

**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 JUNE 2023  
(ORIGINALLY ISSUED IN TURKISH)**



**CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT  
AUDITOR'S REVIEW REPORT ORIGINALLY ISSUED IN TURKISH**

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED  
FINANCIAL INFORMATION**

To the General Assembly of Coca-Cola İçecek A.Ş.

*Introduction*

We have reviewed the accompanying condensed consolidated statement of financial position of Coca-Cola İçecek A.Ş. (the "Company") and its subsidiaries (collectively referred as the "Group") as at 30 June 2023 and the related condensed consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the six-month period then ended. The management of the Group is responsible for the preparation and fair presentation of this interim condensed consolidated financial information in accordance with Turkish Accounting Standard 34 ("TAS 34") "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

*Scope of review*

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and the objective of which is to express an opinion on the consolidated financial statements. Consequently, a review on the interim condensed consolidated financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

*Conclusion*

Based on our review, nothing has come to our attention that causes us to conclude that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with TAS 34.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Burak Özpoyraz, SMMM  
Partner

Istanbul, 7 August 2023

**(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 June 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 June 30, 2023

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

	Notes	Reviewed 30 June 2023	Audited 31 December 2022
<b>ASSETS</b>			
<b>Cash and Cash Equivalents</b>	<b>5</b>	<b>17.014.377</b>	14.008.982
<b>Financial Investments</b>	<b>6</b>	<b>1.459.561</b>	760.333
<b>Trade Receivables</b>		<b>13.412.520</b>	3.715.842
- <i>Trade receivables due from related parties</i>	<b>24</b>	<i>1.038.675</i>	<i>797.390</i>
- <i>Trade receivables due from third parties</i>		<i>12.373.845</i>	<i>2.918.452</i>
<b>Other Receivables</b>	<b>9</b>	<b>91.482</b>	81.200
- <i>Other receivables due from third parties</i>		<i>91.482</i>	<i>81.200</i>
<b>Derivative Financial Instruments</b>	<b>7 – 26</b>	<b>439</b>	11.362
<b>Inventories</b>		<b>12.819.031</b>	6.676.623
<b>Prepaid Expenses</b>	<b>10</b>	<b>2.130.008</b>	1.265.919
<b>Current Income Tax Assets</b>		<b>74.055</b>	465.703
<b>Other Current Assets</b>	<b>18</b>	<b>1.134.880</b>	1.103.819
- <i>Other current assets from third parties</i>		<i>1.134.880</i>	<i>1.103.819</i>
<b>Total Current Assets</b>		<b>48.136.353</b>	28.089.783
<b>Other Receivables</b>		<b>115.250</b>	106.064
- <i>Other receivables due from third parties</i>		<i>115.250</i>	<i>106.064</i>
<b>Property, Plant and Equipment</b>	<b>12</b>	<b>23.237.320</b>	16.433.124
<b>Intangible Assets</b>		<b>17.102.989</b>	12.835.775
- <i>Goodwill</i>	<b>14</b>	<i>3.696.536</i>	<i>2.923.535</i>
- <i>Other intangible assets</i>	<b>13</b>	<i>13.406.453</i>	<i>9.912.240</i>
<b>Right of Use Asset</b>	<b>12</b>	<b>510.136</b>	396.858
<b>Prepaid Expenses</b>	<b>10</b>	<b>592.118</b>	275.103
<b>Deferred Tax Assets</b>	<b>22</b>	<b>1.021.419</b>	564.967
<b>Derivative Financial Instruments</b>	<b>7 - 26</b>	<b>50.536</b>	15.229
<b>Other Non-Current Assets</b>		<b>47.664</b>	-
<b>Total Non-Current Assets</b>		<b>42.677.432</b>	30.627.120
<b>Total Assets</b>		<b>90.813.785</b>	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 June 30, 2023

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

	Notes	Reviewed 30 June 2023	Audited 31 December 2022
<b>LIABILITIES</b>			
<b>Short-term Borrowings</b>	<b>8</b>	<b>8.253.875</b>	2.430.749
- Bank loans		8.253.875	2.430.749
<b>Current Portion of Long-term Borrowings</b>	<b>8</b>	<b>1.672.458</b>	3.357.593
- Bank loans		1.507.489	3.242.261
- Lease Liabilities		164.969	115.332
<b>Trade Payables</b>		<b>17.065.863</b>	8.284.254
- Trade payables due to related parties	24	3.794.191	2.391.232
- Trade payables due to third parties		13.271.672	5.893.022
<b>Payables Related to Employee Benefits</b>		<b>199.545</b>	170.164
<b>Other Payables</b>		<b>3.515.579</b>	1.712.627
- Other payables due to related parties	24	202.711	129.536
- Other payables due to third parties	9	3.312.868	1.583.091
<b>Derivative Financial Instruments</b>	<b>7 – 26</b>	<b>105.715</b>	95.784
<b>Deferred Income</b>	<b>10</b>	<b>185.294</b>	182.018
<b>Provision for Corporate Tax</b>		<b>749.455</b>	165.506
<b>Current Provisions</b>		<b>1.098.367</b>	780.041
- Current provisions for employee benefits		451.888	250.354
- Other current provisions		646.479	529.687
<b>Other Current Liabilities</b>	<b>18</b>	<b>72.125</b>	46.224
<b>Total Current Liabilities</b>		<b>32.918.276</b>	17.224.960
<b>Long-term Borrowings</b>	<b>8</b>	<b>21.976.874</b>	15.055.775
- Bank loans		21.537.636	14.685.840
- Lease liabilities		439.238	369.935
<b>Trade Payables</b>		<b>1.119</b>	1.635
- Trade payables due to third parties		1.119	1.635
<b>Non-Current Provisions</b>		<b>633.364</b>	544.165
- Non-current provisions for employee benefits		633.364	544.165
<b>Deferred Tax Liability</b>	<b>22</b>	<b>3.437.541</b>	2.495.653
<b>Derivative Financial Instruments</b>	<b>7 – 26</b>	<b>372.305</b>	542.609
<b>Deferred Income</b>	<b>10</b>	<b>41.219</b>	55.710
<b>Total Non-Current Liabilities</b>		<b>26.462.422</b>	18.695.547
<b>Equity Attributable to Equity Holders of the Parent</b>		<b>27.892.007</b>	20.171.058
<b>Share Capital</b>	<b>19</b>	<b>254.371</b>	254.371
<b>Share Capital Adjustment Differences</b>	<b>19</b>	<b>(8.559)</b>	(8.559)
<b>Share Premium</b>		<b>98.792</b>	98.792
<b>Other comprehensive income items not to be reclassified to profit or loss</b>		<b>(326.925)</b>	(264.140)
- Actuarial gains / losses		(336.707)	(273.922)
- Other valuation funds		9.782	9.782
<b>Other comprehensive income items to be reclassified to profit or loss</b>		<b>17.554.056</b>	10.943.133
- Currency translation adjustment		27.766.388	17.410.518
- Hedge reserve gain / losses		(10.212.332)	(6.467.385)
- Cash flow hedge reserve gain / (losses)		(440.811)	(596.392)
- Net investment hedge reserves		(9.771.521)	(5.870.993)
<b>Restricted Reserves Allocated from Net Profit</b>	<b>19</b>	<b>243.700</b>	341.335
<b>Accumulated Profit / Losses</b>		<b>6.653.833</b>	4.475.075
<b>Net Income / (Loss) for the period</b>		<b>3.422.739</b>	4.331.051
<b>Non-Controlling Interest</b>		<b>3.541.080</b>	2.625.338
<b>Total Equity</b>		<b>31.433.087</b>	22.796.396
<b>Total Liabilities</b>		<b>90.813.785</b>	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 six months period ended of June 30, 2023

