Investor Presentation
4th Quarter 2021

İstanbul, 11 March 2022

AGENDA

Ülker Company Overview

77
years of experience in Turkey

Largest capacity
in the region with strategically located plants

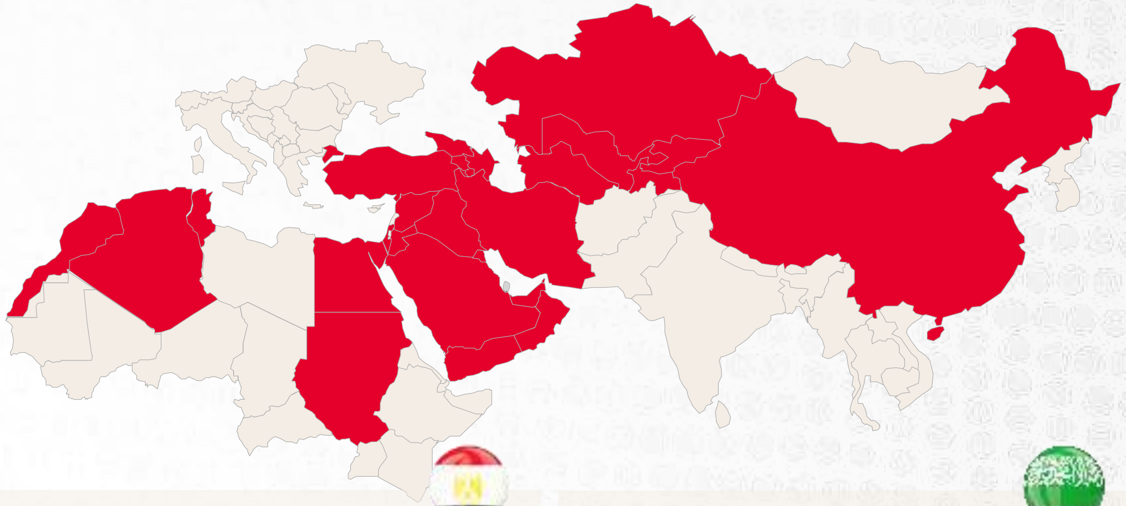
Production:
4 countries,

13 facilities

Total Capacity: around
1,4 M tons

TR
Bisc.& Choc.& Cakes 4 in Istanbul, 2 in Karaman, 2 in Ankara and 1 in Giresun Total 9 Factories
T.Capacity: 1.2 Mtons/year

KAZAKHSTAN
Hamle
Bisc.&Choc.&Cakes
Capacity: 36k tons/year



EGYPT
Hi-Food, Biscuits
Capacity: 47k tons/year

KSA
FMC&IBC
Bisc.& Choc.& Cakes
Capacity: 76k tons/year

Prior periods of ÜLKER are restated due to Önem Gida acquisition. All numbers presented in this slide include Önem Gida numbers.

