

FOOD & BEVERAGE SECTOR UPDATE

28.06.2024

Defensive Businesses with Attractive Valuations

We increased our target prices for food & beverage sector companies under our coverage after our revised volume and unit price estimates based on our latest macro assumptions.

All of the stocks trade with a discount compared to their international peers but especially ULKER and AEFES' solo beer group's discounts are still very high. The companies handled the depreciation of TL, increasing raw material costs and energy prices well, while positing real top-line growths along with strong operating margins.

Food & beverage firms have both pricing advantages in Türkiye, which allows real top-line growths, and fx-linked revenue streams with different share of international sales with strong market positions. AEFES' beer group is exposed to the international markets the most, while Ülker has the highest share of domestic sales. CCOLA'S international sales is expected to be the main driver of the growth in the mid-term. The firms are very active on cost hedges, thus they offer high visibility on maintaining their margin levels.

Companies are negatively impacted from the inflation accounting on the operating margins side while the monetary gains boost up their bottom-lines. We expect the impact of IAS-29 on the margins to normalize as the inflation goes down.

ULKER: Strong operating margins, pricing advantages and cash flow generation. Costs are hedged.

CCOLA: Expected volume growth due to last year's slightly weak base. Might see strong contribution from Bangladesh in 2025 in addition to strong pricing.

AEFES: Attractive solo beer group valuation with an exposure to CCOLA. Beer group's strong cash flow generation with low leverage.

Table: Price Target Revisions

Ticker	Recommendation	Target Price	Closing Price	Upside Potential
ULKER	BUY	240.00	163.30	47%
CCOLA	BUY	1202.00	802.00	50%
AEFES	BUY	385.00	232.00	66%

Source: İS Investment

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Equity / Large Cap. / Food

Ulker Biskuvi

28.06.2024

Price Target Revision

BUY

Upside Potential 47%

After revising our unit price assumptions and volume growth expectations, we raise our target price for ULKER shares to TL240/share and maintain our BUY recommendation. Ulker offers a considerable investment opportunity thanks to its pricing advantage in Türkiye and FX-linked revenues in international operations. Ulker reduced its Net Debt/EBITDA ratio to 1.5x in 1Q24. Ulker shares trades at a EV/EBITDA of 6.7x at 2024E implying 35% discount compared to its international peers. After the liquidation of the financial investments and fx-hedges, earnings visibility significantly improved while the operating margins are yet again strong on the back of strict opex management and raw material hedges.

Ulker made a very strong start to 2024 , driven by robust top-line growth and margin improvements. Under IAS-29, Ulker's total revenues increased by 13% from TL17.347mn in 1Q23 to TL19.601mn in 1Q24, led by 17% YoY growth in domestic operations and 5% YoY growth in international operations. Total sales volume went up from 173 ktons in 1Q23 to 200 ktons in 1Q24 thanks to strong sales in Türkiye operations. Consolidated gross margin was up by 130 bps and EBITDA margin remained flat at 20.6%. The increase in working capital was mainly driven by higher receivables in the domestic market in 1Q24 due to seasonality, we expect a recovery in the coming quarters. As of Q1, the company hedged 65% of its short FX-position and fully hedged the 2024 raw material costs.

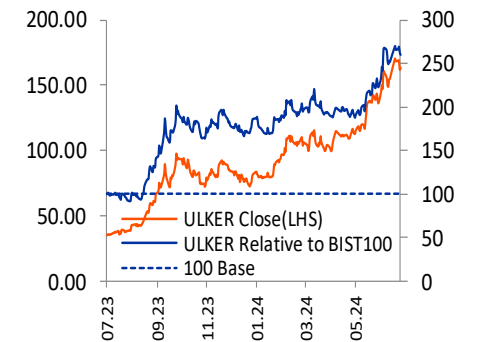
Under IAS-29, we expect the company to end the year with net sales of TL85.5bn and EBITDA Margin of 18.5% in line with the company's 2024 guidance of net sales of TL85bn and EBITDA Margin of 18.5%. We expect strong operational performance in 2024 and improved free cash flow in the long-term.

Stock Data	TL
Price	163.30
Target Price*	240.00
Prev.TP	140.00
Mcap (mn)	60,303
Float Mcap (mn)	23,566
Avg.Daily Volume (3M, mn)	842.3
No. of Shares Outstanding (mn)	369
Free Float (%)	39
Foreign Share (%)	70
*Latest rec.date: 28.06.2024	

Price Perf. (%)	1 Mn	Ytd	12 Mn
TL	15.2	99.5	373.1
US\$	12.6	78.8	272.0
Rel.to BIST-100	15.1	39.5	155.1

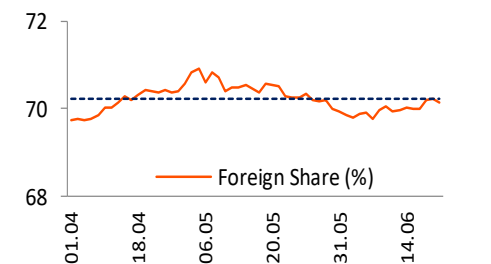
Multiples	2023	2024	2025
P/E	15.9	11.2	8.7
P/BV	3.0	3.1	2.8
EV/EBITDA	6.9	6.7	6.4

Price / Relative Price



52 Week Range (Close TL) 35.40 170.20

Foreign Share (%) Cur.(%) : 70.16



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ULKER

Chart: Revenue Breakdown (TL mn) - 2023*

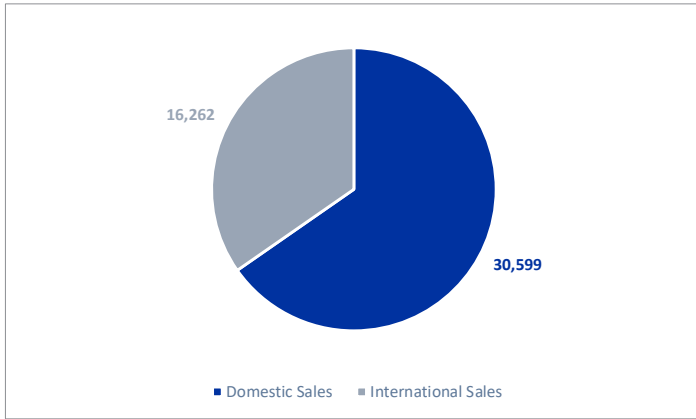


Chart: EBITDA Breakdown (TL mn) - 2023*

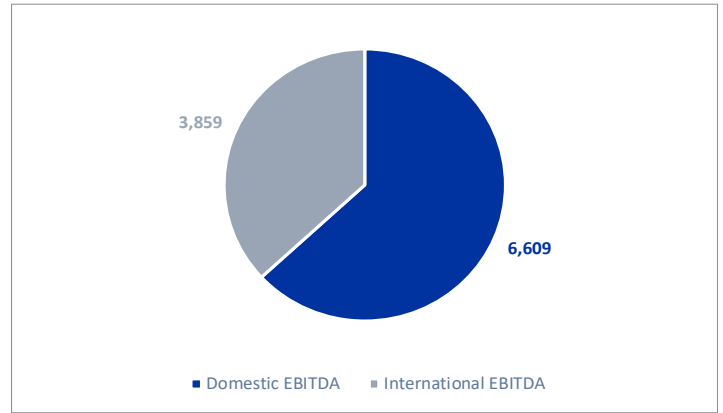


Chart: Total Revenue (TL mn)*

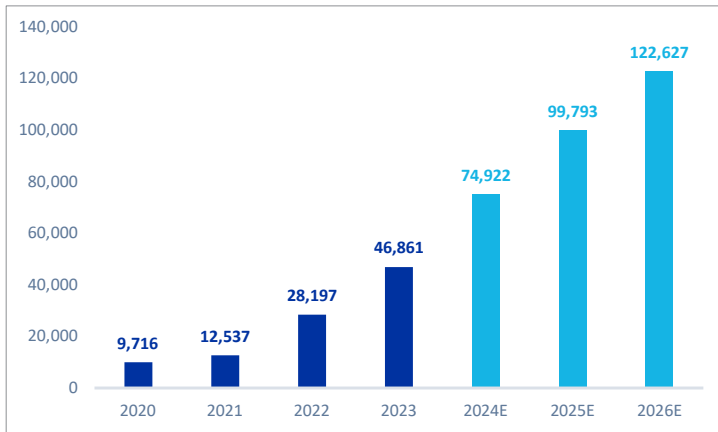


Chart: EBITDA (TL mn), EBITDA Margin*

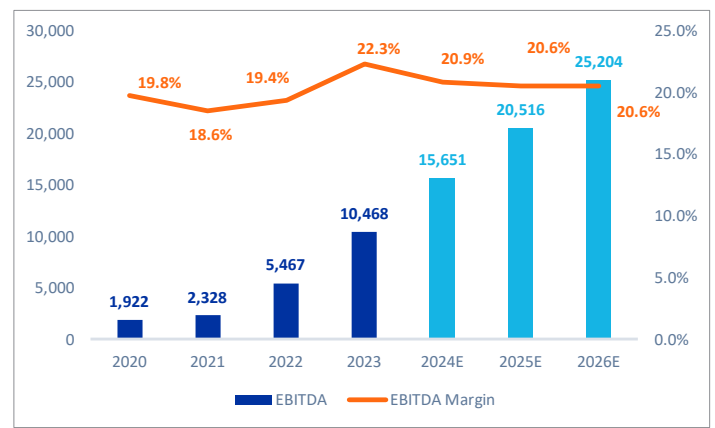


Chart: Total Volume (Ton)