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

	Notes	Reviewed		Reviewed	
		1 January-30 June 2023	1 April-30 June 2023	1 January-30 June 2022	1 April-30 June 2022
Net Revenue		38.828.205	23.272.548	23.358.948	14.693.522
Cost of Sales (-)		(25.534.449)	(15.138.814)	(15.853.131)	(10.031.501)
<b>Gross Profit / (Loss)</b>		<b>13.293.756</b>	<b>8.133.734</b>	7.505.817	4.662.021
General and Administration Expenses (-)		(1.409.828)	(795.212)	(809.160)	(444.981)
Marketing, Selling and Distribution Expenses (-)		(5.124.217)	(2.900.711)	(3.003.019)	(1.849.578)
Other Operating Income	20	1.184.946	900.905	634.057	381.897
Other Operating Expense (-)	20	(942.000)	(678.584)	(553.830)	(303.488)
<b>Profit / (Loss) From Operations</b>		<b>7.002.657</b>	<b>4.660.132</b>	3.773.865	2.445.871
Gain from Investing Activities	20	468.790	456.477	207.856	170.382
Loss from Investing Activities (-)	20	(10.699)	(540)	(1.154)	(841)
Gain / (Loss) from Joint Ventures	11	(11.069)	(1.633)	(1.669)	(1.464)
<b>Profit / (Loss) Before Financial Income / (Expense)</b>		<b>7.449.679</b>	<b>5.114.436</b>	3.978.898	2.613.948
<b>Financial Income / (Expense)</b>		<b>(1.432.503)</b>	<b>(983.246)</b>	(534.025)	(324.919)
Financial Income	21	3.047.562	1.918.673	1.696.045	560.675
Financial Expenses (-)	21	(4.480.065)	(2.901.919)	(2.230.070)	(885.594)
<b>Profit / (Loss) Before Tax from Continuing Operations</b>		<b>6.017.176</b>	<b>4.131.190</b>	3.444.873	2.289.029
<b>Tax Expense of Continuing Operations</b>		<b>(2.429.179)</b>	<b>(1.617.172)</b>	(1.371.220)	(916.287)
Deferred Tax Income / Expense (-)	22	(811.304)	(854.177)	(251.222)	(195.376)
Current Period Tax Expense (-)		(1.617.875)	(762.995)	(1.119.998)	(720.911)
<b>Net Profit / (Loss) from Continuing Operations</b>		<b>3.587.997</b>	<b>2.514.018</b>	2.073.653	1.372.742
<b>Attributable to:</b>					
Non-controlling interest		165.258	125.784	210.525	139.554
Equity holders of the parent	23	3.422.739	2.388.234	1.863.128	1.233.188
<b>Net Profit</b>		<b>3.587.997</b>	<b>2.514.018</b>	2.073.653	1.372.742
<b>Equity Holders Earnings Per Share (full TL)</b>	23	0,13456	0,09389	0,07324	0,04848
Equity Holders Earnings Per Share (full TL)	23	0,13456	0,09389	0,07324	0,04848

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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 Comprehensive Income for the six months period ended of June 30, 2023

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

	Reviewed		Reviewed	
	1 January- 30 June 2023	1 April- 30 June 2023	1 January- 30 June 2022	1 April- 30 June 2022
<b>Profit for the period</b>	<b>3.587.997</b>	<b>2.514.018</b>	2.073.653	1.372.742
Actuarial gain / (loss)	(78.481)	(78.481)	-	-
Deferred tax effect	15.696	15.696	-	-
<b>Other comprehensive income items not to be reclassified to profit or loss, net</b>	<b>(62.785)</b>	<b>(62.785)</b>	-	-
Hedge reserve gain / (losses)	(4.750.172)	(4.494.049)	(2.335.002)	(1.800.794)
Cash flow hedge reserve gain / (losses)	125.488	30.645	(100.229)	(325.330)
Net investment hedge reserve gain / (losses)	(4.875.660)	(4.524.694)	(2.234.773)	(1.475.464)
Deferred tax effect	1.005.225	948.991	453.287	343.781
Currency translation adjustment	11.309.444	11.518.884	4.243.114	3.106.287
<b>Other comprehensive income items to be reclassified to profit or loss, net</b>	<b>7.564.497</b>	<b>7.973.826</b>	2.361.399	1.649.274
<b>Total of Other Comprehensive Income After Tax</b>	<b>11.089.709</b>	<b>10.425.059</b>	4.435.052	3.022.016
<b>Attributable to:</b>				
Non-controlling interest	1.118.832	1.318.567	512.995	296.042
Equity holders of the parent	9.970.877	9.106.492	3.922.057	2.725.974

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 Changes in Shareholders' Equity for the six months period ended of June 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)	-	-	-	-	-	(1.881.715)	3.940.644	-	2.271.412	(2.271.412)	2.058.929	302.470	2.361.399	
Net profit / (loss) for the period	-	-	-	-	-	-	-	-	-	1.863.128	1.863.128	210.525	2.073.653	
Total Comprehensive Income / (loss)	-	-	-	-	-	(1.881.715)	3.940.644	-	2.271.412	(408.284)	3.922.057	512.995	4.435.052	
Dividends	-	-	-	-	-	-	-	-	(600.513)	-	(600.513)	(454)	(600.967)	
Transfers	-	-	-	-	-	-	-	59.477	(59.477)	-	-	-	-	
June 30, 2022	254.371	(8.559)	98.792	9.782	(81.926)	(5.420.120)	14.844.880	341.335	4.475.075	1.863.128	16.376.758	2.427.169	18.803.927	
<b>January 1, 2023</b>	<b>254.371</b>	<b>(8.559)</b>	<b>98.792</b>	<b>9.782</b>	<b>(273.922)</b>	<b>(6.467.385)</b>	<b>17.410.518</b>	<b>341.335</b>	<b>4.475.075</b>	<b>4.331.051</b>	<b>20.171.058</b>	<b>2.625.338</b>	<b>22.796.396</b>	
Other comprehensive income/(loss)	-	-	-	-	(62.785)	(3.744.947)	10.355.870	-	4.331.051	(4.331.051)	6.548.138	953.574	7.501.712	
Net profit / (loss) for the period	-	-	-	-	-	-	-	-	-	3.422.739	3.422.739	165.258	3.587.997	
Total Comprehensive Income / (loss)	-	-	-	-	(62.785)	(3.744.947)	10.355.870	-	4.331.051	(908.312)	9.970.877	1.118.832	11.089.709	
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)	(1.667.820)	
June 30, 2023	254.371	(8.559)	98.792	9.782	(336.707)	(10.212.332)	27.766.388	243.700	6.653.833	3.422.739	27.892.007	3.541.080	31.433.087	

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



**COCA-COLA İÇECEK ANONİM ŞİRKETİ**

**Interim Condensed Consolidated Statement of Cash Flow for the six months period ended of June 30, 2023**

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

	Notes	Reviewed 1 January – 30 June 2023	Audited 1 January – 30 June 2022
<b>Profit for the period from continuing operations</b>		<b>3.587.997</b>	2.073.653
<b>Adjustments to reconcile net profit / (loss) to net cash provided by operating activities</b>		<b>4.848.836</b>	2.638.156
Adjustments for depreciation and amortization		1.092.682	856.905
Adjustments for impairment loss (reversal)		<b>11.475</b>	(36.380)
Provision / (reversal) for doubtful receivable		(10.687)	(8.162)
Provision / (reversal) for inventories		36.388	5.726
Impairment loss / (reversal) in property, plant and equipment	12, 20	(14.226)	(33.944)
<b>Adjustments for provisions</b>		<b>315.793</b>	119.675
Provision / (reversal) for employee benefits		315.793	119.675
<b>Adjustments for interest (income) expenses</b>		<b>1.051.336</b>	616.963
Interest income	21	(301.226)	(93.156)
Interest expense	21	1.352.562	710.119
<b>Adjustments for fair value loss (gain)</b>		<b>(313.223)</b>	(102.683)
Adjustments for fair value of derivative instruments (gain) / loss		(313.223)	(102.683)
<b>Adjustments for currency translations</b>		<b>660.128</b>	(29.460)
(Gain) / loss from joint ventures	11	<b>11.069</b>	1.669
Income tax expense		<b>2.429.179</b>	1.371.220
(Gain) / loss on sale of property, plant and equipment	20	<b>(18.573)</b>	(172.758)
Interest expense of lease liabilities	8, 21	<b>34.262</b>	13.005
Transfer of currency translation differences previously accounted as other comprehensive income		<b>(425.292)</b>	-
<b>Changes in working capital</b>		<b>(3.942.138)</b>	(2.420.877)
<b>Adjustments for decrease (increase) in trade accounts receivable</b>		<b>(9.333.467)</b>	(4.180.792)
Decrease / (increase) on trade receivables due from related parties		(226.003)	(190.934)
Decrease / (increase) on trade receivables due from third parties		(9.107.464)	(3.989.858)
<b>Adjustments for decrease / (increase) in inventories</b>		<b>(4.877.730)</b>	(2.927.404)
<b>Adjustments for increase (decrease) in trade accounts payable</b>		<b>8.560.853</b>	3.907.844
Increase / (decrease) on trade payables due to related parties		1.349.846	1.021.934
Increase / (decrease) on trade payables due to third parties		7.211.007	2.885.910
<b>Adjustments for increase (decrease) in other accounts payable</b>		<b>1.708.206</b>	779.475
<b>Cash flows generated from operating activities:</b>		<b>4.494.695</b>	2.290.932
Payments made for employee benefits		(101.437)	(67.790)
Tax returns / (payments)		(777.329)	(639.238)
Other current and non-current assets and liabilities		(915.249)	420.529
<b>A. NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<b>2.700.680</b>	2.004.433
<b>Cash outflows arising from purchase of property, plant, equipment and intangible assets</b>		<b>(2.602.280)</b>	(1.762.668)
Cash outflow from purchase of property, plant and equipment	12	(2.489.103)	(1.679.314)
Cash outflow from purchase of intangibles	13	(113.177)	(83.354)
Proceeds from sale of property, plant and equipment and intangibles		172.617	215.710
Other inflows / (outflows) of cash		(699.228)	(864.892)
Cash outflow for subsidiary acquired	3	(2.099.720)	-
<b>B. NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(5.228.611)</b>	(2.411.850)
Cash outflow due to lease liabilities	8	(139.576)	(62.021)
Proceeds from borrowings	8	8.451.911	11.844.605
Repayments of borrowings	8	(5.734.494)	(6.091.904)
Cash inflow/outflow due to derivative instruments		128.466	(122.850)
Interest paid	8	(1.080.331)	(485.049)
Interest received		301.226	93.156
Dividend paid		(750.893)	(600.967)
Cash outflows from changes in ownership interests in subsidiaries that do not result in loss of control		-	(78.873)
<b>C. NET CASH USED IN FINANCING ACTIVITIES</b>		<b>1.176.309</b>	4.496.097
Net increase / (decrease) in cash and cash equivalents before currency translation effects (A+B+C)		<b>(1.351.622)</b>	4.088.680
<b>D. CURRENCY TRANSLATION ON CASH AND CASH EQUIVALENTS</b>		<b>4.357.017</b>	1.896.504
Net increase / (decrease) in cash and cash equivalents (A+B+C+D)		<b>3.005.395</b>	5.985.184
<b>E. CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	5	<b>14.008.982</b>	4.141.603
<b>CASH AND CASH EQUIVALENTS AT PERIOD END (A+B+C+D+E)</b>	5	<b>17.014.377</b>	10.126.787

