



Pinar Et

Earnings Presentation
2020-Q1

PINAR ET AT A GLANCE

First private
integrated meat
processing plant



155 thousand
SALES POINTS

Production according
to Turkish food Codex
and EU standards

102 thousand cattle
408 thousand sheep & goat
1.8 million turkeys

CUTTING AND
PROCESSING CAPACITY

Backward
integration in
turkey



50 thousand m² indoor
259 thousand m² outdoor
FIELD PRODUCTION



PURCHASING SPREADS OVER
6
REGIONS

ABOUT
350
PRODUCTS IN
CATEGORIES **6**

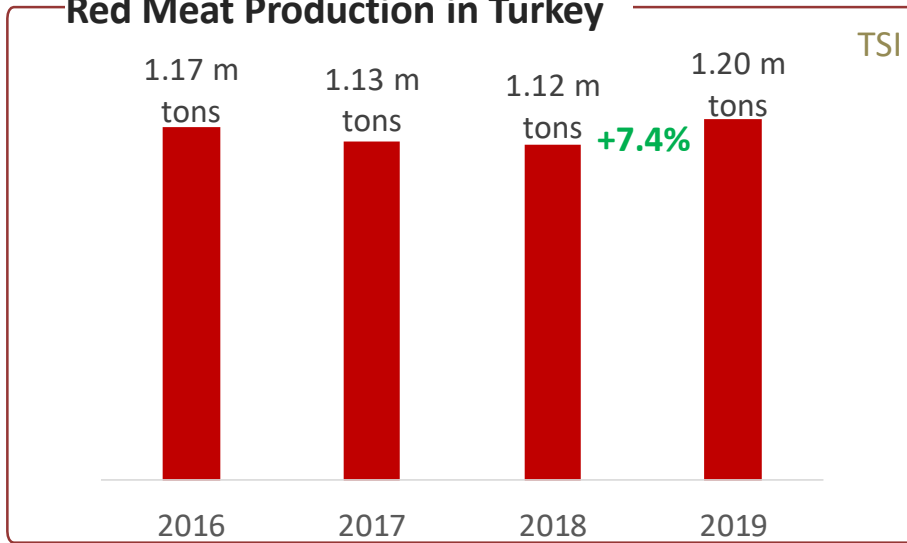
735
AVERAGE NUMBER
OF EMPLOYEES IN
2020-Q1

**196.8****MILLION TL
NET SALES****25.0****MILLION TL
NET PROFIT****7,748****TONNES
SALES VOLUME****17.1%****PINAR ET
PROCESSES MEAT
PRODUCTS
MARKET SHARE****726 million TL****PROCESSED MEAT PRODUCTS
MARKET SIZE***

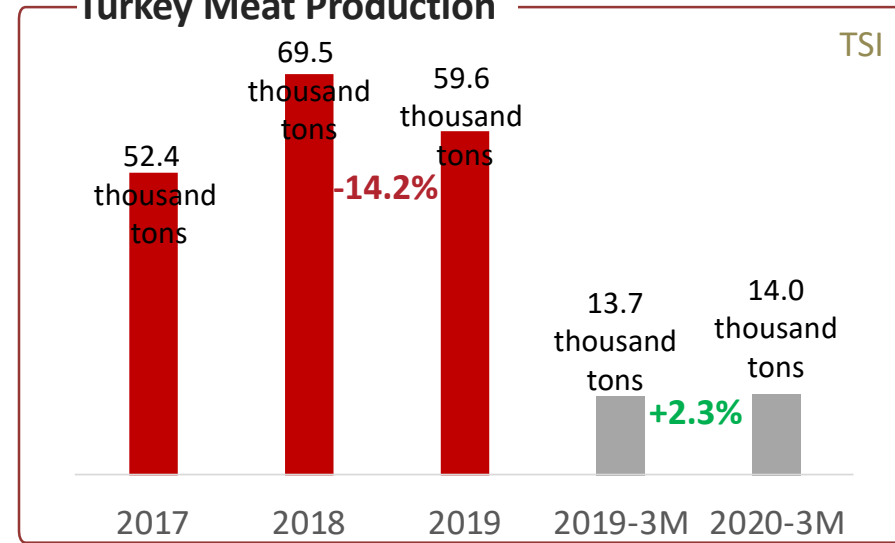
- The average red meat prices increased by 18.9% in 2020-Q1 compared to the same period of the last year. (Fat-free beef prices of National Red Meat Council.)
- In the first quarter of 2020, “Turkey meat” production increased by 2.3%, YoY. (TSI)
- In 2019, red meat production in Turkey enlarged by 7.4% compared to the same period of previous year as 1.2 million tons. (TSI)
- Compared to the same period of last year, total processed meat market in Turkey achieved a growth of 22.3% in turnover and 8.9% increase in volume. (Nielsen, BIM excluded value share)

