

PINAR SÜT

Financial Presentation
2022-09

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PINAR SÜT AT A GLANCE



Raw milk supplied from more than **20,000** producers

More than
155
thousand sales
points

Total production
area of
357,360 m²

Indoor area of
111,095 m²

TRY **42,7**
million in
Investments



Introduction
facilities at
in **3** locations
in Turkey

“The Most Admired Companies in the Business World”
award, conducted by Zenna Research and Consultancy
under the leadership of Capital Magazine

Export to
32 Countries

4.13
Billion
Turnover

37.6
Million USD
Export

TRY **209.8**
Net Profit

% **632**
Net Profit
Growth



1.265 Average Number of Employees

Income Statement Ratios

(Million TRY)	01.01.2022-31.12.2022	01.01.2021-31.12.2021
Net Sales	5,830.9	2,681.9
Gross Sales Profit	746.4	348.1
Gross Sales Profit Margin	12.8%	13.0%

Balance Sheet Ratios

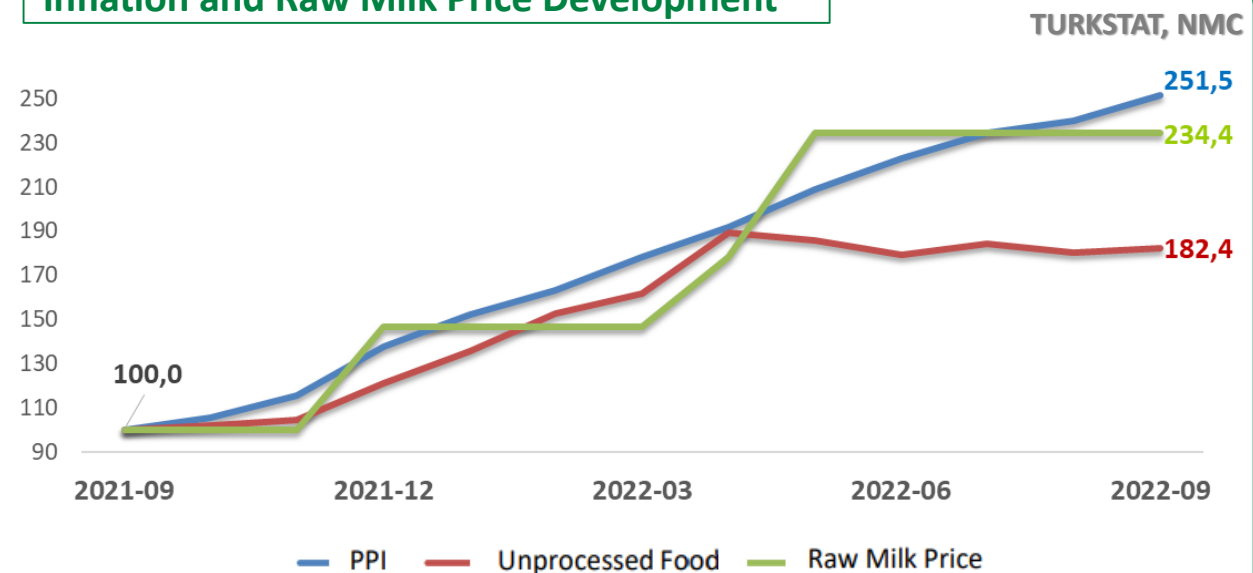
(Million TRY)	31.12.2022	31.12.2021
Shareholders' Equity	3,982.1	1,950.9
Assets	7,018.4	3,387.3
Total Liabilities/Equity Ratio	0.76	0.74

