

1H23 FINANCIAL PERFORMANCE*:

Net Sales:

up by 87.6% to TL 133.7 bn

EBITDA:

up by 88.5% to TL 19.2 bn

Net income attr. to parent:

up by 141.6% to TL 3.7 bn

Consolidated (TL mn)	2Q22	2Q23	Change	1H22	1H23	Change
Net Sales	43.563	77.384	77,6%	71.300	133.742	87,6%
Gross Profit	13.615	24.788	82,1%	22.048	41.677	89,0%
EBITDA	7.027	12.379	76,2%	10.208	19.241	88,5%
Net Income	3.760	7.649	103,4%	3.697	9.857	166,7%
Net Income (attributable to parent)	1.514	2.994	97,8%	1.513	3.655	141,6%
Net Income** (attr. to parent excl. one-off gains/expenses)	763	2.701	254,2%	761	3.362	341,6%

*All figures and tables in this report include IFRS16 impact. The effect of McDonald's, whose sale has been completed in 2Q22 has been eliminated from the 2022 financial statements (except net income).

** Excludes impairment losses in our beer operations in 1Q22, McDonald's sale in 2Q22 and income derived from Anadolu Etap consolidation change in 2Q23

MESSAGE FROM CEO MR. HURŞİT ZORLU

With the earthquake disaster we experienced, the election process, uncertainties in global economies, increasing global interest rates, exchange rate movements and inflationary pressures, 2023 is proving to be another year with a lot of difficulties. However, the election process is behind and we are entering a normalization process in monetary policies, we observe an improvement in Turkish CDS premiums, risk perception, and increasing interest of foreign investors in Turkey. Despite all these uncertainties, Anadolu Grubu Holding continued to announce strong financial results in the first half of 2023, thanks to our proactive approach, effective financial and operational strategies, and consumer-oriented approach.

Looking at our first half operational results of 2023; Thanks to our flexible and resilient business models, geographical and sectoral distribution, strong portfolio management, efficiency and cost-oriented structure, strong operational performance and timely investment decisions, we achieved a consolidated annual sales revenue growth of 87.6% in the first half while EBITDA grew 88.5% above our sales revenues. Our holding's consolidated parent company net income exceeded TL 3.6 billion in the first half of the year. Soft Drinks, Beer, Migros and Automotive segments all played an important role in this successful performance. Specifically, we need to emphasize the strong contribution of our automotive segment to the group's positive performance in 1H23 as well. The strength of our brands, positive product and channel breakdown, proactive revenue growth methods, efficiency-oriented management approach and changes in macroeconomic variables were the main factors in this performance.

If we evaluate the performances of our main operations; While the soft drink segment continued its successful operational performance despite cost pressures, it once again showed the importance of diversifying our business by operating in different geographies. Despite the difficulties in the geography in which it operates, the beer segment has managed to increase its profitability margin for six consecutive quarters. Migros, on the other hand, increased its net profit and market share significantly thanks to its strong turnover growth, successful balance sheet management and one-off asset sale. In the automotive segment, we continued to announce record levels of strong financials in both domestic and export markets performances.

At the end of 2Q23, our consolidated net debt/EBITDA ratio was 0.6x. These ratios were 2.7x at 2Q19, 2.1x at 2Q20, 1.4x at 2Q21 and 1.2x at 2Q22. Our leverage ratios continue to decline and stay at reasonable levels and within our targets at the Holding and our Group companies. Our key priorities which are successful operational performance, FCF generation, tight balance sheet and proactive risk management, utilization of idle assets and lowering short FX positions continue to support our strong results. Consequently the dividends our group companies and the Holding pay have been increasing over the years.

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

In the upcoming period, global uncertainties, high inflation, global recession concerns, politics, geopolitical developments will be the most important agenda items we will follow. We will continue to address challenges with determination and extra caution, add value in every field in which we operate and continue with our investments that will support our long-term growth. Our priorities will continue to be operational efficiency, free cash flow, disciplined financial management, digitalization and sustainability efforts.