PRODUCTION AND COST

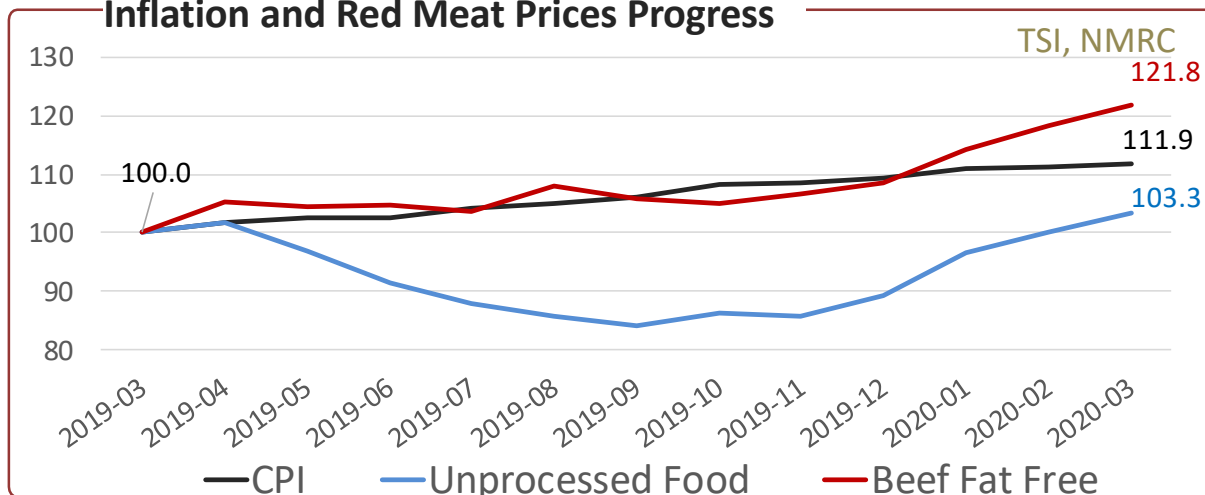
Red Meat Production in Turkey



Turkey Meat Production



Inflation and Red Meat Prices Progress

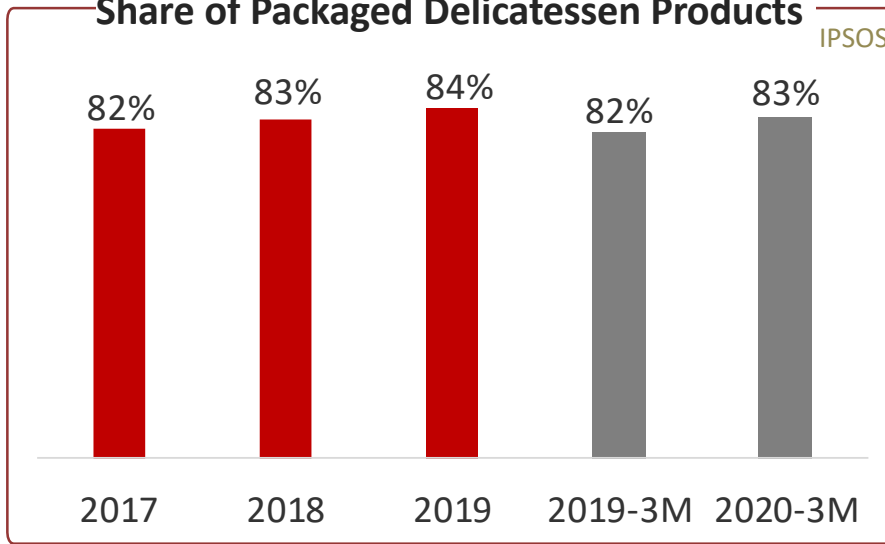


- Custom tax rate has been fixed at 0% for livestock, 26% for butchery animal (0% for Meat and Milk Organization in quota) and 40% for carcass meat.
- In 2020-4M, animal import reduced by 28% compared to the same period of 2019. (TSI)

