnings		Equity Attributable to Equity Holders of the Parent	Non-Controlling Interests	Total Equity
		Issued Capital	Inflation Adjustment on Capital	Share Premium/ (Discount)	Revaluation and Remeasurement Gain/ (Loss) (*)	Currency Translation Differences	Gains (Losses) on Hedge	Restricted Reserves Appropriated from Profits	Prior Years' Profits or (Losses)	Current Period Net Profit or (Loss)			
Previous Period (January 1– September 30, 2022)	Beginning Balances	592.105	63.583	204.017	(54.642)	15.628.030	(5.160.120)	372.939	6.000.867	1.068.303	18.715.082	20.617.411	39.332.493
	Transfers	-	-	-	-	-	-	78.755	989.548	(1.068.303)	-	-	-
	Total Comprehensive Income (Loss)	-	-	-	-	11.346.241	(4.421.840)	-	-	3.375.640	10.300.041	12.807.969	23.108.010
	Profit (Loss)	-	-	-	-	-	-	-	-	3.375.640	3.375.640	2.051.425	5.427.065
	Other Comprehensive Income (Loss)	-	-	-	-	11.346.241	(4.421.840)	-	-	-	6.924.401	10.756.544	17.680.945
	Dividends (Note 24)	-	-	(204.017)	-	-	-	(76.886)	(837.338)	-	(1.118.241)	(299.506)	(1.417.747)
	Transactions with Owners of Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	354.220	354.220
Ending Balances	592.105	63.583	-	(54.642)	26.974.271	(9.581.960)	374.808	6.153.077	3.375.640	27.896.882	33.480.094	61.376.976	
Current Period (January 1– September 30, 2023)	Beginning Balances	592.105	63.583	-	(195.134)	24.745.810	(9.567.356)	374.805	6.153.080	3.429.068	25.595.961	30.985.884	56.581.845
	Transfers	-	-	-	-	-	-	-	3.429.068	(3.429.068)	-	-	-
	Total Comprehensive Income (Loss)	-	-	-	(31.553)	10.880.644	(4.792.869)	-	-	8.012.317	14.068.539	11.357.420	25.425.959
	Profit (Loss)	-	-	-	-	-	-	-	-	8.012.317	8.012.317	5.592.839	13.605.156
	Other Comprehensive Income (Loss)	-	-	-	(31.553)	10.880.644	(4.792.869)	-	-	-	6.056.222	5.764.581	11.820.803
	Dividends (Note 24)	-	-	-	-	-	-	51.275	(1.380.685)	-	(1.329.410)	(408.160)	(1.737.570)
	Addition Through Subsidiary Acquired Achieved in Stages (Note 3)	-	-	-	-	-	-	-	-	-	-	(25.237)	(25.237)
	Transactions with Owners of Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	956.688	956.688
	Increase (decrease) Through Changes in ownership interests in Subsidiaries that do not result in loss of control (Note 3)	-	-	-	-	-	-	-	(190.497)	-	(190.497)	190.497	-
	Ending Balances	592.105	63.583	-	(226.687)	35.626.454	(14.360.225)	426.080	8.010.966	8.012.317	38.144.593	43.057.092	81.201.685

(*) Gains (Losses) on Remeasurements of Defined Benefit Plans.

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

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023**

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

		Unaudited	
	Notes	January 1- September 30, 2023	January 1- September 30, 2022
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		18.885.626	11.451.803
Profit/ (Loss) from Continuing Operation for the Period		13.605.156	5.427.065
Adjustments to Reconcile Profit (Loss)		11.759.526	8.857.316
Adjustments for Depreciation and Amortization Expense	4	3.875.486	2.943.392
Adjustments for Impairment Loss (Reversal)	28	83.235	740.761
Adjustments for Provisions		652.754	247.931
- Adjustments for Provision/(Reversal) for Employee Benefits	28	380.026	208.687
- Adjustments for Other Provisions/(Reversals)		272.728	39.244
Adjustments for Interest (Income) Expenses	28	2.368.230	1.702.537
Adjustments for Foreign Exchange Losses (Gains)		315.386	(444.819)
Adjustments for Fair Value (Gains) Losses	28	(399.579)	851.836
Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method	10	138.192	23.328
Adjustments for Tax (Income) Expenses		5.854.630	2.983.700
Adjustments for Losses (Gains) on Disposal of Non-Current Assets	20	(29.255)	(185.138)
Transfer of Currency Translation Differences Previously Accounted as Other Comprehensive Income	20	(425.266)	-
Other Adjustments to Reconcile Profit (loss)		(674.287)	(6.212)
Change in Working Capital		(3.344.837)	(959.588)
Adjustments for Decrease (Increase) in Accounts Receivables		(12.469.024)	(6.273.675)
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		(2.230.294)	(499.508)
Adjustments for Decrease (Increase) in Inventories		(5.589.283)	(6.999.845)
Adjustments for Increase (Decrease) in Trade Accounts Payable		11.273.564	9.781.699
Adjustments for Increase (Decrease) in Other Operating Payables		5.670.200	3.031.741
Cash Flows from (used in) Operations		22.019.845	13.324.793
Payments Related with Provisions for Employee Benefits		(143.943)	(64.559)
Income Taxes (Paid) Return		(2.990.276)	(1.808.431)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		(6.987.044)	(3.863.290)
Cash Outflows Arising from Purchase of Shares or Capital Increase of Associates and/or Joint Ventures		-	(1.000)
Proceeds from Sales of Property, Plant, Equipment		450.551	363.993
Cash Outflows Arising from Purchase of Property, Plant, Equipment and Intangible Assets	12,13	(6.965.181)	(3.509.973)
Cash (Outflows)/Inflows Related to Purchases for Obtaining Control of Subsidiaries	28	97.196	(243.310)
Advances and Funds Given to Related Parties		(569.610)	(473.000)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		(2.387.070)	5.525.681
Proceeds from Borrowings	7a	16.072.700	17.966.860
Repayments of Borrowings	7a	(18.653.453)	(10.222.523)
Payments of Lease Liabilities	7b	(338.202)	(167.089)
Cash Inflows from Settlement of Derivative Instruments (Trading)		524.056	203.191
Cash Outflows from Settlement of Derivative Instruments (Trading)		(29.610)	(128.596)
Dividend Paid		(1.666.261)	(1.420.688)
Interest Paid	7a	(2.882.755)	(1.517.840)
Interest Received		1.195.658	384.612
Cash Outflows Related to Changes in Share of Subsidiaries that will not Result in Loss of Control	28	-	(78.873)
Other Inflows (Outflows) of Cash	28	3.390.797	506.627
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS BEFORE CURRENCY TRANSLATION DIFFERENCES		9.511.512	13.114.194
Effect of Currency Translation Differences on Cash and Cash Equivalents		7.229.163	3.010.586
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		16.740.675	16.124.780
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	23.818.156	10.253.584
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	40.558.831	26.378.364

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

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

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 1. GROUP’S ORGANIZATION AND NATURE OF ACTIVITIES

General

Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (Anadolu Efes, the Company) was established in İstanbul in 1966. Certain shares of Anadolu Efes are listed on the Borsa İstanbul (BIST).

The registered office of the Company is located at the address “Fatih Sultan Mehmet Mahallesi, Balkan Caddesi No:58, Buyaka E Blok, Tepeüstü, Ümraniye - İstanbul”.

The Company, its subsidiaries and joint ventures will be referred to as the “Group”. The average number of permanent personnel employed in the Group is 18.437 (December 31, 2022 – 18.460).

The interim condensed consolidated financial statements of the Group approved by the Board of Directors of the Company and signed by the Chief Financial Officer, Gökçe Yanaşmayan and Finance Director, Kerem İşeri were issued on November 1, 2023. General Assembly and specified regulatory bodies have the right to make amendments to statutory financial statements after issue.

Nature of Activities of the Group

The operations of the Group consist of production, bottling, selling and distribution of beer under a number of trademarks and also production, bottling, distribution and selling of sparkling and still beverages with The Coca- Cola Company (TCCC) trademark.

The Group owns and operates twenty-one breweries; three in Türkiye, eleven in Russia and seven in other countries (December 31, 2022 - twenty-one breweries; three in Türkiye, eleven in Russia and seven in other countries). The Group makes production of malt in two locations in Türkiye and three locations in Russia (December 31, 2022 – production of malt in two locations in Türkiye and three locations in Russia). Entities carrying out the relevant activities will be referred as “Beer Operations”.

The Group operates thirteen facilities in Türkiye, twenty facilities in other countries for soft drinks production (December 31, 2022 - ten facilities in Türkiye, twenty facilities in other countries). Entities carrying out the relevant activities will be referred as “Soft Drink Operations”.

The Group also has joint control over Syrian Soft Drink Sales & Dist. LLC (SSDSD), which undertakes distribution and sales of sparkling and still beverages in Syria. In addition, the Company participates in Maltı Gıda A.Ş., which produces, distributes, and sells malt bars in Türkiye.

List of Shareholders

As of September 30, 2023, and December 31, 2022, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	September 30, 2023		December 31, 2022	
	Amount	(%)	Amount	(%)
AG Anadolu Grubu Holding A.Ş.	254.892	43,05	254.892	43,05
AB Inbev Harmony Ltd.	142.105	24,00	142.105	24,00
Publicly traded and other	195.108	32,95	195.108	32,95
	592.105	100,00	592.105	100,00

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 Süleyman Kamil Yazıcı Family and the Özlhan Family in accordance with equal representation and equal management principle and manages AG Anadolu Grubu Holding A.Ş.’s subsidiaries.

