CCI

Earnings Release

Istanbul, Aug 7, 2023

VALUE CREATION WITH EFFECTIVE RGM AND FINANCIAL DISCIPLINE DESPITE HEADWINDS

2Q23 HIGHLIGHTS

- Sales volume **-8.9%**
- Net sales revenue **+ 58.4%**
- FX-neutral NSR **+ 42.8%**
- EBIT **+ 90.5%**
- EBIT margin **20.0%**
- EBITDA margin **21.8%**
- Net profit of **TL 2.4billion**

Burak Başarır, CEO of Coca-Cola Içecek (CCI), commented:

Our 2Q23 financial results proved the resilience and flexibility of our business model in an operating environment characterized by extraordinary headwinds in our key geographies. In the second quarter of 2023, on an organic basis, CCI recorded 23 billion TL net sales revenues (NSR) with 56% growth, while FX-neutral growth was 41%. Including Anadolu Etap İçecek's operational results in May and June 2023, our reported NSR growth became 58% and 43%, respectively. Thanks to the timely price adjustments, improving package mix, and prudent Opex management, EBIT grew by 90.5% to 4.7 billion TL with a 20.0% EBIT margin. Improving by 3.4 pp on a yearly basis, this was the highest second-quarter EBIT margin in CCI's history.

In the second quarter, we faced several challenges in our operating environment, some already included in our business plans, and some were more severe than expected. Accordingly, volume declined 9.4% in Türkiye and 8.6% in international operations. In Türkiye, the softer volume performance was mainly related to the cycling of 20% growth a year ago, the lowest temperatures recorded within the last five years, fragile consumer purchasing power in Türkiye, and price increases we had to take to offset the impact of inflation and currency devaluation on the input costs.

The ongoing macroeconomic challenges in Pakistan have significantly affected the consumption patterns of households, resulting in a further decline in their consumption appetite. Moreover, the unexpected increase in excise taxes necessitated higher price increases than planned, subsequently impacting sales volume. The volume decline in Türkiye and Pakistan was partially mitigated by the double-digit volume growth achieved in Central Asia.

Accordingly, consolidated sales volume decreased by 8.9%, cycling 25% growth from a year ago. Nevertheless, we were able to deliver a robust NSR and operating profit performance, thanks to our proactive Revenue Growth Management (RGM) initiatives and prudent Opex mindset.

Despite the challenging operating environment and macroeconomic issues in the key geographies, CCI has recorded the highest NSR/UC & EBIT/UC in USD terms of the last decade with $2.5 and $0.5, respectively, in line with our real value generation focus. While this progress within the previous 5-year period is remarkable, we believe CCI still has ample room to grow its top line and efficiency metrics.

For the rest of 2023, we will closely monitor the rapidly changing external environment and evolving consumer preferences to support them by catering to their needs with the diverse portfolio of brands we operate. Building on our execution capabilities and dynamic marketing initiatives, we reiterate our 2023 guidance despite the setbacks faced in 2Q23. While we anticipate volume growth to be towards the lower end of our guidance, the topline growth and EBIT margin outlooks are projected to remain intact for the full year 2023.

In addition to pursuing organic growth opportunities in our existing markets, we are always looking at value-enhancing inorganic expansion opportunities in and around the geographies we operate. Accordingly, preliminary discussions have been initiated with TCCC regarding the potential acquisition of Coca-Cola Bangladesh Beverages. Thanks to the agile business model, strong talent pipeline, sound free cash flow generation, and strong balance sheet, we believe CCI is well-positioned to expand its know-how and footprint to new geographies.

On another front, Fitch Ratings upgraded CCI's Long-Term Issuer Default Rating by one notch to 'BBB.' This recorded one of the highest spreads to sovereign ratings globally and was a testament to our resilient financial and operational performance in a complicated macroeconomic landscape with ongoing challenges in our key markets.

We characterize CCI as a purpose-driven, customer-focused, diverse ecosystem to create value as we are in everything we do. While acknowledging the challenges our geographies pose, we believe the opportunities to create value are far greater. I am confident that our digitally enabled omnichannel strategy, strong execution capabilities, and innovative product pipeline will continue accelerating our quality growth in the coming periods. Once again, I sincerely thank our people for having an agile mindset and being highly motivated in this journey as we strive to realize our vision to be the best FMCG execution player in our geographies.

Follow 8th Aug live event!

