



Pinar Süt

Financial Presentation
2021-9M



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PINAR SÜT AT A GLANCE



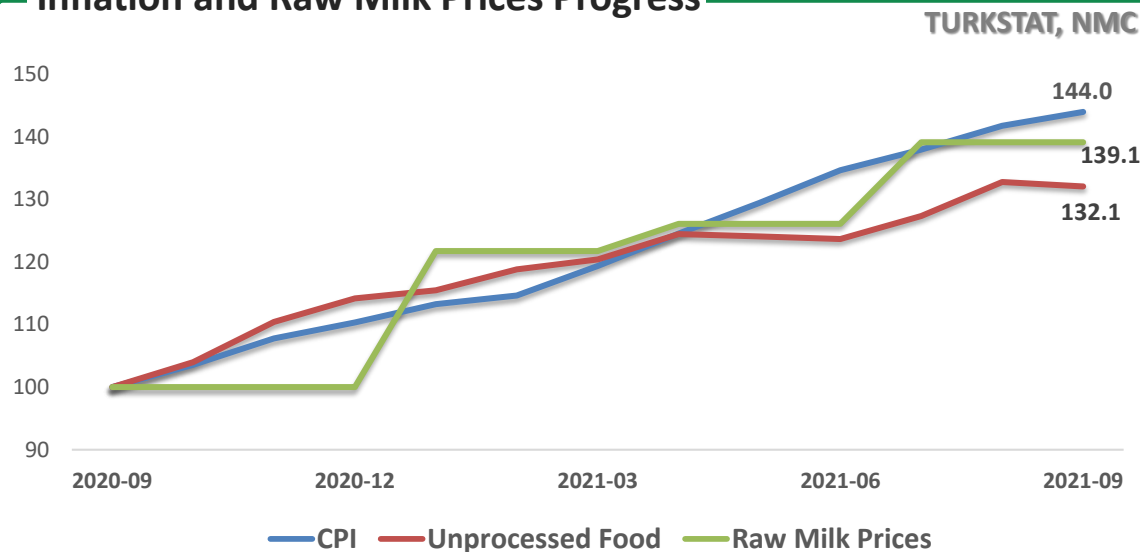
HIGHLIGHTS

1.9billion TL
Net Sales**28.7**million TL
Net Profit**29.8**million TL
Investment**%26.6**Turnover
Growth**237,022**tons
Sales Volume**1,163**Average
Number of
Employees

PRODUCTION AND COST

- Prices of food and non-alcoholic beverages increased by 3.18% in August, and the group's annual inflation increased by 4.08 points to 29.00%. Annual inflation increased by 6.72 points to 32.45% in unprocessed food, and to 25.82% in processed food, with an increase of 1.69 points. Price increases were also observed in cheese and other dairy products, where the reflections of the raw milk price increase were observed (CBRT-Monetary Policy Committee Meeting Summary, September 23, 2021).
- According to the latest data, 32.0 million head of animals were milked in Turkey and milk production was 23.0 million tons (TURKSTAT, 2019).