MARKET DYNAMICS - PRODUCTION AND COST



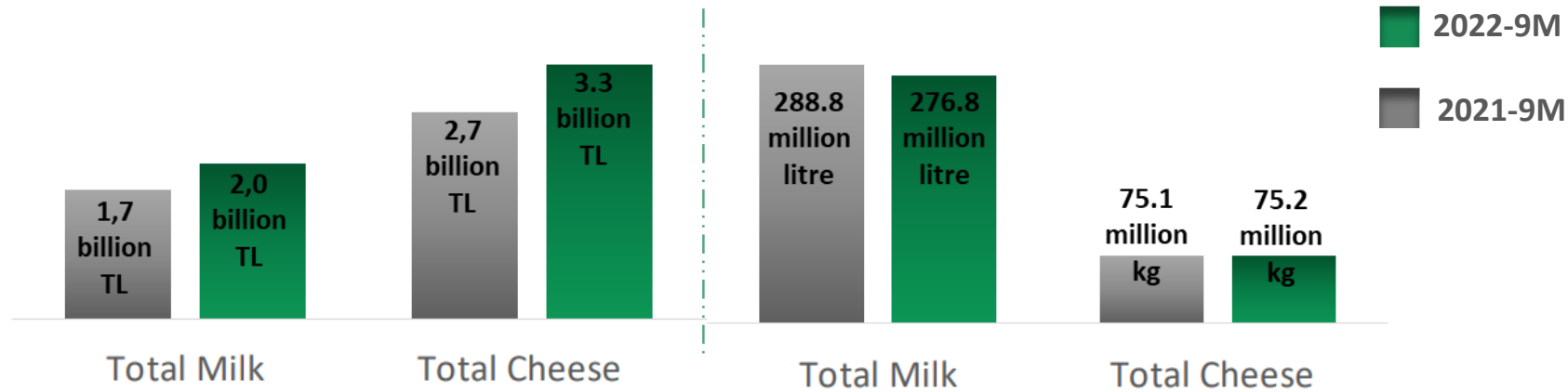
- "In the annual inflation of the food and non-alcoholic beverages group, the increasing trend observed since the second half of 2021 has given way to a more stable outlook, with the annual inflation rate decreasing by 0.88 points to 93.05%.
- While the annual inflation in the unprocessed food group decreased by 9.26 points to 82.39%, it increased by 6.86 points to 102.90% in the processed food group (CBRT - Inflation Report, 2022-Q4).
- The National Milk Council increased the price of raw milk, which contains 3.6% fat and 3.2% protein, from 5.70 TL to **7.50 TL** as of May 15, 2022."

