

**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 - 31 MARCH 2024
(ORIGINALLY ISSUED IN TURKISH)**

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

Coca-Cola İçecek Anonim Şirketi

Interim Condensed Consolidated Financial Statements as of March 31, 2024

	<u>Pages</u>
Interim Condensed Consolidated Statement of Financial Position	1-2
Interim Condensed Consolidated Statement of Profit or Loss	3
Interim Condensed Consolidated Statement of Other Comprehensive Income	4
Interim Condensed Consolidated Statement of Change in Equity	5
Interim Condensed Consolidated Statement of Cash Flows	6
Notes to Interim Condensed Consolidated Financial Statements	7-42

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Interim Condensed Consolidated Statement of Financial Position as of March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

ASSETS	Notes	Unaudited	Audited
		March 31, 2024	December 31, 2023
Cash and Cash Equivalents	5	18.781.396	25.031.776
Financial Investments	6	484.077	432.377
Trade Receivables		17.382.850	10.142.314
- Trade receivables due from related parties	24	1.143.117	1.368.617
- Trade receivables due from third parties		16.239.733	8.773.697
Other Receivables	9	160.209	138.696
- Other receivables due from third parties		160.209	138.696
Derivative Financial Instruments	7-26	194.163	162.736
Inventories		14.270.621	14.938.203
Prepaid Expenses	10	2.815.497	2.147.665
Current Income Tax Assets		703.729	730.498
Other Current Assets	18	3.041.284	1.799.214
- Other current assets from third parties		3.041.284	1.799.214
Total Current Assets		57.833.826	55.523.479
Other Receivables		155.482	155.232
- Other receivables due from third parties		155.482	155.232
Property, Plant and Equipment	12	43.890.797	40.542.255
Intangible Assets		26.924.948	27.552.346
- Goodwill	14	5.417.437	5.344.745
- Other intangible assets	13	21.507.511	22.207.601
Right of Use Asset	12	555.082	623.847
Prepaid Expenses	10	1.145.933	1.400.584
Deferred Tax Assets	22	1.070.761	668.150
Derivative Financial Instruments	7-26	44.445	38.474
Other Non Current Assets		15.368	247.816
Total Non-Current Assets		73.802.816	71.228.704
Total Assets		131.636.642	126.752.183

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

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Interim Condensed Consolidated Statement of Financial Position as of March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

LIABILITIES	Notes	Unaudited March 31, 2024	Audited December 31, 2023
Short-term Borrowings	8	9.569.226	9.818.619
- Bank borrowings		9.569.226	9.818.619
Current Portion of Long-term Borrowings	8	11.098.710	10.965.768
- Bank borrowings		10.878.265	10.740.315
- Lease liabilities		220.445	225.453
Trade Payables		24.016.504	21.397.584
- Trade payables due to related parties	24	10.938.672	8.849.526
- Trade payables due to third parties		13.077.832	12.548.058
Payables Related to Employee Benefits		641.018	415.688
Other Payables		6.289.495	2.869.375
- Other payables due to related parties	24	253.440	265.901
- Other payables due to third parties		6.036.055	2.603.474
Derivative Financial Instruments	7-26	222.767	320.326
Deferred Income	10	234.350	236.314
Provision for Corporate Tax		1.298.180	470.589
Current Provisions		1.387.215	1.111.979
- Current provisions for employee benefits		370.327	301.854
- Other short term provisions		1.016.888	810.125
Other Current Liabilities	18	151.081	154.421
Total Current Liabilities		54.908.546	47.760.663
Long-term Borrowings	8	20.398.238	21.834.839
- Bank borrowings		19.926.416	21.300.507
- Lease liabilities		471.822	534.332
Trade Payables		3.474	5.746
- Trade payables due to third parties		3.474	5.746
Non-Current Provisions		786.686	842.012
- Non-current provisions for employee benefits		786.686	842.012
Deferred Tax Liability	22	4.409.316	4.527.758
Derivative Financial Instruments	7-26	5.946	3.417
Non-Current Deferred Income	10	37.136	50.981
Total Non-Current Liabilities		25.640.796	27.264.753
Equity of the Parent		44.424.792	45.204.722
Share Capital	19	254.371	254.371
Share Capital Adjustment Differences	19	3.710.396	3.710.396
Share Premium		3.131.953	3.131.953
Other comprehensive income items not to be reclassified to profit or loss		(439.579)	(444.545)
- Actuarial gains / losses		(439.579)	(444.545)
Other comprehensive income items to be reclassified to profit or loss		(12.655.816)	(9.155.046)
- Currency translation adjustment		14.116.028	16.216.992
- Hedge reserve gain / (losses)		(26.771.844)	(25.372.038)
- Cash flow hedge reserve gain / (losses)		(1.492.499)	(1.529.333)
- Net investment hedge reserve gain / (losses)		(25.279.345)	(23.842.705)
Restricted Reserves Allocated from Net Profit	19	2.348.707	2.348.707
Accumulated Profit / Loss		45.358.886	21.678.923
Net Income / (Loss) for the period		2.715.874	23.679.963
Non-Controlling Interest		6.662.508	6.522.045
Total Equity		51.087.300	51.726.767
Total Liabilities		131.636.642	126.752.183

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

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Interim Condensed Consolidated Statement of Profit or Loss for the three months period ended March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

		Unaudited	Unaudited
	Notes	January 1 - March 31, 2024	January 1 - March 31, 2023
Net Revenue		27.229.898	26.450.424
Cost of Sales (-)		(18.180.405)	(18.313.474)
Gross Profit / (Loss)		9.049.493	8.136.950
General and Administration Expenses (-)		(1.499.281)	(1.095.029)
Marketing, Selling and Distribution Expenses (-)		(4.389.093)	(3.924.053)
Other Operating Income	20	663.505	482.516
Other Operating Expense (-)	20	(612.931)	(446.293)
Profit / (Loss) From Operations		3.211.693	3.154.091
Gain from Investing Activities	20	4.455	42.473
Loss from Investing Activities (-)	20	(20.856)	(17.117)
Gain / (Loss) from Joint Ventures	11	(2.161)	(15.899)
Profit / (Loss) Before Financial Income / (Expense)		3.193.131	3.163.548
Financial Income / (Expense)	21	(1.145.034)	(767.884)
<i>Financial Income</i>		1.266.541	1.904.224
<i>Financial Expenses (-)</i>		(2.411.575)	(2.672.108)
Monetary Gain / (Loss)		2.536.936	2.282.556
Profit / (Loss) Before Tax from Continuing Operations		4.585.033	4.678.220
Tax Expense from Continuing Operations	22	(1.875.246)	(1.431.395)
<i>Deferred Tax Income / Expense (-)</i>		(146.078)	17.665
<i>Current Period Tax Expense (-)</i>		(1.729.168)	(1.449.060)
Net Profit / (Loss) from Continuing Operations		2.709.787	3.246.825
Attributable to:			
Non-controlling interest		(6.087)	66.512
Equity holders of the parent	23	2.715.874	3.180.313
Net Profit / (Loss)		2.709.787	3.246.825
Equity Holders Earnings Per Share (full TL)	23	0,106768	0,125027

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

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Interim Condensed Consolidated Statement of Other Comprehensive Income for the three months period ended March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

		Unaudited	Unaudited
	Notes	January 1 - March 31, 2024	January 1 - March 31, 2023
Profit / (loss) for the period		2.709.787	3.246.825
Actuarial Gain / (Losses)		6.622	-
Deferred Tax Effect	22	(1.656)	-
Other comprehensive income items, not to be reclassified to profit or loss		4.966	-
<i>Hedge reserve gain / (losses)</i>		(1.878.129)	(440.244)
- <i>Cash flow hedge reserve gain / (losses)</i>		37.391	159.807
- <i>Net investment hedge reserve gain / (losses)</i>		(1.915.520)	(600.051)
Deferred tax effect	22	478.323	96.489
Currency translation adjustment		(1.953.335)	(6.415.472)
Other comprehensive income items to be reclassified to profit or loss, net		(3.353.141)	(6.759.227)
Total Comprehensive Income After Tax		(638.388)	(3.512.402)
Total Comprehensive Income Attributable to:			
Non-controlling interest		141.542	(336.543)
Equity holders of the parent		(779.930)	(3.175.859)

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

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Interim Condensed Consolidated Statement of Change in Equity for the three months ended March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

Other comprehensive income and expense items													
Consolidated Statement of Changes in Shareholders' Equity	Share Capital	Share Capital Adjustment Differences	Share Premium	Subsequently not to be reclassified to profit or loss		Subsequently to be reclassified to profit or loss		Restricted Reserves Allocated from Net Profit	Accumulated Profit / Loss	Net Profit / Loss for the Period	Total Equity of the Parent	Non-Controlling Interest	Total Equity
				Actuarial Gains / Losses	Hedge Reserve	Currency Translation Adjustment							
January 1, 2023	254.371	3.710.396	3.222.101	(364.013)	(17.665.616)	22.994.949	2.509.378	16.313.706	15.967.088	46.942.360	7.310.494	54.252.854	
Other comprehensive income/(loss)	-	-	-	-	(343.755)	(6.012.417)	-	15.967.088	(15.967.088)	(6.356.172)	(403.055)	(6.759.227)	
Net profit / (loss) for the period	-	-	-	-	-	-	-	-	3.180.313	3.180.313	66.512	3.246.825	
Total Comprehensive Income / (loss)	-	-	-	-	(343.755)	(6.012.417)	-	15.967.088	(12.786.775)	(3.175.859)	(336.543)	(3.512.402)	
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	
March 31, 2023	254.371	3.710.396	3.222.101	(364.013)	(18.009.371)	16.982.532	2.509.378	32.280.794	3.180.313	43.766.501	6.973.951	50.740.452	
January 1, 2024	254.371	3.710.396	3.131.953	(444.545)	(25.372.038)	16.216.992	2.348.707	21.678.923	23.679.963	45.204.722	6.522.045	51.726.767	
Other comprehensive income/(loss)	-	-	-	4.966	(1.399.806)	(2.100.964)	-	23.679.963	(23.679.963)	(3.495.804)	147.629	(3.348.175)	
Net profit / (loss) for the period	-	-	-	-	-	-	-	-	2.715.874	2.715.874	(6.087)	2.709.787	
Total Comprehensive Income / (loss)	-	-	-	4.966	(1.399.806)	(2.100.964)	-	23.679.963	(20.964.089)	(779.930)	141.542	(638.388)	
Dividends	-	-	-	-	-	-	-	-	-	-	(1.079)	(1.079)	
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	
March 31, 2024	254.371	3.710.396	3.131.953	(439.579)	(26.771.844)	14.116.028	2.348.707	45.358.886	2.715.874	44.424.792	6.662.508	51.087.300	

