



# Pinar Süt

Financial Presentation  
2021-H1

## PINAR SÜT AT A GLANCE



## HIGHLIGHTS

**1.2**  
billion TL  
Net Sales

**24.1%**  
Turnover  
Growth

**34.5**  
million TL  
Net Profit

**20.6**  
million Dollar  
Export Sales

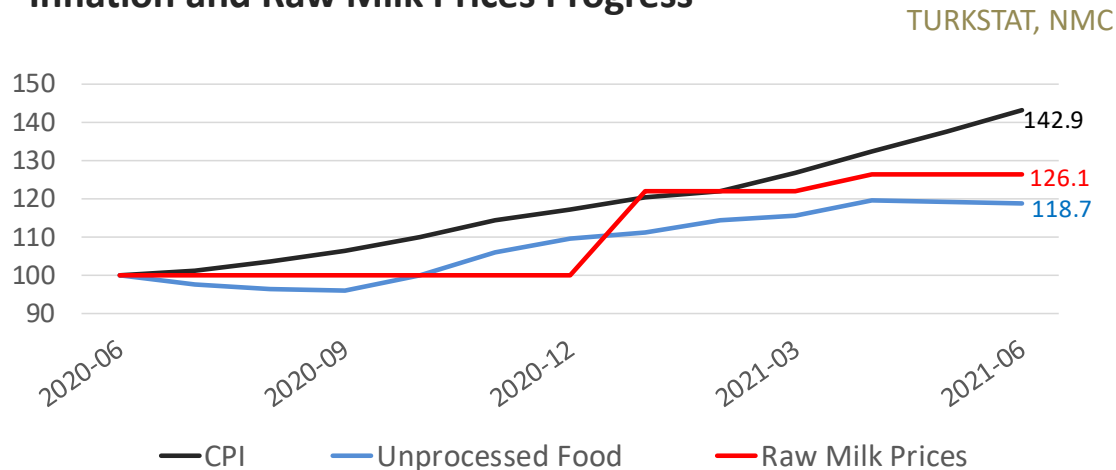
**16.7**  
million TL  
Investment

**1,165**  
Average Number  
of Employees

- Annual inflation in the food and non-alcoholic beverages group increased from 17.4 percent to 20.0 percent in the second quarter. The rise in food inflation was driven by the exchange rate developments and although it lost momentum compared to the first quarter, the increase in international food prices was effective. (CBRT-Inflation Report 2021-III)
- In the first 5 months of the year; butter production increased by 7%, cow cheese production increased by 1%, yogurt production was at similar levels, drinking milk production decreased by 7% and butter production by 5%, YoY. (TURKSTAT)
- The total dairy products market, which includes milk, cheese, yogurt, ayran, butter, in Turkey increased 3% on volume basis in 2021-H1, YoY. In the same period, growth on a turnover basis was realized as 17% (Nielsen, Discount Markets excluded, 2021-H1)
- Pınar 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.

