

PINAR ET

FINANCIAL PRESENTATION 2022



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PINAR ET AT A GLANCE



37

years of
Sectoral Experience



First private enterprise
Integrated meat facility

928 Number of
Employees



155 Thousand
Sales Point



Production in accordance
with Turkish Food Codex
and EU standards



Approximately **525**
products in **8** categories



Purchasing Spread
Across **6** Regions



Backward
integration
in turkey



39 New Product



73.3
million
Number of
animals in
Turkey
(TURKSTAT)



2.1
billion TL
Turnover



4.2
billion TL
Processed
Meat
Products
Market Size



325.5
million TL
Net Profit



Revenue Shares in
Processed Meat Products is
22%
in Turkey (Nielsen, except BIM)



44.4
million TL
Investment



255 thousand m² total
50 thousand m² indoor
Production in the field



30,624 Sales
Tonnage in 2022



Slaughtering
And
Processing
Capacity



102
thousand
cattles



408
thousand
small cattles



1.8
million
small cattles

2022 FINANCIAL PERFORMANCE

(Million TL)	01.01.2022-31.12.2022	01.01.2021-31.12.2021
Net Sales	2,120.1	1,117.6
Gross Profit	393.8	185.1
Gross Profit Margin	18.6%	16.6%

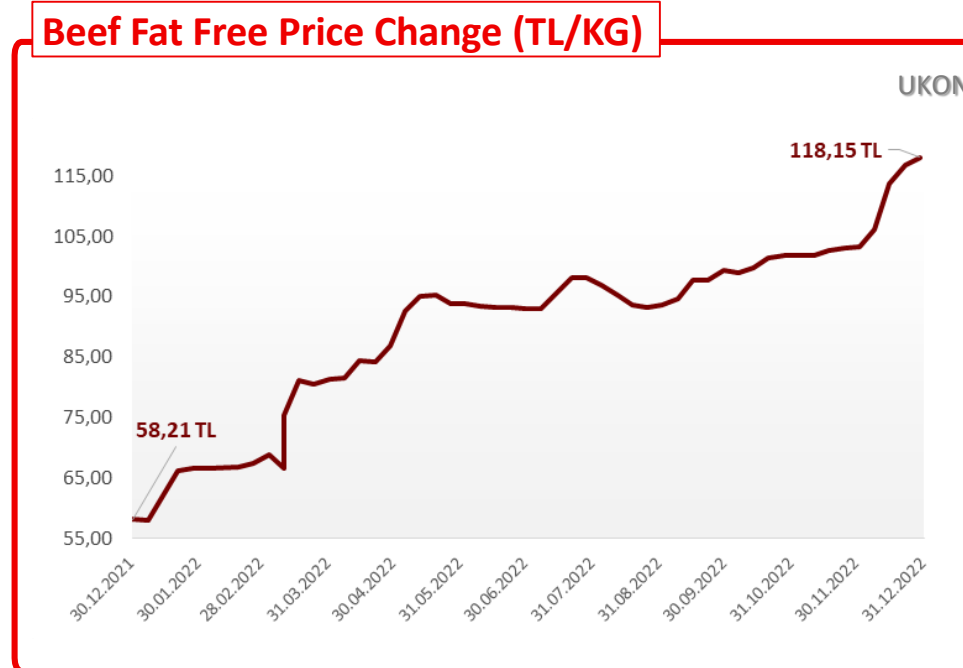
(Million TL)	31.12.2022	31.12.2021
Shareholder's Equity	2,980.6	1,290.5
Assets	4,165.0	1,827.0
Total Liabilities/Equity Ratio	40%	42%

MARKET DYNAMICS - PRODUCTION AND COST



- The annual inflation for the food and non-alcoholic beverages group decreased, concluding the year 2022 at a rate of 77.9%. The decrease was influenced by the supply-increasing effect of the grain corridor, along with a reduction in exchange rate volatility and a decline in freight prices.
- It is assumed that the decrease in food prices will continue in the upcoming period, and the year 2023 will conclude at a rate of 22%. (CBRT - Inflation Report, 2023-I)