Inflation and Raw Milk Price Development

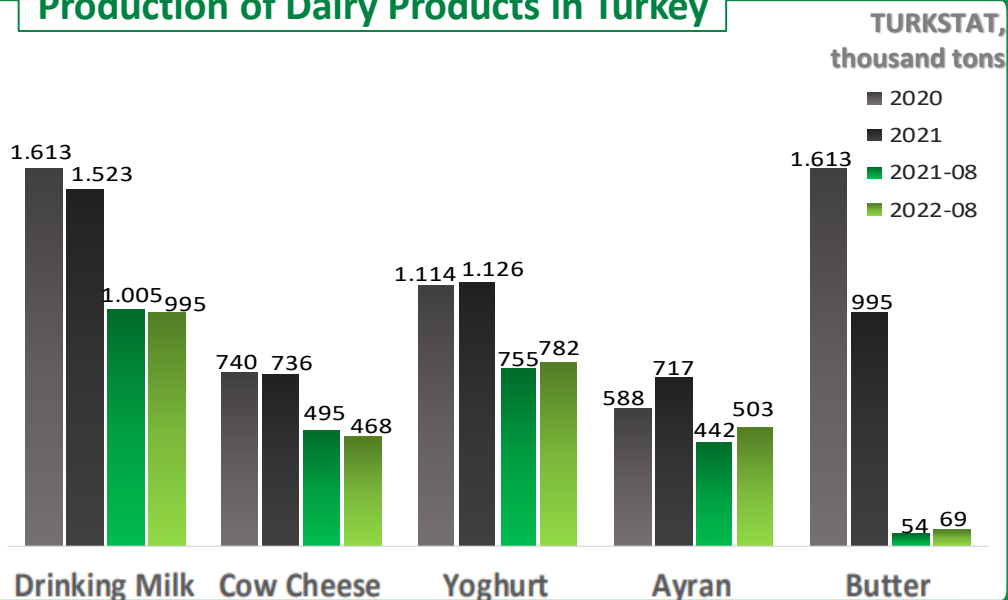


MARKET DYNAMICS - PRODUCTION AND COST

Total Milk and Total Cheese Turnover and Volume



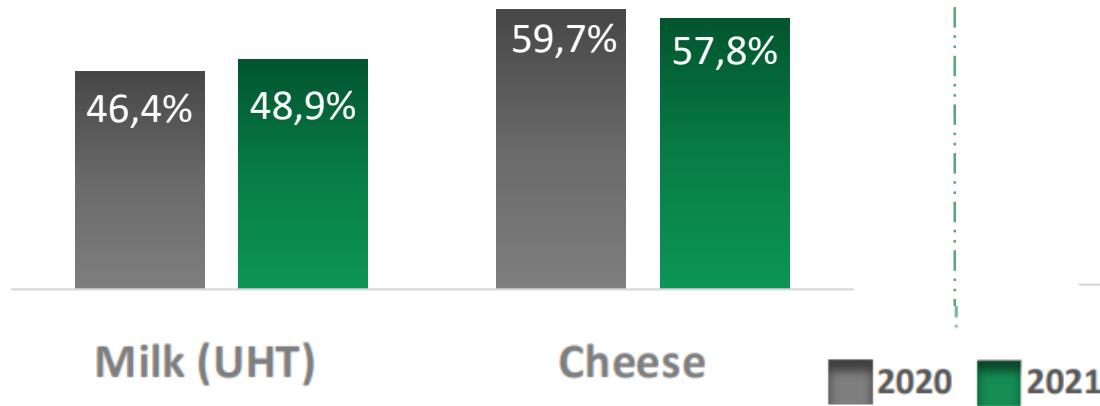
Production of Dairy Products in Turkey



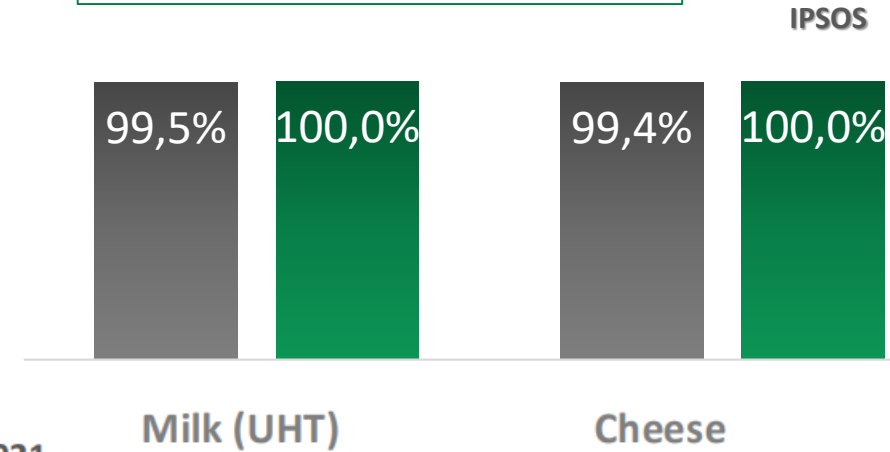
- According to the latest data from TÜİK (Turkish Statistical Institute), in the first 8 months of 2022, commercial dairy farms collected 6.7 million tons of cow's milk. (2021: 10,1 million tons)
- In August 2022, compared to the same period in the previous year, butter production increased by 28%, buttermilk production increased by 14%, and yogurt production increased by 4%. However, cow cheese production decreased by 5%, and liquid milk production decreased by 1% (TÜİK, Milk and Dairy Products Production, August 2022).

MARKET DYNAMICS - PRODUCTION AND COST

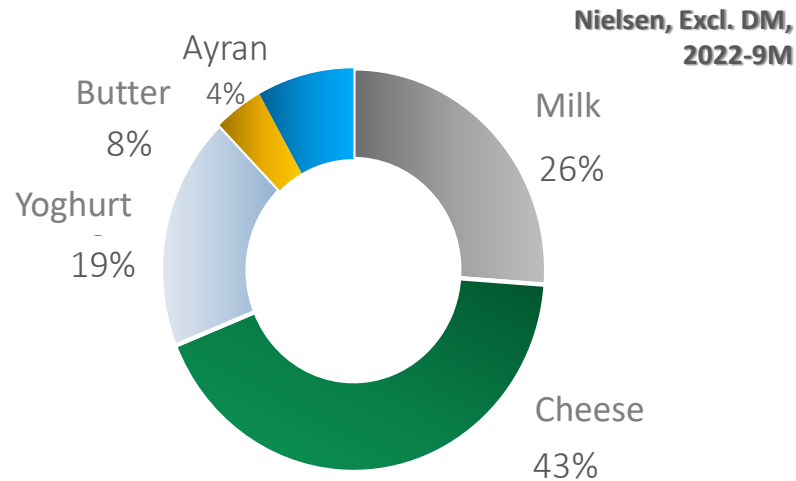
Share of Packaged Products



Packaged Products Penetration



Dairy Products Market Turnover Breakdown



- According to Nielsen data for the first nine months of 2022, **the dairy products market** (milk, cheese, yogurt, buttermilk, butter) experienced a decrease in terms of tonnage compared to the same period of the previous year. However, in terms of revenue, it **grew by 75% and reached 13.9 billion Turkish Lira**. (Nielsen, Excl. DM, September 2022).

