

**COCA- COLA İÇECEK ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND NOTES
FOR THE INTERIM PERIOD 1 JANUARY - 30 SEPTEMBER 2023
(ORIGINALLY ISSUED IN TURKISH)**

**(Convenience Translation into English of Interim Condensed Consolidated
Financial Statements and Notes Originally Issued in Turkish)**

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Interim Condensed Consolidated Financial Statements as of September 30, 2023

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(Convenience Translation into English of Interim Condensed Consolidated Financial Statements and Notes Originally Issued in Turkish)

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Interim Condensed Consolidated Statement of Financial Position as of September 30, 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated)

	Notes	Unaudited 30 September 2023	Audited 31 December 2022
ASSETS			
Cash and Cash Equivalents	5	21.121.139	14.008.982
Financial Investments	6	761.466	760.333
Trade Receivables		12.560.845	3.715.842
- <i>Trade receivables due from related parties</i>	24	<i>1.232.518</i>	<i>797.390</i>
- <i>Trade receivables due from third parties</i>		<i>11.328.327</i>	<i>2.918.452</i>
Other Receivables	9	78.372	81.200
- <i>Other receivables due from third parties</i>		<i>78.372</i>	<i>81.200</i>
Derivative Financial Instruments	7 – 26	104.027	11.362
Inventories		12.086.171	6.676.623
Prepaid Expenses	10	2.171.377	1.265.919
Current Income Tax Assets		198.518	465.703
Other Current Assets	18	1.233.656	1.103.819
- <i>Other current assets from third parties</i>		<i>1.233.656</i>	<i>1.103.819</i>
Total Current Assets		50.315.571	28.089.783
Other Receivables		123.536	106.064
- <i>Other receivables due from third parties</i>		<i>123.536</i>	<i>106.064</i>
Property, Plant and Equipment	12	25.224.289	16.433.124
Intangible Assets		17.722.484	12.835.775
- <i>Goodwill</i>	14	<i>3.813.662</i>	<i>2.923.535</i>
- <i>Other intangible assets</i>	13	<i>13.908.822</i>	<i>9.912.240</i>
Right of Use Asset	12	523.792	396.858
Prepaid Expenses	10	864.397	275.103
Deferred Tax Assets	22	1.130.757	564.967
Derivative Financial Instruments	7 - 26	73.205	15.229
Other Non-Current Assets		64.790	-
Total Non-Current Assets		45.727.250	30.627.120
Total Assets		96.042.821	58.716.903

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

(Convenience Translation into English of Interim Condensed Consolidated Financial Statements and Notes Originally Issued in Turkish)

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Interim Condensed Consolidated Statement of Financial Position as of September 30, 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated)

	Notes	Unaudited 30 September 2023	Audited 31 December 2022
LIABILITIES			
Short-term Borrowings	8	5.965.064	2.430.749
- Bank loans		5.965.064	2.430.749
Current Portion of Long-term Borrowings	8	8.485.265	3.357.593
- Bank loans		8.303.141	3.242.261
- Lease Liabilities		182.124	115.332
Trade Payables		15.202.633	8.284.254
- Trade payables due to related parties	24	2.702.493	2.391.232
- Trade payables due to third parties		12.500.140	5.893.022
Payables Related to Employee Benefits		256.417	170.164
Other Payables		3.062.711	1.712.627
- Other payables due to related parties	24	214.907	129.536
- Other payables due to third parties	9	2.847.804	1.583.091
Derivative Financial Instruments	7 – 26	384.160	95.784
Deferred Income	10	146.851	182.018
Provision for Corporate Tax		1.080.939	165.506
Current Provisions		1.402.243	780.041
- Current provisions for employee benefits		561.433	250.354
- Other current provisions		840.810	529.687
Other Current Liabilities	18	141.184	46.224
Total Current Liabilities		36.127.467	17.224.960
Long-term Borrowings	8	17.794.169	15.055.775
- Bank loans		17.350.846	14.685.840
- Lease liabilities		443.323	369.935
Trade Payables		4.879	1.635
- Trade payables due to third parties		4.879	1.635
Non-Current Provisions		641.786	544.165
- Non-current provisions for employee benefits		641.786	544.165
Deferred Tax Liability	22	3.631.721	2.495.653
Derivative Financial Instruments	7 – 26	-	542.609
Deferred Income	10	33.973	55.710
Total Non-Current Liabilities		22.106.528	18.695.547
Equity Attributable to Equity Holders of the Parent		33.837.262	20.171.058
Share Capital	19	254.371	254.371
Share Capital Adjustment Differences	19	(8.559)	(8.559)
Share Premium		98.792	98.792
Other comprehensive income items not to be reclassified to profit or loss		(326.925)	(264.140)
- Actuarial gains / losses		(336.707)	(273.922)
- Other valuation funds		9.782	9.782
Other comprehensive income items to be reclassified to profit or loss		19.172.712	10.943.133
- Currency translation adjustment		29.728.916	17.410.518
- Hedge reserve gain / losses		(10.556.204)	(6.467.385)
- Cash flow hedge reserve gain / (losses)		(269.721)	(596.392)
- Net investment hedge reserves		(10.286.483)	(5.870.993)
Restricted Reserves Allocated from Net Profit	19	243.700	341.335
Accumulated Profit / Losses		6.653.833	4.475.075
Net Income / (Loss) for the period		7.749.338	4.331.051
Non-Controlling Interest		3.971.564	2.625.338
Total Equity		37.808.826	22.796.396
Total Liabilities		96.042.821	58.716.903

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

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Interim Condensed Consolidated Statement of Profit or Loss for the nine months period ended of September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

	Notes	1 January- 30 September 2023	1 July- 30 September 2023	1 January- 30 September 2022	1 July- 30 September 2022
Net Revenue		70.562.640	31.734.435	40.771.531	17.412.583
Cost of Sales (-)		(45.335.674)	(19.801.225)	(27.372.566)	(11.519.435)
Gross Profit / (Loss)		25.226.966	11.933.210	13.398.965	5.893.148
General and Administration Expenses (-)		(2.451.665)	(1.041.837)	(1.337.425)	(528.265)
Marketing, Selling and Distribution Expenses (-)		(9.094.790)	(3.970.573)	(5.099.248)	(2.096.229)
Other Operating Income	20	1.771.550	586.604	653.926	19.869
Other Operating Expense (-)	20	(1.500.551)	(558.551)	(598.184)	(44.354)
Profit / (Loss) From Operations		13.951.510	6.948.853	7.018.034	3.244.169
Gain from Investing Activities	20	485.498	16.708	216.280	8.424
Loss from Investing Activities (-)	20	(11.997)	(1.298)	(2.593)	(1.439)
Gain / (Loss) from Joint Ventures	11	(14.586)	(3.517)	(2.780)	(1.111)
Profit / (Loss) Before Financial Income / (Expense)		14.410.425	6.960.746	7.228.941	3.250.043
Financial Income / (Expense)		(2.159.050)	(726.547)	(888.555)	(354.530)
Financial Income	21	4.471.805	1.424.243	2.420.589	724.544
Financial Expenses (-)	21	(6.630.855)	(2.150.790)	(3.309.144)	(1.079.074)
Profit / (Loss) Before Tax from Continuing Operations		12.251.375	6.234.199	6.340.386	2.895.513
Tax Expense of Continuing Operations		(4.121.959)	(1.692.780)	(2.346.581)	(975.361)
Deferred Tax Income / Expense (-)	22	(1.219.093)	(407.789)	(660.158)	(408.936)
Current Period Tax Expense (-)		(2.902.866)	(1.284.991)	(1.686.423)	(566.425)
Net Profit / (Loss) from Continuing Operations		8.129.416	4.541.419	3.993.805	1.920.152
Attributable to:					
Non-controlling interest		380.078	214.820	311.816	101.291
Equity holders of the parent	23	7.749.338	4.326.599	3.681.989	1.818.861
Net Profit		8.129.416	4.541.419	3.993.805	1.920.152
Equity Holders Earnings Per Share (full TL)	23	0,304647	0,170090	0,144749	0,071504
Equity Holders Earnings Per Share (full TL)	23	0,304647	0,170090	0,144749	0,071504

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

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Interim Condensed Consolidated Statement of Comprehensive Income for the nine months period ended of September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

	1 January- 30 September 2023	1 July- 30 September 2023	1 January- 30 September 2022	1 July- 30 September 2022
Profit for the period	8.129.416	4.541.419	3.993.805	1.920.152
Actuarial gain / (loss)	(78.481)	-	-	-
Deferred tax effect	15.696	-	-	-
Other comprehensive income items not to be reclassified to profit or loss, net	(62.785)	-	-	-
Hedge reserve gain / (losses)	(5.552.986)	(802.814)	(3.808.313)	(1.473.311)
Cash flow hedge reserve gain / (losses)	334.334	208.846	(193.175)	(92.946)
Net investment hedge reserve gain / (losses)	(5.887.320)	(1.011.660)	(3.615.138)	(1.380.365)
Deferred tax effect	1.464.167	458.942	770.076	316.782
Currency translation adjustment	13.151.368	1.841.924	6.677.245	2.434.133
Other comprehensive income items to be reclassified to profit or loss, net	9.062.549	1.498.052	3.639.008	1.277.604
Total of Other Comprehensive Income After Tax	17.129.180	6.039.471	7.632.813	3.197.756
Attributable to:				
Non-controlling interest	1.213.048	94.216	682.467	169.471
Equity holders of the parent	15.916.132	5.945.255	6.950.346	3.028.285

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Interim Condensed Consolidated Statement of Changes in Shareholders' Equity for the nine months period ended of September 30, 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated)

Consolidated Statement of Changes in Shareholders' Equity	Share Capital	Share Capital Adjustment Differences	Share Premium	Other comprehensive income and expense items					Restricted Reserves Allocated from Net Profit	Accumulated Profit / Loss	Net Income	Total Equity of the Parent	Non-Controlling Interest	Total Equity
				Other Valuation Funds	Actuarial Gains / Losses	Hedge Reserve	Currency Translation Adjustment	Subsequently not to be reclassified to profit or loss						
January 1, 2022	254.371	(8.559)	98.792	9.782	(81.926)	(3.538.405)	10.904.236	281.858	2.863.653	2.271.412	13.055.214	1.914.628	14.969.842	
Other comprehensive income/(loss)	-	-	-	-	-	(3.038.237)	6.306.594	-	2.271.412	(2.271.412)	3.268.357	370.651	3.639.008	
Net profit / (loss) for the period	-	-	-	-	-	-	-	-	-	3.681.989	3.681.989	311.816	3.993.805	
Total Comprehensive Income / (loss)	-	-	-	-	-	(3.038.237)	6.306.594	-	2.271.412	1.410.577	6.950.346	682.467	7.632.813	
Dividends	-	-	-	-	-	-	-	-	(600.513)	-	(600.513)	(452)	(600.965)	
Transfers	-	-	-	-	-	-	-	59.477	(59.477)	-	-	-	-	
September 30, 2022	254.371	(8.559)	98.792	9.782	(81.926)	(6.576.642)	17.210.830	341.335	4.475.075	3.681.989	19.405.047	2.596.643	22.001.690	
January 1, 2023	254.371	(8.559)	98.792	9.782	(273.922)	(6.467.385)	17.410.518	341.335	4.475.075	4.331.051	20.171.058	2.625.338	22.796.396	
Other comprehensive income/(loss)	-	-	-	-	(62.785)	(4.088.819)	12.318.398	-	4.331.051	(4.331.051)	8.166.794	832.970	8.999.764	
Net profit / (loss) for the period	-	-	-	-	-	-	-	-	-	7.749.338	7.749.338	380.078	8.129.416	
Total Comprehensive Income / (loss)	-	-	-	-	(62.785)	(4.088.819)	12.318.398	-	4.331.051	3.418.287	15.916.132	1.213.048	17.129.180	
Dividends	-	-	-	-	-	-	-	-	(750.242)	-	(750.242)	(34.956)	(785.198)	
Transfers	-	-	-	-	-	-	-	(97.635)	97.635	-	-	-	-	
Effects of transactions under common control (Note 3)	-	-	-	-	-	-	-	-	(1.499.686)	-	(1.499.686)	168.134	(1.331.552)	
September 30, 2023	254.371	(8.559)	98.792	9.782	(336.707)	(10.556.204)	29.728.916	243.700	6.653.833	7.749.338	33.837.262	3.971.564	37.808.826	

