

**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 MARCH 31, 2021**

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 MARCH 31, 2021**

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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 MARCH 31, 2021**

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

		Unaudited	Audited
	Notes	March 31, 2021	Reclassified (Note 2) December 31, 2020
ASSETS			
Cash and Cash Equivalents	5	7.801.366	8.524.950
Financial Investments	6	6.827	23.164
Trade Receivables		3.707.589	2.745.025
- Trade Receivables Due from Related Parties	25	389.168	322.831
- Trade Receivables Due from Third Parties		3.318.421	2.422.194
Other Receivables	9	211.675	162.530
- Other Receivables from Related Parties	25	154.321	115.371
- Other Receivables from Third Parties		57.354	47.159
Derivative Financial Assets	8	166.317	135.109
Inventories		3.235.814	2.708.747
Prepaid Expenses	17	739.002	660.555
Current Tax Assets		307.248	289.661
Other Current Assets	18	421.858	457.722
- Other Current Assets from Related Parties		80.000	-
- Other Current Assets from Third Parties		341.858	457.722
Subtotal		16.597.696	15.707.463
Non-current Assets Classified as Held for Sale		2.304	15.095
Current Assets		16.600.000	15.722.558
Financial Investments		803	799
Trade Receivables		2.015	1.792
- Trade Receivables Due from Third Parties		2.015	1.792
Other Receivables	9	68.847	67.529
- Other Receivables from Related Parties	25	17.409	19.266
- Other Receivables from Third Parties		51.438	48.263
Derivative Financial Assets	8	10.910	8.279
Property, Plant and Equipment	12	13.955.279	12.592.066
Right of Use Assets	11	314.189	327.253
Intangible Assets		22.326.816	20.466.958
- Goodwill	14	3.678.118	3.299.250
- Other Intangible Assets	13	18.648.698	17.167.708
Prepaid Expenses	17	458.664	430.999
Deferred Tax Asset	22	1.146.653	942.314
Other Non-Current Assets	18	712	821
Non-Current Assets		38.284.888	34.838.810
TOTAL ASSETS		54.884.888	50.561.368

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 MARCH 31, 2021**

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

		Unaudited	Audited
	Notes	March 31, 2021	Reclassified (Note 2) December 31, 2020
LIABILITIES			
Current Borrowings	7	2.626.917	2.327.687
- <i>Current Borrowings from Third Parties</i>		2.626.917	2.327.687
- <i>Banks Loans</i>	7a	2.626.722	2.327.494
- <i>Lease Liabilities</i>	7b	195	193
Current Portion of Non-Current Borrowings	7	726.256	656.805
- <i>Current Portion of Non-Current Borrowings from Third Parties</i>		726.256	656.805
- <i>Banks Loans</i>	7a	575.346	513.660
- <i>Lease Liabilities</i>	7b	97.446	112.362
- <i>Issued Debt Instruments</i>	7a	53.464	30.783
Trade Payables		7.104.712	6.196.323
- <i>Trade Payables to Related Parties</i>	25	748.159	569.046
- <i>Trade Payables to Third Parties</i>		6.356.553	5.627.277
Employee Benefit Obligations		122.542	113.117
Other Payables	9	2.024.867	2.305.485
- <i>Other Payables to Third Parties</i>		2.024.867	2.305.485
Derivative Financial Liabilities	8	26.132	78.280
Deferred Income	17	99.938	130.976
Current Tax Liabilities		96.097	127.950
Current Provisions		214.602	174.542
- <i>Current Provisions for Employee Benefits</i>		175.324	139.468
- <i>Other Current Provisions</i>		39.278	35.074
Other Current Liabilities	18	456.868	430.938
Current Liabilities		13.498.931	12.542.103
Long-Term Borrowings	7	10.028.492	9.180.122
- <i>Long-term Borrowings from Third Parties</i>		10.028.492	9.180.122
- <i>Banks Loans</i>	7a	2.123.380	1.816.654
- <i>Lease Liabilities</i>	7b	253.553	257.907
- <i>Issued Debt Instruments</i>	7a	7.651.559	7.105.561
Trade Payables		58.643	49.528
- <i>Trade Payables to Third Parties</i>		58.643	49.528
Employee Benefit Obligations		1.155	1.155
Other Payables	9	4.252	4.417
- <i>Other Payables to Third Parties</i>		4.252	4.417
Liabilities due to Investments Accounted for Using Equity Method	10	143.068	57.241
Derivative Financial Liabilities	8	297.129	213.420
Deferred Income	17	17.333	7.531
Non-Current Provision		235.668	230.367
- <i>Non-Current Provision for Employee Benefits</i>		235.668	230.367
Deferred Tax Liabilities	22	3.472.469	3.257.472
Other Non-Current Liabilities	18	3.600	3.284
Non-Current Liabilities		14.261.809	13.004.537
Equity Attributable to Equity Holders of the Parent		13.672.883	12.805.764
Issued Capital	15	592.105	592.105
Inflation Adjustment on Capital	15	63.583	63.583
Share Premium (Discount)		1.364.733	1.364.733
Put Option Reserve Related with Non-controlling Interests		6.773	6.773
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		(32.151)	(32.151)
- <i>Revaluation and Remeasurement Gain/Loss</i>		(32.151)	(32.151)
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		4.981.939	4.409.983
- <i>Currency Translation Differences</i>		7.562.831	6.481.026
- <i>Gains (Losses) on Hedge</i>		(2.580.892)	(2.071.043)
Restricted Reserves Appropriated from Profits	15	372.939	372.939
Prior Years' Profits or Losses		6.027.799	5.213.040
Current Period Net Profit or Losses		295.163	814.759
Non-Controlling Interests		13.451.265	12.208.964
Total Equity		27.124.148	25.014.728
TOTAL LIABILITIES		54.884.888	50.561.368

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

**INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021**

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

	Notes	Unaudited	
		1 January - 31 March 2021	Restated (Note 2) 1 January – 31 March 2020
Revenue	4	6.159.333	4.513.520
Cost of Sales (-)		(4.207.390)	(3.190.660)
GROSS PROFIT (LOSS)		1.951.943	1.322.860
General Administrative Expenses (-)		(527.462)	(453.033)
Sales, Distribution and Marketing Expenses (-)		(1.307.596)	(1.111.480)
Other Income from Operating Activities	19	184.403	148.647
Other Expenses from Operating Activities (-)	19	(195.313)	(313.732)
PROFIT (LOSS) FROM OPERATING ACTIVITIES		105.975	(406.738)
Investment Activity Income	20	545.393	298.741
Investment Activity Expenses (-)	20	(10.876)	(13.288)
Share of Loss from Investments Accounted for Using Equity Method	10	(86.160)	(55.352)
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		554.332	(176.637)
Finance Income	21	672.631	442.475
Finance Expenses (-)	21	(624.287)	(607.140)
PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE TAX		602.676	(341.302)
Tax (Expense) Income, Continuing Operations	4	(186.058)	(10.545)
- Current Period Tax Expense (-)		(195.199)	(94.000)
- Deferred Tax Income (Expense)		9.141	83.455
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	4	416.618	(351.847)
PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	24	-	(2.441)
PROFIT/(LOSS)		416.618	(354.288)
Profit/(Loss) Attributable to		416.618	(354.288)
- Non-Controlling Interest		121.455	(225.690)
- Owners of Parent		295.163	(128.598)
Earnings / (Loss) Per Share (Full TRL)	23	0,4985	(0,2172)
Earnings / (Loss) Per Share From Continuing Operations (Full TRL)	23	0,4985	(0,2131)
Earnings / (Loss) Per Share From Discontinued Operations (Full TRL)	23	-	(0,0041)

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

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

	Unaudited	
	1 January – 31 March 2021	Restated (Note 2) 1 January – 31 March 2020
PROFIT/(LOSS)	416.618	(354.288)
OTHER COMPREHENSIVE INCOME		
Other Comprehensive Income that will not be Reclassified to Profit or Loss	-	-
Gains (Losses) on Remeasurements Defined Benefit Plans	-	-
Taxes Relating to Components of Other Comprehensive Income that will not be Reclassified to Other Profit or Loss	-	-
- <i>Deferred Tax Income (Expense)</i>	-	-
Other Comprehensive Income that will be Reclassified to Profit or Loss	1.797.846	(1.743.015)
Currency Translation Differences	2.477.039	(1.561.241)
Other Comprehensive Income (Loss) Related with Cash Flow Hedge	(17.344)	279.861
Other Comprehensive Income (Loss) Related with Hedges of Net Investment in Foreign Operations (Note 26)	(819.579)	(500.122)
Taxes Relating to Components of Other Comprehensive Income that will be Reclassified to Other Profit or Loss	157.730	38.487
- <i>Deferred Tax Income (Expense)</i>	157.730	38.487
OTHER COMPREHENSIVE INCOME (LOSS)	1.797.846	(1.743.015)
TOTAL COMPREHENSIVE INCOME (LOSS)	2.214.464	(2.097.303)
Total Comprehensive Income Attributable to		
- <i>Non-Controlling Interest</i>	1.347.345	(764.480)
- <i>Owners of Parent</i>	867.119	(1.332.823)

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Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

(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			
														Put Option Reserve Related with Non-controlling Interests	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				
														Issued Capital	Inflation Adjustment on Capital	Share Premium/ Discount								
Previous Period (1 January – 31 March 2020)	Beginning Balances	592.105	63.583	2.434.374	6.773	(27.978)	5.712.414	(1.189.955)	372.939	4.178.878	1.034.162	13.177.295	11.203.005	24.380.300										
	Transfers	-	-	-	-	-	-	-	-	1.034.162	(1.034.162)	-	-	-										
	Total Comprehensive Income (Loss)	-	-	-	-	-	(1.006.842)	(197.383)	-	-	(128.598)	(1.332.823)	(764.480)	(2.097.303)										
	- Profit (Loss)	-	-	-	-	-	-	-	-	-	(128.598)	(128.598)	(225.690)	(354.288)										
	- Other Comprehensive Income (Loss)	-	-	-	-	-	(1.006.842)	(197.383)	-	-	-	(1.204.225)	(538.790)	(1.743.015)										
	Ending Balances	592.105	63.583	2.434.374	6.773	(27.978)	4.705.572	(1.387.338)	372.939	5.213.040	(128.598)	11.844.472	10.438.525	22.282.997										
Current Period (1 January – 31 March 2021)	Beginning Balances	592.105	63.583	1.364.733	6.773	(32.151)	6.481.026	(2.071.043)	372.939	5.213.040	814.759	12.805.764	12.208.964	25.014.728										
	Transfers	-	-	-	-	-	-	-	-	814.759	(814.759)	-	-	-										
	Total Comprehensive Income (Loss)	-	-	-	-	-	1.081.805	(509.849)	-	-	295.163	867.119	1.347.345	2.214.464										
	- Profit (Loss)	-	-	-	-	-	-	-	-	-	295.163	295.163	121.455	416.618										
	- Other Comprehensive Income (Loss)	-	-	-	-	-	1.081.805	(509.849)	-	-	-	571.956	1.225.890	1.797.846										
	Dividends	-	-	-	-	-	-	-	-	-	-	-	(105.044)	(105.044)										
	Ending Balances	592.105	63.583	1.364.733	6.773	(32.151)	7.562.831	(2.580.892)	372.939	6.027.799	295.163	13.672.883	13.451.265	27.124.148										