MARKET POSITION



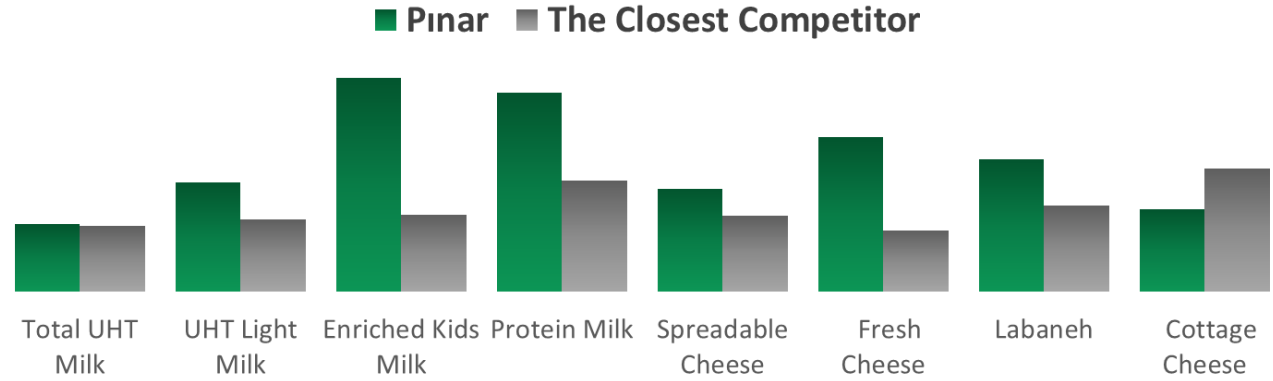
Market Shares of Pinar Süt

Nielsen, Excl. DM,
2022-9M

Product	Share	Position
Total UHT Milk	20,3%	1#
UHT Light Milk	32,4%	1#
Enriched Milk (Kids)	63,5%	1#
Protein Milk	59,2%	1#
Total Cheese	11,7%	3#
Spreadable Cheese	30,6%	1#
Fresh Cheese	46,0%	1#
Labaneh	39,3%	1#
Cottage Cheese	24,5%	2#

Pinar Süt and Competitors

Nielsen, Excl. DM,
2022-9M



- Pinar Süt continues to maintain its leadership in many product categories.
- Pinar Süt continues to introduce its new products developed through innovative projects to consumers.

MARKET POSITION



%17

Share in Milk and
Dairy Product
Exports in Turkey

Export to
32
Countries

EXPORT

- In global trade, Iraq, the United Arab Emirates, Kuwait, Azerbaijan, and the Turkish Republic of Northern Cyprus are at the forefront, while the United States, China, and Qatar are also among the important export markets.
- Pınar Süt, which has started exporting to Romania, Sierra Leone, and Albania, has reached a **total of 32 countries** where it exports.
- In 2022-9M, Pınar Süt made up **17% of Turkey's total dairy product exports in terms of tonnage and 13% in terms of turnover.**



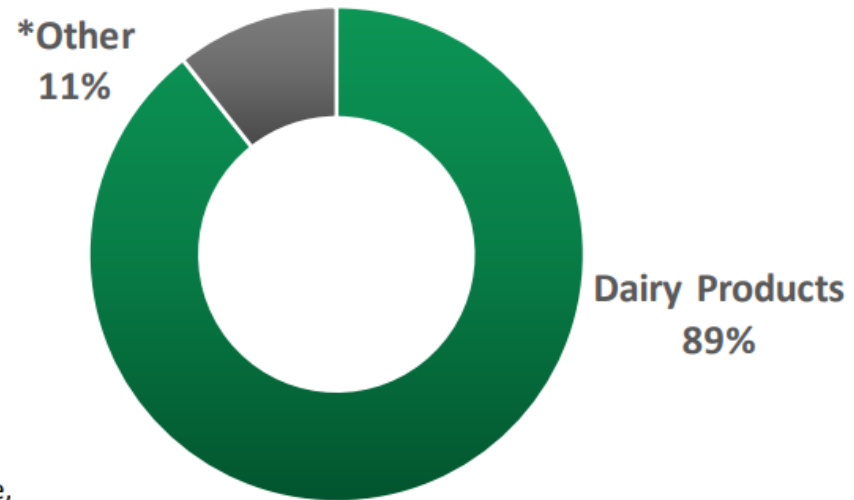
AWARDS

- Pınar Süt stood out at the **SIAL Paris 2022 International Food Fair**, the meeting point of the global food sector, held in Paris, with the participation of 7,200 attendees from 119 countries. This included all Pınar Labneh varieties, including the Superior Taste award-winning Dried Tomato Labneh, Protein Milk, and Pınar Strained Cheese, as well as cheeses produced in Europe and cream cheeses produced in Abu Dhabi.
- Pınar Süt, being the **first Turkish dairy producer to win awards from Deutsche Landwirtschafts – Gesellschaft (German Agricultural Society - DLG)**, received 2 gold medals with Pınar Labneh and Pınar Strained Cheese products.
- In the SocialBrands Data Analytics section of the Brandverse Awards, organized in collaboration with **Pınar Hep Yanımda** Marketing Turkey and BOOMSonar, they were awarded the Silver Medal in the Dairy Products category."

