

PINAR ET

FINANCIAL PRESENTATION 2022-H1



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PINAR ET AT A GLANCE



155 THOUSAND SALES POINTS
SUPPLY FROM **6** REGIONS

36 Years
of Industry
Experience



50 thousand m² indoor,
259 thousand m² outdoor production area,

350 PRODUCTS
IN APPROXIMATELY
8 CATEGORIES

The first private
enterprise
integrated meat
facility

Production per
the Turkish Food
Codex and EU
standards

Backward
integration
in turkey
breeding

15.7 thousand tons
Sales Volume
2022-H1

TRY
1,102.7
million
Gross Sales

TRY **12.9** million
In Investments

TRY **912.9**
Million
Turnover

TRY
157.6
million
Gross Profit

TRY **77.3**
million Net Profit
for the Period

TRY **1.8** billion
Processed
Meat Products
(2022-H1, Nielsen,
Excl. Discount
Markets)

2.3
million
USD Export

21.6%
Turnover Share
(2022-H1, Nielsen, Excl.
Discount Markets)

922 Average Number of Employees



Income Statement Ratios

	01.01.2022-30.06.2022	01.01.2021-30.06.2021
Gross Profit Margin	17.3%	16.2%
Operating Profit Margin	8.8%	7.8%
Net Profit Margin	8.5%	8.0%

Balance Sheet Ratios

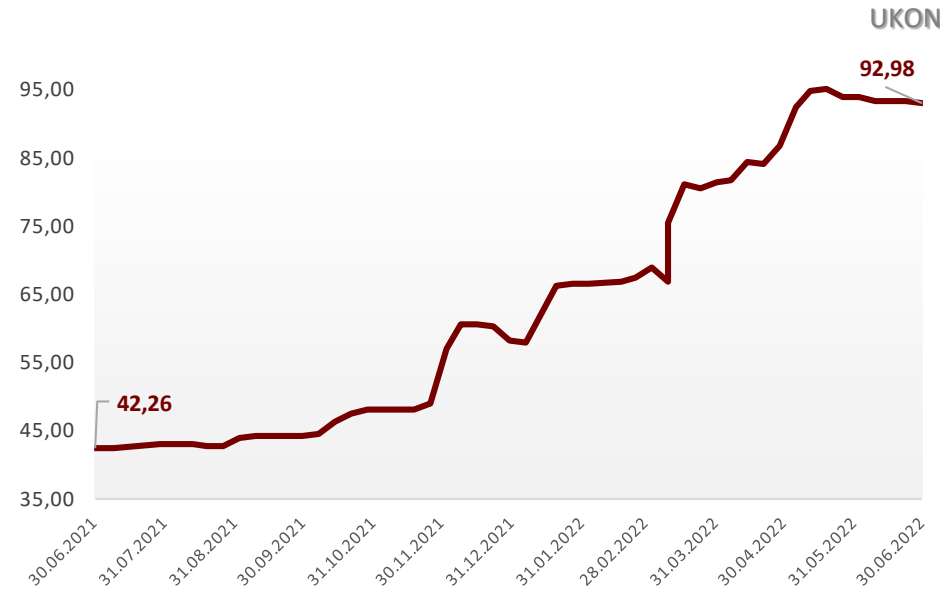
	30.06.2022	31.12.2021
Current rate	1.2	1.4
Acid Test Ratio	0.7	1.0
Leverage Ratio	0.4	0.3
Debt/Equity	0.7	0.4

MARKET DYNAMICS - PRODUCTION AND COST



- The increase observed in food and non-alcoholic beverages group inflation since the second half of 2021 continued in this period as well, and annual inflation reached 93.93% with an increase of 23.60 points.
- Both rise in unprocessed food prices and processed food prices were affected in annual food inflation. The contribution of processed food prices was more pronounced. (CBRT-Inflation Report, 2022-III)
- The effects of the price increases in agricultural inputs such as fertilizers and feed, which continued in the second quarter, were observed in the food group, especially in red meat, white meat and milk prices. (CBRT-Inflation Report, 2022-III)