Convenience Translation into English of Interim Condensed Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

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

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 1. GROUP’S ORGANIZATION AND NATURE OF ACTIVITIES (continued)

List of Subsidiaries, Joint Ventures, and Associates

The subsidiaries, joint ventures and associates included in the consolidation and their effective shareholding rates at September 30, 2023 and December 31, 2022 are as follows:

	Country	Principal Activity	Segment	Effective Shareholding And Voting Rights % September 30, 2023	December 31, 2022
Subsidiaries:					
Efes Breweries International B.V. (EBI)	The Netherlands	Managing foreign investments in breweries	Beer Group	100,00	100,00
JSC FE Efes Kazakhstan Brewery (Efes Kazakhstan)	Kazakhstan	Production and marketing of beer	Beer Group	100,00	100,00
International Beers Trading LLP (IBT)	Kazakhstan	Marketing of beer	Beer Group	100,00	100,00
Efes Vitanta Moldova Brewery S.A. (Efes Moldova)	Moldova	Production and marketing of beer and low alcoholic drinks	Beer Group	96,87	96,87
JSC Lomisi (Efes Georgia)	Georgia	Production and sales of beer and carbonated soft drinks	Beer Group	100,00	100,00
PJSC Efes Ukraine (Efes Ukraine)	Ukraine	Production and marketing of beer	Beer Group	99,94	99,94
Efes Trade BY FLLC (Efes Belarus)	Belarus	Marketing and distribution of beer	Beer Group	100,00	100,00
Efes Holland Technical Management Consultancy B.V. (EHTMC)	The Netherlands	Leasing of intellectual property and similar products	Beer Group	100,00	100,00
AB InBev Efes B.V. (AB InBev Efes)	The Netherlands	Investment company	Beer Group	50,00	50,00
JSC AB Inbev Efes ⁽¹⁾	Russia	Production and marketing of beer	Beer Group	50,00	50,00
PJSC AB Inbev Efes Ukraine ⁽¹⁾	Ukraine	Production and marketing of beer	Beer Group	49,36	49,36
LLC Vostok Solod ⁽²⁾	Russia	Production of malt	Beer Group	50,00	50,00
LLC Bosteels Trade ⁽²⁾	Russia	Selling and distribution of beer	Beer Group	50,00	50,00
LLC Inbev Trade ⁽²⁾	Russia	Production of malt	Beer Group	50,00	50,00
Euro-Asien Brauerein Holding GmbH (Euro-Asien) ⁽¹⁾⁽⁵⁾	Germany	Investment company	Beer Group	50,00	50,00
Bevmar GmbH ⁽¹⁾⁽⁵⁾	Germany	Investment company	Beer Group	50,00	50,00
Efes Pazarlama ve Dağıtım Ticaret A.Ş. (Ef-Pa) ⁽⁴⁾	Türkiye	Marketing and distribution company of the Group in Türkiye	Beer Group	100,00	100,00
Cypex Co. Ltd. (Cypex)	Northern Cyprus	Marketing and distribution of beer	Beer Group	99,99	99,99
Efes Deutschland GmbH (Efes Germany)	Germany	Marketing and distribution of beer	Beer Group	100,00	100,00
Blue Hub Ventures B.V.	The Netherlands	Investment company	Beer Group	100,00	100,00
Efes Brewery S.R.L. (Romania)	Romania	Marketing and distribution of beer	Beer Group	100,00	100,00
Anadolu Etap Penkon Gıda ve Tarım Ürünleri San ve Tic. A.Ş. (Anadolu Etap) ^(Note 3)	Türkiye	Production and sales of fruit juice concentrates and sales of purees and fresh fruit sales	Other	78,58	78,58
Coca-Cola İçecek A.Ş. (CCI) ⁽³⁾	Türkiye	Production of Coca-Cola products	Soft Drinks	50,26	50,26
Coca-Cola Satış ve Dağıtım A.Ş. (CCSD)	Türkiye	Distribution and selling of Coca-Cola, Doğadan and Mahmudiye products	Soft Drinks	50,25	50,25
J.V. Coca-Cola Almaty Bottlers LLP (Almaty CC)	Kazakhstan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
Azerbaijan Coca-Cola Bottlers LLC (Azerbaijan CC)	Azerbaijan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,19	50,19
Coca-Cola Bishkek Bottlers CJSC (Bishkek CC)	Kyrgyzstan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
CCI International Holland B.V. (CCI Holland)	The Netherlands	Investment company of CCI	Soft Drinks	50,26	50,26
The Coca-Cola Bottling Company of Jordan Ltd. (Jordan CC)	Jordan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
Turkmenistan Coca-Cola Bottlers Ltd. (Turkmenistan CC) ⁽⁶⁾	Turkmenistan	Production, distribution and selling of Coca Cola products	Soft Drinks	29,90	29,90
Sardkar for Beverage Industry Ltd. (SBIL)	Iraq	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
Waha Beverages B.V.	The Netherlands	Investment company of CCI	Soft Drinks	50,26	50,26
Coca-Cola Beverages Tajikistan LLC (Coca Cola Tacikistan)	Tajikistan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
Al Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC (Al Waha)	Iraq	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
Coca-Cola Beverages Pakistan Ltd (CCBPL) ⁽⁶⁾	Pakistan	Production, distribution and selling of Coca Cola products	Soft Drinks	24,96	24,96
Coca-Cola Bottlers Uzbekistan Ltd. (CCBU)	Uzbekistan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
Anadolu Etap Penkon Gıda ve İçecek Ürünleri Sanayi ve Ticaret A.Ş. (Note 3)	Türkiye	Production and sales of fruit juice concentrates and sales of purees and fresh fruit sales	Soft Drinks	55,92	78,58
Anadolu Etap Dış Ticaret Anonim Şirketi (Note 3)	Türkiye	Production and sales of purees and fresh fruit sales	Soft Drinks	55,92	78,58
CCI Samarkand Limited LLC (Samarkand) ⁽⁷⁾	Uzbekistan	Production, distribution and selling of Coca Cola products	Soft Drinks	50,26	-
Joint Ventures:					
Syrian Soft Drink Sales & Dist. LLC (SSDSD)	Syria	Distribution and sales of Coca-Cola products	Soft Drinks	25,13	25,13
Associates:					
Malty Gıda A.Ş. (Malty)	Türkiye	Distribution and sales of malt bars	Beer Group	25,00	25,00

(1) Subsidiaries that AB Inbev Efes B.V. directly participates.

(2) Subsidiaries of JSC AB Inbev Efes.

(3) Shares of CCI are currently traded on BIST.

(4) The Company’s beer operations in Türkiye form the Türkiye Beer Operations together with Ef-Pa.

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

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

(7) CCI Samarkand Limited company has been established as of April 18, 2023.

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

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 1. GROUP’S ORGANIZATION AND NATURE OF ACTIVITIES (continued)

Work Environments and Economic Conditions of Subsidiaries and Joint Ventures in Foreign Countries

Certain countries, in which consolidated subsidiaries and joint ventures operate, have undergone substantial political and economic changes in recent years. Accordingly, such markets do not possess well-developed business infrastructures and the Group’s operations in such countries might carry risks, which are not typically associated with those in more developed markets. Uncertainties regarding the political, legal, tax and/or regulatory environment, including the potential for adverse changes in any of these factors, could significantly affect the commercial activities of subsidiaries and joint ventures.

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 September 30, 2023, compared to the end of the year.

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

2.1 Basis of Preparation and Presentation of Interim Condensed Consolidated Financial Statements

Interim condensed 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 Standards (TAS)/Financial Reporting Standards (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 the specified format in “TFRS Taxonomy Announcement”, issued on October 4, 2022 by the Public Oversight Authority (POA), and “the Financial Statements Examples and Guidelines for Use”, published by the CMB of Türkiye.

POA made an announcement on January 20, 2022 in order to eliminate the hesitations about the entities which apply Turkish Financial Reporting Standards (“TFRS”) will apply TAS 29, “Financial Reporting in Hyperinflationary Economies” (TAS 29 Financial Reporting in Hyperinflationary Economies) 2021. In accordance with the announcement, companies that apply TFRS should not adjust financial statements for TAS 29 - Financial Reporting in Hyperinflationary Economies. As of the preparation date of the interim condensed consolidated financial statements, POA did not make an additional announcement and no adjustment was made to the interim condensed consolidated financial statements as of September 30, 2023 in accordance with TAS 29.

The Company and its Turkish subsidiaries and joint ventures maintain their books of accounts and prepare their statutory financial statements in accordance with TFRS, Turkish Commercial Code (“TCC”), tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance. The foreign subsidiaries maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered. These interim condensed consolidated financial statements have been prepared under historical cost conventions except for financial assets and financial liabilities which are carried at fair value. The interim condensed consolidated financial statements are based on the statutory records, which are maintained under historical cost conventions, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with TFRS.

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

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT SEPTEMBER 30, 2023

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 2. BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.1 Basis of Preparation and Presentation of Interim Condensed Consolidated Financial Statements (continued)

Furthermore, in accordance with the Communiqué and announcements regarding the explanations of the Communiqué, guarantee pledge mortgage table, foreign currency position table, total export and total import amounts and hedging amount of total foreign currency liabilities are presented in the interim condensed consolidated financial statement disclosures (Note 16, 26).

The interim condensed consolidated financial statements should be considered together with the audited consolidated financial statements and disclosures as of December 31, 2022. Therefore, the interim condensed consolidated financial results may not necessarily constitute an indicator for the results to be expected for the overall fiscal year.

Soft Drink Operations made an assessment for following their spare parts. As of September 30, 2023, spare parts followed in property, plant, and equipment with a net book value of TRL 450.591 have been transferred to inventories after the assessment. The classification has no effect on previous years' losses and net profit for the relevant period (Note 12).

2.2 Functional and Reporting Currency

Functional and reporting currency of the Company and its subsidiaries, located in Türkiye is Turkish Lira.

Functional Currency of Significant Subsidiaries Located in Foreign Countries

Subsidiary	Local Currency	Functional Currency	
		2023	2022
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
Romania	Romanian leu (RON)	RON	RON
Efes Belarus	Belarusian Ruble (BYR)	BYR	BYR
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
SIBL	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
Tacikistan CC	Tajikistani Somoni (TJS)	TJS	TJS
CCBU	Uzbekistan Som (UZS)	UZS	UZS
Samarkand	Uzbekistan Som (UZS)	UZS	UZS

2.3 Seasonality of Operations

Due to higher beverage consumption during the summer season, the interim condensed consolidated financial results may include the effects of the seasonal variations. Therefore, the results of business operations for the first nine months up to September 30, 2023 may not necessarily constitute an indicator for the results to be expected for the overall fiscal year.

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

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 2. BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.4 Significant Accounting Estimates and Decisions

Preparation of consolidated financial statements requires management to make estimations and assumptions which may affect the reported amounts of assets and liabilities as of the statement of financial position date, the disclosure of contingent assets and liabilities and the reported amounts of income and expenses during the financial period. The accounting assessments, estimates and assumptions are reviewed considering past experiences, other factors, and reasonable expectations about future events under current conditions. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, they may differ from the actual results. There has not been any change in accounting estimates compared to year end.

2.5 Comparative Information and Restatement of Prior Period Financial Statements

The consolidated financial statements of the Group are prepared in comparison with the previous period in order to allow the determination of financial status and performance trends. In order to comply with the presentation of the current period financial statements, comparative information is restated or classified when necessary and significant differences are accordingly disclosed.

Other reclassifications made in the financial statements dated September 30, 2022:

A discount amounting to TRL 18.845 has been reclassified from “Sales, Distribution and Marketing Expenses” to “Revenue” account. The aforementioned classification has no effect on previous years' profits or losses and net profit for the relevant period.

2.6 Changes in Accounting Policies

Adoption of new and revised Turkish Financial Reporting Standards

Standards, amendments, and interpretations applicable as of 30 September 2023:

Narrow scope amendments to TAS 1, Practice statement 2 and TAS 8; effective from annual periods beginning on or after 1 January 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 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.

TFRS 17, ‘Insurance Contracts’; effective from annual periods beginning on or after 1 January 2023. This standard replaces TFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. TFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.

Amendment to TAS 12 - International tax reform - pillar two model rules; The deferred tax exemption and disclosure of the fact that the exception has been applied, is effective immediately. The other disclosure requirements are effective annual periods beginning on or after 1 January 2023. These amendments give companies temporary relief from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development's (OECD) international tax reform. The amendments also introduce targeted disclosure requirements for affected companies.

The Group does not expect a material impact on its financial statements and performance.