SUMMARY FINANCIALS

Beer (TL mn)	2Q22	2Q23	Change	1H22	1H23	Change
Sales Volume (mhl)	9,5	10,1	5,3%	17,2	17,3	0,2%
Net Sales	9.837	14.626	48,7%	14.939	23.637	58,2%
Gross Profit	4.150	6.981	68,2%	6.093	10.900	78,9%
EBITDA (BNRI)	1.990	3.423	72,0%	2.442	4.726	93,5%
Net income (attributable to parent)	1.117	1.715	53,6%	668	1.606	140,3%
Gross Profit Margin	42,2%	47,7%		40,8%	46,1%	
EBITDA Margin	20,2%	23,4%		16,3%	20,0%	
Net Income Margin (attr. to parent)	11,4%	11,7%		4,5%	6,8%	
Soft Drinks (TL mn)	2Q22	2Q23	Change	1H22	1H23	Change
Sales Volume (mn unit case)	492	448	-8,9%	824	801	-2,8%
Net Sales	14.694	23.273	58,4%	23.359	38.828	66,2%
Gross Profit	4.662	8.134	74,5%	7.506	13.294	77,1%
EBITDA	2.969	5.064	70,6%	4.763	7.971	67,4%
EBITDA (Excl. other)	2.846	5.079	78,5%	4.596	7.975	73,5%
Net income (attributable to parent)	1.233	2.388	93,7%	1.863	3.423	83,7%
Gross Profit Margin	31,7%	34,9%		32,1%	34,2%	
EBITDA Margin	20,2%	21,8%		20,4%	20,5%	
Net Income Margin (attr. to parent)	8,4%	10,3%		8,0%	8,8%	
Migros (mn TL)	2Q22	2Q23	Change	1H22	1H23	Change
Net Sales	15.963	32.951	106,4%	28.235	60.135	113,0%
Gross Profit	4.042	7.504	85,7%	7.174	14.053	95,9%
EBITDA	1.570	2.365	50,7%	2.645	4.181	58,1%
Net Income (attributable to parent)	441	1.500	240,2%	599	2.060	243,7%
Gross Profit Margin	25,3%	22,8%		25,4%	23,4%	
EBITDA Margin	9,8%	7,2%		9,4%	7,0%	
Net Income Margin (attr. to parent)	2,8%	4,6%		2,1%	3,4%	
Automotive (TL mn)	2Q22	2Q23	Change	1H22	1H23	Change
Net Sales	3.346	6.759	102,0%	5.198	11.720	125,5%
Gross Profit	615	1.711	178,3%	1.020	2.785	172,9%
EBITDA	385	1.311	240,7%	589	1.987	237,6%
Net Income (attributable to parent)	282	912	223,3%	443	1.416	219,8%
Gross Profit Margin	18,4%	25,3%		19,6%	23,8%	
EBITDA Margin	11,5%	19,4%		11,3%	17,0%	
Net Income Margin (attr. to parent)	8,4%	13,5%		8,5%	12,1%	
Agriculture, Energy and Industry (TL mn)	2Q22	2Q23	Change	1H22	1H23	Change
Net Sales	253	715	182,4%	424	1.089	156,9%
Gross Profit	126	308	143,8%	220	525	139,0%
EBITDA	98	210	113,7%	159	358	124,8%
Net Income (attributable to parent)	171	-48	n.m.	149	57	-61,9%
Gross Profit Margin	49,9%	43,1%		51,8%	48,2%	
EBITDA Margin	38,9%	29,4%		37,5%	32,8%	
Net Income Margin (attr. to parent)	67,4%	n.m.		35,1%	5,2%	
Other (TL mn)	2Q22	2Q23	Change	1H22	1H23	Change
Net Sales	79	153	93,0%	149	294	97,0%
Gross Profit	52	117	126,2%	105	226	114,3%
EBITDA	1	13	805,3%	16	20	29,1%
Net Income (attributable to parent)	373	33	-91,1%	225	-227	n.m.
Gross Profit Margin	65,7%	76,9%		70,6%	76,7%	
EBITDA Margin	1,8%	8,3%		10,6%	6,9%	
Net Income Margin (attr. to parent)	472,4%	21,7%		150,9%	n.m.	
Consolidated (TL mn)	2Q22	2Q23	Change	1H22	1H23	Change
Net Sales	43.563	77.384	77,6%	71.300	133.742	87,6%
Gross Profit	13.615	24.788	82,1%	22.048	41.677	89,0%
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Net Income (attributable to parent)	1.514	2.994	97,8%	1.513	3.655	141,6%
Net Income* (attr. to parent excl. one-off gains/expenses)	763	2.701	254,2%	761	3.362	341,6%
Gross Profit Margin	31,3%	32,0%		30,9%	31,2%	
EBITDA Margin	16,1%	16,0%		14,3%	14,4%	
Net Income Margin (attr. to parent)	3,5%	3,9%		2,1%	2,7%	