CONSUMPTION AND MARKET

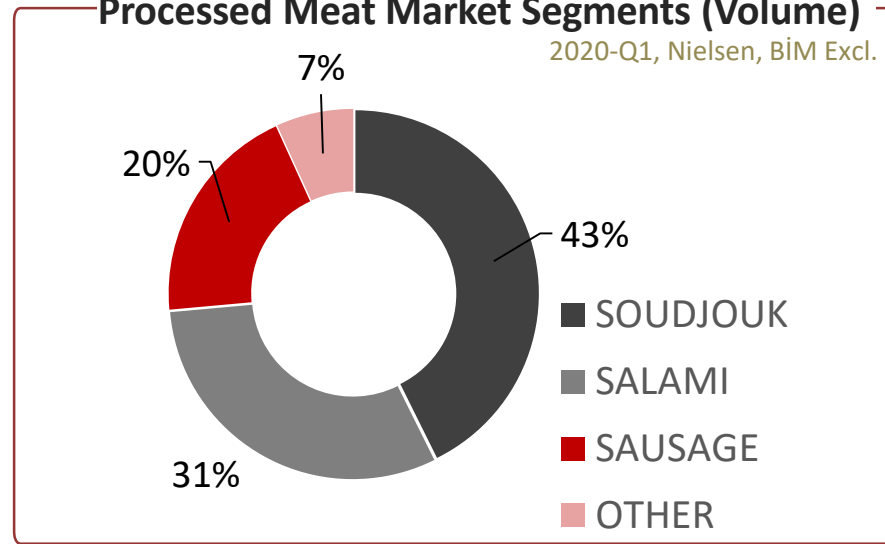
Share of Packaged Delicatessen Products

IPSOS



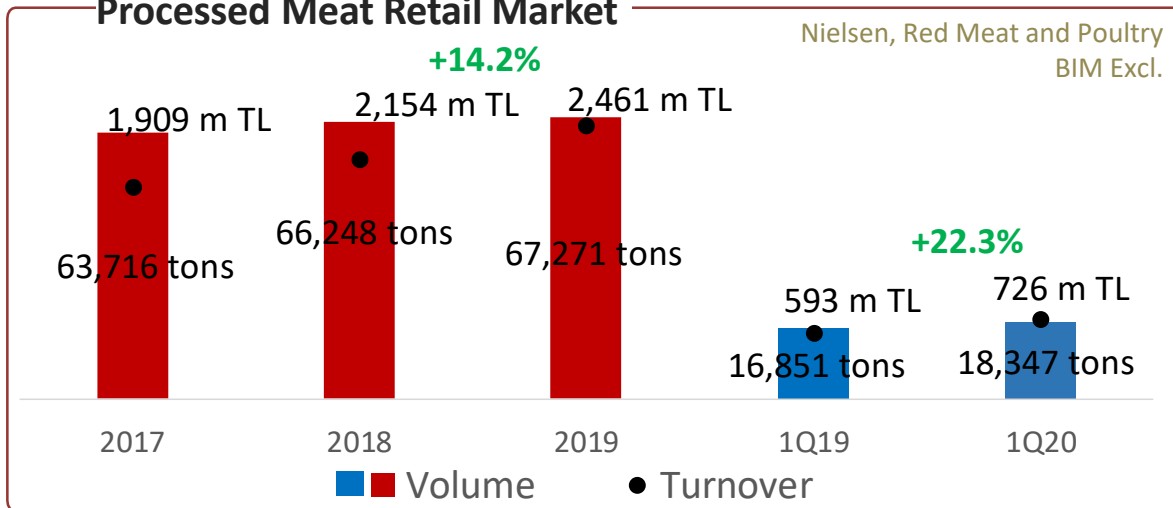
Processed Meat Market Segments (Volume)

2020-Q1, Nielsen, BiM Excl.



Processed Meat Retail Market

Nielsen, Red Meat and Poultry
BiM Excl.



