

Coca-Cola Icecek

Slightly above than expected
bottom line in 2Q25...

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Coca Cola Icecek reported a consolidated net profit of TRY 5,051mn in 2Q25 (2Q24: TRY 7,304mn), marking a 31% YoY decline, exceeding both the RT consensus estimate of TRY 4,889mn and our forecast of TRY 4,759mn, based on inflation-adjusted (IAS 29) financials. The YoY decline was primarily attributable to a modest contraction in sales revenues and a sharp reduction in net monetary position gains (2Q25: TRY 1,556mn vs. 2Q24: TRY 3,326mn). Partially offsetting these pressures were a 16% YoY drop in net financial expenses (2Q24: -TRY 3,479mn vs. 2Q25: -TRY 2,928mn) and lower current tax expenses compared to the same quarter last year, both of which provided some support to the bottom line. In 2Q25, CCI's consolidated sales volume expanded by 4.7% YoY to 473 million-unit cases (2Q24: 451 million-unit cases). In Türkiye, volumes contracted 5.0% YoY to 161mn unit cases (2Q24: 169mn uc), reflecting the shift of the Eid holiday into 1Q and the impact of weaker consumer purchasing power. Within the Türkiye operations, the share of IC packages increased 0.8pp YoY to 33.8%, while the on-premise channel's share expanded 1.7pp to 32.2% in 2Q25. Int'l operations delivered 10.6% YoY volume growth to 312mn unit cases, despite macroeconomic instability in Bangladesh, and geopolitical tensions & the shift of Eid into 1Q in Pakistan, supported by robust demand in other markets. On a consolidated basis, the IC package share declined 1.1pp YoY to 28% (due to base effects), whereas the on-premise channel share rose 2.2pp to 31% in 2Q25.

CCI's consolidated net sales revenue contracted by 2.6% YoY to TRY 48,142mn, slightly below both the market consensus forecast of TRY 48,907mn, and our forecast of TRY 49,036mn, negatively impacted by limited or postponed price increases in int'l markets, and the negative accounting impact of inflation adjustment. The consolidated gross margin contracted 2.7pp YoY to 35.4% (2Q24: 38.2%), driven by lower volumes in Türkiye and base effects. CCI's EBITDA declined 17.6% YoY to TRY 8,940mn (2Q24: TRY 10,846mn), broadly in line with expectations (RT consensus: TRY 9,067mn; Şeker Invest: TRY 9,211mn), with the EBITDA margin compressing 3.3pp YoY to 18.6%.

As of 2Q25, CCI's net debt stood at USD 885mn, with a **Net Debt/EBITDA ratio** of 1.36x (2024: 1.02x). The company's FCF deteriorated to TRY -5.6bn in 2Q25, primarily due to elevated CapEx related to greenfield and production line investments.

CCI's 2025 Expectations: The Company expects mid-single-digit consolidated sales volume growth, low-to-mid-single-digit growth in Turkey, and mid-to-high-single-digit growth in international markets in 2025. Under TAS-29 inflation-adjusted reporting, CCI anticipates a flat EBITDA margin and mid-single-digit NSR/uc growth in 2025. Excluding TAS-29 effects, CCI expects low-twenties percentage growth in currency-neutral NSR/uc. However, inflationary pressures on costs and localized price adjustments aimed at maintaining affordability are likely to exert marginal pressure on the EBITDA margin.