2Q23 Results Webcast;

16:00 Istanbul

14:00 London

09:00 New York

Click to access webcast

Key P&L Figures and Margins

Consolidated (million TL)	2Q23	2Q22	Change %	1H23	1H22	Change %
Volume (million UC)	448	492	(8.9%)	801	824	(2.8%)
Net Sales	23,273	14,694	58.4%	38,828	23,359	66.2%
Gross Profit	8,134	4,662	74.5%	13,294	7,506	77.1%
EBIT	4,660	2,446	90.5%	7,003	3,774	85.6%
EBIT (Exc. other)	**4,438**	**2,367**	**87.5%**	**6,760**	**3,694**	**83.0%**
EBITDA	5,064	2,969	70.6%	7,971	4,763	67.4%
EBITDA (Exc. other)	**5,079**	**2,846**	**78.4%**	**7,975**	**4,596**	**73.5%**
Profit Before Tax	4,131	2,289	80.5%	6,017	3,445	74.7%
Net Income/(Loss)	2,388	1,233	93.7%	3,423	1,863	83.7%
Gross Profit Margin	34.9%	31.7%		34.2%	32.1%	
EBIT Margin	20.0%	16.6%		18.0%	16.2%	
EBIT Margin (Exc. other)	19.1%	16.1%		17.4%	15.8%	
EBITDA Margin	21.8%	20.2%		20.5%	20.4%	
EBITDA Margin (Exc. other)	21.8%	19.4%		20.5%	19.7%	
Net Income Margin	10.3%	8.4%		8.8%	8.0%	

Türkiye (million TL)	2Q23	2Q22	Change %	1H23	1H22	Change %
Volume (million UC)	166	184	(9.4%)	278	306	(9.0%)
Net Sales	9,511	5,221	82.2%	15,162	8,170	85.6%
Gross Profit	3,203	1,787	79.3%	4,968	2,881	72.5%
EBIT	3,791	909	317.0%	1,203	2,305	(47.8%)
EBIT (Exc. other)	**1,185**	**597**	**98.4%**	**1,470**	**945**	**55.5%**
EBITDA	3,900	1,076	262.6%	1,490	2,577	(42.2%)
EBITDA (Exc. other)	**1,376**	**694**	**98.1%**	**1,833**	**1,134**	**61.7%**
Net Income/(Loss)	-1,200	-879	36.5%	-4,579	-410	1016.8%
Gross Profit Margin	33.7%	34.2%		32.8%	35.3%	
EBIT Margin	39.9%	17.4%		7.9%	28.2%	
EBIT Margin (Exc. other)	12.5%	11.4%		9.7%	11.6%	
EBITDA Margin	41.0%	20.6%		9.8%	31.5%	
EBITDA Margin (Exc. other)	14.5%	13.3%		12.1%	13.9%	
Net Income Margin	(12.6%)	(16.8%)		-30.2%	-5.0%	

International (million TL)	2Q23	2Q22	Change %	1H23	1H22	Change %
Volume (million UC)	282	308	(8.6%)	522	518	0.8%
Net Sales	13,762	9,523	44.5%	23,684	15,259	55.2%
Gross Profit	4,934	2,877	71.5%	8,339	4,626	80.3%
EBIT	3,361	1,804	86.3%	9,340	2,713	244.3%
EBIT (Exc. other)	**3,092**	**1,677**	**84.3%**	**4,988**	**2,580**	**93.3%**
EBITDA	3,732	2,176	71.5%	10,108	3,448	193.1%
EBITDA (Exc. other)	**3,542**	**2,059**	**72.1%**	**5,840**	**3,293**	**77.3%**
Net Income/(Loss)	2,547	1,231	107.0%	7,845	1,784	339.7%
Gross Profit Margin	35.9%	30.2%		35.2%	30.3%	
EBIT Margin	24.4%	18.9%		39.4%	17.8%	
EBIT Margin (Exc. other)	22.5%	17.6%		21.1%	16.9%	
EBITDA Margin	27.1%	22.8%		42.7%	22.6%	
EBITDA Margin (Exc. other)	25.7%	21.6%		24.7%	21.6%	
Net Income Margin	18.5%	12.9%		33.1%	11.7%	

Operational Overview

Acquisition of 80% in Anadolu Etap Penkon Gıda ve İçecek Ürünleri A.Ş “Anadolu Etap İçecek” was completed on April 19th, 2023, and accordingly the Anadolu Etap İçecek financial results started to be consolidated in our 2Q23 and 1H23 consolidated P&L statements as of May 2023, while consolidated balance sheet includes Anadolu Etap İçecek figures as of 30.06.2023. Therefore, all operational performance metrics presented in this release are on a reported basis (including Anadolu Etap Içecek), except indicated otherwise.

Sales Volume

Consolidated:

CCI volume decreased by 8.9%, to 448-million-unit-cases ("UC”) in 2Q23. The share of the sparkling category reached 84% in the mix, growing at the expense of the water category, in line with our value-creation strategy. The share of stills increased to 8% in 2Q23 - up by 1pp vs last year - thanks to the robust growth of our Fuse Tea and Energy brands in line with our value creation focused portfolio expansion strategy. Türkiye operations registered a 9.4% volume decline due to the extending effects of the devastating earthquake, very strong base effect of the last year and the lowest second quarter temperatures experienced in the last 5 years. The Central Asia recorded a robust double-digit growth, and the Middle East posted a mid-single-digit growth in the second quarter. However, high inflation, significant currency devaluation, and a volatile macroeconomic backdrop made significant impact on consumption patterns in Pakistan resulting in the 8.6% decline in the total volume of our international operations in the second quarter compared to the same period last year, while cycling against a 28.5% growth.