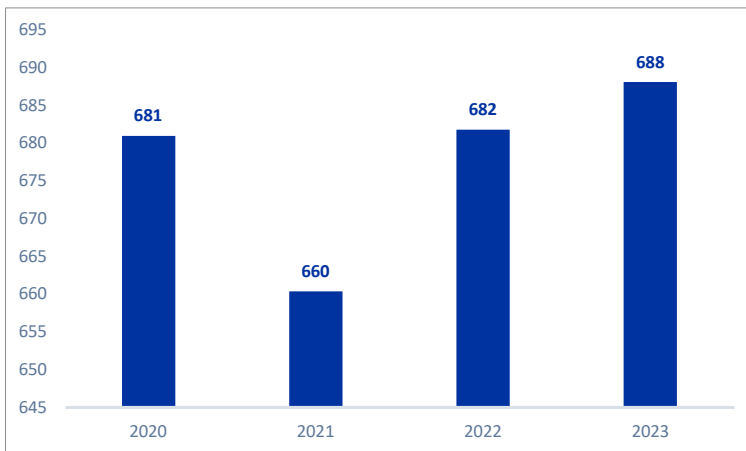
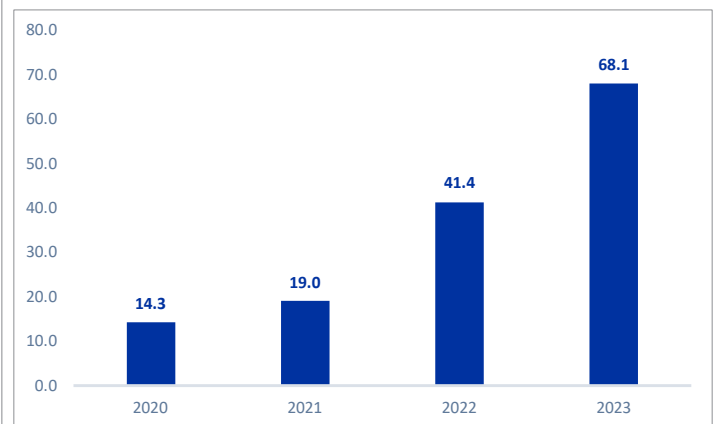


Chart: Revenue per Ton (TL mn)



Source: Company, IS Investment

*Before IAS-29 Adjustments

Coca-Cola Icecek

28.06.2024

Price Target Revision

BUY

Upside Potential 50%

Based on our revised unit price assumptions and volume growth expectations, we increase our target price for CCOLA shares to TL1,202/share and maintain our BUY recommendation. CCOLA shares offers exposure to relatively more mature Türkiye NARTD (Non-alcoholic ready-to-drink) market in addition to the countries with low consumption per capita which offer significant growth opportunities. The Company showed a very strong performance in Uzbekistan operations with consecutive volume growth posts with its robust Cap-Ex allocation and recently added Bangladesh operations to its portfolio. CCOLA shares trade with 12% discount compared to its international peers based on its 24E EV/EBITDA multiple.

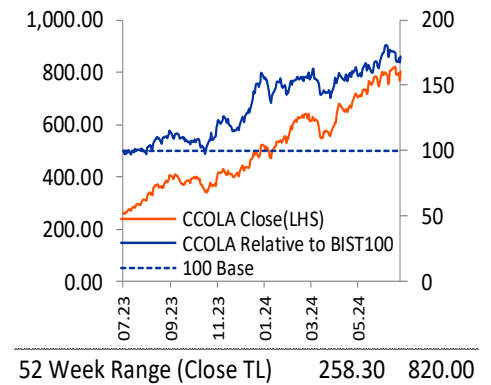
CCI hedged almost all of its raw material requirements for FY24. We do not anticipate any downside risk on the company's flattish EBIT margin guidance. Inflation accounting has a slight negative impact on operating margins but monetary gains boost up the bottom-line. Coca Cola Icecek suffered from the volume pressure in Pakistan in 2023. We might see a recovery in Pakistan volumes in 2H24 after macro improvements and last year's low base. Bangladesh had a minimal impact in 1Q24 but the country's NARTD consumption is significantly lower than the countries in the CCI ecosystem with a population served of 100mn people. The Company is expected allocate capital in Bangladesh for the reorganization of distribution channels and cooler placements in 2024. Consequently, we might see strong volume growth figures in 2025. We expect long-term volume growth to stem from international operations while Türkiye's high inflation will support the top-line growth. CCOLA recorded a Net revenues/ unit case of 2.5\$ in 2023. We expect the NSR/UC (Net Sales Revenue/Unit Case) to remain at these levels with small YoY declines. One should note that in the past few quarters, there is an increase in IC (immediate consumption) products which has positive impact on profit margins.

Stock Data	TL
Price	802.00
Target Price*	1,202.00
Prev.TP	790.14
Mcap (mn)	204,005
Float Mcap (mn)	58,856
Avg.Daily Volume (3M, mn)	320.3
No. of Shares Outstanding (mn)	254
Free Float (%)	29
Foreign Share (%)	84
*Latest rec.date: 28.06.2024	

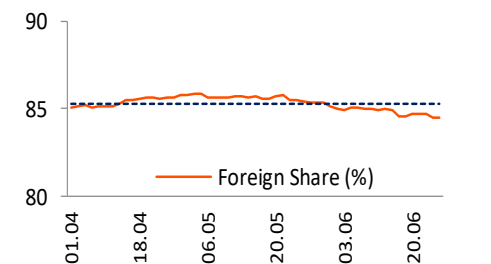
Price Perf. (%)	1 Mn	Ytd	12 Mn
TL	4.6	54.2	208.1
US\$	2.3	38.2	142.3
Rel.to BIST-100	4.5	7.8	66.1

Multiples	2023	2024	2025
P/E	8.9	11.3	11.2
P/BV	4.6	4.3	3.8
EV/EBITDA	11.3	10.0	8.6