- In 2020-Q1, processed meat market achieved **8.9% volume growth** and **22.3% growth in turnover basis, YoY.**
(Nielsen)

MARKET POSITION

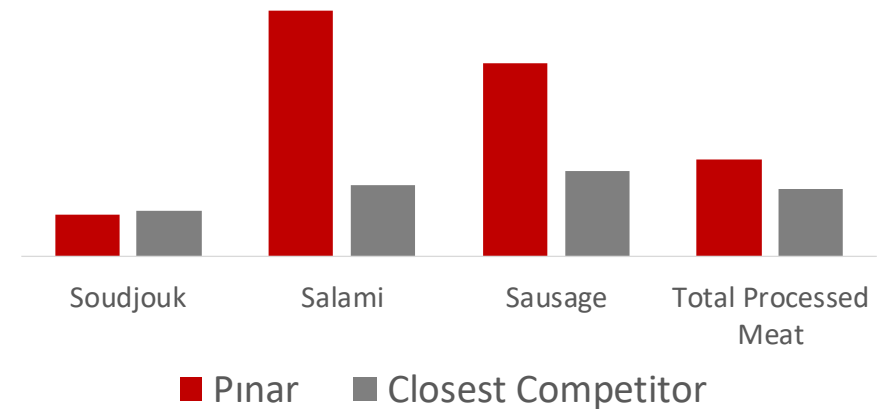
Market Shares of Pinar Et

Nielsen, Sales value, 2020-Q1, BIM Excl.

Products	Market Share
Total Processed Meat	17.1%
Salami	43.2%
Sausage	34.0%
Soudjouk	7.4%

Pinar Et and Competitors

Nielsen, Sales value, 2020-Q1, BIM Excl.

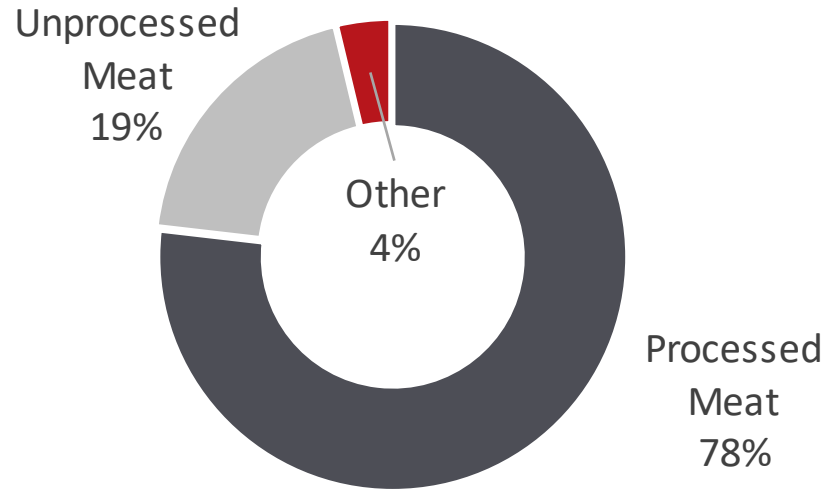


- Pinar Et keeps up the leader position with 17.1% of market share in the total processed meat market.
- In the first quarter of the year, Pinar Et increased its market share in the salami and sausage segments.
- Pinar Et released 350 products in 6 categories and continued new product launches and package diversifications.