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

(Convenience Translation into English of Interim Consolidated Financial Statements and Notes Originally Issued in Turkish)
COCA-COLA İÇECEK ANONİM ŞİRKETİ
Interim Condensed Consolidated Statement of Cash Flow for the three months period ended of March 31, 2024
(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

	Notes	Unaudited March 31, 2024	Unaudited March 31, 2023
Net profit / (loss) from continuing operations for the period		2.709.787	3.246.825
Adjustments to reconcile net profit / (loss)		802.716	(227.136)
Adjustments for depreciation and amortization expense		1.214.681	1.167.968
Adjustments for impairment loss (reversal)		87.801	7.459
- Provision / (reversal) for expected credit loss		104.606	(3.109)
- Provision / (reversal) for inventories		(17.832)	(4.367)
- Impairment loss / (reversal) in property, plant and equipment	12, 20	1.027	14.935
Adjustments for provisions		202.743	177.739
- Provision / (reversal) for employee benefits		202.743	177.739
Adjustments for interest (income) expenses		1.510.830	658.962
- Interest income	21	(321.630)	(203.862)
- Interest expense	21	1.832.460	862.824
Adjustments for fair value loss (gain)		(86.557)	(205.289)
- Adjustments for fair value of derivative instruments (gain) / loss		(86.557)	(205.289)
Adjustments for unrealized currency translation		(299.850)	286.104
Gain / loss from joint ventures	11	2.161	15.899
Adjustments for tax (income) / expense		1.875.246	1.431.395
Adjustments for (gain) / loss on sale of property, plant and equipment	20	15.374	(40.291)
Interest expense from lease liabilities	8, 21	20.611	28.107
Adjustments for monetary gain loss		(3.740.324)	(3.755.189)
Changes in working capital		(1.892.450)	(2.803.241)
Adjustments for decrease (increase) in trade receivables		(7.323.954)	(6.594.793)
- Decrease / (increase) on trade receivables due from related parties		225.500	98.922
- Decrease / (increase) on trade receivables due from third parties		(7.549.454)	(6.693.715)
Adjustments for decrease / (increase) in inventories		1.657.944	(1.930.510)
Adjustments for increase (decrease) in trade payables		341.842	4.698.409
- Increase / (decrease) on trade payables due to related parties		1.484.895	4.106.769
- Increase / (decrease) on trade payables due to third parties		(1.143.053)	591.640
Adjustments for increase (decrease) in other payables		3.431.718	1.023.653
Cash flows generated from operating activities		1.620.053	216.448
Payments made for employee benefits		(150.848)	(239.677)
Tax returns / (payments)		(985.180)	(736.421)
Other current and non-current assets and liabilities		(1.114.287)	(1.212.633)
A. NET CASH GENERATED FROM OPERATING ACTIVITIES		(630.262)	(1.972.283)
Cash outflows arising from purchase of property, plant, equipment, and intangible assets		(2.232.146)	(2.158.640)
- Cash outflow from purchase of property, plant, and equipment	12	(2.131.704)	(2.123.240)
- Cash outflow from purchase of intangibles	13	(100.442)	(35.400)
Proceeds from sale of property, plant and equipment and intangibles		26.352	117.952
Other inflows / (outflows) of cash		(99.191)	(1.101.452)
Cash outflow from acquisition of subsidiary		(814.412)	-
B. NET CASH USED IN INVESTING ACTIVITIES		(3.119.397)	(3.142.140)
Cash outflow due to lease liabilities	8	(84.237)	(108.900)
Proceeds from borrowings	8	4.881.570	5.437.610
Repayments of borrowings	8	(5.570.346)	(2.638.357)
Cash inflow / outflow due to derivative instruments		(45.424)	23.198
Interest paid	8	(2.329.452)	(1.031.941)
Interest received		290.552	205.471
Dividend paid		(1.079)	-
C. NET CASH USED IN FINANCING ACTIVITIES		(2.858.416)	1.887.081
D. MONETARY GAIN / LOSS ON CASH AND CASH EQUIVALENTS		(454.435)	(291.323)
Net increase / (decrease) in cash and cash equivalents before currency translation effects (A+B+C+D)		(7.062.510)	(3.518.665)
E. CURRENCY TRANSLATION ON CASH AND CASH EQUIVALENTS		812.130	(656.180)
Net increase / (decrease) in cash and cash equivalents (A+B+C+D+E)		(6.250.380)	(4.174.845)
F. CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	5	25.031.776	26.560.182
CASH AND CASH EQUIVALENTS AT PERIOD END (A+B+C+D+E+F)	5	18.781.396	22.385.337

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

1. CORPORATE INFORMATION AND NATURE OF ACTIVITIES

General

Coca-Cola İçecek Anonim Şirketi (“CCI” - “the Company”), is the bottler and distributor of alcohol-free beverages in Türkiye, 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 (2023 - 13) production facilities in different regions of Türkiye and operates 21 (2023 - 20) production facilities in countries other than Türkiye. The registered office address of CCI is OSB Mah. Deniz Feneri Sok. No:4 Ümraniye İstanbul, Türkiye.

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

The consolidated financial statements of the Group were approved for issue by the Board of Directors on May 22, 2024, which were signed by the Audit Committee and Chief Executive Officer Karim Yahı. The General Assembly and the regulatory bodies have the right to make amendments to the 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 Özlhan 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 March 31, 2024, and December 31, 2023, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	March 31, 2024		December 31, 2023	
	Nominal Amount	Percentage	Nominal Amount	Percentage
Anadolu Efes Biracılık ve Malt Sanayi A.Ş. (“Anadolu Efes”)	102.047	40,12%	102.047	40,12%
The Coca-Cola Export Corporation (“TCCEC”)	51.114	20,09%	51.114	20,09%
Efes Pazarlama ve Dağıtım Ticaret A.Ş. (“Efpa”)	25.788	10,14%	25.788	10,14%
Özgörkey Holding A.Ş.	2.020	0,79%	2.020	0,79%
Publicly Traded	73.402	28,86%	73.402	28,86%
	254.371	100,00%	254.371	100,00%
Inflation Restatement Effect	3.710.396		3.710.396	
	3.964.767		3.964.767	

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 Türkiye. 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 Türkiye 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 Türkiye, 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 Türkiye 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 Türkiye for Schweppes branded beverages under Bottler’s and Distribution Agreement signed with Schweppes Holdings Limited. Special authorization for the Group operating countries, other than Türkiye, may be granted from time to time.

COCA-COLA İÇECEK ANONİM ŞİRKETİ**Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024**

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

1. CORPORATE INFORMATION AND NATURE OF ACTIVITIES (continued)**Subsidiaries and Joint Ventures**

As of March 31, 2024, and December 31, 2023 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	
			March 31, 2024	December 31, 2023
Coca-Cola Satış ve Dağıtım Anonim Şirketi (“CCSD”)	Türkiye	Distribution and sales of Coca-Cola products	99,97%	99,97%
Anadolu Etap Penkon Gıda ve İçecek Ürünleri San. Ve Tic. A.Ş. (“Etap”)	Türkiye	Production and sale of fruit, vegetable juice and concentrate	80,00%	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”)	Pakistan	Production, distribution, and sales of Coca-Cola products	99,34%	99,34%
Coca-Cola Bangladesh Beverages Limited (“CCBB”) ⁽¹⁾	Bangladesh	Production, distribution, and sales of Coca-Cola products	100,00%	-
LLC Coca-Cola Bottlers Uzbekistan (“CCBU”)	Uzbekistan	Production, distribution, and sales of Coca-Cola products	100,00%	100,00%
CCI Samarkand Limited LLC (“Samarkand”)	Uzbekistan	Production, distribution, and sales of Coca-Cola products	100,00%	100,00%
CCI Namangan Limited LLC (“Samarkand”)	Uzbekistan	Production, distribution, and sales of Coca-Cola products	100,00%	100,00%

⁽¹⁾ As of February 20, 2024, the purchase of shares representing all of the capital of CCBB company was completed for 130 million USD (Note 3).*Joint Venture*

	Place of Incorporation	Principal Activities	Effective Shareholding and Voting Rights	
			March 31, 2024	December 31, 2023
Syrian Soft Drink Sales and Distribution L.L.C. (“SSDSD”)	Syria	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 March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

1. CORPORATE INFORMATION 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 March 31, 2024, 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 March 31, 2024, and 2023).

	March 31, 2024	March 31, 2023
Blue-collar	4.328	4.325
White-collar	5.548	5.493
Average number of employees	9.876	9.818

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

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 March 31, 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 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 Türkiye.