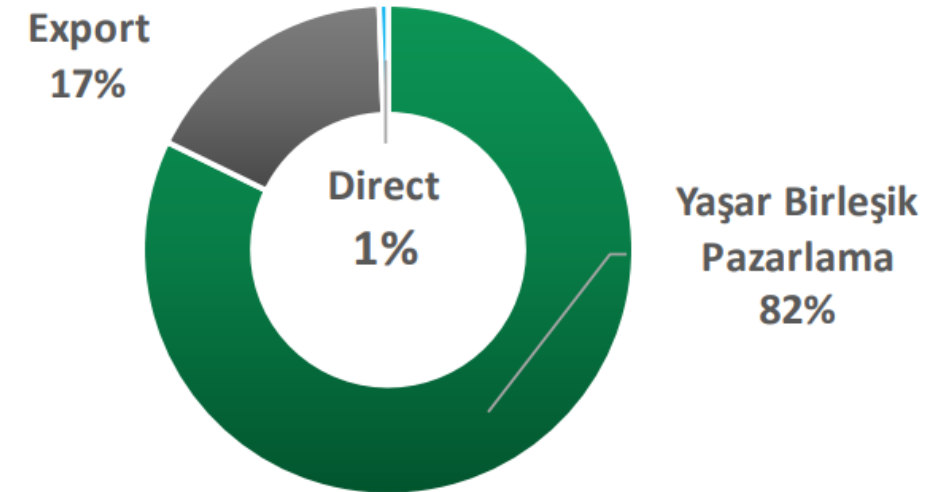


FINANCIAL RESULTS IN 2022-9M – NET SALES BREAKDOWN

Based on Products Groups



Based on Sales Channel



FINANCIAL RESULTS IN 2022-9M – INCOME STATEMENT



(Million TL)	01.01.2022 30.09.2022	01.01.2021 30.09.2021	Difference	Change
Net Sales	4,126.6	1,876.1	2,250.6	120.0%
Cost of Goods Sold	(3,570.1)	(1,656.7)	(1,913.4)	115.5%
Gross Profit	556.6	219.4	337.2	153.7%
R&D Expenses	(23.1)	(12.8)	(10.3)	80.0%
Sales, Distribution and Marketing Expenses	(214.9)	(119.0)	(95.9)	80.6%
General Administration Expenses	(81.0)	(47.9)	(33.1)	69.0%
EBIT	237.6	39.7	197.9	499.1%
EBITDA	313.2	81.2	232.0	285.8%
Shares of Results of Investments in Associates	34.7	10.5	24.1	229.4%
Other Expenses (Net)	107.3	40.5	66.8	165.0%
Financial Expenses (Net)	(132.7)	(63.2)	(69.5)	109.9%
Profit Before Tax	246.8	27.4	219.4	800.4%
Tax	(37.0)	1.3	(38.2)	-3046.3%
Net Profit for the Period	209.8	28.7	181.2	632.0%

Other expenses (net) is calculated by netting out income/expense from main activities and income/expense from investment activities