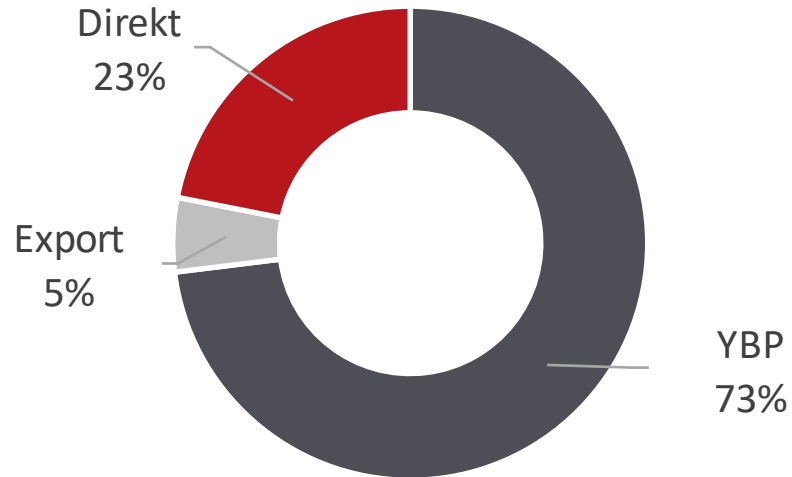


NET SALES BREAKDOWN

Based on Product Groups



Based on Sales Channel



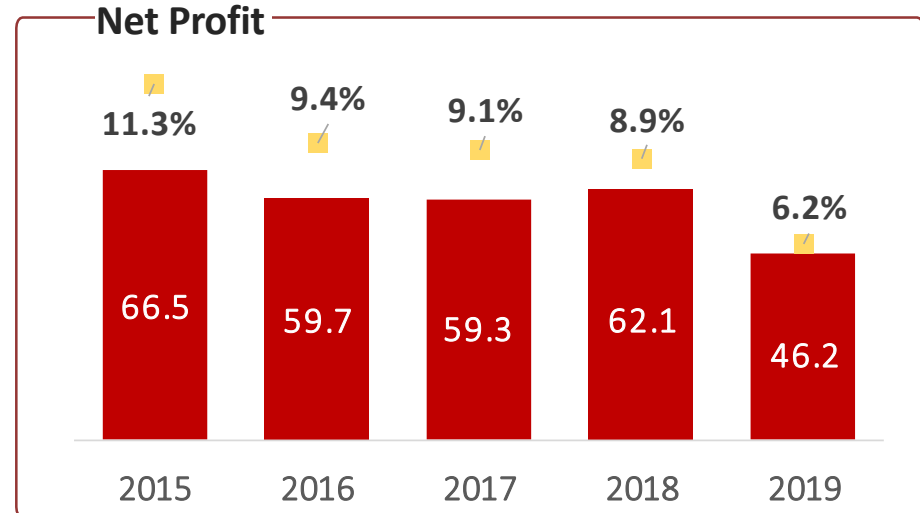