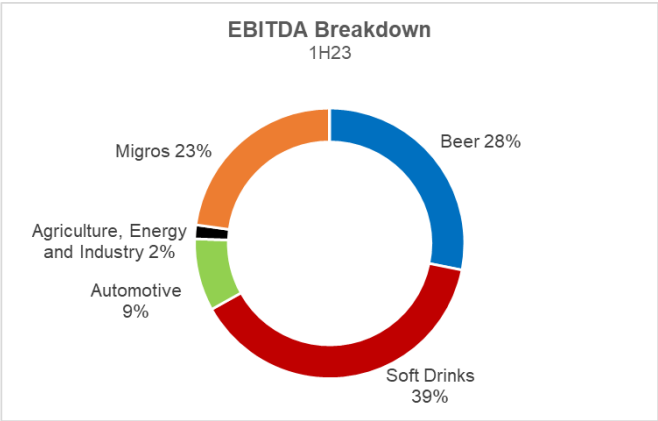
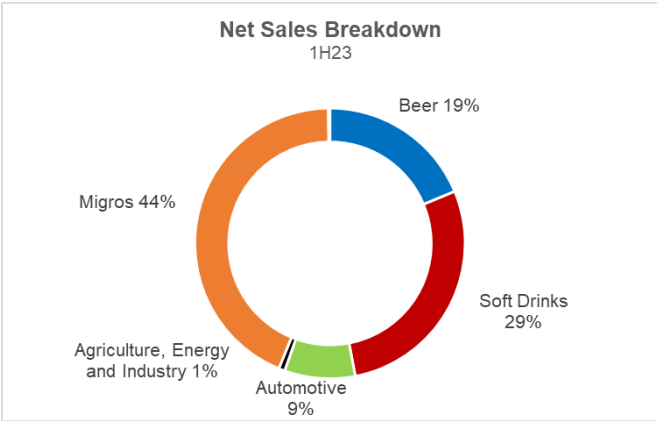
* Excludes impairment losses in our beer operations in 1Q22, McDonald's sale in 2Q22 and income derived from Anadolu Etap consolidation change in 2Q23

CONSOLIDATED FINANCIAL PERFORMANCE

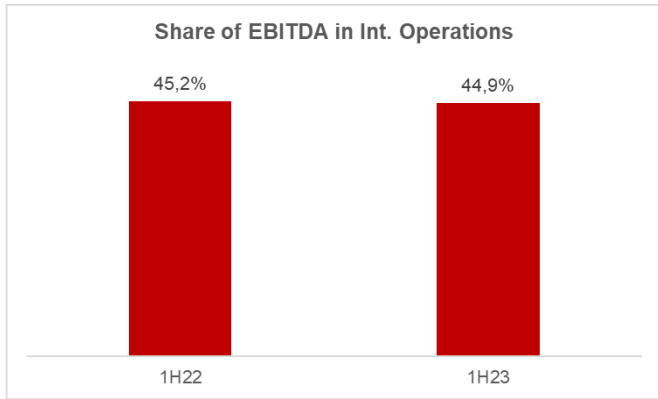
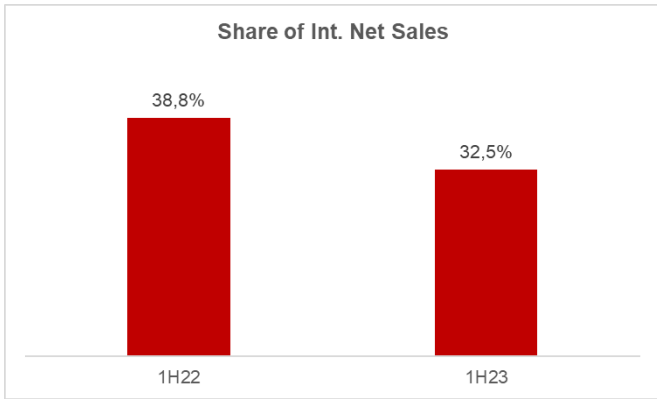
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Net Income (attributable to parent)	1.514	2.994	97,8%	1.513	3.655	141,6%
Net Income* (attr. to parent excl. one-off gains/expenses)	763	2.701	254,2%	761	3.362	341,6%
Gross Profit Margin	31,3%	32,0%		30,9%	31,2%	
EBITDA Margin	16,1%	16,0%		14,3%	14,4%	
Net Income Margin (attr. to parent)	3,5%	3,9%		2,1%	2,7%	