(*) 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 THREE-MONTH PERIOD ENDED MARCH 31, 2021**

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

		Unaudited	
	Notes	1 January- March 31, 2021	Reclassified (Note 2) 1 January- March 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES		352.790	(563.605)
Profit/ (Loss) from Continuing Operation for the Period		416.618	(351.847)
Profit/ (Loss) from Discontinued Operation for the Period		-	(2.441)
Adjustments to Reconcile Profit (Loss)		522.639	738.351
Adjustments for Depreciation and Amortization Expense	4	539.054	501.297
Adjustments for Impairment Loss (Reversal)	28	9.146	10.695
Adjustments for Provisions	28	38.374	30.474
Adjustments for Interest (Income) Expenses	28	161.739	108.649
Adjustments for Unrealised Foreign Exchange Losses (Gains)		71.930	241.273
Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments	28	(45.947)	79.801
Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method	10	86.160	55.352
Adjustments for Tax (Income) Expenses		186.058	10.545
Adjustments for Losses (gains) on Disposal of Non-Current Assets	20	(75.717)	(13.664)
Transfer of Currency Translation Differences Previously Accounted as Other Comprehensive Income	20	(455.377)	(279.931)
Other Adjustments to Reconcile Profit (loss)		7.219	(6.140)
Change in Working Capital		(413.245)	(851.925)
Adjustments for Decrease (Increase) in Accounts Receivables		(1.046.986)	(184.625)
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		76.976	(64.517)
Adjustments for Decrease (Increase) in Inventories		(515.269)	(253.017)
Adjustments for Increase (Decrease) in Trade Accounts Payable		838.998	(248.966)
Adjustments for Increase (Decrease) in Other Operating Payables		233.036	(100.800)
Cash Flows from (used in) Operations		526.012	(467.862)
Payments Related with Provisions for Employee Benefits		(18.724)	(17.584)
Income Taxes (Paid) Return		(154.498)	(78.159)
CASH FLOWS USED IN INVESTING ACTIVITIES		(434.566)	(448.568)
Cash Outflows Arising From Purchase of Shares or Capital Increase of Joint Ventures	10	-	(126.392)
Proceeds from Sales of Property, Plant, Equipment		91.229	25.966
Cash Outflows Arising from Purchase of Property, Plant, Equipment and Intangible Assets	12,13	(525.795)	(348.142)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		(856.088)	98.714
Proceeds from Borrowings	7a	1.336.748	2.858.937
Repayments of Borrowings	7a	(1.385.859)	(2.337.292)
Payments of Lease Liabilities	7b	(34.231)	(46.844)
Dividends Paid		(720.531)	-
Interest Paid	7a	(199.505)	(151.374)
Interest Received		64.608	62.511
Other Inflows (Outflows) of Cash	28	82.682	(287.224)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS BEFORE CURRENCY TRANSLATION DIFFERENCES		(937.864)	(913.459)
Effect of Currency Translation Differences on Cash and Cash Equivalents		225.115	186.852
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(712.749)	(726.607)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	8.508.135	5.796.125
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	7.795.386	5.069.518

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**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT MARCH 31, 2021**

(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 16.407 (December 31, 2020 – 16.797).

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, Nusret Orhun Köstem and Finance Director, Kerem İşeri were issued on May 5, 2021. 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 Turkey, eleven in Russia and seven in other countries (December 31, 2020 - twenty one breweries; three in Turkey, eleven in Russia and seven in other countries). The Group makes production of malt in two locations in Turkey and three locations in Russia (December 31, 2020 – production of malt in two locations in Turkey and three locations in Russia). Entities carrying out the relevant activities will be referred as “Beer Operations”.

The Group has ten facilities in Turkey, sixteen facilities in other countries for sparkling and still beverages production (December 31, 2020 - ten facilities in Turkey, sixteen facilities in other countries). Entities carrying out the relevant activities will be referred as “Soft Drink Operations”.

The Group also has joint control over Anadolu Etap Penkon Gıda ve Tarım Ürünleri San. ve Tic. A.Ş. (Anadolu Etap), which undertakes production and sales of fruit juice concentrates, purees and fresh fruit sales in Turkey and Syrian Soft Drink Sales & Dist. LLC (SSDSD), which undertakes distribution and sales of sparkling and still beverages in Syria.

List of Shareholders

As of March 31, 2021 and December 31, 2020, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	March 31, 2021		December 31, 2020	
	Amount	(%)	Amount	(%)
AG Anadolu Grubu Holding A.Ş.	254.891	43,05	254.891	43,05
AB Inbev Harmony Ltd.	142.105	24,00	142.105	24,00
Publicly traded and other	195.109	32,95	195.109	32,95
	592.105	100,00	592.105	100,00

The Company is controlled by AG Anadolu Grubu Holding A.Ş., the parent company.

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**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT MARCH 31, 2021**

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

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

List of Subsidiaries and Joint Ventures

The subsidiaries included in the consolidation and their effective shareholding rates at March 31, 2021 and December 31, 2020 are as follows:

Subsidiary	Country	Principal Activity	Segment	Effective Shareholding And Voting Rights %	
				March 31, 2021	December 31, 2020
Efes Breweries International N.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⁾	Germany	Investment company	Beer Group	50,00	50,00
Bevmar GmbH ⁽¹⁾	Germany	Investment company	Beer Group	50,00	50,00
Efes Pazarlama ve Dağıtım Ticaret A.Ş. (Ef-Pa)	Turkey	Marketing and distribution company of the Group in Turkey	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
Coca-Cola İçecek A.Ş. (CCI) ⁽³⁾	Turkey	Production of Coca-Cola products	Soft Drinks	50,26	50,26
Coca-Cola Satış ve Dağıtım A.Ş. (CCSD)	Turkey	Distribution and selling of Coca-Cola and Mahmudiye products	Soft Drinks	50,25	50,25
Mahmudiye Kaynak Suyu Ltd. Şti. (Mahmudiye)	Turkey	Filling and selling of natural spring water	Soft Drinks	50,26	50,26
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
Tonus Turkish-Kazakh Joint Venture LLP (Tonus) ⁽⁴⁾	Kazakhstan	Investment company of CCI	Soft Drinks	-	50,26
The Coca-Cola Bottling Company of Jordan Ltd. (Jordan CC)	Jordan	Production, distribution and selling of Coca Cola products	Soft Drinks	45,23	45,23
Turkmenistan Coca-Cola Bottlers Ltd. (Turkmenistan CC)	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	40,22	40,22
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	40,22	40,22
Coca-Cola Beverages Pakistan Ltd (CCBPL)	Pakistan	Production, distribution and selling of Coca Cola products	Soft Drinks	24,96	24,96

Joint Ventures	Country	Principal Activity	Segment	Effective Shareholding And Voting Rights %	
				March 31, 2021	December 31, 2020
Anadolu Etap Penkon Gıda ve Tarım Ürünleri San ve Tic. A.Ş. (Anadolu Etap)	Turkey	Production and sales of fruit juice concentrates and sales of purees and fresh fruit sales	Beer Group	76,22	76,22
Syrian Soft Drink Sales & Dist. LLC (SSDSD)	Syria	Distribution and sales of Coca-Cola products	Soft Drinks	25,13	25,13

(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) As of March 2021, liquidation process of Tonus Turkish-Kazakh Joint Venture LLP (Tonus) has been finalized.

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT MARCH 31, 2021**

(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.

Effect of COVID-19 Outbreak on Group Operations

The Group has been implementing several contingency plans to mitigate the potential negative impacts of COVID-19 on the Group’s operations and financial statements. It has been some partial hitches in sales process due to lockdowns and due to closure of some sales channels in countries where the Group operates in line with the slowdown in global markets and beer/ beverage industry. Meanwhile the Group has taken series of actions to minimize capital expenditures, expenses and inventory level and has reviewed current cash flow strategies to maintain strong balance sheet and liquidity position. Lifting of curfews and decreasing in restrictions regarding to pandemic has positive effect on both market demand and the Group’s operations.

The Group management has evaluated the potential effects of COVID-19 outbreak and has reviewed the key assumptions estimations used in proportion of the interim condensed consolidated financial statements. In this concept, Group has performed impairment test for financial assets, inventories, property, plant and equipment, goodwill and bottling rights and do not anticipate any material impairment loss in the interim condensed consolidated financial statements as of March 31, 2021.

Nature and level of risks arising from financial instruments, and risk management policies of the Group has been presented in Note 27.

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

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

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

The interim condensed consolidated financial statements are based on the statutory financial statements of the Group’s subsidiaries and joint ventures and presented in TRL in accordance with CMB Financial Reporting Standards with certain adjustments and reclassifications for the purpose of fair presentation. Such adjustments are primarily related to application of consolidation accounting, accounting for business combinations, accounting for deferred taxes on temporary differences, accounting for employment termination benefits on an actuarial basis and accruals for various expenses. Except for the financial assets and liabilities, derivative instruments carried from their fair values and assets and liabilities included in business combinations application, financial statements are prepared on historical cost basis.

In accordance with the 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, effective from interim periods beginning after September 30, 2013, listed companies are required to prepare their financial statements in conformity with Turkey Accounting/Financial Reporting Standards (TAS/IFRS) as prescribed in the CMB Communiqué. The financial statements and explanatory notes are presented using the compulsory standard formats as published by the Communiqué.