Price / Relative Price



Foreign Share (%) Cur.(%) : 84.46



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CCOLA

Chart: Revenue Breakdown (TL mn) - 2023*

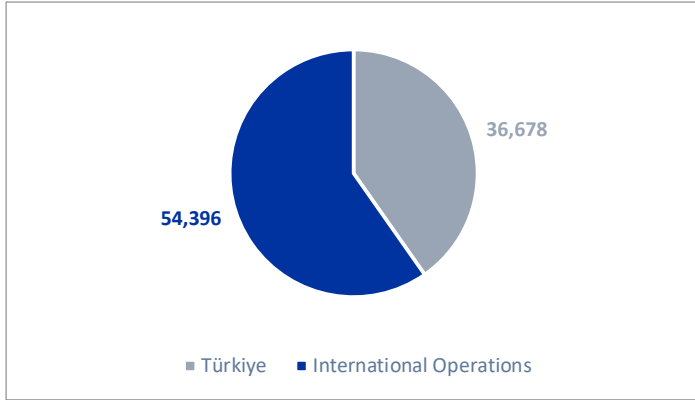


Chart: EBITDA Breakdown (TL mn) - 2023*

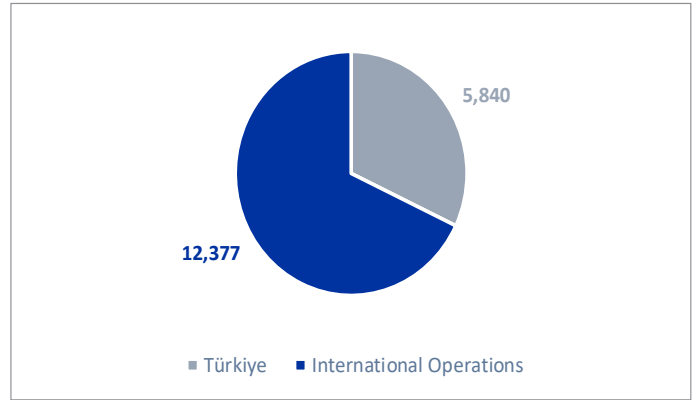


Chart: Volume Breakdown (mn UC) - 2023

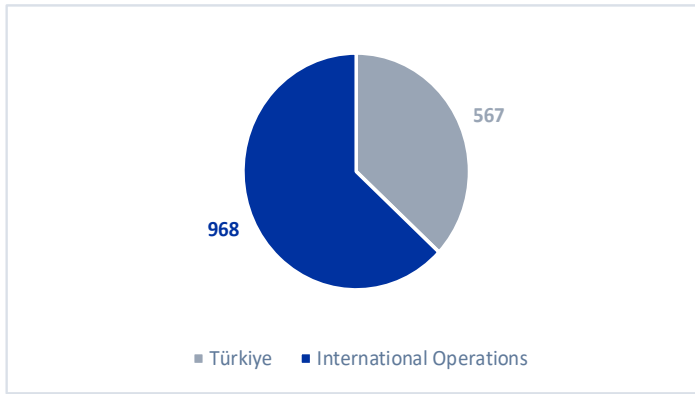


Chart: Revenue Breakdown (TL mn)*

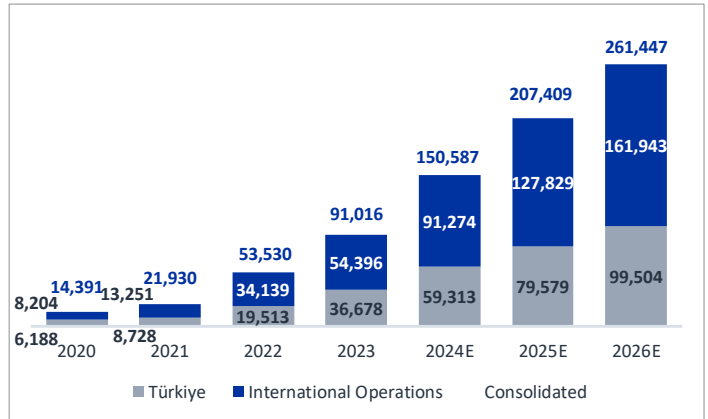


Chart: Total Revenue (TL mn)*

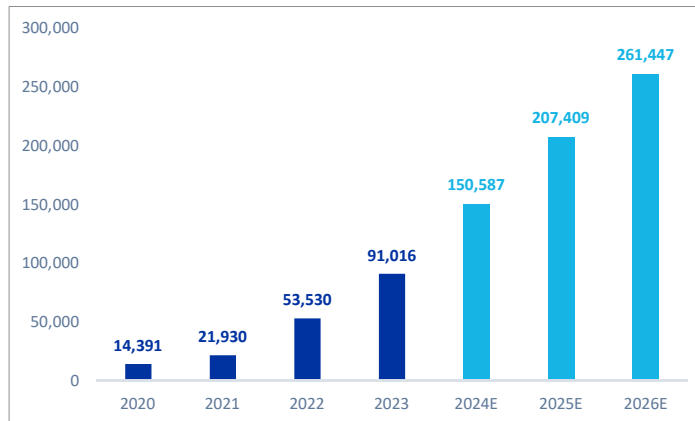
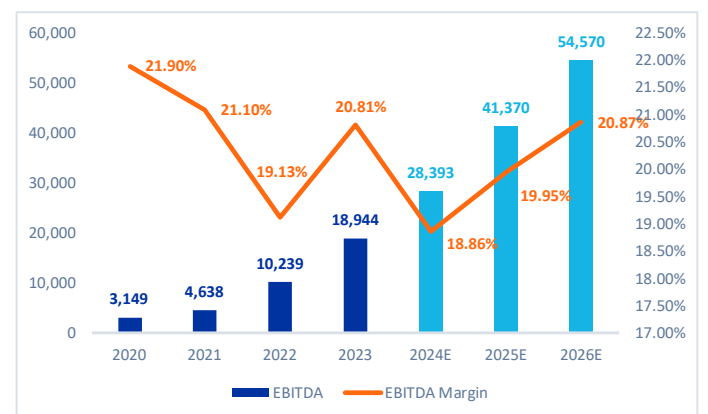


Chart: EBITDA (TL mn), EBITDA Margin*



Source: Company, IS Investment

*Before IAS-29 Adjustments

CCOLA

Chart: Volume (mn UC)

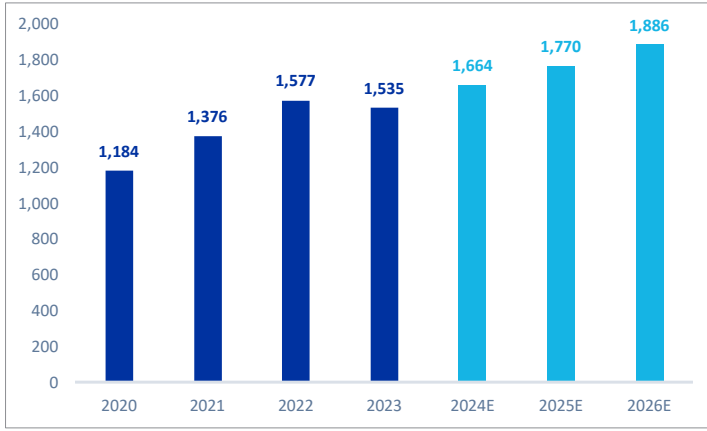


Chart: Revenue per Unit Case*

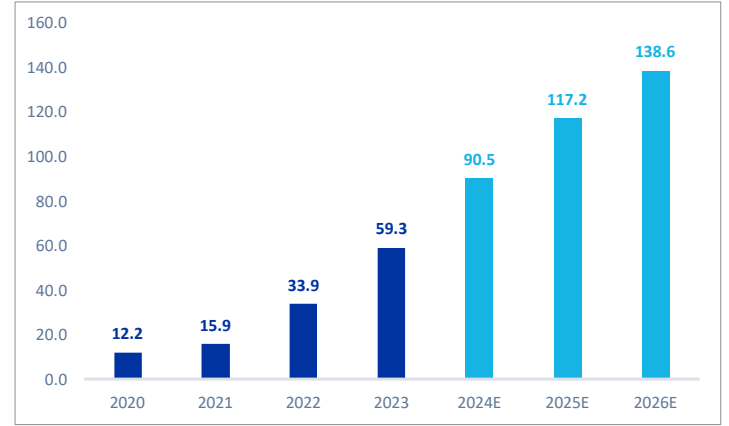


Chart: Volume Breakdown (mn UC)



Source: Company, IS Investment

*Before IAS-29 Adjustments

Anadolu Efes

28.06.2024

Price Target Revision

BUY

Upside Potential 66%

After increasing our target price for CCOLA shares and revised beer group valuation, we increase our target price for AEFES shares to TL 385/share. Anadolu Efes offers a tempting investment opportunity thanks to its market position in Russia and Turkey for the beer group and its share in CCOLA which constitutes 67% of our target valuation. Solo beer group trades at 3.4x 24E EV/EBITDA multiple, indicating 63% discount compared to the international peer group's median. The beer group's net debt position significantly declined after strong free cash flow generation and Net Debt /EBITDA of the beer group stood at 0.3x as of end of 2023.

Our nominal estimates are in-line with the company's guidance of 200bps EBITDA margin decline (before IAS-20 adjustments) and slight volume growth for the beer group. On the other hand, both Russia and Türkiye volumes posted strong volume growth figures in 1Q24. Cost pressures in Russia will most likely have a negative impact on margins, as company guided. Bu one should note that the last two years the beer group expanded its margins significantly which creates a very high base for 2024. We do not expect the company to give up on strong beer group margins to gain extra market share in Russia.