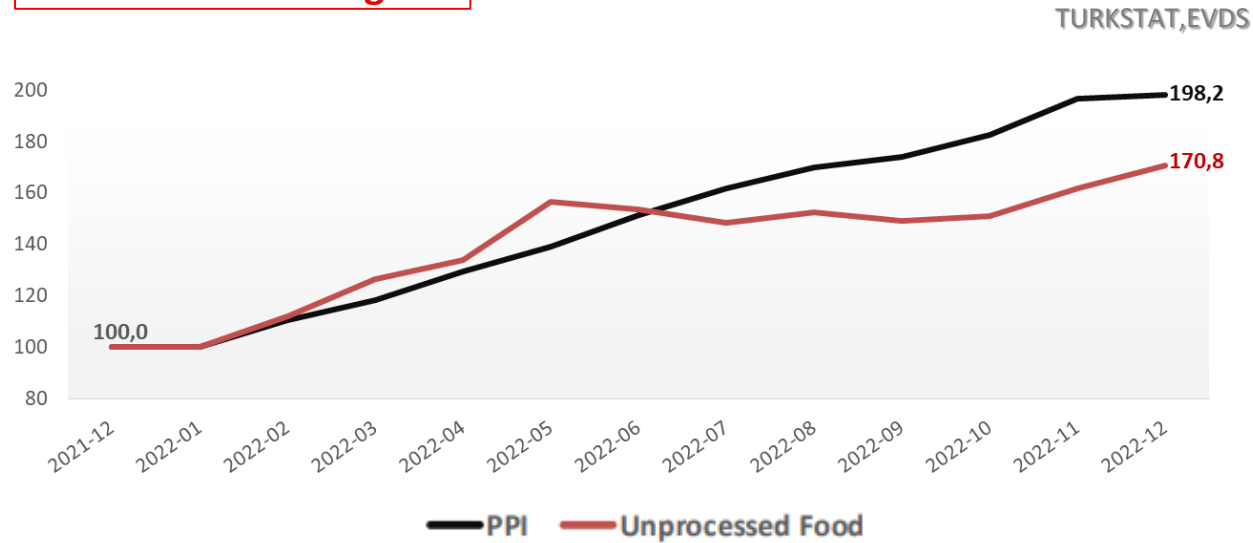
Beef Fat Free Price Change (TL/KG)



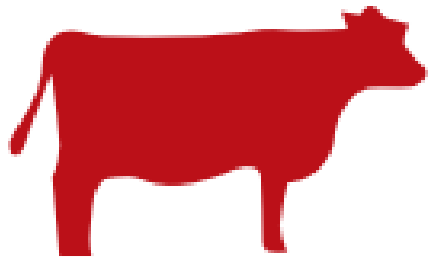
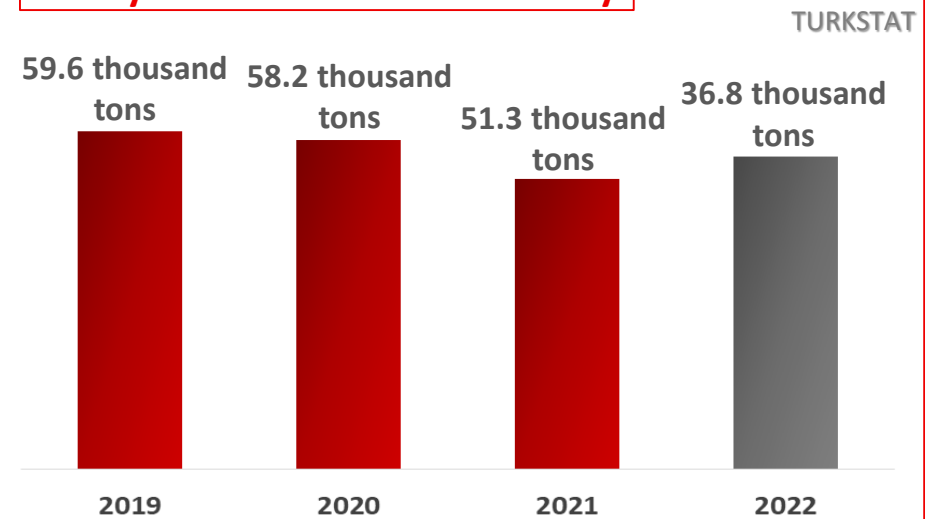
- The average price of red meat has been observed to be 103% higher compared to the same period of the previous year (UKON, Lean Beef Cuts, TL/Kg).