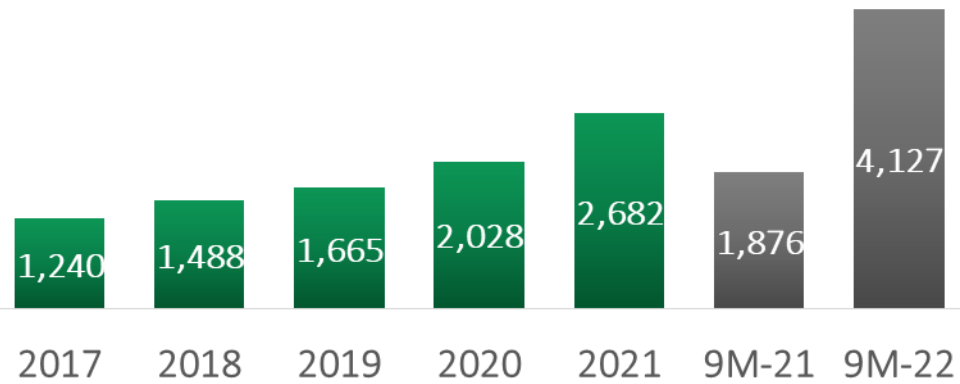
FINANCIAL RESULTS IN 2022-9M

SALES AND PROFITABILITY BY THE ANNUALLY

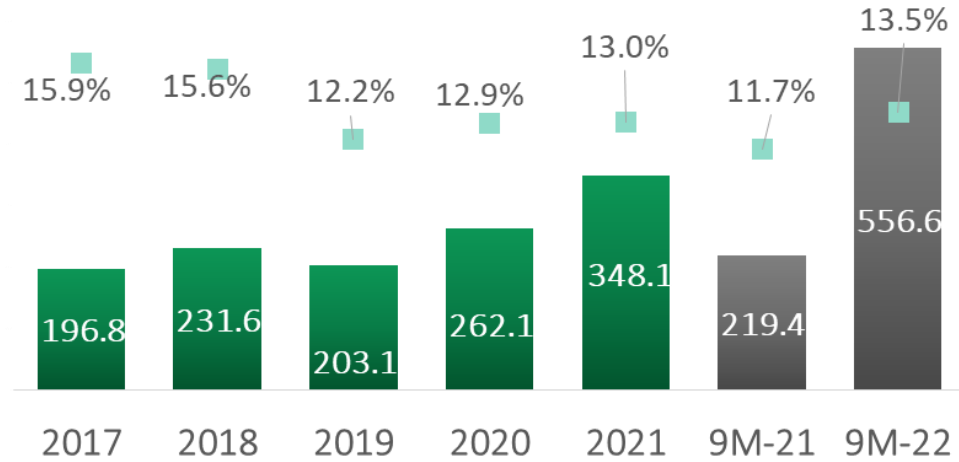


Net Sales

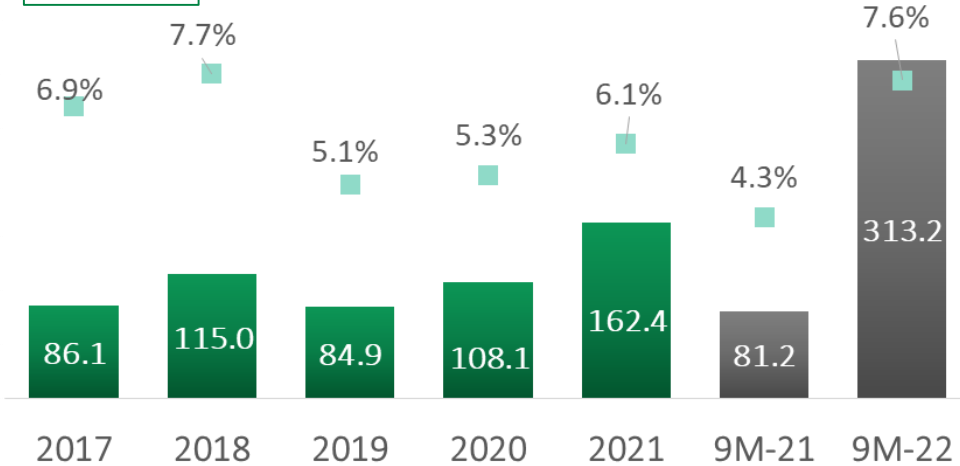
million TL



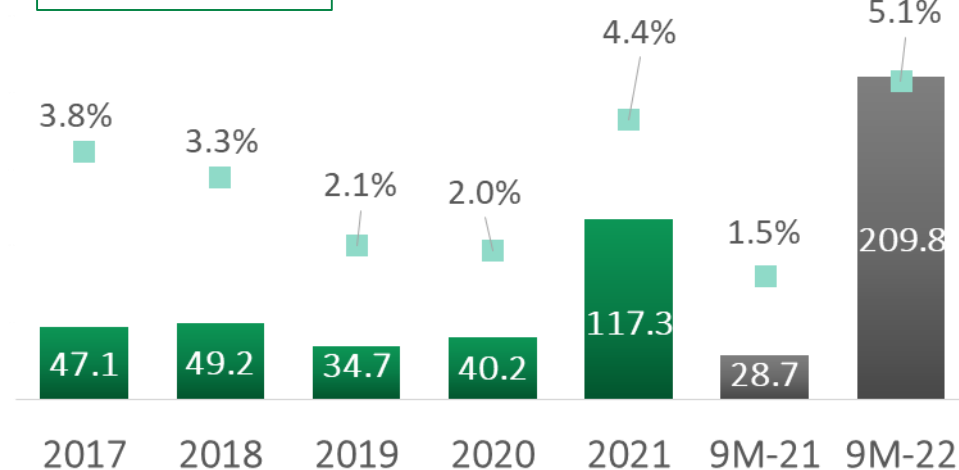
Gross Profit



EBITDA



Net Profit



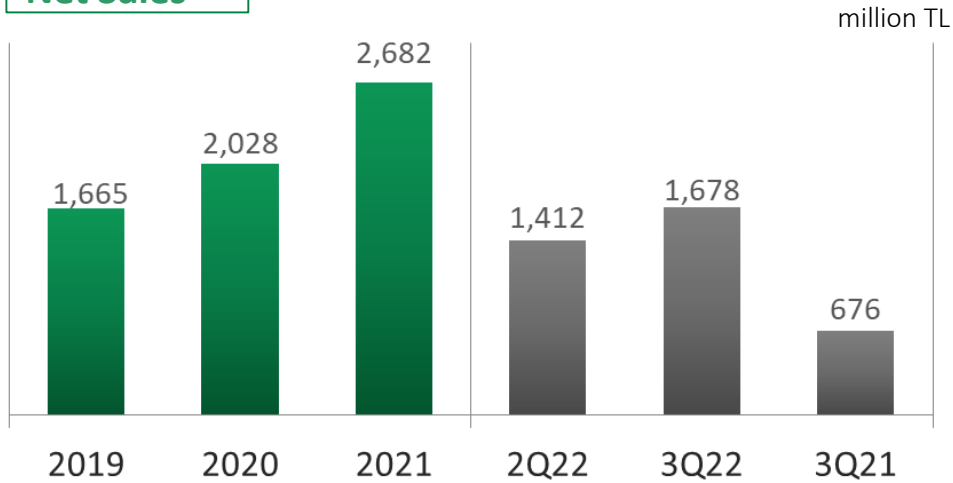
EBITDA is calculated by adding depreciation and provisions for severance pay (in operating expenses) to operating income, excluding other income /expenses.