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 June 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 August 7, 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 June 30, 2023, and December 31, 2022, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	30 June 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.	2.600	1,02%	3.573	1,40%
Publicly traded	72.822	28,63%	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 June 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 June 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	
			June 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”) <sup>(2)</sup>	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 (“Tajikistan 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”) <sup>(1)</sup>	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”) <sup>(3)</sup>	Uzbekistan	Production, distribution, and sales of Coca-Cola products	100,00%	-

<sup>(1)</sup> 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.

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

<sup>(3)</sup> As of April 18, 2023 Samarkand corporated.

##### Joint Venture

	Place of Incorporation	Principal Activities	Effective Shareholding and Voting Rights	
			June 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 June 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 June 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 June 30, 2023, and 2022).

	30 June 2023	30 June 2022
Blue-collar	4.605	4.499
White-collar	5.522	5.369
<b>Average number of employees</b>	<b>10.127</b>	<b>9.868</b>

### 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 June 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 June 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 June 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 June 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:

- (a) 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
- (b) 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 June 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 June 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.
- **TFRS 17, ‘Insurance Contracts’;** effective from annual periods beginning on or after 1 January 2023. This standard replaces TFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. TFRS 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 June 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 TFRS 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 TFRS 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 TFRS 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.
- **TFRS 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.
- **TFRS 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 June 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 June 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 June 30, 2023, USD 1 (full) = TL 25,8231 (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 June 30, 2023, USD 1 (full) = TL 25,8696 (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 19,8612 (January 1 - June 30, 2022; USD 1 (full) = TL 14,8517).

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 June 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 June 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.

	<b>ETAP Net Book Value</b>
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
<b>Total Assets</b>	<b>2.942.931</b>
Borrowings	1.428.464
Trade payables	592.596
Other liabilities	81.197
<b>Total Liabilities</b>	<b>2.102.257</b>
<b>Net Asset / (liabilities)</b>	<b>840.674</b>
Cash paid	(2.172.225)
Consolidated portion of the net asset / (liabilities)	672.539
<b>Acquisition effect accounted under equity</b>	<b>(1.499.686)</b>



## COCA-COLA İÇECEK ANONİM ŞİRKETİ

### Notes to Interim Condensed Consolidated Financial Statements as at June 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:

	<b>30 June 2023</b>			
	<b>Domestic</b>	<b>International</b>	<b>Elimination</b>	<b>Consolidated</b>
Net Revenue	15.161.700	23.683.767	(17.262)	38.828.205
Cost of sales (-)	(10.193.361)	(15.342.188)	1.100	(25.534.449)
<b>Gross profit</b>	<b>4.968.339</b>	<b>8.341.579</b>	(16.162)	<b>13.293.756</b>
Operating expenses (-)	(3.498.588)	(3.351.197)	315.740	(6.534.045)
Other operating income / (expense), net	(266.578)	4.349.711	(3.840.187)	242.946
<b>Profit from operations</b>	<b>1.203.173</b>	<b>9.340.093</b>	<b>(3.540.609)</b>	<b>7.002.657</b>
Gain from investing activities	432.634	36.156	-	468.790
Loss from investing activities (-)	-	(10.699)	-	(10.699)
Gain / (loss) from joint ventures	-	(11.069)	-	(11.069)
<b>Profit before financial income / (expense)</b>	<b>1.635.807</b>	<b>9.354.481</b>	<b>(3.540.609)</b>	<b>7.449.679</b>
Financial income	1.578.860	1.492.309	(23.607)	3.047.562
Financial expense (-)	(7.671.583)	(1.707.749)	4.899.267	(4.480.065)
<b>Profit before tax from continuing operations</b>	<b>(4.456.916)</b>	<b>9.139.041</b>	<b>1.335.051</b>	<b>6.017.176</b>
Tax income / (expense) from continuing operations	(137.414)	(1.116.418)	(1.175.347)	(2.429.179)
<b>Net profit or (loss) from continuing operations</b>	<b>(4.594.330)</b>	<b>8.022.623</b>	<b>159.704</b>	<b>3.587.997</b>
Non-controlling interest	(15.482)	180.740	-	165.258
<b>Equity holders of the parent</b>	<b>(4.578.848)</b>	<b>7.841.883</b>	<b>159.704</b>	<b>3.422.739</b>
<b>Purchase of property, plant, equipment, and intangible asset</b>	<b>532.247</b>	<b>2.070.033</b>	-	<b>2.602.280</b>
Amortization expense of right of use asset	45.148	30.010	-	75.158
Depreciation and amortization expenses	230.789	786.735	-	1.017.524
Other non-cash items	11.083	(49.156)	(85.943)	(124.016)
<b>Adjusted EBITDA</b>	<b>1.490.193</b>	<b>10.107.682</b>	<b>(3.626.552)</b>	<b>7.971.323</b>
	<b>30 June 2023</b>			
	<b>Domestic</b>	<b>International</b>	<b>Elimination</b>	<b>Consolidated</b>
Total Assets	38.034.587	58.890.753	(6.111.555)	90.813.785
Total Liabilities	38.660.504	22.937.559	(2.217.365)	59.380.698

As of June 30, 2023, the portion of Almaty CC in the consolidated net revenue and total assets is 19% and 11% respectively. (June 30, 2022: 17% and 10%)

As of June 30, 2022, the portion of Almaty CC in the consolidated net revenue and total assets is 14% and 11% respectively. (June 30, 2022: 21% and 11%)

**COCA-COLA İÇECEK ANONİM ŞİRKETİ**

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

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

**4. SEGMENT REPORTING (continued)**

	30 June 2022			
	Domestic	International	Elimination	Consolidated
Net Revenue	8.169.894	15.259.413	(70.359)	23.358.948
Cost of sales (-)	(5.289.330)	(10.631.997)	68.196	(15.853.131)
Gross profit	2.880.564	4.627.416	(2.163)	7.505.817
Operating expenses (-)	(1.935.649)	(2.046.271)	169.741	(3.812.179)
Other operating income / (expense), net	1.359.632	131.637	(1.411.042)	80.227
Profit from operations	2.304.547	2.712.782	(1.243.464)	3.773.865
Gain from investing activities	178.698	35.104	(5.946)	207.856
Loss from investing activities (-)	(3.900)	(3.200)	5.946	(1.154)
Gain / (loss) from joint ventures	-	(1.669)	-	(1.669)
Profit before financial income / (expense)	2.479.345	2.743.017	(1.243.464)	3.978.898
Financial income	1.410.211	300.358	(14.524)	1.696.045
Financial expense (-)	(4.070.601)	(408.767)	2.249.298	(2.230.070)
Profit before tax from continuing operations	(181.045)	2.634.608	991.310	3.444.873
Tax income / (expense) from continuing operations	(228.964)	(640.601)	(501.655)	(1.371.220)
Net profit or (loss) from continuing operations	(410.009)	1.994.007	489.655	2.073.653
Non-controlling interest	-	210.525	-	210.525
Equity holders of the parent	(410.009)	1.783.482	489.655	1.863.128
Purchase of property, plant, equipment, and intangible asset	505.698	1.256.970	-	1.762.668
Amortization expense of right of use asset	18.521	24.439	-	42.960
Depreciation and amortization expenses	142.346	671.679	(80)	813.945
Other non-cash items	111.277	39.315	(18.180)	132.412
Adjusted EBITDA	2.576.691	3.448.215	(1.261.724)	4.763.182
	31 December 2022			
	Domestic	International	Elimination	Consolidated
Total Assets	30.164.689	39.850.277	(11.298.063)	58.716.903
Total Liabilities	24.823.373	15.296.938	(4.199.804)	35.920.507

In addition to the requirements of segment reporting, The Group’s management presented this information for certain financial statements readers to utilize this data during their analyses.