MARKET DYNAMICS – MEAT INDUSTRY

Producer Prices Progress



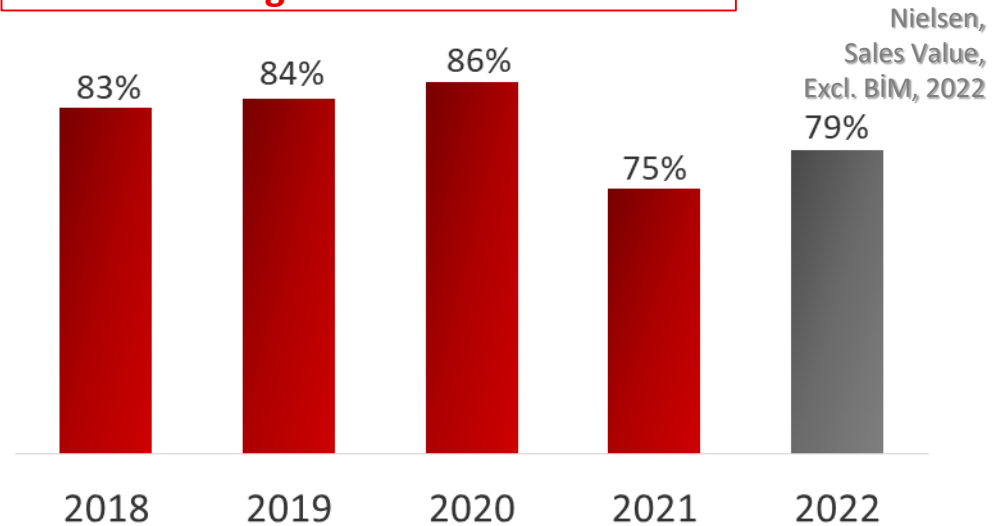
Turkey Meat Production in Turkey



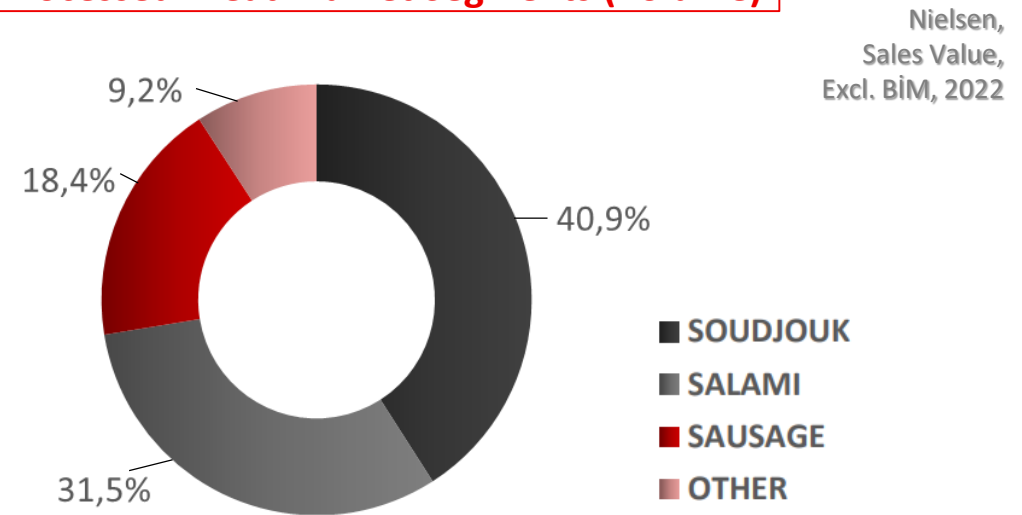
- According to the latest published data, as of 2022, **the total number of animals** decreased by 7.8% compared to the same period in 2021, reaching **73.3 million heads**. **The number of cattle is 17,023,000**, and the number of **small ruminants is 56,265,000** (TURKSTAT, Animal Production Statistics, February 2023).
- In 2022, a total of **132,911** animals were imported, consisting of **116,862** cattle and **16,049** small ruminants, while the total number in the same period of 2021 was **54,738** animals (SETBIR).
- **Turkey's production of turkey meat** in 2022 amounted to **53,646 thousand tons**. **Turkey meat production increased by 4.57%** compared to 2021 (TURKSTAT, Poultry Production, 2022).