FINANCIAL RESULTS IN 2022-9M

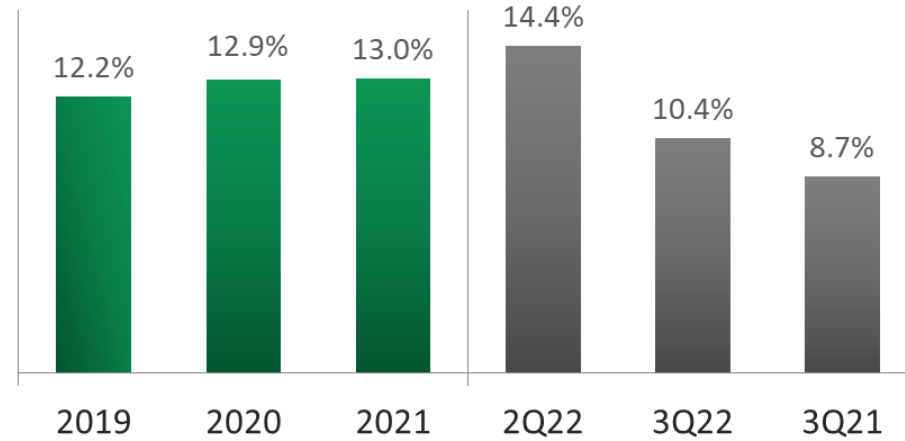
SALES AND PROFITABILITY BY THE QUARTERLY



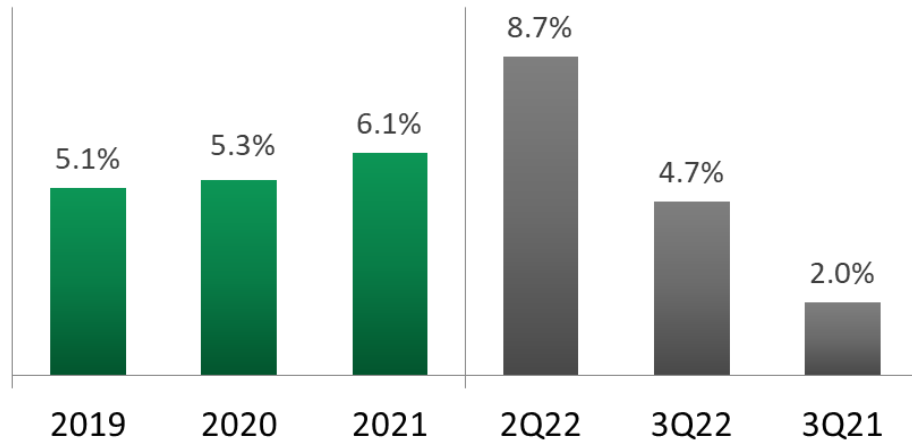
Net Sales



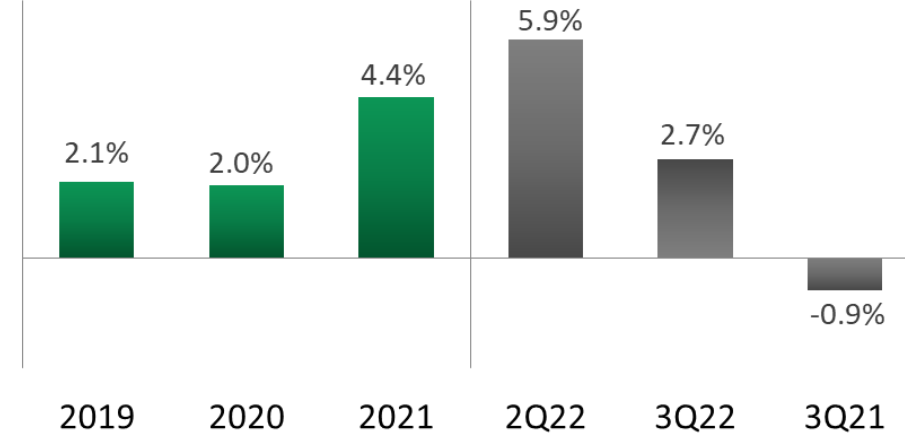
Gross Profit



EBITDA



Net Profit



EBITDA is calculated by adding depreciation and provisions for severance pay (in operating expenses) to operating income, excluding other income /expenses.