The sparkling category declined by 9.0%, mainly due to the lower performance of Fanta and Sprite, while Coca-Cola™ performed relatively better and declined by 5.9% in 2Q23. In the first half, by growing 1.9%, Coca-Cola™ was the only sparkling brand that recorded volume growth. The stills category remained flat vs last year in 2Q23 and grew by 2.3% in 1H23. The softer juice drinks performance was mitigated by the strong performance of iced tea and energy drinks drinks in both the second quarter and overall in the first half of the year. Monster Energy continued its positive momentum with more than 100% growth on top of the three-digit increase recorded in 2Q22. Cycling a solid base, the water category declined 15.2% in 2Q23 and by 15.0% in 1H23. Within the water category, the share of large packs declined in line with our value generation focus.

Immediate consumption "IC" package share increased by 80 bps and improved to 26.3%. Prioritization of multiple IC packs, sound on-premise channel activity and mix improvement strategy continued to yield positive results across all geographies of CCI, with more pronounced positive results recorded especially in Türkiye & the Middle East.

	Growth (YoY)		Breakdown		Growth (YoY)	Breakdown
	2Q23	**2Q22**	**2Q23**	**2Q22**	**1H23**	**1H23**
Sparkling	-9.0%	25.4%	84%	84%	-1.8%	83%
Stills	-0.2%	24.6%	8%	7%	2.3%	8%
Water	-15.2%	23.2%	8%	9%	-15.0%	9%
Total	**-8.9%**	**25.1%**	**100%**	**100%**	**-2.8%**	**100%**

Totals may not add up due to rounding differences.

Türkiye:

While Türkiye has been recovering the repercussions of devastating earthquake faster than anticipated, the elections held in the second quarter have shadowed the visibility of shoppers in their purchasing power along with the persistent food and beverage inflation. In addition, sales volume was negatively impacted, particularly in May and June, by the lowest second-quarter temperatures recorded in the last five years. Cycling two consecutive years of high teens second quarter growth, the sales volume of Türkiye operation declined by 9.4% in 2Q23.

Despite these headwinds, shopper activations, effective trade promotions, new listings, and robust growth of on-premise channel created a tailwind in the same period.

The sparkling category volume declined by 8.1% y-o-y. While flavored sparkling brands' performance was lower within the quarter, adult premium brand Schweppes and Coca-Cola^{TM} remained relatively stronger thanks to the focus on quality growth.

The stills category declined by 3.8%. While energy doubled its volume vs last year thanks to Monster and Predator brands, fruit juice category experienced headwinds.

The water category was down by 18.8% despite the sound growth of more profitable IC packs in line with our value generation focus.

The share of IC packages in 2Q23 was realized at 31.4%, with 41 bps expansion, exceeding the pre-pandemic levels on the back of the on-premise channel performance and increasing share of IC pack offerings at the at-home channels.

International:

The Central Asia and the Middle East were the growth drivers of CCI. Especially Uzbekistan, Tajikistan and Iraq have posted a remarkable performance within the second quarter on the back of excellent improvement of execution capabilities. Pakistan, on the other hand, experienced one of the most difficult macro-economic headwinds in the country's history, leading to very low consumption visibility among shoppers. Accordingly, despite double digit growth of the Central Asia and mid-single digit growth of the Middle East, total international operations' volume declined by 8.6% y-o-y decline, down to 282 million UC.

The core sparkling category reduced by 9.4% amid lower performance of flavored sparkling brands, while Coca-Cola™ was relatively stronger. On top of the 21.3% growth registered a year ago, the stills category expanded another 6.1% with double-digit energy performance. The water category contracted by 6.2% in the second quarter.

The share of IC packages in 2Q23 was realized as 23.2%, with 153 bps expansion, due to strong on-premise channel performance and increasing share of IC pack offerings at the at-home channels.

In Pakistan, the sales volume declined by 27.5%, cycling two consecutive years of very strong second-quarter performance. The negative impact on sales volume can be attributed to macro headwinds, as discussed above, along with a sudden increase in excise taxes, which necessitated higher than planned price increases. Sparkling category was down by 27.9%, cycling 18.5% growth. The stills category declined by 32.8%, while water grew by 11.8%.

Sales volume in Kazakhstan was up by 2.9%, driven by 6.7% growth in the sparkling category, which in turn grew on the back of 8.3% growth of Coca-Cola™.