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

Convenience Translation into English of Interim Condensed Consolidated Financial Statements and Notes Originally Issued in Turkish)
COCA-COLA İÇECEK ANONİM ŞİRKETİ
Interim Condensed Consolidated Statement of Cash Flow for the nine months period ended of September 30, 2023
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

	Notes	1 January – 30 September 2023	1 January – 30 September 2022
Profit for the period from continuing operations		8.129.416	3.993.805
Adjustments to reconcile net profit / (loss) to net cash provided by operating activities		8.163.451	4.623.790
Adjustments for depreciation and amortization		1.826.535	1.316.883
Adjustments for impairment loss (reversal)		68.174	(40.234)
Provision / (reversal) for doubtful receivable		10.055	(2.037)
Provision / (reversal) for inventories		75.689	(2.666)
Impairment loss / (reversal) in property, plant and equipment	12, 20	(17.570)	(35.531)
Adjustments for provisions		429.078	192.929
Provision / (reversal) for employee benefits		429.078	192.929
Adjustments for interest (income) expenses		1.752.995	1.049.398
Interest income	21	(544.870)	(151.394)
Interest expense	21	2.297.865	1.200.792
Adjustments for fair value loss (gain)		(374.922)	(135.023)
Adjustments for fair value of derivative instruments (gain) / loss		(374.922)	(135.023)
Adjustments for currency translations		727.263	47.996
(Gain) / loss from joint ventures	11	14.586	2.780
Income tax expense		4.121.959	2.346.581
(Gain) / loss on sale of property, plant and equipment	20	(30.639)	(178.156)
Interest expense of lease liabilities	8, 21	53.714	20.636
Transfer of currency translation differences previously accounted as other comprehensive income		(425.292)	-
Changes in working capital		(4.711.710)	(2.315.442)
Adjustments for decrease (increase) in trade accounts receivable		(8.515.065)	(3.474.532)
Decrease / (increase) on trade receivables due from related parties		(419.848)	(412.758)
Decrease / (increase) on trade receivables due from third parties		(8.095.217)	(3.061.774)
Adjustments for decrease / (increase) in inventories		(4.187.115)	(3.473.794)
Adjustments for increase (decrease) in trade accounts payable		6.704.247	3.889.305
Increase / (decrease) on trade payables due to related parties		264.772	974.845
Increase / (decrease) on trade payables due to third parties		6.439.475	2.914.460
Adjustments for increase (decrease) in other accounts payable		1.286.223	743.579
Cash flows generated from operating activities:		11.581.157	6.302.153
Payments made for employee benefits		(125.434)	(75.492)
Tax returns / (payments)		(1.834.067)	(1.150.320)
Other current and non-current assets and liabilities		(1.064.978)	(616.123)
A. NET CASH GENERATED FROM OPERATING ACTIVITIES		8.556.678	4.460.218
Cash outflows arising from purchase of property, plant, equipment and intangible assets		(4.427.796)	(2.472.938)
Cash outflow from purchase of property, plant and equipment	12	(4.208.953)	(2.328.914)
Cash outflow from purchase of intangibles	13	(218.843)	(144.024)
Proceeds from sale of property, plant and equipment and intangibles		389.910	226.375
Other inflows / (outflows) of cash		(1.133)	(810.227)
Cash outflow for subsidiary acquired	3	(2.099.720)	-
B. NET CASH USED IN INVESTING ACTIVITIES		(6.138.739)	(3.056.790)
Cash outflow due to lease liabilities	8	(184.059)	(99.331)
Proceeds from borrowings	8	13.496.065	13.784.165
Repayments of borrowings	8	(11.324.167)	(7.994.931)
Cash inflow/outflow due to derivative instruments		(29.952)	(118.673)
Interest paid	8	(2.160.707)	(1.028.026)
Interest received		544.870	151.394
Dividend paid		(777.555)	(600.965)
Cash outflows from changes in ownership interests in subsidiaries that do not result in loss of control		-	(78.873)
C. NET CASH USED IN FINANCING ACTIVITIES		(435.505)	4.014.760
Net increase / (decrease) in cash and cash equivalents before currency translation effects (A+B+C)		1.982.434	5.418.188
D. CURRENCY TRANSLATION ON CASH AND CASH EQUIVALENTS		5.129.723	3.207.868
Net increase / (decrease) in cash and cash equivalents (A+B+C+D)		7.112.157	8.626.056
E. CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	5	14.008.982	4.141.603
CASH AND CASH EQUIVALENTS AT PERIOD END (A+B+C+D+E)	5	21.121.139	12.767.659

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

1. GROUP’S ORGANISATION AND NATURE OF ACTIVITIES

General

Coca-Cola İçecek Anonim Şirketi (“CCI” - “the Company”), is the bottler and distributor of alcohol-free beverages in Turkey, Pakistan, Central Asia and the Middle East. The operations of the Company consist of production, sales and distribution of sparkling and still beverages with The Coca-Cola Company (“TCCC”) trademarks. The Company has 13 (2022 - 10) production facilities in different regions of Turkey and operates 20 (2022 - 20) production facilities in countries other than Turkey. The registered office address of CCI is OSB Mah. Deniz Feneri Sok. No:4 Ümraniye İstanbul, Turkey.

The Group consists of the Company, its subsidiaries and joint ventures.

The interim condensed consolidated financial statements of the Group were approved for issue by the Board of Directors on October 31, 2023, which were signed by the Audit Committee and Chief Executive Officer Burak Başarrı. The General Assembly and the regulatory bodies have the right to make amendments to the interim condensed consolidated financial statements after their issuance.

Shareholders of the Company

The company is controlled by AG Anadolu Grubu Holding A.Ş., the parent company. AG Anadolu Grubu Holding A.Ş. is controlled by AG Sınai Yatırım ve Yönetim A.Ş. and AG Sınai Yatırım ve Yönetim A.Ş. is a management company, which is ultimately managed by the Özilhan Family and Süleyman Kamil Yazıcı Family in accordance with equal representation and equal management principle and manages AG Anadolu Grubu Holding A.Ş.’s companies.

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

	30 September 2023		31 December 2022	
	Nominal Amount	Percentage	Nominal Amount	Percentage
Anadolu Efes Biracılık ve Malt Sanayi A.Ş. (“Anadolu Efes”)	102.047	40,12	102.047	40,12
The Coca-Cola Export Corporation (“TCCEC”)	51.114	20,09	51.114	20,09
Efes Pazarlama ve Dağıtım Ticaret A.Ş. (“Efpa”)	25.788	10,14	25.788	10,14
Özgörkey Holding A.Ş.	2.020	0,79	3.573	1,40
Publicly traded	73.402	28,86	71.849	28,25
	254.371	100,00	254.371	100,00
Inflation adjustment effect	(8.559)		(8.559)	
	245.812		245.812	

Nature of Activities of the Group

CCI and its subsidiary Coca-Cola Satış ve Dağıtım A.Ş. (“CCSD”) are among the leading bottlers and distributors of alcohol-free beverages, operating in Turkey. The sole operation area of the Company is the production, sales and distribution of sparkling and still beverages.

The Company has exclusive rights to produce, sell and distribute TCCC branded beverages including Coca-Cola, Coca-Cola Zero, Coca-Cola Zero Sugar, Coca-Cola Light, Fanta, Sprite, Cappy, Sen Sun, Powerade and Fuse Tea in TCCC authorized packages throughout Turkey provided by Bottler’s and Distribution Agreements signed between the Group with TCCEC and TCCC. Renewal periods of the signed Bottler’s and Distribution Agreements varies between 2018 and 2028.

The Company has exclusive rights to produce, sell and distribute Burn and Gladiator branded energy drinks in authorized packages throughout Turkey, according to the Bottlers Agreements signed between the Company and Monster Energy Company (“MEC”) and has the right for selling and distribution of Monster branded products in accordance with the International Distribution Agreement signed with Monster Energy Limited (“MEL”) which has taken over TCCC’s global energy drink portfolio and is partially owned by TCCC as well.

The Company’s international subsidiaries and joint ventures operating outside of Turkey are also engaged in the production, sales and distribution of sparkling and still beverages with TCCC trademarks.

The Group has the exclusive bottling and distribution rights in Turkey for Schweppes branded beverages under Bottler’s and Distribution Agreement signed with Schweppes Holdings Limited. Special authorization for the Group operating countries, other than Turkey, may be granted from time to time.

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

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

Subsidiaries and Joint Ventures

As of September 30, 2023, and December 31, 2022, the list of CCI’s subsidiaries and joint ventures and its effective participation percentages are as follows:

Subsidiaries

	Place of Incorporation	Principal Activities	Effective Shareholding and Voting Rights (%)	
			September 30, 2023	December 31, 2022
Coca-Cola Satış ve Dağıtım Anonim Şirketi (“CCSD”)	Turkey	Distribution and sales of Coca-Cola products	99,97	99,97
Anadolu Etap Penkon Gıda ve İçecek Ürünleri San. Ve Tic. A.Ş. (“Etap”) ⁽²⁾	Turkey	Production and sale of fruit, vegetable juice and concentrate	80,00	-
J.V. Coca-Cola Almaty Bottlers Limited Liability Partnership (“Almaty CC”)	Kazakhstan	Production, distribution, and sales of Coca-Cola products	100,00	100,00
Azerbaijan Coca-Cola Bottlers Limited Liability Company (“Azerbaijan CC”)	Azerbaijan	Production, distribution, and sales of Coca-Cola products	99,87	99,87
Coca-Cola Bishkek Bottlers Closed Joint Stock Company (“Bishkek CC”)	Kyrgyzstan	Production, distribution, and sales of Coca-Cola products	100,00	100,00
CCI International Holland B.V. (“CCI Holland”)	Holland	Holding Company	100,00	100,00
The Coca-Cola Bottling Company of Jordan Limited (“TCCBCJ”)	Jordan	Production, distribution, and sales of Coca-Cola products	100,00	100,00
Turkmenistan Coca-Cola Bottlers (“Turkmenistan CC”)	Turkmenistan	Production, distribution, and sales of Coca-Cola products	59,50	59,50
Sardkar for Beverage Industry/Ltd (“SBIL”)	Iraq	Production, distribution, and sales of Coca-Cola products	100,00	100,00
Waha Beverages B.V. (“Waha B.V.”)	Holland	Holding Company	100,00	100,00
Coca-Cola Beverages Tajikistan Limited Liability Company (“Tacikistan CC”)	Tajikistan	Production, distribution, and sales of Coca-Cola products	100,00	100,00
Al Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC (“Al Waha”)	Iraq	Production, distribution, and sales of Coca-Cola products	100,00	100,00
Coca-Cola Beverages Pakistan Limited (“CCBPL”) ⁽¹⁾	Pakistan	Production, distribution, and sales of Coca-Cola products	49,67	49,67
LLC Coca-Cola Bottlers Uzbekistan (“CCBU”)	Uzbekistan	Production, distribution, and sales of Coca-Cola products	100,00	100,00
CCI Samarkand Limited LLC (“Samarkand”) ⁽³⁾	Uzbekistan	Production, distribution, and sales of Coca-Cola products	100,00	-

⁽¹⁾ As of January 1, 2013, since CCI meets the controlling requirements defined in TFRS 10 above CCBPL; has full control power and is subject to full consolidation.

⁽²⁾ As of April 19, 2023 CCI acquired 80% shares of Etap amounting to 112 million USD (Note 3).