The Group’s “Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA)” definition and calculation is defined as; “Profit / (Loss) From Operations” plus relevant non-cash expenses including depreciation and amortization, provision for employee benefits like retirement and vacation pay (provisions for management bonus and long term incentive plan not included) and other non-cash expenses like negative goodwill and value increase due to change in scope of consolidation.

As of June 30, 2023, and 2022, reconciliation of Adjusted EBITDA to profit / (loss) from operations is explained in the following table:

	30 June 2023	30 June 2022
<b>Profit / (loss) from operations</b>	7.002.657	3.773.865
Depreciation and amortization	1.017.524	813.945
Provision for employee benefits	122.543	44.982
Foreign exchange gain / (loss) under other operating income / (expense) (Note 20)	(246.559)	87.430
Amortization expense of right of use asset	75.158	42.960
<b>Adjusted EBITDA</b>	<b>7.971.323</b>	<b>4.763.182</b>

**COCA-COLA İÇECEK ANONİM ŞİRKETİ**

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**5. CASH AND CASH EQUIVALENTS**

	<b>30 June 2023</b>	31 December 2022
Cash on hand	<b>54.086</b>	7.333
Cash in banks		
-Time	<b>11.866.468</b>	10.887.203
-Demand	<b>5.093.823</b>	3.114.446
	<b>17.014.377</b>	14.008.982

As of June 30, 2023, time deposits with maturities less than 3 months in foreign currencies, existed for periods varying between 1 day to 24 days (December 31, 2022 - 1 day to 51 days) and earned interest between 2,25% - 19,5% (December 31, 2022 - 0,03% - 15,25%).

As of June 30, 2023, time deposits with maturities for 3 days (December 31, 2022 - 2 day to 10 days) and earned interest between 30,0% - 45,0% (December 31, 2022 - 15% - 22%).

As of June 30, 2023, there is TL 35.325 (December 31, 2022 - TL 27.335) of interest income accrual on time deposits with maturities less than 3 months. As of June 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**

	<b>30 June 2023</b>	31 December 2022
Time deposits with maturities more than 3 months	<b>77</b>	85.711
Foreign currency linked deposits	<b>1.175.866</b>	542.320
Restricted cash	<b>283.618</b>	132.302
	<b>1.459.561</b>	760.333

As of June 30, 2023, time deposits with maturities over 3 months are composed of USD with 363 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 12,00%. (December 31, 2022 –17,00% ve 12,00%).

**COCA-COLA İÇECEK ANONİM ŞİRKETİ**

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**7. DERIVATIVE FINANCIAL INSTRUMENTS**

As of June 30, 2023, the Group has 11 aluminum swap transactions with a total nominal value of TL 1.472.990 for 23.118 tons, and 2 aluminum option transactions with a total nominal value of TL 247.282 for 3.360 tons (leveraged amount of 6.720 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 June 30, 2023, the Group has 8 sugar swap transactions with a total nominal value of TL 830.298, worth 98.850 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 June 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 3.873.465).

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).

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

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

**7. DERIVATIVE FINANCIAL INSTRUMENTS (continued)**

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

	Nominal Value	Outstanding Amounts	Fair Value Asset / (Liability)	Financial Position Line Item	Maturity
<b>Hedging Instruments:</b>					
Cash flow hedge reserves:					
<i>Commodity swap contracts</i>					
- Aluminum	1.720.272	26.478 tons	(194.025)	Derivative Instruments	July 2023 - December 2025
- Sugar	830.298	98.850 tons	119.135	Derivative Instruments	July 2023 - December 2025
Cross currency participation swap assets / (liabilities)	3.873.465	150,0 million USD	(352.155)	Derivative Instruments	September 2024
	<b>6.424.035</b>		<b>(427.045)</b>		
<b>Net Investment Hedge:</b>					
Borrowings to hedge net investments in foreign operations	-	650 million USD	(16.815.240)	Borrowings	January 2029

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

**COCA-COLA İÇECEK ANONİM ŞİRKETİ**

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

**7. DERIVATIVE FINANCIAL INSTRUMENTS (continued)**

	Nominal Value	Outstanding Amounts	Fair Value Asset / (Liability)	Financial Position Line Item	Maturity
<b>Hedging Instruments:</b>					
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
	<b>4.650.431</b>		<b>(611.802)</b>		
<b>Net Investment Hedge:</b>					
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 June 30, 2023

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#### 8. BORROWINGS

	30 June 2023	31 December 2022
Short-term borrowings	8.253.875	2.430.749
Current portion of long-term borrowings and bond issued	1.507.489	3.242.261
<b>Total short-term borrowings</b>	<b>9.761.364</b>	<b>5.673.010</b>
Long-term borrowings and bond issued	21.537.636	14.685.840
<b>Total borrowings</b>	<b>31.299.000</b>	<b>20.358.850</b>

As of June 30, 2023, there is interest expense accrual amounting to TL 714.224 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 June 30, 2023 and December 31, 2022 reporting period. Short and long-term borrowings denominated in TL and foreign currencies as of June 30, 2023, and December 31, 2022, are as follows:

	30 June 2023		31 December 2022	
	Short-term	Long-term	Short-term	Long-term
USD	339.202	16.795.708	2.466.049	12.073.523
EUR	2.047.753	1.722.580	468.435	1.032.510
TL	4.828.675	2.744.715	2.025.837	1.579.807
PKR	388.058	-	239.866	-
KZT	1.876.906	-	472.823	-
KGS	112.068	220.843	-	-
AZM	168.702	53.790	-	-
	<b>9.761.364</b>	<b>21.537.636</b>	<b>5.673.010</b>	<b>14.685.840</b>

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

	30 June 2023	31 December 2022
<b>Short-term</b>		
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 - %43,00)	(%13,69 - %32,00)
KZT denominated borrowings	(%6,00 - %12,25)	(%6,00 - %19,75)
AZM denominated borrowings	(%6,80)	-
EUR denominated borrowings	(%7,05 - %8,90)	-
KGS denominated borrowings	(%15,00)	-
<b>Long-term</b>		
USD denominated borrowings	(%4,22) - (%6,94)	(%4,22) - (6M Libor + %2,50)
EUR denominated borrowings	(6M Euribor + %1,30) - (3M Euribor + %2,75)	(6M Euribor + %1,60) - (3M Euribor + %2,75)
TL denominated borrowings	(%11,74 - %27,64)	(%11,74)
AZM denominated borrowings	(%9,00)	-
KGS denominated borrowings	(%15,00)	-

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

	30 June 2023	31 December 2022
2023	994.835	3.242.261
2024	7.744.783	4.997.553
2025 and after	14.305.507	9.688.287
	<b>23.045.125</b>	<b>17.928.101</b>

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**8. BORROWINGS (continued)**

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

	<b>30 June 2023</b>	30 June 2022
<b>Financial borrowing as of January 1st</b>	<b>20.358.850</b>	9.071.253
Proceeds from borrowings	8.451.911	11.844.605
Repayments of borrowings	(5.734.494)	(6.091.904)
<b>Cash flows</b>	<b>2.717.417</b>	5.752.701
Interest expense	1.352.562	710.119
Interest paid	(1.080.331)	(485.049)
<b>Changes in interest accruals</b>	<b>272.231</b>	225.070
Foreign exchange gain / (loss) from foreign currency denominated borrowings	6.655.957	2.934.680
Currency translation adjustment	1.294.545	282.105
<b>Financial borrowing as of period end</b>	<b>31.299.000</b>	18.265.809

**Lease Liabilities**

As of June 30, 2023, net present value of liabilities under lease liabilities is amounting to TL 604.207. Movement tables of lease liabilities as of June 30, 2023 and 2022 are as follows:

	<b>30 June 2023</b>	30 June 2022
Balance as of January 1 <sup>st</sup>	<b>485.267</b>	319.680
Increase in lease liabilities	<b>146.010</b>	11.467
Change in lease liabilities	<b>3.111</b>	23.147
Payments during period	<b>(139.576)</b>	(62.021)
Interest expense of lease liabilities	<b>34.262</b>	13.005
Foreign exchange loss / (gain)	<b>5.303</b>	3.899
Currency translation differences	<b>69.830</b>	46.012
Balance at the end of period	<b>604.207</b>	355.189

**9. OTHER RECEIVABLES AND PAYABLES**

*Other Receivables*

	<b>30 June 2023</b>	31 December 2022
Due from personnel	<b>37.602</b>	21.929
Deposits and guarantees given	<b>3.894</b>	2.088
Other	<b>49.986</b>	57.183
	<b>91.482</b>	81.200

*Other Payables*

	<b>30 June 2023</b>	31 December 2022
Deposits and guarantees	<b>1.398.416</b>	954.493
Taxes and duties payable	<b>1.863.984</b>	614.640
Dividend payables	<b>27.682</b>	-
Other	<b>22.786</b>	13.958
	<b>3.312.868</b>	1.583.091



**COCA-COLA İÇECEK ANONİM ŞİRKETİ**

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**10. PREPAID EXPENSES**

**a) Short-term prepaid expenses**

	30 June 2023	31 December 2022
Prepaid marketing expenses	377.612	222.809
Prepaid insurance expenses	42.155	56.607
Prepaid rent expenses	12.328	2.945
Prepaid other expenses	190.529	145.635
Advances given to suppliers	1.507.384	837.923
	<b>2.130.008</b>	<b>1.265.919</b>

**b) Long-term prepaid expenses**

	30 June 2023	31 December 2022
Prepaid marketing expenses	132.077	100.084
Prepaid other expenses	16.441	37.880
Advances given to suppliers	443.600	137.139
	<b>592.118</b>	<b>275.103</b>

**c) Short-term deferred income**

	30 June 2023	31 December 2022
Advances received	146.502	148.097
Deferred income	38.792	33.921
	<b>185.294</b>	<b>182.018</b>

**d) Long-term deferred income**

	30 June 2023	31 December 2022
Deferred income	41.219	55.710
	<b>41.219</b>	<b>55.710</b>

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

<b>SSDSD</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
<b>Total Assets</b>	<b>295</b>	<b>726</b>
<b>Total Liabilities</b>	<b>44.862</b>	<b>31.811</b>
<b>Equity</b>	<b>(44.567)</b>	<b>(31.085)</b>
<b>SSDSD</b>	<b>30 June 2023</b>	<b>30 June 2022</b>
<b>Revenue</b>	<b>-</b>	<b>-</b>
<b>Period Loss</b>	<b>(22.138)</b>	<b>(3.339)</b>
<b>Group’s share in loss</b>	<b>(11.069)</b>	<b>(1.669)</b>

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**12. PROPERTY, PLANT AND EQUIPMENT**

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

Cost	1 January 2023	Additions	Transfers <sup>(**)</sup>	Disposals	(Impairment) / Impairment reversal, net	Additions through Subsidiary acquired	Currency translation differences	June 30, 2023
<b>Land and buildings</b>	<b>6.713.004</b>	42.826	65.287	(4.510)	-	588.873	3.422.748	<b>10.828.228</b>
<b>Machinery and equipment<sup>(*)</sup></b>	<b>13.739.435</b>	453.939	(223.711)	(29.852)	23.481	528.601	4.927.570	<b>19.419.463</b>
<b>Vehicles</b>	<b>521.635</b>	88.129	-	(18.348)	-	2.775	166.264	<b>760.455</b>
<b>Furniture and fixtures</b>	<b>321.222</b>	12.194	(8.148)	(1.537)	-	10.620	62.807	<b>397.158</b>
<b>Other tangibles<sup>(***)</sup></b>	<b>7.049.997</b>	670.876	197.916	(231.500)	(9.255)	86.891	1.690.261	<b>9.455.186</b>
<b>Leasehold improvements</b>	<b>12.417</b>	-	(2.000)	-	-	-	-	<b>10.417</b>
<b>Construction in progress</b>	<b>1.257.457</b>	1.221.139	(585.560)	-	-	5.536	(39.096)	<b>1.859.476</b>
	<b>29.615.167</b>	<b>2.489.103</b>	<b>(556.216)</b>	<b>(285.747)</b>	<b>14.226</b>	<b>1.223.296</b>	<b>10.230.554</b>	<b>42.730.383</b>
<b>Accumulated depreciation and impairment (-)</b>								
<b>Land and buildings</b>	<b>(1.592.635)</b>	(92.075)	17.630	954	-	(7.904)	(937.045)	<b>(2.611.075)</b>
<b>Machinery and equipment</b>	<b>(7.286.399)</b>	(439.662)	72.956	12.316	-	(21.639)	(3.386.418)	<b>(11.048.846)</b>
<b>Vehicles</b>	<b>(336.713)</b>	(24.227)	-	17.537	-	(936)	(126.014)	<b>(470.353)</b>
<b>Furniture and fixtures</b>	<b>(221.901)</b>	(7.307)	11.355	1.421	-	(4.621)	(63.394)	<b>(284.447)</b>
<b>Other tangibles</b>	<b>(3.732.301)</b>	(419.639)	2.401	100.099	-	(25.229)	(993.550)	<b>(5.068.219)</b>
<b>Leasehold improvements</b>	<b>(12.094)</b>	(29)	2.000	-	-	-	-	<b>(10.123)</b>
	<b>(13.182.043)</b>	<b>(982.939)</b>	<b>106.342</b>	<b>132.327</b>	<b>-</b>	<b>(60.329)</b>	<b>(5.506.421)</b>	<b>(19.493.063)</b>
<b>Net book value</b>	<b>16.433.124</b>	<b>1.506.164</b>	<b>(449.874)</b>	<b>(153.420)</b>	<b>14.226</b>	<b>1.162.967</b>	<b>4.724.133</b>	<b>23.237.320</b>

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

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

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

As of June 30, 2023, pledge amounting to TL 78.197 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 June 30, 2023, the Group had TL 10.699 provided impairment losses (June 30, 2022 - TL 1.154) 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 June 30, 2023, reversal of impairment amounting to TL 24.925 (June 30, 2022 – TL 35.098) (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	June 30, 2022
Land and buildings	4.817.733	290.630	6.004	(17.566)	208	1.132.935	6.229.944
Machinery and equipment	10.252.103	473.033	7.693	(14.335)	19.976	2.710.733	13.449.203
Vehicles	405.396	18.705	-	(29.863)	-	75.160	469.398
Furniture and fixtures	233.080	6.294	3.441	(1.379)	(237)	59.472	300.671
Other tangibles <sup>(***)</sup>	5.185.253	792.254	99.206	(320.091)	14.205	140.202	5.911.029
Leasehold improvements	12.417	386	-	(178)	(208)	(3.649)	8.768
Construction in progress	843.733	98.012	(116.344)	-	-	184.928	1.010.329
	21.749.715	1.679.314	-	(383.412)	33.944	4.299.781	27.379.342
Accumulated depreciation and impairment (-)							
Land and buildings	(1.061.223)	(71.140)	-	2.633	-	(484.805)	(1.614.535)
Machinery and equipment	(5.057.505)	(397.914)	-	7.808	-	(1.892.222)	(7.339.833)
Vehicles	(270.741)	(16.067)	-	29.228	-	(42.318)	(299.898)
Furniture and fixtures	(170.166)	(5.227)	-	1.268	-	(48.969)	(223.094)
Other tangibles	(3.175.457)	(301.216)	-	299.523	-	129.775	(3.047.375)
Leasehold improvements	(12.037)	(29)	-	-	-	3.649	(8.417)
	(9.747.129)	(791.593)	-	340.460	-	(2.334.890)	(12.533.152)
Net book value	12.002.586	887.721	-	(42.952)	33.944	1.964.891	14.846.190