## PRODUCTION AND COST

### Inflation and Raw Milk Prices Progress

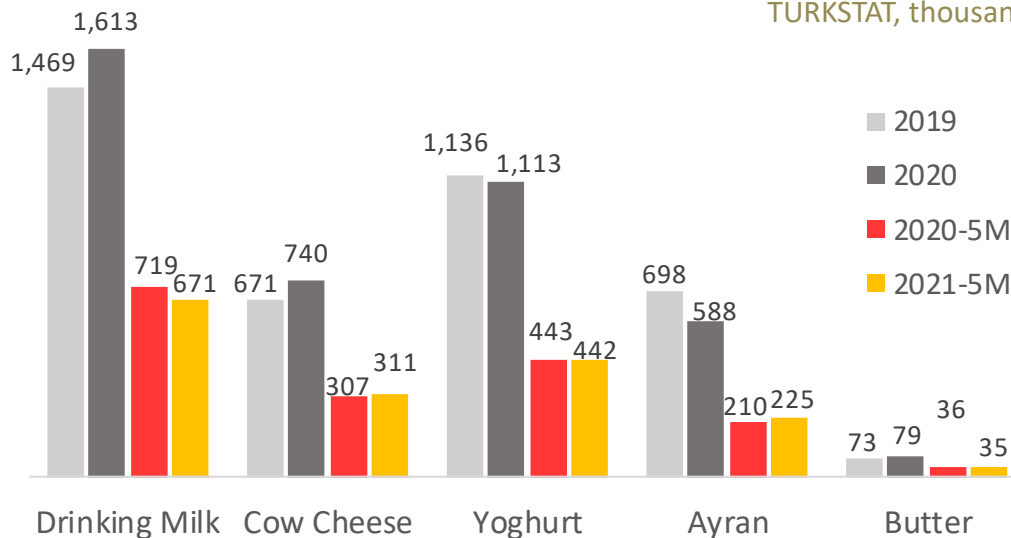


Raw milk prices determined by the National Dairy Council for milk containing 3.6% fat and 3.2% protein for 2021;

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

### Production of Dairy Products in Turkey

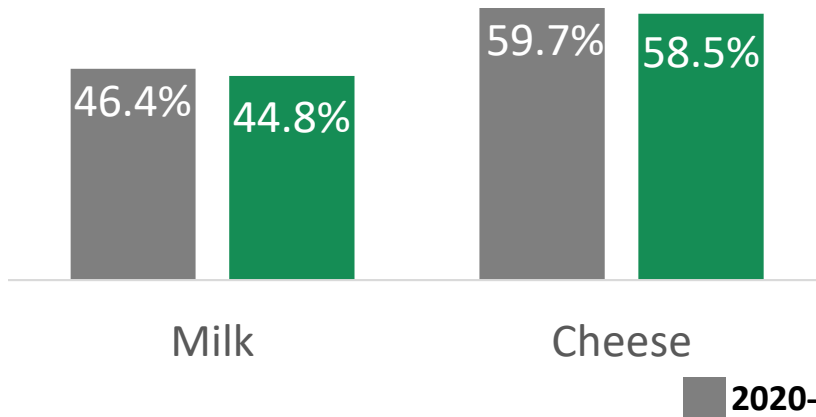
TURKSTAT, thousand tons



- 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).

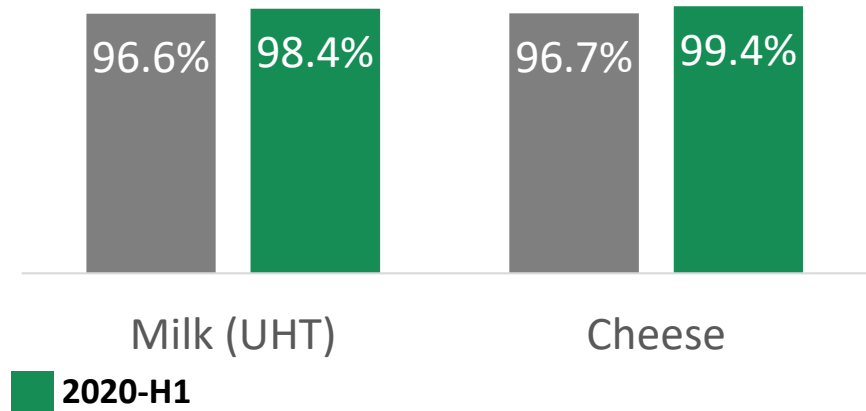
## CONSUMPTION AND MARKET

### Share of Packaged Products



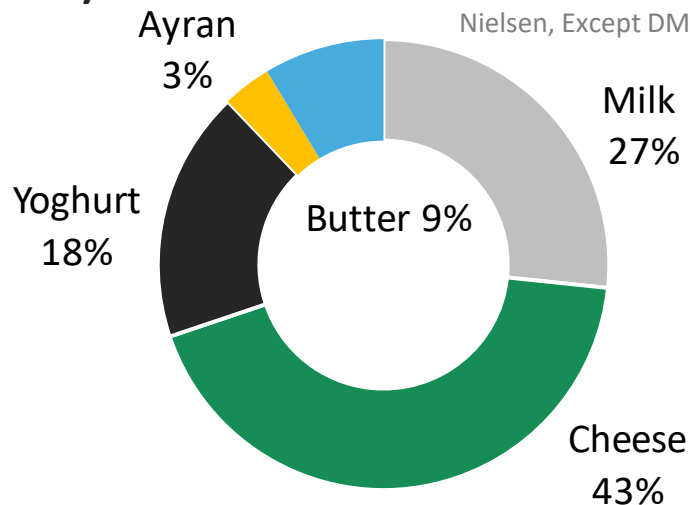
### Packaged Products Penetration

IPSOS



### Dairy Products Market Turnover Breakdown

Nielsen, Except DM, 2021-H1



- In the first six months of 2021, the dairy products market consisting of total milk, total cheese, total yoghurt, total ayran and total butter grew by 17% on a turnover basis and reached 4.9 billion TL. (Nielsen, Excluding DM, 2021-H1)