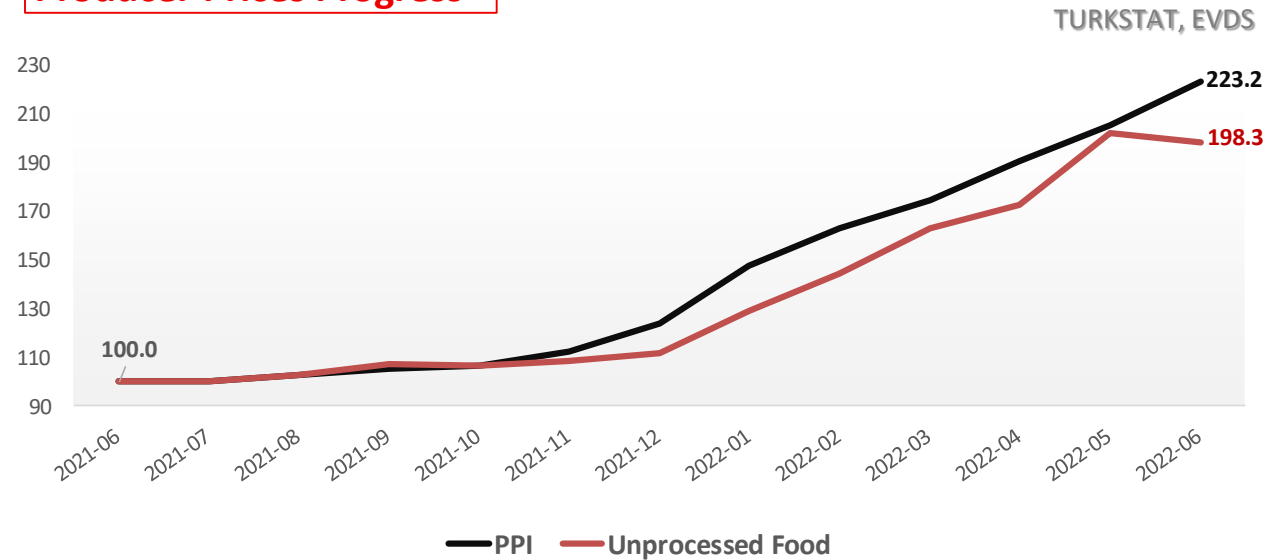
Beef Fat Free Price Change



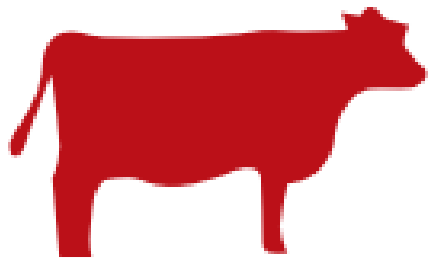
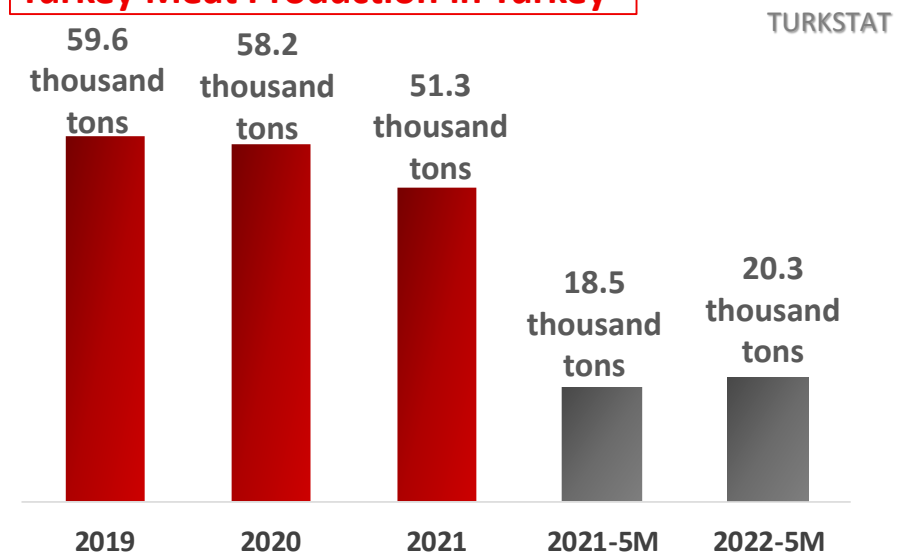
- According to the latest announced data; Red meat production, which was 1 million 785 thousand 952 tons in 2020, increased by 9.3% in 2021 and reached 1 million 952 thousand 38 tons (TURKSTAT- Red Meat Production Statistics, 2020-2021, 6 May 2022).
- In the first half of 2022; the average red meat prices increased by %104 in 2021, YoY (UKON, Fat Free Beef Knife TL / KG).