Inflation and Raw Milk Prices Progress



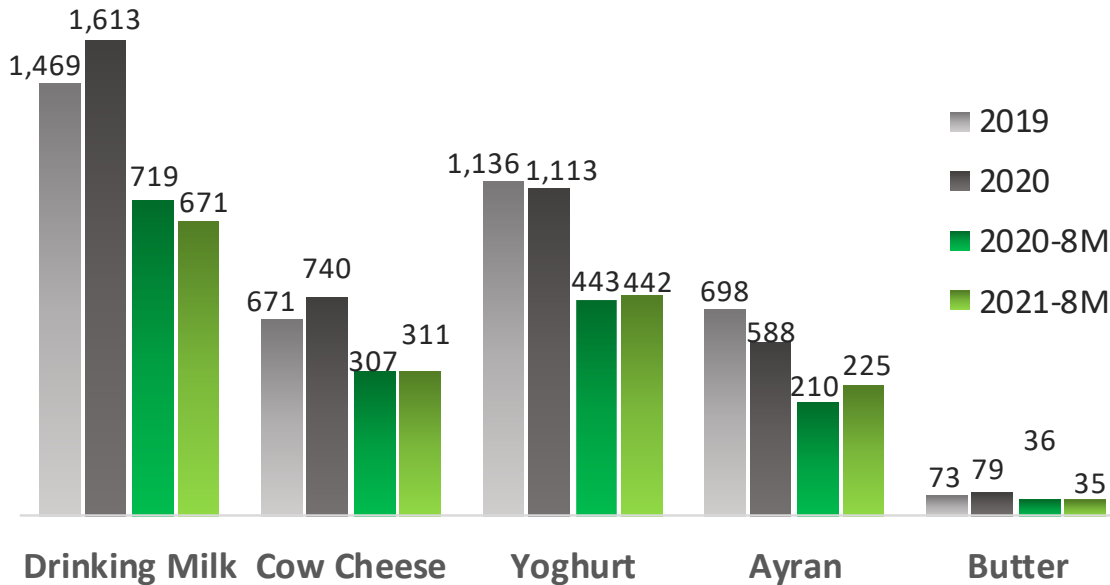
Raw milk prices determined by the National Dairy Council for milk containing 3.6% fat and 3.2% protein for 2021;

- January 1 – April 30; 2.80 TL/Liter
- May 1 – June 30; 2.90 TL/Liter
- July 1 – December 31; 3.20 TL/Liter

MARKET DYNAMICS

Production of Dairy Products in Turkey

TURKSTAT, thousand tons



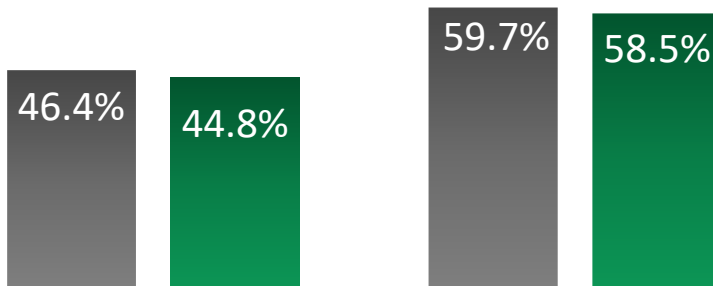
- The end of August 2021; ayran production increased by 15%, yogurt production increased by 3%. Cow cheese production remained at similar levels. Drinking milk and butter productions decreased by 6% and 1% respectively, YoY. (TURKSTAT, Milk and Dairy Products Production, August 2021).



MARKET DYNAMICS

CONSUMPTION AND MARKET

Share of Packaged Products



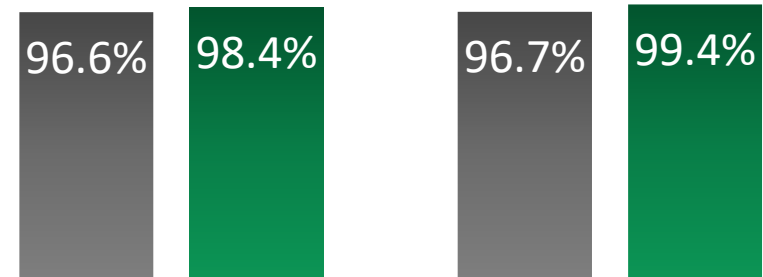
Milk

Cheese

2020-H1

Packaged Products Penetration

IPSOS



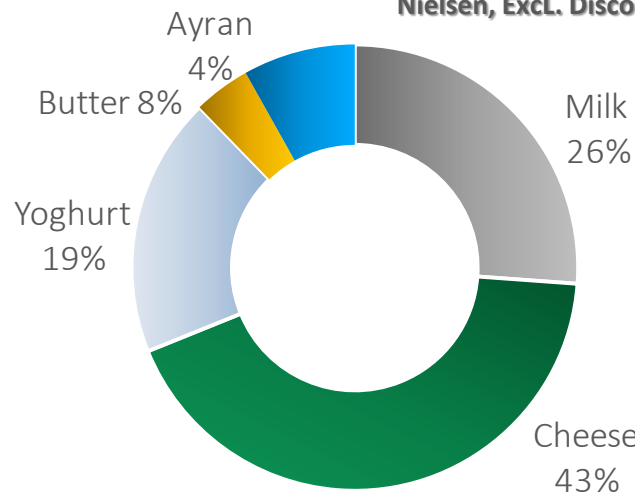
Milk (UHT)