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

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 2. BASIS OF PRESENTATION OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.6 Changes in Accounting Policies (continued)

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

Amendment to TAS 1 – Noncurrent liabilities with covenants; effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

Amendment to TFRS 16 – Leases on sale and leaseback; effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

Amendments to TAS 7 and TFRS 7 on Supplier finance arrangements; effective from annual periods beginning on or after 1 January 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 1 January 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.

TFRS S1, ‘General requirements for disclosure of sustainability-related financial information; effective from annual periods beginning on or after 1 January 2024. This is subject to endorsement of the standards by local jurisdictions. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity’s value chain.

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

The Group does not expect a material impact on its financial statements and performance.

NOTE 3. BUSINESS COMBINATIONS

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 Sanayii A.Ş. (Anadolu Efes) and Özgörkey Holding regarding 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 and Anadolu Efes is now able to control Anadolu Etap Tarım on its own.

The transactions related to the determination of the fair values of the identifiable assets, liabilities and contingent liabilities in the financial statement of the company under control have been completed in accordance with the definition of a business combination realized in stages within the scope of “TFRS 3 Business Combinations”. 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 680.076 TRL, arising from the difference between the fair value of these equity share and their carrying amount in the books, has been recognized in the consolidated statement of income under the "Income from Investment Activities" account (Note 20).

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

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 3. BUSINESS COMBINATIONS (continued)

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

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

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

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

As of April 19, 2023, this transaction occurred as transaction under common control between Anadolu Etap, the subsidiary of the Company, in which the Company has a 78,58% share, and CCI, in which it has a 50,26%. As a consequence of this transaction, the Company's effective ownership share in its subsidiary, Anadolu Etap İçecek, decreased from 78.58% to 55,92%. Furthermore, the Company's effective ownership ratio in Anadolu Etap Dış Ticaret A.Ş., in which Anadolu Etap İçecek holds a 100% share, has also declined from 78,58% to 55,92% as a result of this transaction. The impact of change in the effective share ratio resulting from this transaction on the Group's financial statements is presented in the statement of “increase/decrease through changes in ownership interests in subsidiaries that do not result in loss of control” on the statement of changes in equity.

Transactions related to the nine-month period ended on September 30, 2022.

None.

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 4. SEGMENT REPORTING

The management monitors the operating results of its two business units separately for the purpose of making decisions about the resource allocation and performance assessment. The two operating segments are Beer Operations (Beer Group) and Soft Drinks Operations (Soft Drinks).

Segment performance is evaluated based on “EBITDA Before Non-Recurring Items” (EBITDA BNRI) which is calculated excluding profit from discontinued operations and the following effects from profit from continuing operations attributable to our equity holders:

(i) non-controlling interest, (ii) tax (expense)/income, (iii) share of gain/(loss) of investments accounted using equity method, (iv) financial income/(expense), (v) investment activity income/(expense) (vi) foreign exchange gains/(losses) arising from operating activities (vii) depreciation, amortization, and other non- cash items and (viii) non-recurring items associated with Profit/Loss from Operating Activities. Non-recurring items are either income or expenses which do not occur regularly as part of the normal activities of the Group.

EBITDA BNRI is not an accounting measure under TFRS accounting and does not have a standard calculation method however it has been considered as the optimum indicator for the evaluation of the performance of the operating segments by considering the comparability with the entities in the same business.

The Group's segment reporting in accordance with TFRS 8 is disclosed as follows:

	Beer Group	Soft Drinks	Other ⁽¹⁾ and Eliminations	Total
January 1 – September 30, 2023				
Net sales	41.375.944	70.562.640	550.834	112.489.418
Inter-segment sales	-	(1.739)	(129.131)	(130.870)
Revenue	41.375.944	70.560.901	421.703	112.358.548
EBITDA BNRI	9.421.398	15.658.123	(32.527)	25.046.994
Impairment losses	-	(11.997)	-	(11.997)
Reversals of impairment losses	-	29.567	-	29.567
Financial Income / (Expense)	499.091	(2.159.050)	(40.236)	(1.700.195)
Tax Income / (Expense)	(1.410.799)	(4.121.959)	(321.872)	(5.854.630)
Capital expenditures	2.474.506	4.427.796	62.879	6.965.181
	Beer Group	Soft Drinks	Other ⁽¹⁾ and Eliminations	Total
July 1 – September 30, 2023				
Net sales	17.738.915	31.734.435	438.332	49.911.682
Inter-segment sales	-	(675)	(120.573)	(121.248)
Revenue	17.738.915	31.733.760	317.759	49.790.434
EBITDA BNRI	4.695.813	7.686.798	5.179	12.387.790
Impairment losses	-	(1.298)	-	(1.298)
Reversals of impairment losses	-	4.615	-	4.615
Financial Income / (Expense)	217.305	(726.547)	(38.776)	(548.018)
Tax Income / (Expense)	(684.237)	(1.690.930)	41.367	(2.333.800)
Capital expenditures	1.052.261	1.825.517	39.803	2.917.581

(1) Presents group consolidation adjustments and the financial statement of Anadolu Etap.

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NOTE 4. SEGMENT REPORTING (continued)

	Beer Group	Soft Drinks	Other ⁽¹⁾ and Eliminations	Total
January 1 – September 30, 2022				
Net sales	27.282.388	40.771.530	-	68.053.918
Inter-segment sales	-	(836)	-	(836)
Revenue	27.282.388	40.770.694	-	68.053.082
EBITDA BNRI	5.372.790	8.548.352	3.918	13.925.060
Impairment losses	(591.866)	(2.593)	-	(594.459)
Reversals of impairment losses	30.622	38.124	-	68.746
Financial Income / (Expense)	(1.115.691)	(888.555)	-	(2.004.246)
Tax Income / (Expense)	(644.982)	(2.346.581)	7.863	(2.983.700)
Capital expenditures	1.037.128	2.472.940	(95)	3.509.973

	Beer Group	Soft Drinks	Other ⁽¹⁾ and Eliminations	Total
July 1 – September 30, 2022				
Net sales	12.342.985	17.412.582	-	29.755.567
Inter-segment sales	-	(401)	-	(401)
Revenue	12.342.985	17.412.181	-	29.755.166
EBITDA BNRI	2.930.422	3.785.169	48	6.715.639
Impairment losses	172	(1.439)	-	(1.267)
Reversals of impairment losses	30.621	3.026	-	33.647
Financial Income / (Expense)	(593.924)	(354.530)	-	(948.454)
Tax Income / (Expense)	(449.297)	(975.361)	1.042	(1.423.616)
Capital expenditures	387.938	710.267	(36)	1.098.169

(1) Presents group includes adjustments within the scope of consolidations.

As of September 30, 2023, the portion of Türkiye geographical area in the consolidated net revenue and total assets is 35% and 25% respectively (September 30, 2022- 29% and 23% respectively).

As of September 30, 2023, the portion of Russia and Ukraine geographical area in the consolidated net revenue and total assets is 22% and 30% respectively (September 30, 2022- 27% and 40% respectively).

As of September 30, 2023, the portion of Kazakhstan geographical area in the consolidated net revenue and total assets is 14% and 12% respectively (September 30, 2022- 13% and 10% respectively).

As of September 30, 2023, the portion of Pakistan geographical area in the consolidated net revenue and total assets is 8% and 5% respectively (September 30, 2022- 11% and 5% respectively).

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NOTE 4. SEGMENT REPORTING (continued)

	Beer Group	Soft Drinks	Other ⁽¹⁾ and Eliminations	Total
September 30, 2023				
Segment assets	81.531.604	96.042.821	17.987.406	195.561.831
Segment liabilities	54.643.245	58.233.995	1.482.906	114.360.146
Investments Accounted for Using Equity Method	495	-	-	495
December 31, 2022				
Segment assets	62.094.200	58.716.877	12.546.441	133.357.518
Segment liabilities	39.727.995	35.920.480	1.127.198	76.775.673
Investments Accounted for Using Equity Method	(648.599)	-	-	(648.599)

(1) Presents group consolidation adjustments and the financial statement of Anadolu Etap.

Reconciliation of EBITDA BNRI to the consolidated Profit/Loss from Continuing Operations and its components as of September 30, 2023 and 2022 are as follows:

	1 January- September 30, 2023	1 July- September 30, 2023	1 January- September 30, 2022	1 July- September 30, 2022
EBITDA BNRI	25.046.994	12.387.790	13.925.060	6.715.639
Depreciation and amortization expenses	(3.875.486)	(1.512.168)	(2.943.392)	(1.054.521)
Provision for retirement pay liability	(149.971)	(30.943)	(97.190)	(17.149)
Provision for vacation pay liability	(143.978)	(23.499)	(67.056)	(1.301)
Foreign exchange gain/loss from operating activities	(616.932)	(301.350)	334.611	(223.761)
Rediscount income/expense from operating activities	(2.160)	(151)	58	4.099
Non-recurring items	(58.512)	(58.512)	(347.872)	43.988
Other	(53.949)	(23.754)	(25.305)	(13.354)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	20.146.006	10.437.413	10.778.914	5.453.640
Investment Activity Income	1.203.094	29.078	268.325	56.737
Investment Activity Expenses (-)	(50.927)	(22.913)	(608.900)	(9.151)
Share of Loss from Investments Accounted for Using Equity Method	(138.192)	(3.601)	(23.328)	38.980
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)	21.159.981	10.439.977	10.415.011	5.540.206
Finance Income	8.004.032	2.919.103	4.105.454	1.259.057
Finance Expenses (-)	(9.704.227)	(3.467.121)	(6.109.700)	(2.207.511)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	19.459.786	9.891.959	8.410.765	4.591.752

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NOTE 5. CASH AND CASH EQUIVALENTS

	September 30, 2023	December 31, 2022
Cash on hand	79.970	16.572
Bank accounts		
- Time deposits	32.300.724	19.405.277
- Demand deposits	7.967.915	4.364.714
Other	210.222	31.593
Cash and cash equivalents in cash flow statement	40.558.831	23.818.156
Expected credit loss (-)	(266)	(1.837)
Interest income accrual	82.480	50.914
	40.641.045	23.867.233

As of September 30, 2023, annual interest rate of the TRL denominated time deposit is between 18,00% and 42,00% and have maturity 2 days (December 31, 2022 - 10,00% - 28,00%; maturity between 2-23 days). Annual interest rates of the US Dollars (USD) and, Euro (EUR), and other currency denominated time deposits vary between 0,25% and 19,50% and have maturity between 1-106 days (December 31, 2022– annual interest rates of the US Dollars (USD) and, Euro (EUR), and other currency time deposits vary between 0,30% - 15,25%; maturity between 1-58 days).

As of September 30, 2023, other items contains credit card receivables amounting to TRL 198.580 (December 31, 2022 – TRL 31.593).

As of September 30, 2023, the Group has designated its bank deposits amounting to TRL 1.775.379, equivalent of USD 64.850 thousand for the future raw material purchases, operational and interest expense related payments. (December 31, 2022 – TRL 1.539.721, equivalent of USD 80.000 thousand, EUR 2.200 thousand).

NOTE 6. FINANCIAL INVESTMENTS

	September 30, 2023	December 31, 2022
Currency linked deposits	696.443	542.320
Time deposits with maturity more than three months	353	85.712
Restricted cash (*)	64.669	132.301
	761.465	760.333

(*) The restricted bank balance is the blocked amount in the bank for collateral of letters of credit in Uzbekistan and Pakistan.