Challenges

Despite heavy challenges on market condition we are on track with our targets

Increase in the logistic costs

Border closures in export markets

Consumption decline due to lockdowns in H1

Decrease in the commercial trade due to the taxation change in MENA

Higher increase in commodity related raw and packaging material prices

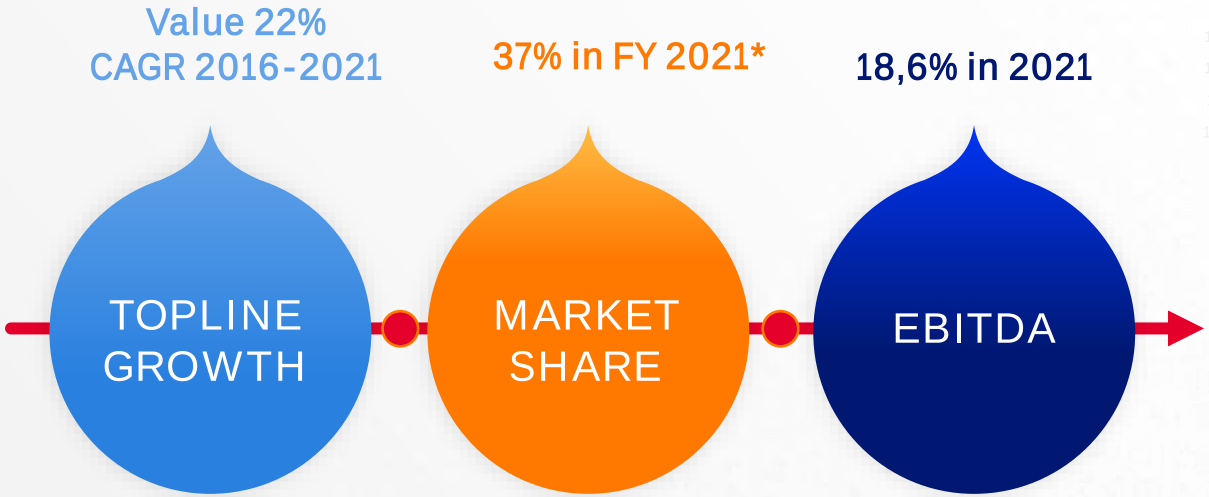
Changes in the channel mix

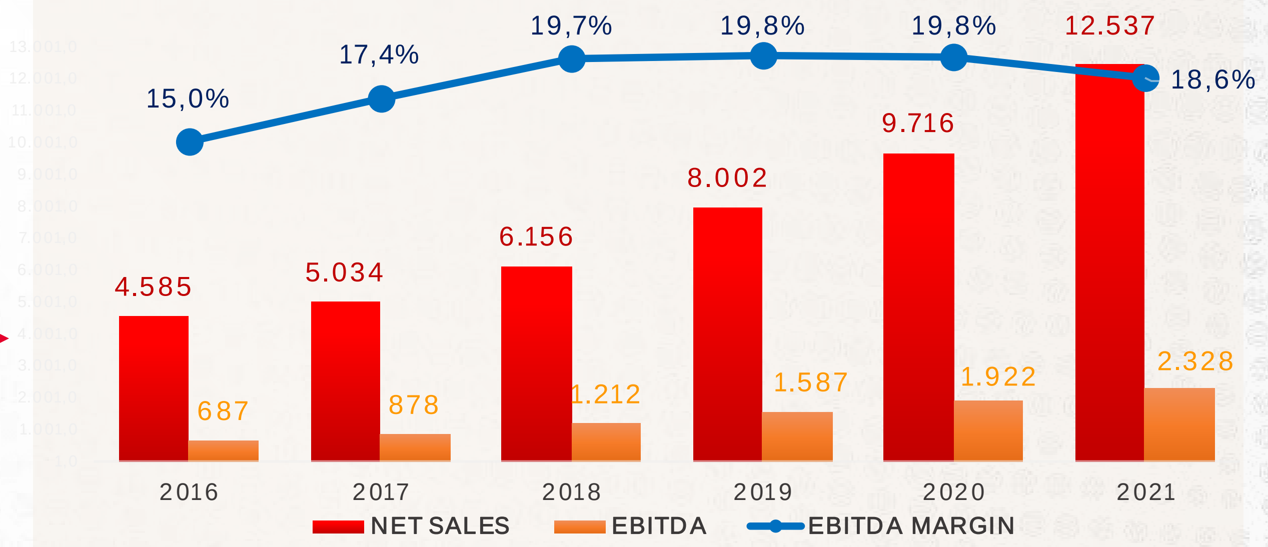
Ongoing impact of Covid 19

Achieve an extra ordinary success: grow our volume, increase our market share and reach a pivotal EBITDA margins

Hi Food (EGYPT)	FMC (KSA)	Hamle (KAZAKHSTAN)	UI MENA (UAE)	IBC (KSA)	ÖNEM (TR)
March 2016	June 2016	March 2017	December 2017	May 2018	August 2021

- Ability to act as local producer and regional production hubs as well
- Ability to build higher scale in primary markets
- Access higher growth in snacking adjacencies in biscuit category
- Potential to add new business capabilities in core categories
- Aim to create high-level synergy between companies and build a structure that will accelerate Ülker's profitable, sustainable growth
- Enhance capacity usage