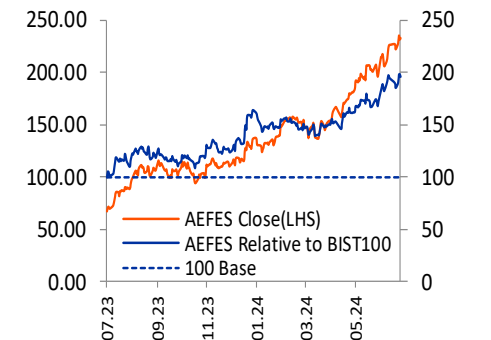
Instead of immediate cash outflow, Anadolu Efes and AB InBev will split cash flows from Russia and Ukraine operations. For a certain amount of time. This minimizes the valuation risks and also will give chance Anadolu Efes to acquire the terminal value of these operations for free. Only risk regarding the completion of share purchase might be the loss of global beer brands in these countries, which might be compensated with Anadolu Efes' wide portfolio of products. Thus we do not expect to see a significant market share loss due to the absence of foreign brands.

Stock Data	TL
Price	232.00
Target Price*	385.00
Prev.TP	212.65
Mcap (mn)	137,368
Float Mcap (mn)	45,139
Avg.Daily Volume (3M, mn)	415.8
No. of Shares Outstanding (mn)	592
Free Float (%)	33
Foreign Share (%)	56
*Latest rec.date: 28.06.2024	

Price Perf. (%)	1 Mn	Ytd	12 Mn
TL	12.4	70.7	257.3
US\$	9.9	53.0	181.0
Rel.to BIST-100	12.4	19.4	92.7

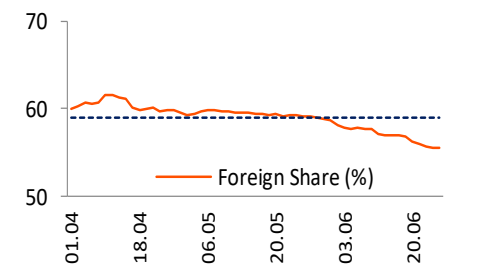
Multiples	2023	2024	2025
P/E	5.5	7.1	7.2
P/BV	1.9	1.9	1.8
EV/EBITDA	5.5	5.1	4.6

Price / Relative Price



52 Week Range (Close TL) 66.74 234.40

Foreign Share (%) Cur.(%) : 55.61



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AEFES Beer Group

Chart: Revenue Breakdown (TL mn) - 2023*

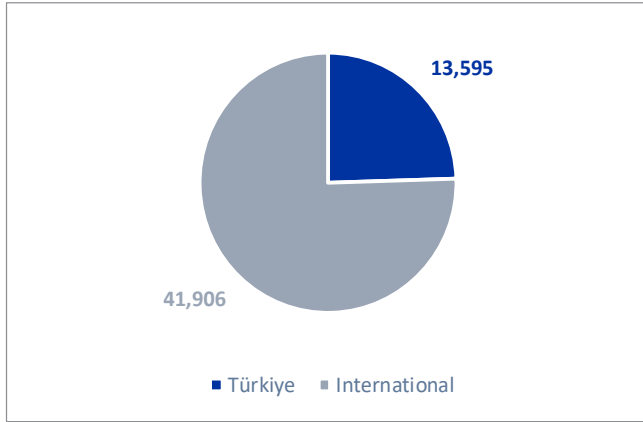


Chart: Volume Breakdown (mhl) - 2023

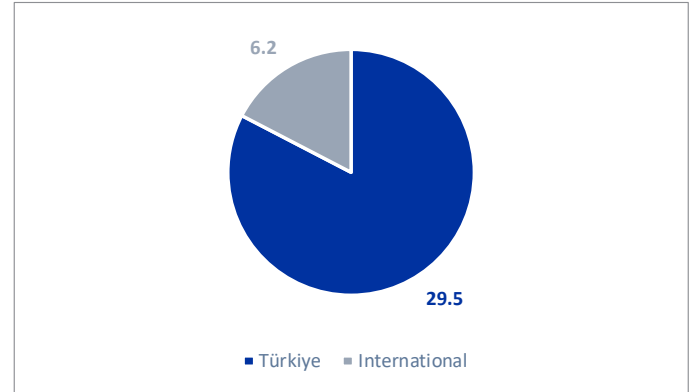


Chart: Total Revenue (TL mn)*

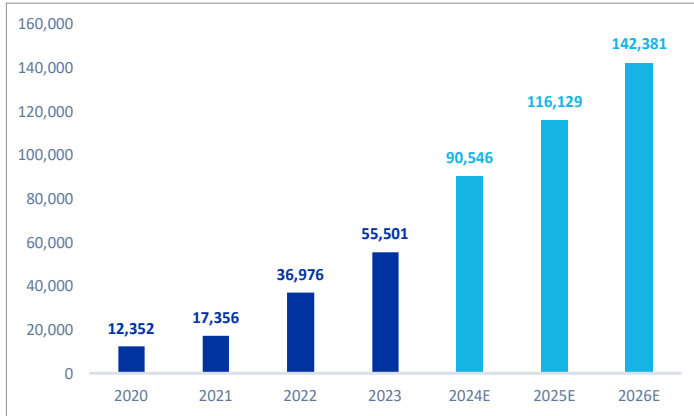


Chart: EBITDA (TL mn), EBITDA Margin*

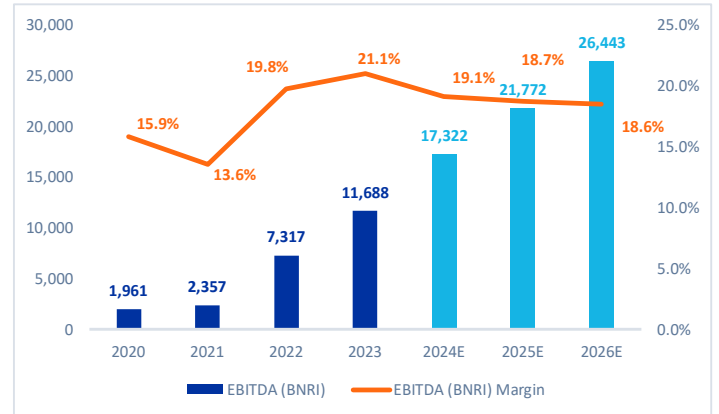


Chart: Volume (mhl)

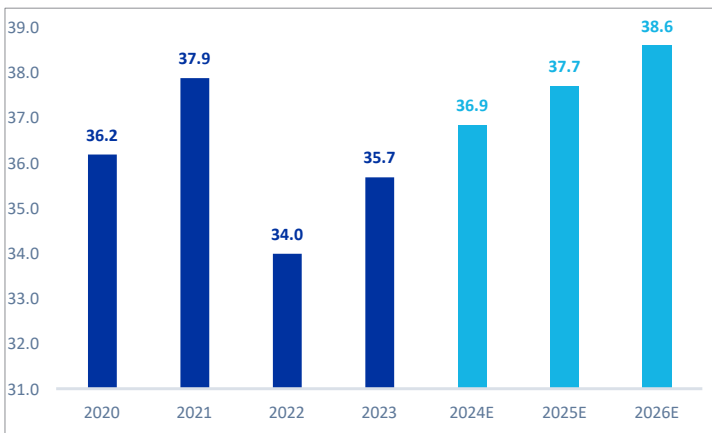
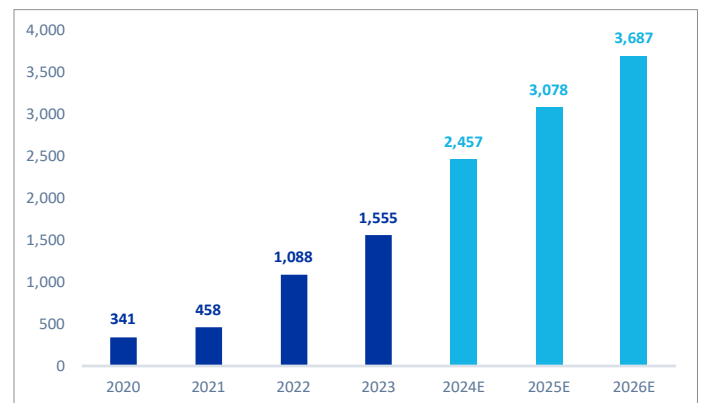


Chart: Revenue per mhl*



Source: Company, IS Investment

*Before IAS-29 Adjustments

Ulker Biskuvi

Shareholder Structure (%)	Company Description
Pladis Foods Limited	47.23 Production of biscuits, chocolate, chocolate covered biscuits, wafers, cakes and crackers. Sells its
Diğer	46.07 products throughout Turkey and exports to more than 80 countries including Germany, France,
Yıldız Holding Anonim Şirketi	6.7 Southern/Eastern Europe/CIS and the Middle East.