MARKET DYNAMICS – MEAT INDUSTRY

Producer Prices Progress



Turkey Meat Production in Turkey

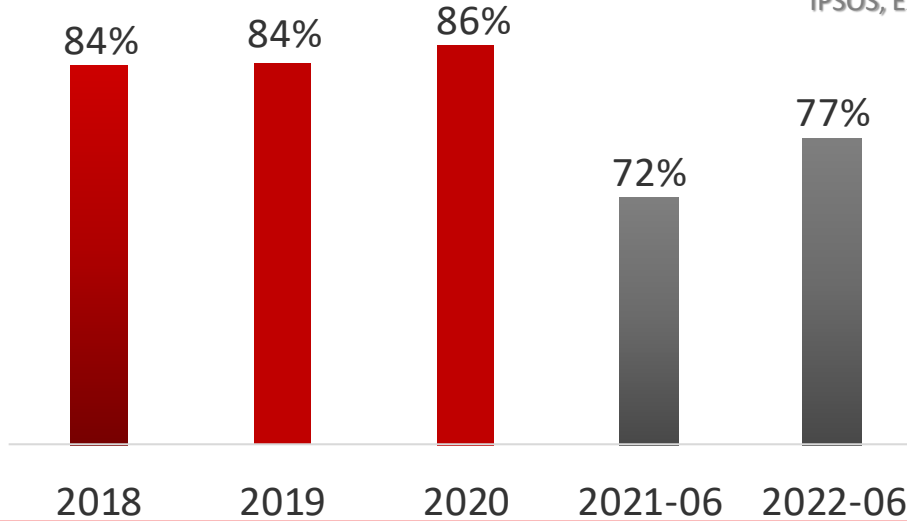


- According to the latest published data; by the end of 2021, the **total number of animals** increased by 4.5% compared to December 2020 and reached **75.5 million heads**. **The number of cattle** is **18 million 36 thousand** and **the number of small cattle** is **57 million 519 thousand** (TURKSTAT, Animal Production Statistics, December 2021).
- In the first five months of the year, a total of **46,211** animals, including **42,068 cattle** and **4,143 small cattle**, were imported. In the same period of 2021, this figure was **159,090** (SETBIR).
- In 2022-5M the **number of turkeys slaughtered** was **2.070 thousand** and **turkey meat production** realized **20.3 thousand tons**. In 2022-5M; Turkey meat production increased by 9.6%, YoY (TURKSTAT, Poultry Production, May 2022).

MARKET DYNAMICS - CONSUMPTION AND MARKET

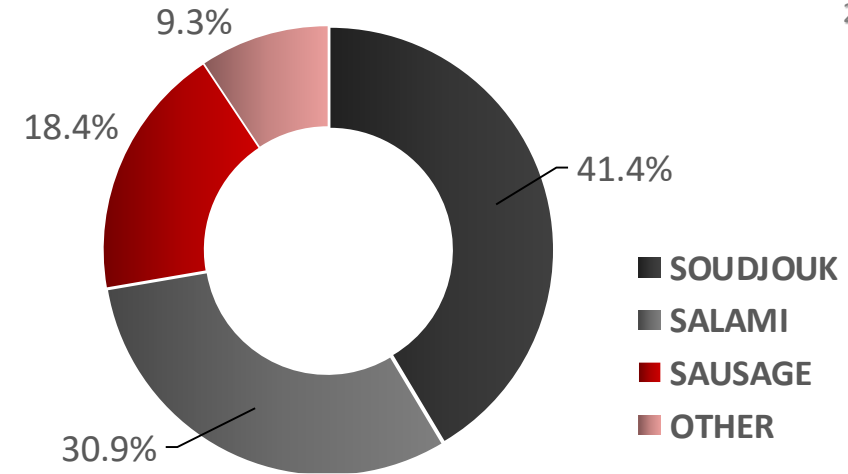
Share of Packaged Delicatessen Products

IPSOS, Exc. DM



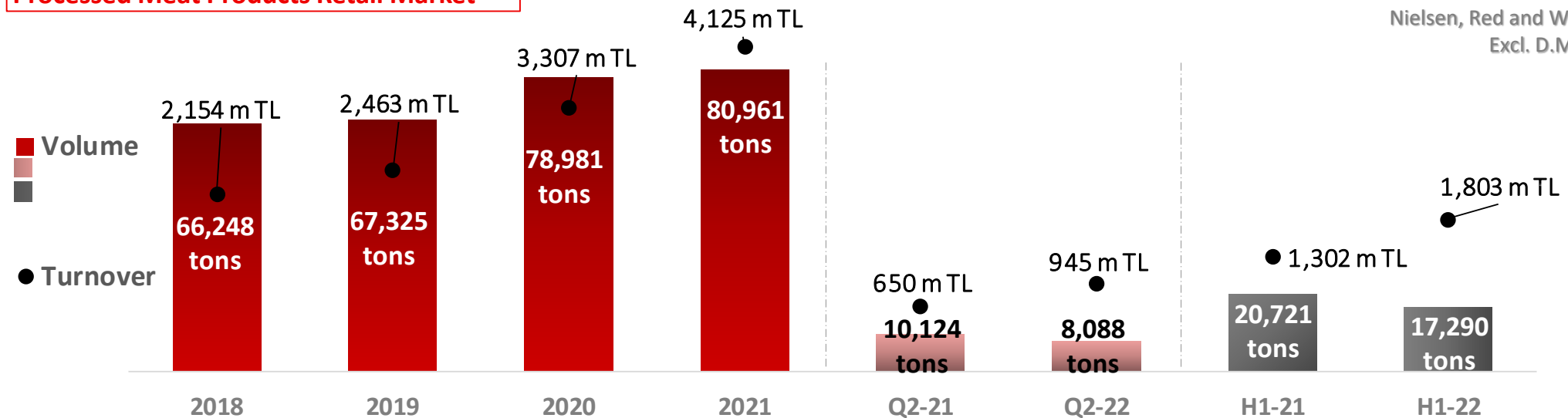
Processed Meat Market Segments (Volume)