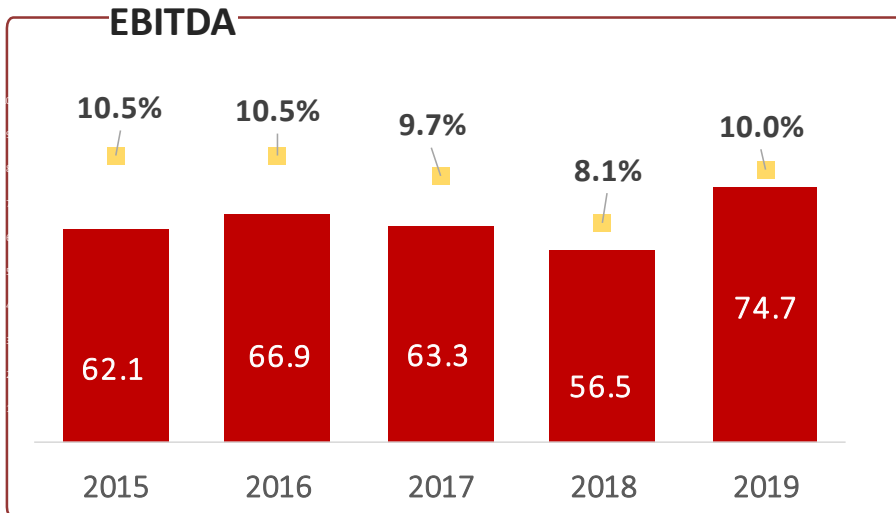
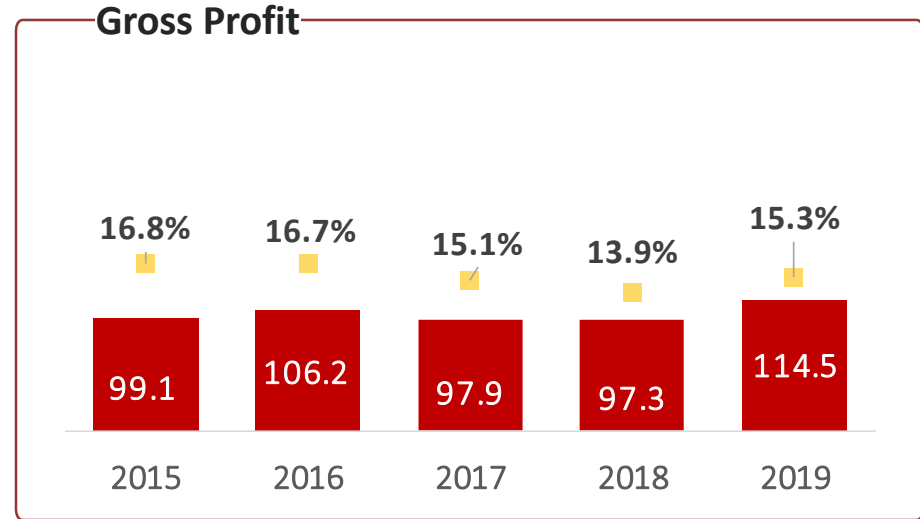
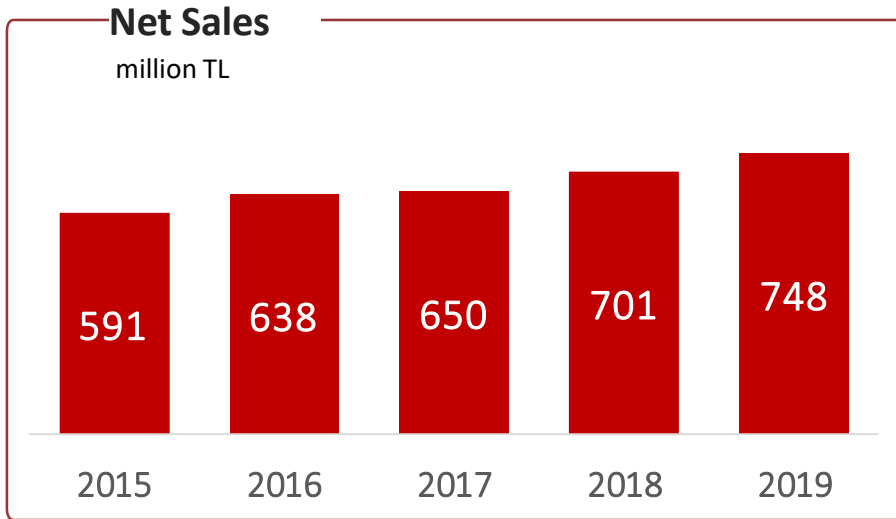