**COCA-COLA İÇECEK ANONİM ŞİRKETİ**

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

**12. PROPERTY, PLANT AND EQUIPMENT (continued)**

**Right of Use Assets**

For the six months ended June 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	June 30, 2023
<b>Land and Buildings</b>	263.958	106.445	2.726	-	-	76.756	<b>449.885</b>
<b>Machinery and Equipment</b>	36.733	-	-	(497)	-	1.627	<b>37.863</b>
<b>Vehicles</b>	321.719	39.565	-	(34.805)	3.532	33.599	<b>363.610</b>
<b>Furniture and Fixtures</b>	1.419	-	385	-	-	735	<b>2.539</b>
	<b>623.829</b>	<b>146.010</b>	<b>3.111</b>	<b>(35.302)</b>	<b>3.532</b>	<b>112.717</b>	<b>853.897</b>
<b>Amortisation</b>							
<b>Land and Buildings</b>	(117.260)	(18.279)	-	-	-	(41.943)	<b>(177.482)</b>
<b>Machinery and Equipment</b>	(15.943)	(2.357)	-	497	-	(2.089)	<b>(19.892)</b>
<b>Vehicles</b>	(92.245)	(54.414)	-	28.615	(993)	(25.142)	<b>(144.179)</b>
<b>Furniture and Fixtures</b>	(1.523)	(108)	-	-	-	(577)	<b>(2.208)</b>
	<b>(226.971)</b>	<b>(75.158)</b>	<b>-</b>	<b>29.112</b>	<b>(993)</b>	<b>(69.751)</b>	<b>(343.761)</b>
<b>Net Book Value</b>	<b>396.858</b>	<b>70.852</b>	<b>3.111</b>	<b>(6.190)</b>	<b>2.539</b>	<b>42.966</b>	<b>510.136</b>

**COCA-COLA İÇECEK ANONİM ŞİRKETİ**

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

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

**12. PROPERTY, PLANT AND EQUIPMENT (continued)**

**Right of Use Assets (continued)**

Cost	1 January 2022	Additions	Changes	Disposals	Currency translation differences	30 June 2022
Land and Buildings	262.291	-	12.567	(2.712)	30.121	302.267
Machinery and Equipment	30.397	1.108	-	(7.003)	4.678	29.180
Vehicles	165.343	10.359	10.580	(36.000)	20.634	170.916
Furniture and Fixtures	2.636	-	-	-	802	3.438
	460.667	11.467	23.147	(45.715)	56.235	505.801
<b>Amortisation</b>						
Land and Buildings	(84.171)	(10.256)	-	2.712	(10.225)	(101.940)
Machinery and Equipment	(14.835)	(3.395)	-	6.841	(5.214)	(16.603)
Vehicles	(107.194)	(28.855)	-	34.335	(10.725)	(112.439)
Furniture and Fixtures	(1.826)	(454)	-	-	(103)	(2.383)
	(208.026)	(42.960)	-	43.888	(26.267)	(233.365)
<b>Net Book Value</b>	<b>252.641</b>	<b>(31.493)</b>	<b>23.147</b>	<b>(1.827)</b>	<b>29.968</b>	<b>272.436</b>

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

**13. INTANGIBLE ASSETS**

For the six months ended June 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 June 2023
Water sources usage right	33.660	-	-	-	-	-	33.660
Bottlers and distribution agreements	9.380.515	-	-	-	-	3.379.103	12.759.618
Foundation and establishment	-	-	-	-	11.675	-	11.675
Other rights	605.704	52.834	(2.210)	7.758	10.068	39.284	713.438
Construction in progress	129.728	60.343	-	(8.585)	-	-	181.486
	<b>10.149.607</b>	<b>113.177</b>	<b>(2.210)</b>	<b>(827)</b>	<b>21.743</b>	<b>3.418.387</b>	<b>13.699.877</b>
<b>Amortisman</b>							
Water sources usage right	(33.660)	-	-	-	-	-	(33.660)
Foundation and establishment	-	(389)	-	-	(3.396)	-	(3.785)
Other rights	(203.707)	(34.196)	1.586	110	(5.533)	(14.239)	(255.979)
	<b>(237.367)</b>	<b>(34.585)</b>	<b>1.586</b>	<b>110</b>	<b>(8.929)</b>	<b>(14.239)</b>	<b>(293.424)</b>
<b>Net Book Value</b>	<b>9.912.240</b>	<b>78.592</b>	<b>(624)</b>	<b>(717)</b>	<b>12.814</b>	<b>3.404.148</b>	<b>13.406.453</b>
Cost	1 January 2022	Additions	Disposals	Transfers	Currency translation differences	30 June 2022	
Water sources usage right	33.660	-	-	-	-	33.660	
Bottlers and distribution agreements	7.108.937	-	-	-	1.482.153	8.591.090	
Other rights	403.976	50.079	-	6.166	19.340	479.561	
Construction in progress	61.080	33.275	-	(6.166)	-	88.189	
	<b>7.607.653</b>	<b>83.354</b>	<b>-</b>	<b>-</b>	<b>1.501.493</b>	<b>9.192.500</b>	
<b>Amortisman</b>							
Water sources usage right	(33.660)	-	-	-	-	(33.660)	
Other rights	(146.714)	(22.352)	-	-	(7.736)	(176.802)	
	<b>(180.374)</b>	<b>(22.352)</b>	<b>-</b>	<b>-</b>	<b>(7.736)</b>	<b>(210.462)</b>	
<b>Net Book Value</b>	<b>7.427.279</b>	<b>61.002</b>	<b>-</b>	<b>-</b>	<b>1.493.757</b>	<b>8.982.038</b>	

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

**COCA-COLA İÇECEK ANONİM ŞİRKETİ**

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**14. GOODWILL**

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

	1 January 2023	Currency translation differences	30 June 2023
Cost	3.200.399	932.673	4.133.072
Impairment reserve	(276.864)	(159.672)	(436.536)
<b>Net Book Value</b>	<b>2.923.535</b>	<b>773.001</b>	<b>3.696.536</b>
	1 January 2022	Currency translation differences	30 June 2022
Cost	2.579.390	489.854	3.069.244
Impairment reserve	(202.013)	(121.039)	(323.052)
<b>Net Book Value</b>	<b>2.377.377</b>	<b>368.815</b>	<b>2.746.192</b>

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

	Domestic	International	Consolidated
<b>30 June 2023</b>	-	<b>3.696.536</b>	<b>3.696.536</b>
30 June 2022	-	2.746.192	2.746.192

**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 372.085 (December 31, 2022: TL 314.778) that the Group's will benefit from in the foreseeable future as of June 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 June 2023, deferred tax income amounting to TL 57.307 has been realized in the consolidated profit or loss statement for the period from January to June 30, 2023.

According to the tax incentive certificates summarized above, the current period corporate tax provision 4.326 TL (30 June 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 June 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 30 June 2023, the Group took advantage of R&D deduction amounting to TL 1.548 (30 June 2022: None).

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

### 15. GOVERNMENT INCENTIVES (continued)

On September 3, 2020, the Coca Cola Almaty Bottlers (Company), opened a revolving credit line amounting 10.000.000 kKZT with an interest rate level of 15% and 21,25% per annum in Halyk Bank. The Company signed the subsidy agreements with the Bank and Damu for each subsidizing tranche of loan. Part of the interest rate on the loan in the amount of 15% and 21,25% per annum is subject to subsidizing, while part of the interest rate in the amount of 9% per annum is paid by the DAMU, which is owned by Kazakhstan government, and the rest of the interest is paid by the Company, in accordance with the repayment schedule to the Subsidy Agreement.

### 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 217 litigations arising in the ordinary course of business as of June 30, 2023, with an amount of TL 14.576 (December 31, 2022 – 205 litigations, TL 17.707). As of June 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 June 30, 2023, CCBPL has tax litigations. If the claims are resulted against CCBPL, the tax liability would be TL 75.783 (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 346.680) 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).



## COCA-COLA İÇECEK ANONİM ŞİRKETİ

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### 16. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

#### Parent Company (CCI) and Subsidiaries Included in Consolidation

As of June 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 June 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	982.524	307.004	13.090	8.255	162.152	90.441
B. Total guarantees and pledges given by the Company for its subsidiaries consolidated for using the full consolidation method	6.583.994	11.595	36.563	79.198	6.150.000	2.843.123
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	-	-	-	-	-	-
<b>Total guarantees and pledges</b>	<b>7.566.518</b>	<b>318.599</b>	<b>49.653</b>	<b>87.453</b>	<b>6.312.152</b>	<b>2.933.564</b>
<b>Other guarantees and pledges given / Total equity (%)</b>	-	-	-	-	-	-

	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	-	-	-	-	-	-
<b>Total guarantees and pledges</b>	<b>3.154.939</b>	<b>131.942</b>	<b>37.179</b>	<b>68.315</b>	<b>6.312.152</b>	<b>444.754</b>
<b>Other guarantees and pledges given / Total equity (%)</b>	-	-	-	-	-	-

#### 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.

## COCA-COLA İÇECEK ANONİM ŞİRKETİ

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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 June 30, 2023, CCBPL has a commitment to purchase 14,1 million USD of sugar and resin from banks until the end of 30 September 2023, and 62,9 million USD of sugar and resin from banks until the end of December 31, 2023.