MARKET DYNAMICS - CONSUMPTION AND MARKET

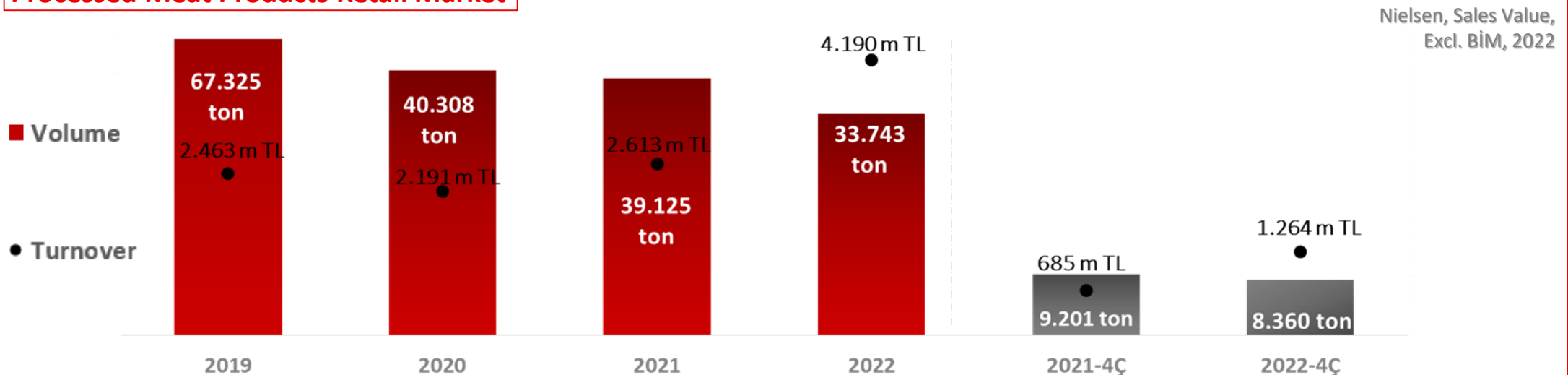
Share of Packaged Delicatessen Products



Processed Meat Market Segments (Volume)