⁽³⁾ As of April 18, 2023 Samarkand incorporated.

Joint Venture

	Place of Incorporation	Principal Activities	Effective Shareholding and Voting Rights (%)	
			September 30, 2023	December 31, 2022
Syrian Soft Drink Sales and Distribution L.L.C. (“SSDSD”)	Syria	Production, distribution, and sales of Coca-Cola products	50,00	50,00

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

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

Economic Conditions and Risk Factors of Subsidiaries and Joint Ventures

The countries, in which certain subsidiaries and joint ventures operate, have undergone substantial political and economic changes in recent years. Uncertainties regarding the political, legal, tax and/or regulatory environment, including the potential for adverse changes in any of these factors, could significantly affect the subsidiaries’ and joint ventures ability to operate commercially. Group Management closely monitors uncertainties and adverse changes to minimize the probable effects of such changes.

In this context, Risk Detection Committee, which was established under the arrangements, terms and principles of Turkish Commercial Code, Capital Market Legislation and CMB’s “Corporate Governance Principles” assess, manage and report Group risks. Some of the Group priority risks are defined as political instability and security, cyber security, exchange rate volatility, sustainable talent capability, corporate reputation, water, and environmental impact of packaging, changing consumer preferences, discriminatory tax and regulations, channel mix shift, economic slowdown, law and order and industrial relations. Group does not expect any adverse effect on the business related to any significant regulatory changes and/or legal arrangements by the authorities. All compliance efforts are in place and there is no legal dispute that may adversely affect the business.

Seasonality of Operations

Sparkling beverages consumption is seasonal, typically resulting in higher demand during the summer season and accordingly the seasonality effects are reflected in the figures. Therefore, the results of operations for the three months ended September 30, 2023, do not automatically constitute an indicator for the results to be expected for the overall fiscal year.

Average Number of Employees

Category-based average number of employees working during the period is as follows (Joint ventures are considered with full numbers for September 30, 2023, and 2022).

	30 September 2023	30 September 2022
Blue-collar	5.520	5.396
White-collar	4.694	4.583
Average number of employees	10.214	9.979

2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION

Basis of Preparation of Financial Statements

Statement of Compliance with TFRS

The Group has prepared its condensed consolidated financial statements for the interim period ended September 30, in the scope of the CMB’s “Communiqué on Financial Reporting in Capital Market” Numbered II-14.1 (Communiqué), published in the Official Gazette dated June 13, 2013 and numbered 28676, , and the announcements explaining this communiqué, TAS 34, “Interim Financial Reporting”. The interim condensed consolidated financial statements and explanatory notes are presented using the compulsory standard formats as published by the Communiqué. The entities are allowed to prepare a complete or condensed set of interim financial statements in accordance with TAS 34. In this respect, the Group has preferred to prepare condensed consolidated financial statements in the interim periods.

In addition, the interim condensed consolidated financial statements are presented in accordance with the specified format in “TFRS Taxonomy Announcement”, issued on 15 October 2022 by the POA, and “the Financial Statements Examples and Guidelines for Use”, which is published by the Capital Markets Board of Turkey.

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (continued)

Basis of Preparation of Financial Statements (continued)

Statement of Compliance with TFRS (continued)

CCI and its subsidiaries that are incorporated in Turkey maintain their books of account and prepare their statutory financial statements in Turkish Lira (“TL”) in accordance with the regulations on accounting and reporting framework and accounting standards promulgated by the CMB, Turkish Commercial Code (“TCC”) and Tax Legislation and the Uniform Chart of Accounts which is issued by the Ministry of Finance. The subsidiaries incorporated outside of Turkey maintain their books of account and prepare their statutory financial statements in accordance with the regulations of the countries in which they operate.

The interim condensed consolidated financial statements have been prepared from the statutory financial statements of Group’s subsidiaries’ and joint ventures and presented in TL in accordance with Turkish Financial Reporting Standards (“TFRS”) as adopted by the Public Oversight Accounting and Auditing Standards (“POA”) and CMB with certain adjustments and reclassifications for the purpose of fair presentation. Such adjustments are primarily related to application of consolidation accounting, accounting for business combinations, accounting for deferred taxes on temporary differences, accounting for employee termination benefits on an actuarial basis and accruals for various expenses. Except for the financial assets carried from their fair values and assets and liabilities included in Business Combination application, consolidated financial statements are prepared on a historical cost basis.

Summary of Significant Accounting Policies and Changes

As of September 30, 2023, interim condensed consolidated financial statements have been prepared by applying the accounting policies that are consistent with the accounting policies applied during the preparation of the consolidated financial statements for the year ended 31 December 2022, except for the new standards and TFRYK interpretations summarized below.

Interim condensed consolidated financial statements do not contain all the explanations and footnotes that are required to be included in the year-end consolidated financial statements. Therefore, these interim condensed consolidated financial statements should be evaluated together with the consolidated financial statements for the year ended 31 December 2022.

Current Year Information

On January 20, 2022, the Public Oversight Accounting and Auditing Standards Authority made a statement on the Implementation of Financial Reporting in High Inflation Economies within the Scope of Turkish Financial Reporting Standards, Financial Reporting Standard for Large and Medium Sized Enterprises. Accordingly, it is stated that businesses applying TFRS do not need to make any adjustments in their financial statements for 2021 within the scope of TAS 29 - Financial Reporting in High Inflation Economies (“TAS 29”). As of the preparation date of these consolidated financial statements, no new disclosure has been made by POA within the scope of TAS 29, and no inflation adjustment has been made in accordance with TAS 29 while preparing the consolidated financial statements as of September 30, 2023.

Partial Capital Repayment from a Foreign Operation

For the disposal of a foreign operation, the accumulated foreign exchange gain/loss of that operation, which are recognized in other comprehensive income and accumulated in a separate line in the equity, are reclassified from equity to profit or loss. In addition to the disposal of the foreign operation, partial disposals are accounted as disposal:

- when the partial disposal involves the loss of control of a subsidiary that includes a foreign operation, regardless of whether the entity retains a non-controlling interest in its former subsidiary after the partial disposal; and
- when the retained interest after the partial disposal of an interest in a joint arrangement or a partial disposal of an interest in an associate that includes a foreign operation is a financial asset that includes a foreign operation and the loss of joint control over a jointly controlled entity that includes a foreign operation.

In relation to foreign operations within the Group, even if there is no change in minority ownership interests or in the ultimate ownership percentage of a subsidiary, in instances of quasi capital repayment, these transactions are treated as a partial disposal. Accumulated currency translation adjustments linked to this repayment are classified in the income statement as either gains or losses.

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (continued)

New and Amended Turkish Financial Reporting Standards

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

- **Narrow scope amendments to TAS 1, Practice statement 2 and TAS 8;** effective from annual periods beginning on or after 1 January 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.
- **Amendment to TAS 12 – Deferred tax related to assets and liabilities arising from a single transaction;** effective from annual periods beginning on or after 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.
- **IFRS 17, ‘Insurance Contracts’;** effective from annual periods beginning on or after 1 January 2023. This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.
- **Amendment to TAS 12 - International tax reform - pillar two model rules;** The deferred tax exemption and disclosure of the fact that the exception has been applied, is effective immediately. The other disclosure requirements are effective annual periods beginning on or after 1 January 2023. These amendments give companies temporary relief from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development’s (OECD) international tax reform. The amendments also introduce targeted disclosure requirements for affected companies.

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

The Group has not yet implemented the following standards, which have not yet entered into force, and the following amendments and interpretations to existing previous standards:

- **Amendment to TAS 1 – Non current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.
- **Amendment to IFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- **Amendments to TAS 7 and IFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company’s liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB’s response to investors’ concerns that some companies’ supplier finance arrangements are not sufficiently visible, hindering investors’ analysis.
- **IFRS S1, ‘General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after 1 January 2024. This is subject to endorsement of the standards by local jurisdictions. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity’s value chain.
- **IFRS S2, ‘Climate-related disclosures’;** effective from annual periods beginning on or after 1 January 2024. This is subject to endorsement of the standards by local jurisdictions. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

These changes are not expected to have a significant impact on the Group's financial position and performance.

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (continued)

Functional and Presentation Currency

The majority of the consolidated foreign subsidiaries and joint venture are regarded as foreign operations since they are financially, economically and organizationally autonomous. The Group translates in accordance with “TAS 21 The Effects of Changes in Foreign Exchange Rates” The resulting translated amounts for non-monetary items are treated as their historical cost.

Functional and presentation currency of the Group is Turkish Lira (TL). Functional currencies of the subsidiaries and joint ventures are as follows:

	30 September 2023		31 December 2022	
	Local Currency	Functional Currency	Local Currency	Functional Currency
CCSD	Turkish Lira	Turkish Lira	Turkish Lira	Turkish Lira
Etap	Turkish Lira	Turkish Lira	Turkish Lira	Turkish Lira
Almaty CC	Kazakh Tenge	Kazakh Tenge	Kazakh Tenge	Kazakh Tenge
Azerbaijan CC	Manat	Manat	Manat	Manat
Turkmenistan CC	Turkmen Manat	Turkmen Manat	Turkmen Manat	Turkmen Manat
Bishkek CC	Som	Som	Som	Som
TCCBCJ	Jordanian Dinar	Jordanian Dinar	Jordanian Dinar	Jordanian Dinar
SBIL	Iraq Dinar	Iraq Dinar	Iraq Dinar	Iraq Dinar
SSDSD	Syrian Pound	Syrian Pound	Syrian Pound	Syrian Pound
CCBPL	Pakistan Rupee	Pakistan Rupee	Pakistan Rupee	Pakistan Rupee
CCI Holland	Euro	U.S. Dollars	Euro	U.S. Dollars
Waha B.V.	Euro	U.S. Dollars	Euro	U.S. Dollars
Al Waha	Iraq Dinar	Iraq Dinar	Iraq Dinar	Iraq Dinar
Tacikistan CC	Somoni	Somoni	Somoni	Somoni
CCBU	Uzbek Som	Uzbek Som	Uzbek Som	Uzbek Som
Samarkand	Uzbek Som	Uzbek Som	Uzbek Som	Uzbek Som

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 Turkey used by the Group’s subsidiaries in Turkey. USD amounts presented in the asset accounts are translated into TL with the official TL exchange rate of USD buying on September 30, 2023, USD 1 (full) = TL 27,3767 (December 31, 2022; USD 1 (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 September 30, 2023, USD 1 (full) = TL 27,4260 (December 31, 2022; USD 1 (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 (full) = TL 22,1887 (January 1 - September 30, 2022; USD 1 (full) = TL 15,8512).

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 by the usage of closing and average exchange rates are followed under currency translation differences classified under equity.

Estimates, Assumptions and Judgements Used

For the condensed consolidated interim financial statements, as of September 30, 2023, Group management has to make key assumptions concerning the future and other key sources of estimation uncertainty on the balance sheet date that have significant risks of causing a material adjustment to the carrying amounts of assets and liabilities in the preparation of condensed consolidated financial statements. Actual results can be different from estimations. These estimations are reviewed at each balance sheet date; required corrections are made and reflected in the results of operations of the related period. The key assumptions concerning the future and other key resources of estimation at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and the significant judgments (apart from those involving estimations) with the most significant effect on amounts recognized in the financial statements are consistent with the assumptions and estimations made for the year ended December 31, 2022, except for the necessary considerations made for income taxes.

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

3. BUSINESS COMBINATIONS

Current Period:

As of April 19, 2023, Coca-Cola İçecek A.Ş. has purchased 80% of the shares of Anadolu Etap Penkon Gıda ve İçecek Ürünleri Sanayi ve Ticaret A.Ş. amounting to USD 112 million.