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

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).

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT MARCH 31, 2021**

(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)

The interim condensed consolidated financial statements should be considered together with the audited consolidated financial statements and disclosures as of December 31, 2020. Therefore, the results for the first three months up to March 31, 2021 may not necessarily constitute an indicator for the results to be expected for the overall fiscal year.

2.2 Functional and Reporting Currency

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

Functional Currency of Significant Subsidiaries Located in Foreign Countries

Subsidiary / Joint Venture	Local Currency	Functional Currency	
		2021	2020
EBI	European Currency (EURO)	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 (EURO)	USD	USD
Efes Kazakhstan	Kazakh Tenge (KZT)	KZT	KZT
Efes Moldova	Moldovan Leu (MDL)	MDL	MDL
Efes Georgia	Georgian Lari (GEL)	GEL	GEL
EHTMC	EURO	USD	USD
Efes Germany	EURO	EURO	EURO
Almaty CC	Kazakh Tenge (KZT)	KZT	KZT
Tonus	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	EURO	USD	USD
Waha B.V.	EURO	USD	USD
Al Waha	Iraqi Dinar (IQD)	IQD	IQD
Tacikistan CC	Tajikistani Somoni (TJS)	TJS	TJS

2.3 Seasonality of Operations

Due to higher beverage consumption during the summer season, the condensed consolidated interim financial results may include the effects of the seasonal variations. Therefore, the results of business operations for the first three months up to March 31, 2021 may not necessarily constitute an indicator for the results to be expected for the overall fiscal year.

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 December 31, 2020.

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

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. In the current period, the Group has made some restatements and reclassifications in the prior period's consolidated financial statements.

Restatements in the financial statements dated March 31, 2020:

- 1) The March 31, 2020, financial statements have been restated to correct an error in the presentation of effects of the foreign exchange gain/ (loss) related to foreign currency denominated trade payables. Aforementioned effects of the restatement are TRL67.033 in “Trade Payables to Third Parties” account, TRL73.343 in “Other Operating Expenses” account, TRL13.406 in “Deferred Tax Asset” account, TRL14.668 in “Deferred Tax Income/ (Expense)” account and TRL2.524 in “Currency Translation Differences” account.
- 2) The management of Soft Drink Operations has made significant assumptions over the useful life of spare parts for machinery and equipment based on the expertise of the technical departments. Group has made an estimation change in useful life assumption in 2020 and decreased 20 years useful life assumption for spare parts to 10 years. This estimation change does have been reflected on December 31, 2020 financial statements, and in order to provide quarterly correct comparison with prior period, March 31, 2020 financial statements are accordingly restated. Effect on current period depreciation as of March 31, 2020 is TRL38.936 as expense.

Reclassifications in the financial statements dated March 31, 2020:

- 3) The March 31, 2020, financial statements have been reclassified to correct an error in the classification of the foreign exchange gain/(loss) included in "Other Income and Expense from Operating Activities" and "Finance Income and Expense" accounts. TRL49.457 and TRL 25.301 have been netted-off in "Other Income and Expense from Operating Activities" and "Finance Income and Expense", respectively. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.
- 4) The March 31, 2020, financial statements have been reclassified to correct an error in the classification of “Gain/ (Loss) arising from the termination of lease agreements” included in "Financial Income/ Expense" accounts. The amount presented as gross TRL18.529 has been netted off in the financial statements. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

Reclassifications in the financial statements dated December 31, 2020:

- 5) The December 31, 2020, financial statements have been reclassified to correct an error in the classification of a payable amounting to TRL77.086 in “Other Current Liabilities”. The amount has been reclassified to “Trade Payables” account. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.
- 6) The December 31, 2020, financial statements have been reclassified to correct an error in the classification of a payable amounting to TRL57.642 in “Trade Receivables”. It has been reclassified; to “Current Prepaid Expense” account in amount of TRL53.147, to “Non- current Prepaid Expense” account in amount of TRL4.495. The aforementioned classification has no effect on previous years' losses and net profit for the relevant period.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT MARCH 31, 2021

(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

Adoption of new and revised Turkish Financial Reporting Standards

Standards, amendments and interpretations applicable as at 31 March 2021

Amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16 Interest Rate Benchmark Reform — Phase 2

The amendments in Interest Rate Benchmark Reform — Phase 2 (Amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16) introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition.

The amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16 are all effective for annual periods beginning on or after 1 January 2021. Early application is permitted.

The Group assessed that the adoption of this amendment does not have any effect on the Group's interim condensed consolidated financial statements.

Standards, amendments and interpretations that are issued but not effective as at 31 March 2021

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	<i>Insurance Contracts</i>
Amendments to TAS 1	<i>Classification of Liabilities as Current or Non-Current</i>
Amendments to TFRS 3	<i>Reference to the Conceptual Framework</i>
Amendments to TAS 16	<i>Property, Plant and Equipment – Proceeds before Intended Use</i>
Amendments to TAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>
Annual Improvements to TFRS Standards 2018-2020	<i>Amendments to TFRS 1, TFRS 9 and TAS 41</i>
Amendments to TFRS 4	<i>Extension of the Temporary Exemption from Applying IFRS 9</i>
Amendments to TFRS 16	<i>COVID-19 Related Rent Concessions beyond 30 June 2021</i>

TFRS 17 Insurance Contracts

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 supersedes TFRS 4 Insurance Contracts as of 1 January 2023.

Amendments to TAS 1 Classification of Liabilities as Current or Non-Current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

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

2.6 Changes in Accounting Policies (continued)

Adoption of new and revised Turkish Financial Reporting Standards (continued)

Standards, amendments and interpretations that are issued but not effective as at 31 March 2021 (continued)

Amendments to TFRS 3 *Reference to the Conceptual Framework*

The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated *Conceptual Framework*) at the same time or earlier.

Amendments to TAS 16 *Proceeds before Intended Use*

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

Amendments to TAS 37 *Onerous Contracts – Cost of Fulfilling a Contract*

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts.

The amendments published today are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

Annual Improvements to TFRS Standards 2018-2020 Cycle

Amendments to TFRS 1 *First time adoption of International Financial Reporting Standards*

The amendment permits a subsidiary that applies paragraph D16(a) of TFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent’s date of transition to TFRSs.

Amendments to TFRS 9 *Financial Instruments*

The amendment clarifies which fees an entity includes in assessing whether to derecognize a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf.

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

2.6 Changes in Accounting Policies (continued)

Adoption of new and revised Turkish Financial Reporting Standards (continued)

Standards, amendments and interpretations that are issued but not effective as at 31 March 2021 (continued)

Amendments to TAS 41 Agriculture

The amendment removes the requirement in paragraph 22 of TAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in TFRS 13.

The amendments to TFRS 1, TFRS 9, and TAS 41 are all effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

Amendments to TFRS 4 *Extension of the Temporary Exemption from Applying IFRS 9*

The amendment changes the fixed expiry date for the temporary exemption in TFRS 4 Insurance Contracts from applying TFRS 9 Financial Instruments, so that entities would be required to apply TFRS 9 for annual periods beginning on or after 1 January 2023.

Amendments to TFRS 16 *COVID-19 Related Rent Concessions beyond 30 June 2021*

Public Oversight Accounting and Auditing Standards Authority (“POA”) has published *COVID-19 Related Rent Concessions beyond 30 June 2021 (Amendment to TFRS 16)* that extends, by one year, the June 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification.

On issuance, the practical expedient was limited to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2021. Since lessors continue to grant COVID-19 related rent concessions to lessees and since the effects of the COVID-19 pandemic are ongoing and significant, the POA decided to extend the time period over which the practical expedient is available for use.

The new amendment is effective for lessees for annual reporting periods beginning on or after 1 April 2021. Earlier application is permitted.

NOTE 3. BUSINESS COMBINATIONS

Transactions Related to 2021

None.

Transactions Related to 2020

The Company’s ownership in Anadolu Etap has been increased to 76,22% from 71,70% on 6 March 2020 following the capital increase by TRL126.392. Anadolu Etap, which is currently being consolidated to Group’s financial statements by using the equity method, will continue to be accounted by using equity method, as the current governance structure and agreements among the shareholders of the Anadolu Etap does not allow any shareholder to fully control and consolidate.

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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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).

As at March 31, 2021, the Group presents Domestic Beer and International Beer as a single operating segment as Beer Group because they meet the aggregation criteria. As at March 31, 2020, related disclosure and tables were accordingly restated.

Segment performance is evaluated based on 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 above EBIT. Non-recurring items are either income or expenses which do not occur regularly as part of the normal activities of the company.

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 – March 31, 2021				
Net sales	2.412.075	3.747.345	-	6.159.420
Inter-segment sales	-	(87)	-	(87)
Revenue	2.412.075	3.747.258	-	6.159.333
EBITDA BNRI	(47.351)	762.860	(344)	715.165
Financial Income / (Expense)	(63.543)	111.887	-	48.344
Tax (Expense) Income	(10.938)	(176.885)	1.765	(186.058)
Capital expenditures	229.643	296.222	(70)	525.795
January 1 – March 31, 2020				
Net sales	1.892.003	2.621.600	-	4.513.603
Inter-segment sales	-	(83)	-	(83)
Revenue	1.892.003	2.621.517	-	4.513.520
EBITDA BNRI	(96.110)	397.062	178	301.130
Financial Income / (Expense)	(144.584)	(20.081)	-	(164.665)
Tax (Expense) Income	40.249	(52.272)	1.478	(10.545)
Capital expenditures	192.946	155.253	(57)	348.142

(1) Includes adjustment journals in the consolidation of the Group.

As of March 31, 2021, the portion of Turkey geographical area in the consolidated net revenue and total assets is 32% and 35% respectively (March 31, 2020- 33% and 36% respectively).

As of March 31, 2021, the portion of Russia and Ukraine geographical area in the consolidated net revenue and total assets is 27% and 34% respectively (March 31, 2020- 30% and 29% respectively).

As of March 31, 2021, the portion of Kazakhstan geographical area in the consolidated net revenue and total assets is 14% and 6% respectively (March 31, 2020- 14% and 4% respectively).