Cheese

2021-H1

Dairy Products Market Turnover Breakdown

Nielsen, Excl. Discount Markets,
2021-9M



- According to **Nielsen** data for the first nine months of 2021, **the dairy products market** (milk, cheese, yoghurt, buttermilk, butter) decreased by 1% on tonnage basis and **grew by 22% on turnover basis and reached 7.7 billion TL, YoY** (Nielsen, Exc. Discount Markets, 2021-9M).

MARKET POSITION

Market Shares Based on Products

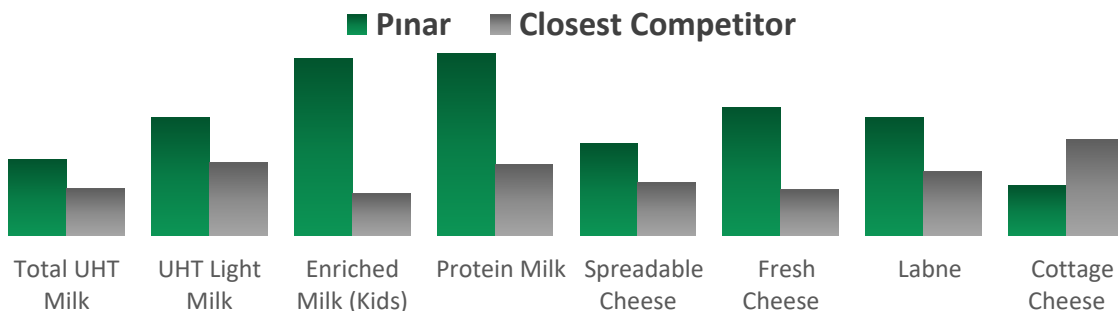
Nielsen, 2021-9M,
Excl. DM

Product	Share	Position
Total UHT Milk	29.2%	1#
UHT Light Milk	45.0%	1#
Enriched Milk (Kids)	67.6%	1#
Protein Milk	69.6%	1#
Total Cheese	11.7%	3#
Spreadable Cheese	35.0%	1#
Fresh Cheese	49.1%	1#
Labaneh	45.0%	1#
Cottage Cheese	19.0%	2#
Kefir	6.9%	4#

- In the dairy products market, Pinar Süt maintained its **13.4%** market share as sales value (Nielsen, Excluding Discount Markets, 2021-9M).
- Pinar Süt maintains its leadership in many categories on the basis of product groups.
- Pinar Süt was named the "**Most Admired Company**" in the "**Milk and Dairy Products**" category in the "**Most Admired Companies of the Business World**" survey conducted by Zenna Research and Consultancy under the leadership of **Capital Magazine** in 2021.

Pinar Süt and Competitors

Nielsen, 2021-9M, Excl. DM



MARKET POSITION



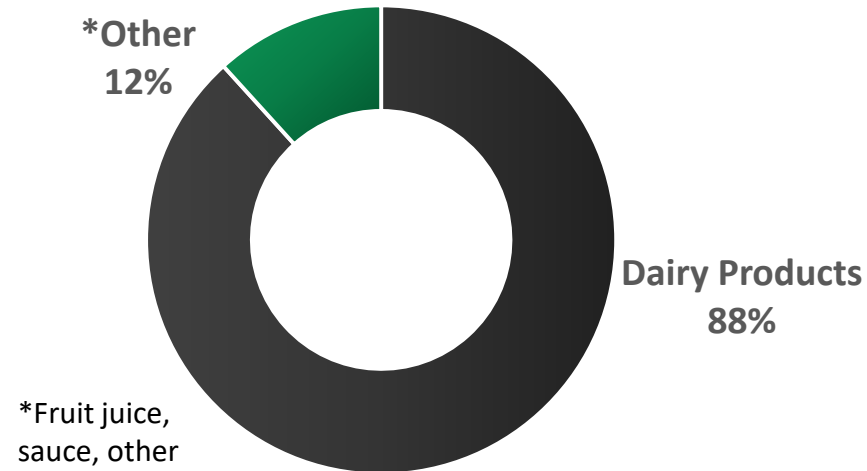
- Pınar Multi product won the “**Taste Award**” by the International Tate Institute.
- Pınar Süt participated in the **Anuga Fair** that was the world's largest food and beverage fair, held in Cologne, Germany, between 9-13 October 2021, with plant-based frozen products produced in special packages for the EU and other new products.
- Consumers are offered a practical and advantageous shopping experience with the new e-commerce platform PınarOnline (www.pinaronline.com). Nearly 300 products from meat, milk, water and beverage product groups can be easily accessed on the PınarOnline website and mobile application.