Nielsen, Excl. BiM, 2022-H1



Processed Meat Products Retail Market

Nielsen, Red and White Meat, Excl. D.M., 2022-H1

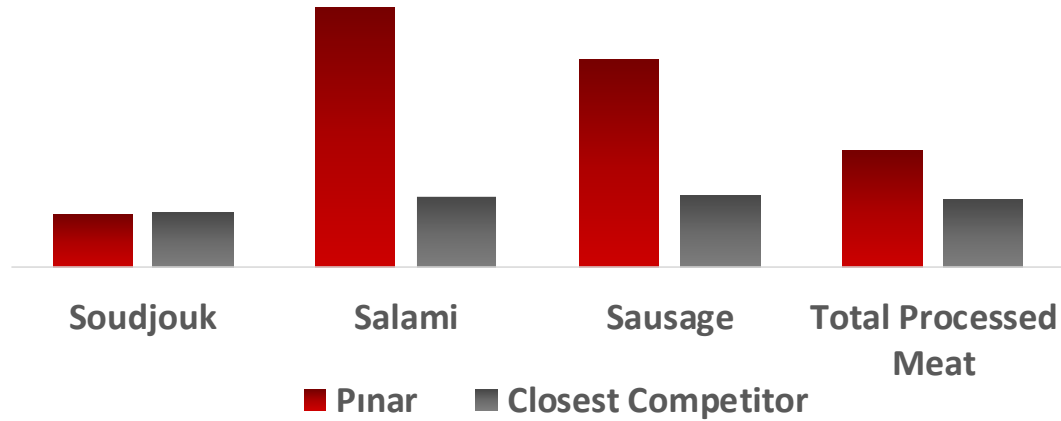


MARKET POSITION



Pinar Et and Competitors

Nielsen, Sales Value, Excl. BİM,
2022-H1



Market Shares of Pinar Et

Nielsen, Sales Value, Excl. BİM,
2022-H1

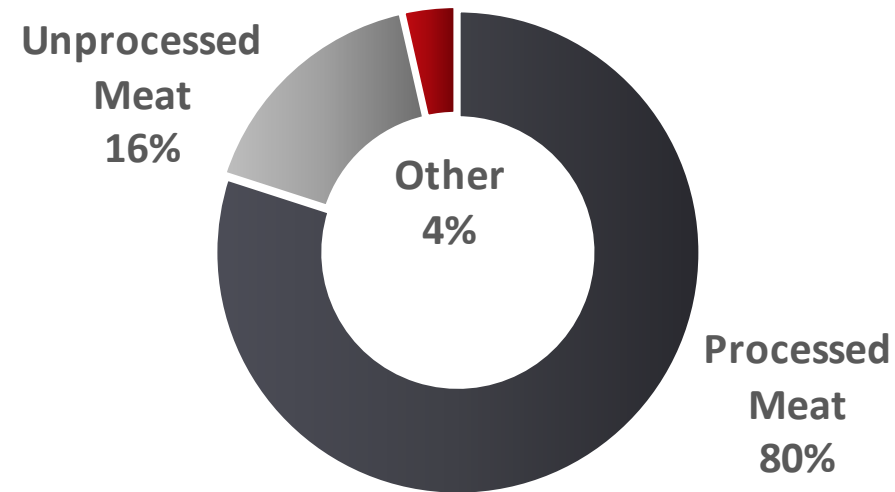
Products	Market Share	Position
Total Processed Meat	21.6%	#1
Salami	48.5%	#1
Sausage	38.8%	#1
Soudjouk	10.1%	#3