Uzbekistan continued to be one of the fastest growing CCI operations, recording 25.3% volume growth in 2Q23, on top of 29.5% growth a year ago. The momentum is maintained by improving distributor structure, consistent cooler investments, and better execution capabilities. All categories posted strong growth in Uzbekistan: Sparkling grew by 24.6%, Stills 67.1% and Water 14.3%.

In the Middle East, the Iraq operation's sales volume grew by 5.8%, on the back of 6.1% growth of sparkling, while water category was flattish at 0.6% growth.

Financial Overview

In 2Q23:

- **The net sales revenue ("NSR")** increased by 58.4% year on year on a reported basis and by 56.3% on an organic basis excluding Anadolu Etap İçecek. Pricing remained a critical pillar of growth in the quarter, along with tight discount and mix management. As such, consolidated NSR per unit case increased by 73.9% with an improving on-premise channel mix and higher IC share. Apart from the favorable foreign currency conversion impact, FX-neutral (1) NSR growth was again strong at 43%, paving the way for 2.5$ NSR/UC – the highest USD-based NSR/UC in the last decade.

- Türkiye recorded 82.2% NSR growth in 2Q23 and NSR/UC grew by 101.1%. Timely price adjustments with close track of consumer purchasing power, higher IC share, and effective discount management helped to register growth in NSR per UC. In addition, on-premise channel has reached the highest share in 2Q history, at the expense of the discounter channel in the mix – in line with our quality growth mindset.
- In the international operations, NSR growth was recorded as 44.5%, and NSR per UC was up by 58.2% thanks to the pricing adjustments in line with inflation. The consumer sentiment has been strong in the Central Asia and the Middle East. The macroeconomic turmoil impacting shoppers in Pakistan created headwinds for consumer products industry including beverages. Excluding the impact of currency conversion, NSR was up by 20.5% on an FX-neutral basis.

	Net Sales Revenue (TL m)		NSR per U.C. (TL)	
	2Q23	**YoY Change**	**2Q23**	**YoY Change**
Türkiye	9,511	82.2%	57.2	101.1%
International	13,762	44.5%	48.8	58.2%
International (FX Neutral) (1)	11,474	20.5%	40.7	31.9%
Consolidated	23,273	58.4%	51.9	73.9%
Consolidated (FX Neutral) (1)	20,985	42.8%	46.8	56.8%

(1) F.X.-Neutral: Using constant FX rates when converting country P&Ls to TL.

- **Gross margin** expanded by 322 bps to 34.9% on a consolidated basis both on a reported and organic basis.
- In Türkiye, the gross margin decreased by 54bps to 33.7% in 2Q23 due to lower volumes, weaker Turkish Lira and timing of certain cost items which will normalize during the year. Disciplined price increases and favorable package and channel mix partially mitigated these cost pressures.
- In international operations, the price increases taken early in the year as well as proactive cost governance across all regions paved the way for a strong y-o-y improvement. Our international operations' gross margin improved by 565 bps to 35.9% thanks to strong operating momentum, timely price adjustments, and disciplined cost controls.
- Our consolidated opex as a percentage of NSR was realized at 14.9%, improved by 16 bps y-o-y thanks to frugal mindset. Accordingly, we have recorded 338 bps y-o-y

EBIT margin improvement, reaching all-time-high second quarter EBIT margin of 20.0%.

- **The EBITDA margin** is also up by 156 bps to 21.8% in 2Q23. Anadolu Etap İçecek contributed positively to margin expansion. On an organic basis, EBITDA margin was 21.6%, expanding by 145 bps y-o-y.

- **Net financial expense**, including lease payables related to TFRS 16, was TL (983) million in 2Q23 compared to TL (325) million in 2Q22. The increase in net financial expenses vs same period last year was mainly due to the FX losses on borrowings, despite the FX gain contributions realized from affiliates.

Financial Income / (Expense) (TL million)	**2Q23**	**2Q22**	**1H23**	**1H22**
Interest income	181	62	301	93
Interest expense (-)	(866)	(369)	(1,387)	(723)
Other financial FX gain / (loss)	926	248	1,125	733
Gain / (loss) on Derivative Transactions	0	(11)	(2)	(36)
Interest Expense & Income Net -Derivative Transactions	190	27	315	103
Realized FX gain / (loss) – Borrowings	(2,193)	(0)	(2,194)	(2,010)
Unrealized FX gain / (loss) – Borrowings	779	(280)	408	1,306
Financial Income / (Expense) Net	**(983)**	**(325)**	**(1,433)**	**(534)**

- **Non-controlling interest (minority interest)** was TL (126) million in 2Q23 compared to TL (140) million in 2Q22, mainly due to the lower profitability in Pakistan.

- **Net profit** was TL 2,388 million in 2Q23 vs. TL 1,233 million in 2Q22 thanks to the higher operating profit.