* Excludes impairment losses in our beer operations in 1Q22, McDonald's sale in 2Q22 and income derived from Anadolu Etap consolidation change in 2Q23

AG Anadolu Grubu Holding (“Anadolu Grubu”)’s consolidated revenues increased by 87.6% YoY to reach TL 133.7 bn in 1H23. Within our main segments, Migros had the strongest performance with a 113.0% revenue growth followed by 66.2% growth in soft drinks and 58.2% growth in beer. Auto segment revenues grew 125.5% in 1H23. On the other hand, Energy and Industry segment’s revenues increased by 156.9% YoY while “Other segment” which has a small share in our total revenue mix increased revenues by 97.0% YoY in 1H23.



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



Share of international revenues decreased to 32.5% in 1H23 thanks particularly to strong domestic performance of Migros and auto segments. Compared to the last year, EBITDA share outside of Türkiye, on the other hand, declined from 45.2% to 44.9% at a smaller rate thanks particularly to the strong profitability of our international beer and soft drinks operations.

Consolidated EBITDA increased by 88.5% to TL 19.2 bn in 1H23. Soft Drinks, Migros, Beer and Auto segments all supported the increase in operational profit and recorded strong EBITDA growth. Soft Drinks, Beer and Migros' share in total EBITDA were 39%, 28% and 23% respectively in 1H23 while auto, energy and industry and other segments had a combined share of 11% in total EBITDA mix during this period.

The group recorded TL 3.7 bn net profit in 1H23. In the first half this year, Anadolu Etap consolidation in particular positively impacted the net profit of the parent company (TL 293 mn). In the first half of the previous year, the net effect of total expenses resulting from beer operations impairment expense (TL 172 mn) and McDonalds's sale gain (TL 923 mn) impacted the bottom-line. As these adjustments are made, excluding one-time income/expenses, net income increased from TL 761 mn in 1H22 to TL 3.4 bn in 1H23.

Despite unfavorable moves in TL since the beginning of the year, rise in commodity prices and uncertainties in geopolitics, we have managed to lower leverage ratios on the back of strong operational performance as well as conservative and proactive balance sheet management, positive FCF, utilization of idle assets, efficient and disciplined working capital management.

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

Consolidated net debt to EBITDA was 0.6x at 1H23. These ratios were 2.7x at 1H19, 2.1x at 1H20, 1.4x at 1H21 and 1.2x at 1H22.

Soft drinks segment net debt to EBITDA was 1.0x at 1H23, quite a low level. Beer net debt to EBITDA declined to 0.4x at 1H23. Auto net debt to EBITDA was 0.4x at 1H23. Lastly, net debt to EBITDA at Agriculture, Energy and Industrial segment was 4.9x at 1H23. On the other hand, Migros is in net cash position.

As of 1H23, 41% of our consolidated debt is short term and 59% is long term. Average duration of our consolidated debt is 32 months. (37 months at 1H22, 20 months at 1H21, 25 months at 1H20)

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

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

Also in our soft drinks segment, 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 between Coca Cola Icecek and TCCC regarding the potential acquisition of Coca-Cola Bangladesh Beverages.