	ETAP Net Book Value
Cash and cash equivalents	72.505
Trade receivables	391.127
Inventories	877.297
Property plant and equipments	1.162.967
Intangible assets	12.814
Right of use assets	2.539
Other current and non-current assets	287.471
Deferred tax assets	136.211
Total Assets	2.942.931
Borrowings	1.428.464
Trade payables	592.596
Other liabilities	81.197
Total Liabilities	2.102.257
Net Asset / (liabilities)	840.674
Cash paid	(2.172.225)
Consolidated portion of the net asset / (liabilities)	672.539
Acquisition effect accounted under equity	(1.499.686)

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

4. SEGMENT REPORTING

The Group produces segment reports for the chief operating decision maker (Board of Directors and Executive Management) in accordance with basis of preparation as explained in Note 2. Reported information is used by management for observing performance at operation segments and for deciding resource allocation.

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

Group’s domestic and international subsidiaries are presented under Note 1 and Group’s segment reporting is as follows:

	30 September 2023			
	Domestic	International	Elimination	Consolidated
Net Revenue	28.957.289	41.638.602	(33.251)	70.562.640
Cost of sales (-)	(18.278.074)	(27.057.989)	389	(45.335.674)
Gross profit	10.679.215	14.580.613	(32.862)	25.226.966
Operating expenses (-)	(6.424.768)	(5.674.156)	552.469	(11.546.455)
Other operating income / (expense), net	2.262.684	4.814.072	(6.805.757)	270.999
Profit from operations	6.517.131	13.720.529	(6.286.150)	13.951.510
Gain from investing activities	434.900	50.593	5	485.498
Loss from investing activities (-)	-	(11.992)	(5)	(11.997)
Gain / (loss) from joint ventures	-	(14.586)	-	(14.586)
Profit before financial income / (expense)	6.952.031	13.744.544	(6.286.150)	14.410.425
Financial income	2.312.755	2.200.700	(41.650)	4.471.805
Financial expense (-)	(10.084.127)	(2.475.697)	5.928.969	(6.630.855)
Profit before tax from continuing operations	(819.341)	13.469.547	(398.831)	12.251.375
Tax income / (expense) from continuing operations	(565.487)	(1.904.639)	(1.651.833)	(4.121.959)
Net profit or (loss) from continuing operations	(1.384.828)	11.564.908	(2.050.664)	8.129.416
Non-controlling interest	(1.643)	381.721	-	380.078
Equity holders of the parent	(1.383.185)	11.183.187	(2.050.664)	7.749.338
Purchase of property, plant, equipment, and intangible asset	953.493	3.474.303	-	4.427.796
Amortization expense of right of use asset	69.551	51.500	-	121.051
Depreciation and amortization expenses	361.452	1.344.032	-	1.705.484
Other non-cash items	57.630	(54.506)	(123.046)	(119.922)
Adjusted EBITDA	7.005.764	15.061.555	(6.409.196)	15.658.123
	30 September 2023			
	Domestic	International	Elimination	Consolidated
Total Assets	42.110.874	62.471.434	(8.539.487)	96.042.821
Total Liabilities	39.477.721	19.577.897	(821.623)	58.233.995

As of September 30, 2023, the portion of Almaty CC in the consolidated net revenue and total assets is 17% and 9% respectively. (September 30, 2022: 16% and 9%)

As of September 30, 2022, the portion of Almaty CC in the consolidated net revenue and total assets is 12% and 11% respectively. (September 30, 2022: 18% and 11%)

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

5. CASH AND CASH EQUIVALENTS

	30 September 2023	31 December 2022
Cash on hand	79.570	7.333
Cash in banks		
-Time	14.835.844	10.887.203
-Demand	6.194.851	3.114.446
Cheques	10.874	-
	21.121.139	14.008.982

As of September 30, 2023, time deposits with maturities less than 3 months in foreign currencies, existed for periods varying between 1 day to 77 days (December 31, 2022 - 1 day to 51 days) and earned interest between 2,00% - 19,5% (December 31, 2022 - 0,03% - 15,25%).

As of September 30, 2023, time deposits with maturities for 2 days (December 31, 2022 - 2 day to 10 days) and earned interest between 18,00% - 42,0% (December 31, 2022 - 15,00% - 22,00%).

As of September 30, 2023, there is TL 54.419 (December 31, 2022 - TL 27.335) of interest income accrual on time deposits with maturities less than 3 months. As of September 30, 2023, and December 31, 2022, the fair values of cash and cash equivalents are equal to book value.

The credit risks of the banks where the Company has deposits are evaluated by taking into account independent data, and no significant credit risk is expected. The market values of cash and cash equivalents approximate their carrying values including the accrued interest income at the balance sheet date.

6. FINANCIAL INVESTMENTS

	30 September 2023	31 December 2022
Time deposits with maturities more than 3 months	354	85.711
Foreign currency linked deposits	696.443	542.320
Restricted cash	64.669	132.302
	761.466	760.333

As of September 30, 2023, time deposits with maturities over 3 months are composed of USD with 271 days maturity and have interest rate of 2,25%.

As of December 31, 2022, time deposits with maturities over 3 months are composed of USD and UZS with 174 and 305-days maturity and have 2,25% interest rate for USD, 8,00% interest rate for UZS.

Restricted bank balance is the blocked amount in the bank for collateral of letters of credit in Uzbekistan and Pakistan.

The interest rate for foreign currency linked deposits is 15,00% and 25,00%. (December 31, 2022 –17,00% ve 12,00%).

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

7. DERIVATIVE FINANCIAL INSTRUMENTS

As of September 30, 2023, the Group has 13 aluminum swap transactions with a total nominal value of TL 1.563.751 for 23.559 tons, and 2 aluminum option transactions with a total nominal value of TL 131.080 for 1.680 tons (leveraged amount of 3.360 tons). It has been designated as a hedging instrument that may arise from the cash flows of metal can purchases in years 2023-25 and has been subject to cash flow hedge accounting.

As of December 31, 2022, the Group has 7 aluminum swap transactions with a total nominal value of TL 850.265 for 18.280 tons, and 2 aluminum option transactions with a total nominal value of TL 358.109 for 6.720 tons (leveraged amount of 13.440 tons). It has been designated as a hedging instrument that may arise from the cash flows of metal can purchases in years 2023-25 and has been subject to cash flow hedge accounting.

As of September 30, 2023, the Group has 8 sugar swap transactions with a total nominal value of TL 507.526, worth 70.850 tons. The designation as a hedging instrument that may arise from the cash flows of sugar purchases in 2023-25 has been subject to cash flow hedge accounting.

As of December 31, 2022, the Group has 3 sugar swap transactions with a total nominal value of TL 637.312, worth 70.100 tons. The designation as a hedging instrument that may arise from the cash flows of sugar purchases in 2023 has been subject to cash flow hedge accounting.

As of September 30, 2023, the Group has a cross currency swap contract with a total amount of USD 150 million due on September 19, 2024, for the probability of arising exchange rate exposure in the long term. The Group has also purchased an option amounting to USD 150 million for hedging the foreign exchange exposure with those two derivative transactions (nominal amount of TL 4.106.505).

As of December 31, 2022, the Group has a cross currency swap contract with a total amount of USD 150 million due on September 19, 2024, for the probability of arising exchange rate exposure in the long term. The Group has also purchased an option amounting to USD 150 million for hedging the foreign exchange exposure with those two derivative transactions (nominal amount of TL 2.804.745).

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

7. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Details of hedging instruments as of September 30, 2023, and December 31, 2022, are as follows:

September 30. 2023	Nominal Value	Outstanding Amounts	Fair Value Asset / (Liability)	Financial Position Line Item	Maturity
Hedging Instruments:					
Cash flow hedge reserves:					
<i>Commodity swap contracts</i>					
- Aluminum	1.694.831	25.239 tons	(51.371)	Derivative Instruments	October 2023 - December 2025
- Sugar	507.526	70.850 tons	199.786	Derivative Instruments	October 2023 - December 2025
Cross currency participation swap assets / (liabilities)	4.106.505	150,0 million USD	(355.343)	Derivative Instruments	September 2024
	6.308.862		(206.928)		
Net Investment Hedge:					
Borrowings to hedge net investments in foreign operations		650.000 millon USD	(17.826.900)	Borrowings	January 2029

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

7. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

December 31, 2022	Nominal Value	Outstanding Amounts	Fair Value Asset / (Liability)	Financial Position Line Item	Maturity
Hedging Instruments:					
Cash flow hedge reserves:					
<i>Commodity swap contracts</i>					
- Aluminum	1.208.374	25.000 tons	(86.114)	Derivative Instruments	January 2023 - December 2025
- Sugar	637.312	70.100 tons	16.922	Derivative Instruments	January 2023 - December 2025
Cross currency participation swap assets / (liabilities)	2.804.745	150,0 million USD	(542.610)	Derivative Instruments	September 2024
	4.650.431		(611.802)		
Net Investment Hedge:					
Borrowings to hedge net investments in foreign operations	-	770 million USD	(14.423.640)	Borrowings	January 2029

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

8. BORROWINGS

	30 September 2023	31 December 2022
Short-term borrowings	5.965.064	2.430.749
Current portion of long-term borrowings and bond issued	8.303.141	3.242.261
Total short-term borrowings	14.268.205	5.673.010
Long-term borrowings and bond issued	17.350.846	14.685.840
Total borrowings	31.619.051	20.358.850

As of September 30, 2023, there is interest expense accrual amounting to TL 585.791 on total amount of borrowings (December 31, 2022 - TL 410.040).

The Group has complied with the financial covenants of its borrowing facilities during the September 30, 2023 and December 31, 2022 reporting period. Short and long-term borrowings denominated in TL and foreign currencies as of September 30, 2023, and December 31, 2022, are as follows:

	30 September 2023		31 December 2022	
	Short-term	Long-term	Short-term	Long-term
USD	7.112.988	10.811.439	2.466.049	12.073.523
EUR	2.266.975	1.276.997	468.435	1.032.510
TL	3.784.343	4.927.085	2.025.837	1.579.807
KZT	846.880	-	472.823	-
PKR	155.627	-	239.866	-
KGS	101.290	271.413	-	-
AZM	102	63.912	-	-
	14.268.205	17.350.846	5.673.010	14.685.840

Range for the minimum and maximum effective interest rates on the balance sheet date are as follows:

	30 September 2023	31 December 2022
Short-term		
USD denominated borrowings	(%3,00) - (6M Libor + %2,50)	(%3,00)
PKR denominated borrowings	(1M Kibor - %0,10) - (6M Kibor + %1)	(1M Kibor - %0,10) - (6M Kibor + %0,21)
TL denominated borrowings	(%9,00 - %45,50)	(%13,69 - %32,00)
KZT denominated borrowings	(%16,55 - %19,75)	(%6,00 - %19,75)
EUR denominated borrowings	(%7,25)	-
KGS denominated borrowings	(%14,28)	-
Long-term		
USD denominated borrowings	(%4,22) - (6M Libor + %2,50)	(%4,22) - (6M Libor + %2,50)
EUR denominated borrowings	(6M Euribor + %1,30) - (6M Euribor + %2,75)	(6M Euribor + %1,60) - (3M Euribor + %2,75)
TL denominated borrowings	(%12,00 - %47,00)	(%11,74)
AZM denominated borrowings	(%9,00)	-
KGS denominated borrowings	(%14,28)	-

Repayment plans of long-term borrowings as of September 30, 2023, and December 31, 2022 are scheduled as follows (including current portion of long-term borrowings):

	30 September 2023	31 December 2022
2023	293.850	3.242.261
2024	8.317.015	4.997.553
2025 and after	17.043.122	9.688.287
	25.653.987	17.928.101

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(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

8. BORROWINGS (continued)

Movements of financial borrowings as of September 30, 2023 and 2022 are as follows:

	30 September 2023	30 September 2022
Financial borrowing as of January 1st	20.358.850	9.071.253
Proceeds from borrowings	13.496.065	13.784.165
Repayments of borrowings	(11.324.167)	(7.994.931)
Cash flows	2.171.898	5.789.234
Interest expense	2.297.865	1.200.792
Interest paid	(2.160.707)	(1.028.026)
Changes in interest accruals	137.158	172.766
Foreign exchange gain / (loss) from foreign currency denominated borrowings	7.916.706	4.604.702
Currency translation adjustment	1.034.439	331.698
Financial borrowing as of period end	31.619.051	19.969.653