Income Statement (mn ₹)						Balance Sheet (mn ₹)					
	2022A	2023A	2024E	2025E	2026E		2022A	2023A	2024E	2025E	2026E
Net Sales	51,981	55,836	59,218	59,955	61,233	Current Assets	41,773	36,987	49,535	50,776	57,769
Gross Profit (Loss)	11,328	16,177	16,638	17,330	17,878	Cash and Cash Equivalents	15,249	11,657	22,675	23,582	27,861
Operating Expenses	5,793	6,760	6,634	6,758	6,907	Short-Term Trade Receivables	12,174	12,067	12,798	12,957	13,233
Core Operating Profit	5,535	9,416	10,004	10,571	10,971	Inventories	8,516	8,391	8,899	9,010	9,202
Non-operating Income (Exp.)	1,523	1,576	429	315	259	Other Current Assets	5,487	4,868	5,163	5,227	7,473
Profit (Loss) from Subsidiaries	0	0	0	0	0	Long Term Assets	24,376	24,602	25,994	25,522	25,436
Net Investment Income (Exp.)	4,564	7,205	1,109	1,038	1,014	Investments with Equity Method	4,428	4,010	4,347	4,433	4,433
Net Financial Income (Exp.)	-10,249	-13,421	-4,024	-2,583	-2,742	Tangible Fixed Assets	14,703	16,274	16,191	15,703	15,592
PBT	1,373	4,777	7,518	9,341	9,503	Intangible Fixed Assets	3,329	3,288	3,271	3,172	3,150
Tax Expense (Income)	-57	554	1,879	2,335	2,376	Other Long-Term Assets	1,916	1,031	2,186	2,213	2,260
Minority Interests	445	844	832	812	802	Total Assets	66,149	61,590	75,529	76,298	83,205
Net Profit	985	3,379	4,806	6,194	6,326	Short Term Liabilities	27,826	15,447	8,506	10,205	14,949
Recurring Net Profit	985	3,379	4,806	6,194	6,326	Short-Term Financial Loans	18,787	5,461	532	494	489
NOPAT	5,592	8,862	8,125	8,236	8,595	Short-Term Trade Payables	6,857	7,635	7,288	7,378	7,536
EBITDA	6,703	10,601	10,946	11,430	11,864	Other Short-Term Liabilities	2,183	2,352	687	2,332	6,924
Growth & Operating Perf.	2022A	2023A	2024E	2025E	2026E	Long Term Liabilities	22,680	26,340	47,931	44,885	44,565
Growth						Long-Term Financial Loans	20,348	25,103	43,994	40,898	40,494
Net Sales	-	7.4%	6.1%	1.2%	2.1%	Other Long-Term Liabilities	2,332	1,238	3,938	3,987	4,072
EBIT	-	70%	6%	6%	4%	Equity	15,643	19,802	19,091	21,208	23,691
EBITDA	-	58%	3%	4%	4%	Parent Shareholders Capital	12,036	17,971	17,286	19,446	21,952
Net Profit	-	243%	42%	29%	2%	Minority Interests	3,607	1,831	1,805	1,762	1,739
Operating Performance						Total Liabilites & Equity	66,149	61,590	75,529	76,298	83,205
Gross Margin	21.8%	29.0%	28.1%	28.9%	29.2%	Cash Flow (mn ₹)	2022A	2023A	2024E	2025E	2026E
EBIT Margin	10.6%	16.9%	16.9%	17.6%	17.9%	Net Cash from Operations	4,022	7,351	8,643	9,952	10,153
EBITDA Margin	12.9%	19.0%	18.5%	19.1%	19.4%	Earnings Before Adjustments	1,430	4,223	5,638	7,006	7,128
Net Profit Margin	1.9%	6.1%	8.1%	10.3%	10.3%	Depreciation & Amortisation	1,168	1,184	942	859	893
ROE	-	22.5%	27.3%	33.7%	30.6%	Change in Working Capital	-4,995	-4,281	-4,541	-4,597	-4,695
ROA	-	5.3%	7.0%	8.2%	7.9%	Other Operating Cash Flow	5,356	6,225	6,602	6,685	6,827
ROIC	-	n.a	55.3%	27.9%	27.8%	Cash from Inv. Operations	10,337	-429	-1,546	-1,524	-1,643
OCF / Sales	7.7%	13.2%	14.6%	16.6%	16.6%	Free Cash Flow	14,358	6,922	7,096	8,428	8,509
FCF / Sales	27.6%	12.4%	12.0%	14.1%	13.9%	Cash from Fin. Operations	-7,242	-10,514	7,481	-2,986	-549
Ratio Analysis	2022A	2023A	2024E	2025E	2026E						
Adj. P / E (x)	n.m	15.9	11.2	8.7	8.5						
EV / EBITDA (x)	10.9	6.9	6.7	6.4	6.2						
EV / Sales (x)	1.4	1.3	1.2	1.2	1.2						
P / B (x)	4.5	3.0	3.1	2.8	2.5						
EPS (₹)	2.88	9.15	18.74	30.19	36.54						
DPS (₹)	0.00	0.00	0.00	5.06	9.66						
Dividend Yield	0.0%	0.0%	0.0%	1.9%	3.1%						
Net Debt (Cash) (mn ₹)	23,538	18,902	21,850	17,811	13,123						
Net Debt / EBITDA (x)	3.5	1.8	2.0	1.6	1.1						
Net Debt / Equity (x)	1.5	1.0	1.1	0.8	0.6						

Source: Is Investment

**Estimations and historical financial results are based on the purchasing power of the Turkish Lira as of the end of 2023. Companies subject to inflation accounting disclose their financial results indexed to the purchasing power at the end of the relevant period. Financial results can be indexed to the purchasing power at the end of the relevant year using the following coefficients based on our inflation forecasts.*