# MARKET POSITION

## Market Shares Based on Products

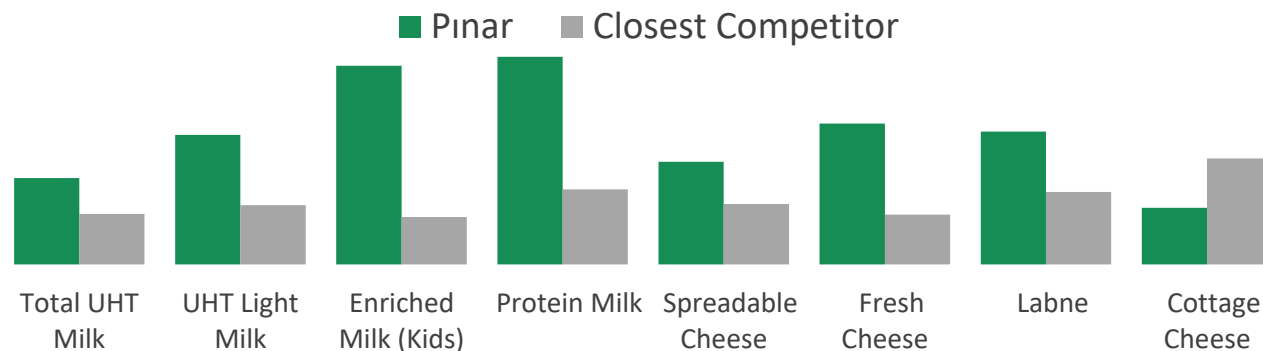
Nielsen, Except DM,  
2021-H1

Product	Share	Position
Total UHT Milk	29.4%	1#
UHT Light Milk	44.0%	1#
Enriched Milk (Kids)	67.5%	1#
Protein Milk	70.5%	1#
Total Cheese	11.6%	3#
Spreadable Cheese	34.9%	1#
Fresh Cheese	47.8%	1#
Labaneh	45.2%	1#
Cottage Cheese	19.3%	2#
Kefir	6.9%	4#

- Pinar Süt maintained its 13.5% market share in the dairy products market. (Nielsen, Excluding Discount Markets, 2021-H1)
- Pinar Süt maintains its leadership in many categories on the basis of product groups.
- Pinar Multi product won the “Taste Award” by the International Taste Institute.