Lease Liabilities

As of September 30, 2023, net present value of liabilities under lease liabilities is amounting to TL 625.447. Movement tables of lease liabilities as of September 30, 2023 and 2022 are as follows:

	30 September 2023	30 September 2022
Balance as of January 1 st	485.267	319.680
Increase in lease liabilities	181.287	48.283
Change in lease liabilities	4.917	34.652
Payments during period	(184.059)	(99.331)
Interest expense of lease liabilities	53.714	20.636
Foreign exchange loss / (gain)	2.737	5.168
Currency translation differences	81.584	49.721
Balance at the end of period	625.447	378.809

9. OTHER RECEIVABLES AND PAYABLES

Other Receivables

	30 September 2023	31 December 2022
Due from personnel	38.723	21.929
Deposits and guarantees given	3.299	2.088
Other	36.350	57.183
	78.372	81.200

Other Payables

	30 September 2023	31 December 2022
Deposits and guarantees	1.392.697	954.493
Taxes and duties payable	1.426.961	614.640
Other	28.146	13.958
	2.847.804	1.583.091

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10. PREPAID EXPENSES

a) Short-term prepaid expenses

	30 September 2023	31 December 2022
Prepaid marketing expenses	411.167	222.809
Prepaid insurance expenses	199.668	56.607
Prepaid rent expenses	6.965	2.945
Prepaid other expenses	134.575	145.635
Advances given to suppliers	1.419.002	837.923
	2.171.377	1.265.919

b) Long-term prepaid expenses

	30 September 2023	31 December 2022
Prepaid marketing expenses	151.999	100.084
Prepaid other expenses	23.204	37.880
Advances given to suppliers	689.194	137.139
	864.397	275.103

c) Short-term deferred income

	30 September 2023	31 December 2022
Advances received	108.444	148.097
Deferred income	38.407	33.921
	146.851	182.018

d) Long-term deferred income

	30 September 2023	31 December 2022
Deferred income	33.973	55.710
	33.973	55.710

11. INVESTMENT IN JOINT VENTURES

Investment in joint ventures, consolidated under the equity method of accounting, is carried in the consolidated financial position at cost plus post-acquisition changes in the Group’s share of net assets of the joint ventures, less any impairment in value. The consolidated income statement reflects the Group’s share of the results of operations of the joint ventures.

As of September 30, 2023, and December 31, 2022 total assets, total liabilities, net sales and current period loss of SSDSD is as follows:

SSDSD	30 September 2023	31 December 2022
Total Assets	242	726
Total Liabilities	48.609	31.811
Equity	(48.367)	(31.085)
SSDSD	30 September 2023	30 September 2022
Revenue	-	-
Period Loss	(29.172)	(5.560)
Group’s share in loss	(14.586)	(2.780)

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Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

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12. PROPERTY, PLANT AND EQUIPMENT

For the nine months ended September 30, 2023 and 2022, movements of property, plant and equipment and net book values are as follows:

Cost	1 January 2023	Additions	Transfers ^(**)	Disposals	(Impairment) / Impairment reversal, net	Additions through Subsidiary acquired	Currency translation differences	30 September 2023
Land and buildings	6.713.004	71.938	121.773	(6.135)	-	588.873	4.027.812	11.517.265
Machinery and equipment^(*)	13.739.435	624.453	107.109	(99.761)	26.003	528.601	6.032.757	20.958.597
Vehicles	521.635	126.346	7.961	(50.839)	-	2.775	192.661	800.539
Furniture and fixtures	321.222	28.754	(7.826)	(10.114)	-	10.620	79.801	422.457
Other tangibles^(***)	7.049.997	1.389.126	304.230	(514.498)	(8.433)	86.891	2.110.465	10.417.778
Leasehold improvements	12.417	-	(2.000)	-	-	-	-	10.417
Construction in progress	1.257.457	1.968.336	(1.087.463)	-	-	5.536	(35.309)	2.108.557
	29.615.167	4.208.953	(556.216)	(681.347)	17.570	1.223.296	12.408.187	46.235.610
Accumulated depreciation and impairment (-)								
Land and buildings	(1.592.635)	(151.682)	18.499	1.928	-	(7.904)	(1.076.375)	(2.808.169)
Machinery and equipment	(7.286.399)	(744.182)	71.127	36.561	-	(21.639)	(4.029.186)	(11.973.718)
Vehicles	(336.713)	(43.024)	-	49.429	-	(936)	(144.014)	(475.258)
Furniture and fixtures	(221.901)	(12.299)	12.034	9.502	-	(4.621)	(75.894)	(293.179)
Other tangibles	(3.732.301)	(697.329)	2.682	225.280	-	(25.229)	(1.223.963)	(5.450.860)
Leasehold improvements	(12.094)	(43)	2.000	-	-	-	-	(10.137)
	(13.182.043)	(1.648.559)	106.342	322.700	-	(60.329)	(6.549.432)	(21.011.321)
Net book value	16.433.124	2.560.394	(449.874)	(358.647)	17.570	1.162.967	5.858.755	25.224.289

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

(**) As of September 30, 2023 intangible assets amounting to TL 717 transferred to tangible assets.

(***) Coolers and returnable bottles are followed in other tangible assets.

As of September 30, 2023, pledge amounting to TL 82.902 on property, plant and equipment (31 December 2022: TL 56.622. This amount is also disclosed in GPM table (Note 16).

Impairment Loss

As of September 30, 2023, the Group had TL 17.570 provided impairment losses (September 30, 2022 - TL 2.593) for property, plant and equipment that had greater carrying value than its estimated recoverable amount. This impairment had been provided for “Out of Use” tangible assets (Note 20).

As of September 30, 2023, reversal of impairment amounting to TL 29.567 (September 30, 2022 – TL 38.124) (Note 20).

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12. PROPERTY, PLANT AND EQUIPMENT (continued)

Cost	1 January 2022	Additions	Transfers	Disposals	(Impairment) / Impairment reversal, net	Currency translation differences	30 September 2022
Land and buildings	4.817.733	83.547	357.255	(17.874)	208	2.265.386	7.506.255
Machinery and equipment	10.252.103	360.452	213.783	(16.096)	23.326	3.294.078	14.127.646
Vehicles	405.396	28.156	-	(42.409)	-	99.364	490.507
Furniture and fixtures	233.080	10.126	9.054	(1.853)	(528)	44.971	294.850
Other tangibles ^(***)	5.185.253	800.066	431.610	(413.726)	12.733	861.916	6.877.852
Leasehold improvements	12.417	15	371	(178)	(208)	36.809	49.226
Construction in progress	843.733	1.046.552	(1.012.073)	-	-	(162.515)	715.697
	21.749.715	2.328.914	-	(492.136)	35.531	6.440.009	30.062.033
Accumulated depreciation and impairment (-)							
Land and buildings	(1.061.223)	(112.744)	-	2.661	-	(655.965)	(1.827.271)
Machinery and equipment	(5.057.505)	(596.645)	-	9.322	-	(2.261.003)	(7.905.831)
Vehicles	(270.741)	(26.703)	-	41.730	-	(80.743)	(336.457)
Furniture and fixtures	(170.166)	(8.170)	-	1.730	-	(47.544)	(224.150)
Other tangibles	(3.175.457)	(465.682)	-	388.500	-	(524.197)	(3.776.836)
Leasehold improvements	(12.037)	(43)	-	-	-	(9.172)	(21.252)
	(9.747.129)	(1.209.987)	-	443.943	-	(3.578.624)	(14.091.797)
Net book value	12.002.586	1.118.927	-	(48.193)	35.531	2.861.385	15.970.236

Convenience Translation into English of Interim Condensed Consolidated Financial Statements and Notes Originally Issued in Turkish)
COCA-COLA İÇECEK ANONİM ŞİRKETİ
Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

12. PROPERTY, PLANT AND EQUIPMENT (continued)

Right of Use Assets

For the nine months ended September 30, 2023 and 2022, movement of right of use assets are as follows:

Cost	1 January 2023	Additions	Changes	Disposals	Additions through subsidiary acquired	Currency translation differences	30 September 2023
Land and Buildings	263.958	114.177	4.487	(494)	-	97.662	479.790
Machinery and Equipment	36.733	-	-	(1.165)	-	2.644	38.212
Vehicles	321.719	67.110	-	(90.803)	3.532	59.563	361.121
Furniture and Fixtures	1.419	-	430	-	-	927	2.776
	623.829	181.287	4.917	(92.462)	3.532	160.796	881.899
Amortisation							
Land and Buildings	(117.260)	(30.565)	-	494	-	(52.279)	(199.610)
Machinery and Equipment	(15.943)	(3.539)	-	1.165	-	(3.293)	(21.610)
Vehicles	(92.245)	(86.765)	-	72.973	(993)	(27.338)	(134.368)
Furniture and Fixtures	(1.523)	(182)	-	-	-	(814)	(2.519)
	(226.971)	(121.051)	-	74.632	(993)	(83.724)	(358.107)
Net Book Value	396.858	60.236	4.917	(17.830)	2.539	77.072	523.792

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Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

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12. PROPERTY, PLANT AND EQUIPMENT (continued)

Right of Use Assets (continued)

Cost	1 January 2022	Additions	Changes	Disposals	Currency translation differences	30 September 2022
Land and Buildings	262.291	3.115	13.439	(2.898)	34.899	310.846
Machinery and Equipment	30.397	1.149	-	(8.202)	6.463	29.807
Vehicles	165.343	44.019	21.213	(79.711)	33.165	184.029
Furniture and Fixtures	2.636	-	-	-	944	3.580
	460.667	48.283	34.652	(90.811)	75.471	528.262
Amortisation						
Land and Buildings	(84.171)	(15.973)	-	2.898	(13.374)	(110.620)
Machinery and Equipment	(14.835)	(4.844)	-	8.039	(5.150)	(16.790)
Vehicles	(107.194)	(47.383)	-	77.118	(16.589)	(94.048)
Furniture and Fixtures	(1.826)	(696)	-	-	(980)	(3.502)
	(208.026)	(68.896)	-	88.055	(36.093)	(224.960)
Net Book Value	252.641	(20.613)	34.652	(2.756)	39.378	303.302

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Notes to Interim Condensed Consolidated Financial Statements as at September 30, 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated)

13. INTANGIBLE ASSETS

For the nine months ended September 30, 2023, and 2022, the movement of intangible assets are as follows:

Cost	1 January 2023	Additions	Disposals	Transfers	Additions through subsidiary acquired	Currency translation differences	30 September 2023
Water sources usage right	33.660	-	-	-	-	-	33.660
Bottlers and distribution agreements	9.380.515	-	-	-	-	3.802.949	13.183.464
Foundation and establishment	-	-	-	-	11.675	-	11.675
Other rights	605.704	80.379	(2.374)	17.939	10.068	37.628	749.344
Construction in progress	129.728	138.464	-	(18.766)	-	-	249.426
	10.149.607	218.843	(2.374)	(827)	21.743	3.840.577	14.227.569
Amortisman							
Water sources usage right	(33.660)	-	-	-	-	-	(33.660)
Foundation and establishment	-	-	-	-	(3.396)	-	(3.396)
Other rights	(203.707)	(56.925)	1.750	110	(5.533)	(17.386)	(281.691)
	(237.367)	(56.925)	1.750	110	(8.929)	(17.386)	(318.747)
Net Book Value	9.912.240	161.918	(624)	(717)	12.814	3.823.191	13.908.822
Cost	1 January 2022	Additions	Disposals	Transfers	Currency translation differences	30 September 2022	
Water sources usage right	33.660	-	-	-	-	33.660	
Bottlers and distribution agreements	7.108.937	-	-	-	2.218.694	9.327.631	
Other rights	403.976	92.429	(2.650)	6.166	30.695	530.616	
Construction in progress	61.080	51.595	-	(6.166)	-	106.509	
	7.607.653	144.024	(2.650)	-	2.249.389	9.998.416	
Amortisman							
Water sources usage right	(33.660)	-	-	-	-	(33.660)	
Other rights	(146.714)	(38.000)	2.624	-	(9.170)	(191.260)	
	(180.374)	(38.000)	2.624	-	(9.170)	(224.920)	
Net Book Value	7.427.279	106.024	(26)	-	2.240.219	9.773.496	

There is no water sources usage right purchased by government incentive.