Processed Meat Products Retail Market

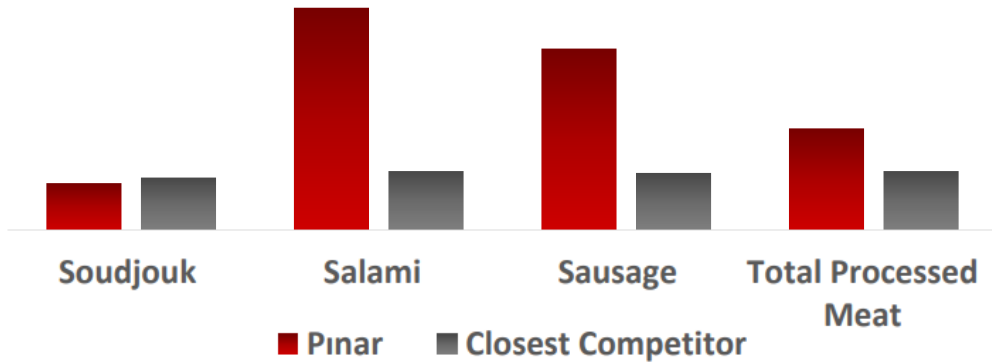


MARKET POSITION



Pinar Et and Competitors

Nielsen, Sales Value, Excl. BiM, 2022



Market Shares of Pinar Et

Nielsen, Sales Value, Excl. BiM, 2022

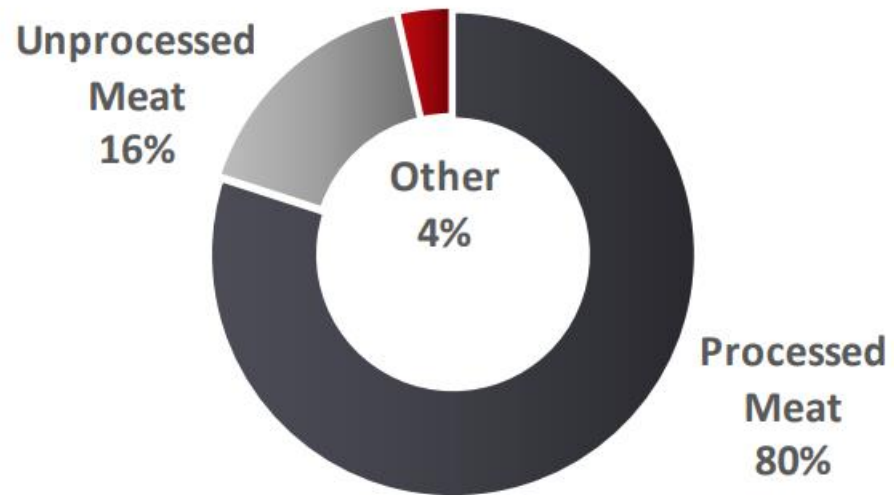
Products	Market Share	Position
Total Processed Meat	22.3%	#1
Salami	48.9%	#1
Sausage	39.9%	#1
Soudjouk	10.4%	#2



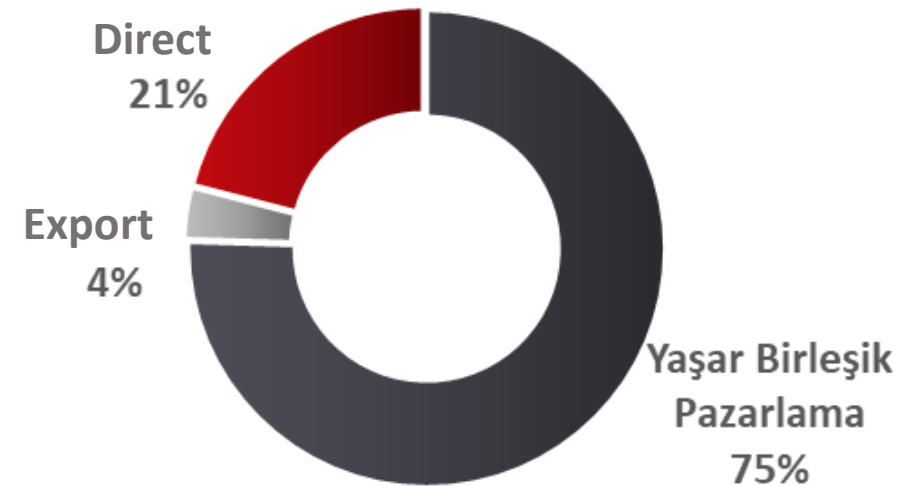
- Pinar Et meets the expectations and needs of consumers with its **extensive portfolio consisting of 525 products in 8 categories.**
- Pinar Et which maintains its **leadership** in many categories, concluded the year 2022 with a **22% market share** in the total processed meat market (excluding 2022 January-March, according to Nielsen).
- Pinar Et continues to introduce new products to consumers through its ongoing R&D projects.

FINANCIAL RESULTS IN 2022 – NET SALES BREAKDOWN

Based on Product Groups



Based on Sales Channel



FINANCIAL RESULTS IN 2022 – INCOME STATEMENT



(Million TL)	01.01.2022 31.12.2022	01.01.2021 31.12.2021	Difference	Change
Net Sales	2,120.1	1,117.6	1,002.6	89.7%
Cost of Goods Sold	(1,726.4)	(932.4)	(793.9)	85.1%
Gross Profit	393.8	185.1	208.6	112.7%
R&D Expenses	(7.2)	(4.6)	(2.6)	57.5%
Sales, Distribution and Marketing Expenses	(123.1)	(60.6)	(62.5)	103.1%
General Administration Expenses	(62.4)	(31.7)	(30.7)	96.8%
EBIT	201.1	88.3	112.8	127.8%
EBITDA	247.1	114.3	132.8	116.2%
Shares of Results of Investments in Associates	151.0	32.7	118.3	362.2%
Other Expenses (Net)	68.4	42.9	25.4	59.2%
Financial Expenses (Net)	(76.4)	(28.5)	(48.0)	168.5%
Profit Before Tax	344.0	135.4	208.6	154.0%
Tax	(18.5)	(0.8)	(17.8)	2349.0%
Net Profit for the Period	325.5	134.7	190.9	141.7%