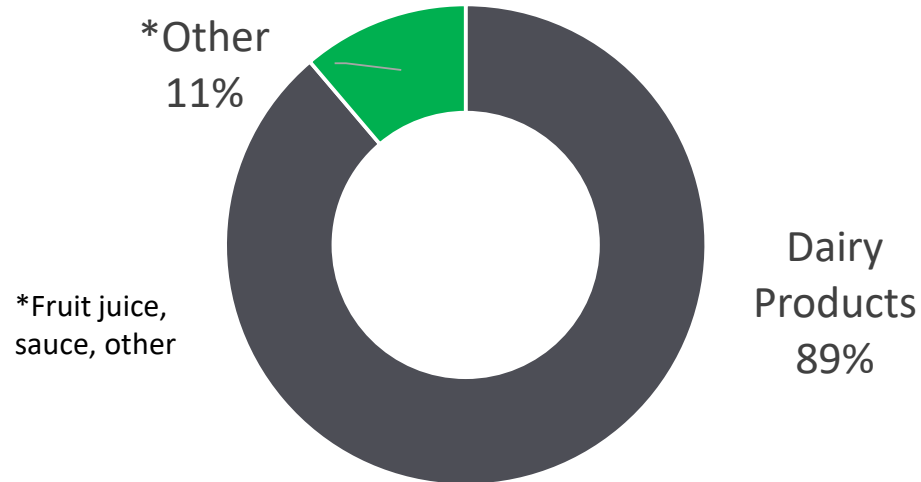
## Pinar Süt and Competitors

Nielsen, Except Discount Markets,  
2021-H1

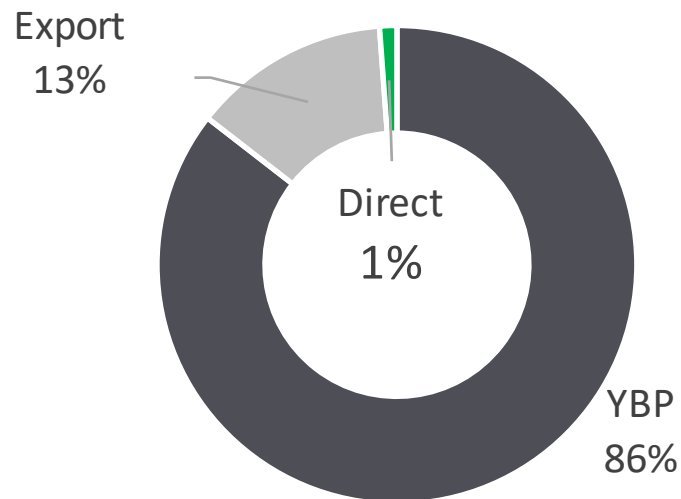


## NET SALES BREAKDOWN

### Based on Product Groups



### Based on Sales Channel



## INCOME STATEMENT

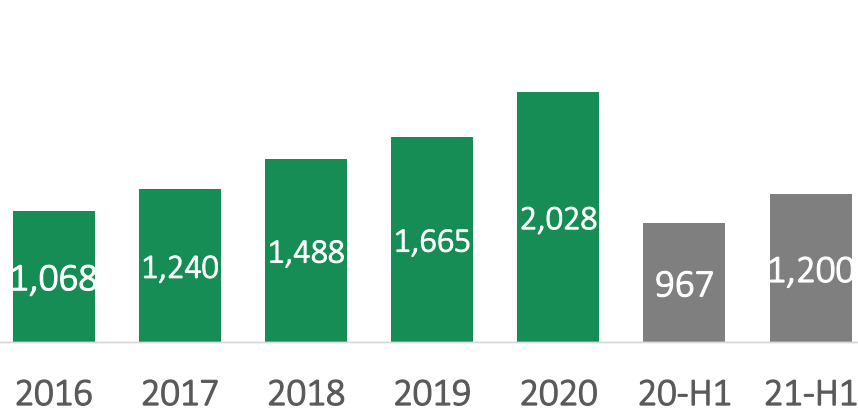
(Million TL)	01.01.21 06.30.2021	01.01.20 06.30.2020	Difference	Change
<b>Net Sales</b>	<b>1,200.3</b>	<b>967.3</b>	<b>232.9</b>	<b>24.1%</b>
Cost of Goods Sold	(1,039.5)	(831.4)	(208.1)	25.0%
<b>Gross Profit</b>	<b>160.8</b>	<b>135.9</b>	<b>24.8</b>	<b>18.3%</b>
R&D Expenses	(8.4)	(6.9)	(1.4)	20.6%
Sales, Distribution and Marketing Expenses	(81.4)	(65.3)	(16.1)	24.7%
General Administration Expenses	(31.5)	(26.9)	(4.6)	17.1%
<b>EBIT</b>	<b>39.5</b>	<b>36.8</b>	<b>2.7</b>	<b>7.3%</b>
<b>EBITDA</b>	<b>67.7</b>	<b>63.7</b>	<b>3.9</b>	<b>6.2%</b>
Shares of Results of Investments in Associates	5.7	7.4	(1.7)	-23.1%
Other Expenses (Net)	37.7	15.6	22.2	142.6%
Financial Expenses (Net)	(43.5)	(24.6)	(18.9)	76.6%
<b>Profit Before Tax</b>	<b>39.4</b>	<b>35.1</b>	<b>4.3</b>	<b>12.1%</b>
Tax	(4.9)	(3.6)	(1.2)	33.4%
<b>Net Profit for the Period</b>	<b>34.5</b>	<b>31.5</b>	<b>3.0</b>	<b>9.7%</b>