FINANCIAL RESULTS IN 2022-9M



FINANCIAL RATIOS

	2018/12	2019/12	2020/12	2021/12	2022/09
Current Ratio	1.07	1.23	1.10	1.12	1.12
Leverage Ratio	0.44	0.42	0.45	0.42	0.55
Current Borrowings/Total Borrowings:	0.81	0.44	0.74	0.86	0.96
Net Fin. Borrowings/EBITDA	1.14	1.62	2.85	2.91	3.58
Net Fin. Borrowings/Equity	0.17	0.15	0.29	0.24	0.52
Return on Equity (ROE)(%)	6.69	4.13	4.10	7.79	13.11

INVESTMENTS

	2018	2019	2020	2021	2022/09	2021-09
Capital Expenditures	67.6 m TL	14.5 m TL	47,1 m TL	56.0 m TL	42.7 m TL	29.8 m TL

CREDIT RATING SCORE

Credit rating score was given by JCR Eurasia Rating on February 4, 2022;

- Long Term International Foreign Currency Rating : BB/(Stable)
- Long Term International Local Currency Rating : BB/(Stable)
- Long Term National Rating: A (Trk)/(Stable)
- Long Term Issue Rating : -

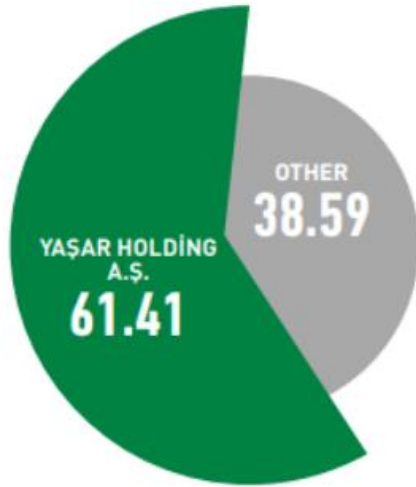
- Short-Term International Foreign Currency Rating: B/(Stable)
- Short-Term International Local Currency Rating : B/(Stable)
- Short-Term National Rating: A-1 (Trk)/(Stable)
- Short Term Issue Rating : -
- Sponsor Support: 2
- Stand Alone: AB



SHAREHOLDING STRUCTURE & STOCK PERFORMANCE

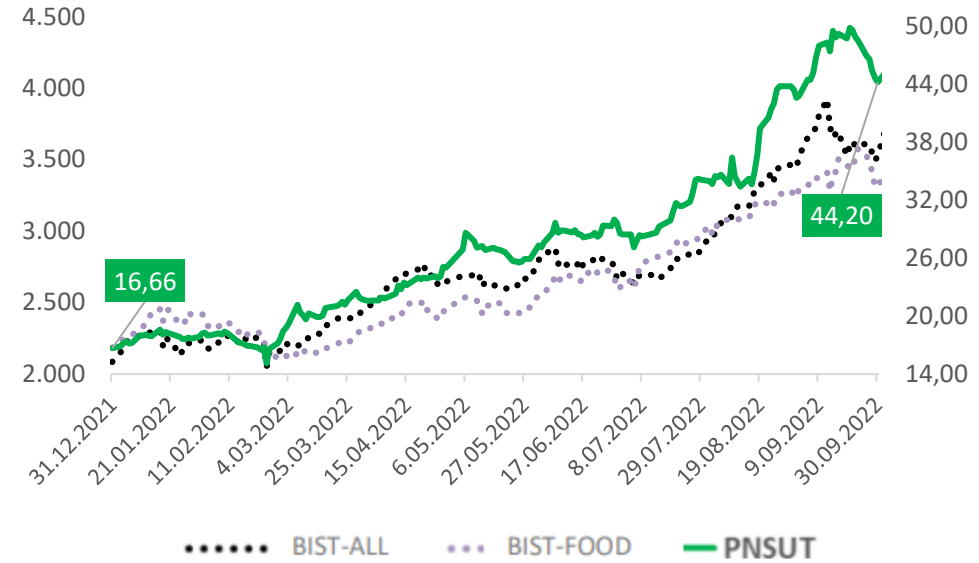


SHAREHOLDING STRUCTURE



Shareholder	Share Ratio (%)	Share Amount (TRY)
YAŞAR HOLDİNG A.Ş.	61.41	27,603,901.57
OTHER	38.59	17,347,149.68
Total	100.00	44,951,051.25

PERFORMANCE OF PINAR SÜT STOCK, BIST-ALL INDEX AND BIST-FOOD, BEVERAGE INDEX



- Shares of Pınar Süt are traded on the Borsa Istanbul
- Main Market with the symbol “PNSUT”.
- Date of First Transaction: February 3, 1986
- Corporate Governance Rating: 9.33

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