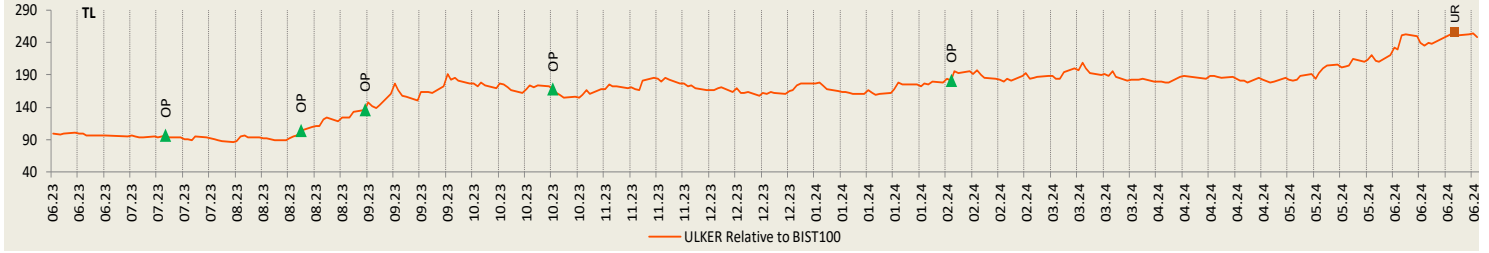
2024: 1.44

2025: 1.8

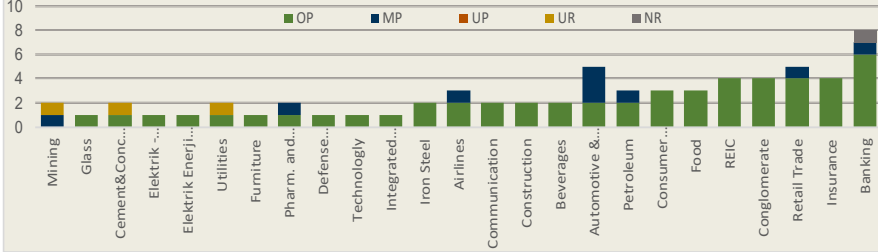
2026: 2.13

Ulker Bisküvi

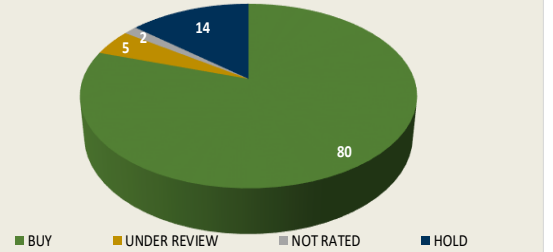
Relative to BIST 100 / Recommendations



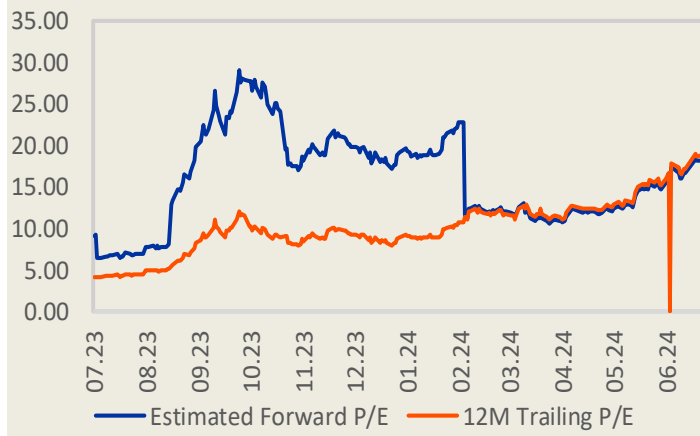
Number of Companies



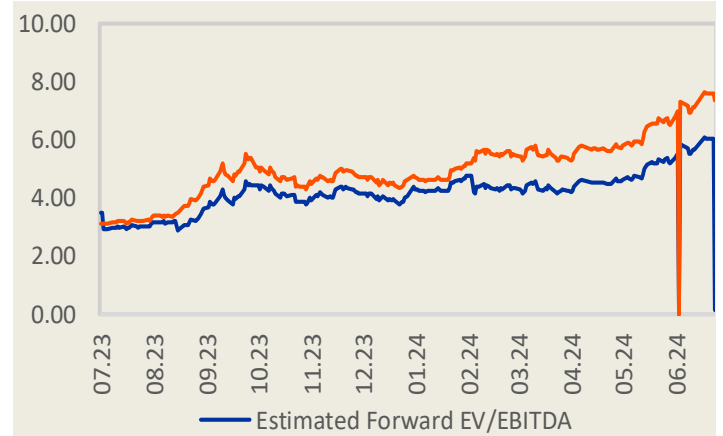
Rec. Breakdown for Coverage



Estimated Forward P/E & 12M Trailing P/E



Estimated Forward EV/EBITDA & 12M Trailing EV/EBITDA



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Coca-Cola İçecek

Shareholder Structure (%)						Company Description					
Anadolu Efes Biracılık Ve İçecekler A.Ş.						40.12	Coca-Cola İçecek (CCI), the seventh-largest bottler in the Coca-Cola system in terms of sales volume, third-largest in terms of population served offers a wide range of product portfolio with valuable brands of the Coca-Cola Company. CCI operates in 12 countries including Turkey, Uzbekistan, Bangladesh, Pakistan, Kazakhstan, Azerbaijan, Iraq, Jordan, Kyrgyzstan, Syria, Tajikistan and Turkmenistan.				
Diğer						29.65					
The Coca-Cola Export Corporation						20.09					
Efes Pazarlama Ve Dağıtım Ticaret A.Ş.						10.14					
Income Statement (mn ₺)						Balance Sheet (mn ₺)					
Net Sales	93,190	101,042	113,224	120,090	126,538	Current Assets	46,524	48,254	52,326	55,023	56,994
Gross Profit (Loss)	28,479	33,040	39,317	43,033	46,613	Cash and Cash Equivalents	24,336	22,130	23,053	23,975	24,278
Operating Expenses	16,439	18,809	22,461	23,173	24,327	Short-Term Trade Receivables	6,123	8,814	9,877	10,476	11,039
Core Operating Profit	12,040	14,230	16,856	19,860	22,287	Inventories	11,193	12,983	14,548	15,430	16,258
Non-operating Income (Exp.)	-566	245	292	261	252	Other Current Assets	4,873	4,327	4,849	5,143	5,419
Profit (Loss) from Subsidiaries	-5	-17	-20	-6	-5	Long Term Assets	60,735	61,904	61,395	58,798	58,557
Net Investment Income (Exp.)	458	-26	-32	-28	-27	Tangible Fixed Assets	33,678	35,235	34,736	33,080	32,833
Net Financial Income (Exp.)	7,077	11,525	2,626	-135	-308	Intangible Fixed Assets	25,294	23,945	23,607	22,481	22,313
PBT	19,003	25,956	19,722	19,953	22,200	Other Long-Term Assets	1,109	2,182	2,445	2,593	2,732
Tax Expense (Income)	4,616	4,796	3,644	3,687	4,102	Total Assets	107,259	110,158	113,721	113,821	115,550
Minority Interests	510	581	0	0	0	Short Term Liabilities	28,385	41,508	42,396	36,987	29,477
Net Profit	13,877	20,580	16,078	16,266	18,098	Short-Term Financial Loans	9,538	18,063	15,828	14,715	14,569
Recurring Net Profit	13,877	20,580	16,078	16,266	18,098	Short-Term Trade Payables	13,650	18,596	20,838	22,102	23,288
NOPAT	7,424	9,435	13,212	16,173	18,185	Other Short-Term Liabilities	5,197	4,848	5,729	171	-8,381
EBITDA	16,024	17,918	20,140	23,400	26,034	Long Term Liabilities	31,724	23,695	23,764	22,785	22,916
Growth & Operating Perf.						Long-Term Financial Loans	24,808	18,976	18,476	17,176	17,006
Growth						Other Long-Term Liabilities	6,917	4,719	5,288	5,609	5,910
Net Sales	-	8.4%	12.1%	6.1%	5.4%	Equity	47,150	44,955	47,561	54,049	63,158
EBIT	-	18%	18%	18%	12%	Parent Shareholders Capital	40,797	39,287	41,972	48,594	57,771
EBITDA	-	12%	12%	16%	11%	Minority Interests	6,353	5,668	5,589	5,455	5,386
Net Profit	-	48%	-22%	1%	11%	Total Liabilities & Equity	107,259	110,158	113,721	113,821	115,550
Operating Performance						Cash Flow (mn ₺)					
Gross Margin	30.6%	32.7%	34.7%	35.8%	36.8%	Net Cash from Operations	6,952	12,543	12,423	14,414	13,392
EBIT Margin	12.9%	14.1%	14.9%	16.5%	17.6%	Earnings Before Adjustments	14,387	21,161	16,078	16,266	18,098
EBITDA Margin	17.2%	17.7%	17.8%	19.5%	20.6%	Depreciation & Amortisation	3,984	3,687	3,284	3,540	3,747
Net Profit Margin	14.9%	20.4%	14.2%	13.5%	14.3%	Change in Working Capital	-3,041	-3,676	-4,119	-4,369	-4,603
ROE	-	51.4%	39.6%	35.9%	34.0%	Other Operating Cash Flow	-8,379	-8,629	-2,820	-1,024	-3,850
ROA	-	18.9%	14.4%	14.3%	15.8%	Cash from Inv. Operations	-6,583	-11,437	-7,954	-8,066	-8,580
ROIC	-	27.0%	38.1%	46.4%	52.1%	Free Cash Flow	369	1,106	4,469	6,348	4,812
OCF / Sales	7.5%	12.4%	11.0%	12.0%	10.6%	Cash from Fin. Operations	11,503	-2,435	3,216	-815	-766
FCF / Sales	0.4%	1.1%	3.9%	5.3%	3.8%						
Ratio Analysis											
Adj. P / E (x)	13.1	8.9	11.3	11.2	10.1						
EV / EBITDA (x)	12.6	11.3	10.0	8.6	7.8						
EV / Sales (x)	2.2	2.0	1.8	1.7	1.6						
P / B (x)	4.5	4.6	4.3	3.8	3.2						
EPS (₺)	54.55	80.90	91.02	115.11	151.76						
DPS (₺)	2.36	2.95	11.32	15.92	23.86						
Dividend Yield	0.9%	0.8%	3.0%	4.2%	6.2%						
Net Debt (Cash) (mn ₺)	10,010	14,909	11,252	7,916	7,297						
Net Debt / EBITDA (x)	0.6	0.8	0.6	0.3	0.3						
Net Debt / Equity (x)	0.2	0.3	0.2	0.1	0.1						
Source: Is Investment											

Source: İş Yatırım

*Estimations and historical financial results are based on the purchasing power of the Turkish Lira as of the end of 2023. Companies subject to inflation accounting disclose their financial results indexed to the purchasing power at the end of the relevant period. Financial results can be indexed to the purchasing power at the end of the relevant year using the following coefficients based on our inflation forecasts.