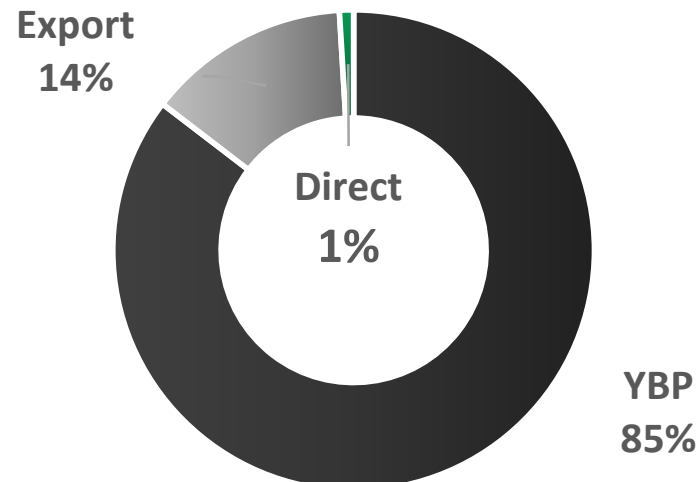
FINANCIALS

NET SALES BREAKDOWN

Based on
Product
Groups



Based on
Sales
Channel



INCOME STATEMENT

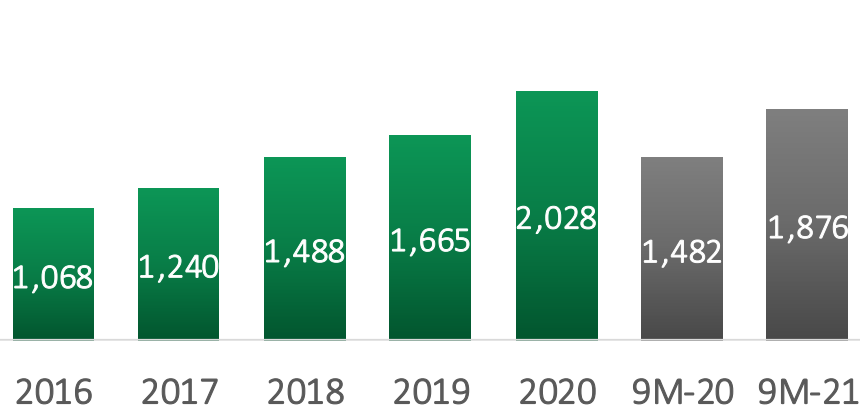
(Million TL)	01.01.21 09.30.2021	01.01.20 09.30.2020	Difference	Change
Net Sales	1,876.1	1,482.1	393.9	26.6%
Cost of Goods Sold	(1,656.7)	(1,291.6)	(365.1)	28.3%
Gross Profit	219.4	190.5	28.9	15.2%
R&D Expenses	(12.8)	(11.3)	(1.5)	13.4%
Sales, Distribution and Marketing Expenses	(119.0)	(98.1)	(20.9)	21.3%
General Administration Expenses	(47.9)	(40.4)	(7.5)	18.6%
EBIT	39.7	40.7	(1.1)	-2.6%
EBITDA	81.2	81.9	(0.7)	-0.8%
Shares of Results of Investments in Associates	10.5	11.3	(0.8)	-7.3%
Other Expenses (Net)	40.5	27.3	13.2	48.2%
Financial Expenses (Net)	(63.2)	(45.6)	(17.7)	38.7%
Profit Before Tax	27.4	33.8	(6.4)	-18.9%
Tax	1.3	4.9	(3.6)	-74.2%
Net Profit for the Period	28.7	38.7	(10.0)	-25.9%