Segmental Indebtedness (incl. IFRS16)

1H23 (TL mn)	Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Beer	21.201	17.453	3.747	0,4
Soft Drinks	31.903	18.474	13.429	1,0
Migros	9.017	12.380	-3.363	-0,4
Automotive	4.136	3.016	1.120	0,4
Agriculture, Energy and Industry	3.499	675	2.823	4,9
Other (Inc. Holding)	5.032	2.931	2.102	n.m.
<i>Holding-only</i>	<i>5.031</i>	<i>2.715</i>	<i>2.316</i>	<i>n.m.</i>
Consolidated	74.799	54.929	19.870	0,6
Condolidated (Euro mn)	2.637	1.937	701	0,6

1H22 (TL mn)	Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Beer	16.104	11.172	4.932	1,2
Soft Drinks	18.621	11.065	7.556	1,0
Migros	6.571	4.803	1.768	0,4
Automotive	2.285	967	1.318	1,5
Energy and Industry	2.312	295	2.017	7,4
Other (Inc. Holding)	3.150	822	2.328	n.m.
<i>Holding-only</i>	<i>3.150</i>	<i>725</i>	<i>2.425</i>	<i>n.m.</i>
Consolidated	48.981	29.124	19.856	1,2
Condolidated (Euro mn)	2.815	1.674	1.141	1,2

YE2022 (TL mn)	Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Beer	16.827	9.858	6.969	1,0
Soft Drinks	20.844	14.769	6.075	0,6
Migros	7.455	8.067	-611	-0,1
Automotive	3.019	2.699	320	0,2
Energy and Industry	2.267	361	1.906	5,1
Other (Inc. Holding)	4.087	1.529	2.558	n.m.
<i>Holding-only</i>	<i>4.085</i>	<i>1.425</i>	<i>2.661</i>	<i>n.m.</i>
Consolidated	54.434	37.282	17.151	0,7
Condolidated (Euro mn)	2.731	1.867	855	0,7

BEER SEGMENT

Beer (TL mn)	2Q22	2Q23	Change	1H22	1H23	Change
Sales Volume (mhl)	9,5	10,1	5,3%	17,2	17,3	0,2%
Net Sales	9.837	14.626	48,7%	14.939	23.637	58,2%
Gross Profit	4.150	6.981	68,2%	6.093	10.900	78,9%
EBITDA (BNRI)	1.990	3.423	72,0%	2.442	4.726	93,5%
Net income (attributable to parent)	1.117	1.715	53,6%	668	1.606	140,3%
Gross Profit Margin	42,2%	47,7%		40,8%	46,1%	
EBITDA Margin	20,2%	23,4%		16,3%	20,0%	
Net Income Margin (attr. to parent)	11,4%	11,7%		4,5%	6,8%	

Beer group total sales volume reached 17.3 mhl in 1H23; 0.2% above last year. International beer operations' volumes grew by 2.4% to 8.2 mhl in 2Q23 taking up 1H23 volumes to 14.5 mhl with 2.3% y-o-y decline. Beer volumes in Russia declined by low-single digits; while showing substantial improvement compared to last two quarters. In Ukraine, there has been an incremental increase in volumes as Chernigiv and Mykolaiv breweries are operational. In CIS countries; Kazakhstan and Georgia had superior performance in the quarter registering mid-single digit growth on total volumes. Türkiye beer volume grew by 20.6% in 2Q23, cycling a growth of 10.8% in 2Q22. The volume momentum was accelerated compared to the first quarter of the year. Effective pricing, alternative and affordable offerings supported the demand in the market especially in the off-trade channel. Yearly volume increase is also attributable to good tourism activity in the country.

Beer group revenue was recorded at TL 23.7 bn in 1H23 with a y-o-y growth of 58.2%. International beer operation's revenue reached TL 10.9 bn with an increase of 38.0% in 2Q23. Türkiye beer sales revenue grew by 94.6% to TL 3.6 bn in 2Q23.

Beer Group EBITDA (BNRI) was reported as TL 4.7 bn with a margin of 20.0%; up 339 bps vs. 1H22. The improvement in gross profitability was partially reflected into EBITDA, with increases in operational expenses in Russia since it was a low base due to low S&M expenses last year. Strong topline in Türkiye resulted in OPEX/sales ratio lower year-on-year basis; supporting operational profitability.

Beer Group net income was TL 1.7 bn in 2Q23 versus TL 1.1 bn income a year ago. Bottom-line was significantly above last year. Increased interest expenses were more than offset by higher operational profitability and foreign exchange gain recorded from the cash held in Russian operations. Therefore, beer group net income reached TL 1.6 bn in 1H23.