- **The free cash flow** was TL 1,470 million in 2Q23, bringing the first half free cash flow to TL (648) million compared to TL (212) million a year ago.
- **Capex** was TL 2,602 million as of June 30, 2023. 20% of the total capital expenditure was related to the Türkiye operation, while 80% was related to international operations. Capex/Sales was realized at 6.7% in 1H23.
- **Consolidated debt** was USD 1.2 billion by 30.06.2023, compared to USD 1.1 billion at the end of 2022. Consolidated cash was USD 715 million by the end of 2Q23, bringing consolidated net debt to USD 518 million, 0.75x of rolling 12 months' consolidated EBITDA (TL-based Net Debt / EBITDA 1.0x)

Financial Leverage Ratios	**1H23**	**2022**	**1H22**
Net Debt / EBITDA	0.75	0.60	1.03
Debt Ratio (Total Fin. Debt / Total Assets)	35%	35%	36%
Fin. Debt-to-Equity Ratio	101%	91%	99%

- As of June 30, 2023, including the USD 150 million of a hedging transaction, 63% of our consolidated financial debt was in USD, 12% in EUR, 16% in TL, and the remaining 9% in other currencies.
- The average duration of the consolidated debt portfolio was 3.5 years, and the maturity profile was as follows:

Maturity Date	**2023**	**2024**	**2025**	**2026**	**2028**	**2029**
% of total debt	17%	36%	2%	2%	1%	42%

Accounting Principles

The consolidated financial statements and disclosures have been prepared in accordance with the communiqué numbered II-14,1 "Communiqué on the Principles of Financial Reporting in Capital Markets. In accordance with article 5 of the CMB Accounting Standards, companies should apply Turkish Accounting Standards / Turkish Financial Reporting Standards ("TAS" / "TFRS") and interpretations regarding these standards as adopted by the Public Oversight Accounting and Auditing Standards Authority ("POA").

As of June 30, 2023, the list of CCI's subsidiaries and joint ventures is as follows:

Subsidiaries and Joint Ventures	Country	Consolidation Method
Coca-Cola Satış ve Dağıtım A.Ş.	Türkiye	Full Consolidation
JV Coca-Cola Almaty Bottlers LLP	Kazakhstan	Full Consolidation
Azerbaijan Coca-Cola Bottlers LLC	Azerbaijan	Full Consolidation
Coca-Cola Bishkek Bottlers Closed J. S. Co.	Kyrgyzstan	Full Consolidation
CCI International Holland BV.	Holland	Full Consolidation
The Coca-Cola Bottling Company of Jordan Ltd.	Jordan	Full Consolidation
Turkmenistan Coca-Cola Bottlers	Turkmenistan	Full Consolidation
Sardkar for Beverage Industry Ltd	Iraq	Full Consolidation
Waha Beverages BV.	Holland	Full Consolidation
Coca-Cola Beverages Tajikistan LLC	Tajikistan	Full Consolidation
Al Waha LLC	Iraq	Full Consolidation
Coca-Cola Beverages Pakistan Ltd.	Pakistan	Full Consolidation
Coca-Cola Bottlers Uzbekistan Ltd	Uzbekistan	Full Consolidation
CCI Samarkand Ltd LLC	Uzbekistan	Full Consolidation
Anadolu Etap Penkon Gıda ve İçecek Ürünleri A. Ş	Türkiye	Full Consolidation
Syrian Soft Drink Sales and Distribution LLC	Syria	Equity Method

EBITDA Reconciliation

The Company's "Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)" definition and calculation is defined as; "Profit/(loss) from operations" plus relevant non-cash expenses including depreciation and amortization, provision for employee benefits like retirement and vacation pay (provision for management bonus not included) and other non-cash expenses like negative goodwill and value increase due to change in scope of consolidation. As of June 30, 2023, and June 30, 2022, the reconciliation of EBITDA to profit / (loss) from operations is explained in the following table:

EBITDA (TL million)	**2Q23**	**2Q22**	**1H23**	**1H22**
Profit / (loss) from operations	4,660	2,446	7,003	3,774
Depreciation and amortization	534	440	1,018	814
Provision for employee benefits	67	17	123	45
Foreign exchange gain / (loss) under other operating income / (expense)	(237)	44	(247)	87
Right of use asset amortization	40	22	75	43
EBITDA	**5,064**	**2,969**	**7,971**	**4,763**

Totals may not foot due to rounding differences.

Foreign Currency Translations

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are recorded in the consolidated income statement of the relevant period, as foreign currency loss or gain. Foreign currency translation rates announced by the Central Bank of the Republic of Türkiye used by the Group's subsidiaries in Türkiye. USD amounts presented in the asset accounts are translated into TL with the official TL exchange rate of USD buying on June 30, 2023, USD 1,00 (full) = TL 25.8231 (December 31, 2022; USD 1,00 (full) = TL 18.6983) whereas USD amounts in the liability accounts are translated into TL with the official TL exchange rate of USD selling on June 30, 2023, USD 1,00 (full) = TL 25.8696 (December 31, 2022; USD 1,00 (full) = TL 18.7320). Furthermore, USD amounts in the income statement are translated into TL, at the average TL exchange rate for USD buying for the period is USD 1,00 (full) = TL 19.8612 (January 1 - June 30, 2022; USD 1,00 (full) = TL 14.8517).