INCOME STATEMENT

	01.01.20	01.01.19		
(Million TL)	03.31.20	03.31.19	Difference	Change
Net Sales	196.2	164.9	31.3	18.9%
Cost of Goods Sold	(157.6)	(142.4)	(15.2)	10.7%
Gross Profit	38.4	22.6	15.9	70.3%
R&D Expenses	(0.8)	(0.5)	(0.3)	66.6%
Sales, Distribution and Marketing Expenses	(9.3)	(8.0)	(1.3)	16.1%
General Administration Expenses	(6.4)	(6.2)	(0.2)	3.1%
EBIT	22.1	8.0	14.1	176.6%
EBITDA	27.3	12.7	14.6	115.7%
Shares of Results of Investments in Associates	1.2	(4.9)	6.1	-123.8%
Other Expenses (Net)	0.1	1.0	(0.9)	-88.3%
Financial Expenses (Net)	0.6	(0.2)	0.8	-388.2%
Profit Before Tax	23.9	3.9	20.1	517.7%
Tax	1.0	(1.8)	2.8	-158.3%
Net Profit for the Period	25.0	2.1	22.9	1092.3%



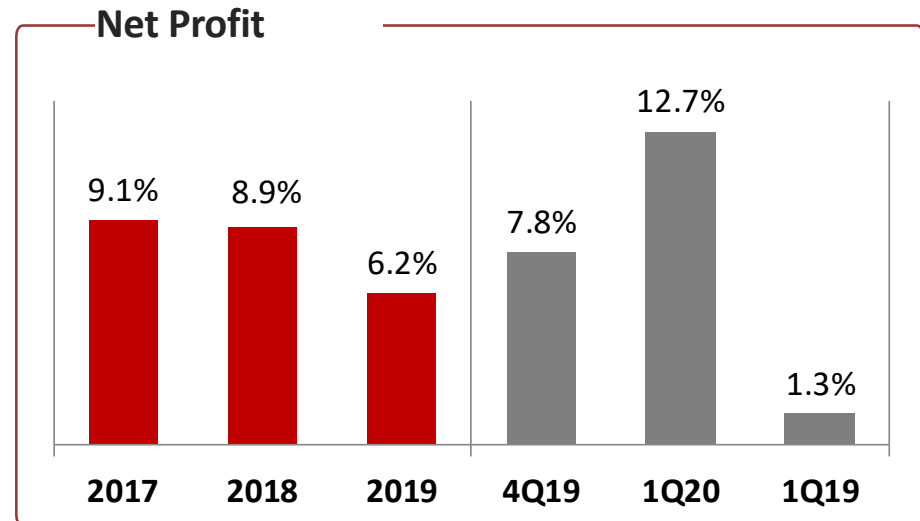
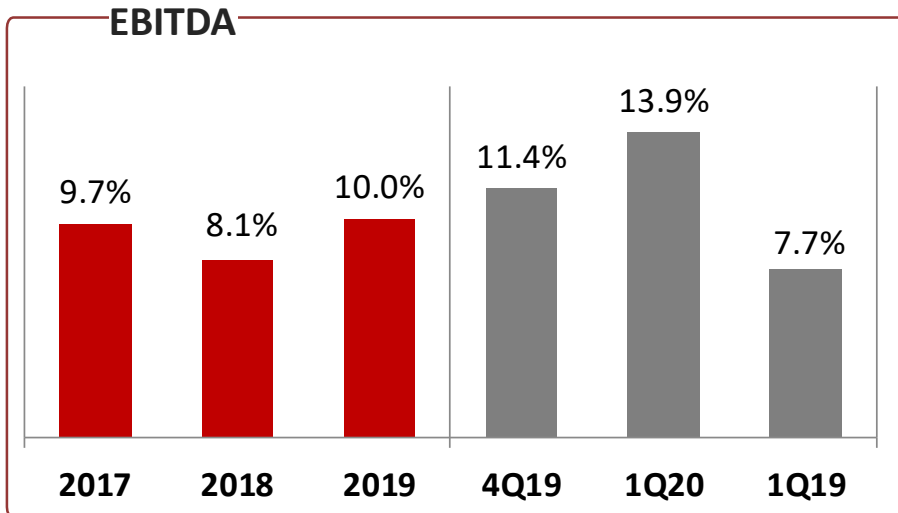
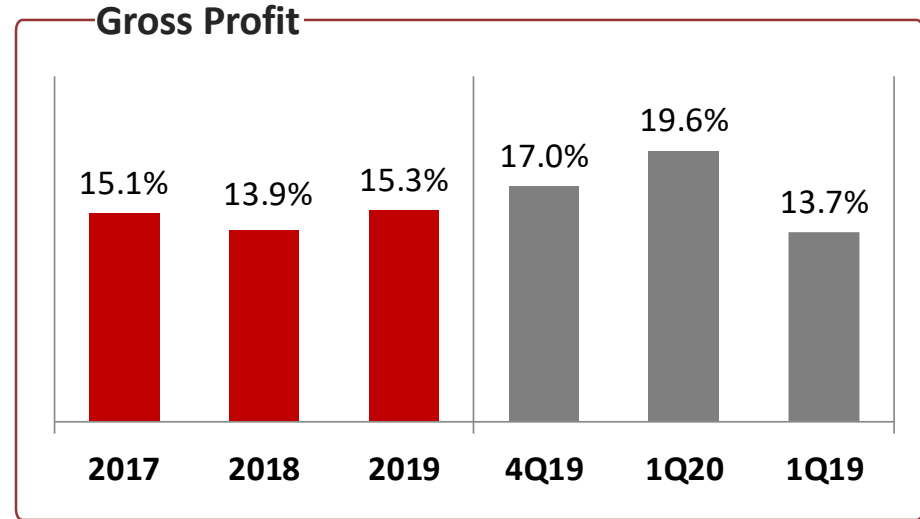
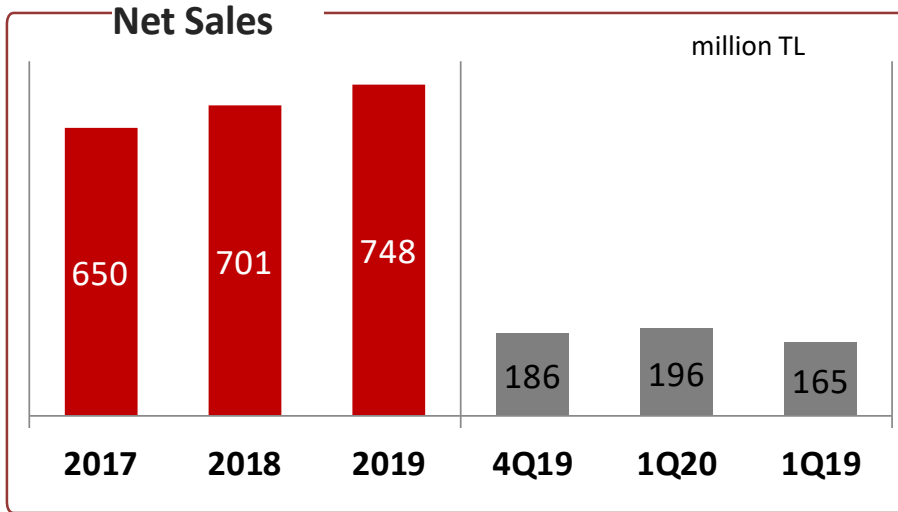
SALES AND PROFITABILITY - ANNUALLY