Beer Group Free Cash Flow level was almost parallel versus last year and recorded at TL 4.9 bn in 2Q23 despite increased capital expenditures and tax expenses year-on-year. The strong cash generation in the quarter was driven by improved operational profitability as well as increased payables especially in Russian operations bringing 1H23 free cash flow level to TL 4.8 bn.

SOFT DRINKS

Soft Drinks (TL mn)	2Q22	2Q23	Change	1H22	1H23	Change
Sales Volume (mn unit case)	492	448	-8,9%	824	801	-2,8%
Net Sales	14.694	23.273	58,4%	23.359	38.828	66,2%
Gross Profit	4.662	8.134	74,5%	7.506	13.294	77,1%
EBITDA	2.969	5.064	70,6%	4.763	7.971	67,4%
EBITDA (Excl. other)	2.846	5.079	78,5%	4.596	7.975	73,5%
Net income (attributable to parent)	1.233	2.388	93,7%	1.863	3.423	83,7%
Gross Profit Margin	31,7%	34,9%		32,1%	34,2%	
EBITDA Margin	20,2%	21,8%		20,4%	20,5%	
Net Income Margin (attr. to parent)	8,4%	10,3%		8,0%	8,8%	

CCI volume decreased 2.8%, reaching 801 million unit cases ("UC") in 1H23. Türkiye operations registered a 9.4% volume in 2Q23 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 drop in Türkiye volumes was 9.0% in 1H23. 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 net sales revenue ("NSR") in 2Q23 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. 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 the international operations, NSR growth in 2Q23 was recorded as 44.5%, and NSR per UC was up by 58.2% thanks to the pricing adjustments in line with inflation.

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 54 bps 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 management 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 timely price adjustments and disciplined cost controls.

The EBITDA margin is 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 profit was TL 2.4 bn in 2Q23 vs. TL 1.2 bn in 2Q22 thanks to the higher operating profit.

The free cash flow was TL 1.5 bn in 2Q23, bringing the first half free cash flow to TL (648) mn compared to TL (212) mn a year ago.

MİGROS

Migros (mn TL)	2Q22	2Q23	Change	1H22	1H23	Change
Net Sales	15.963	32.951	106,4%	28.235	60.135	113,0%
Gross Profit	4.042	7.504	85,7%	7.174	14.053	95,9%
EBITDA	1.570	2.365	50,7%	2.645	4.181	58,1%
Net Income (attributable to parent)	441	1.500	240,2%	599	2.060	243,7%
Gross Profit Margin	25,3%	22,8%		25,4%	23,4%	
EBITDA Margin	9,8%	7,2%		9,4%	7,0%	
Net Income Margin (attr. to parent)	2,8%	4,6%		2,1%	3,4%	

Net sales revenues of Migros increased by 113.0% YoY in 1H23 to TL 60.1 bn. While online sales supported the growth in turnover, the competitive pricing strategy in all categories also resulted with a higher market share. Migros continued its efforts to improve the omni-channel shopping experience in 1H23 as well. Online sales remained strong in 1H23 and its share in total revenues was 16.7% (excluding alcohol, tobacco).

Migros is now better equipped to meet a potential sudden increase in demand on the back of higher capacity and wider of coverage of its internet sales. The stores covering online operations increased to 1,028 in 81 cities as of 2Q23. Total number of stores increased by 419 compared to the same period of last year to 3,100 in 2Q23.

Gross profit increased by 95.9% YoY in 1H23 to reach TL 14.1 bn, implying a gross profit margin of 23.4%. Migros also generated TL 4.2 bn EBITDA in 1H23, up by 58.1% YoY, with an EBITDA margin of 7.0% lower compared to the same period of last year. Migros' EBITDA margin excluding the IFRS 16 changes, was 5.2% and EBITDA grew by 68.0% YoY in 1H23.

Migros has a net cash position as of end-2Q23. W/o IFRS 16 Migros has a net cash/EBITDA ratio of 1.6x as of 2Q23.

The company has no short FX position. The company's total gross debt excluding IFRS 16 is at TL 2.9 bn at 2Q22 parallel to the last year.

Migros supported by one off asset sales recorded a net profit of TL 2,1 bn in the first half of the year, a substantial increase vs. same period of last year.