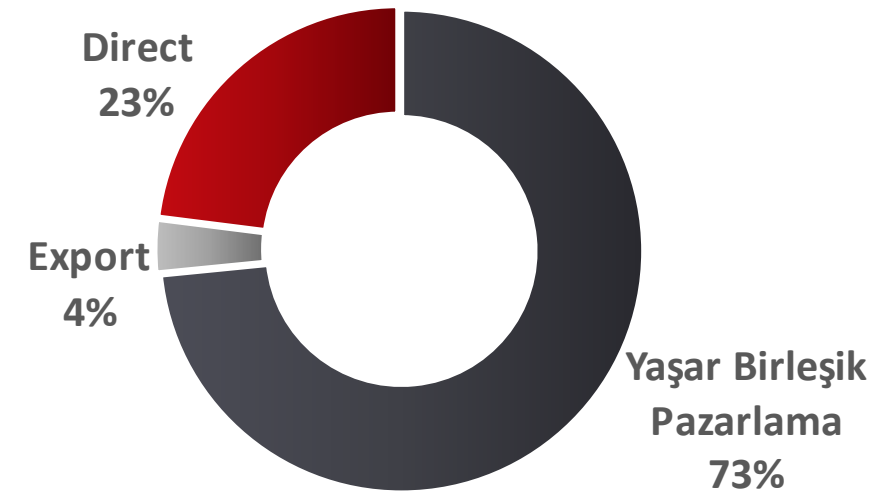
- Pinar Et which have a **wide product portfolio includes 350 products** in **8 categories**, responds to the consumers expectations and needs.
- Maintaining **its leadership** in many categories, Pinar Et completed the first six months of 2022 **with a turnover share of 21.6%** in the total processed meat market (Nielsen, 2022-6M, D.M. Excl.).
- Pinar Et continues to introduce its new products to the customers with the R&D projects

FINANCIAL RESULTS IN 2022-H1 – NET SALES BREAKDOWN

Based on Product Groups



Based on Sales Channel



FINANCIAL RESULTS IN 2022-H1 – INCOME STATEMENT



(Million TL)	01.01.22 30.06.22	01.01.21 30.06.21	Difference	Change
Net Sales	912.9	486.7	426.2	87.6%
Cost of Goods Sold	(755.3)	(408.1)	(347.2)	85.1%
Gross Profit	157.6	78.7	79.0	100.4%
R&D Expenses	(2.8)	(2.1)	(0.7)	32.9%
Sales, Distribution and Marketing Expenses	(49.5)	(22.7)	(26.8)	117.9%
General Administration Expenses	(25.0)	(15.8)	(9.2)	58.6%
EBIT	80.3	38.1	42.2	110.9%
EBITDA	100.6	50.4	50.2	99.7%
Shares of Results of Investments in Associates	17.2	(2.9)	20.2	-684.4%
Other Expenses (Net)	15.8	11.4	4.4	38.4%
Financial Expenses (Net)	(28.9)	(8.5)	(20.4)	238.8%
Profit Before Tax	84.4	38.0	46.4	122.1%
Tax	(7.2)	1.0	(8.2)	-817.3%
Net Profit for the Period	77.3	39.0	38.3	98.1%