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 June 2023	31 December 2022
VAT receivables	1.006.667	1.043.184
Other	128.213	60.635
	<b>1.134.880</b>	<b>1.103.819</b>

##### b) Other Current Liabilities

	30 June 2023	31 December 2022
Put option of share from non-controlling interest	60.943	44.208
Other	11.182	2.016
	<b>72.125</b>	<b>46.224</b>

As of June 30, 2023, the obligation of TL 60.943 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 June 2023	31 December 2022
<b>Common shares 1 Kr par value</b>		
Authorized and issued (units)	<b>25.437.078.200</b>	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 June 30, 2023, and December 31, 2022, breakdown of the equity of the CCI in its tax books is as follows.

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

**COCA-COLA İÇECEK ANONİM ŞİRKETİ**

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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**

<b>a) Other operating income / expense</b>	<b>1 January – 30 June 2023</b>	<b>1 April – 30 June 2023</b>	<b>1 January – 30 June 2022</b>	<b>1 April – 30 June 2022</b>
<b>Other operating income</b>				
Foreign exchange gain	959.895	784.055	414.652	236.008
Gain on sale of scrap materials	106.768	50.429	54.303	36.087
Other income	118.283	66.421	165.102	109.802
	<b>1.184.946</b>	<b>900.905</b>	<b>634.057</b>	<b>381.897</b>

<b>Other operating expense</b>				
Foreign Exchange loss	(713.336)	(546.842)	(502.082)	(280.025)
Loss on sale of scrap materials	(109.603)	(66.873)	(21.207)	(14.597)
Donations	(19.397)	(3.001)	(28)	(27)
Other expense	(99.664)	(61.868)	(30.513)	(8.839)
	<b>(942.000)</b>	<b>(678.584)</b>	<b>(553.830)</b>	<b>(303.488)</b>

<b>b) Gain / (Loss) from Investing Activities</b>	<b>1 January – 30 June 2023</b>	<b>1 April – 30 June 2023</b>	<b>1 January – 30 June 2022</b>	<b>1 April – 30 June 2022</b>
<b>Gain from Investing Activities</b>				
Transfer of currency translation differences previously accounted as other comprehensive income	425.292	425.292	-	-
Impairment reversal of property, plant and equipment (Note 12)	24.925	23.630	35.098	14.451
Gain on disposal of property, plant and equipment, net	18.573	7.555	172.758	155.931
	<b>468.790</b>	<b>456.477</b>	<b>207.856</b>	<b>170.382</b>
<b>Loss from Investing Activities</b>				
Impairment provision in property, plant and equipment (Note 12)	(10.699)	(540)	(1.154)	(841)
	<b>(10.699)</b>	<b>(540)</b>	<b>(1.154)</b>	<b>(841)</b>

## COCA-COLA İÇECEK ANONİM ŞİRKETİ

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

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

#### 21. FINANCIAL INCOME / EXPENSE

a) Financial Income	1 January – 30 June 2023	1 April – 30 June 2023	1 January – 30 June 2022	1 April – 30 June 2022
Foreign exchange gain	2.426.382	1.547.471	1.493.789	471.250
Interest income	301.226	180.828	93.156	62.116
Derivative transaction gain	319.954	190.374	109.100	27.309
	<b>3.047.562</b>	<b>1.918.673</b>	1.696.045	560.675
b) Financial Expense	1 January – 30 June 2023	1 April – 30 June 2023	1 January – 30 June 2022	1 April – 30 June 2022
Foreign exchange loss	(3.086.510)	(2.035.090)	(1.464.329)	(504.151)
Interest expense	(1.352.562)	(848.827)	(710.119)	(362.757)
Interest expense of lease liabilities	(34.262)	(17.581)	(13.005)	(6.708)
Derivative transaction loss	(6.731)	(421)	(42.617)	(11.978)
	<b>(4.480.065)</b>	<b>(2.901.919)</b>	(2.230.070)	(885.594)

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

	1 January – 30 June 2023	1 April – 30 June 2023	1 January – 30 June 2022	1 April – 30 June 2022
Foreign exchange gain / (loss) from foreign currency denominated borrowings, net	(6.655.957)	(5.934.400)	(2.934.680)	(1.754.067)

#### 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 20% as of June 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 June 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 June 30, 2023, and December 31, 2022, using the prevailing effective statutory tax rate is as follows:

	30 June 2023		31 December 2022	
	Cumulative Temporary Difference	Deferred Tax Assets / (Liabilities)	Cumulative Temporary Difference	Deferred Tax Assets / (Liabilities)
Tangible and intangible assets	(15.265.691)	(3.538.096)	(11.701.197)	(2.689.038)
Right of use asset	78.705	19.414	87.195	22.195
Borrowings	(140.333)	(28.067)	(64.407)	(14.488)
Employee termination, other employee benefits and other payable accruals	315.665	62.625	436.180	88.425
Unused investment incentive	379.288	372.085	379.288	314.778
Carry forward tax loss	7.369.497	1.473.899	6.979.928	1.395.986
Trade receivables, payables and other	2.814.982	564.413	1.222.820	338.831
Derivative financial instruments	150.497	30.099	75.406	15.081
Inventory	(190.302)	(34.806)	(40.183)	(6.470)
Additions through subsidiary acquired	681.055	136.211	-	-
	<b>(3.806.637)</b>	<b>(942.223)</b>	<b>(2.624.970)</b>	<b>(534.700)</b>
Minus: Provision for valuation of carry forward loss	(7.369.497)	(1.473.899)	(6.979.928)	(1.395.986)
	<b>(11.176.134)</b>	<b>(2.416.122)</b>	<b>(9.604.898)</b>	<b>(1.930.686)</b>
Deferred tax assets		1.021.419		564.967
Deferred tax liabilities		(3.437.541)		(2.495.653)
Deferred tax liability, net		<b>(2.416.122)</b>		<b>(1.930.686)</b>

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

	30 June 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	5.012.454	4.622.885
	<b>7.369.497</b>	<b>6.979.928</b>

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

	30 June 2023	30 June 2022
Balance at January 1,	1.930.686	1.514.307
Deferred tax expense / (income)	811.304	251.222
Tax expense recognized in comprehensive income	(1.005.225)	(453.287)
Additions through subsidiary acquired	136.211	-
Currency translation adjustment	543.146	347.279
	<b>2.416.122</b>	<b>1.659.521</b>

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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 June 30, 2023, and 2022 earnings / (losses) per share is as follows:

	1 January– 30 June 2023	1 April – 30 June 2023	1 January– 30 June 2022	1 April – 30 June 2022
Net Income for the period	3.422.739	2.388.234	1.863.128	1.233.188
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)	0,13456	0,09389	0,07324	0,04848

#### 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 June 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
				Short-term	
<b>Related Parties and Shareholders</b>					
Anadolu Group Companies <sup>(1)</sup>	576.805	37.057	608.632	27.489	-
The Coca-Cola Company <sup>(1)</sup>	210.844	8.860.837	395.460	3.821.420	-
Özgörkey Holding Group Companies <sup>(1)</sup>	642	25.743	-	12.050	-
Syrian Soft Drink Sales and Distribution L.L.C. <sup>(4)</sup>	-	-	34.583	-	-
Day Trade <sup>(2)</sup>	-	-	-	135.143	-
National Beverage Co. <sup>(3)</sup>	-	5.539	-	800	-
Other	-	40.728	-	-	-
<b>Total</b>	<b>788.291</b>	<b>8.969.904</b>	<b>1.038.675</b>	<b>3.996.902</b>	<b>-</b>
	30 June 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
				Short-term	
<b>Related Parties and Shareholders</b>					
Anadolu Group Companies <sup>(1)</sup>	348.100	54.991	275.909	154.337	-
The Coca-Cola Company <sup>(1)</sup>	78.200	5.614.347	500.258	2.272.271	-
Özgörkey Holding Group Companies <sup>(1)</sup>	405	26.683	-	5.906	-
Syrian Soft Drink Sales and Distribution L.L.C. <sup>(4)</sup>	-	-	21.223	-	-
Day Trade <sup>(2)</sup>	-	-	-	86.359	-
National Beverage Co. <sup>(3)</sup>	-	4.142	-	-	-
Other	-	35.542	-	1.895	-
<b>Total</b>	<b>426.705</b>	<b>5.735.705</b>	<b>797.390</b>	<b>2.520.768</b>	<b>-</b>

(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 June 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 June 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 June 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 June 2023		30 June 2022	
	Board of Directors	Executive Directors	Board of Directors	Executive Directors
Short-term employee benefits	1.389	55.683	516	22.728
Other long-term benefits	-	2.349	-	1.318
	<b>1.389</b>	<b>58.032</b>	<b>516</b>	<b>24.046</b>
Number of top executives	4	11	4	9