AUTOMOTIVE SEGMENT

Automotive (TL mn)	2Q22	2Q23	Change	1H22	1H23	Change
Net Sales	3.346	6.759	102,0%	5.198	11.720	125,5%
Gross Profit	615	1.711	178,3%	1.020	2.785	172,9%
EBITDA	385	1.311	240,7%	589	1.987	237,6%
Net Income (attributable to parent)	282	912	223,3%	443	1.416	219,8%
Gross Profit Margin	18,4%	25,3%		19,6%	23,8%	
EBITDA Margin	11,5%	19,4%		11,3%	17,0%	
Net Income Margin (attr. to parent)	8,4%	13,5%		8,5%	12,1%	

Automotive segment sales revenues increased by 125.5% to TL 11.7 bn in 1H23. Especially Anadolu Isuzu and Çelik Motor's successful sales performances were particularly effective in the increase in the sales revenues of the segment. While Çelik Motor showed a successful performance and increased its sales revenues by 132%, Anadolu Isuzu increased its total sales revenues by 123% in 1H23. Anadolu Motor's revenues rose by 77% in 1H23.

Çelik Motor constituted 52% of automotive sales revenues, remaining shares were 43% of Anadolu Isuzu and 5% of Anadolu Motor in 1H23.

Gross profit margin of the segment was at 23.8% in 1H23. While Çelik Motor and Anadolu Isuzu gross profits were up by 240.1% and 141.8% in 1H23 respectively Anadolu Motor gross profit was also up by 105.1% in 1H23.

EBITDA of the segment increased by 237.6% to TL 2,0 bn in 1H23. Çelik Motor, Anadolu Isuzu and Anadolu Motor EBITDAs' increased by 290.8%, 210.4% and 109.5% respectively.

Net debt/EBITDA ratio of the segment was at 0.4x at while net income increased by 219.8% to reach TL 1.4 bn.

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

AGRICULTURE, ENERGY and INDUSTRY SEGMENT

Agriculture, Energy and Industry (TL mn)	2Q22	2Q23	Change	1H22	1H23	Change
Net Sales	253	715	182,4%	424	1.089	156,9%
Gross Profit	126	308	143,8%	220	525	139,0%
EBITDA	98	210	113,7%	159	358	124,8%
Net Income (attributable to parent)	171	-48	n.m.	149	57	-61,9%
Gross Profit Margin	49,9%	43,1%		51,8%	48,2%	
EBITDA Margin	38,9%	29,4%		37,5%	32,8%	
Net Income Margin (attr. to parent)	67,4%	n.m.		35,1%	5,2%	

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

As of April 11, 2023, Anadolu Etap Tarım financial results started to be consolidated within the Agri, Energy and Industry segment, therefore 2Q23 and 1H23 results includes May & June results, while segment balance sheet also includes Anadolu Etap Tarım figures as of 30.06.2023.

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

Agri, Energy and Industry segment reported TL 1.1bn net sales revenues in 1H23, up by 156,9% YoY. Adel's net sales increased by 162.4% compared to the previous year and reached TL 768 mn. With regards to Adel, in the first half of the year, the traditional channel orders realized in parallel with the expectations at the fairs, while the modern channel orders have picked up pace compared to the previous year positively impacting Adel's revenue performance. GUE revenues increased by 59.0% to TL 209 mn.

Adel, GUE and Anadolu Etap Tarım hold 71%, 19% and 10% share in total sales of the segment.

Gross profit margin of the segment was 48.2% in 1H23. EBITDA was registered at TL 358 mn, up by 124,8% YoY in 1H23 on the back of in particular by Adel's successful operational performance, effective cost management and pricing policy. Net Income of the segment was TL 57 mn in 1H23. The net profit would have been TL 205 mn if Anadolu Etap Tarım was not consolidated with the segment.

Net debt/EBITDA ratio of the segment was to 4.9x as of 2Q23. Net debt of the segment was TL 2.8 bn as of 2Q23.

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

OTHER

Other (TL mn)	2Q22	2Q23	Change	1H22	1H23	Change
Net Sales	79	153	93,0%	149	294	97,0%
Gross Profit	52	117	126,2%	105	226	114,3%
EBITDA	1	13	805,3%	16	20	29,1%
Net Income (attributable to parent)	373	33	-91,1%	225	-227	n.m.
Gross Profit Margin	65,7%	76,9%		70,6%	76,7%	
EBITDA Margin	1,8%	8,3%		10,6%	6,9%	
Net Income Margin (attr. to parent)	472,4%	21,7%		150,9%	n.m.	