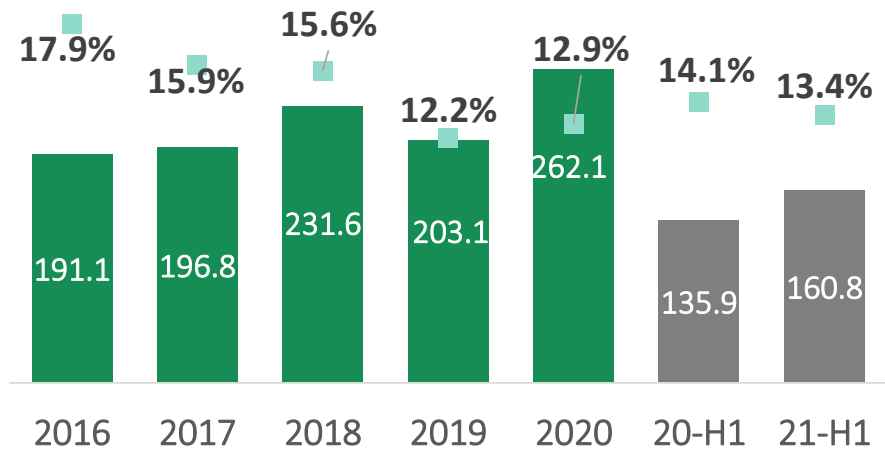
## SALES AND PROFITABILITY – ANNUALLY

### Net Sales

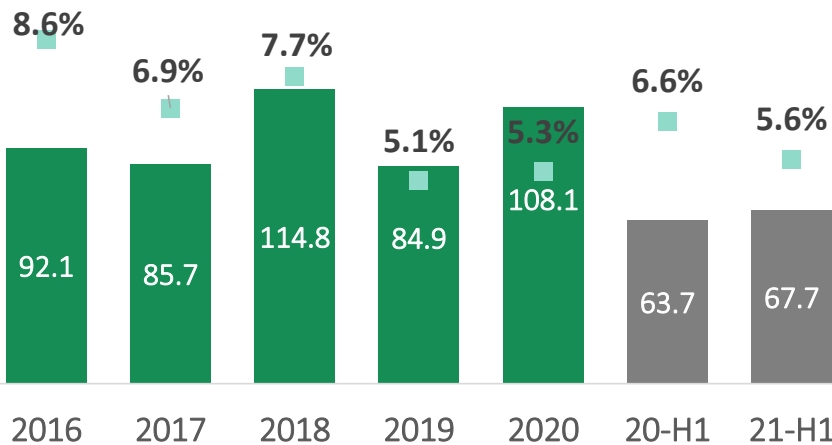
million TL



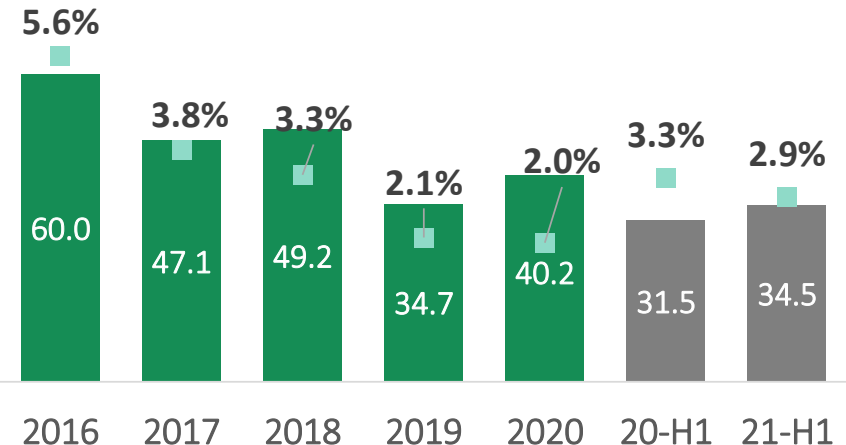
### Gross Profit



### EBITDA



### Net Profit

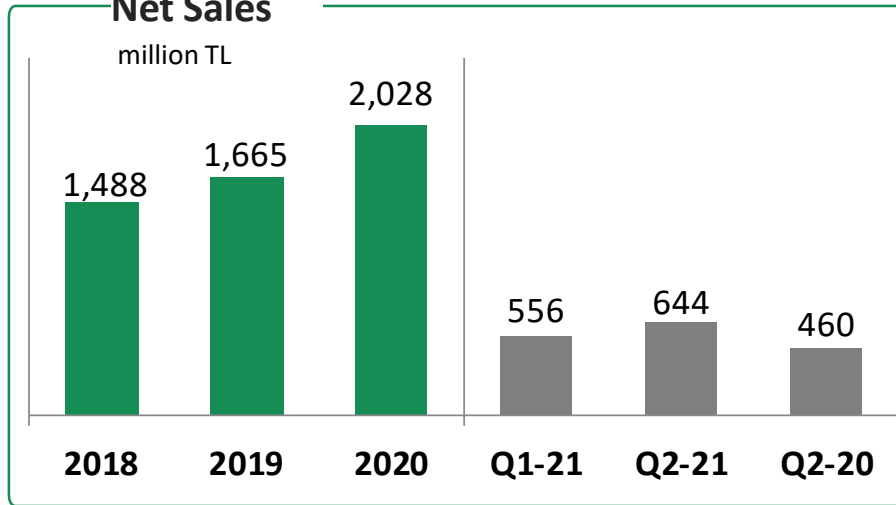


EBITDA is calculated by adding depreciation and provisions for severance pay (in operating expenses) to operating income, excluding other income /expenses.