As of March 31, 2021, the portion of Pakistan geographical area in the consolidated net revenue and total assets is 13% and 7% respectively (March 31, 2020- 10% and 5% respectively).

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT MARCH 31, 2021**

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NOTE 4. SEGMENT REPORTING (continued)

	Beer Group	Soft Drinks	Other ⁽¹⁾and Eliminations	Total
March 31, 2021				
Segment assets	24.872.096	21.717.376	8.295.416	54.884.888
Segment liabilities	14.744.326	11.861.920	1.154.494	27.760.740
Investment in associates	(143.068)	-	-	(143.068)
December 31, 2020				
Segment assets	23.570.073	19.147.331	7.843.964	50.561.368
Segment liabilities	13.980.214	10.410.690	1.155.736	25.546.640
Investment in associates	(57.241)	-	-	(57.241)

(1) Includes adjustment journals in the consolidation of the Group.

Reconciliation of EBITDA BNRI to the consolidated Profit/Loss from Continuing Operations and its components as of March 31, 2021 and 2020 are as follows:

	1 January- 31 March 2021	1 January- 31 March 2020
EBITDA BNRI	715.165	301.130
Depreciation and amortization expenses	(539.054)	(501.297)
Provision for retirement pay liability	(9.615)	(11.495)
Provision for vacation pay liability	(21.765)	(15.178)
Foreign exchange gain/loss from operating activities	(32.885)	(177.158)
Rediscount income/expense from operating activities	(2.295)	199
Non-recurring items	(186)	(685)
Other	(3.390)	(2.254)
PROFIT (LOSS) FROM OPERATING ACTIVITIES	105.975	(406.738)
Investment Activity Income	545.393	298.741
Investment Activity Expenses (-)	(10.876)	(13.288)
Income/(Loss) from Associates	(86.160)	(55.352)
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)	554.332	(176.637)
Finance Income	672.631	442.475
Finance Expenses (-)	(624.287)	(607.140)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	602.676	(341.302)

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT MARCH 31, 2021**

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

NOTE 5. CASH AND CASH EQUIVALENTS

	March 31, 2021	December 31, 2020
Cash on hand	4.937	2.800
Bank accounts		
- Time deposits	6.477.069	7.542.612
- Demand deposits	1.218.932	883.252
Other	94.448	79.471
Cash and cash equivalents in cash flow statement	7.795.386	8.508.135
Expected credit loss (-)	(1.009)	(1.179)
Interest income accrual	6.989	17.994
	7.801.366	8.524.950

As of March 31, 2021, annual interest rates of the TRL denominated time deposits vary between 17,75% and 19,50% and have maturity between 1 - 37 days (December 31, 2020 - 15,50% - 19,00%; maturity between 4-50 days). Annual interest rates of the US Dollars (USD) and, Euro (EURO), and other currency denominated time deposits vary between 0,04% and 8,25% and have maturity between 1-219 days (December 31, 2020– annual interest rates of the US Dollars (USD) and, Euro (EURO), and other currency time deposits vary between 0,02% - 8,25%; maturity between 4-309 days).

As of March 31, 2021, other item contains credit card receivables amounting to TRL93.696 (December 31, 2020 – TRL79.076).

As of March 31, 2021, the Group has designated its bank deposits amounting to TRL733.219, equivalent of thousand USD57.800, thousand EURO20.211 and thousand RUR496.000 for the future raw material purchases, operational and interest expense related payments in the scope of hedge accounting (December 31, 2020 – TRL633.595, equivalent of thousand USD54.000, thousand EURO20.818 and RUR500.000).

NOTE 6. FINANCIAL INVESTMENTS

	March 31, 2021	December 31, 2020
Time deposits with maturity more than three months	6.827	23.164
	6.827	23.164

As of March 31, 2021, time deposits with maturities over 3 months are composed of USD and KZT with 84 and 314 days' maturity and have 2,50% interest rate for USD, 7,50% - 8,25% for KZT. (As of December 31, 2020, time deposits with maturities over 3 months are composed of USD with 1 and 174 days' maturity and have 1,00% - 2,50% interest rates for USD).

NOTE 7. SHORT AND LONG TERM BORROWINGS

a) Bank Loans, issued debt instruments and other borrowings

	March 31, 2021	December 31, 2020
Short-term Bank Loans (Third Parties)	2.626.722	2.327.494
Current Portion of Bank Loans (Third Parties)	575.346	513.660
Current Portion of Issued Debt Instruments (Third Parties)	53.464	30.783
Long-term Bank Loans (Third Parties)	2.123.380	1.816.654
Long-term Issued Debt Instruments (Third Parties)	7.651.559	7.105.561
	13.030.471	11.794.152

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NOTE 7. SHORT AND LONG TERM BORROWINGS

b) Bank Loans, issued debt instruments and other borrowings

As of March 31, 2021, total borrowings consist of principal (lease obligations included) amounting to TRL12.904.852 (December 31, 2020– TRL11.691.694) and interest expense accrual amounting to TRL125.619 (December 31, 2020 – TRL102.458). As of March 31, 2021, and December 31, 2020, total amount of borrowings and the effective interest rates are as follows:

	March 31, 2021			December 31, 2020		
	Amount	Weighted average fixed rate	Weighted average floating rate	Amount	Weighted average fixed rate	Weighted average floating rate
Short-term Borrowings						
TRL denominated borrowings	1.129.878	%12,74	-	1.355.907	% 11,81	-
Foreign currency denominated borrowings (USD)	385	%3,00	-	340	% 3,00	-
Foreign currency denominated borrowings (EURO)	245.136	%1,35	-	225.644	% 1,35	-
Foreign currency denominated borrowings (Other)	1.251.323	%3,33	Kibor + %0,01	745.603	% 7,13	Kibor + %0,22
	2.626.722			2.327.494		
Short-term portion of long term borrowings						
TRL denominated borrowings	6.778	%11,66	-	34.333	%11,72	-
Foreign currency denominated borrowings (USD)	76.750	%3,70	Libor + %2,50	38.458	%4,07	Libor+ %2,50
Foreign currency denominated borrowings (EURO)	151.881	-	Euribor + %2,17	134.891	-	Euribor + %2,16
Foreign currency denominated borrowings (Other)	393.401	%7,46	-	336.761	%7,07	-
	628.810			544.443		
Total	3.255.532			2.871.937		
Long-term Borrowings						
TRL denominated borrowings	889.000	%11,71	-	889.000	% 11,71	-
Foreign currency denominated borrowings (USD)	8.099.921	%3,82	Libor + %2,50	7.131.987	% 3,82	Libor+ %2,50
Foreign currency denominated borrowings (EURO)	495.349	-	Euribor + %4,89	487.741	-	Euribor + %2,27
Foreign currency denominated borrowings (Other)	290.669	%6,58	-	413.487	% 6,87	-
Total	9.774.939			8.922.215		
Grand Total	13.030.471			11.794.152		

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NOTE 7. SHORT AND LONG TERM BORROWINGS (continued)

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

Repayments of long-term borrowings are scheduled as follows:

	March 31, 2021	December 31, 2020
Between 1-2 years	4.878.955	4.488.409
Between 2-3 years	1.235.000	1.116.455
Between 3-4 years	3.660.984	3.317.351
	9.774.939	8.922.215

The movement of borrowings as of March 31, 2021 and 2020 is as follows:

	2021	2020
Balance at January 1	11.794.152	10.103.990
Proceeds from Borrowings	1.336.748	2.858.937
Repayments of Borrowings	(1.385.859)	(2.337.292)
Interest and Borrowing Expense (Note 21)	214.650	155.455
Interest Paid	(199.505)	(151.374)
Foreign exchange (gain)/loss	945.250	888.417
Currency Translation Differences	325.035	(317.382)
Balance at March 31	13.030.471	11.200.751

As of March 31, 2021, net interest on cross currency swap contracts of CCI is TRL49.790 (March 31, 2020 – TRL14.233).

b) Lease Liabilities

	March 31, 2021	December 31, 2020
Short term Lease Liabilities (Third Parties)	195	193
Current Portion of Lease Liabilities (Third Parties)	97.446	112.362
Long term Lease Liabilities (Third Parties)	253.553	257.907
	351.194	370.462

The movement of lease liabilities as of March 31, 2021 and 2020 is as follows:

	2021	2020
Balance at January 1	370.462	446.051
Additions	7.789	16.123
Repayments (-)	(34.231)	(46.844)
Disposals (-)	(16.929)	(19.176)
Interest expense (Note 21)	10.774	13.618
Foreign exchange (gain)/loss	2.954	1.019
Currency translation differences	10.375	(4.387)
Balance at March 31	351.194	406.404

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NOTE 8. DERIVATIVE INSTRUMENTS

a) Cross currency swaps

Soft Drink Operations

As of March 31, 2021, Soft Drink Operations has a cross currency swap contract with a total amount of USD 150 million due on September 19, 2024, for the probability of arising exchange rate exposure in the long term. The Group has also purchased an option amounting to USD 150 million for hedging the foreign exchange exposure with those two derivative transactions (nominal amount of TRL 1.249 thousand).

b) Currency option contracts

Beer Operations

As of March 31, 2021, the Company does not have currency option contracts (December 31, 2020 – TRL136.460).

Soft Drink Operations

As of March 31, 2021, Soft Drink Operations holds a derivative financial instrument of an option contract signed on January 27, 2021 with an amount of USD 9 million (USD 13,5 leveraged) and maturity of December 21, 2021. The total swap value of this hedge transaction is TRL74.932 (December 31, 2020 – None).

c) Commodity swap contracts

Beer Operations

As of March 31, 2021, Beer Operations have 25 commodity swap contracts with a total nominal amount of TRL472.585 for 23.936 tonnes of aluminium, 15.885 tonnes of plastic. 4.042 tonnes of aluminium and 525 tonnes of plastic commodity swap contracts are designated as hedging instruments in cash flow hedges related to forecasted cash flow, for the highly probable purchases of production materials exposed to can and plastic price risk (December 31, 2020– TRL346.588).

Soft Drink Operations

As of March 31, 2021, Soft Drink Operations has 5 sugar swap transactions with a total nominal amount of TRL3.736 for 1.300 tonnes. The total of these sugar swap contracts is designated as hedging instruments in cash flow hedges related to forecasted cash flow, for the high probability purchases of production material exposed to commodity price risk for the 2021 and 2022. (December 31, 2020 – TRL5.523).