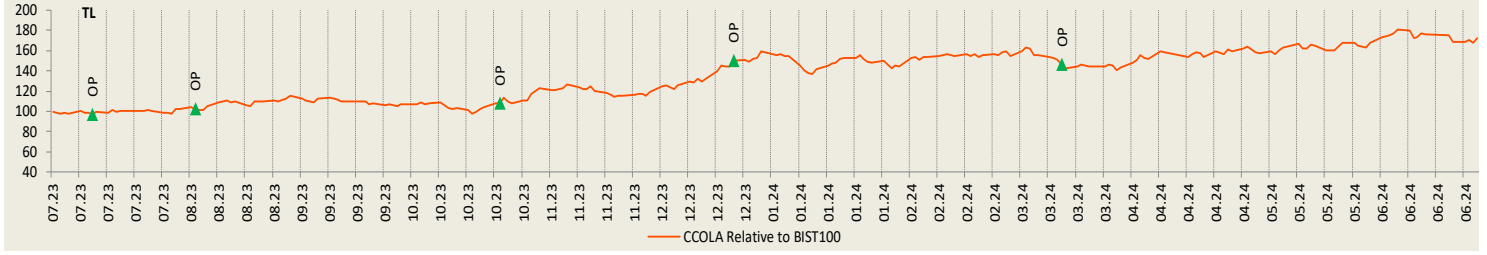
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2025: 1.8

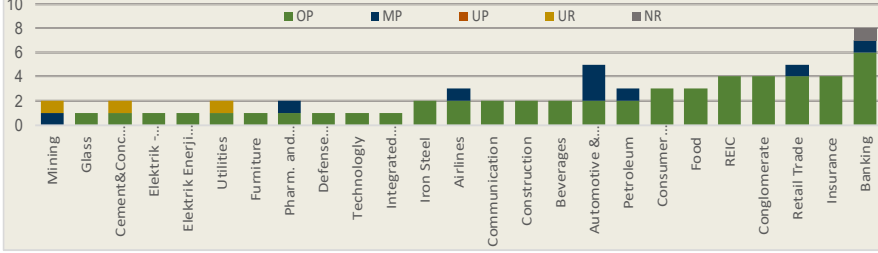
2026: 2.13

Coca-Cola İçecek

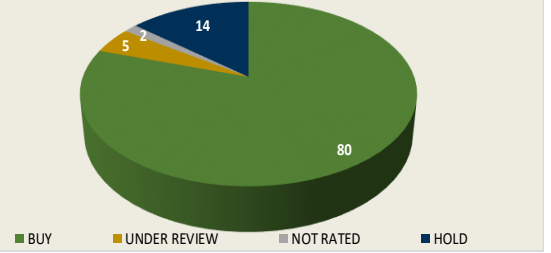
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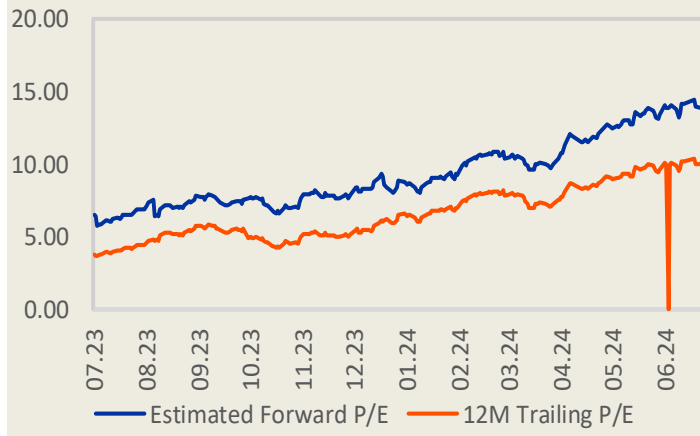
Number of Companies



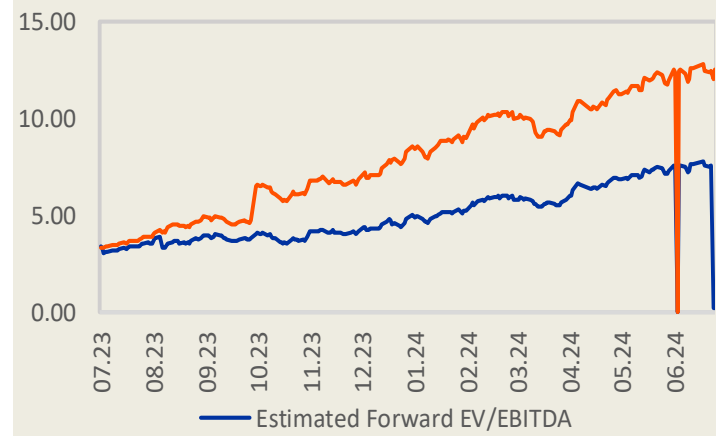
Rec. Breakdown for Coverage



Estimated Forward P/E & 12M Trailing P/E



Estimated Forward EV/EBITDA & 12M Trailing EV/EBITDA



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Anadolu Efes

Shareholder Structure (%)	Company Description
Ag Anadolu Grubu Holding	43.05 Anadolu Efes is Europe's 5th largest and the World's 10th largest beer producer in terms of sales
Diğer	32.95 volume, operating in Turkey, Russia, Ukraine, Kazakhstan, Moldova and Georgia. The Company also
Ab Inbev Harmony Limited	24 has 50.3% stake at Coca-Cola İçecek, the seven-largest bottler in the Coca-Cola system in terms of sales volume, operating in 12 countries.

Income Statement (mn \$)	2022A	2023A	2024E	2025E	2026E	Balance Sheet (mn \$)	2022A	2023A	2024E	2025E	2026E
Net Sales	155,060	159,877	180,260	183,334	189,427	Current Assets	85,826	90,128	95,930	99,801	102,820
Gross Profit (Loss)	53,556	59,000	65,889	66,980	69,587	Cash and Cash Equivalents	39,327	41,648	44,829	47,698	49,107
Operating Expenses	36,839	39,526	42,946	40,487	39,975	Short-Term Trade Receivables	12,990	15,381	17,342	17,637	18,224
Core Operating Profit	16,716	19,474	22,943	26,492	29,612	Inventories	23,546	24,878	28,050	28,528	29,476
Non-operating Income (Exp.)	463	91	108	97	93	Other Current Assets	9,964	8,222	5,710	5,938	6,013
Profit (Loss) from Subsidiaries	446	-144	-172	-6	-5	Long Term Assets	182,418	175,098	175,518	173,998	174,213
Net Investment Income (Exp.)	-455	471	618	553	534	Trade Receivables	3	1	0	0	0
Net Financial Income (Exp.)	12,652	21,561	8,977	6,483	4,900	Investments with Equity Method	442	0	8	6	5
PBT	29,822	41,453	32,474	33,620	35,135	Tangible Fixed Assets	56,948	57,615	57,925	57,977	58,790
Tax Expense (Income)	6,818	7,911	6,197	6,416	6,705	Intangible Fixed Assets	101,263	106,035	105,673	104,579	104,802
Minority Interests	7,619	11,413	8,941	10,182	11,705	Other Long-Term Assets	0	11,436	11,913	11,436	10,616
Net Profit	15,384	22,129	17,336	17,022	16,725	Total Assets	268,245	265,226	271,448	273,799	277,033
Recurring Net Profit	15,384	22,129	17,336	17,022	16,725	Short-Term Liabilities	22,250	22,427	24,755	22,225	22,225
NOPAT	9,898	11,563	16,746	20,076	22,906	Long-Term Liabilities	15,998	15,998	15,998	15,998	15,998
EBITDA	25,328	27,045	29,138	32,640	35,873	Equity	130,000	126,800	130,700	135,576	138,810