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14. GOODWILL

As of September 30, 2023, and 2022 movements of goodwill are as follows:

	1 January 2023	Currency translation differences	30 September 2023
Cost	3.200.399	1.080.047	4.280.446
Impairment reserve	(276.864)	(189.920)	(466.784)
Net Book Value	2.923.535	890.127	3.813.662
	1 January 2022	Currency translation differences	30 September 2022
Cost	2.579.390	591.240	3.170.630
Impairment reserve	(202.013)	(77.713)	(279.726)
Net Book Value	2.377.377	513.527	2.890.904

As of September 30, 2023, and 2022 operating segment distribution of goodwill is presented below.

	Domestic	International	Consolidated
30 September 2023	-	3.813.662	3.813.662
30 September 2022	-	2.890.904	2.890.904

15. GOVERNMENT INCENTIVES

The Group's earnings from investments tied to an incentive certificate are subject to corporate tax at discounted rates, starting from the accounting period in which the investment is partially or fully operational, until the investment contribution amount is reached. In this context, tax advantage amounting to TL 487.983 (December 31, 2022: TL 314.778) that the Group's will benefit from in the foreseeable future as of September 30, 2023 is reflected in the consolidated financial statements as a deferred tax asset. As a result of the recognition of the said tax advantage as of 30 September 2023, deferred tax income amounting to TL 173.205 has been realized in the consolidated profit or loss statement for the period from January to September 30, 2023.

According to the tax incentive certificates summarized above, the current period corporate tax provision 32.725 TL (30 September 2022: None) discounted corporate tax advantage has been used and this amount has been deducted from the deferred tax asset. (It will be written if tax advantage is used)

Deferred tax assets are recognized when it is determined that taxable income is likely to occur in the coming years. In cases where taxable income is likely to occur, deferred tax assets are calculated over deductible temporary differences, tax losses and tax advantages vested in indefinite-lived investment incentives that allow reduced corporate tax payments. In this context, the Group's bases the reflection of deferred tax assets arising from investment incentives in the consolidated financial statements on long-term plans and evaluates the recoverability of deferred tax assets related to these investment incentives as of each balance sheet date, based on business models that include taxable profit estimations. It is foreseen that the deferred tax assets in question will be recovered within 5 years from the balance sheet date.

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

The Group capitalizes the R&D expenditures it has made within the scope of the law numbered 5746 in its tax books. The Group makes calculations over the R&D expenditures in accordance within the framework of the relevant legislation and take benefits from the R&D discount according to law's permission. As of September 30, 2023, the Group took advantage of R&D deduction amounting to TL 2.831 (30 September 2022: None).

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16. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

CCI and its Subsidiaries in Turkey

Litigations against the Group

CCI and subsidiaries in Turkey are involved on an ongoing basis in 224 litigations arising in the ordinary course of business as of September 30, 2023, with an amount of TL 17.806 (December 31, 2022 – 205 litigations, TL 17.707). As of September 30, 2023, no court decision has been granted yet. Group management does not expect any adverse consequences related with these litigations that would materially affect Group’s operation results or financial status or liquidity.

Subsidiaries and joint ventures operating in foreign countries

Litigations against the Group

As of September 30, 2023, CCBPL has tax litigations. If the claims are resulted against CCBPL, the tax liability would be TL 79.854 (December 31, 2022 – 88.084). CCBPL's 2016 tax audit lawsuit amounting to TL 312.888 as of 31 December 2021 was cancelled as of 31 December 2022.

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

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

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

After the withdrawal, Federal tax office in Pakistan requested PKR 3.839 million (equivalent to TL 365.225) additional tax payment from CCBPL, by arguing that “Sales and Excise Tax” should be applied retrospectively by considering the period before the cancellation of “Capacity Tax” application. Company Management objected and litigated this request, since withdrawal decisions of constitutional court could not be applied retrospectively in principle. In the opinion of Management, the outcome of the litigation will be favorable (December 31, 2022 - PKR 3.839 million, equivalent to TL 316.997).

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16. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

Parent Company (CCI) and Subsidiaries Included in Consolidation

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

	30 September 2023					
	Total TL Equivalent	Original TL Amount	Original USD in Thousands	Original EUR in Thousands	Original PKR in Thousands	Other Foreign Currency TL Equivalent
A. Total guarantees and pledges given by the Company for its own corporation	1.041.910	531.364	8.808	5.462	162.152	95.421
B. Total guarantees and pledges given by the Company for its subsidiaries consolidated for using the full consolidation method	7.466.723	11.595	61.563	79.198	6.150.000	2.885.504
C. Total guarantees and pledges given by the Company for other third parties for its ordinary commercial activities	-	-	-	-	-	-
D. Other guarantees, and pledges given	-	-	-	-	-	-
i. Total guarantees and pledges given by the Company for its parent company	-	-	-	-	-	-
ii. Total guarantees and pledges given by the Company for other group companies which are not covered in B and C clauses	-	-	-	-	-	-
iii. Total guarantees and pledges given by the Company for other third parties which are not covered in the C clause	-	-	-	-	-	-
Total guarantees and pledges	8.508.633	542.959	70.371	84.660	6.312.152	2.980.925
Other guarantees and pledges given / Total equity (%)	-	-	-	-	-	-
	31 December 2022					
	Total TL Equivalent	Original TL Amount	Original USD in Thousands	Original EUR in Thousands	Original PKR in Thousands	Other Foreign Currency TL Equivalent
A. Total guarantees and pledges given by the Company for its own corporation	392.037	131.942	633	8.389	162.152	67.635
B. Total guarantees and pledges given by the Company for its subsidiaries consolidated for using the full consolidation method	2.762.902	-	36.546	59.926	6.150.000	377.119
C. Total guarantees and pledges given by the Company for other third parties for its ordinary commercial activities	-	-	-	-	-	-
D. Other guarantees, and pledges given	-	-	-	-	-	-
i. Total guarantees and pledges given by the Company for its parent company	-	-	-	-	-	-
ii. Total guarantees and pledges given by the Company for other group companies which are not covered in B and C clauses	-	-	-	-	-	-
iii. Total guarantees and pledges given by the Company for other third parties which are not covered in the C clause	-	-	-	-	-	-
Total guarantees and pledges	3.154.939	131.942	37.179	68.315	6.312.152	444.754
Other guarantees and pledges given / Total equity (%)	-	-	-	-	-	-

Tax and Legal Matters

Legislation and regulations regarding taxation and foreign currency transactions in most of the territories in which the Group operates out of Turkey continue to evolve. The various legislation and regulations are not always clearly written, and the interpretation related with the implementation of these regulations is subject to the opinions of the local, regional and national tax authorities, the Central Bank and Ministry of Finance. Tax declarations, together with other legal compliance areas are subject to review and investigation by a number of authorities, who are enabled by law to impose significant fines, penalties and interest charges. These facts create tax risks in the territories in which the Group operates substantially more so than typically found in countries with more developed tax systems.

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17. COMMITMENTS

Murabaha

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

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

18. OTHER ASSETS AND LIABILITIES

a) Other Current Assets

	30 September 2023	31 December 2022
VAT receivables	1.020.505	1.043.184
Other	213.151	60.635
	1.233.656	1.103.819

b) Other Current Liabilities

	30 September 2023	31 December 2022
Put option of share from non-controlling interest	64.609	44.208
Other	76.575	2.016
	141.184	46.224

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

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19. EQUITY

Share Capital

	30 September 2023	31 December 2022
Common shares 1 Kr par value		
Authorized and issued (units)	25.437.078.200	25.437.078.200

Legal reserves

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all cash dividend distributions.

Listed companies distribute dividend in accordance with the communique No. II-19.1 issued by the CMB which is effective from February 1, 2014.

Companies distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly and also in conformity with relevant legislations. The communique does not constitute a minimum dividend rate. Companies distribute dividend in accordance with the method defined in their dividend policy or articles of incorporation.

Inflation adjustment to shareholders' equity can only be netted-off against prior years' losses and used as an internal source for capital increase where extraordinary reserves can be netted-off against prior years' loss and used in the distribution of bonus shares and dividends to shareholders. In case inflation adjustment to issued capital is used as dividend distribution in cash, it is subject to corporation tax.

As of September 30, 2023, and December 31, 2022, breakdown of the equity of the CCI in its tax books is as follows.

	30 September 2023			31 December 2022		
	Historical Amount	Inflation Restatement Differences	Restated Amount	Historical Amount	Inflation Restatement Differences	Restated Amount
Share Capital	254.371	(8.559)	245.812	254.371	(8.559)	245.812
Restricted reserves allocated from net profit	230.304	13.396	243.700	327.939	13.396	341.335
Extraordinary Reserves	10.952	9.551	20.503	607.846	9.551	617.397

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19. EQUITY (continued)

Dividends

As per the consolidated financial statements of our company prepared in accordance with TFRS accounting standards, in 2022, our Company recorded a net income of TL 4.331.051. The Board of Directors' decision of the distribution of gross dividends of TL 750.012 from distributable other sources, after legal liabilities are deducted starting from May 22, 2023 was approved at the General Meeting. The remainder of 2022 net income will be added to the extraordinary reserves.

Entities which are Türkiye resident taxpayers or entitled such dividends through a permanent establishment or a permanent representative in Türkiye, will be paid a gross cash dividend of TL 2,9485 (net TL 2,9485) per 100 shares, representing TL 1 nominal value. While other shareholders will receive gross TL 2,9485 (net TL 2,65365) per 100 shares dividends paid.

The dividend distribution table and informative table on dividend rates are attached.

20. OTHER INCOME / EXPENSE

a) Other operating income / expense	1 January – 30 September 2023	1 July – 30 September 2023	1 January – 30 September 2022	1 July – 30 September 2022
Other operating income				
Foreign exchange gain	1.321.044	361.149	341.831	(72.821)
Gain on sale of scrap materials	190.159	83.391	94.282	39.979
Other income	260.347	142.064	217.813	52.711
	1.771.550	586.604	653.926	19.869
Other operating expense				
Foreign Exchange loss	(1.051.955)	(338.619)	(496.969)	5.113
Loss on sale of scrap materials	(186.889)	(77.286)	(40.540)	(19.334)
Donations	(19.698)	(301)	(543)	(515)
Other expense	(242.009)	(142.345)	(60.132)	(29.618)
	(1.500.551)	(558.551)	(598.184)	(44.354)
b) Gain / (Loss) from Investing Activities	1 January – 30 September 2023	1 July – 30 September 2023	1 January – 30 September 2022	1 July – 30 September 2022
Gain from Investing Activities				
Transfer of currency translation differences previously accounted as other comprehensive income	425.292	-	-	-
Impairment reversal of property, plant and equipment (Note 12)	29.567	4.642	38.124	3.025
Gain on disposal of property, plant and equipment, net	30.639	12.066	178.156	5.399
Other				
	485.498	16.708	216.280	8.424
Loss from Investing Activities				
Impairment provision in property, plant and equipment (Note 12)	(11.997)	(1.298)	(2.593)	(1.439)
	(11.997)	(1.298)	(2.593)	(1.439)

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21. FINANCIAL INCOME / EXPENSE

a) Financial Income	1 January – 30 September 2023	1 July – 30 September 2023	1 January – 30 September 2022	1 July – 30 September 2022
Foreign exchange gain	3.545.282	1.118.900	2.016.235	522.446
Interest income	544.870	243.644	151.394	58.238
Derivative transaction gain	381.653	61.699	252.960	143.860
	4.471.805	1.424.243	2.420.589	724.544
b) Financial Expense	1 January – 30 September 2023	1 July – 30 September 2023	1 January – 30 September 2022	1 July – 30 September 2022
Foreign exchange loss	(4.272.545)	(1.186.035)	(2.064.231)	(599.902)
Interest expense	(2.297.865)	(945.303)	(1.200.792)	(490.673)
Interest expense of lease liabilities	(53.714)	(19.452)	(20.636)	(7.631)
Derivative transaction loss	(6.731)	-	(23.485)	19.132
	(6.630.855)	(2.150.790)	(3.309.144)	(1.079.074)

As of September 30, 2023, and 2022 foreign exchange gain / (loss) from foreign currency denominated borrowings are as follows:

	1 January – 30 September 2023	1 July – 30 September 2023	1 January – 30 September 2022	1 July – 30 September 2022
Foreign exchange gain / (loss) from foreign currency denominated borrowings, net	(7.916.706)	(1.260.749)	(4.604.702)	(1.670.022)

22. TAX RELATED ASSETS AND LIABILITIES

General information

The Group is subject to taxation in accordance with the tax regulations and the legislation effective in the countries in which the Group companies operate. In Turkey, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

In Turkey, the corporate tax rate is 25% as of September 30, 2023 (December 31, 2022: 23%). The corporate tax rate is applied to the profit after adding nondeductible expenses, exceptions and discounts accepted by the tax laws.