As of March 31, 2021, Soft Drink Operations has 8 aluminium swap transactions with a total nominal amount of TRL136.650 for 10.259 tonnes. The total of these aluminium swap contracts is designated as hedging instruments in cash flow hedges related to forecasted cash flow, for the high probability purchases of production material exposed to commodity price risk for the year 2021 and 2022 (December 31, 2020 – TRL174.193).

d) Currency forwards

Beer Operations

As of March 31, 2021, Beer Operations have FX forward transactions with a total nominal amount of TRL3.271.839, for forward contracts amounting to USD158 million and EURO201 million. The total of these FX forward contracts are designated as cash flow hedges related to forecasted cash flow, for the high probability purchases of raw material, trade goods and operational expenses, exposed to foreign currency risk (December 31, 2020 – TRL2.696.376).

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NOTE 8. DERIVATIVE INSTRUMENTS (continued)

e) Swap contracts

As of March 31, 2021, Soft Drink Operations holds no cross currency swap contract. (December 31, 2020–TRL225.523).

The effective portion of change is in fair value of derivative instruments designated as hedging instruments in cash flow hedges is recognized in the consolidated statement of comprehensive income. The Group calculates the fair values of financial instruments that do not have an active market by using market data, using similar transactions, reference to fair value of similar instruments and discounted cash flow analysis.

	March 31, 2021		December 31, 2020	
	Nominal Value	Fair Value Asset / (Liability)	Nominal Value	Fair Value Asset/ (Liability)
Currency option contracts	74.932	1.887	136.460	(4.517)
Cross currency participation swaps	1.249.000	(297.129)	1.101.075	(213.420)
Commodity swap contracts	612.971	144.696	526.305	83.807
Currency forwards	3.271.839	4.512	2.696.376	43.984
Cross currency swaps	-	-	225.523	(58.166)
	5.208.742	(146.034)	4.685.739	(148.312)

NOTE 9. OTHER RECEIVABLES AND PAYABLES

a) Other Current Receivables

	March 31, 2021	December 31, 2020
Receivables from related party	142.680	104.183
Receivables from tax office	19.965	16.958
Sublease receivables from related party ⁽¹⁾	11.641	11.188
Due from personnel	13.692	15.436
Deposits and guarantees given	8.364	4.083
Other	15.333	10.682
	211.675	162.530

b) Other Non-Current Receivables

	March 31, 2021	December 31, 2020
Deposits and guarantees given	43.261	42.622
Sublease receivables from related party ⁽¹⁾	17.409	19.266
Other	8.177	5.641
	68.847	67.529

(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

	March 31, 2021	December 31, 2020
Taxes other than income taxes	1.386.674	1.154.710
Deposits and guarantees taken	616.130	513.243
Dividends payable	4.657	619.997
Other	17.406	17.535
	2.024.867	2.305.485

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NOTE 9. OTHER RECEIVABLES AND PAYABLES (continued)

d) Other Non-Current Payables

	March 31, 2021	December 31, 2020
Deposits and guarantees taken	4.252	4.417
	4.252	4.417

NOTE 10. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	March 31, 2021		December 31, 2020	
	Ownership	Carrying Value	Ownership	Carrying Value
Anadolu Etap ⁽²⁾	76,22%	(143.068)	76,22%	(57.241)
SSDSD ⁽¹⁾	25,13%	-	25,13%	-
		(143.068)		(57.241)

Relating to investments accounted for using equity method, total assets and liabilities as of March 31, 2021 and December 31, 2020 and profit/(loss) for the period of as of March 31, 2021 and March 31, 2020 are as follows:

	Anadolu Etap		SSDSD	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Total Assets	1.887.661	1.897.976	829	1.145
Total Liabilities	2.075.353	1.973.071	13.420	11.584
Net Assets	(187.692)	(75.095)	(12.591)	(10.439)
Group's Share (%)	76,22%	76,22%	25,13%	25,13%
Group's Share of Net Assets	(143.068)	(57.241)	(6.328)	(5.246)

	Anadolu Etap		SSDSD	
	1 January- 31 March 2021	1 January – 31 March 2020	1 January – 31 March 2021	1 January – 31 March 2020
Group's Share of Profit/(Loss) for the period	(85.827)	(53.741)	(333)	(1.611)

The movement of investments accounted for using equity method as of March 31, 2021 and 2020 are as follows:

	2021	2020
Balance at January 1	(57.241)	62.013
Income / Loss from associates	(86.160)	(55.352)
Capital increases	-	126.392
Other	333	1.611
Balance at March 31	(143.068)	134.664

- (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.
- (2) Losses exceeding the Group's share in Anadolu Etap, has been continued to be accounted as "Liabilities due to Investments Accounted for Using Equity Method" in consolidated financial statements in accordance with TAS 28 regarding the Project Completion Guarantee given for the payment obligations of Anadolu Etap.

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NOTE 11. RIGHT USE OF ASSET

For the three-month periods ended March 31, 2021 and 2020, movement on right use of asset are as follows:

Current year	Net Book Value January 1, 2021	Additions	Amendments to Leasing	Amortization	Disposals, net	Currency translation differences, net	Net Book Value March 31, 2021
Land	33.861	-	3.624	(740)	(793)	4.205	40.157
Buildings	184.047	1.820	(335)	(11.487)	(15.351)	20.752	179.446
Machinery and equipment	28.164	-	-	(3.281)	-	175	25.058
Vehicles	77.466	583	-	(13.071)	-	1.447	66.425
Other	3.715	-	-	(826)	-	214	3.103
	327.253	2.403	3.289	(29.405)	(16.144)	26.793	314.189

Previous year	Net Book Value January 1, 2020	Additions	Amendments to Leasing	Amortization	Disposals, net	Currency translation differences, net	Net Book Value March 31, 2020
Land	34.403	5	355	(556)	(6.436)	(2.637)	25.134
Buildings	213.563	2.111	1.684	(12.084)	(4.141)	(4.068)	197.065
Machinery and equipment	22.598	320	-	(1.768)	(7.971)	(368)	12.811
Vehicles	120.080	7.293	-	(13.480)	(8)	1.111	114.996
Other	5.471	2.160	-	(1.068)	(1)	94	6.656
	396.115	11.889	2.039	(28.956)	(18.557)	(5.868)	356.662

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NOTE 12. PROPERTY, PLANT AND EQUIPMENT

For the three-month periods ended March 31, 2021 and 2020, movement on property, plant and equipment are as follows:

Current year	Net Book Value January 1, 2021	Additions	Depreciation	Disposals, net	Currency translation differences, net	Impairment / (Impairment reversal), net	Transfers, net	Net Book Value March 31, 2021
Land and land improvements	680.692	31	(3.477)	(643)	64.539	-	42.587	783.729
Buildings	3.192.273	2.878	(41.206)	(1.067)	381.858	-	3.347	3.538.083
Machinery and equipment	5.592.844	56.085	(216.078)	(4.377)	645.616	(409)	96.927	6.170.608
Vehicles	120.603	12.207	(7.270)	(125)	25.240	-	(15.449)	135.206
Other tangibles	2.428.732	209.076	(221.979)	(8.788)	187.489	3.983	22.800	2.621.313
Leasehold improvements	5.051	-	(697)	-	898	-	-	5.252
Construction in progress	571.871	226.278	-	(512)	60.111	-	(156.660)	701.088
	12.592.066	506.555	(490.707)	(15.512)	1.365.751	3.574	(6.448)	13.955.279

Previous year	Net Book Value January 1, 2020	Additions	Depreciation	Disposals, net	Currency translation differences, net	Impairment / (Impairment reversal), net	Transfers, net	Net Book Value March 31, 2020
Land and land improvements	650.317	80	(3.119)	(6)	68	-	1.160	648.500
Buildings	3.011.706	170	(38.290)	18	(92.972)	-	21.021	2.901.653
Machinery and equipment	5.408.625	48.520	(210.444)	(4.132)	(129.347)	450	152.157	5.265.829
Vehicles	113.680	2.652	(7.657)	(473)	(2.828)	-	6.011	111.385
Other tangibles	2.312.680	92.301	(189.876)	(7.703)	(44.085)	(5.752)	52.436	2.210.001
Leasehold improvements	4.528	280	(251)	-	(667)	-	-	3.890
Construction in progress	504.985	187.759	-	(6)	(3.660)	-	(235.906)	453.172
	12.006.521	331.762	(449.637)	(12.302)	(273.491)	(5.302)	(3.121)	11.594.430

As of March 31, 2021, there is a pledge on property, plant and equipment of TRL174.669 (December 31, 2020 – TRL148.321) for loans of CCI. 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 three-month periods ended March 31, 2021 and 2020, movement on other intangible assets are as follows:

Current year	Net Book Value January 1, 2021	Additions	Amortization	Disposals, net	Currency translation differences, net	Impairment / (Impairment reversal),net	Transfers, net	Net Book Value March 31, 2021
Bottling contracts	10.417.801	-	-	-	765.218	-	-	11.183.019
Licence agreements	5.642.031	-	-	-	613.361	-	-	6.255.392
Brands	774.556	-	-	-	85.402	-	-	859.958
Rights	88.637	89	(12.400)	-	5.053	-	3.941	85.320
Construction in progress	90.551	12.069	-	-	-	-	(49.734)	52.886
Other intangible assets	154.132	7.082	(8.226)	-	13.824	-	45.311	212.123
	17.167.708	19.240	(20.626)	-	1.482.858	-	(482)	18.648.698

Previous year	Net Book Value January 1, 2020	Additions	Amortization	Disposals, net	Currency translation differences, net	Impairment / (Impairment reversal),net	Transfers, net	Net Book Value March 31, 2020
Bottling contracts	9.803.808	-	-	-	(193.159)	-	-	9.610.649
Licence agreements	5.455.560	-	-	-	(683.995)	-	-	4.771.565
Brands	743.706	-	-	-	(85.500)	-	-	658.206
Rights	99.249	138	(17.810)	-	(6.574)	-	5.705	80.708
Construction in progress	60.186	-	-	-	-	-	-	60.186
Other intangible assets	140.334	16.242	(7.074)	-	(5.177)	-	(4.563)	139.762
	16.302.843	16.380	(24.884)	-	(974.405)	-	1.142	15.321.076