Growth & Operating Perf.	2022A	2023A	2024E	2025E	2026E	Short-Term Financial Loans	19,559	22,788	22,155	22,155	22,436
Growth						Short-Term Trade Payables	33,009	33,059	37,274	37,910	39,170
Net Sales	-	3.1%	12.7%	1.7%	3.3%	Other Short-Term Liabilities	16,691	22,650	35,323	28,840	17,228
EBIT	-	16%	18%	15%	12%	Long Term Liabilities	64,260	56,850	53,037	51,241	48,735
EBITDA	-	7%	8%	12%	10%	Long-Term Financial Loans	42,350	36,280	32,753	31,442	29,187
Net Profit	-	44%	-22%	-2%	-2%	Other Long-Term Liabilities	21,910	20,571	20,285	19,798	19,547
Operating Performance						Equity	134,725	129,878	123,658	133,654	149,465
Gross Margin	34.5%	36.9%	36.6%	36.5%	36.7%	Parent Shareholders Capital	64,533	64,558	63,926	69,889	77,399
EBIT Margin	10.8%	12.2%	12.7%	14.5%	15.6%	Minority Interests	70,193	65,320	59,732	63,765	72,066
EBITDA Margin	16.3%	16.9%	16.2%	17.8%	18.9%	Total Liabilites & Equity	268,245	265,226	271,448	273,799	277,033
Net Profit Margin	9.9%	13.8%	9.6%	9.3%	8.8%						
ROE	-	34.3%	27.0%	25.4%	22.7%						
ROA	-	8.3%	6.5%	6.2%	6.1%	Cash Flow (mn ₹)	2022A	2023A	2024E	2025E	2026E
ROIC	-	n.a	25.5%	15.3%	17.6%	Net Cash from Operations	14,550	22,332	20,646	20,400	20,874
OCF / Sales	9.4%	14.0%	11.5%	11.1%	11.0%	Earnings Before Adjustments	23,004	33,542	26,277	27,204	28,430
FCF / Sales	3.1%	7.2%	5.1%	4.7%	4.6%	Depreciation & Amortization	8,612	7,571	6,105	6,148	6,264

Ratio Analysis	2022A	2023A	2024E	2025E	2026E						
Adj. P / E (x)	8.0	5.5	7.1	7.2	7.3	Change in Working Capital	-6,865	-2,948	-3,324	-3,381	-3,493
EV / EBITDA (x)	5.9	5.5	5.1	4.6	4.1	Other Operating Cash Flow	-10,200	-15,833	-8,502	-9,572	-10,323
EV / Sales (x)	1.0	0.9	0.8	0.8	0.8	Cash from Inv. Operations	-9,723	-10,898	-11,526	-11,722	-12,112
P / B (x)	1.9	1.9	1.9	1.8	1.6	Free Cash Flow	4,828	11,434	9,120	8,677	8,762
EPS (₹)	25.98	37.37	42.16	51.75	60.25	Cash from Fin. Operations	6,665	-9,486	6,787	3,157	93
DPS (₹)	1.85	2.13	3.38	4.77	6.94						
Dividend Yield	2.8%	2.0%	3.2%	4.5%	6.5%						
Net Debt (Cash) (mn ₹)	22,582	17,420	10,079	5,900	2,516						
Net Debt / EBITDA (x)	0.9	0.6	0.3	0.2	0.1						
Net Debt / Equity (x)	0.2	0.1	0.1	0.0	0.0						

Source: Is Investment

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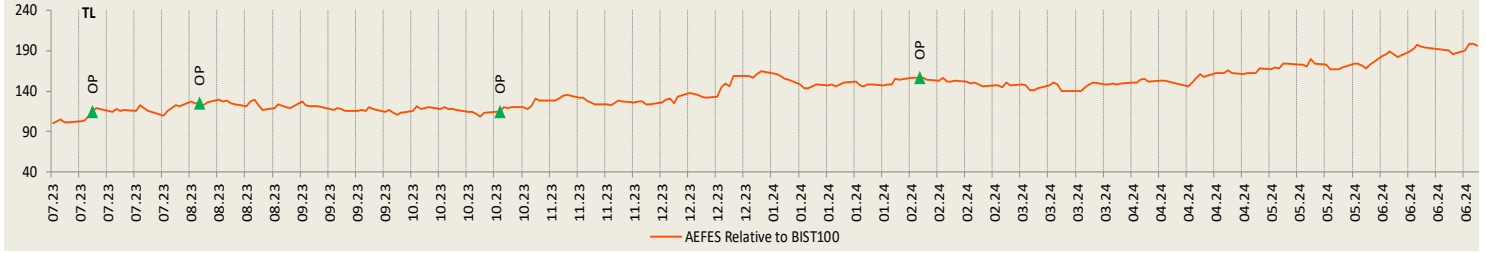
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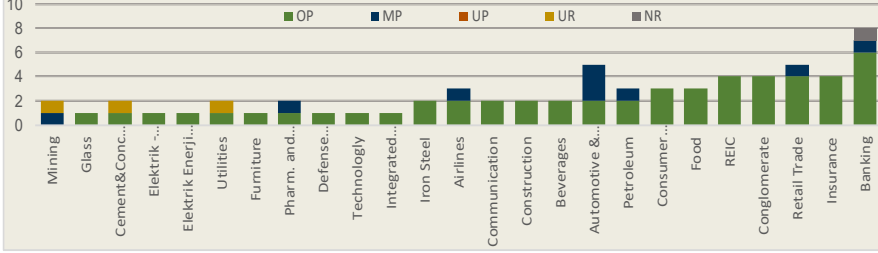
2026: 2.13

Anadolu Efes

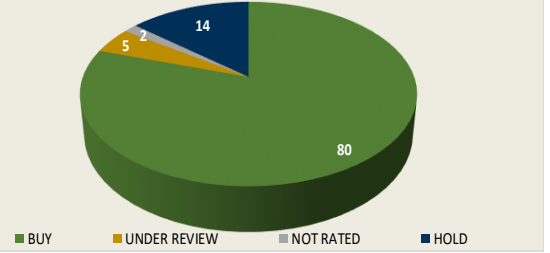
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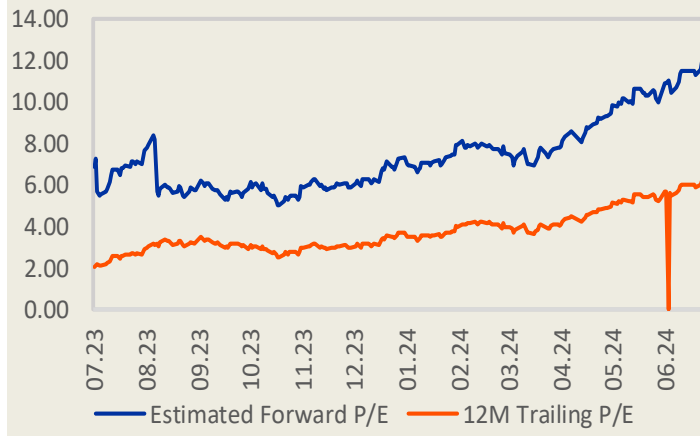
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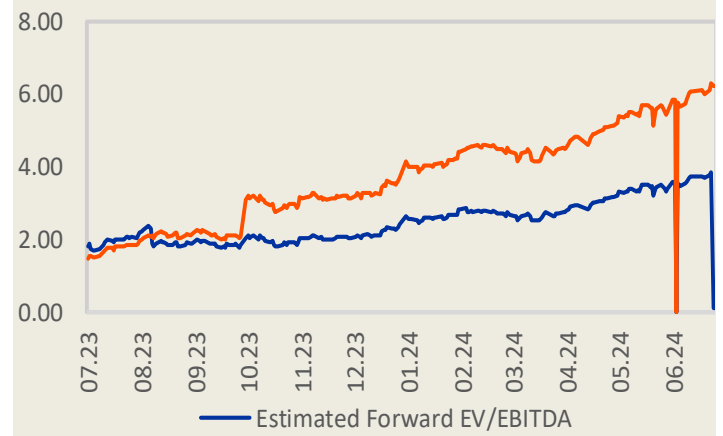
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Estimated Forward P/E & 12M Trailing P/E



Estimated Forward EV/EBITDA & 12M Trailing EV/EBITDA



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