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



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

FINANCIAL RATIOS

	2016/12	2017/12	2018/12	2019/12	2020/03	
Current Ratio	1.67	1.61	1.65	1.73	1.41	
Leverage Ratio	0.23	0.23	0.24	0.23	0.29	
Current Borrowings/Total Borrowings (Fin)	1.00	1.00	1.00	0.95	0.98	
Net Fin. Borrowings/EBITDA	0.04	0.06	0.06	-	0.28	0.07
Net Fin. Borrowings/Equity	0.01	0.01	0.01	-	0.03	0.00
Return on Equity (ROE)	14.5%	12.9%	11.8%	7.6%	3.9%	

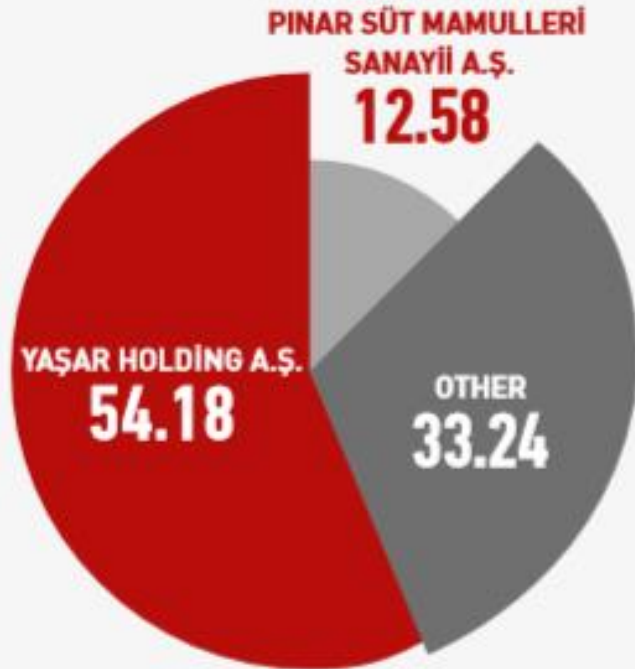
CAPITAL EXPENDITURES

	2016	2017	2018	2019	2019/03	2020/03
Capital Expenditures	16.0 m TL	17.9 m TL	28.9 m TL	10.4 m TL	1.0 m TL	1.3 m TL



OWNERSHIP STRUCTURE

SHAREHOLDING STRUCTURE OF PINAR ET (%)



Shareholder	Share Rate (%)	Share Amount (TL)
YAŞAR HOLDİNG A.Ş.	54.18	23,476,894.71
PINAR SÜT MAMULLERİ SANAYİİ A.Ş.	12.58	5,451,752.25
OTHER	33.24	14,406,353.04
TOTAL	100.00	43,335,000.00

Pınar Et's shares are traded at Borsa Istanbul Main Market - Group 1 under the ticker symbol "PETUN".



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