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

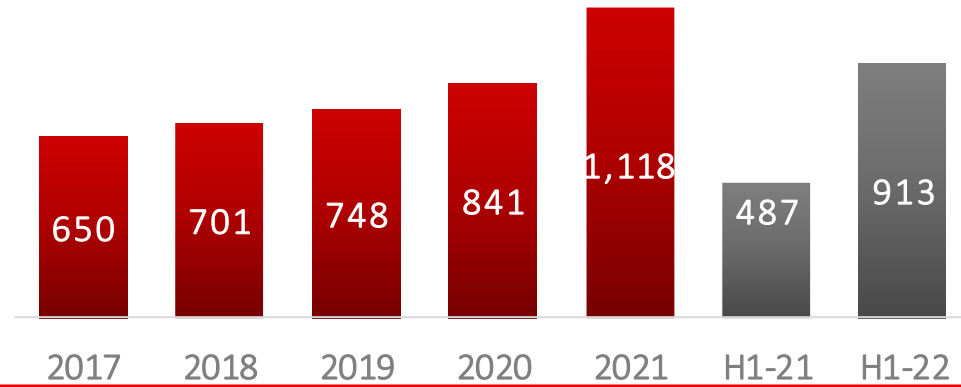
FINANCIAL RESULTS IN 2022-H1

SALES AND PROFITABILITY BY ANNUALLY



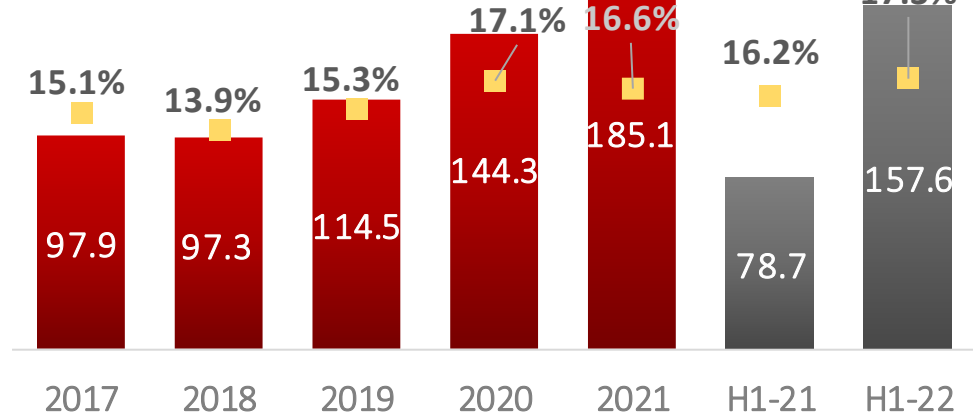
Net Sales

million TL



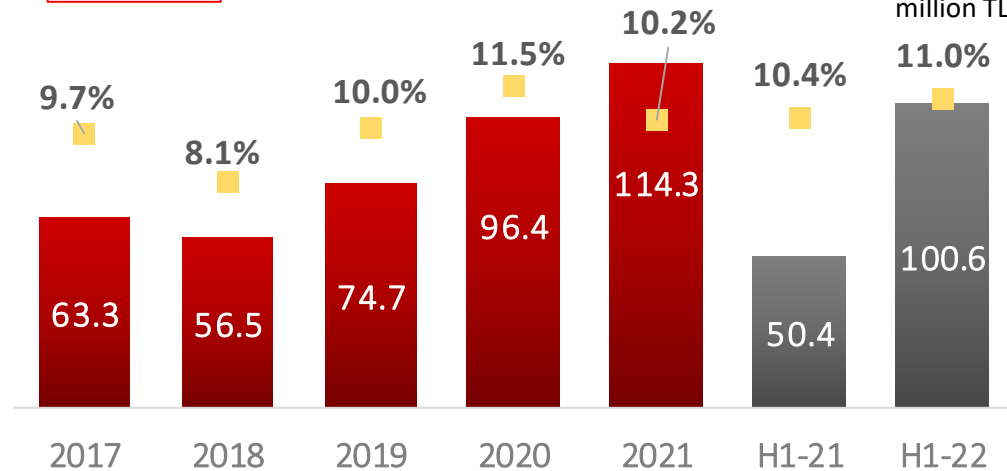
Gross Profit

million TL



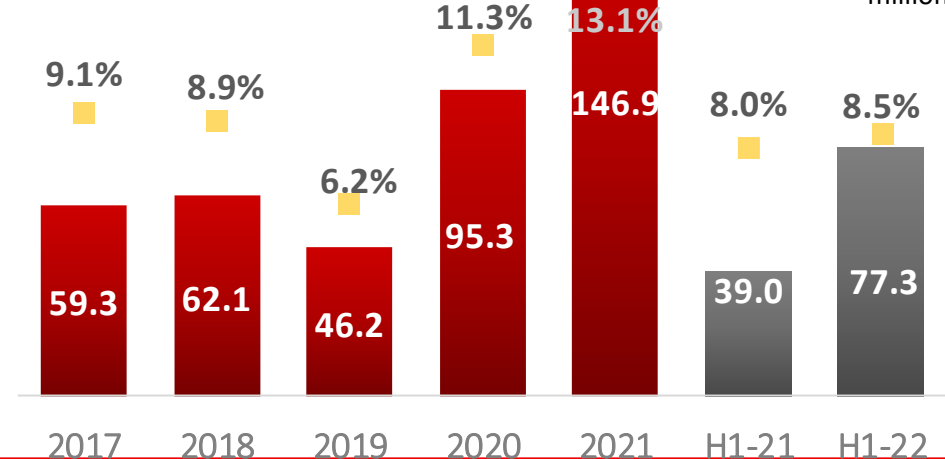
EBITDA

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.