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

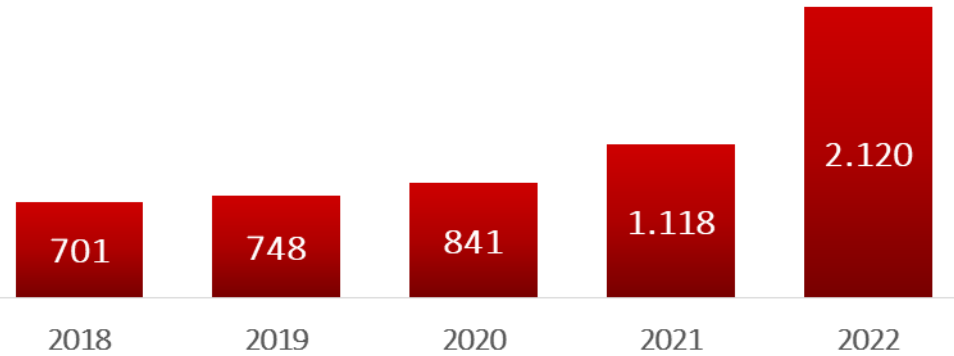
FINANCIAL RESULTS IN 2022

SALES AND PROFITABILITY BY ANNUALLY



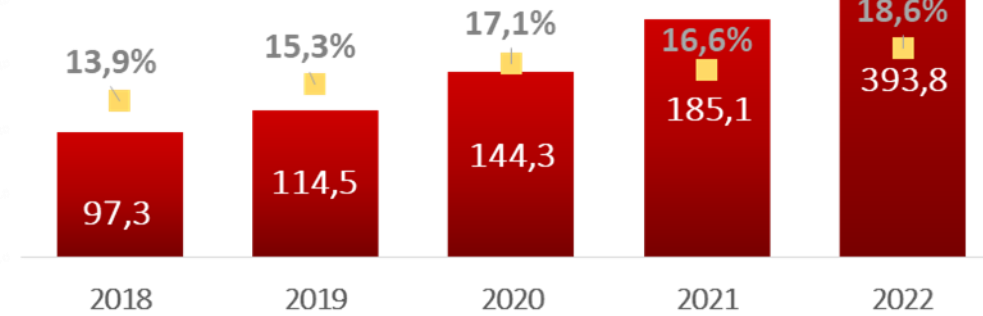
Net Sales

million TL



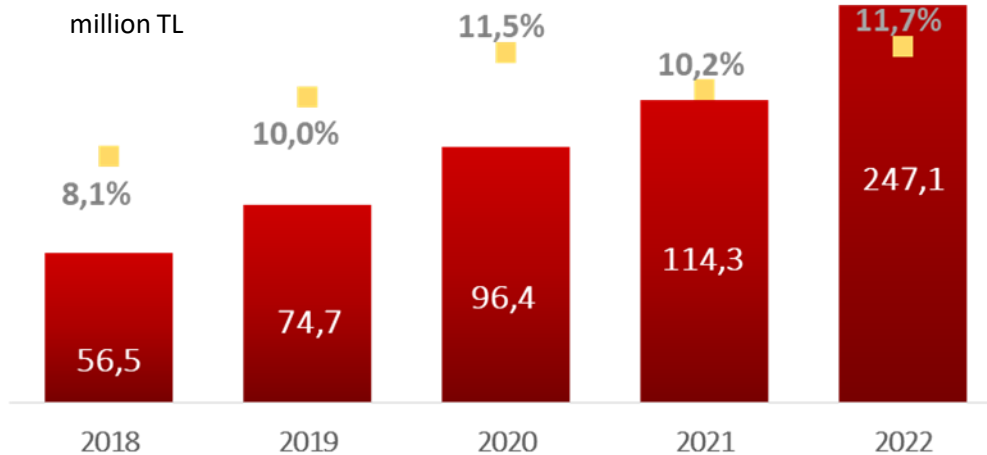
Gross Profit

million TL



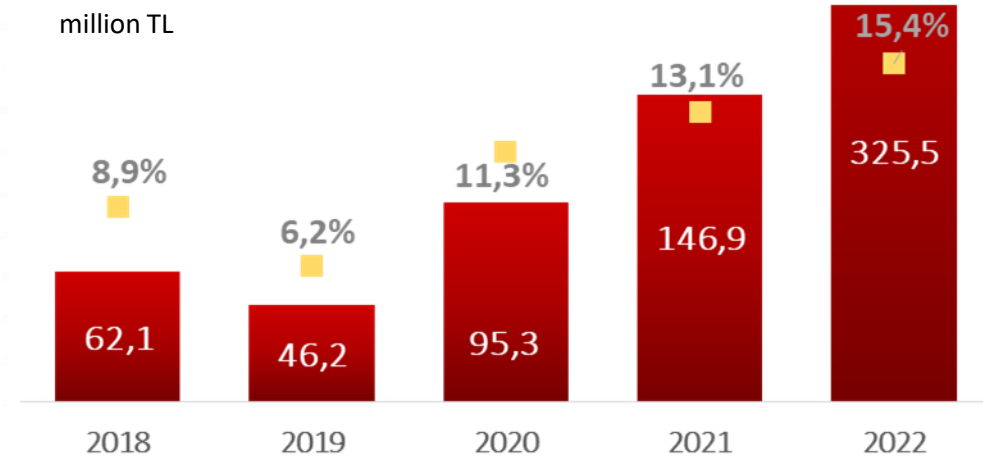
EBITDA

million TL



Net Profit

million TL



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