As of September 30, 2023, time deposits with maturities over 3 months are composed of USD with 271 days' remaining maturity and have 2,25% interest rate for USD (As of December 31, 2022, time deposits with maturities over 3 months are composed of USD and UZS with 174 and 305 day's remaining maturity and have 2,25% interest rate for USD and 8,00% for UZS).

The interest rate of currency linked deposit is 15,00% and 25,00%. (December 31, 2022 – 12,00% and 17,00%).

NOTE 7. BORROWINGS

a) Bank Loans, issued debt instruments and other borrowings

	September 30, 2023	December 31, 2022
Current Bank Loans (Third Parties)	7.403.909	7.414.686
Current Issued Debt Instruments (Third Parties)	1.194.698	-
Current Portion of Bank Loans (Third Parties)	1.306.169	780.412
Current Portion of Issued Debt Instruments (Third Parties)	9.674.810	3.399.167
Non-current Bank Loans (Third Parties)	1.800.747	1.054.950
Non-current Issued Debt Instruments (Third Parties)	29.224.022	24.018.227
	50.604.355	36.667.442

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NOTE 7. BORROWINGS (continued)

b) Bank Loans, issued debt instruments and other borrowings

As of September 30, 2023, total borrowings consist of principal (lease obligations included) amounting to TRL 49.165.012 (December 31, 2022 – TRL 35.798.006) and interest expense accrual amounting to TRL 1.439.343 (December 31, 2022 – TRL 869.436). As of September 30, 2023, and December 31, 2022, total amount of borrowings and the effective interest rates are as follows:

	September 30, 2023			December 31, 2022		
	Amount	Weighted average fixed rate	Weighted average floating rate	Amount	Weighted average fixed rate	Weighted average floating rate
Current Borrowings						
Current Borrowings	6.119.549	31,55%	TL REF +5,50%	5.841.054	22,07%	TRL REF +5,50%
Foreign currency denominated borrowings (USD)	1.267	3,00%	-	865	3,00%	-
Foreign currency denominated borrowings (EUR)	1.174.558	7,25%	-	-	-	-
Foreign currency denominated borrowings (Other)	1.303.233	17,88%	Kibor+0,04%	1.572.767	21,55%	Kibor +%0,15%
	8.598.607			7.414.686		
Current Portion of Non-current Borrowings						
TRL denominated borrowings	2.550.883	32,78%	-	943.789	32,33%	-
Foreign currency denominated borrowings (USD)	7.236.297	4,24%	Libor +2,50%	2.466.596	4,49%	Libor +2,50%
Foreign currency denominated borrowings (EUR)	1.092.411	-	Euribor +2,13%	468.428	-	Euribor +2,08%
Foreign currency denominated borrowings (Other)	101.388	14,28%	-	300.766	15,00%	-
	10.980.979			4.179.579		
Total	19.579.586			11.594.265		
Non-current Borrowings						
TRL denominated borrowings	4.935.675	26,23%	-	2.675.090	20,44%	-
Foreign currency denominated borrowings (USD)	24.476.768	3,94%	-	21.365.575	4,00%	Libor +2,50%
Foreign currency denominated borrowings (EUR)	1.276.995	-	Euribor +1,73%	1.032.512	-	Euribor +2,40%
Other	335.331	13,27%	-	-	-	-
Total	31.024.769			25.073.177		
Grand Total	50.604.355			36.667.442		

As of September 30, 2023, the Group has fulfilled its financial commitments arising from its borrowings.

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NOTE 7. BORROWINGS (continued)

a) Bank loans, issued debt instruments and other borrowings (continued)

Maturity of non-current borrowings are scheduled as follows:

	September 30, 2023	December 31, 2022
Between 1-2 years	809.419	6.092.834
Between 2-3 years	2.610.135	186.769
Between 3-4 years	282.804	186.769
Between 4-5 years	13.754.616	93.385
5 years and more	13.567.795	18.513.420
	31.024.769	25.073.177

The movement of borrowings as of September 30, 2023 and 2022 is as follows:

	2023	2022
Balance at January 1	36.667.442	20.742.397
Addition through subsidiary acquired	2.698.591	-
Proceeds from Borrowings	16.072.700	17.966.860
Repayments of Borrowings (-)	(18.653.453)	(10.222.523)
Interest and Borrowing Expense (Note 21)	3.416.895	2.033.145
Interest Paid (-)	(2.882.755)	(1.517.840)
Foreign exchange (gain)/loss	12.274.026	8.268.335
Currency Translation Differences	1.010.909	428.040
Balance at September 30	50.604.355	37.698.414

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NOTE 7. BORROWINGS (continued)

b) Lease Liabilities

	September 30, 2023	December 31, 2022
Current Lease Liabilities (Third Parties)	80	305
Current Portion of Lease Liabilities (Third Parties)	536.388	275.525
Non-current Lease Liabilities (Third Parties)	1.263.371	628.884
	1.799.839	904.714

The movement of lease liabilities as of September 30, 2023 and 2022 is as follows:

	2023	2022
Balance at January 1	904.714	503.933
Additions	211.859	118.907
Repayments (-)	(338.202)	(167.089)
Disposals (-)	(4.269)	(444)
Interest expense (Note 21)	164.802	52.442
Amendments to leasing	382.095	67.986
Foreign exchange (gain)/loss	25.405	(7.699)
Addition through subsidiary acquired	355.255	-
Currency translation differences	98.180	148.074
Balance at September 30	1.799.839	716.110

c) Other Financial Liabilities

	September 30, 2023	December 31, 2022
Current Credit Card Payables	2.060.038	69.875
Non-current Credit Card Payables	129.290	-
	2.189.328	69.875

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NOTE 8. DERIVATIVE INSTRUMENTS

The details of derivatives instruments for Beer Operations as of September 30, 2023 is as follows:

	Nominal Value	Contract Amounts or Quantities	Carrying Amount Asset/(Liability)	Account in the Statement of the Financial Position	Hedge Ineffectiveness Recognized in Profit or Loss	Maturity
Derivatives held for hedging:						
Cash flow hedge						
Interest swap	210.000	-	(3.450)	Derivative Instruments	-	October 2023
Currency forwards:						
-EUR/TRL	609.060	21,0 million EURO	(24.673)	Derivative Instruments	-	December 2023 – February 2024
-USD/RUR	1.272.750	46,5 million USD	326.608	Derivative Instruments	-	October – December 2023
-EUR/RUR	513.318	17,7 million EURO	126.371	Derivative Instruments	-	October – December 2023
Commodity swaps:						
- Aluminium	540.118	8.550 ton	(167)	Derivative Instruments	-	October 2023 – December 2024
Derivatives not held for hedging:						
Currency forwards:						
-USD/RUR	97.328	3,6 million USD	25.965	Derivative Instruments	-	October – December 2023
-EUR/RUR	234.521	8,1 million EURO	56.935	Derivative Instruments	-	October – December 2023
-USD/TRL	229.643	7,0 million USD	(3.307)	Derivative Instruments	-	January – June 2024
	3.706.738		504.282			
Derivatives held for hedging:						
Net investment hedge	-	500 million USD	(13.713.000)	Borrowings	-	June 2028
Cash flow hedge						
Designated cash						
- USD/TRL	-	64,9 million USD	1.775.379	Cash and Cash Equivalents	-	October 2023 - December 2024

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NOTE 8. DERIVATIVE INSTRUMENTS (continued)

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

	Nominal Value	Contract Amounts or Quantities	Carrying Amount Asset/(Liability)	Account in the Statement of the Financial Position	Hedge Ineffectiveness Recognized in Profit or Loss	Maturity
Derivatives held for hedging:						
Cash flow hedge						
Commodity swaps:						
- Aluminium	1.694.831	25.239 ton	(51.371)	Derivative Instruments	-	October 2023 - December 2025
- Sugar	507.526	70.850 ton	199.786	Derivative Instruments	-	October 2023 - December 2025
Cross currency participation swaps	4.106.505	USD 150 million	(355.343)	Derivative Instruments	-	September 2024
	6.308.862		(206.928)			
Derivatives held for hedging:						
Net investment hedge	-	USD 650 million	(17.826.900)	Borrowings	-	January 2029

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NOTE 8. DERIVATIVE INSTRUMENTS (continued)

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	210.000	-	(24.940)	Derivative Instruments	-	October 2023
Currency forwards:						
-USD/TRL	674.074	USD 36,1 million	(27.210)	Derivative Instruments	-	January – June 2023
-EUR/TRL	677.787	EUR 34,0 million	(2.759)	Derivative Instruments	-	January - July 2023
-USD/RUR	1.408.100	USD 75,3 million	(58.017)	Derivative Instruments	-	January – June 2023
-EUR/RUR	809.651	EUR 40,6 million	(63.102)	Derivative Instruments	-	January – June 2023
Commodity swaps:						
- Aluminium	260.587	5.904 tons	(14.167)	Derivative Instruments	-	January - December 2023
- PET	20.464	1.181 ton	(2.675)	Derivative Instruments	-	January 2023
Derivatives not held for hedging:						
Currency forwards:						
-USD/RUR	14.640	USD 0,8 million	(241)	Derivative Instruments	-	January - June 2023
-EUR/RUR	228.931	EUR 11,5 million	(8.078)	Derivative Instruments	-	January - June 2023
	4.304.234		(201.189)			
Derivatives held for hedging:						
Net investment hedge	-	USD 500 million	(9.366.000)	Borrowings	-	June 2028
Cash flow hedge						
Designated cash						
- USD/TRL	-	USD 80,0 million	1.495.864	Cash and Cash Equivalents	-	August 2023 - December 2024
- EUR/MDL	-	EUR 2,2 million	43.857	Cash and Cash Equivalents	-	January - June 2023

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NOTE 8. DERIVATIVE INSTRUMENTS (continued)

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	1.208.373	25.000 tons	(86.115)	Derivative Instruments	-	January 2023 - December 2025
- Sugar	637.313	70.100 tons	16.922	Derivative Instruments	-	January - December 2023
Cross currency participation swaps	2.804.745	USD 150 million	(542.609)	Derivative Instruments	-	September 2024
	4.650.431		(611.802)			
Derivatives held for hedging:						
Net investment hedge	-	USD 770 million	(14.423.640)	Borrowings	-	January 2029

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NOTE 9. OTHER RECEIVABLES AND PAYABLES

a) Other Current Receivables

	September 30, 2023	December 31, 2022
Sublease receivables from related parties ⁽¹⁾ (Note 25)	135.455	34.357
Due from personnel	85.672	36.209
Receivables from related parties (Note 25)	74.875	682.174
Receivables from government institution	8.973	736
Deposits and guarantees given	7.416	4.331
Other	56.233	18.245
	368.624	776.052

b) Other Non-Current Receivables

	September 30, 2023	December 31, 2022
Sublease receivables from related party (Note 25) ⁽¹⁾	162.768	25.191
Receivables from government institution	157.681	29.382
Deposits and guarantees given	90.686	77.302
	411.135	131.875

(1) Subleases from related parties has been recorded according to TFRS 16 which are related with the management building and leased on behalf of the parent company AG Anadolu Group A.Ş. and the subsidiaries.

c) Other Current Payables

	September 30, 2023	December 31, 2022
Taxes other than income taxes	7.002.990	3.694.753
Other current payables to related parties (Note 25)	2.967.764	1.911.900
Deposits and guarantees taken	2.396.974	1.370.784
Dividends payable	288.089	137.571
Other	18.453	14.753
	12.674.270	7.129.761

d) Other Non-Current Payables

	September 30, 2023	December 31, 2022
Deposits and guarantees taken	11.790	8.219
	11.790	8.219

NOTE 10. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	September 30, 2023		December 31, 2022	
	Ownership	Carrying Value	Ownership	Carrying Value
Anadolu Etap	-	-	78,58%	(649.400)
SSDSD ⁽¹⁾	25,13%	-	25,13%	-
Malty Gıda A.Ş.	25,00%	495	25,00%	801
		495		(648.599)

The movement of investments accounted for using equity method as of September 30, 2023 and 2022 are as follows:

	2023	2022
Balance at January 1	(648.599)	(508.945)
Gain/(loss) from equity method investment	(138.192)	(23.328)
Share acquisition	-	1.000
Disposal from acquisition achieved in stages (Note 3)	772.694	-
Other	14.592	2.928
Balance at September 30	495	(528.345)

(1) SSDSD, which has been accounted by using equity method in CCI financial statements, is accounted as investment in associates in Group's financial statements.