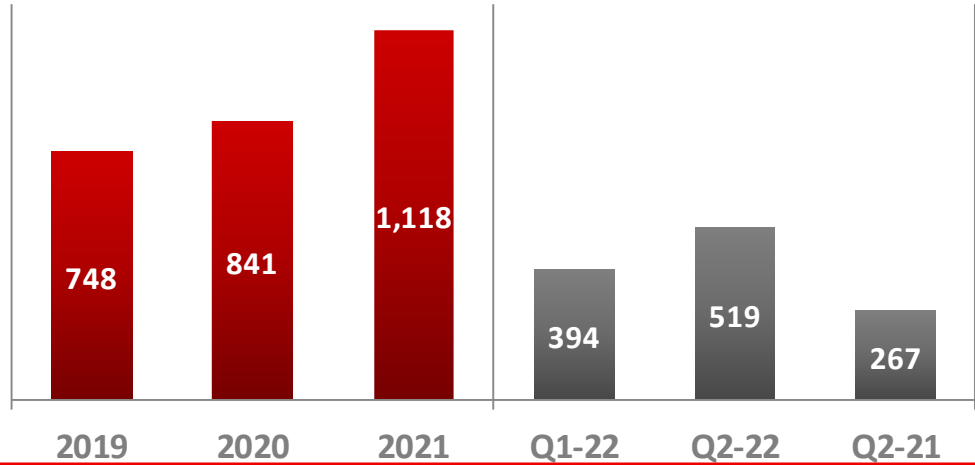
FINANCIAL RESULTS IN 2022-H1

SALES AND PROFITABILITY BY QUARTERLY



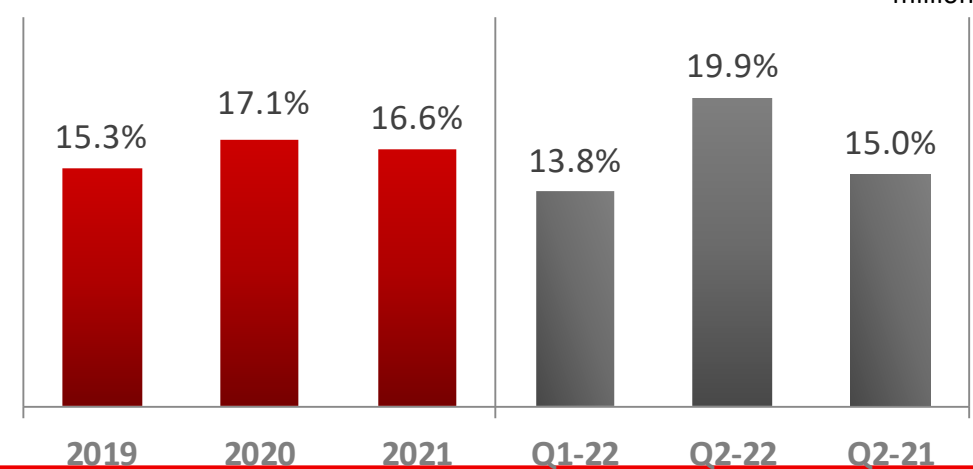
Net Sales

million TL



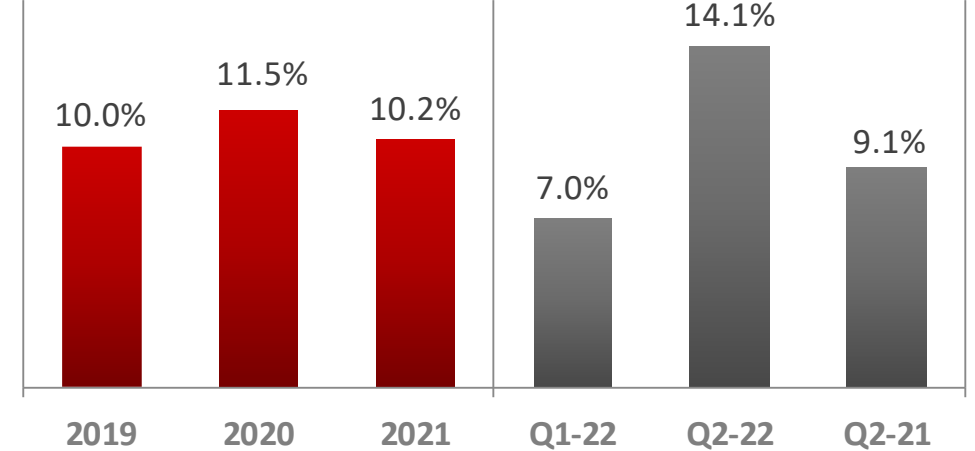
Gross Profit

million TL



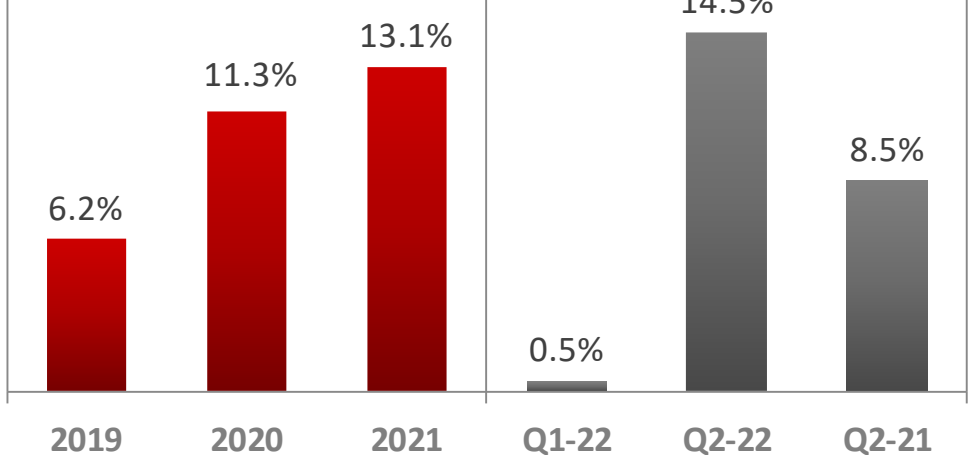
EBITDA

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-H1



FINANCIAL RATIOS

	2018/12	2019/12	2020/12	2021/12	2022/06
Current Ratio	1.65	1.73	1.65	1.36	1.22
Leverage Ratio	0.24	0.23	0.29	0.29	0.41
Current Borrowings/Total Borrowings	1.00	0.95	0.16	0.78	0.91
Net Fin. Borrowings/EBITDA	0.07	-	0.28	1.09	1.76
Net Fin. Borrowings/Equity	0.01	-	0.03	0.10	0.23
Return on Equity (ROE)(%)	11.77	7.65	13.28	12.20	6.03