OUTPERFORM
TP: TRY 75.00

Previous: TRY 75.00

Upside: 45.1%

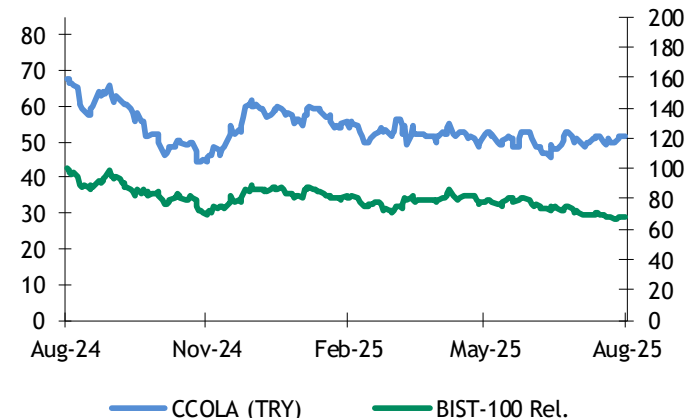
	TRY	US\$
Close	51,70	1,27
BIST 100	11.038	272
US\$/TRY (CB Bid Rate):	40,6325	
52 Week High:	67,91	2,03
52 Week Low:	44,18	1,15
Bloomberg/Reuters Ticker:	CCOLA.TI / CCOLA.IS	

Number of Shares (Mn):	2.798	
	(TRY Mn)	(US\$ Mn)
Current Mcap :	144.661	3.560
Free Float Mcap :	36.165	890

	1 M	YOY	YTD
TRY Return (%):	2,1	-23,3	-11,9
US\$ Return (%):	0,6	-36,8	-23,5
BIST 100 Relative (%):	2,1	-23,3	-11,9
Avg. Daily Vol. (TRY Mn):	383,1		
Avg. Daily Vol. (US\$ Mn):	10,6		

Beta	0,75
Volatility (Stock)	0,39
Volatility (BIST 100)	0,25

Shareholder Structure	%
Anadolu Efes Biracılık	40,12
The Coca Cola Company	20,09
Other	10,14
Free Float	29,65
Total	100,00



Given the financial results in 2Q25, we expect the results to have a neutral impact on stock performance. Nonetheless, we reiterate our 12-month target price of TRY “75.00/shr” and maintain our “OUTPERFORM” recommendation. The current share price of TRY 51.70 has upside potential of 45.1% according to the target share price.

Figure 1: CCI's Consolidated Operations (2Q25)

TRY Million	6M24	6M25	YoY	2Q24	2Q25	YoY
Volume (million uc)	793	860	8,5%	451	473	4,7%
Unit Price (TL/uc)	112,60	100,54	-10,7%	109,5	101,89	-7,0%
Revenues	89.293	86.472	-3,2%	49.428	48.142	-2,6%
Gross Profit	32.106	28.705	-10,6%	18.857	17.046	-9,6%
Gross Profit Margin	36,0%	33,2%		38,2%	35,4%	
EBIT	14.015	10.295	-26,5%	9.313	7.249	-22,2%
EBIT Margin	15,7%	11,9%		18,8%	15,1%	
EBITDA	17.252	13.480	-21,9%	10.846	8.940	-17,6%
EBITDA Margin	19,3%	15,6%		21,9%	18,6%	
Net Profit	11.280	6.403	-43,2%	7.304	5.051	-30,8%
Net Profit Margin	12,6%	7,4%		14,8%	10,5%	

Source: Coca Cola Icecek (CCI), Seker Invest Research, Finnet

Figure 2: CCI's Turkey Operations (2Q25)

TRY Million	6M24	6M25	YoY	2Q24	2Q25	YoY
Volume (million uc)	287	288	0,5%	169	161	-5,0%
Unit Price (TRY/uc)	128,48	123,47	-3,9%	125,6	126,87	1,0%
Revenues	36.875	35.595	-3,5%	21.231	20.363	-4,1%
Gross Profit	14.106	11.189	-20,7%	8.913	7.148	-19,8%
Gross Profit Margin	38,3%	31,4%		42,0%	35,1%	
EBIT	8.150	7.273	-10,8%	4.568	5.627	23,2%
EBIT Margin	22,1%	20,4%		21,5%	27,6%	
EBITDA	4.814	1.565	-67,5%	3.936	1.931	-51,0%
EBITDA Margin	13,1%	4,4%		18,5%	9,5%	
Net Profit	6.536	4.488	-31,3%	4.094	3.862	-5,7%
Net Profit Margin	17,7%	12,6%		19,3%	19,0%	