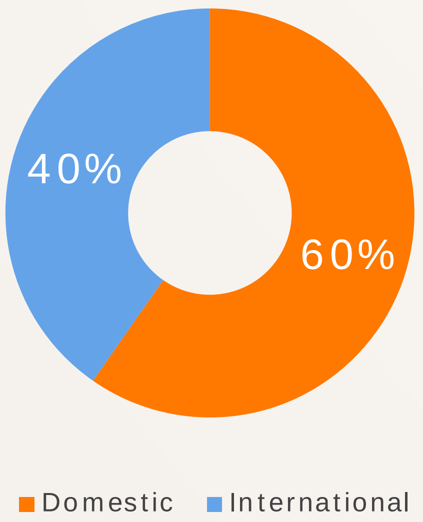




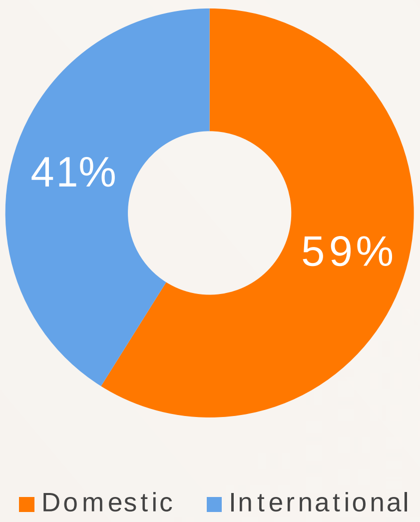
Prior periods of ÜLKER are restated due to Önem Gida acquisition. All numbers presented in webcast include Önem Gida numbers unless otherwise stated.
Source(*): Nielsen

Contribution of exports and international operations

Revenue Breakdown

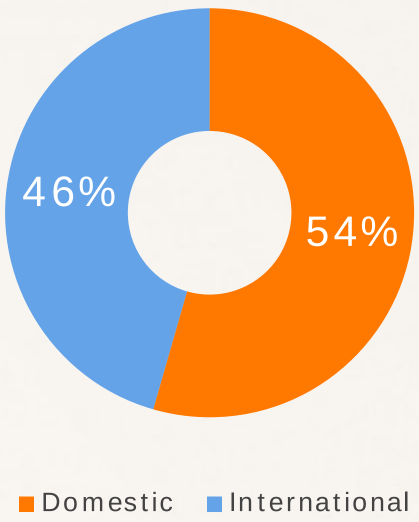


FY 2020

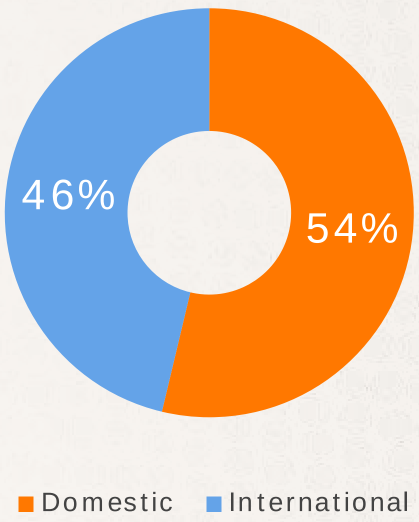


FY 2021

EBITDA Breakdown



FY 2020



FY 2021

Prior periods of ULKER are restated due to Onem Gida acquisition. All numbers presented in webcast include Onem Gida numbers unless otherwise stated.

AGENDA

2021 Consolidated performance highlights

Revenue
12.537 MTL
Growth + 29,0%

Gross Profit
3.612 MTL
Growth + 23,0%

Gross Margin
28,8%
-140pbs

EBITDA
2.328 MTL
Growth + 21,1%

Net Debt / EBITDA
2021: 3,54x
2020: 0,42x

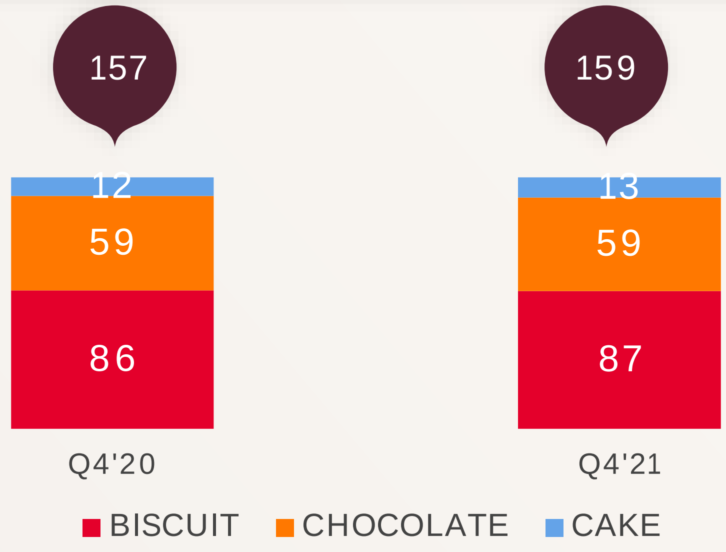
Operational Cash Flow
2021: 27 MTL
2020: 630 MTL