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NOTE 11. RIGHT-OF-USE ASSETS

For the nine-month periods ended September 30, 2023 and 2022, movement on right use of asset are as follows:

Current year	Net Book Value January 1, 2023	Additions	Amendments to Leasing	Disposals, net	Amortization	Addition through subsidiary acquired	Currency translation differences, net	Net Book Value September 30, 2023
Land	117.413	26.342	11.909	(1.643)	(13.166)	320.559	35.323	496.737
Buildings	254.599	90.851	129.152	(942)	(64.458)	2.004	40.668	451.874
Machinery and equipment	30.437	1.875	6.415	-	(9.149)	-	(4.390)	25.188
Vehicles	382.550	92.791	246	(18.217)	(138.239)	10.324	40.995	370.450
Other	(3.885)	-	429	-	(311)	-	3.951	184
	781.114	211.859	148.151	(20.802)	(225.323)	332.887	116.547	1.344.433

Previous year	Net Book Value January 1, 2022	Additions	Amendments to Leasing	Disposals, net	Amortization	Addition through subsidiary acquired	Currency translation differences, net	Net Book Value September 30, 2022
Land	68.747	-	14.372	-	(4.950)	-	27.509	105.678
Buildings	269.748	10.617	29.059	(414)	(46.028)	-	76.324	339.306
Machinery and equipment	18.550	1.149	348	(162)	(9.566)	-	8.068	18.387
Vehicles	72.545	107.141	24.183	(2.620)	(65.070)	-	25.861	162.040
Other	1.613	-	-	-	(1.095)	-	957	1.475
	431.203	118.907	67.962	(3.196)	(126.709)	-	138.719	626.886

Interest income from sub-leases is TRL 15.685 (2022: TRL 7.259) (Note 25).

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 12. PROPERTY, PLANT AND EQUIPMENT

For the nine-month periods ended September 30, 2023 and 2022, movement on property, plant and equipment are as follows:

Current year	Net Book Value January 1, 2023	Additions	Depreciation	Disposals, net	Addition through subsidiary acquired	Currency translation differences, net	Impairment / (Impairment reversal), net	Transfers, net ^(**)	Net Book Value September 30, 2023
Land and land improvements	1.306.469	37.985	(30.026)	(123)	443.713	592.713	-	17.882	2.368.613
Buildings	7.379.864	45.767	(312.538)	(5.004)	408.707	2.792.099	-	220.214	10.529.109
Machinery and equipment	11.443.193	688.834	(1.542.457)	(60.542)	610.345	2.625.645	26.003	680.045	14.471.066
Vehicles	293.281	140.154	(77.662)	(3.377)	2.500	72.468	-	19.183	446.547
Other tangibles (*)	5.713.529	2.346.322	(1.463.101)	(349.234)	61.866	1.242.959	(8.433)	705.723	8.249.631
Biological assets	-	39.237	(31.361)	(766)	279.786	-	-	-	286.896
Leasehold improvements	4.466	-	(1.057)	-	543	-	-	227	4.179
Construction in progress	2.188.647	3.314.884	-	(1.626)	19.948	62.324	-	(2.092.772)	3.491.405
	28.329.449	6.613.183	(3.458.202)	(420.672)	1.827.408	7.388.208	17.570	(449.498)	39.847.446

Previous year	Net Book Value January 1, 2022	Additions	Depreciation	Disposals, net	Addition through subsidiary acquired	Currency translation differences, net	Impairment / (Impairment reversal), net	Transfers, net	Net Book Value September 30, 2022
Land and land improvements	1.057.728	20.019	(25.730)	(37.326)	-	334.661	-	(7.083)	1.342.269
Buildings	5.366.396	67.276	(234.745)	(12.561)	-	2.254.646	(43.297)	415.171	7.812.886
Machinery and equipment	8.983.599	399.939	(1.302.236)	(15.794)	-	3.401.700	4.637	621.866	12.093.711
Vehicles	218.843	38.537	(54.096)	(742)	-	94.031	4	10.244	306.821
Other tangibles (*)	4.178.633	1.161.812	(1.121.134)	(110.834)	-	880.670	(17.956)	662.080	5.633.271
Biological assets	-	-	-	-	-	-	-	-	-
Leasehold improvements	4.661	35	(1.737)	-	-	667	-	342	3.968
Construction in progress	1.487.277	1.584.405	-	(1.594)	-	553.376	(3.188)	(1.741.934)	1.878.342
	21.297.137	3.272.023	(2.739.678)	(178.851)	-	7.519.751	(59.800)	(39.314)	29.071.268

(*) Other tangibles consist of coolers, returnable containers, and their complementary assets.

(**) Spare parts with a net book value of TRL 450.591 as of September 30, 2023 have been transferred to inventories.

As of September 30, 2023, there is a pledge on property, plant, and equipment of TRL 82.902 (December 31, 2022– TRL 56.662) for loans of Soft Drink Operations. This amount is disclosed in Commitments and Contingencies note under guarantees, pledges, and mortgages (GPMs) table (Note 16).

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NOTE 13. OTHER INTANGIBLE ASSETS

For the nine-month periods ended September 30, 2023 and 2022, movement on other intangible assets are as follows:

Current year	Net Book Value January 1, 2023	Additions	Amortization	Disposals, net	Addition through subsidiary acquired	Currency translation differences, net	Impairment / (Impairment reversal), net	Transfers, net	Net Book Value September 30, 2023
Bottling contracts	22.240.827	-	-	-	-	7.323.343	-	-	29.564.170
Licence agreements	14.491.324	-	-	-	-	828.326	-	-	15.319.650
Brands	2.090.386	-	-	-	-	252.858	-	-	2.343.244
Rights	246.875	345	(98.332)	-	2.471	10.287	-	74.180	235.826
Construction in progress	129.728	138.464	-	-	-	-	-	(18.766)	249.426
Other intangible assets	514.154	213.189	(70.274)	(624)	22.980	50.076	-	(67.409)	662.092
	39.713.294	351.998	(168.606)	(624)	25.451	8.464.890	-	(11.995)	48.374.408

Previous year	Net Book Value January 1, 2022	Additions	Amortization	Disposals, net	Addition through subsidiary acquired	Currency translation differences, net	Impairment / (Impairment reversal), net	Transfers, net	Net Book Value September 30, 2022
Bottling contracts	18.026.563	-	-	-	-	3.838.454	-	-	21.865.017
Licence agreements	10.218.168	-	-	-	-	7.813.325	(448.560)	-	17.582.933
Brands	1.410.991	-	-	-	-	1.057.259	(17.353)	-	2.450.897
Rights	153.931	563	(64.598)	-	-	72.278	-	65.364	227.538
Construction in progress	61.080	51.595	-	-	-	-	-	(6.166)	106.509
Other intangible assets	291.393	185.792	(46.115)	(4)	-	66.904	-	(21.288)	476.682
	30.162.126	237.950	(110.713)	(4)	-	12.848.220	(465.913)	37.910	42.709.576

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NOTE 14. GOODWILL

For the nine-month period ended September 30, 2023 and 2022, movements of the goodwill during the period are as follows:

	2023	2022
At January 1	9.163.615	6.506.587
Currency translation differences	449.992	4.362.310
At September 30	9.613.607	10.868.897

NOTE 15. CAPITAL RESERVES AND OTHER EQUITY ITEMS

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 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 resolution of CMB). The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's issued capital (inflation-restated capital in accordance with CMB). The legal reserves are not available for distribution unless they exceed 50% of the issued capital, other than that legal reserves cannot be used.

Quoted companies distribute dividend according to the Communiqué No: II-19,1 which is effective from February 1, 2014 of the CMB.

Companies distribute dividend within the framework of the profit distribution policies determined by the general assemblies and in accordance with the related legislation by the decision of the general assembly. Within the scope of the communiqué, a minimum distribution ratio has not been determined. Companies pay dividends as specified in articles of incorporation and in profit distribution policies.

Inflation adjustment to shareholders' equity and carrying amount of extraordinary reserves can only be netted-off against prior years' losses and used as an internal source for capital increase. However, when inflation adjustment to shareholders' equity is used for cash dividend distribution, it is subject to income tax.

For September 30, 2023 and December 31, 2022, nominal amounts, equity restatement differences and restated value of equity are as follows:

	September 30, 2023			December 31, 2022		
	Nominal Amount	Inflation Adjustment on Capital	Restated Amount	Nominal Amount	Inflation Adjustment on Capital	Restated Amount
Issued capital	592.105	63.583	655.688	592.105	63.583	655.688
Legal reserves	426.080	74.729	500.809	374.805	74.729	449.534
Extraordinary reserves	876	10.362	11.238	1.381.559	10.362	1.391.921

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NOTE 16. COMMITMENTS AND CONTINGENCIES

Parent Company (Anadolu Efes) and Subsidiaries Included in Consolidation

As of September 30, 2023, and December 31, 2022 guarantees, pledges, and mortgages (GPMs) given in favor of the parent company and subsidiaries included in full consolidation are as follows:

September 30, 2023							
	Total TRL Equivalent	Original Currency TRL	Original Currency Thousand USD	Original Currency Thousand EUR	Original Currency Thousand UAH	Original Currency Thousand PKR	Other Foreign Currency TRL Equivalent
Current year							
A. GPMs given on behalf of the Company's legal personality	1.556.145	1.001.517	8.808	5.509	57.053	162.152	95.421
B. GPMs given in favor of subsidiaries included in full consolidation ⁽¹⁾	7.934.565	179.977	61.563	79.195	400.005	6.150.000	2.885.504
C. GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-	-
D. Other GPMs	-	-	-	-	-	-	-
i. GPMs given in favor of parent company	-	-	-	-	-	-	-
ii. GPMs given in favor of group companies not in the scope of B and C above ⁽²⁾	-	-	-	-	-	-	-
iii. GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-
Total	9.490.710	1.181.494	70.371	84.704	457.058	6.312.152	2.980.925
Ratio of other GPMs over the Company's equity (%)	-						
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	Other Foreign Currency TRL Equivalent
Previous year							
A. GPMs given on behalf of the Company's legal personality	513.074	187.547	633	9.662	78.377	162.150	67.635
B. GPMs given in favor of subsidiaries included in full consolidation ⁽¹⁾	3.668.065	-	36.546	60.445	1.750.092	6.150.000	377.119
C. GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-	-
D. Other GPMs	1.279.951	161.793	-	55.990	-	-	-
i. GPMs given in favor of parent company	-	-	-	-	-	-	-
ii. GPMs given in favor of group companies not in the scope of B and C above ⁽²⁾	1.279.951	161.793	-	55.990	-	-	-
iii. GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-
Total	5.461.090	349.340	37.179	126.097	1.828.469	6.312.150	444.754
Ratio of other GPMs over the Company's equity (%)	2,3						

(1) Consists of the GPMs given in favor of subsidiaries included in full consolidation for their borrowings. These financial liabilities are included in short-term and long-term borrowings in consolidated financial statements.