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

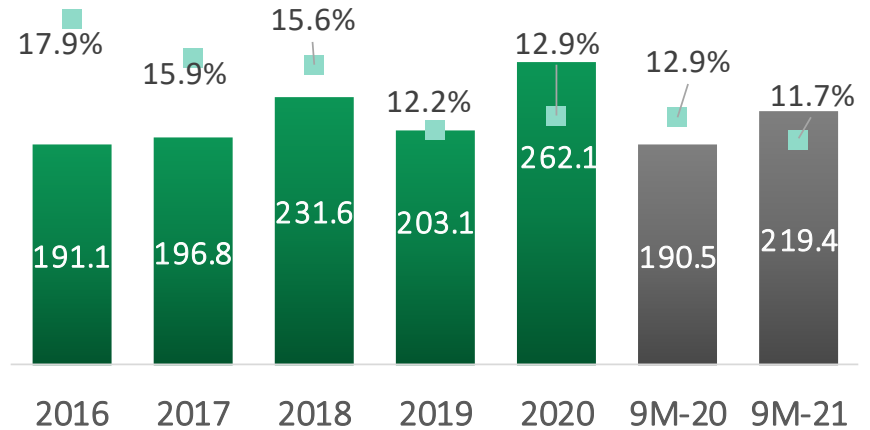
SALES AND PROFITABILITY - ANNUALLY

Net Sales

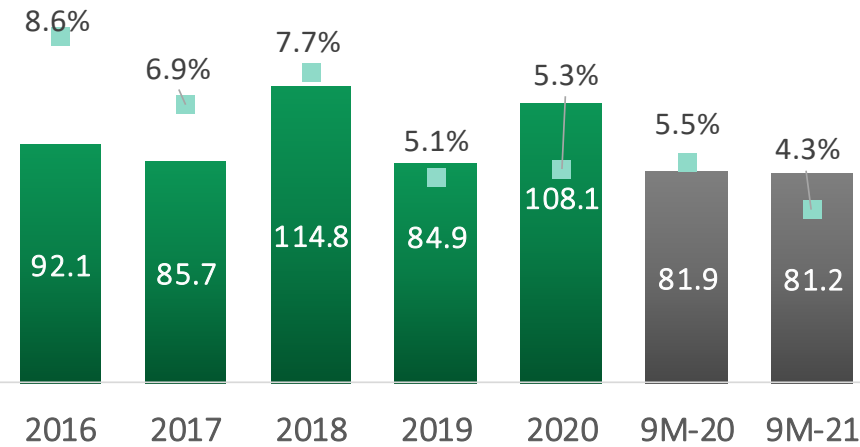
million TL



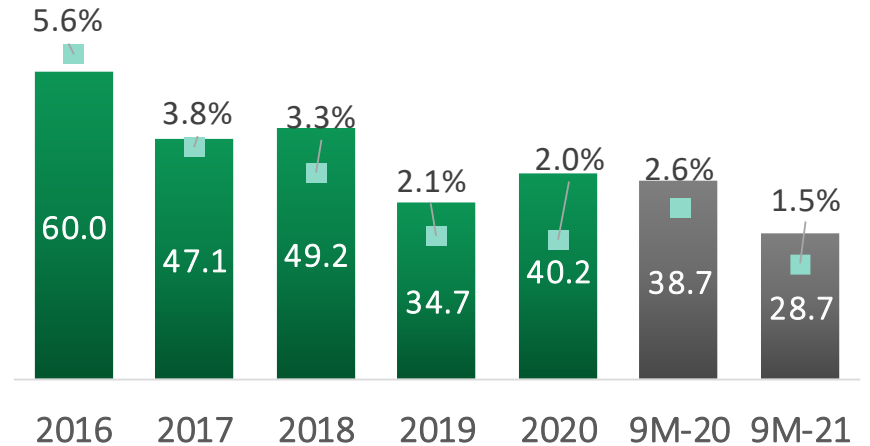
Gross Profit



EBITDA



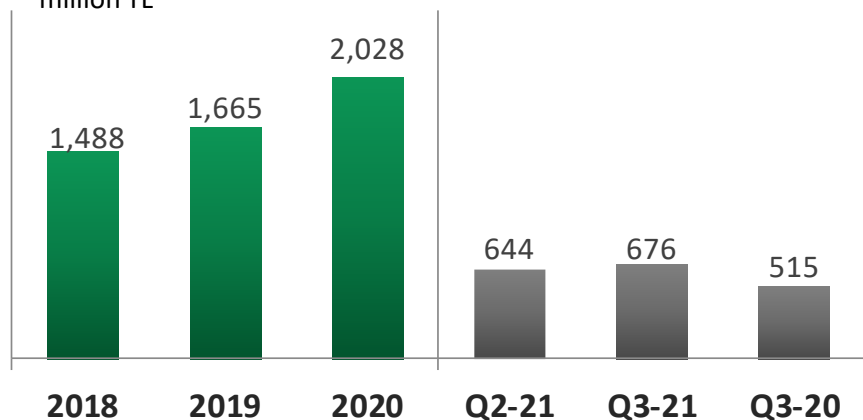
Net Profit



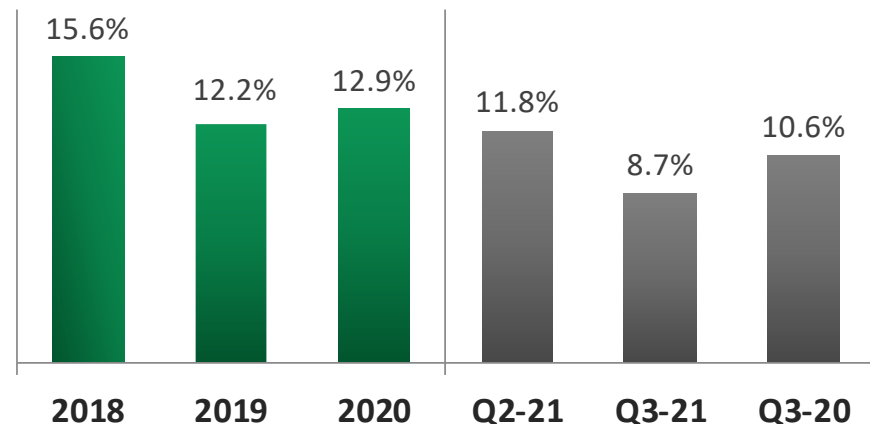
SALES AND PROFITABILITY - QUARTERLY

Net Sales

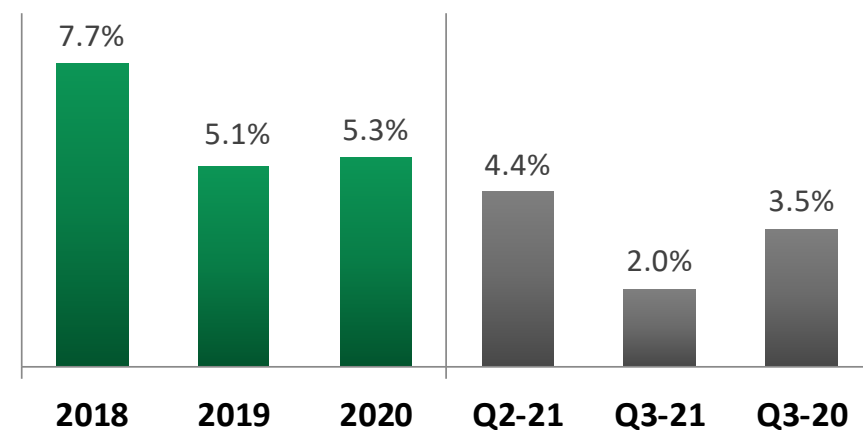
million TL



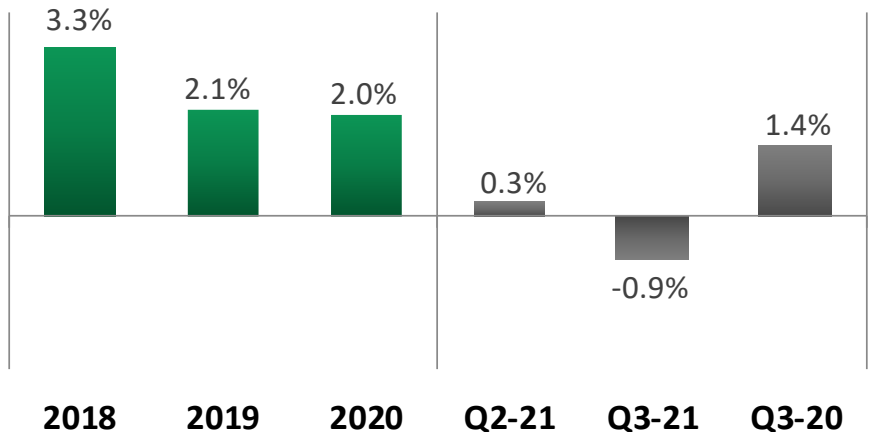
Gross Profit