CCI and its subsidiaries, which operate in Türkiye, keep their accounting books and 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 foreign subsidiaries keep their accounting books and statutory financial statements in their local currencies and in accordance with the rules and 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 31 March 2024, 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 2023, 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 2023.

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION (continued)

Financial Reporting in High-Inflation Economies

Based on the announcement made by the POA on 23 November 2023 and the "Implementation Guide on Financial Reporting in Economies with High Inflation", the Group prepared its condensed consolidated financial statements for the interim period dated 31 March 2024 and ending on the same date by applying TAS 29 "Financial Reporting in Economies with High Inflation". In accordance with the said standard, financial statements prepared based on the currency of a hyperinflationary economy are prepared in the purchasing power of this currency at the balance sheet date, and comparative information is expressed in terms of the current measurement unit at the end of the reporting period for the purpose of comparison of previous period financial statements. For this reason, the Group has presented its consolidated financial statements as of 31 December 2023 on the purchasing power basis as of 31 March 2024.

Based on the CMB's decision dated 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of TAS 29, starting from their annual financial reports for the accounting periods ending as of December 31, 2023.

The adjustments made in accordance with TAS 29 were made using the correction coefficient obtained from the Consumer Price Index in Türkiye ("CPI") published by the Turkish Statistical Institute ("TSI"). As of March 31, 2024, the indices and correction coefficients used in the correction of consolidated financial statements are as follows:

Date	Index	Coefficient	Three Year Compound Interest Rate
31 March 2024	2.139,47	1,00000	211%
31 December 2023	1.859,38	1,15064	268%
31 March 2023	1.269,75	1,68495	152%
31 December 2022	1.128,45	1,89594	156%

The main elements of the Company's adjustment for financial reporting purposes in high-inflation economies are as follows:

- Current period financial statements prepared in TL are expressed with the purchasing power of money valid at the balance sheet date, and the amounts from previous reporting periods are expressed by correcting the purchasing power of money at the last balance sheet date.
- Monetary assets and liabilities are not adjusted as they are currently expressed with current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed the recoverable amount or net realizable value, the provisions of TAS 36 and TAS 2 were applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in current purchasing power at the balance sheet date have been corrected using the relevant correction coefficients.
- All items included in the income statements and other comprehensive income statements, except cost of sales, depreciation expense, profit/loss on asset sales, have been adjusted using the relevant monthly adjustment coefficients. Cost of sales, depreciation expense, asset sales profit/loss items have been recalculated on the basis of adjusted balance sheet items using correction coefficients.
- All items in the statement of cash flows are expressed in the unit of measurement valid at the end of the reporting period
- The effect of inflation on the Company's net monetary asset position in the current period is recorded in the net monetary position loss account in the income statement.

Comparative Figures:

- The relevant figures for the previous reporting period are rearranged by applying the general price index so that comparative financial statements are presented in the unit of measurement valid at the end of the reporting period. Information disclosed for previous periods is also presented in the measurement unit valid at the end of the reporting period.

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, 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 31 March 2024:*

- **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. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
- **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 1, 'General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after 1 January 2024. 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 2, 'Climate-related disclosures';** effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

b) *Standards, amendments, and interpretations that are issued but not effective as of 31 March 2024:*

The Group has not yet implemented the following standards that have not yet entered into force and the following changes and interpretations to existing previous standards:

- **TFRS 17, 'Insurance Contracts';** effective from annual periods beginning on or after 1 January 2023. This standard replaces TFRS 4, which permitted a wide variety of practices in accounting for insurance contracts. TFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts.
- **Amendments to TAS 21 - Lack of Exchangeability;** effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

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 March 31, 2024**

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, 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:

	March 31, 2024		December 31, 2023	
	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
CCBB	Bangladesh Taka	Bangladesh Taka	Bangladesh Taka	Bangladesh Taka
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
Tajikistan CC	Somoni	Somoni	Somoni	Somoni
CCBU	Som	Som	Som	Som
Namangan	Som	Som	Som	Som
Samarkand	Som	Som	Som	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 Türkiye used by the Group’s subsidiaries in Türkiye. USD amounts presented in the asset accounts are translated into TL with the official TL exchange rate of USD buying on March 31, 2024, USD 1,00 (full) = TL 32,2854 (December 31, 2023; USD 1,00 (full) = TL 29,4382) whereas USD amounts in the liability accounts are translated into TL with the official TL exchange rate of USD selling on March 31, 2024, USD 1,00 (full) = TL 32,3436 (December 31, 2023; USD 1,00 (full) = TL 29,4913). Furthermore, USD amounts in the income statement are translated into TL, at the average TL exchange rate for USD buying for the period is USD 1,00 (full) = TL 30,9035 (January 1 - March 31, 2023; USD 1,00 (full) = TL 18,8549).

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.

Offsetting

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Estimates, Assumptions and Judgements Used

For the condensed consolidated interim financial statements, as of March 31, 2024, 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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

the assumptions and estimations made for the year ended December 31, 2023, except for the necessary considerations made for income taxes.

3. BUSINESS COMBINATIONS

As of February 20, 2024, the Group purchased 100% of the shares representing the capital of CCBB in return for the share value calculated by deducting the estimated net financial debt as of the closing date from the enterprise value of 130 million USD. Share Value is subject to a price adjustment mechanism and will be recalculated upon finalization of CCBB's net financial liability as of the closing date through a closing audit to be conducted after closing.

	CCBB Net Book Value
Cash and cash equivalents	91.606
Trade receivables and other receivables	15.664
Inventories	956.550
Property plant and equipments	3.725.381
Right of use assets	21.580
Other current and non-current assets	222.360
Total assets	5.033.141
Deferred tax liability and tax provision	142.648
Borrowings	2.230.211
Trade payables	724.310
Other liabilities	399.469
Total liabilities	3.496.638
Net assets	1.536.503
Consideration(*)	1.821.463
Consolidated net assets	1.536.503
Provisional goodwill arising from acquisition	284.960

(*) 1,821,463 TL was calculated by deducting 2,187,581 TL of company debts from the purchase price which calculated as 4,009,044 TL.

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

4. SEGMENT REPORTING

The Company 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:

	March 31, 2024			
	Domestic	International	Elimination	Consolidated
Net Revenue	10.686.069	16.593.899	(50.070)	27.229.898
Cost of sales (-)	(7.138.854)	(11.057.885)	16.334	(18.180.405)
Gross profit	3.547.215	5.536.014	(33.736)	9.049.493
Operating expenses (-)	(3.544.776)	(2.691.710)	348.112	(5.888.374)
Other operating income / (expense), net	2.444.813	(82.198)	(2.312.041)	50.574
Profit from operations	2.447.252	2.762.106	(1.997.665)	3.211.693
Gain from investing activities	2.590	4.447	(2.582)	4.455
Loss from investing activities (-)	(19.779)	(3.659)	2.582	(20.856)
Gain / (loss) from joint ventures	-	(2.161)	-	(2.161)
Profit before financial income / (expense)	2.430.063	2.760.733	(1.997.665)	3.193.131
Financial income	1.062.087	229.467	(25.013)	1.266.541
Financial expense (-)	(3.857.067)	(495.042)	1.940.534	(2.411.575)
Monetary Gain Loss	2.536.936	-	-	2.536.936
Profit before tax from continuing operations	2.172.019	2.495.158	(82.144)	4.585.033
Tax income / (expense) from continuing operations	(514.423)	(667.550)	(693.273)	(1.875.246)
Net profit or (loss) from continuing operations	1.657.596	1.827.608	(775.417)	2.709.787
Non-controlling interest	(10.580)	4.493	-	(6.087)
Equity holders of the parent	1.668.176	1.823.115	(775.417)	2.715.874
Purchase of property, plant, equipment and intangible asset	368.880	1.863.266	-	2.232.146
Amortization expense of right of use asset	26.108	25.143	-	51.251
Depreciation and amortization expenses	487.657	675.773	-	1.163.430
Other non-cash items	16.614	81.119	(60.279)	37.454
Adjusted EBITDA	2.977.631	3.544.141	(2.057.944)	4.463.828

	March 31, 2024			
	Domestic	International	Elimination	Consolidated
Total Assets	100.527.040	80.645.161	(49.535.559)	131.636.642
Total Liabilities	44.120.646	40.504.443	(4.075.747)	80.549.342

As of March 31, 2024, the portion of Almaty CC in the consolidated net revenue and total assets is 20% and 9% respectively. (March 31, 2023: 22% and 9%).

As of March 31, 2024, the portion of CCBPL in the consolidated net revenue and total assets is 12% and 11% respectively. (March 31, 2023: 16% and 10%).

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

4. SEGMENT REPORTING (continued)

	March 31, 2023			
	Domestic	International	Elimination	Consolidated
Net Revenue	9.761.832	16.718.124	(29.532)	26.450.424
Cost of sales (-)	(7.343.809)	(10.980.007)	10.342	(18.313.474)
Gross profit	2.418.023	5.738.117	(19.190)	8.136.950
Operating expenses (-)	(2.730.792)	(2.543.090)	254.800	(5.019.082)
Other operating income / (expense), net	(4.837.881)	6.878.490	(2.004.386)	36.223
Profit / (loss) from operations	(5.150.650)	10.073.517	(1.768.776)	3.154.091
Gain from investing activities	26.317	17.158	(1.002)	42.473
Loss from investing activities (-)	(1.001)	(17.119)	1.003	(17.117)
Gain / (loss) from joint ventures	-	(15.899)	-	(15.899)
Profit before financial income/(expense)	(5.125.334)	10.057.657	(1.768.775)	3.163.548
Financial income	400.693	1.521.902	(18.371)	1.904.224
Financial expense (-)	(1.492.242)	(1.797.855)	617.989	(2.672.108)
Monetary Gain Loss	2.282.556	-	-	2.282.556
Profit before tax from continuing operations	(3.934.327)	9.781.704	(1.169.157)	4.678.220
Tax income / (expense) from continuing operations	(326.333)	(788.307)	(316.755)	(1.431.395)
Net profit or (loss) from continuing operations	(4.260.660)	8.993.397	(1.485.912)	3.246.825
Non-controlling interest	-	66.512	-	66.512
Equity holders of the parent	(4.260.660)	8.926.885	(1.485.912)	3.180.313
Purchase of property, plant, equipment and intangible asset	325.822	1.832.818	-	2.158.640
Amortization expense of right of use asset	35.989	23.138	-	59.127
Depreciation and amortization expenses	484.913	623.928	-	1.108.841
Other non-cash items	72.535	22.459	(17.999)	76.995
Adjusted EBITDA	(4.557.213)	10.743.042	(1.786.775)	4.399.054

	December 31, 2023			
	Domestic	International	Elimination	Consolidated
Total Assets	100.524.138	73.498.243	(47.270.198)	126.752.183
Total Liabilities	46.283.880	38.873.238	(10.131.702)	75.025.416

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.