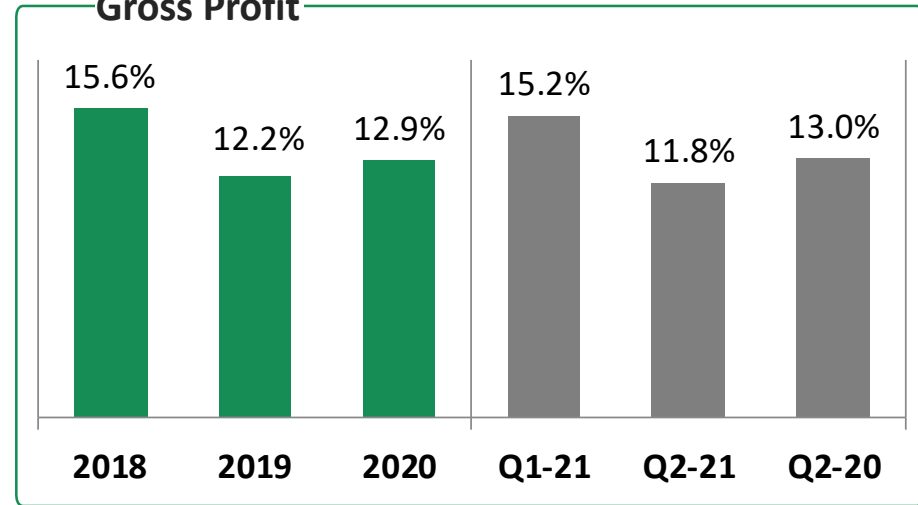
## SALES AND PROFITABILITY – QUARTERLY

### Net Sales

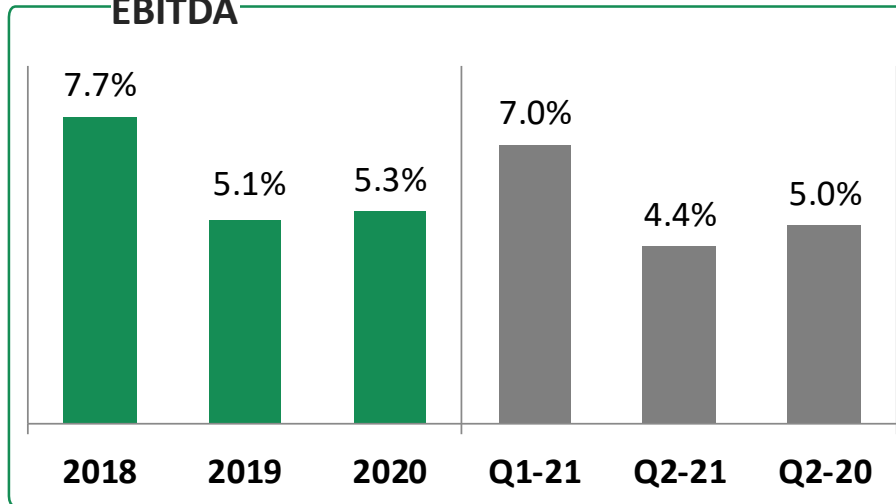
million TL



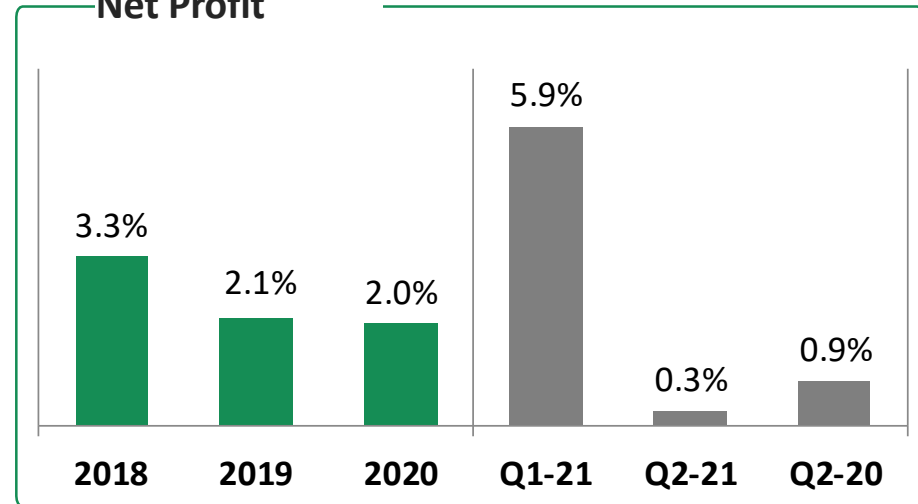
### Gross Profit



### 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

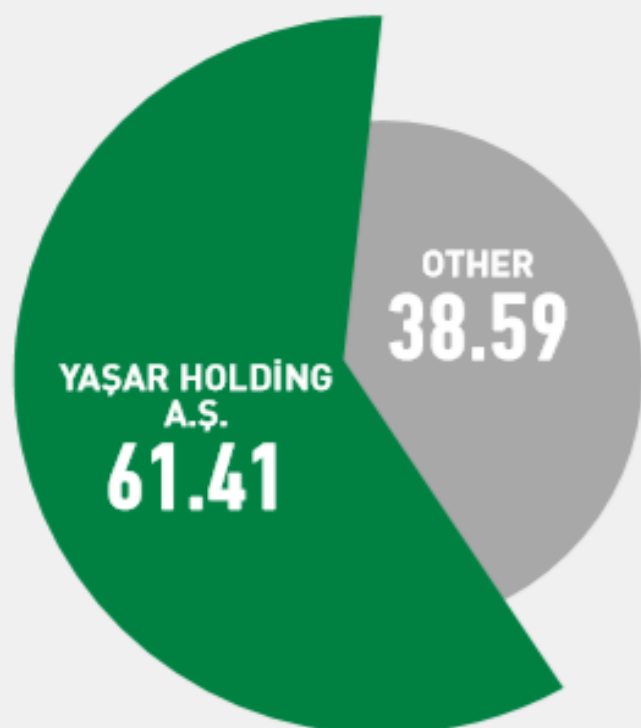
	2017/12	2018/12	2019/12	2020/12	2021/06
Current Ratio	1.21	1.07	1.23	1.10	1.11
Leverage Ratio	0.43	0.44	0.42	0.45	0.50
Current Borrowings/Total Borrowings (Fin.)	0.64	0.81	0.44	0.74	0.78
Net Fin. Borrowings/EBITDA	1.70	1.14	1.62	2.85	3.52
Net Fin. Borrowings/Equity	0.21	0.17	0.15	0.29	0.38
Return on Equity (ROE)	7.3%	6.7%	4.1%	4.1%	3.3%

## CAPITAL EXPENDITURES

	2016	2017	2018	2019	2020	2021-06
Capital Expenditures	65.3 m TL	55,0 m TL	67.6 m TL	14.5 m TL	47,1 m TL	16.7 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
<b>Total</b>	<b>100.00</b>	<b>44,951,051.25</b>

The shares of Pınar Süt are traded on the Borsa İstanbul Yıldız Market under the symbol "PNSUT".

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