Different corporate tax rates of foreign subsidiaries are as follows:

	30 September 2023	31 December 2022
Kazakhstan	20%	20%
Azerbaijan	20%	20%
Kyrgyzstan	10%	10%
Turkmenistan	8%	8%
Tajikistan	18%	13%
Jordan	20%	19%
Iraq	15%	15%
Pakistan	39%	33%
Uzbekistan	15%	15%

For the interim consolidated financial statements, subsidiaries financial statements have been translated into TL and the “translation differences” arising from such translation have been recorded in equity, under Currency Translation Adjustment. Since it’s not planned to sell any subsidiary share, these translation differences will not be reversed in the foreseeable future and not subject to deferred tax calculation in accordance with TAS 12, Income Taxes.

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22. TAX RELATED ASSETS AND LIABILITIES (continued)

The list of temporary differences and the resulting deferred tax liabilities, as of September 30, 2023, and December 31, 2022, using the prevailing effective statutory tax rate is as follows:

	30 September 2023		31 December 2022	
	Cumulative Temporary Difference	Deferred Tax Assets / (Liabilities)	Cumulative Temporary Difference	Deferred Tax Assets / (Liabilities)
Tangible and intangible assets	(15.286.240)	(3.745.835)	(11.701.197)	(2.689.038)
Right of use asset	101.655	30.098	87.195	22.195
Borrowings	(684.038)	(171.010)	(64.407)	(14.488)
Employee termination, other employee benefits and other payable accruals	140.936	32.595	436.180	88.425
Unused investment incentive	667.397	487.983	379.288	314.778
Carry forward tax loss	7.316.801	1.829.200	6.979.928	1.395.986
Trade receivables, payables and other	3.202.976	740.588	1.222.820	338.831
Derivative financial instruments	83.682	20.921	75.406	15.081
Inventory	(190.165)	(32.515)	(40.183)	(6.470)
Additions through subsidiary acquired	544.844	136.211	-	-
	(4.102.152)	(671.764)	(2.624.970)	(534.700)
Minus: Provision for valuation of carry forward loss	(7.316.801)	(1.829.200)	(6.979.928)	(1.395.986)
	(11.418.953)	(2.500.964)	(9.604.898)	(1.930.686)
Deferred tax assets		1.130.757		564.967
Deferred tax liabilities		(3.631.721)		(2.495.653)
Deferred tax liability, net		(2.500.964)		(1.930.686)

The expiration dates of carryforward tax losses for which no deferred tax is calculated as follows:

	30 September 2023	31 December 2022
2023	276.444	276.444
2024	46.464	46.464
2025	75.718	75.718
2026	1.958.417	1.958.417
2027	4.959.758	4.622.885
	7.316.801	6.979.928

The expiration dates of carryforward tax losses for which no deferred tax is calculated as follows:

	30 September 2023	30 September 2022
Balance at January 1,	1.930.686	1.514.307
Deferred tax expense / (income)	1.219.093	660.158
Tax expense recognized in comprehensive income	(1.464.167)	(770.076)
Additions through subsidiary acquired	136.211	-
Currency translation adjustment	679.141	553.901
	2.500.964	1.958.290

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23. EARNINGS / (LOSSES) PER SHARE

Basic earnings / (losses) per share is calculated by dividing net income / (loss) for the period by the weighted average number of ordinary shares outstanding during the related period. The Company has no diluted instruments. As of September 30, 2023, and 2022 earnings / (losses) per share is as follows:

	1 January – 30 September 2023	1 July – 30 September 2023	1 January – 30 September 2022	1 July – 30 September 2022
Net Income for the period	7.749.338	4.326.599	3.681.989	1.818.861
Weighted average number of ordinary shares	25.437.078.200	25.437.078.200	25.437.078.200	25.437.078.200
Pay Başına Kazanç / (Kayıp) (Tam TL)	0,304647	0,170090	0,144749	0,071504

24. RELATED PARTY BALANCES AND TRANSACTIONS

The Group has various transactions with related parties in normal course of the business. The most significant transactions with related parties are as follows:

	30 September 2023				
	Sales to related parties and other revenues	Purchases from related parties and other expenses	Receivables from related parties	Payables to related parties	Long-term
Related Parties and Shareholders				Short-term	
Anadolu Group Companies ⁽¹⁾	1.520.212	217.148	879.821	143.313	-
The Coca-Cola Company ⁽¹⁾	391.115	18.910.794	314.345	2.612.337	-
Özgörkey Holding Group Companies ⁽¹⁾	1.081	69.338	-	18.476	-
Syrian Soft Drink Sales and Distribution L.L.C. ⁽⁴⁾	-	-	38.352	-	-
Day Trade ⁽²⁾	-	-	-	143.274	-
National Beverage Co. ⁽³⁾	-	6.188	-	-	-
Other	-	125.023	-	-	-
Total	1.912.408	19.328.491	1.232.518	2.917.400	-
	30 September 2022		31 December 2022		
	Sales to related parties and other revenues	Purchases from related parties and other expenses	Receivables from related parties	Payables to related parties	Long-term
Related Parties and Shareholders				Short-term	
Anadolu Group Companies ⁽¹⁾	664.466	101.197	275.909	154.337	-
The Coca-Cola Company ⁽¹⁾	278.819	9.551.999	500.258	2.272.271	-
Özgörkey Holding Group Companies ⁽¹⁾	1.266	42.894	-	5.906	-
Syrian Soft Drink Sales and Distribution L.L.C. ⁽⁴⁾	-	-	21.223	-	-
Day Trade ⁽²⁾	-	-	-	86.359	-
National Beverage Co. ⁽³⁾	-	4.429	-	-	-
Other	-	55.219	-	1.895	-
Total	944.551	9.755.738	797.390	2.520.768	-

(1) Shareholder of the Company, subsidiaries and joint ventures of the shareholder

(2) Related parties of the shareholder

(3) Other shareholders of the joint ventures and subsidiaries

(4) Investment in associate consolidated under equity method of accounting

As of September 30, 2023, and 2022, purchases from related parties and significant portion of other expenses consist of services obtained, fixed asset and raw material purchases and toll production.

As of September 30, 2023, and 2022, sales to related parties and other revenues consist of sale of finished goods and support charges of promotional expenses reflected to related parties.

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24. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

As of September 30, 2023, and 2022, remuneration received by the executive members of the Board of Directors, Chief Executive Officer, Chief Operating Officers and Directors of the Company are as follows:

	30 September 2023		30 September 2022	
	Board of Directors	Executive Directors	Board of Directors	Executive Directors
Short-term employee benefits	2.053	82.110	848	32.515
Other long-term benefits	-	2.489	-	1.318
	2.053	84.599	848	33.833
Number of top executives	4	9	4	10

25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Group’s principal financial instruments are comprised of bank borrowings, bond issues, cash and short-term deposits. The main purpose of these financial instruments is to raise financing for the Group’s operations. The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group’s financial instruments are interest rate risk, liquidity risk, foreign currency risk, and credit risk. The Group management reviews and agrees policies for managing each of these risks which are summarized below. The Group also monitors the market price risk arising from all financial instruments.

(a) Capital Management

The primary objective of the Group’s capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximize shareholder value.

The Group manages its capital structure and adjusts it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or return capital to shareholders and may decide on issue of new shares or sell assets to decrease net financial debt.

As of September 30, 2023, and December 31, 2022, debt to equity ratio, obtained by dividing the total net debt, the financial borrowings and loan debts minus cash and cash equivalents and short-term financial assets, to share capital is as follows:

	30 September 2023	31 December 2022
Borrowings	32.244.498	20.844.117
Less: Cash and cash equivalents and short-term financial assets	(21.882.605)	(14.769.315)
Net debt	10.361.893	6.074.802
Total share capital	254.371	254.371
Net debt / Total equity ratio (%)	40,74	23,88

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

(b) Interest Rate Risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing assets and liabilities. The Group manages interest rate risk by balancing the interest rate of assets and liabilities or derivative financial instruments.

Certain parts of the interest rates related to borrowings are based on market interest rates; therefore, the Group is exposed to interest rate fluctuations on domestic and international markets. The Group’s exposure to market risk for changes in interest rates relates primarily to the Group’s debt obligations.

As of September 30, 2023, if variable interest rate on the Group’s borrowings would have been 100 basis points higher / lower with all other variables held constant, then profit / (loss) before tax and non-controlling interest for December 31, 2023, which is the following reporting period would be:

	30 September 2023	30 September 2022
Increase / decrease of 1% interest in USD denominated borrowing interest rate	82	139
Increase / decrease of 1% interest in EUR denominated borrowing interest rate	5.833	1.874
Increase / decrease of 1% interest in PKR denominated borrowing interest rate	23	10
Total	5.938	2.023

As of September 30, 2023, and 2022, the analysis of financial assets of the Group exposed to interest risk as follows:

Interest rate risk	30 September 2023	30 September 2022
Financial instruments with fixed interest rate		
Time deposits	15.597.310	10.739.631
Financial liabilities (Note 8)	29.061.171	19.133.799
Financial instruments with floating interest rate		
Financial liabilities (Note 8)	2.557.880	835.854

(c) Foreign Currency Risk

The Group is exposed to exchange rate fluctuations due to the nature of its business. This risk occurs due to purchases, sales, demand / time deposits and bank borrowings of the Group, which are denominated in currencies other than the functional currency. The Group manages its foreign currency risk by balancing the amount of foreign currency denominated assets and liabilities and by using derivate financial instruments (Note 7).