Company’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 March 31, 2024, and 2023, reconciliation of Adjusted EBITDA to profit / (loss) from operations is explained in the following table:

	March 31, 2024	March 31, 2023
Profit / (loss) from operations	3.211.693	3.154.091
Depreciation and amortization	1.163.430	1.108.841
Provision for employee benefits	121.261	92.619
Foreign exchange gain / (loss) under other operating income / (expense) (Note 20)	(83.807)	(15.624)
Amortization expense of right of use asset	51.251	59.127
Adjusted EBITDA	4.463.828	4.399.054

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

5. CASH AND CASH EQUIVALENTS

	March 31, 2024	December 31, 2023
Cash on hand	29.323	37.522
Cash in banks		
-Time deposit	12.757.208	18.768.923
-Demand deposit	5.915.362	6.225.331
Cheques	79.503	-
	18.781.396	25.031.776

As of March 31, 2024, time deposits with maturities less than 3 months in foreign currencies, existed for periods varying between 1 day to 73 days (December 31, 2023 - 1 day to 74 days) and earned interest between 0,50% - 20,5% (December 31, 2023 - 0,50% - 20,50%).

As of March 31, 2024, time deposits in local currency existed for periods varying between 1 days to 62 days (December 31, 2023 - TL, 2 days to 12 days) and earned interest between 43,50% - 50,00% (December 31, 2023 - 38,00% - 45,00%)

As of March 31, 2024, there is TL 35.334 (December 31, 2023 - TL 48.721) of interest income accrual on time deposits with maturities less than 3 months. As of March 31, 2024, and December 31, 2023, 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

	March 31, 2024	December 31, 2023
Time deposits with maturities more than 3 months	97	106
Foreign currency linked deposits	339.205	353.150
Restricted cash	144.775	79.121
	484.077	432.377

As of March 31, 2024, time deposits with maturities over 3 months are composed of USD with 88 days maturity and have interest rate 2,25% for USD.

As of December 31, 2023, time deposits with maturities over 3 months are composed of USD with 179 and have 2,25% interest rate.

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

The interest rates for fx-protected deposit accounts are 35,00% (31 December 2023 -35,00)

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

7. DERIVATIVE FINANCIAL INSTRUMENTS

As of March 31, 2024, the Group has 14 aluminum swap transactions with a total nominal value of TL 1.794.881 for 23.427 tons, It has been designated as a hedging instrument that may arise from the cash flows of metal can purchases in years 2024-25 and has been subject to cash flow hedge accounting.

As of December 31, 2023, the Group has 10 aluminum swap transactions with a total nominal amount of TL 1.823.507 for 22.580 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 March 31, 2024, the Group has 10 sugar swap transactions with a total nominal value of TL 1.389.300, worth 91.650 tons. The designation as a hedging instrument that may arise from the cash flows of sugar purchases in years 2024-2025 has been subject to cash flow hedge accounting.

As of December 31, 2023, the Group has 8 sugar swap transactions with a total nominal value of TL 1.415.139, worth 89.650 tons. The designation as a hedging instrument that may arise from the cash flows of sugar purchases in years 2024-2025 has been subject to cash flow hedge accounting.

As of March 31, 2024, the Group has a cross currency swap contract with a total amount of USD 150 million due on September 19, 2024, for the probability of arising exchange rate exposure in the long term. The Group has also purchased an option amounting to USD 150 million for hedging the foreign exchange exposure with those two derivative transactions (nominal amount of TL 4.482.810). In addition to the above transactions, the Group has a forward derivative financial instrument with a maturity of 19 September 2024 in the amount of 100 million USD in order to hedge against exchange rate risk.

As of December 31, 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 5.080.916). In addition to the above transactions, the Group has a forward derivative financial instrument with a maturity of 19 September 2024 in the amount of 50 million USD in order to hedge against exchange rate risk.

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

7. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Details of hedging instruments as of 31 March 2024 and 31 December 2023 are as follows:

31 March 2024	Nominal Value	Outstanding Amounts	Fair Value Asset / (Liability)	Financial Position Line Item	Maturity
Hedging Instruments:					
Cash flow hedge reserves:					
<i>Commodity swap contracts</i>					
- Aluminum	1.794.881	23.427 tons	(1.164)	Derivative Instruments	April 2024 - December 2025
- Sugar	1.389.300	91.650 tons	142.536	Derivative Instruments	April 2024 - December 2025
Fx forward	3.228.540	100 million USD	77.906	Derivative Instruments	September 2024
Cross currency participation swap assets / (liabilities)	4.842.810	150 million USD	(209.383)	Derivative Instruments	September 2024
	11.255.531		9.895		
Net Investment Hedge:					
Borrowings to hedge net investments in foreign operations	-	650 million USD	(21.023.340)	Borrowings	January 2029

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

7. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

31 December 2023	Nominal Value	Outstanding Amounts	Fair Value Asset / (Liability)	Financial Position Line Item	Maturity
Hedging Instruments:					
Cash flow hedge reserves::					
<i>Commodity swap contracts</i>					
- Aluminum	1.823.507	22.580 tons	31.676	Derivative Instruments	January 2024 - December 2025
- Resin	1.415.139	89.650 tons	131.974	Derivative Instruments	January 2024 - December 2025
Fx forward	1.693.639	50 million USD	14.754	Derivative Instruments	September 2024
Cross currency participation swap assets /(liabilities)	5.080.916	150 million USD	(300.937)	Derivative Instruments	September 2024
	10.013.201		(122.533)		
Hedging Instruments:					
Borrowings to hedge net investments in foreign operations	-	650 million USD	(22.057.015)	Borrowings	January 2029

COCA-COLA İÇECEK ANONİM ŞİRKETİ**Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024**

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

8. BORROWINGS

	March 31, 2024	December 31, 2023
Short-term borrowings	9.569.226	9.818.619
Current portion of long-term borrowings and bond issued	10.878.265	10.740.315
Total short-term borrowings	20.447.491	20.558.934
Long-term borrowings and bond issued	19.926.416	21.300.507
Total borrowings	40.373.907	41.859.441

As of March 31, 2024, there is interest expense accrual amounting to TL 982.535 on total amount of borrowings (December 31, 2023 – TL 1.353.239).

The Group has complied with the financial covenants of its borrowing facilities during the March 31, 2024 and December 31 2023 reporting periods. Short and long-term borrowings denominated in TL and foreign currencies as of March 31, 2024 and 31 December 2023, are as follows:

	March 31, 2024		December 31, 2023	
	Short term	Long term	Short term	Long term
TL	9.702.714	2.271.469	10.109.865	2.301.990
USD	5.271.780	16.178.624	5.531.186	16.963.914
EUR	1.715.079	1.078.688	2.964.332	1.619.236
BDT	1.436.631	--	-	-
KZT	1.410.912	--	1.514.074	-
PKR	820.930	--	349.364	-
KGS	44.424	317.347	86.176	334.391
JOD	44.881	-	3.817	-
AZM	140	80.288	120	80.976
	20.447.491	19.926.416	20.558.934	21.300.507

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

	March 31, 2024	December 31, 2023
Short-term		
USD denominated borrowings	(%3,00) - (%8,00)	(%3,00) - (6M Libor + %2,50)
PKR denominated borrowings	(1M Kibor - %0,10) - (6M Kibor + %1)	(1M Kibor - %0,10) - (6M Kibor + %1)
TL denominated borrowings	(%12,00 - %52,50)	(%9,00 - %48,50)
KZT denominated borrowings	(%15,80 - %16,85)	(%16,55 - %16,85)
EUR denominated borrowings	(%6,40 - (%10,70)	(%7,25)
KGS denominated borrowings	(%14,28)	(%14,28)
BDT denominated borrowings	(%7,45 - %10,38)	-
JOD denominated borrowings	(%9,50)	(%9,50)
Long-term		
USD denominated borrowings	(%4,22) - (%7,04)	(%4,22) - (%7,04)
EUR denominated borrowings	(6M Euribor + %1,30) - (6M Euribor + %1,60)	(6M Euribor + %1,30) - (6M Euribor + %2,75)
TL denominated borrowings	(%27,64 - %47,00)	(%27,64 - %47,00)
AZM denominated borrowings	(%9,00)	(%9,00)
KGS denominated borrowings	(%14,28)	(%14,28)

Repayment plans of long-term borrowings as of March 31, 2024, and 31 December 2023, are scheduled as follows (including current portion of long-term borrowings):

	March 31, 2024	December 31, 2023
2024	9.688.963	10.740.315
2025	4.014.571	3.357.962
2026 and after	17.101.147	17.942.545
	30.804.681	32.040.822