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NOTE 16. COMMITMENTS AND CONTINGENCIES (continued)

Murabaha

CCBPL has signed Murabaha facility agreements with Habib Bank Limited and Standard Chartered Bank (Banks). Based on these agreements, the Banks and CCBPL agree that they shall enter into a series of sugar and resin purchase transactions from time to time on the dates and in the amounts to be agreed between them subject to the terms of this agreement. As of September 30, 2023, CCBPL has USD 12,4 million purchase commitment to the banks for sugar and resin until December 2023 and USD 74,4 million purchase commitment to the Banks for sugar and resin until March 2024 (December 31, 2022- USD 60 million sugar and resin until the end of June 2023).

Tax and Legal Matters

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, the Central Bank and Ministry of Finance. Tax declarations, together with other legal compliance areas (as examples, customs and currency control) are subject to review and investigation by a number of authorities, who are enabled by law to impose significant fines, penalties and interest charges. These facts may create tax risks in the territories in which the Group operates substantially more so than typically found in countries with more developed tax systems.

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

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

After the withdrawal, Federal tax office in Pakistan requested TRL 365.225 (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. Company Management objected and litigated this request, since withdrawal decisions of constitutional court could not be applied retrospectively in principle. In the opinion of Management, the outcome of the litigation will be favourable (December 31, 2022 – TRL 316.997 (PKR 3.839 million)).

Litigations against the Group

As of September 30, 2023, according to the legal opinion taken by the administration in response to 152 lawsuits filed against Beer Operations, in the event of loss the estimated compensation will be TRL 27.922. In the opinion given by the legal counsel of the Group, it is stated that there is low probability of losing the cases and so no provision has been made in the financial statements (December 31, 2022- TRL 196.402)

Soft Drink Operations are involved on an ongoing basis in 224 litigations arising in the ordinary course of business as of September 30, 2023 with an amount of TRL 17.806 (December 31, 2022 – TRL 17.107).

As of September 30, 2023, CCBPL has tax litigations. If the claims are resulted against CCBPL, the tax liability would be TRL 79.854 (PKR 839 million) (December 31, 2022 – TRL 88.084 (PKR 1.067 million)).

Group management does not expect any adverse consequences related with these litigations that would materially affect Group’s operation results, financial status, and liquidity

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NOTE 17. PREPAID EXPENSES AND DEFERRED INCOME

a) Short Term Prepaid Expenses

	September 30, 2023	December 31, 2022
Advances given to suppliers	1.899.152	1.202.683
Prepaid sales expenses	1.105.155	622.097
Prepaid insurance expenses	255.452	65.494
Prepaid rent expenses	8.490	3.785
Prepaid expenses to related parties (Anadolu Efes Spor Kulübü)	-	100.000
Prepaid other expenses	380.150	147.297
	3.648.399	2.141.356

b) Long Term Prepaid Expenses

	September 30, 2023	December 31, 2022
Prepaid sales expenses	793.278	416.190
Advances given to suppliers	733.459	158.968
Prepaid rent expenses	589	27.599
Prepaid other expenses	201.786	79.045
	1.729.112	681.802

c) Short Term Deferred Income (Deferred Income Other Than Contract Liabilities)

	September 30, 2023	December 31, 2022
Advances taken	321.889	358.825
Deferred income	41.031	36.075
	362.920	394.900

d) Long Term Deferred Income (Deferred Income Other Than Contract Liabilities)

	September 30, 2023	December 31, 2022
Deferred income	34.090	55.957
	34.090	55.957

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NOTE 18. OTHER ASSETS AND LIABILITIES

a) Other Current Assets

	September 30, 2023	December 31, 2022
Value Added Tax (VAT) deductible or to be transferred	1.094.633	1.357.533
Other Current Assets from related parties (Anadolu Efes Spor Kulübü)	79.997	-
Deferred VAT and other taxes	36.282	17.409
Prepaid taxes (other than income tax and VAT)	25.000	30.183
Other	246.367	71.910
	1.482.279	1.477.035

b) Other Non-Current Assets

	September 30, 2023	December 31, 2022
Deferred VAT and other taxes	1.895	1.186
Other	1.038	373
	2.933	1.559

c) Other Current and Non-Current Liabilities

As of September 30, 2023, and December 31, 2022, other current liabilities are as follows:

	September 30, 2023	December 31, 2022
Put option liability	64.609	44.208
Deferred VAT and other taxes	54.608	17.340
Other	32.074	12.031
	151.291	73.579

As of September 30, 2023, and December 31, 2022, other non- current liabilities are as follows:

	September 30, 2023	December 31, 2022
Deferred VAT and other taxes	814	802
Other	604	4.777
	1.418	5.579

As of September 30, 2023, the obligation of TRL 64.609 results from the put option carried, for the purchase of %12,5 of Turkmenistan CC shares from Day Investment Ltd., with a consideration of USD 2.360 thousand. USD amount is converted with the official USD purchase rate announced by Central Bank of Republic of Türkiye and resulting TRL amount is reflected under other current liabilities (December 31, 2022 – TRL 44.208).

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NOTE 19. OTHER INCOME / EXPENSES FROM OPERATING ACTIVITIES

a) Other Income from Operating Activities

	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
Foreign exchange gains arising from operating activities	1.977.043	536.552	2.652.027	805.695
Gain from scrap and other materials	109.530	44.963	147.802	55.015
Reversal of provision for inventory obsolescence	52.602	1.203	214.282	71.149
Insurance compensation income	33.654	25.997	2.219	685
Rent income	17.341	6.430	13.556	4.828
Reversal of provision for expected credit loss	15.524	9.495	60.366	53.786
Other	585.910	268.916	272.662	65.436
	2.791.604	893.556	3.362.914	1.056.594

b) Other Expense from Operating Activities

	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
Foreign exchange losses arising from operating activities	(2.593.975)	(837.902)	(2.317.416)	(1.029.456)
Provision for inventory obsolescence	(140.698)	(43.056)	(377.485)	1.900
Provision for expected credit loss	(28.233)	(19.847)	(112.211)	(27.824)
Donations	(19.903)	(332)	(2.734)	(761)
Loss from scrap and other materials	(9.074)	(2.370)	-	-
Other	(494.723)	(230.710)	(290.471)	(154.221)
	(3.286.606)	(1.134.217)	(3.100.317)	(1.210.362)

NOTE 20. INVESTMENT ACTIVITY INCOME / EXPENSE

a) Investment activity income

	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
Gain on business combination achieved in stages (*)	680.076	-	-	-
Transfer of currency translation differences recognized in other comprehensive income in the previous period	425.266	-	-	-
Gain on disposal of fixed assets	68.185	24.463	199.579	23.090
Provision for impairment on PPE no longer required	29.567	4.615	68.746	33.647
	1.203.094	29.078	268.325	56.737

b) Investment activity expense

	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
Loss on disposal of PPE	(38.930)	(21.615)	(14.441)	(7.884)
Provision for impairment on PPE	(11.997)	(1.298)	(128.546)	(1.267)
Provision for impairment on intangible assets	-	-	(465.913)	-
	(50.927)	(22.913)	(608.900)	(9.151)

(*) As part of the business combination achieved in stages following the Group's obtaining of control in Anadolu Etap on April 11, 2023. A gain of TRL 680.076, derived from the variance between the fair value and the carrying value of the Group's previously owned shares in Anadolu Etap, has been recorded in the financial statements.

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NOTE 21. FINANCE INCOME / EXPENSE

a) Finance Income

	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
Foreign exchange gain	5.934.957	1.989.412	3.411.024	903.647
Interest income	1.197.782	551.223	375.791	183.031
Gain on derivative transactions	853.235	368.017	311.377	169.813
Interest income from subleases	15.685	10.050	7.259	2.563
Provision for expected credit loss	1.570	76	-	-
Gain arising from the termination of lease agreements	803	325	3	3
	8.004.032	2.919.103	4.105.454	1.259.057

b) Finance Expense

	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
Foreign exchange loss	(4.843.326)	(1.486.511)	(2.809.734)	(726.763)
Interest and borrowing expense	(3.416.895)	(1.255.624)	(2.033.145)	(842.327)
Bank commission and fees	(876.364)	(420.849)	(207.197)	(94.234)
Loss on derivative transactions	(402.820)	(219.298)	(1.007.182)	(523.408)
Interest expense from leases	(164.802)	(84.835)	(52.442)	(20.779)
Loss arising from the termination of lease agreements	(20)	(4)	-	-
	(9.704.227)	(3.467.121)	(6.109.700)	(2.207.511)

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NOTE 22. TAX ASSETS AND LIABILITIES

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

Different corporate tax rates of subsidiaries are as follows:

	September 30, 2023	December 31, 2022
Türkiye (*)	25%	23%
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%

(*) 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, and applied as 23% for the earnings for the 2022 taxation period, and applied 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.

As of September 30, 2023 and December 31, 2022 consolidated deferred tax assets and liabilities calculated by using effective tax rates are summarized as below:

	September 30, 2023		December 31, 2022	
Deferred tax asset	4.672.664		2.990.454	
Deferred tax liability	(8.167.696)		(6.907.713)	
	(3.495.032)		(3.917.259)	

	Asset		Liability		Net	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
PP&E and intangible assets and right of use assets	-	-	(9.039.600)	(7.885.923)	(9.039.600)	(7.885.923)
Inventories	36.358	38.635	-	-	36.358	38.635
Carry forward losses	2.801.463	2.290.274	-	-	2.801.463	2.290.274
Retirement pay liability and other employee benefits	257.272	220.802	-	-	257.272	220.802
Other provisions and accruals	1.888.344	1.101.681	-	-	1.888.344	1.101.681
Unused investment discounts	802.676	314.778	-	-	802.676	314.778
Derivative financial instruments	-	2.494	(241.545)	-	(241.545)	2.494
	5.786.113	3.968.664	(9.281.145)	(7.885.923)	(3.495.032)	(3.917.259)

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NOTE 22. TAX ASSETS AND LIABILITIES (continued)

Tax advantages obtained under the investment incentive system

The Group's earnings from investments tied to an incentive certificate are subject to corporate tax at discounted rates, starting from the accounting period in which the investment is partially or fully operational, until the investment contribution amount is reached. In this context, tax advantage amounting to TRL 802.676 (December 31, 2022: TRL 314.778) that the Group's will benefit from in the foreseeable future as of September 30, 2023 is reflected in the consolidated financial statements as a deferred tax asset. As a result of the recognition of the said tax advantage as of September 30, 2023, deferred tax income amounting to TRL 201.647 has been realized in the consolidated profit or loss statement for the period from January to September 30, 2023.