	1 January – 30 September 2023	1 July – 30 September 2023	1 January – 30 September 2022	1 July – 30 September 2022
Total export	712.285	657.011	75.834	29.880
Total import	20.249.390	8.733.594	8.919.034	4.024.961

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

Foreign Currency Position

As of September 30, 2023, and December 31, 2022, the foreign currency position (except functional currency) of the Group and its subsidiaries is as follows:

Foreign Currency Position Table						
30 September 2023						
	Total TL Equivalent	USD	TL Equivalent	Euro	TL Equivalent	Other Foreign Currency TL Equivalent
1. Trade Receivables and Due from Related Parties	381.933	9.650	264.185	4.056	117.748	-
2a. Monetary Financial Assets (Cash and cash equivalents included)	2.161.448	62.636	1.714.767	15.365	446.054	627
2b. Non-monetary Financial Assets	-	-	-	-	-	-
3. Other Current Assets and Receivables	356.104	4.782	130.915	7.078	205.478	19.711
4. Current Assets (1+2+3)	2.899.485	77.068	2.109.867	26.499	769.280	20.338
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	211.429	-	-	7.283	211.429	-
8. Non-Current Assets (5+6+7)	211.429	-	-	7.283	211.429	-
9. Total Assets (4+8)	3.110.914	77.068	2.109.867	33.782	980.709	20.338
10. Trade Payables and Due to Related Parties	4.449.236	140.250	3.846.497	19.693	572.728	30.011
11. Short-term Borrowings and Current Portion of Long - term Borrowings	9.379.963	259.352	7.112.988	77.949	2.266.975	-
12a. Monetary Other Liabilities	65.783	2.389	65.521	9	262	-
12b. Non-monetary Other Liabilities	-	-	-	-	-	-
13. Current Liabilities (10+11+12)	13.894.982	401.991	11.025.006	97.651	2.839.965	30.011
14. Trade Payables and Due to Related Parties	-	-	-	-	-	-
15. a Long-Term Borrowings	12.088.436	394.204	10.811.439	43.909	1.276.997	-
15. b. Long-Term Lease Payables	109.973	3.206	87.928	758	22.045	-
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities (14+15+16)	12.198.409	397.410	10.899.367	44.667	1.299.042	-
18. Total Liabilities (13+17)	26.093.391	799.401	21.924.373	142.318	4.139.007	30.011
19. Off Balance Sheet Derivative Items' Net Asset / (Liability) Position (19a-19b)	18.489.416	674.200	18.489.416	-	-	-
19a. Total Hedged Assets ^(*)	18.489.416	674.200	18.489.416	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	(4.493.061)	(48.133)	(1.325.090)	(108.536)	(3.158.298)	(9.673)
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (IFRS 7, B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(23.550.010)	(727.115)	(19.945.421)	(122.897)	(3.575.205)	(29.384)
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	-	-	-	-	-	-

^(*)In order to hedge the exchange rate risk arising from the conversion of net investments in subsidiaries operating in the Netherlands into Turkish Lira, bonds issued in USD have been designated as a net investment hedging instrument

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

Foreign Currency Position (continued)

Foreign Currency Position Table						
31 December 2022						
	Total TL Equivalent	USD	TL Equivalent	Euro	TL Equivalent	Other Foreign Currency TL Equivalent
1. Trade Receivables and Due from Related Parties	334.681	17.899	334.681	-	-	-
2a. Monetary Financial Assets (Cash and cash equivalents included)	2.211.970	76.617	1.432.608	39.079	779.036	326
2b. Non-monetary Financial Assets	-	-	-	-	-	-
3. Other Current Assets and Receivables	39.858	2.119	39.622	8	159	77
4. Current Assets (1+2+3)	2.586.509	96.635	1.806.911	39.087	779.195	403
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Non-Current Assets (5+6+7)	-	-	-	-	-	-
9. Total Assets (4+8)	2.586.509	96.635	1.806.911	39.087	779.195	403
10. Trade Payables and Due to Related Parties	2.263.536	105.973	1.985.086	12.975	259.121	19.329
11. Short-term Borrowings and Current Portion of Long - term Borrowings	2.934.484	131.649	2.466.049	23.456	468.435	-
12a. Monetary Other Liabilities	49.499	2.635	49.359	7	140	-
12b. Non-monetary Other Liabilities	-	-	-	-	-	-
13. Current Liabilities (10+11+12)	5.247.519	240.257	4.500.494	36.438	727.696	19.329
14. Trade Payables and Due to Related Parties	-	-	-	-	-	-
15. a Long-Term Borrowings	13.106.033	644.540	12.073.523	51.701	1.032.510	-
15. b. Long-Term Lease Payables	63.321	2.181	40.854	1.125	22.467	-
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities (14+15+16)	13.169.354	646.721	12.114.377	52.826	1.054.977	-
18. Total Liabilities (13+17)	18.416.873	886.978	16.614.871	89.264	1.782.673	19.329
19. Off Balance Sheet Derivative Items' Net Asset / (Liability) Position (19a-19b)	14.919.145	796.500	14.919.145	-	-	-
19a. Total Hedged Assets ^(*)	14.919.145	796.500	14.919.145	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	(911.219)	6.157	111.185	(50.177)	(1.003.478)	(18.926)
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (IFRS 7, B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(15.870.222)	(792.462)	(14.847.582)	(50.185)	(1.003.637)	(19.003)
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	-	-	-	-	-	-

^(*)In order to hedge the exchange rate risk arising from the conversion of net investments in subsidiaries operating in the Netherlands into Turkish Lira, bonds issued in USD have been designated as a net investment hedging instrument

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

Foreign Currency Position (continued)

The following table demonstrates the sensitivity of the Group’s profit before tax to a reasonably possible change in the USD, EUR and other foreign currency denominated exchange rates against TL by 20%, with all other variables held constant.

	Foreign Currency Position Sensitivity Analysis			
	30 September 2023		30 September 2022	
	Income / (Loss)	Income / (Loss)	Income / (Loss)	Income / (Loss)
	Increase of the foreign currency	Decrease of the foreign currency	Increase of the foreign currency	Decrease of the foreign currency
Changes in the USD against TL by 20%:				
1- USD denominated net asset / (liability)	(3.962.901)	3.962.901	(3.020.976)	3.020.976
2- USD denominated hedging instruments (-)	3.697.883	(3.565.380)	2.936.654	(2.857.023)
3- Net effect in USD (1+2)	(265.018)	397.521	(84.322)	163.953
Changes in the Euro against TL by 20%:				
4- Euro denominated net asset / (liability)	(631.660)	631.660	(177.852)	177.852
5- Euro denominated hedging instruments (-)	-	-	-	-
6- Net effect in Euro (4+5)	(631.660)	631.660	(177.852)	177.852
Average changes in the other foreign currencies against TL by 20%:				
7- Other foreign currency denominated net asset / (liability)	(1.935)	1.935	(5.578)	5.578
8- Other foreign currency hedging instruments (-)	-	-	-	-
9- Net effect in other foreign currency (7+8)	(1.935)	1.935	(5.578)	5.578
TOTAL (3+6+9)	(898.613)	1.031.116	(267.752)	347.383

(d) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Group to significant concentration of credit risk consist principally of cash and cash equivalents and trade receivables. Maximum credit risk on the Group is limited to the amounts disclosed on the financial statements.

The Group maintains cash and cash equivalents with various financial institutions. It is the Group’s policy to limit exposure to any one institution and revalue the credibility of the related financial institutions continuously.

The credit risk associated with trade receivables is partially limited due to a large customer base and due to management’s limitation on the extension of credit to customers. The Group generally requires collateral to extend credit to its customers excluding its distributors.

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

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

(d) Credit Risk (continued)

Credit risk exposure from financial instruments as of September 30, 2023, and December 31, 2022, are as follows:

30 September 2023	Receivables			
	Trade Receivables and receivables from related parties	Other Receivables	Advances Given	Bank Deposits
Maximum credit risk exposure as of reporting date (A+B+C+D+E)	12.560.845	201.908	2.108.196	21.792.161
- Maximum risk secured by guarantee	8.515.130	-	479.640	-
A. Net book value of financial assets neither overdue nor impaired	11.528.017	201.908	2.108.196	21.792.161
B. Net book value of financial assets of which conditions are negotiated, otherwise considered as impaired or overdue	-	-	-	-
C. Net book value of assets overdue but not impaired	1.032.828	-	-	-
-Under guarantee	452.586	-	-	-
D. Net book value of impaired assets	-	-	-	-
- Overdue (gross book value)	196.367	-	-	-
- Impairment (-)	(196.367)	-	-	-
- Net value under guarantee	-	-	-	-
- Not overdue (gross book value)	-	-	-	-
- Impairment (-)	-	-	-	-
- Net value under guarantee	-	-	-	-
E. Off- balance sheet items having credit risk	-	-	-	-

31 December 2022	Receivables			
	Trade Receivables and receivables from related parties	Other Receivables	Advances Given	Bank Deposits
Maximum credit risk exposure as of reporting date (A+B+C+D+E)	3.715.842	187.264	975.062	14.761.982
- Maximum risk secured by guarantee	2.412.126	-	18.656	-
A. Net book value of financial assets neither overdue nor impaired	3.401.146	187.264	975.062	14.761.982
B. Net book value of financial assets of which conditions are negotiated, otherwise considered as impaired or overdue	-	-	-	-
C. Net book value of assets overdue but not impaired	314.696	-	-	-
-Under guarantee	53.400	-	-	-
D. Net book value of impaired assets	-	-	-	-
- Overdue (gross book value)	135.153	-	-	-
- Impairment (-)	(135.153)	-	-	-
- Net value under guarantee	-	-	-	-
- Not overdue (gross book value)	-	-	-	-
- Impairment (-)	-	-	-	-
- Net value under guarantee	-	-	-	-
E. Off- balance sheet items having credit risk	-	-	-	-

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

(e) Liquidity Risk

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The risk is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions, bond issues, cash, and short-term deposits.

The maturity breakdown of financial assets and liabilities has been indicated by considering the period from the balance sheet date to maturity date. Those financial assets and liabilities which have no maturities have been classified under “1 to 5 years”.

(f) Commodity Risk

The Group may be affected by the price volatility of certain commodities such as sugar, aluminum, and resin. As its operating activities require the ongoing purchase of these commodities, the Group’s management has a risk management strategy regarding commodity price risk and its mitigation.

Based on a 12-month anticipated purchase of can, the Group hedges using commodity (aluminum) swap contracts (Note 7).

Based on a 15-month anticipated purchase of pet, the Group hedges using commodity (resin) swap contracts (Note 7).

Based on a 24-month anticipated production, the Group hedges using commodity (sugar) swap contracts (Note 7).

26. FINANCIAL INSTRUMENTS

Fair Values

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and best evidenced by a quoted market price, if one exists.

Foreign currency-denominated financial assets and liabilities are revalued at the exchange rates prevailing at the balance sheet dates.

The following methods and assumptions were used in the estimation of the fair value of the Group’s financial instrument:

Financial Assets – The fair values of certain financial assets carried at cost, including cash and cash equivalents and held to maturity investments plus the respective accrued interest are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses. The carrying values of trade receivables along with the related allowances for bad debt are estimated to be at their fair values.

Financial Liabilities – The fair values of trade payables and other monetary liabilities are estimated to approximate carrying values, due to their short-term nature. The fair values of bank borrowings are considered to approximate their respective carrying values, since the initial rates applied to bank borrowings are updated periodically by the lender to reflect active market price quotations. The carrying values of trade payable are estimated to be their fair values due to their short-term nature.

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26. FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy table

The Group classifies the fair value measurement of each class of financial instruments according to the source, using the three-level hierarchy, as follows:

Level 1: Market price valuation techniques for the determined financial instruments traded in markets

Level 2: Other valuation techniques includes direct or indirect observable inputs

Level 3: Valuation techniques does not contain observable market inputs

30 September 2023	Level 1	Level 2	Level 3
a) Assets presented at fair value			
Derivative financial instruments	-	177.232	-
Total Assets	-	177.232	-
b) Liabilities presented at fair value			
Derivative financial instruments	-	384.160	-
Put option of share from non-controlling interest	-	-	64.609
Total Liabilities	-	384.160	64.609

31 December 2022	Level 1	Level 2	Level 3
a) Assets presented at fair value			
Derivative financial instruments	-	26.591	-
Total Assets	-	26.591	-
b) Liabilities presented at fair value			
Derivative financial instruments	-	638.393	-
Put option of share from non-controlling interest	-	-	44.208
Total Liabilities	-	638.393	44.208

As of September 30, 2023, and 2022, the movement of share purchase option below level 3 is as follows;

	30 September 2023	30 September 2022
Balance at January 1st	44.208	31.513
Currency translation difference	20.401	12.269
	64.609	43.782

27. EVENTS AFTER BALANCE SHEET DATE

None.