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NOTE 14. GOODWILL

For the three-month period ended March 31, 2021 and 2020, movements of the goodwill during the period are as follows:

	2021	2020
At January 1	3.299.250	3.221.352
Currency translation differences	378.868	(440.995)
At March 31	3.678.118	2.780.357

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 1 February 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 March 31, 2021 and December 31, 2020, nominal amounts, equity restatement differences and restated value of equity are as follows:

	March 31, 2021			December 31, 2020		
	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	372.939	74.729	447.668	372.939	74.729	447.668
Extraordinary reserves	241.311	25.831	267.142	241.311	25.831	267.142

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NOTE 16. COMMITMENTS AND CONTINGENCIES

Parent Company (Anadolu Efes) and Subsidiaries Included in Consolidation

As of March 31, 2021, and December 31, 2020 guarantees, pledges and mortgages (GPMs) given in favor of the parent company and subsidiaries included in full consolidation are as follows:

March 31, 2021							
Current year	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
A. GPMs given on behalf of the Company's legal personality	323,342	147,933	321	592	28,887	2,367,145	29,316
B. GPMs given in favor of subsidiaries included in full consolidation ⁽¹⁾	1,175,476	-	4,600	50,503	1,011,223	2,557,160	202,541
C. GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-	-
D. Other GPMs	791,235	24,649	-	78,474	-	-	-
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⁾	791,235	24,649	-	78,474	-	-	-
iii. GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-
Total	2,290,053	172,582	4,921	129,569	1,040,110	4,924,305	231,857
Ratio of other GPMs over the Company's equity (%)	2,9						
December 31, 2020							
Previous year	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
A. GPMs given on behalf of the Company's legal personality	322,625	143,142	181	1,358	31,385	2,809,341	28,752
B. GPMs given in favor of subsidiaries included in full consolidation ⁽¹⁾	1,121,011	-	4,600	53,580	1,103,328	3,034,852	178,801
C. GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-	-
D. Other GPMs	731,142	24,649	-	78,431	-	-	-
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⁾	731,142	24,649	-	78,431	-	-	-
iii. GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-
Total	2,174,778	167,791	4,781	133,369	1,134,713	5,844,193	207,553
Ratio of other GPMs over the Company's equity (%)	2,9						

- (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.
- (2) Includes the GPMs given in favor of Anadolu Etap which is the Group's investment accounted by using equity method. The Company has given a Project Completion Guarantee (Guarantee) for Anadolu Etap's payment obligations according to the loan agreement signed by Anadolu Etap with European Bank For Reconstruction and Development (EBRD) amounting to EURO102,9 million. The guarantee that has been given by Anadolu Efes is limited with Anadolu Efes' share in Anadolu Etap as determined by Article 12 of the Corporate Governance Communiqué.

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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 March 31, 2021, CCBPL has USD34,7 million sugar purchase commitment to the Banks until the end of December 2021 (December 31, 2020- USD 0,8 million sugar purchase commitment to the Banks until the end of December 2021 and USD 2,8 million sugar purchase commitment to the Banks until the end of June 2021).

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 Turkey 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 PKR3.505 million (equivalent to TRL191 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 (31 December 2020 - PKR3.505 million (equivalent to TRL161 million)).

Litigations against the Group

As of March 31, 2021, according to the legal opinion taken by the administration in response to 12 lawsuits filed against JSC AB Inbev Efes, in the event of loss the estimated compensation will be million TRL13.290. 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, 2020- estimated compensation without provision is million TRL 13.300)

CCI and subsidiaries in Turkey are involved on an ongoing basis in 220 litigations arising in the ordinary course of business as of March 31, 2021 with an amount of TRL14.670 (31 December 2020 – TRL14.458). As of March 31, 2021, no court decision has been granted yet.

As of March 31, 2021, CCBPL has tax litigations. If the claims are resulted against CCBPL, the tax liability would be PKR9.275 million (equivalent to TRL505,5 million) (December 31, 2020 – PKR5.126 million (equivalent to TRL235,4 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

	March 31, 2021	December 31, 2020
Advances given to suppliers	369.411	254.651
Prepaid sales expenses	317.609	359.617
Prepaid insurance expenses	10.017	16.066
Prepaid rent expenses	6.353	9.792
Prepaid other expenses	35.612	20.429
	739.002	660.555

b) Long Term Prepaid Expenses

	March 31, 2021	December 31, 2020
Prepaid sales expenses	403.273	369.600
Prepaid rent expenses	21.300	20.850
Advances given to suppliers	9.063	20.437
Prepaid other expenses	25.028	20.112
	458.664	430.999

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

	March 31, 2021	December 31, 2020
Advances taken	99.897	130.976
Deferred income	41	-
	99.938	130.976

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

	March 31, 2021	December 31, 2020
Deferred income	17.333	7.531
	17.333	7.531

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NOTE 18. OTHER ASSETS AND LIABILITIES

a) Other Current Assets

	March 31, 2021	December 31, 2020
Value Added Tax (VAT) deductible or to be transferred	247.982	291.337
Other Current Assets from related parties (Anadolu Efes Spor Kulübü)	80.000	-
Deferred VAT and other taxes	43.539	66.464
Restricted cash	-	17.759
Other	50.337	82.162
	421.858	457.722

b) Other Non-Current Assets

	March 31, 2021	December 31, 2020
Deferred VAT and other taxes	547	669
Other	165	152
	712	821

c) Other Current and Non-Current Liabilities

As of March 31, 2021, and December 31, 2020, other current liabilities are as follows:

	March 31, 2021	December 31, 2020
Put option liability	376.428	331.285
Deferred VAT and other taxes	44.232	68.025
Other	36.208	31.628
	456.868	430.938

As of March 31, 2021, and December 31, 2020, other non- current liabilities are as follows:

	March 31, 2021	December 31, 2020
Deferred VAT and other taxes	464	500
Other	3.136	2.784
	3.600	3.284

As of March 31, 2021, the obligation of TRL19.684 results from the put option carried, for the purchase of %12,5 of Turkmenistan CC shares from Day Investment Ltd., with a consideration of USD2.360 thousand. USD amount is converted with the official USD purchase rate announced by Central Bank of Republic of Turkey and resulting TRL amount is reflected under other current liabilities (December 31, 2020 – TRL17.324).

According to the put option signed with European Refreshments (ER), which became effective after the completion of Al Waha acquisition and exercisable between December 31, 2016 and 2021, ER has an option to sell (and CCI will have an obligation to buy) its remaining %19,97 participatory shares in Waha B.V.. This obligation is recorded as put option liability in the Group’s consolidated financial statements. Based on the contract, fair value of the put option liability is calculated using discounted cash flow method as TRL356.744 and the amount is recorded under “other non-current liabilities” account (December 31, 2020 – TRL313.961).

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NOTE 19. OTHER OPERATING INCOME / EXPENSES

a) Other Operating Income

	1 January - 31 March 2021	1 January- 31 March 2020
Foreign exchange gains arising from operating activities	105.842	77.557
Reversal of provision for inventory obsolescence	12.306	15.697
Income from scrap and other materials	7.540	8.265
Reversal of provision for expected credit loss	3.575	6.684
Rent income	2.630	9.725
Insurance compensation income	208	584
Other	52.302	30.135
	184.403	148.647

b) Other Operating Expenses

	1 January - 31 March 2021	1 January- 31 March 2020
Foreign exchange losses arising from operating activities	(138.727)	(254.715)
Provision for expected credit loss	(17.029)	(7.814)
Provision for inventory obsolescence	(11.572)	(19.960)
Administrative fines	(328)	(713)
Depreciation and amortization	(51)	(1.372)
Donations	(31)	(1.271)
Other	(27.575)	(26.912)
	(195.313)	(313.732)

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NOTE 20. INVESTMENT ACTIVITY INCOME / EXPENSE

a) Investment activity income

	1 January - 31 March 2021	1 January- 31 March 2020
Transfer of currency translation differences previously accounted as other comprehensive income	455.377	279.931
Gain on disposal of fixed assets	83.588	18.810
Reversal of impairment on PPE	6.428	-
	545.393	298.741

b) Investment activity expense

	1 January - 31 March 2021	1 January- 31 March 2020
Loss on disposal of fixed assets	(7.871)	(5.146)
Provision for impairment on tangible assets	(2.854)	(5.302)
Other	(151)	(2.840)
	(10.876)	(13.288)

NOTE 21. FINANCE INCOME / EXPENSE

a) Finance Income

	1 January - 31 March 2021	1 January- 31 March 2020
Foreign exchange gain	580.217	360.352
Interest income	62.005	58.264
Gain on derivative transactions	27.691	19.660
Interest income from subleases	1.680	2.160
Gain arising from the termination of lease agreements	868	648
Other	170	1.391
	672.631	442.475

b) Finance Expense

	1 January - 31 March 2021	1 January- 31 March 2020
Foreign exchange loss	(355.582)	(324.577)
Interest and borrowing expense	(214.650)	(155.455)
Loss on derivative transactions	(29.099)	(102.547)
Interest expense from leases	(10.774)	(13.618)
Other financial expenses	(14.182)	(10.943)
	(624.287)	(607.140)

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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:

	March 31, 2021	December 31, 2020
Turkey	20%	22%
The Netherlands	25%	25%
Russia	20%	20%
Kazakhstan	20%	20%
Moldova	12%	12%
Georgia	-	-
Ukraine	18%	18%
Azerbaijan	20%	20%
Kyrgyzstan	10%	10%
Pakistan	29%	29%
Iraq	15%	15%
Jordan	16%	16%
Turkmenistan	8%	8%
Tajikistan	13%	13%

As of March 31, 2021 and December 31, 2020 consolidated deferred tax assets and liabilities calculated by using effective tax rates are summarized as below:

	March 31, 2021	December 31, 2020
Deferred tax asset	1.146.653	942.314
Deferred tax liability	(3.472.469)	(3.257.472)
	(2.325.816)	(2.315.158)

	Asset		Liability		Net	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
PP&E and intangible assets and right used of assets	-	-	(3.925.392)	(3.658.030)	(3.925.392)	(3.658.030)
Inventories	-	25.548	(14.639)	-	(14.639)	25.548
Carry forward losses	970.887	821.268	-	-	970.887	821.268
Retirement pay liability and other employee benefits	58.122	52.813	-	-	58.122	52.813
Other provisions and accruals	462.576	329.588	-	-	462.576	329.588
Unused investment discounts	96.261	89.705	-	-	96.261	89.705
Derivative financial instruments	26.369	23.950	-	-	26.369	23.950
	1.614.215	1.342.872	(3.940.031)	(3.658.030)	(2.325.816)	(2.315.158)

As of March 31, 2021, total investments made for Bursa, Elazığ, Köyceğiz, Çorlu, Ankara, Mersin, İzmir, Isparta and Mahmutiye production line investments under the scope of investment incentives are amounting to TRL293.938 (December 31, 2020, TRL293.938) with a total tax advantage of TRL96.261 (December 31, 2020, TRL89.705). Tax advantage calculated from the beginning date of the incentives by considering the future advantages is amounting to TRL3.708 (December 31, 2020 - TRL3.708).