AEH Sigorta A.Ş. and other small scale businesses are consolidated under the other segment. Net sales revenues of the other segment was TL 294 mn in 1H23. Other segment posted net loss of TL 227 mn in 1H23.

SUMMARY SEGMENTAL FINANCIAL RESULTS – 1H23

TL mn	Net Sales	Yearly Change	Gross Profit	Yearly Change	EBITDA	Yearly Change	Net Profit (parent)	Yearly Change
Beer	23.637	58%	10.900	79%	4.726	130%	1.606	140%
Soft Drinks	38.828	66%	13.294	77%	7.971	67%	3.423	84%
Migros	60.135	113%	14.053	96%	4.181	58%	2.060	244%
Automotive	11.720	125%	2.785	173%	1.987	238%	1.416	220%
Agriculture, Energy and Industry	1.089	157%	525	139%	358	125%	57	n.m.
Other	294	97%	226	114%	20	29%	-227	n.m.
Consolidated	133.742	88%	41.677	89%	19.241	88%	3.655	142%

SUMMARY BALANCE SHEET

TL million	30.06.2023	31.12.2022
Cash and equivalents	53.155	35.542
Financial Investments	1.774	1.740
Trade receivables	23.378	9.091
Inventories	40.533	27.361
Prepaid expenses	5.000	3.048
Other current assets	3.429	3.317
Current Assets	127.269	80.099
Investments accounted through equity method	1.249	1.160
Tangible assets	46.780	35.440
Right of use assets	6.859	5.212
Intangible assets	63.571	53.452
-Goodwill	14.023	12.965
-Other intangible assets	49.548	40.487
Other non-current assets	9.388	6.841
Non-Current Assets	127.847	102.105
Total Assets	255.116	182.204
Short term borrowings	15.682	11.094
- Bank Loans	14.622	10.504
- Issued debt instruments	582	299
- Other Short-Term Borrowings	478	291
Short term poriton of long term borrowings	11.985	10.468
- Bank Loans	4.496	3.833
- Lease Liabilities	1.986	1.528
- Issued debt instruments	5.503	5.107
Other financial liabilities	2.662	70
Trade payables	63.995	43.003
Other current liabilities	23.157	13.222
Current Liabilities	117.481	77.857
Long term borrowings	44.260	32.802
- Bank Loans	5.072	4.471
- Lease Liabilities	5.920	4.313
- Issued debt instruments	33.267	24.018
Other financial liabilities	210	0
Deferred tax liability	8.184	6.908
Other non-current liabilities	2.790	3.945
Non-Current Liabilities	55.444	43.655
Total Liabilities	172.925	121.512
Equity	82.191	60.692
Non-controlling interests	61.465	46.178
Equity of the parent	20.726	14.514
Total Liabilities & Equity	255.116	182.204

SUMMARY INCOME STATEMENT

TL million		
	30.06.2023	30.06.2022
Revenues	133.742	71.300
Cost of sales (-)	(92.065)	(49.252)
Gross Profit	41.677	22.048
Operating expenses (-)	(26.322)	(14.553)
Other operations income/(expense)	(1.222)	(381)
Gain/(Loss) from investments accounted through equity method	(184)	(212)
Operating Income/(Loss) (EBIT)	13.949	6.902
Income /(expense) from investment operations	1.726	593
Financial income/(expense)	(1.522)	(2.105)
Income/(Loss) Before Tax from Continuing Operations	14.153	5.390
Tax income/(expense)	(4.295)	(1.746)
Net Income/(Loss) from Continuing Operations	9.858	3.644
Net Income/(Loss) from Discontinued Operations	-	53
Net Income/(Loss)	9.858	3.697
<i>Net Income/(Loss)</i>		
Non-controlling interests	6.203	2.184
Equity holders of the parent	3.655	1.513

INVESTOR RELATIONS CONTACTS

Please visit our website at <https://www.anadolugrubu.com.tr/en> for financial reports and further information regarding AG Anadolu Grubu Holding.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document may contain certain forward-looking statements concerning for future performance and should be considered as good faith estimates made by the Company. These forward-looking statements reflect management expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact the Company's actual performance.