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 RATIOS

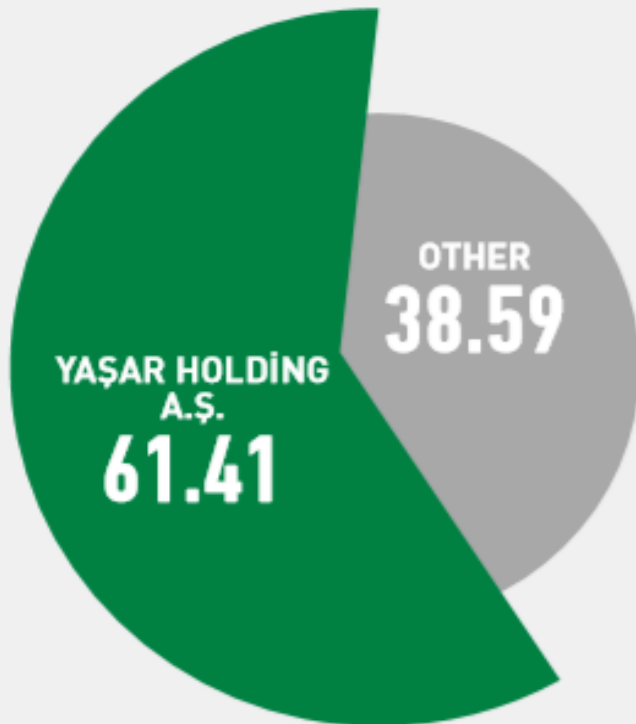
	2017/12	2018/12	2019/12	2020/12	2021/09
Current Ratio	1.21	1.07	1.23	1.10	1.07
Leverage Ratio	0.43	0.44	0.42	0.45	0.51
Current Borrowings/Total Borrowings (Fin.)	0.64	0.81	0.44	0.74	0.82
Net Fin. Borrowings/EBITDA	1.70	1.14	1.62	2.85	4.13
Net Fin. Borrowings/Equity	0.21	0.17	0.15	0.29	0.43
Return on Equity (ROE)(%)	7.34	6.69	4.13	4.10	2.78

INVESTMENTS

	2016	2017	2018	2019	2020	2021-09
Capital Expenditures	65.3 m TL	55.0 m TL	67.6 m TL	14.5 m TL	47.1 m TL	29.8 m TL

OWNERSHIP STRUCTURE

SHAREHOLDING STRUCTURE OF PINAR SÜT (%)



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

Borsa Istanbul Symbol: **PNSUT**

Market in Borsa Istanbul: **Main Market**

First Transaction Date: **February 3, 1986**

Corporate Governance Rating: **9.33**

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Investor Relations Department

Phone: 90 232 495 00 00

Fax: 90 232 484 17 89

investorrelations@pinarsut.com.tr