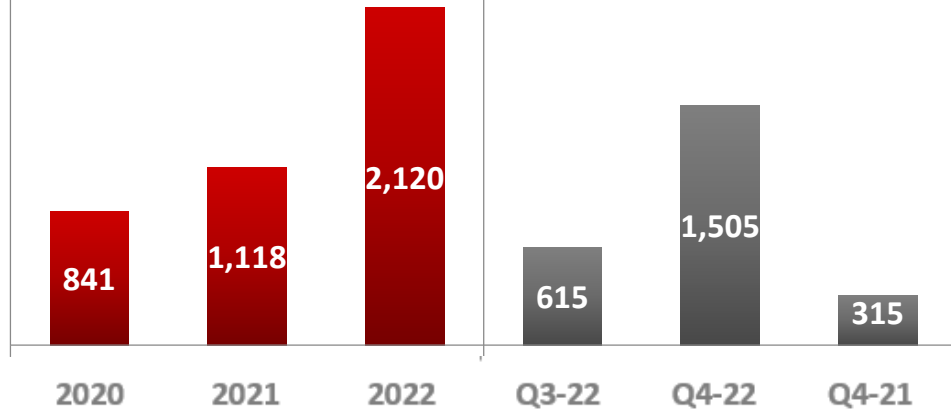
FINANCIAL RESULTS IN 2022

SALES AND PROFITABILITY BY QUARTERLY

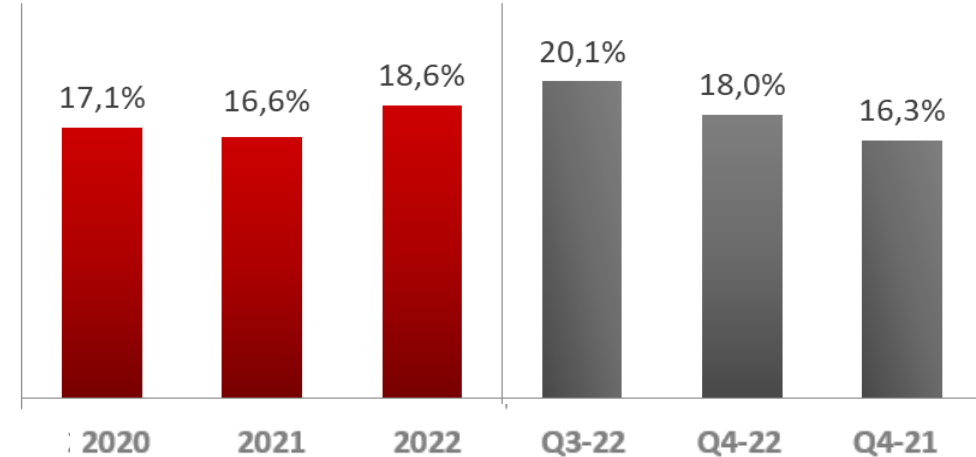


Net Sales

million TL

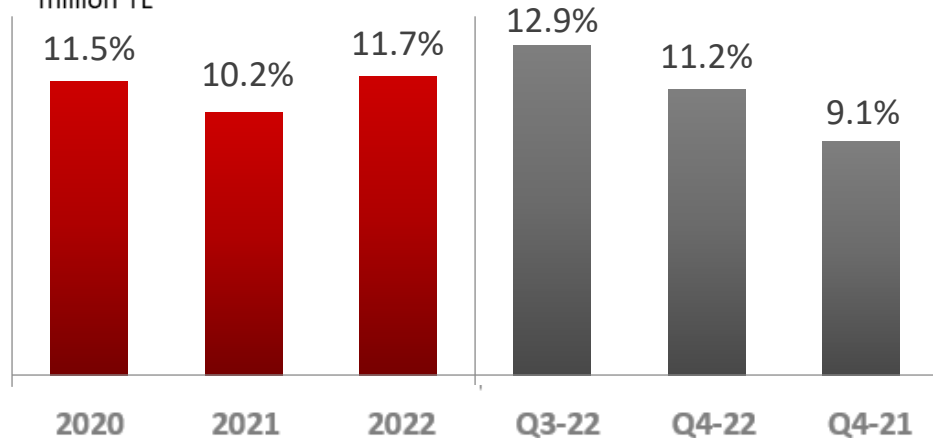


Gross Profit

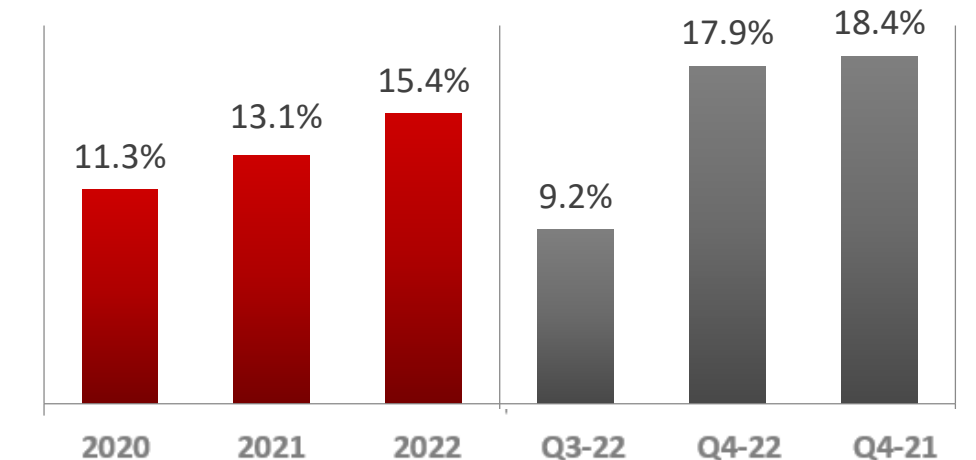


EBITDA

million TL



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

	2018/12	2019/12	2020/12	2021/12	2022/12
Current Ratio	1.65	1.73	1.65	1.36	1.25
Leverage Ratio	0.24	0.23	0.29	0.29	0.28
Current Borrowings/Total Borrowings (Fin.)	1.00	0.95	0.16	0.78	0.95
Net Fin. Borrowings/EBITDA	0.07	-0,28	0.66	1.09	1.57
Net Fin. Borrowings/Equity	0.01	-0,03	0.08	0.10	0.13
Return on Equity (ROE)(%)	11.77	7.65	13.28	12.20	10.92

INVESTMENTS

	2018	2019	2020	2021	2022
Capital Expenditures	28,9 m TL	10,4 m TL	30,3 m TL	74,0 m TL	44,4 m TL



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