Exchange Rates	**1H23**	**1H22**
Average USD/TL	19.8612	14.8517
End of Period USD/TL (purchases)	25.8231	16.6614
End of Period USD/TL (sales)	25.8696	16.6914

The assets and liabilities of subsidiaries and joint ventures operating in foreign countries are translated at the rate of exchange ruling at the balance sheet date and the income statements of foreign subsidiaries and joint ventures are translated at average exchange rates. Differences that occur in the usage of closing and average exchange rates are followed under currency translation differences classified under equity.

Consolidated Income Statement CCI

Reviewed

(TL million)	January 1 - June 30 2023	2022	Change (%)	April 1 - June 30 2023	2022	Change (%)
Sales Volume (UC millions)	**801**	**824**	**(2.8%)**	**448**	**492**	**(8.9%)**
Revenue	38,828	23,359	66.2%	23,273	14,694	58.4%
Cost of Sales	(25,534)	(15,853)	61.1%	(15,139)	(10,032)	50.9%
Gross Profit from Operations	**13,294**	**7,506**	**77.1%**	**8,134**	**4,662**	**74.5%**
Distribution, Selling and Marketing Expenses	(5,124)	(3,003)	70.6%	(2,901)	(1,850)	56.8%
General and Administrative Expenses	(1,410)	(809)	74.2%	(795)	(445)	78.7%
Other Operating Income	1,185	634	86.9%	901	382	135.9%
Other Operating Expense	(942)	(554)	70.1%	(679)	(303)	123.6%
Profit/(Loss) from Operations	**7,003**	**3,774**	**85.6%**	**4,660**	**2,446**	**90.5%**
Gain/(Loss) From Investing Activities	458	207	121.6%	456	170	168.9%
Gain/(Loss) from Associates	(11)	(2)	(563.1%)	(2)	(1)	(11.5%)
Profit/(Loss) Before Financial Income/(Expense)	**7,450**	**3,979**	**87.2%**	**5,114**	**2,614**	**95.7%**
Financial Income	3,048	1,696	79.7%	1,919	561	242.2%
Financial Expenses	(4,480)	(2,230)	100.9%	(2,902)	(886)	227.7%
Profit/(Loss) Before Tax	**6,017**	**3,445**	**74.7%**	**4,131**	**2,289**	**80.5%**
Deferred Tax Income/(Expense)	(811)	(251)	222.9%	(854)	(195)	337.2%
Current Period Tax Expense	(1,618)	(1,120)	44.5%	(763)	(721)	5.8%
Net Income/(Loss) Before Minority	**3,588**	**2,074**	**73.0%**	**2,514**	**1,373**	**83.1%**
Minority Interest	(165)	(211)	(21.5%)	(126)	(140)	(9.9%)
Net Income	**3,423**	**1,863**	**83.7%**	**2,388**	**1,233**	**93.7%**
EBITDA	**7,971**	**4,763**	**67.4%**	**5,064**	**2,969**	**70.6%**

Totals may not add up due to rounding differences.

Türkiye Income Statement

Reviewed

(TL million)	January 1 - June 30 2023	2022	Change (%)	April 1 - June 30 2023	2022	Change (%)
Sales Volume (UC millions)	**278**	**306**	**(9.0%)**	**166**	**184**	**(9.4%)**
Revenue	15,162	8,170	85.6%	9,511	5,221	82.2%
Cost of Sales	(10,193)	(5,289)	92.7%	(6,308)	(3,435)	83.7%
Gross Profit from Operations	**4,968**	**2,881**	**72.5%**	**3,203**	**1,787**	**79.3%**
Distribution, Selling and Marketing Expenses	(2,589)	(1,485)	74.3%	(1,502)	(926)	62.2%
General and Administrative Expenses	(910)	(450)	102.0%	(516)	(263)	96.1%
Other Operating Income	4,347	1,747	148.9%	3,119	558	459.2%
Other Operating Expense	(4,614)	(387)	1091.5%	(513)	(246)	108.8%
Profit/(Loss) from Operations	**1,203**	**2,305**	**(47.8%)**	**3,791**	**909**	**317.0%**
Gain/(Loss) From Investing Activities	433	175	147.5%	431	161	167.3%
Gain/(Loss) from Associates	0	0	n/a	0	0	n/a
Profit/(Loss) Before Financial Income/(Expense)	**1,636**	**2,479**	**(34.0%)**	**4,221**	**1,070**	**294.4%**
Financial Income	1,579	1,410	12.0%	1,343	424	216.6%
Financial Expenses	(7,672)	(4,071)	88.5%	(6,799)	(2,241)	203.4%
Profit/(Loss) Before Tax	**(4,457)**	**(181)**	**2361.8%**	**(1,235)**	**(747)**	**65.4%**
Deferred Tax Income/(Expense)	268	197	36.3%	147	105	41.1%
Current Period Tax Expense	(405)	(426)	(4.8%)	(128)	(237)	(46.1%)
Net Income/(Loss) Before Minority	**(4,594)**	**(410)**	**1020.5%**	**(1,215)**	**(879)**	**38.3%**
Minority Interest	15	0	n/a	15	0	n/a
Net Income	**(4,579)**	**(410)**	**1016.8%**	**(1,200)**	**(879)**	**36.5%**
EBITDA	**1,490**	**2,577**	**(42.2%)**	**3,900**	**1,076**	**262.6%**