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

8. BORROWINGS (continued)

Movements of financial borrowings as of March 31, 2024 and 2023 are as follows:

	March 31, 2024	March 31, 2023
Financial borrowing as of January 1st	41.859.441	38.599.146
Proceeds from borrowings	4.881.570	5.437.610
Repayments of borrowings	(5.570.346)	(2.638.357)
Addition through subsidiary acquired	2.208.631	-
Cash flows	1.519.855	2.799.253
Adjustments for interest expense	1.832.460	862.824
Interest paid	(2.329.452)	(1.031.941)
Changes in interest accruals	(496.992)	(169.117)
Foreign exchange loss / (gain) from foreign currency denominated borrowings	2.386.000	1.223.255
Monetary gain / loss	(4.146.546)	(3.935.283)
Currency translation adjustment	(747.851)	(879.532)
Financial borrowing at the end of period end	40.373.907	37.637.722

Lease Liabilities

As of March 31, 2024, net present value of liabilities under lease liabilities are amounting to TL 692.267. Movement tables of lease liabilities as of March 31, 2024 and 2023 are as follows:

	March 31, 2024	March 31, 2023
Balance as of January 1st	759.785	920.037
Increase in lease liabilities	15.098	189.134
Change in lease liabilities	1.114	3.698
Payments during the period	(84.237)	(108.900)
Interest expense of lease liabilities	20.611	28.107
Foreign exchange loss / (gain)	2.104	2.179
Addition through subsidiary acquired	21.580	-
Currency translates on differences	(43.788)	(171.231)
Balance at the end of the period end	692.267	863.024

9. OTHER RECEIVABLES AND PAYABLES

Other Receivables

	March 31, 2024	December 31, 2023
Receivables due from personnel	41.700	40.038
Deposits and guarantees given	5.741	5.648
Other	112.768	93.010
	160.209	138.696

Other Payables

	March 31, 2024	December 31, 2023
Deposits and guarantees	1.791.419	1.404.754
Taxes and duties payable	4.085.207	1.170.683
Other	159.429	28.037
	6.036.055	2.603.474

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

10. PREPAID EXPENSES

a) Short term prepaid expenses

	March 31, 2024	December 31, 2023
Prepaid marketing expenses	772.662	642.826
Prepaid insurance expenses	174.840	209.140
Prepaid rent expenses	39.037	11.126
Prepaid other expenses	270.034	309.630
Advances given to suppliers	1.558.924	974.943
	2.815.497	2.147.665

b) Long term prepaid expenses

	March 31, 2024	December 31, 2023
Prepaid marketing expenses	249.447	294.116
Prepaid other expenses	32.303	29.938
Advances given to suppliers	864.183	1.076.530
	1.145.933	1.400.584

c) Short term deferred income

	March 31, 2024	December 31, 2023
Advances received	155.291	170.544
Deferred income	79.059	65.770
	234.350	236.314

d) Long term deferred income

	March 31, 2024	December 31, 2023
Deferred income	37.136	50.981
	37.136	50.981

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 March 31, 2024, and December 31, 2023, total assets, total liabilities, net sales, and current period loss of SSDSD is as follows:

SSDSD	March 31, 2024	December 31, 2023
Total assets	177	217
Total liabilities	60.406	61.585
Equity	(60.229)	(61.368)

SSDSD	March 31, 2024	December 31, 2023
Net revenue	-	-
Net loss for the period	(4.322)	(31.799)
Group’s share in loss	(2.161)	(15.899)

COCA-COLA İÇECEK ANONİM ŞİRKETİ**Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024**

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

12. PROPERTY, PLANT AND EQUIPMENT

As of March 31, 2024 and 2023, property, plant and equipment movement tables are as follows:

Cost	January 1, 2024	Additions	Transfers	Disposals	(Impairment) / Impairment reversal, net	Acquired through business combination	Currency translation differences	March 31, 2024
Land and buildings	21.132.289	8.607	126.014	-	-	855.329	(544.776)	21.577.463
Machinery and equipment	41.007.196	230.707	965.115	(15.860)	2.034	1.293.567	(879.080)	42.603.679
Vehicles	956.326	332	1.901	(2.680)	-	3.343	(45.289)	913.933
Furniture and fixtures	1.262.481	5.716	(475)	(1.350)	-	26.032	(16.766)	1.275.638
Other tangibles (*)	21.243.704	145.975	14.940	(177.043)	2.421	1.317.571	(402.512)	22.145.056
Leasehold improvements	201.628	-	-	-	-	2.490	(3.275)	200.843
Construction in progress	3.375.902	1.740.367	(1.107.495)	-	(5.482)	1.441.213	(302.728)	5.141.777
	89.179.526	2.131.704	-	(196.933)	(1.027)	4.939.545	(2.194.426)	93.858.389
Accumulated depreciation and impairment (-)								
Land improvements and buildings	(6.565.609)	(110.408)	-	-	-	(137.347)	136.490	(6.676.874)
Machinery and equipment	(26.568.608)	(474.748)	-	15.860	-	(396.685)	495.663	(26.928.518)
Vehicles	(572.033)	(21.236)	-	2.680	-	(3.343)	26.500	(567.432)
Furniture and fixtures	(1.002.091)	(12.242)	-	1.285	-	(21.733)	11.761	(1.023.020)
Other tangibles	(13.779.806)	(475.560)	-	135.382	-	(654.283)	152.019	(14.622.248)
Leasehold improvements	(149.124)	(147)	-	-	-	(773)	544	(149.500)
	(48.637.271)	(1.094.341)	-	155.207	-	(1.214.164)	822.977	(49.967.592)
Net book value	40.542.255	1.037.363	-	(41.726)	(1.027)	3.725.381	(1.371.449)	43.890.797

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

As of March 31, 2024, pledge amounting to TL 97.766 on property, plant and equipment (31 March 2023: TL 97.725. This amount is also disclosed in GPM table (Note 16).

Impairment Loss

As of March 31, 2024, the Group had TL 1.027 provided impairment losses (March 31, 2023 – TL 14.935) 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 March 31, 2024, reversal of impairment amounting to TL 4.455 (December 31, 2023 – TL 2.182) (Note 20).

Cost	January 1, 2023	Additions	Transfers(**)	Disposals	(Impairment)/ Impairment reversal, net	Currency translation differences	March 31, 2023
Land and buildings	20.563.468	42.242	94.308	(1.695)	-	(1.975.334)	18.722.989
Machinery and equipment(***)	40.772.843	513.045	(754.719)	(17.653)	280	(3.484.178)	37.029.618
Vehicles	941.761	55.024	-	(5.092)	-	(87.348)	904.345
Furniture and fixtures	1.290.938	6.868	(14.061)	(2.105)	-	(108.873)	1.172.767
Other tangibles(*)	20.851.147	347.024	225.264	(150.473)	(15.215)	(1.535.396)	19.722.351
Leasehold improvements	230.865	-	(3.447)	-	-	(29.306)	198.112
Construction in progress	1.763.384	1.159.037	(497.610)	-	-	(299.874)	2.124.937
	86.414.406	2.123.240	(950.265)	(177.018)	(14.935)	(7.520.309)	79.875.119
Accumulated depreciation and impairment (-)							
Land improvements and buildings	(6.368.316)	(108.305)	29.286	214	-	478.618	(5.968.503)
Machinery and equipment	(25.892.360)	(443.179)	123.776	6.632	-	1.900.890	(24.304.241)
Vehicles	(649.946)	(17.540)	-	4.283	-	60.016	(603.187)
Furniture and fixtures	(1.064.856)	(10.892)	19.030	1.931	-	93.810	(960.977)
Other tangibles	(13.514.109)	(472.499)	3.837	86.297	-	802.835	(13.093.639)
Leasehold improvements	(173.565)	(147)	3.444	-	-	24.156	(146.112)
	(47.663.152)	(1.052.562)	179.373	99.357	-	3.360.325	(45.076.659)
Net book value	38.751.254	1.070.678	(770.892)	(77.661)	(14.935)	(4.159.984)	34.798.460

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

(**)As of March 31, 2023 intangible assets amounting to TL 1.279 transferred to tangible assets.

(***) Spare parts with a net book value of TL 772.171 as of 31 March 2023 have been transferred to inventories.

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

12. PROPERTY, PLANT AND EQUIPMENT (continued)

Right of Use Asset

As of March 31, 2024 and 2023, right of use asset movement tables are as follows:

	January 1, 2024	Additions	Changes	Disposals	Acquired through business combination	Currency Translation Difference	March 31, 2024
Cost							
Land and Buildings	607.536	3.846	1.114	-	21.580	(39.846)	594.230
Machinery and Equipment	59.497	-	-	-	-	(5.324)	54.173
Vehicles	426.156	11.252	-	(11.525)	-	(39.804)	386.079
Furniture and Fixtures	3.435	-	-	-	-	(119)	3.316
	1.096.624	15.098	1.114	(11.525)	21.580	(85.093)	1.037.798
Amortization							
Land and Buildings	(263.665)	(14.742)	-	-	-	12.491	(265.916)
Machinery and Equipment	(27.818)	(1.986)	-	-	-	1.399	(28.405)
Vehicles	(177.994)	(34.438)	-	11.350	-	15.999	(185.083)
Furniture and Fixtures	(3.300)	(85)	-	-	-	73	(3.312)
	(472.777)	(51.251)	-	11.350	-	29.962	(482.716)
Net book value	623.847	(36.153)	1.114	(175)	21.580	(55.131)	555.082
	January 1, 2023	Additions	Changes	Disposals	Currency Translation Difference	March 31, 2023	
Cost							
Land and Buildings	500.449	177.698	3.698	-	(88.214)	593.631	
Machinery and Equipment	69.644	-	-	-	(13.095)	56.549	
Vehicles	609.960	11.436	-	(45.467)	(65.305)	510.624	
Furniture and Fixtures	2.691	-	-	(1.136)	(275)	1.280	
	1.182.744	189.134	3.698	(46.603)	(166.889)	1.162.084	
Amortization							
Land and Buildings	(222.317)	(13.566)	-	-	26.011	(209.872)	
Machinery and Equipment	(30.226)	(1.982)	-	-	4.275	(27.933)	
Vehicles	(174.891)	(43.497)	-	29.840	17.699	(170.849)	
Furniture and Fixtures	(2.890)	(82)	-	1.136	180	(1.656)	
	(430.324)	(59.127)	-	30.976	48.165	(410.310)	
Net book value	752.420	130.007	3.698	(15.627)	(118.724)	751.774	