According to the tax incentive certificates summarized above, the current period corporate tax provision 54.128 TRL (September 30, 2022: None) discounted corporate tax advantage has been used and this amount has been deducted from the deferred tax asset.

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

R&D incentives

The Group capitalizes the R&D expenditures it has made within the scope of the law numbered 5746 in its tax 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 September 30, 2023, the Group took advantage of R&D deduction amounting to TRL 21.382 (September 30, 2022: TRL None).

NOTE 23. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net income for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Weighted average number of shares represents the number of shares as a result of capital increase and adjusted number of shares at the beginning period multiplied with the time-weighting factor. Time weighting factor is calculated by dividing the number of days that the shares are available by the total number of days of the period. The Group has no dilutive instruments.

Following table illustrates the net income and share figures used in earnings per share calculation:

	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
Weighted average number of shares (full value)	592.105.263	592.105.263	592.105.263	592.105.263
Profit/ (loss) for the owners of parent	8.012.317	4.731.727	3.375.640	2.081.714
Earnings/ (losses) per share (full TRL)	13,5319	7,9914	5,7011	3,5158
Profit/ (loss) for the owners of parent	8.012.317	4.731.727	3.375.640	2.081.714
Profit/ (loss) from continuing operations	8.012.317	4.731.727	3.375.640	2.081.714
Earnings/ (losses) from continuing operations (full TRL)	13,5319	7,9914	5,7011	3,5158

There have been no other transactions involving ordinary shares or potential ordinary shares between the financial statement date and the date of approval of these financial statements.

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NOTE 24. DIVIDENDS

For the period January-December 2022, a cash dividend proposal of gross full TRL 2,1314 (net full TRL 1,91826) per each share with full TRL 1 nominal value was realized, resulting in a %213,14 gross dividend distribution over its issued capital amounting to TRL 592.105. During the General Assembly held on April 18, 2023, it was decided to distribute a cash dividend of TRL 1.262.013, fully funded from legal reserves and the extraordinary reserves and to allocate ten percent of the total distributed dividend amount (TRL 129.981) as legal reserves. Consequently, the first installment, amounting to TRL 631.007, was disbursed on May 23, 2023, with the second installment, also amounting to TRL 631.007, scheduled for payment on September 18, 2023. Moreover, in accordance with the Company's articles of association, a dividend of 67.397 TRL has been calculated for the founding shareholders, and the same payment schedule is being followed.

In 2023, dividend accrued amounting to TRL 408.160 (2022 – TRL 299.506) has been made to non-controlling interests.

NOTE 25. RELATED PARTY BALANCES AND TRANSACTIONS

a) Balances with Related Parties

Due from Related Parties and Other Receivables

	Trade Receivables		Other Receivables	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Migros Group Companies ⁽²⁾	1.712.130	632.769	-	-
AB InBev Group Companies ⁽³⁾	202.430	169.256	74.875	188.174
AG Anadolu Grubu Holding A.Ş. ^{(1) (*)}	2.625	1.689	298.223	59.548
Anadolu Etap Tarım ve Gıda Ürünleri Sanayi ve Ticaret A.Ş.	-	1.663	-	494.000
Other	38.774	21.286	-	-
	1.955.959	826.663	373.098	741.722

(*) As of September 30, 2023, TRL 298.223 accounted for in accordance with TFRS 16 includes other receivables related to sublease. (December 31, 2022 – TRL 59.548)

Due to Related Parties and Other Payables

	Trade Payables		Other Payables	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
AB InBev Group Companies ⁽³⁾	907.799	1.098.227	2.967.764	1.866.633
Anadolu Efes Spor Kulübü	79.997	100.000	-	-
Oyex Handels GmbH ⁽²⁾	26.739	27.658	-	-
AG Anadolu Grubu Holding A.Ş. ⁽¹⁾	18.871	1.427	-	-
Anadolu Eğitim ve Sosyal Yardım Vakfı	-	-	-	45.267
Other	1.714	1.314	-	-
	1.035.120	1.228.626	2.967.764	1.911.900

(1) The shareholder of the Group

(2) Related party of AG Anadolu Grubu Holding A.Ş. (a shareholder)

(3) Related parties of AB Inbev Harmony Ltd. (a shareholder)

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NOTE 25. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

b) Transactions with Related Parties

Purchases of Goods, Services and Donations

	Nature of transaction	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
AB InBev Group Companies ⁽³⁾	Service and Purchase of Trade Goods	1.808.210	844.029	1.629.904	945.478
Anadolu Efes Spor Kulübü	Service	318.333	80.000	267.666	63.333
Oyex Handels GmbH ⁽²⁾	Purchase of Materials and Fixed Assets	117.828	16.624	81.224	14.912
AG Anadolu Grubu Holding A.Ş. ⁽¹⁾	Consultancy Service	67.436	25.928	33.414	13.859
Anadolu Eğitim ve Sosyal Yardım Vakfı ⁽²⁾	Donations	132	-	-	-
Other		2.985	911	1.693	663
		2.314.924	967.492	2.013.901	1.038.245

Financial Income and Expense

	Nature of transaction	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
AG Anadolu Grubu Holding A.Ş. ⁽¹⁾	Interest Income from Subleases	15.685	10.050	7.259	2.563
		15.685	10.050	7.259	2.563

Revenue and Other Income / (Expenses)

	Nature of transaction	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
Migros Group Companies ⁽²⁾	Sales Income	3.029.326	1.657.141	1.483.766	692.973
AB InBev Group Companies ⁽³⁾	Other Income	128.524	121.085	22.211	10.727
Other	Other Income	2.457	1.400	2.717	140
		3.160.307	1.779.626	1.508.694	703.840

(1) The shareholder of the Group

(2) Related party of AG Anadolu Grubu Holding A.Ş. (a shareholder)

(3) Related parties of AB Inbev Harmony Ltd. (a shareholder)

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NOTE 25. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Director’s Remuneration

Total benefits provided to Anadolu Efes Board members for the periods ending on September 30, 2023 and 2022 are TRL 1.428 and TRL 644, respectively As of September 30, 2023, and 2022, remuneration and similar benefits received by total executive members of the Board of Directors and executive directors are as follows:

	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
Short-term employee benefits	143.645	46.691	74.876	26.158
Post-employment benefits	-	-	-	-
Other long-term benefits	3.318	140	1.529	-
Termination benefits	62	-	960	-
Share based payments	-	-	-	-
	147.025	46.831	77.365	26.158

NOTE 26. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Group’s principal financial instruments comprise bank borrowings, leases, cash and short-term deposits. The main purpose of these financial instruments is to raise funds for the Group’s operations. Besides, 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 can be identified as interest rate risk, foreign currency risk, foreign currency hedge risk of net investments in foreign operations, liquidity risk, price risk, credit risk and capital risk. The Group management reviews and agrees policies for managing each of these risks. The Group also monitors the market price risk arising from all financial instruments.

a) 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.

Some of the interest rates associated with financial liabilities are based on prevailing market interest rates. Therefore, the Group is affected by changes in interest rates in national and international markets. The Group's exposure to market risk arising from changes in interest rates is primarily related to its debts and liabilities. The Group makes foreign currency swap transactions to hedge interest rate risk as stated in Note 8.

b) Foreign Currency Risk

Foreign currency risk generally 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 of goods and services or borrowings of the Group in currencies other than the functional currency. The Group manages short term foreign currency risk by balancing foreign currency denominated assets and liabilities. The Group designates certain part of its bank deposits for the future raw material purchases, operational expense and interest related payments Note 5 Group’s foreign currency liability consists of mainly long term liabilities. The Group also conducts foreign exchange forward transactions and cross currency swap transactions in order to hedge its foreign currency risk as stated in Note 8. Accordingly, in the short term foreign currency risk that may arise from fluctuation of foreign currencies are relatively limited.

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NOTE 26. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

b) Foreign Currency Risk (continued)

Net foreign currency exposure for the consolidated Group companies as of September 30, 2023 and December 31, 2022 are presented below:

Foreign Currency Position Table						
September 30, 2023						
	Total TRL Equivalent	Thousand USD	Total TRL Equivalent	Thousand EUR	Total TRL Equivalent	Other Foreign Currency TRL
1. Trade Receivables and Due from Related Parties	2.773.516	88.404	2.420.217	12.109	351.534	1.765
2a. Monetary Financial Assets (Cash and cash equivalents included)	8.395.897	238.891	6.540.059	34.551	1.003.033	852.805
2b. Non- monetary Financial Assets	2.582	-	-	89	2.582	-
3. Other	418.348	6.426	175.916	8.103	235.234	7.198
4. Current Assets (1+2+3)	11.590.343	333.721	9.136.192	54.852	1.592.383	861.768
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	211.429	-	-	7.283	211.429	-
8. Non-Current Assets (5+6+7)	211.429	-	-	7.283	211.429	-
9. Total Assets (4+8)	11.801.772	333.721	9.136.192	62.135	1.803.812	861.768
10. Trade Payables and Due to Related Parties	(8.803.743)	(213.192)	(5.836.507)	(97.903)	(2.842.180)	(125.056)
11. Short- term Borrowings and Current Portion of Long- term Borrowings	(6.645.586)	(159.746)	(4.373.311)	(78.272)	(2.272.275)	-
12a. Monetary Other Liabilities	(12.626)	(399)	(10.913)	(59)	(1.713)	-
12b. Non-monetary Other Liabilities	(54.608)	(1.995)	(54.608)	-	-	-
13. Current Liabilities (10+11+12)	(15.516.563)	(375.332)	(10.275.339)	(176.234)	(5.116.168)	(125.056)
14. Trade Payables and Due to Related Parties	(166)	-	-	(5)	(154)	(12)
15. Long-Term Borrowings	(28.779.660)	(1.001.526)	(27.475.174)	(44.935)	(1.304.486)	-
16 a. Monetary Other Liabilities	(109.962)	(3.212)	(87.928)	(759)	(22.034)	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities (14+15+16)	(28.889.788)	(1.004.738)	(27.563.102)	(45.699)	(1.326.674)	(12)
18. Total Liabilities (13+17)	(44.406.351)	(1.380.070)	(37.838.441)	(221.933)	(6.442.842)	(125.068)
19. Off Statement of Financial Position Derivative Items' Net Asset/(Liability) Position (19a+19b)	32.145.721	1.174.200	32.145.721	-	-	-
19a. Total Hedged Assets (*)	32.145.721	1.174.200	32.145.721	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9+18+19)	(458.858)	127.851	3.443.472	(159.798)	(4.639.030)	736.700
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (1+2a+5+6a+10+11+12a+14+15+16a)	(33.182.330)	(1.050.780)	(28.823.557)	(175.273)	(5.088.275)	729.502
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	507.899	12.758	349.266	5.464	158.633	-
23. Total value of Hedged Foreign Currency Assets	-	-	-	-	-	-