Totals may not add up due to rounding differences.

International Income Statement

Reviewed

(TL million)	January 1 - June 30			April 1 - June 30		
	2023	**2022**	**Change (%)**	**2023**	**2022**	**Change (%)**
Sales Volume (UC millions)	**522**	**518**	**0.8%**	**282**	**308**	**(8.6%)**
Revenue	23,684	15,259	55.2%	13,762	9,523	44.5%
Cost of Sales	(15,344)	(10,633)	44.3%	(8,828)	(6,647)	32.8%
Gross Profit from Operations	**8,339**	**4,626**	**80.3%**	**4,934**	**2,877**	**71.5%**
Distribution, Selling and Marketing Expenses	(2,536)	(1,518)	67.1%	(1,398)	(924)	51.4%
General and Administrative Expenses	(816)	(529)	54.3%	(443)	(276)	60.8%
Other Operating Income	4,700	298	1475.9%	435	184	136.3%
Other Operating Expense	(348)	(166)	109.9%	(165)	(57)	188.8%
Profit/(Loss) from Operations	**9,340**	**2,713**	**244.3%**	**3,361**	**1,804**	**86.3%**
Gain/(Loss) From Investing Activities	25	32	(20.2%)	25	8	200.7%
Gain/(Loss) from Associates	(11)	(2)	(563.1%)	(2)	(1)	(11.5%)
Profit/(Loss) Before Financial Income/(Expense)	**9,354**	**2,743**	**241.0%**	**3,385**	**1,811**	**86.9%**
Financial Income	1,492	300	396.8%	589	144	308.0%
Financial Expenses	(1,708)	(409)	317.8%	(641)	(128)	400.6%
Profit/(Loss) Before Tax	**9,139**	**2,634**	**246.9%**	**3,334**	**1,827**	**82.4%**
Deferred Tax Income/(Expense)	(94)	(5)	1823.2%	(93)	(7)	1261.8%
Current Period Tax Expense	(1,019)	(635)	60.5%	(553)	(450)	22.7%
Net Income/(Loss) Before Minority	**8,026**	**1,995**	**302.3%**	**2,688**	**1,370**	**96.2%**
Minority Interest	(181)	(211)	(14.1%)	(141)	(140)	1.2%
Net Income	**7,845**	**1,784**	**339.7%**	**2,547**	**1,231**	**107.0%**
EBITDA	**10,108**	**3,448**	**193.1%**	**3,732**	**2,176**	**71.5%**

Totals may not add up due to rounding differences.

CCI Consolidated Balance Sheet

(TL million)	Reviewed June 30 2023	Audited December 31 2022
Current Assets	**48,136**	**28,090**
Cash and Cash Equivalents	17,014	14,009
Investments in Securities	1,460	760
Trade Receivables	13,413	3,716
Other Receivables	91	81
Derivative Financial Instruments	0	11
Inventories	12,819	6,677
Prepaid Expenses	2,130	1,266
Tax Related Current Assets	74	466
Other Current Assets	1,135	1,104
Non-Current Assets	**42,677**	**30,627**
Other Receivables	115	106
Property, Plant and Equipment	23,237	16,433
Goodwill	*3,697*	*2,924*
Intangible Assets	*13,406*	*9,912*
Right of Use Asset	510	397
Prepaid Expenses	592	275
Deferred Tax Asset	1,021	565
Other Non-Current Assets	98	15
Total Assets	**90,814**	**58,717**
Current Liabilities	**32,918**	**17,225**
Short-term Borrowings	8,254	2,431
Current Portion of Long-term Borrowings	1,672	3,358
Bank borrowings	1,507	3,242
Finance lease payables	165	115
Trade Payables	17,066	8,284
Due to related parties	3,794	2,391
Other trade payables to third parties	13,272	5,893
Payables Related to Employee Benefits	200	170
Other Payables	3,516	1,713
Due to related parties	203	130
Other payables to third parties	3,313	1,583
Derivative Financial Instruments	106	96
Deferred Income	185	182
Provision for Corporate Tax	749	166
Current Provisions	1,098	780
Other Current Liabilities	72	46
Non-Current Liabilities	**26,462**	**18,696**
Long-term Borrowings	21,538	14,686
Financial lease payables	439	370
Trade Payables	1	2
Provision for Employee Benefits	633	544
Deferred Tax Liability	3,438	2,496
Derivative Financial Instruments	372	543
Deferred Income	41	56
Equity of the Parent	**27,892**	**20,171**
Minority Interest	3,541	2,625
Total Liabilities	**90,814**	**58,717**

Totals may not foot due to rounding differences.