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.

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NOTE 23. EARNINGS PER SHARE (continued)

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

	1 January- 31 March 2021	1 January- 31 March 2020
Weighted average number of shares (full value)	592.105.263	592.105.263
Net income/ (loss)	295.163	(128.598)
Earnings/ (losses) per share (full TRL)	0,4985	(0,2172)
Net income/ (loss)	295.163	(128.598)
Net income/ (loss) from discontinued operations	-	(2.441)
Net income/ (loss) from continuing operations	295.163	(126.157)
Earning/ (losses) from continuing operations (full TRL)	0,4985	(0,2131)
Net income/ (loss) from discontinued operations	-	(2.441)
Earning/ (losses) from discontinued operations (full TRL)	-	(0,0041)

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.

NOTE 24. NON-CURRENT ASSETS CLASSIFIED as HELD for SALE and DISCONTINUED OPERATIONS

a) Assets Held for Sale

The Group classified its facilities accounted under "Property, Plant and Equipment" whose net book value is TRL15.095 to "Non-Current Assets Held for Sale" in 2020.

Aforementioned assets with net book value of TRL12.791 is disposed in the first three months of 2021. The Group presents its plants with net book value of TRL2.304 in "Non- current Assets Held for Sale" in financial statements as of March 31, 2021.

b) Discontinued Operations

Agreement has been reached between The Coca-Cola Company and CCI on the preliminary discussions to revisit the sales and distribution model of Doğadan brand, the non-ready to drink tea in CCI's portfolio. According to the agreement, CCI sales and distribution activities of Doğadan brand terminated as of 30 April 2020.

In the interim condensed consolidated financial statements as of March 31, 2020, Doğadan is disclosed as discontinued operation in accordance with TFRS 5. As of March 31, 2021, discontinued operation has no effect on financial statements.

	1 January – 31 March 2021	1 January – 31 March 2020
Revenue	-	59.850
Cost of Sales (-)	-	(57.693)
Sales, Distribution and Marketing Expenses (-)	-	(4.543)
Profit (Loss) from Discontinued Operations Before Tax	-	(2.386)
Tax (Expense) / Income from Discontinued Operations	-	(55)
Profit / (Loss) from Discontinued Operations	-	(2.441)

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NOTE 25. RELATED PARTY BALANCES AND TRANSACTIONS

a) Balances with Related Parties

Due from Related Parties

	March 31, 2021	December 31, 2020
AB InBev Group Companies ⁽³⁾	273.024	174.757
Migros Group Companies ⁽²⁾	248.335	241.021
AG Anadolu Grubu Holding A.Ş. ⁽¹⁾	29.460	32.909
Other	10.079	8.781
	560.898	457.468

Due to Related Parties

	March 31, 2021	December 31, 2020
AB InBev Group Companies ⁽³⁾	661.225	557.589
Anadolu Efes Spor Kulübü	78.506	-
Oyex Handels GmbH ⁽²⁾	8.144	10.687
Other	284	770
	748.159	569.046

b) Transactions with Related Parties

Purchases of Goods, Services and Other Expense

	Nature of transaction	1 January - 31 March 2021	1 January - 31 March 2020
AB InBev Group Companies ⁽³⁾	Service and Purchase of Trade Goods	42.484	28.404
Anadolu Efes Spor Kulübü	Service	42.768	27.530
Oyex Handels GmbH ⁽²⁾	Purchase of Materials and Fixed Assets	25.867	13.279
AG Anadolu Grubu Holding A.Ş. ⁽¹⁾	Consultancy Service	12.229	12.944
Efestur Turizm İşletmeleri A.Ş. ⁽²⁾	Travel and Accommodation	704	2.185
Çelik Motor Ticaret A.Ş. ⁽²⁾	Vehicle Leasing	275	355
Other		362	117
		124.689	84.814

Financial Income and Expense

	Nature of transaction	1 January - 31 March 2021	1 January - 31 March 2020
AG Anadolu Grubu Holding A.Ş. ⁽¹⁾	Interest Income from Subleases	1.680	2.160
Çelik Motor Ticaret A.Ş.	Interest Expense from Leases	(27)	(84)
		1.653	2.076

(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)

Revenue and Other Income / (Expenses)

	Nature of transaction	1 January - 31 March 2021	1 January- 31 March 2020
Migros Group Companies ⁽²⁾	Sales Income	188.415	189.264
AB InBev Group Companies ⁽³⁾	Other Income	32.030	13.854
Other	Other Income	546	76
		220.991	203.194

Director's Remuneration

As of March 31, 2021, and 2020, total benefits to Anadolu Efes Board of Directors, remuneration and similar benefits received by total executive members of the Board of Directors and executive directors are as follows:

	1 January - 31 March 2021		1 January- 31 March 2020	
	Board of Directors	Executive Directors	Board of Directors	Executive Directors
Short-term employee benefits	547	24.990	127	18.624
Other long-term benefits	-	1.613	-	1.452
	547	26.603	127	20.076

(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)

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 foreign currency risk, credit risk, interest rate risk, price risk and liquidity 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) Foreign Currency Risk

Foreign currency risk generally arises from the EURO 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)

a) Foreign Currency Risk (continued)

Net foreign currency exposure for the consolidated Group companies as of March 31, 2021 and December 31, 2020 are presented below:

Foreign Currency Position Table						
March 31, 2021						
	Total TRL Equivalent	Thousand USD	Total TRL Equivalent	Thousand EURO	Total TRL Equivalent	Other Foreign Currency TRL
1. Trade Receivables and Due from Related Parties	272.745	20.839	173.503	9.289	90.743	8.499
2a. Monetary Financial Assets (Cash and cash equivalents included)	4.840.745	538.564	4.483.976	29.066	283.940	72.829
2b. Non- monetary Financial Assets	228	-	-	23	228	-
3. Other	8.680	84	703	811	7.922	55
4. Current Assets (1+2+3)	5.122.398	559.487	4.658.182	39.189	382.833	81.383
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	186	-	-	19	186	-
8. Non-Current Assets (5+6+7)	186	-	-	19	186	-
9. Total Assets (4+8)	5.122.584	559.487	4.658.182	39.208	383.019	81.383
10. Trade Payables and Due to Related Parties	(2.340.601)	(148.984)	(1.240.412)	(106.176)	(1.037.216)	(62.973)
11. Short- term Borrowings and Current Portion of Long- term Borrowings	(480.195)	(10.626)	(73.922)	(41.588)	(406.265)	(8)
12a. Monetary Other Liabilities	(430)	-	-	(44)	(430)	-
12b. Non-monetary Other Liabilities	(376.428)	(45.212)	(376.428)	-	-	-
13. Current Liabilities (10+11+12)	(3.197.654)	(204.822)	(1.690.762)	(147.808)	(1.443.911)	(62.981)
14. Trade Payables and Due to Related Parties	(49)	-	-	(5)	(49)	-
15. Long-Term Borrowings	(8.619.666)	(973.443)	(8.104.691)	(52.712)	(514.933)	(42)
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	(2)	-	(2)	-	-	-
17. Non-Current Liabilities (14+15+16)	(8.619.717)	(973.443)	(8.104.693)	(52.717)	(514.982)	(42)
18. Total Liabilities (13+17)	(11.817.371)	(1.178.265)	(9.795.455)	(200.525)	(1.958.893)	(63.023)
19. Off Statement of Financial Position Derivative Items' Net Asset/(Liability) Position (19a+19b)	6.821.528	819.324	6.821.528	-	-	-
19a. Total Hedged Assets (*)	6.821.528	819.324	6.821.528	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9+18+19)	126.741	200.546	1.684.255	(161.317)	(1.575.874)	18.360
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (1+2a+5+6a+10+11+12a+14+15+16a)	(6.327.451)	(573.650)	(4.761.546)	(162.170)	(1.584.210)	18.305
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	(286.508)	(34.412)	(286.508)	1.715	-	-
23. Total value of Hedged Foreign Currency Assets	-	-	-	-	-	-

Foreign Currency Position Table						
December 31, 2020						
	Total TRL Equivalent	Thousand USD	Total TRL Equivalent	Thousand EURO	Total TRL Equivalent	Other Foreign Currency TRL
1. Trade Receivables and Due from Related Parties	292.204	28.889	212.063	8.224	74.085	6.056
2a. Monetary Financial Assets (Cash and cash equivalents included)	3.515.804	440.604	3.234.251	25.298	227.882	53.671
2b. Non- monetary Financial Assets	181	-	-	20	181	-
3. Other	5.255	9	63	571	5.144	48
4. Current Assets (1+2+3)	3.813.444	469.502	3.446.377	34.113	307.292	59.775
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	3.804	479	3.516	32	288	-
8. Non-Current Assets (5+6+7)	3.804	479	3.516	32	288	-
9. Total Assets (4+8)	3.817.248	469.981	3.449.893	34.145	307.580	59.775
10. Trade Payables and Due to Related Parties	(1.910.533)	(127.671)	(937.167)	(101.821)	(917.194)	(56.172)
11. Short- term Borrowings and Current Portion of Long- term Borrowings	(444.843)	(10.120)	(74.286)	(41.136)	(370.549)	(8)
12a. Monetary Other Liabilities	(2.397)	(233)	(1.712)	(76)	(685)	-
12b. Non-monetary Other Liabilities	(331.285)	(45.131)	(331.285)	-	-	-
13. Current Liabilities (10+11+12)	(2.689.058)	(183.155)	(1.344.450)	(143.033)	(1.288.428)	(56.180)
14. Trade Payables and Due to Related Parties	(45)	-	-	(5)	(45)	-
15. Long-Term Borrowings	(7.644.067)	(972.285)	(7.137.060)	(56.280)	(506.965)	(42)
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	(2)	-	(2)	-	-	-
17. Non-Current Liabilities (14+15+16)	(7.644.114)	(972.285)	(7.137.062)	(56.285)	(507.010)	(42)
18. Total Liabilities (13+17)	(10.333.172)	(1.155.440)	(8.481.512)	(199.318)	(1.795.438)	(56.222)
19. Off Statement of Financial Position Derivative Items' Net Asset/(Liability) Position (19a+19b)	6.014.248	819.324	6.014.248	-	-	-
19a. Total Hedged Assets (*)	6.014.248	819.324	6.014.248	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9+18+19)	(501.676)	133.865	982.629	(165.173)	(1.487.858)	3.553
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (1+2a+5+6a+10+11+12a+14+15+16a)	(6.193.877)	(640.816)	(4.703.911)	(165.796)	(1.493.471)	3.505
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	(162.392)	(31.131)	(228.515)	7.341	66.123	-
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 and the borrowings denominated in EURO have been designated as hedges of net investment risk