Foreign Currency Position Table						
December 31, 2022						
	Total TRL Equivalent	Thousand USD	Total TRL Equivalent	Thousand EUR	Total TRL Equivalent	Other Foreign Currency TRL
1. Trade Receivables and Due from Related Parties	3.259.893	166.952	3.121.725	6.219	123.984	14.183
2a. Monetary Financial Assets (Cash and cash equivalents included)	3.219.780	119.156	2.228.016	46.988	936.701	55.063
2b. Non- monetary Financial Assets	1.696	-	-	85	1.696	-
3. Other	86.582	3.304	61.774	878	17.503	7.305
4. Current Assets (1+2+3)	6.567.951	289.412	5.411.515	54.170	1.079.884	76.551
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Non-Current Assets (5+6+7)	-	-	-	-	-	-
9. Total Assets (4+8)	6.567.951	289.412	5.411.515	54.170	1.079.884	76.551
10. Trade Payables and Due to Related Parties	(5.503.524)	(196.077)	(3.666.312)	(88.012)	(1.754.518)	(82.694)
11. Short- term Borrowings and Current Portion of Long- term Borrowings	(2.923.631)	(132.933)	(2.452.928)	(23.612)	(470.703)	-
12a. Monetary Other Liabilities	(9.422)	(298)	(5.575)	(193)	(3.847)	-
12b. Non-monetary Other Liabilities	(43.784)	(2.342)	(43.784)	-	-	-
13. Current Liabilities (10+11+12)	(8.480.361)	(331.650)	(6.168.599)	(111.817)	(2.229.068)	(82.694)
14. Trade Payables and Due to Related Parties	(120)	-	-	(5)	(109)	(11)
15. Long-Term Borrowings	(22.520.300)	(1.147.394)	(21.454.321)	(53.473)	(1.065.979)	-
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities (14+15+16)	(22.520.420)	(1.147.394)	(21.454.321)	(53.478)	(1.066.088)	(11)
18. Total Liabilities (13+17)	(31.000.781)	(1.479.044)	(27.622.920)	(165.295)	(3.295.156)	(82.705)
19. Off Statement of Financial Position Derivative Items' Net Asset/(Liability) Position (19a+19b)	24.242.346	1.296.500	24.242.346	-	-	-
19a. Total Hedged Assets (*)	24.242.346	1.296.500	24.242.346	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9+18+19)	(190.484)	106.868	2.030.941	(111.125)	(2.215.272)	(6.154)
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (1+2a+5+6a+10+11+12a+14+15+16a)	(24.477.324)	(1.190.594)	(22.229.395)	(112.088)	(2.234.471)	(13.459)
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	(159.345)	(4.558)	(85.224)	(3.718)	(74.121)	-
23. Total value of Hedged Foreign Currency Assets	-	-	-	-	-	-

(*) In order to hedge foreign exchange risk arising from the translation of net investments in the subsidiaries operating in the Netherlands to Turkish Lira, the USD denominated bonds have been designated as hedges of net investment risk.

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NOTE 26. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

b) Foreign Currency Risk (continued)

The information regarding the export and import figures realized as of September 30, 2023 and 2022 is as follows:

	January 1- September 30, 2023	July 1- September 30, 2023	January 1- September 30, 2022	July 1- September 30, 2022
Total Export	2.811.482	1.422.110	1.994.867	881.431
Total Import	23.736.102	9.915.374	12.027.394	5.215.947

The following table demonstrates the sensitivity analysis of foreign currency as of September 30, 2023 and 2022:

Foreign Currency Position Sensitivity Analysis				
	September 30, 2023 ^(*)		September 30, 2022 ^(*)	
	Income / (Loss)			
	Increase of the foreign currency	Decrease of the foreign currency	Increase of the foreign currency	Decrease of the foreign currency
Increase / decrease in USD by 10%:				
USD denominated net asset / (liability)	(2.882.356)	2.882.356	(2.852.905)	2.852.905
USD denominated hedging instruments (-)	3.214.572	(3.148.320)	2.731.982	(2.731.982)
Net effect in USD	332.216	(265.964)	(120.923)	120.923
Increase / decrease in EUR by 10%:				
EUR denominated net asset / (liability)	(508.828)	508.828	(144.073)	144.073
EUR denominated hedging instruments (-)	-	-	-	-
Net effect in EUR	(508.828)	508.828	(144.073)	144.073
Increase / decrease in other foreign currencies by 10%:				
Other foreign currency denominated net asset / (liability)	72.950	(72.950)	(5.159)	5.159
Other foreign currency hedging instruments (-)	-	-	-	-
Net effect in other foreign currency	72.950	(72.950)	(5.159)	5.159
TOTAL	(103.662)	169.914	(270.155)	270.155

(*) Monetary assets and liabilities eliminated in scope of consolidation are not included except for the ones which have foreign currency gain/(loss) effects to the statement of consolidated profit or loss.

c) Foreign Currency Hedge of Net Investments in Foreign Operations

The Beer 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).

Drink has designated two instruments, the first one amounting to USD 150 million out of USD 500 million bond issued as of September 19, 2017, and the second 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 10.257.066 (TRL 7.692.800- including deferred tax effect) is recognized as “Gains (Losses) on Hedge” under Equity and to “Other Comprehensive Income (Loss) Related with Hedges of Net Investment in Foreign Operations” under Other Comprehensive Income (December 31, 2022 – TRL 7.385.178 (TRL 5.908.142- including deferred tax effect), September 30, 2022 – TRL 7.161.773 (TRL 5.729.418 - including deferred tax effect)).

d) Liquidity Risk

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The risk is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions. The Group also reduces the risk by preferring long-term debt.

e) Price Risk

This is a combination of currency, interest and market risks which the Group manages through natural hedges that arise from offsetting the same currency receivables and payables, interest bearing assets and liabilities. Market risk is closely monitored by the management using the available market information and appropriate valuation methods.

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NOTE 26. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

f) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group attempts to control credit risk by limiting transactions with specific counterparties and assessing the creditworthiness of the counterparties.

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.

The Group seeks to manage its credit risk exposure through diversification of sales activities to avoid undue concentrations of risks with individuals or groups of customers in specific locations or businesses. The Group keeps guarantees for a part of its receivables by means of DDS (Direct Debit System), and clearing the credit card receivables of dealers and distributors from banks. The Group also obtains guarantees from the customers when appropriate and keep considerable portion of the receivables secured with guarantees or receivable insurance.

The credit risks of the banks in which the Group has deposits are evaluated by taking into account independent data, and no significant credit risk is expected apart from the expected loss provision presented in Note 5.

g) Capital Risk Management

The Group's policy is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group periodically measures Net Debt to EBITDA BNRI ratio to maintain capital risk management. Net Debt is calculated by deducting cash and cash equivalents and deposits over three months from total borrowing.

NOTE 27. FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES)

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.

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NOTE 27. FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES)
(continued)

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.

Derivative Instruments, Risk Management Objectives and Policies

Derivative instruments and hedging transactions are explained in Note 5, Note 8 and Note 26.

NOTE 28. EXPLANATORY INFORMATION ON STATEMENT OF CASH FLOWS

a) Adjustments for Impairment Loss (Reversal)

	January 1 – September 30, 2023	January 1 – September 30, 2022
Adjustments for impairment loss (reversal of impairment) of inventories (Note 19)	88.096	163.203
Adjustments for impairment loss (reversal of impairment) of intangible assets (Note 20)	-	465.913
Adjustments for impairment loss (reversal of impairment) of property, plant, and equipment (Note 20)	(17.570)	59.800
Adjustments for impairment loss (reversal of impairment) of receivables (Note 19)	12.709	51.845
	83.235	740.761

b) Adjustments for (Reversal of) Provisions Related with Employee Benefits

	January 1 – September 30, 2023	January 1 – September 30, 2022
Provision for vacation pay liability	143.978	67.056
Provision for retirement pay liability	149.971	97.190
Provision for seniority bonus	86.077	44.441
	380.026	208.687

c) Adjustments for Interest (Income) Expenses

	January 1 – September 30, 2023	January 1 – September 30, 2022
Adjustments for interest expenses (Note 21)	3.416.895	2.033.145
Adjustments for interest expense related to leases (Note 21)	164.802	52.442
Adjustments for interest income (Note 21)	(1.197.782)	(375.791)
Adjustments for interest income income sub-lease receivables (Note 21)	(15.685)	(7.259)
	2.368.230	1.702.537

d) Adjustments for Fair Value (Gains) Losses

	January 1 – September 30, 2023	January 1 – September 30, 2022
Adjustments for fair value (gains) losses on derivative financial instruments	(399.579)	851.836
	(399.579)	851.836

Convenience Translation into English of Interim Condensed Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS AT SEPTEMBER 30, 2023

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 28. EXPLANATORY INFORMATION ON STATEMENT OF CASH FLOWS (continued)

e) Cash Flows from Purchase or Changes of Shares in Subsidiaries

	January 1 – September 30, 2023	January 1 – September 30, 2022
Cash and cash equivalents in acquired businesses (*)	97.196	-
Business acquisition cost (**)	-	(243.310)
Minority shares acquisition cost (***)	-	(78.873)
	97.196	(322.183)

(*) Cash and cash equivalents as of 11 April 2023, when control of Anadolu Etap was obtained.

(**) The remaining part of total cash outflow related to acquisition of LLC Coca-Cola Bottlers Uzbekistan (CCBU) in addition to TRL3.054.902 paid as of December 31, 2021.

(***) Cash outflow related to purchase of 10,0% stake in The Coca-Cola Bottling Company of Jordan Limited (TCCBCJ) accrued as of December 31, 2021.

f) Cash Flows from (used in) Financing Activities

	January 1 – September 30, 2023	January 1 – September 30, 2022
Cash inflows capital increase by owner of non-controlling interests	956.688	354.220
Income / (loss) from cash flow hedge	562.794	882.249
Change in time deposits with maturity more than three months	83.391	(279.094)
Change in currency linked deposits	(162.815)	(387.326)
Change in restricted cash	67.632	(63.422)
Change in credit cards payables	1.883.107	-
	3.390.797	506.627

NOTE 29. EVENTS AFTER REPORTING PERIOD

In accordance with the issuance limit deemed appropriate by the Capital Markets Board's decision dated September 28, 2023 and numbered 57/1219, the Company must pay quarterly coupons with a 47,00% fixed interest rate and a 15-day maturity of 736 days to be sold to qualified investors without public offering. As a result of the book building process for the bond with TRSEFESE2516 ISIN code, with a redemption date of October 2025, the total issuance amount was finalized as TRL 2.000.000. The sale transaction was completed on October 9, 2023 and the settlement of the transaction took place on 10 October 2023.

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