Source: Coca Cola Icecek (CCI), Seker Invest Research, Finnet

Figure 3: CCI's Int'l Operations (2Q25)

TRY Million	6M24	6M25	YoY	2Q24	2Q25	YoY
Volume (million uc)	506	571	13,0%	282	312	10,6%
Unit Price (TL/uc)	103,90	89,04	-14,3%	100,2	89,04	-11,2%
Revenues	52.552	50.877	-3,2%	28.259	27.779	-1,7%
Gross Profit	18.101	17.523	-3,2%	9.996	9.884	-1,1%
Gross Profit Margin	34,4%	34,4%		35,4%	35,6%	
EBIT	9.674	9.497	-1,8%	5.630	5.645	0,3%
EBIT Margin	18,4%	18,7%		19,9%	20,3%	
EBITDA	11.874	11.408	-3,9%	6.628	6.721	1,4%
EBITDA Margin	22,6%	22,4%		23,5%	24,2%	
Net Profit	6.435	6.621	2,9%	3.766	4.342	15,3%
Net Profit Margin	12,2%	13,0%		13,3%	15,6%	

Source: Coca Cola Icecek (CCI), Seker Invest Research, Finnet

Figure 4: Key Financials

mn TRY	31.12.2024	30.06.2025
Current Assets	70.888	79.222
Cash and Cash Equivalents	27.131	22.465
Investments in Securities	112	325
Trade Receivables	15.085	29.290
Other Receivables	688	513
Derivative Financial Instruments	44	33
Inventories	17.946	18.305
Prepaid Expenses	4.285	3.890
Tax Related Current Assets	2.307	813
Other Current Assets	3.291	3.591
Non-Current Assets	102.171	103.962
Other Receivables	215	206
Property, Plant and Equipment	63.302	64.793
Goodwill	6.436	6.295
Intangible Assets	28.223	28.196
Right of Use Asset	839	682
Prepaid Expenses	1.918	2.624
Deferred Tax Asset	1.238	1.108
Derivative Financial Instruments	0	55
Other Non-Current Assets	0	0
Total Assets	173.059	183.184
Current Liabilities	61.823	73.375
Short-term Borrowings	17.678	20.104
Current Portion of Long-term Borrowings	7.297	6.288
Trade Payables	29.890	37.234
Payables Related to Employee Benefits	595	484
Other Payables	4.017	6.252
Derivative Financial Instruments	3	105
Deferred Income	491	490
Provision for Corporate Tax	639	1.169
Current Provisions	958	1.078
Other Current Liabilities	255	172
Non-Current Liabilities	39.303	37.937
Long-term Borrowings	31.635	31.220
Financial lease payables	729	462
Trade Payables	4	4
Provision for Employee Benefits	1.033	1.054
Deferred Tax Liability	5.901	5.197
Derivative Financial Instruments	0	0
Deferred Income	0	0
Equity of the Parent	62.659	62.445
Minority Interest	9.274	9.426
Total Liabilities	173.059	183.184

Source: Coca-Cola Icecek (CCI), Seker Invest Research, Finnet, Audit Reports

Figure 5: Historical Recommendations and Target Prices



Date	Rec	Target Price (TRY)
8-Aug-23	Outperform (OP)	39,83
1-Nov-23	Outperform (OP)	47,30
16-Jan-24	Outperform (OP)	61,82
14-Mar-24	Outperform (OP)	73,64
23-May-24	Outperform (OP)	90,73
20-Aug-24	Outperform (OP)	90,73
5-Nov-24	Outperform (OP)	76,60
7-Jan-25	Outperform (OP)	78,30
5-Mar-25	Outperform (OP)	78,30
2-May-25	Outperform (OP)	75,00
7-May-25	Outperform (OP)	75,00
12-Aug-25	Outperform (OP)	75,00

Basis for 12m equity ratings

Outperform:	The total return is expected to exceed the return of the BIST 100 by more than 10%.
Underperform:	The total return is expected to fall below the return of the BIST 100 by more than 10%.
Market Perform:	The total return is expected to be in line with the return of the BIST 100.

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