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

a) Foreign Currency Risk (continued)

The information regarding the export and import figures realized as of March 31, 2021 and 2020 is as follows:

	1 January - 31 March 2021	1 January- 31 March 2020
Total Export	184.470	99.974
Total Import	1.319.708	1.178.616

The following table demonstrates the sensitivity analysis of foreign currency as of March 31, 2021 and 2020:

Foreign Currency Position Sensitivity Analysis				
	March 31, 2021 ^(*)		March 31, 2020 ^(*)	
	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)	(472.313)	472.313	(546.187)	546.187
USD denominated hedging instruments (-)	682.153	(682.153)	533.872	(533.872)
Net effect in USD	209.840	(209.840)	(12.315)	12.315
Increase / decrease in EURO by 10%:				
EURO denominated net asset / (liability)	(158.421)	158.421	(149.344)	149.344
EURO denominated hedging instruments (-)	-	-	36.076	(36.076)
Net effect in EURO	(158.421)	158.421	(113.268)	113.268
Increase / decrease in other foreign currencies by 10%:				
Other foreign currency denominated net asset / (liability)	1.831	(1.831)	(95)	95
Other foreign currency hedging instruments (-)	-	-	-	-
Net effect in other foreign currency	1.831	(1.831)	(95)	95
TOTAL	53.250	(53.250)	(125.678)	125.678

^(*) Monetary assets and liabilities eliminated in scope of consolidation are not included.

b) Foreign Currency Hedge of Net Investments in Foreign Operations

The Group designated bond issued amounting to USD500 million and EURO50 million 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, Efes Breweries International (whose main activity is facilitating foreign investments in breweries).

CCI designated USD319 million out of USD denominated bond issued amounting to USD500 million 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 TRL819.579 (TRL655.663- 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 (31 December 2020 – TRL1.283.115 (TRL1.026.492- including deferred tax effect)).

c) 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.

d) 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)

e) 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). The Group also obtains guarantees from the customers when appropriate and keep considerable portion of the receivables secured with guarantees or receivable insurance.

Maximum exposure to credit risk and aging of financial assets past due but not impaired as of March 31, 2021 and December 31, 2020 are disclosed as below:

	Receivables				Deposits	Derivative Instruments
	Trade Receivables		Other Receivables			
	Due from related parties	Due from third parties	Due from related parties	Due from third parties		
March 31, 2021						
Maximum exposure to credit risk at the end of reporting period (A+B+C+D+E)	389.168	3.320.436	171.730	108.792	7.702.828	177.227
- Maximum credit risk secured by guarantees	227.113	1.526.749	-	-	-	-
A. Net carrying amount of financial assets that are neither past due nor impaired	381.040	3.136.548	171.730	108.792	7.702.828	177.227
B. Carrying amount of financial assets whose term has been renegotiated, otherwise past due or impaired	-	-	-	-	-	-
C. Net carrying amount of financial assets past due but not impaired	8.128	183.888	-	-	-	-
- Under guarantee, securities and credit insurance	-	28.050	-	-	-	-
D. Net carrying amount of financial assets impaired	-	-	-	-	-	-
- past due (gross carrying value)	-	173.612	-	-	-	-
- impaired (-)	-	(173.612)	-	-	-	-
- Net carrying amount of financial assets under guarantee, securities and credit insurance	-	-	-	-	-	-
- not past due (gross carrying value)	-	-	-	-	-	-
- impaired (-)	-	-	-	-	-	-
- Net carrying amount of financial assets under guarantee, securities and credit insurance	-	-	-	-	-	-
E. Off- balance sheet items which include credit risk	-	-	-	-	-	-

Financial Assets Past Due but Not Impaired

March 31, 2021	Trade Receivables	Other Receivables	Deposits	Derivative Instruments
Past due between 1-30 days	101.720	-	-	-
Past due between 1-3 months	28.513	-	-	-
Past due between 3-12 months	49.067	-	-	-
Past due for more than 1 year	4.588	-	-	-

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

	Receivables				Deposits	Derivative Instruments
	Trade Receivables		Other Receivables			
	Due from related parties	Due from third parties	Due from related parties	Due from third parties		
December 31, 2020						
Maximum exposure to credit risk at the end of reporting period (A+B+C+D+E)	322.831	2.423.986	134.637	95.422	8.449.028	143.388
- Maximum credit risk secured by guarantees	225.386	847.277	-	-	-	-
	-	-	-	-	-	-
A. Net carrying amount of financial assets that are neither past due nor impaired	314.941	1.974.766	134.637	95.422	8.449.028	143.388
B. Carrying amount of financial assets whose term has been renegotiated, otherwise past due or impaired	-	-	-	-	-	-
C. Net carrying amount of financial assets past due but not impaired	7.890	449.220	-	-	-	-
- Under guarantee, securities and credit insurance	-	18.659	-	-	-	-
D. Net carrying amount of financial assets impaired	-	-	-	-	-	-
- past due (gross carrying value)	-	147.828	-	-	-	-
- impaired (-)	-	(147.828)	-	-	-	-
- Net carrying amount of financial assets under guarantee, securities and credit insurance	-	-	-	-	-	-
- not past due (gross carrying value)	-	-	-	-	-	-
- impaired (-)	-	-	-	-	-	-
- Net carrying amount of financial assets under guarantee, securities and credit insurance	-	-	-	-	-	-
E. Off- balance sheet items which include credit risk	-	-	-	-	-	-

Financial Assets Past Due but Not Impaired

December 31, 2020	Trade Receivables	Other Receivables	Deposits	Derivative Instruments
Past due between 1-30 days	411.143	-	-	-
Past due between 1-3 months	35.716	-	-	-
Past due between 3-12 months	2.361	-	-	-
Past due for more than 1 year	-	-	-	-

f) 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)

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 – March 31, 2021	January 1 – March 31, 2020
Adjustments for impairment loss (reversal of impairment) of inventories (Note 19)	(734)	4.263
Adjustments for impairment loss (reversal of impairment) of property, plant and equipment (Note 20)	(3.574)	5.302
Adjustments for impairment loss (reversal of impairment) of receivables (Note 19)	13.454	1.130
	9.146	10.695

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

	January 1 – March 31, 2021	January 1 – March 31, 2020
Provision for vacation pay liability	21.765	15.178
Provision for retirement pay liability	9.615	11.495
Provision for seniority bonus	6.994	3.801
	38.374	30.474

c) Adjustments for Interest (Income) Expenses

	January 1 – March 31, 2021	January 1 – March 31, 2020
Adjustments for interest expenses (Note 21)	214.650	155.455
Adjustments for interest expense related to leases (Note 21)	10.774	13.618
Adjustments for interest income (Note 21)	(62.005)	(58.264)
Adjustments for interest income income sub-lease receivables (Note 21)	(1.680)	(2.160)
	161.739	108.649

d) Cash Flows from (used in) Financing Activities

	January 1 – March 31, 2021	January 1 – March 31, 2020
Income / (loss) from cash flow hedge	66.344	39.337
Change in time deposits with maturity more than three months	16.338	(326.561)
	82.682	(287.224)

e) Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments

	January 1 – March 31, 2021	January 1 – March 31, 2020
Adjustments for fair value (gains) losses on derivative financial instruments	(45.947)	79.801
	(45.947)	79.801

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NOTE 29. EVENTS AFTER REPORTING PERIOD

- a) In the meeting held on February 25, 2021, the Company Board of Directors resolved to submit for the approval of the General Assembly a cash dividend proposal of gross full TRL1.9348 (net full TRL1.64458) per each share with 1 TL nominal value amounting to a total of TRL1.145.605 realizing a 193.48% gross dividend distribution, calculated for the period January-December 2020 to be paid starting from May 28, 2021.
- b) In 2020, Soft Drinks Operations recorded a net income of TRL1.232.671 in the consolidated financial statements prepared in accordance with the Turkish Financial Reporting Standards. As per the resolution of the Board of Soft Drink Operations dated February 24, 2021; resolved to propose to the General Assembly the distribution of a total TRL501.110 gross dividends to be paid starting from May 27, 2021. After legal liabilities are deducted, TRL395.000 of this amount will be paid from 2020 net income, and TRL106.110 will be paid from other distributable reserves. As per the proposal, the remainder of 2020 net income will be added to the extraordinary reserves.

Subject to the approval of the General Assembly, a gross cash dividend of full TRL1,97 (net full TRL1,97) per 100 shares, representing TL 1 nominal value, will be paid to Turkey based full and limited corporate taxpayers, who receive dividends through an established business or a representative office in Turkey. Other shareholders will receive gross full TRL1,97 (net full TRL1,6745) per 100 shares.

- c) In accordance with the regulation numbered 7316, published in Official Gazette 31462 on 22 April 2021, corporate tax rate in Turkey for the year 2021 has been increased from %20 to %25, for the year 2022 to %23. The amendment is effective as of January 1, 2021. As the change has been announced after the reporting period, it is considered as a non-adjusting event according to IAS 10 and the Group continue to use 20% for the subsidiaries operating in Turkey as of the reporting date and related amendment will be applied in consolidated financial statements as of June 30, 2021.

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