CCI Consolidated Cash Flow

(TL million)	Reviewed Period End	
	June 30 2023	June 30 2022
Cash Flow from Operating Activities		
IBT Adjusted for Non-cash items	8,436.8	4,711.8
Change in Tax Assets and Liabilities	(777.3)	(639.2)
Employee Term. Benefits, Vacation Pay, Management Bonus Payment	(101.4)	(67.8)
Change in other current and non-current assets and liabilities	(3,942.1)	(2,420.9)
Change in Operating Assets & Liabilities	(915.2)	420.5
Net Cash Provided by Operating Activities	**2,700.7**	**2,004.4**
Purchase of Property, Plant & Equipment	(2,429.7)	(1,762.7)
Other Net Cash Provided by/ (Used in) Investing Activities	(699.2)	(649.2)
Cash inflow/outflow from acquisition of subsidiary	**(2,099.7)**	0.0
Net Cash Used in Investing Activities	**(5,228.6)**	**(2,411.9)**
Interest Paid	(1,080.3)	(485.0)
Interest Received	301.2	93.2
Change in ST & LT Loans	2,717.4	5,752.7
Dividends paid (including non-controlling interest)	(750.9)	(601.0)
Cash flow hedge reserve	128.5	(122.9)
Change in finance lease payables	(139.6)	(62.0)
Other	0.0	(78.9)
Net Cash Provided by / (Used in) Financing Activities	**1,176.3**	**4,496.1**
Currency Translation Differences	4,357.0	1,896.5
Net Change in Cash & Cash Equivalents	**3,005.4**	**5,985.2**
Cash & Cash Equivalents at the beginning of the period	14,009.0	4,141.6
Cash & Cash Equivalents at the end of the period	**17,014.4**	**10,126.8**

Free Cash Flow	**(647.7)**	**(212.1)**

Totals may not foot due to rounding differences.

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CCI is a multinational beverage company which operates in Türkiye, Pakistan, Kazakhstan, Iraq, Uzbekistan, Azerbaijan, Kyrgyzstan, Jordan, Tajikistan, Turkmenistan, and Syria. CCI produces, distributes and sells sparkling and still beverages of The Coca-Cola Company.

CCI employs more than 10,000 people, has a total of 30 bottling plants, and 3 fruit processing plants in 11 countries, offering a wide range of beverages to a consumer base of 430 million people. In addition to sparkling beverages, the product portfolio includes juices, waters, sports and energy drinks, iced teas and coffee.

CCI's shares are traded on the Istanbul Stock Exchange (BIST) under the symbol "CCOLA.IS":

Reuters: CCOLA.IS

Bloomberg: CCOLA.TI

Special Note Regarding Forward-Looking Statements

This document contains forward-looking statements including, but not limited to, statements regarding Coca-Cola İçecek's (CCI) plans, objectives, expectations and intentions and other statements that are not historical facts. Forward-looking statements can generally be identified by the use of words such as "may," "will," "expect," "intend," "estimate," "anticipate," "plan," "target," "believe" or other words of similar meaning. These forward-looking statements reflect the current views and assumptions of management and are inherently subject to significant business, economic and other risks and uncertainties. Although management believes the expectations reflected in the forward-looking statements are reasonable, at this time, you should not place undue reliance on such forward-looking statements. Important factors that could cause actual results to differ materially from CCI's expectations include, without limitation: changes in CCI's relationship with The Coca-Cola Company and its exercise of its rights under our bottler's agreements; CCI's ability to maintain and improve its competitive position in its markets; CCI's ability to obtain raw materials and packaging materials at reasonable prices; changes in CCI's relationship with its significant shareholders; the level of demand for its products in its markets; fluctuations in the value of the Turkish Lira and currencies in CCI's other markets; the level of inflation in Türkiye and CCI's other markets; other changes in the political or economic environment in Türkiye or CCI's other markets; adverse weather conditions during the summer months; changes in the level of tourism in Türkiye; CCI's ability to successfully implement its strategy; and other factors. Should any of these risks and uncertainties materialize or should any of management's underlying assumptions prove to be incorrect, CCI's actual results from operations or financial conditions could differ materially from those described herein as anticipated, believed, estimated or expected. Forward-looking statements speak only as of the date of this press release and CCI has no obligation to update those statements to reflect changes that may occur after that date.