**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 June 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 June 2023	31 December 2022
Borrowings	31.903.207	20.844.117
Less: Cash and cash equivalents and short-term financial assets	(18.473.938)	(14.769.315)
Net debt	13.429.269	6.074.802
Total share capital	254.371	254.371
<b>Net debt / Total equity ratio (%)</b>	<b>52,79</b>	<b>23,88</b>



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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 June 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 September 30, 2023, which is the following reporting period would be:

	<b>30 June 2023</b>	30 June 2022
Increase / decrease of 1% interest in USD denominated borrowing interest rate	<b>116</b>	125
Increase / decrease of 1% interest in EUR denominated borrowing interest rate	<b>4.650</b>	2.032
Increase / decrease of 1% interest in PKR denominated borrowing interest rate	<b>667</b>	16
<b>Total</b>	<b>5.433</b>	2.173

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

<b>Interest rate risk</b>	<b>30 June 2023</b>	30 June 2022
<b>Financial instruments with fixed interest rate</b>		
Time deposits	<b>13.326.029</b>	<b>8.505.458</b>
Financial liabilities (Note 8)	<b>28.992.087</b>	<b>17.358.610</b>
<b>Financial instruments with floating interest rate</b>		
Financial liabilities (Note 8)	<b>2.306.913</b>	<b>907.199</b>

**(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).

	<b>1 January – 30 June 2023</b>	<b>1 April – 30 June 2023</b>	1 January – 30 June 2022	1 April – 30 June 2022
Total export	<b>55.274</b>	<b>24.643</b>	45.955	31.490
Total import	<b>11.515.796</b>	<b>7.500.851</b>	4.894.073	3.070.704

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

#### Foreign Currency Position

As of June 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 June 2023						
	Total TL Equivalent	USD	TL Equivalent	Euro	TL Equivalent	Other Foreign Currency TL Equivalent
1. Trade Receivables and Due from Related Parties	520.734	13.964	360.594	5.688	160.140	-
2a. Monetary Financial Assets (Cash and cash equivalents included)	2.735.300	82.694	2.135.415	21.301	599.708	177
2b. Non-monetary Financial Assets	-	-	-	-	-	-
3. Other Current Assets and Receivables	188.027	78	2.014	6.607	186.013	-
<b>4. Current Assets (1+2+3)</b>	<b>3.444.061</b>	<b>96.736</b>	<b>2.498.023</b>	<b>33.596</b>	<b>945.861</b>	<b>177</b>
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)	-	-	-	-	-	-
<b>9. Total Assets (4+8)</b>	<b>3.444.061</b>	<b>96.736</b>	<b>2.498.023</b>	<b>33.596</b>	<b>945.861</b>	<b>177</b>
<b>10. Trade Payables and Due to Related Parties</b>	<b>4.323.917</b>	<b>151.043</b>	<b>3.907.422</b>	<b>14.221</b>	<b>401.100</b>	<b>15.395</b>
11. Short-term Borrowings and Current Portion of Long - term Borrowings	2.386.955	13.112	339.202	72.603	2.047.753	-
12a. Monetary Other Liabilities	44.211	1.709	44.211	-	-	-
12b. Non-monetary Other Liabilities	-	-	-	-	-	-
<b>13. Current Liabilities (10+11+12)</b>	<b>6.755.083</b>	<b>165.864</b>	<b>4.290.835</b>	<b>86.824</b>	<b>2.448.853</b>	<b>15.395</b>
14. Trade Payables and Due to Related Parties	-	-	-	-	-	-
15. a Long-Term Borrowings	18.518.288	649.245	16.795.708	61.074	1.722.580	-
15. b. Long-Term Lease Payables	84.259	2.302	59.552	876	24.707	-
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
<b>17. Non-Current Liabilities (14+15+16)</b>	<b>18.602.547</b>	<b>651.547</b>	<b>16.855.260</b>	<b>61.950</b>	<b>1.747.287</b>	<b>-</b>
<b>18. Total Liabilities (13+17)</b>	<b>25.357.630</b>	<b>817.411</b>	<b>21.146.095</b>	<b>148.774</b>	<b>4.196.140</b>	<b>15.395</b>
<b>19. Off Balance Sheet Derivative Items' Net Asset / (Liability) Position (19a-19b)</b>	<b>17.956.621</b>	<b>694.200</b>	<b>17.956.621</b>	<b>-</b>	<b>-</b>	<b>-</b>
19a. Total Hedged Assets <sup>(*)</sup>	17.956.621	694.200	17.956.621	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
<b>20. Net Foreign Currency Asset / (Liability) Position (9-18+19)</b>	<b>(3.956.948)</b>	<b>(26.475)</b>	<b>(691.451)</b>	<b>(115.178)</b>	<b>(3.250.279)</b>	<b>(15.218)</b>
<b>21. Monetary Items Net Foreign Currency Asset / (Liability) Position (TFRS 7, B23) (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(22.101.596)</b>	<b>(720.753)</b>	<b>(18.650.086)</b>	<b>(121.785)</b>	<b>(3.436.292)</b>	<b>(15.218)</b>
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	-	-	-	-	-	-

<sup>(\*)</sup>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 <sup>(*)</sup>	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	-	-	-	-	-	-

<sup>(\*)</sup>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 June 2023		30 June 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
<b>Changes in the USD against TL by 20%:</b>				
1- USD denominated net asset / (liability)	(3.729.614)	3.729.614	(2.693.401)	2.693.401
2- USD denominated hedging instruments (-)	3.591.324	(3.363.048)	2.550.834	(2.428.872)
<b>3- Net effect in USD (1+2)</b>	<b>(138.290)</b>	<b>366.566</b>	<b>(142.567)</b>	<b>264.529</b>
<b>Changes in the Euro against TL by 20%:</b>				
4- Euro denominated net asset / (liability)	(650.056)	650.056	(181.847)	181.847
5- Euro denominated hedging instruments (-)	-	-	1.216	-
<b>6- Net effect in Euro (4+5)</b>	<b>(650.056)</b>	<b>650.056</b>	<b>(180.631)</b>	<b>181.847</b>
<b>Average changes in the other foreign currencies against TL by 20%:</b>				
7- Other foreign currency denominated net asset / (liability)	(3.044)	3.044	(7.978)	7.978
8- Other foreign currency hedging instruments (-)	-	-	-	-
<b>9- Net effect in other foreign currency (7+8)</b>	<b>(3.044)</b>	<b>3.044</b>	<b>(7.978)</b>	<b>7.978</b>
<b>TOTAL (3+6+9)</b>	<b>(791.390)</b>	<b>1.019.666</b>	<b>(331.176)</b>	<b>454.354</b>

**(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 June 30, 2023, the company has fulfilled its financial commitments arising from its borrowings.

**COCA-COLA İÇECEK ANONİM ŞİRKETİ**

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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 June 30, 2023, and December 31, 2022, are as follows:

June 30, 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)	13.412.520	206.732	1.950.984	18.419.852
- Maximum risk secured by guarantee	4.573.769	-	561.875	-
A. Net book value of financial assets neither overdue nor impaired	12.475.789	206.732	1.950.984	18.419.852
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	936.731	-	-	-
-Under guarantee	223.995	-	-	-
D. Net book value of impaired assets	-	-	-	-
- Overdue (gross book value)	163.496	-	-	-
- Impairment (-)	(163.496)	-	-	-
- 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	-	-	-	-

## COCA-COLA İÇECEK ANONİM ŞİRKETİ

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

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

### 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.

**COCA-COLA İÇECEK ANONİM ŞİRKETİ**

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

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

**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

<b>30 June 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>a) Assets presented at fair value</b>			
Derivative financial instruments	-	50.975	-
<b>Total Assets</b>	-	50.975	-
<b>b) Liabilities presented at fair value</b>			
Derivative financial instruments	-	478.020	-
Put option of share from non-controlling interest	-	-	60.943
<b>Total Liabilities</b>	-	478.020	60.943

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

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

	<b>30 June 2023</b>	30 June 2022
Balance at January 1st	44.208	31.513
Currency translation difference	16.735	7.879
	<b>60.943</b>	39.392

**27. EVENTS AFTER BALANCE SHEET DATE**

According to “A Law on the Establishment of an Additional Motor Vehicle Tax to Compensate for the Economic Losses Caused by the Earthquake Occurred” published in the Official Gazette on July 15, 2023, The Corporate Tax Rate Law increased from 20% to 25%. The new rate is effective as of July 2023 payment period. The Group continues to assess the potential impact of the law on its consolidated financial statements.