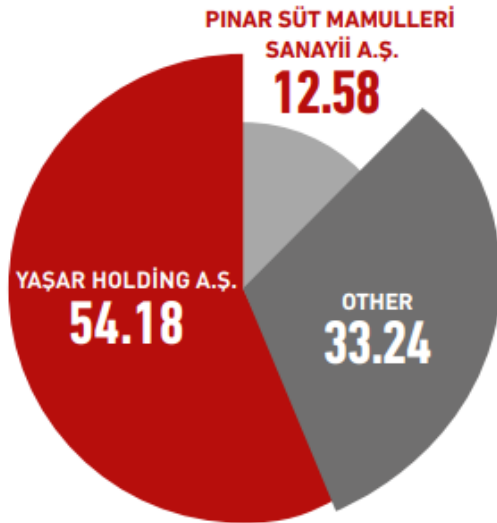
INVESTMENTS

	2018	2019	2020	2021	2022/06
Capital Expenditures	28.9 m TL	10.4 m TL	30.3 m TL	74.0 m TL	12.9 m TL

SHAREHOLDING STRUCTURE & STOCK PERFORMANCE

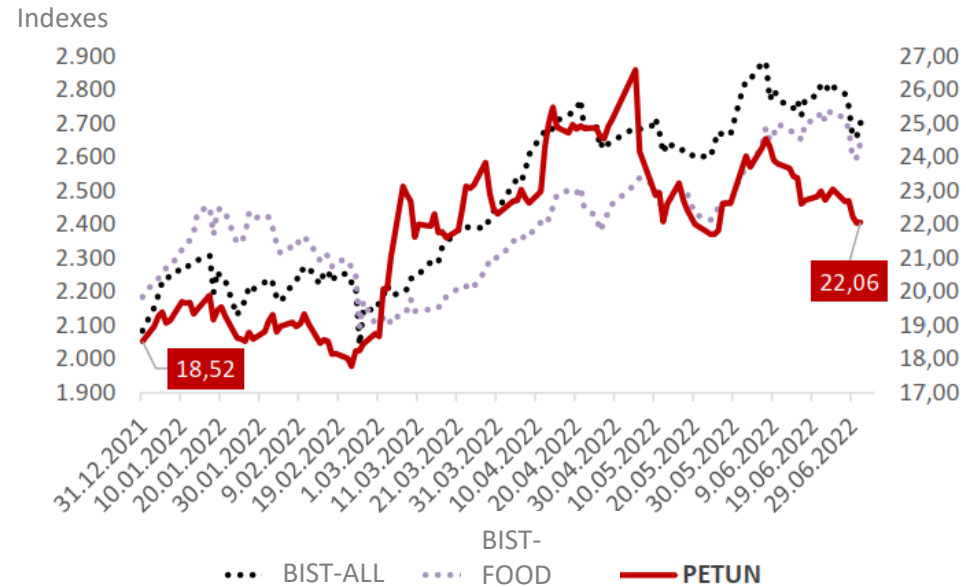


SHAREHOLDING STRUCTURE



Shareholders	Share Ratio (%)	Share Amount (TRY)
YAŞAR HOLDİNG A.Ş.	54.18	23,476,894.91
PINAR SÜT MAMULLERİ SANAYİİ A.Ş.	12.58	5,451,752.25
OTHER	33.24	14,406,352.84
Total	100.00	43,335,000.00

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



- Shares of Pinar Et are traded on the Borsa Istanbul Main Market with the symbol “PETUN”.
- Date of First Transaction: February 3, 1986
- Corporate Governance Rating: 9.36

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