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

13. INTANGIBLE ASSETS

As of March 31, 2024 and 2023, intangible assets movement tables are as follows:

	January 1, 2024	Additions/ (Amortization)	Disposals	Acquired through business combination	Transfers	Currency translation adjustment	March 31, 2024
Cost							
Water sources usage right	357.192	-	-	-	-	-	357.192
Bottlers and distribution agreements	20.240.074	-	-	-	-	(799.478)	19.440.596
Foundation and organization	19.670	-	-	-	-	-	19.670
Other Rights	2.734.749	21.472	-	86.316	56.712	(60.026)	2.839.223
Construction in progress	732.176	78.970	-	(86.316)	-	-	724.830
	24.083.861	100.442	-	-	56.712	(859.504)	23.381.511
Less: Accumulated amortization							
Water sources usage right	(357.192)	-	-	-	-	-	(357.192)
Foundation and organization	(4.851)	(1.953)	-	-	-	-	(6.804)
Other Rights	(1.514.217)	(67.136)	-	-	(56.712)	128.061	(1.510.004)
	(1.876.260)	(69.089)	-	-	(56.712)	128.061	(1.874.000)
Net book value	22.207.601	31.353	-	-	-	(731.443)	21.507.511

	January 1, 2023	Additions/ (Amortization)	Disposals	Transfers ^{8*9}	Currency translation adjustment	March 31, 2023
Cost						
Water sources usage right	357.191	-	-	-	-	357.191
Bottlers and distribution agreements	21.335.799	-	-	-	(1.776.284)	19.559.515
Other Rights	2.415.765	21.331	-	8.420	(128.084)	2.317.432
Construction in progress	374.768	14.069	-	(9.889)	-	378.948
	24.483.523	35.400	-	(1.469)	(1.904.368)	22.613.086
Less: Accumulated amortization						
Water sources usage right	(357.191)	-	-	-	-	(357.191)
Other Rights	(1.107.155)	(56.279)	-	190	23.382	(1.139.862)
	(1.464.346)	(56.279)	-	190	23.382	(1.497.053)
Net book value	23.019.177	(20.879)	-	(1.279)	(1.880.986)	21.116.033

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

(*) As of March 31, 2023, intangible assets with a net book value of 1.279 TL have been transferred to tangible assets.

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

14. GOODWILL

As of March 31, 2024, and 2023 movements of goodwill are as follows:

	January 1, 2024	Acquired through business combination	Currency Translation Difference	March 31, 2024
Cost	5.922.288	284.960	(163.722)	6.043.526
Impairment reserve	(577.543)	-	(48.546)	(626.089)
Net book value	5.344.745	284.960	(212.268)	5.417.437

	January 1, 2023	Currency Translation Difference	March 31, 2023
Cost	6.609.821	(953.313)	5.656.508
Impairment reserve	(524.919)	50.189	(474.730)
Net book value	6.084.902	(903.124)	5.181.778

As of March 31, 2024, and 2023 operating segment distribution of goodwill is presented below:

	Domestic	International	Consolidated
March 31, 2024	-	5.417.437	5.417.437
March 31, 2023	-	5.181.778	5.181.778

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 855.579 (December 31, 2023: TL 947.436) that the Group's will benefit from in the foreseeable future as of March 31, 2024 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 31 March 2024, deferred tax expense amounting to TL 91.857 has been realized in the consolidated profit or loss statement for the period from January 1 to March 31, 2024.

According to the tax incentive certificates summarized above, the current period corporate tax provision 1.832 TL (31 March 2023: None) discounted corporate tax advantage has been used and this amount has been deducted from the deferred tax asset.

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 March 31, 2024, 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 March 31, 2024, the Group took advantage of R&D deduction amounting to TL 1.484 (31 March 2023: None)

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

16. PROVISIONS, CONTINGENT ASSETS and LIABILITIES

CCI and its Subsidiaries in Türkiye

Litigations against the Group

CCI and subsidiaries in Türkiye are involved on an ongoing basis in 231 litigations arising in the ordinary course of business as of March 31, 2024 with an amount of TL 31.853 (December 31, 2023 – 229 litigations, TL 22.171). As of March 31, 2024, 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 March 31, 2024, CCBPL has tax litigations. If the claims are resulted against CCBPL, the tax liability would be TL 92.839 (December 31, 2023 – 96.249).

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.

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.

Pakistani tax administration had previously requested additional taxes from CCBPL, citing the cancellation decision and requesting the "Sales and Excise Taxes" system to be applied retroactively before the cancellation. Company Management objected and litigated this request, since withdrawal decisions of constitutional court could not be applied retrospectively in principle also on the basis that the "Capacity Tax" implementation obligations in force in the relevant time period were fully fulfilled. As of March 31, 2024, the relevant matter has been closed between the Company and the Tax office.

COCA-COLA İÇECEK ANONİM ŞİRKETİ**Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024**

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

16. PROVISIONS, CONTINGENT ASSETS and LIABILITIES (continued)

As of March 31, 2024, and 31 December 2023 total guarantees and pledges given by the Group are as follows:

	March 31, 2024					
	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	2.286.230	1.699.687	7.660	5.975	162.152	112.457
B. Total guarantees and pledges given by the Company for its subsidiaries consolidated for using the full consolidation method	10.479.164	549.788	76.263	54.667	16.800.000	3.613.121
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 Group for other group companies which are not covered in B and C clauses	-	-	-	-	-	-
iii. Total guarantees and pledges given by the Company for other third parties which are not covered in the C clause	-	-	-	-	-	-
Total guarantees and pledges	12.765.394	2.249.475	83.923	60.642	16.962.152	3.725.578
Other guarantees and pledges given / Total equity (%)	-	-	-	-	-	-
	December 31, 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	2.269.640	1.662.846	8.468	4.863	162.152	118.202
B. Total guarantees and pledges given by the Company for its subsidiaries consolidated for using the full consolidation method	11.309.906	13.342	76.263	79.198	16.800.000	3.725.885
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 Group for other group companies which are not covered in B and C clauses	-	-	-	-	-	-
iii. Total guarantees and pledges given by the Company for other third parties which are not covered in the C clause	-	-	-	-	-	-
Total guarantees and pledges	13.579.546	1.676.188	84.731	84.061	16.962.152	3.844.087
Other guarantees and pledges given / Total equity (%)	-	-	-	-	-	-

Tax and Legal Matters

Legislation and regulations regarding taxation and foreign currency transactions in most of the territories in which the Group operates out of Türkiye 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

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

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 March 31, 2024, CCBPL has a commitment to purchase sugar and resin in the amount of 77.5 million USD from the Banks by the end of June 30, 2024, and sugar and resin in the amount of 42.9 million USD by the end of September 30, 2024.

CCBPL has signed Murabaha facility agreements with Habib Bank Limited and Standard Chartered Bank (“Banks”). Based on these agreements, the Banks and CCBPL agree that they shall enter into a series of sugar and resin purchase transactions. As of December 31, 2023, CCBPL has a commitment to purchase 74.1 million USD of sugar and resin from the Banks by the end of 31 March 2024, and 37.6 million USD of sugar and resin by the end of 30 June 2024.

18. OTHER ASSETS AND LIABILITIES

a) Other Current Assets

	March 31, 2024	December 31, 2023
VAT receivables	2.666.305	1.432.561
Other	374.979	366.653
	3.041.284	1.799.214

b) Other Current Liabilities

	March 31, 2024	December 31, 2023
Put option of share from non-controlling interest	76.194	79.940
Other	74.887	74.481
	151.081	154.421

As of March 31, 2024, the obligation of TL 76.194 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 Türkiye and booked under put option of share from non-controlling interest under other current liabilities (December 31, 2023-TL 79.940).

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

19. EQUITY

Share Capital

	March 31, 2024	December 31, 2023
Common shares 1 Kr par value		
Authorized and issued (units)	25.437.078.200	25.437.078.200

Legal reserves

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

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

Companies distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly and also in conformity with relevant legislations. The communique does not constitute a minimum dividend rate. Companies distribute dividend in accordance with the method defined in their dividend policy or articles of incorporation. In addition, dividend can be distributed by fixed or variable instalments and advance can be paid in accordance with profit on financial statements of the Group.

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 March 31, 2024 breakdown of the equity in the financial statements of CCI prepared in accordance with the Tax Procedure Law are as follows.

	31 March 2024		
	PPI Indexed Legal Records	CPI Indexed Records	Amounts followed in Accumulated Profit / Loss
Share Capital Adjustment Differences	6.504.256	3.710.396	2.793.860
Share Premium	-	3.131.953	(3.131.953)
Restricted Reserves Allocated from Net Profit	1.977.287	2.348.707	(371.420)

Dividends

According to our company's consolidated financial statements prepared in accordance with CMB accounting standards, the net profit for the 2023 fiscal year was 20,579,819 TL. After deducting legal obligations, our Board of Directors has submitted to the General Assembly that a total gross amount of 2,000,015 TL will be distributed to the partners as of May 27, 2024, to be covered entirely from the 2023 net period profit, and the remaining part of the 2023 net period profit will be left within our Company as an extraordinary reserve. The proposal was approved in General Assembly.

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 7,8626 (net TL 7,8626) per 100 shares, representing TL 1 nominal value. While other shareholders will receive gross TL 7,8626 (net TL 7,07634) per 100 shares.

No privilege is granted to any share group regarding dividend distribution.

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

20. OTHER INCOME/EXPENSE

a) Other operating income / expense	March 31, 2024	March 31, 2023
Other operating income		
Foreign exchange gain	347.118	297.582
Gain on sale of scrap materials	85.711	95.001
Insurance income	11.246	4.466
Reversals from provision	5.279	1.764
Reversals from inventory provision	25.814	3.092
Other income	188.337	80.611
	663.505	482.516
Other operating expense		
Foreign exchange loss	(263.311)	(281.958)
Loss on sale of scrap materials	(87.441)	(71.997)
Donations	(14)	(27.830)
Other expenses	(262.165)	(64.508)
	(612.931)	(446.293)
b) Gain / (Loss) from Investing Activities	March 31, 2024	March 31, 2023
Gain from Investing Activities		
Impairment reversal of property, plant and equipment (Note 12)	4.455	2.182
Gain on disposal of property, plant and equipment, net	-	40.291
	4.455	42.473
Loss from Investing Activities		
Loss on disposal of property, plant and equipment, net	(15.374)	-
Provision for impairment in property, plant and equipment (Note 12)	(5.482)	(17.117)
	(20.856)	(17.117)

21. FINANCIAL INCOME / EXPENSE

	March 31, 2024	March 31, 2023
Foreign exchange gain	856.438	1.484.279
Interest income	321.630	203.862
Derivative transaction gain	88.473	216.083
	1.266.541	1.904.224
	March 31, 2024	March 31, 2023
Foreign exchange loss	(556.588)	(1.770.383)
Interest expense	(1.832.460)	(862.824)
Interest expense of lease liabilities	(20.611)	(28.107)
Derivative transaction loss	(1.916)	(10.794)
	(2.411.575)	(2.672.108)

As of March 31, 2024, and 2023 foreign exchange gain (loss) from foreign currency denominated borrowings are as follows:

	March 31, 2024	March 31, 2023
Foreign exchange gain / (loss) from foreign currency denominated borrowings, net	(2.386.000)	(1.223.255)

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

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 Türkiye, 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 Türkiye, the corporate tax rate is 25% as of March 31, 2024 (December 31, 2023: 25%). 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:

	March 31, 2024	December 31, 2023
Kazakhstan	20%	20%
Azerbaijan	20%	20%
Kyrgyzstan	10%	10%
Turkmenistan	8%	8%
Tajikistan	18%	18%
Jordan	21%	20%
Iraq	15%	15%
Pakistan	39%	39%
Bangladesh	27,5%	-
Uzbekistan	15%	15%

For the 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.

The list of temporary differences and the resulting deferred tax liabilities, as of March 31, 2024, and 31 December, 2023 using the prevailing effective statutory tax rate is as follows:

	March 31, 2024		December 31, 2023	
	Cumulative Temporary Difference	Deferred Tax Assets / (Liabilities)	Cumulative Temporary Difference	Deferred Tax Assets / (Liabilities)
Tangible and intangible assets	(21.078.179)	(5.203.750)	(19.170.096)	(5.191.216)
Right of use asset	24.608	6.151	(56.305)	(14.546)
Borrowings	(679.227)	(169.807)	(664.854)	(166.213)
Employee termination, other employee benefits and other payable accruals	157.291	36.790	93.817	23.455
Unused investment incentive	559.989	855.579	644.529	947.436
Carry forward tax loss	4.579.858	1.144.965	14.798.074	3.699.518
Trade receivables, payables and other	5.494.533	1.291.236	3.144.468	723.145
Derivative financial instruments	(252.620)	(82.632)	(134.168)	(37.231)
Inventory	(366.853)	(72.122)	(68.889)	(144.438)
	(11.560.600)	(2.193.590)	(1.413.424)	(160.090)
Minus: Provision for valuation of carry forward loss	(4.579.858)	(1.144.965)	(14.798.074)	(3.699.518)
	(16.140.458)	(3.338.555)	(16.211.498)	(3.859.608)
Deferred tax assets		1.070.761		668.150
Deferred tax liabilities		(4.409.316)		(4.527.758)
Deferred tax liability, net		(3.338.555)		(3.859.608)

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

22. TAX RELATED ASSETS AND LIABILITIES (continued)

The expiration dates of carryforward tax losses for which no deferred taxes are calculated as follows;

	March 31, 2024	December 31, 2023
2024	46.464	53.463
2025	75.718	87.124
2026	1.958.417	2.630.735
2027	2.499.259	3.540.148
2028	-	8.486.604
	4.579.858	14.798.074

As of March 31, 2024, and 2023, the movement of net deferred tax liability is as follows:

	March 31, 2024	March 31, 2023
Balance at January 1,	3.859.608	5.347.972
Deferred tax expense / (income)	146.078	(17.665)
Tax expense recognized in comprehensive income	(478.323)	(96.489)
Additions through subsidiary acquisition	162	-
Currency translation adjustment	(188.970)	(547.863)
	3.338.555	4.685.955

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 year. The Company has no diluted instruments. As of March 31, 2024, and 2023 earnings / (losses) per share is as follows:

	March 31, 2024	March 31, 2023
Equity holders net income/(loss) for the period	2.715.874	3.180.313
Weighted average number of ordinary shares	25.437.078.200	25.437.078.200
Equity Holders Earnings Per Share (Full Tl)	0,106768	0,125027

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:

	March 31, 2024				Short Term	Long Term
	Sales to related parties and other revenues	Purchases from related parties and other expenses	Receivables from related parties	Payables to related parties		
Related Parties and Shareholders						
Anadolu Group Companies ⁽¹⁾	546.379	181.858	669.026	59.315	-	-
The Coca-Cola Company ⁽¹⁾	66.679	6.612.832	424.320	10.947.956	-	-
Özgörkey Holding Group Companies ⁽¹⁾	238	25.153	-	15.878	-	-
Syrian Soft Drink Sales and Distribution L.L.C ⁽⁴⁾	-	-	49.771	-	-	-
Day Trade ⁽²⁾	-	-	-	168.963	-	-
National Beverage Co. ⁽³⁾	-	8.618	-	-	-	-
Other	-	66.177	-	-	-	-
Total	613.296	6.894.638	1.143.117	11.192.112		

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

24. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

	March 31, 2023		December 31, 2023		
	Sales to related parties and other revenues	Purchases from related parties and other expenses	Receivables from related parties	Payables to related parties	
Related Parties and Shareholders				Short Term	Long Term
Anadolu Group Companies ⁽¹⁾	428.082	37.055	566.688	112.718	-
The Coca-Cola Company ⁽¹⁾	289.441	7.914.311	751.796	8.814.824	-
Özgörkey Holding Group Companies ⁽¹⁾	950	22.049	468	10.615	-
Syrian Soft Drink Sales and Distribution L.L.C ⁽⁴⁾	-	-	49.665	-	-
Day Trade ⁽²⁾	-	-	-	177.270	-
National Beverage Co. ⁽³⁾	-	8.859	-	-	-
Other	-	37.087	-	-	-
Total	718.473	8.019.361	1.368.617	9.115.427	-

- (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 March 31, 2024, and 2023, 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 March 31, 2024, and 2023, sales to related parties and other revenues consist of sale of finished goods and support charges of promotional expenses reflected to related parties.

As of March 31, 2024, and 31 December 2023, 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:

	March 31, 2024		December 31, 2023	
	Board of Directors	Executive Directors	Board of Directors	Executive Directors
Short-term employee benefits	567	41.252	2.362	94.479
Other long-term benefits	-	9.244	-	2.864
	567	50.496	2.362	97.343
Number of top executives	4	9	4	10

25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

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

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

25. NATURE AND LEVEL OF RISKS ARISING FROM 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 considering 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 March 31, 2024, and December 31, 2023, 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:

	March 31, 2024	December 31, 2023
Borrowings	41.066.174	42.619.226
Less: Cash and cash equivalents and short-term financial assets	(19.265.473)	(25.464.153)
Net debt	21.800.701	17.155.073
Total share capital	254.371	254.371
Net debt / Total equity ratio (%)	85,70	67,44

(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 March 31, 2024, 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 June 30, 2024, which is the following reporting period would be:

	March 31, 2024	March 31, 2023
Increase / decrease of 1% interest in U.S. Dollar denominated borrowing interest rate	48	145
Increase / decrease of 1% interest in Euro denominated borrowing interest rate	4.797	6.130
Increase / decrease of 1% interest in Pakistan Rupee denominated borrowing interest rate	740	20
Total	5.585	6.295

As of March 31, 2024, and 2023, the analysis of financial assets of the Group exposed to interest risk as follows:

Interest Rate Risk	March 31, 2024	March 31, 2023
Financial instruments with fixed interest rate		
Time deposits	13.241.285	19.576.330
Financial liabilities (Note 8)	37.581.032	34.964.424
Financial instruments with floating interest rate		
Financial liabilities (Note 8)	2.792.875	2.673.298

COCA-COLA İÇECEK ANONİM ŞİRKETİ**Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024**

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

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

	March 31, 2024	March 31, 2023
Total export	36.017	49.708
Total import	7.236.109	7.127.290

Foreign Currency Position

As of March 31, 2024, and December 31, 2023, the foreign currency position (except functional currency) of the Group and its subsidiaries is as follows:

Foreign Currency Position Table				
March 31, 2024				
	Total TL Equivalent	USD	Euro	Other Foreign Currency TL Equivalent
1. Trade Receivables and Due from Related Parties	843.630	19.059	6.560	-
2a. Monetary Financial Assets (Cash and cash equivalents included)	3.231.762	74.382	23.855	100
2b. Non-monetary Financial Assets	16.621	61	421	-
3. Other Current Assets and Receivables	24.735	761	3	62
4. Current Assets (1+2+3)	4.116.748	94.263	30.839	162
5. Trade Receivables and Due from Related Parties	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-
7. Other	513.808	752	14.066	-
8. Non-Current Assets (5+6+7)	513.808	752	14.066	-
9. Total Assets (4+8)	4.630.556	95.015	44.905	162
10. Trade Payables and Due to Related Parties	4.873.169	132.173	16.032	39.262
11. Short-term Borrowings and Current Portion of Long - term Borrowings	6.986.859	162.993	49.192	-
12a. Monetary Other Liabilities	247.733	7.446	198	-
12b. Non-monetary Other Liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	12.107.761	302.612	65.422	39.262
14. Trade Payables and Due to Related Parties	-	-	-	-
15. a Long-Term Borrowings	17.257.312	500.211	30.939	-
15. b. Long-Term Lease Payables	120.976	2.574	1.082	-
16 a. Monetary Other Liabilities	-	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	17.378.288	502.785	32.021	-
18. Total Liabilities (13+17)	29.486.049	805.397	97.443	39.262
19. Off Balance Sheet Derivative Items' Net Asset / (Liability) Position (19a-19b)	21.320.366	659.200	-	-
19a. Total Hedged Assets ^(*)	21.320.366	659.200	-	-
19b. Total Hedged Liabilities	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	(3.535.127)	(51.182)	(52.538)	(39.100)
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (IFRS 7, B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(25.410.657)	(711.956)	(67.028)	(39.162)
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	-	-	-	-

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

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

Foreign Currency Position (continued)

Foreign Currency Position Table				
December 31, 2023				
	Total TL Equivalent	USD	Euro	Other Foreign Currency TL Equivalent
1. Trade Receivables and Due from Related Parties	862.364	18.936	5.895	-
2a. Monetary Financial Assets (Cash and cash equivalents included)	4.085.068	98.018	20.364	1.667
2b. Non-monetary Financial Assets	-	-	-	-
3. Other Current Assets and Receivables	275.337	7	7.335	178
4. Current Assets (1+2+3)	5.222.769	116.961	33.594	1.845
5. Trade Receivables and Due from Related Parties	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-
7. Other	88.628	170	2.211	-
8. Non-Current Assets (5+6+7)	88.628	170	2.211	-
9. Total Assets (4+8)	5.311.397	117.131	35.805	1.845
10. Trade Payables and Due to Related Parties	5.679.510	140.602	23.128	39.921
11. Short-term Borrowings and Current Portion of Long - term Borrowings	8.495.518	162.999	78.947	-
12a. Monetary Other Liabilities	84.867	2.491	9	-
12b. Non-monetary Other Liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	14.259.895	306.092	102.084	39.921
14. Trade Payables and Due to Related Parties	-	-	-	-
15. a Long-Term Borrowings	18.583.150	499.911	43.124	-
15. b. Long-Term Lease Payables	133.863	2.804	1.031	-
16 a. Monetary Other Liabilities	-	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	18.717.013	502.715	44.155	-
18. Total Liabilities (13+17)	32.976.908	808.807	146.239	39.921
19. Off Balance Sheet Derivative Items' Net Asset / (Liability) Position (19a-19b)	22.368.644	659.200	-	-
19a. Total Hedged Assets ^(*)	22.368.644	659.200	-	-
19b. Total Hedged Liabilities	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	(5.296.867)	(32.476)	(110.434)	(38.076)
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (IFRS 7, B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(28.029.476)	(691.853)	(119.980)	(38.254)
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	-	-	-	-

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

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				
	March 31, 2024		March 31, 2023	
	Income / (Loss)	Income / (Loss)	Income / (Loss)	Income / (Loss)
	Increase of the foreign currency	Decrease of the foreign currency	Increase of the foreign currency	Decrease of the foreign currency
Changes in the USD against TL by 20%:				
1- USD denominated net asset / (liability)	(4.596.368)	4.596.368	(5.492.292)	5.492.292
2- USD denominated hedging instruments (-)	4.264.073	(4.204.668)	5.296.453	(4.978.894)
3- Net effect in USD (1+2)	(332.295)	391.700	(195.839)	513.398
Changes in the Euro against TL by 20%:				
4- Euro denominated net asset / (liability)	(366.918)	366.918	(427.777)	427.777
5- Euro denominated hedging instruments (-)	-	-	-	-
6- Net effect in Euro (4+5)	(366.918)	366.918	(427.777)	427.777
Average changes in the other foreign currencies against TL by 20%:				
7- Other foreign currency denominated net asset / (liability)	(7.820)	7.820	(10.988)	10.988
8- Other foreign currency hedging instruments (-)	-	-	-	-
9- Net effect in other foreign currency (7+8)	(7.820)	7.820	(10.988)	10.988
TOTAL (3+6+9)	(707.033)	766.438	(634.604)	952.163

(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 31 March 2024, the Group has fulfilled its financial commitments arising from its borrowings.

COCA-COLA İÇECEK ANONİM ŞİRKETİ**Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024**

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, unless otherwise stated)

25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)**(d) Credit Risk (continued)**

Credit risk exposure from financial instruments as of March 31, 2024, and December 31, 2023 are as follows:

March 31, 2024	Receivables			
	Trade Receivables and Due from Related Parties	Other Receivables	Advances Given	Bank Deposits
Maximum credit risk exposure as of reporting date (A+B+C+D+E)	17.382.850	315.691	2.423.107	19.156.647
- Maximum risk secured by guarantee	11.529.557	-	570.265	-
A. Net book value of financial assets neither overdue nor impaired	15.479.374	315.691	2.423.107	19.156.647
B. Net book value of financial assets of which conditions are negotiated, otherwise considered as impaired or overdue	-	-	-	-
C. Net book value of assets overdue but not impaired	1.903.476	-	-	-
-Under guarantee	755.432	-	-	-
D. Net book value of impaired assets	-	-	-	-
- Overdue (gross book value)	364.335	-	-	-
- Impairment (-)	(364.335)	-	-	-
- Net value under guarantee	-	-	-	-
- Not overdue (gross book value)	-	-	-	-
- Impairment (-)	-	-	-	-
- Net value under guarantee	-	-	-	-
E. Off- balance sheet items having credit risk	-	-	-	-

December 31, 2023	Receivables			
	Trade Receivables and Due from Related Parties	Other Receivables	Advances Given	Bank Deposits
Maximum credit risk exposure as of reporting date (A+B+C+D+E)	10.142.314	293.928	2.051.473	25.426.631
- Maximum risk secured by guarantee	7.118.942	-	686.907	-
A. Net book value of financial assets neither overdue nor impaired	8.966.801	293.928	2.051.473	25.426.631
B. Net book value of financial assets of which conditions are negotiated, otherwise considered as impaired or overdue	-	-	-	-
C. Net book value of assets overdue but not impaired	1.175.513	-	-	-
-Under guarantee	336.669	-	-	-
D. Net book value of impaired assets	-	-	-	-
- Overdue (gross book value)	273.255	-	-	-
- Impairment (-)	(273.255)	-	-	-
- 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 March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2024, 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 Price 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.

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

COCA-COLA İÇECEK ANONİM ŞİRKETİ

Notes to Interim Condensed Consolidated Financial Statements as at March 31, 2024

(Amounts expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of March 31, 2024, unless otherwise stated)

26. FINANCIAL INSTRUMENTS (continued)

March 31, 2024	Level 1	Level 2	Level 3
a) Assets presented at fair value			
Derivative financial instruments	-	238.608	-
Total assets	-	238.608	-
b) Liabilities presented at fair value			
Derivative financial instruments	-	228.713	-
Put option of share from non-controlling interest	-	-	76.194
Total liabilities	-	228.713	76.194

December 31, 2023	Level 1	Level 2	Level 3
a) Assets presented at fair value			
Derivative financial instruments	-	201.210	-
Total assets	-	201.210	-
b) Liabilities presented at fair value			
Derivative financial instruments	-	323.743	-
Buying option of share from non-controlling interest	-	-	79.940
Total liabilities	-	323.743	79.940

As of March 31, 2024, and March 31, 2023, the movement of share purchase option below level 3 is as follows:

	March 31, 2024	March 31, 2023
Balance at January 1st	79.940	83.816
Currency translation difference	(3.746)	(7.653)
End of period	76.194	76.163

27. EVENTS AFTER BALANCE SHEET DATE

Collective Bargaining Agreement negotiations between our Company and Tek-Gıda İş Sendikası were concluded with an agreement and the agreement is currently at the signing stage. The Collective Bargaining Agreement will be effective for 2 years between 1 January 2024 - 31 December 2025.

According to our company's consolidated financial statements prepared in accordance with CMB accounting standards, the net profit for the 2023 fiscal year was 20,579,819 TL. After deducting legal obligations, our Board of Directors has submitted to the General Assembly that a total gross amount of 2,000,015 TL will be distributed to the partners as of May 27, 2024, to be covered entirely from the 2023 net period profit, and the remaining part of the 2023 net period profit will be left within our Company as an extraordinary reserve. The proposal was approved in General Assembly.

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 7,8626 (net TL 7,8626) per 100 shares, representing TL 1 nominal value. While other shareholders will receive gross TL 7,8626 (net TL 7,07634) per 100 shares.