Periods of ULKER are restated due to Önem Gida acquisition. All numbers presented in this slide includes Önem Gida numbers.

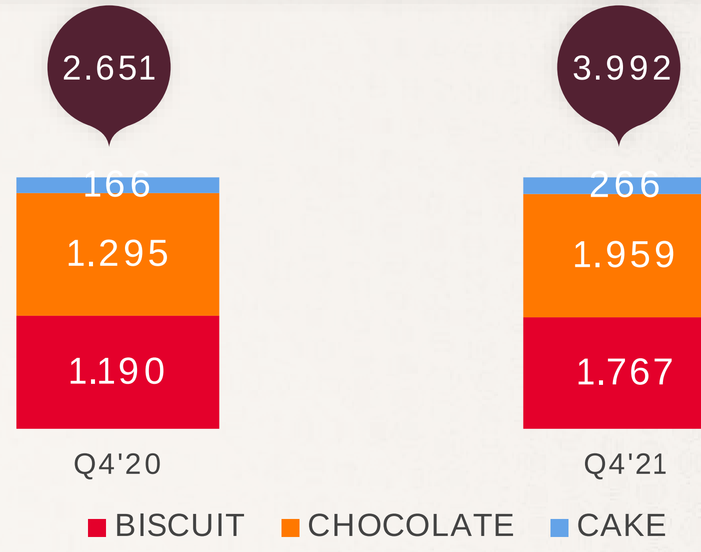
ÜLKER

Consolidated volume and value performance Q4'20 vs Q4'21

Snacking Sales Volume (Ktons)



Snacking Sales Value (Mtl)



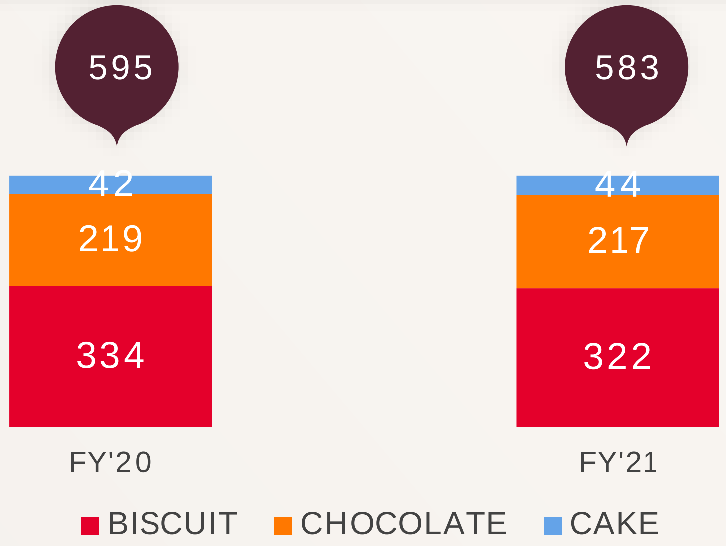
- Total snacking sales volume increased by 1.4% in Q4 due to the change in the channel mix and successful launches in all categories
  - Biscuit volume was up by 0,7% thanks to the contribution of international operations
  - Chocolate volume was up by 0,8% thanks to the new launches
  - Cake volume was up by 9,7% thanks to the positive contribution of new launches.

- Total snacking revenue increased by 50,6% with support of our all our regions and categories.
  - Biscuit sales was up by 48,5% thanks to sizing/pricing and new launches in Turkey in MENA region.
  - Chocolate sales was up by 51,3% driven by the significant contribution of international markets, sizing and pricing activites and NPD's
  - Cake sales was jumped by 60,1% due to the continuing impact of successful relaunches in Q4'21 of Dankek and Olala brands.

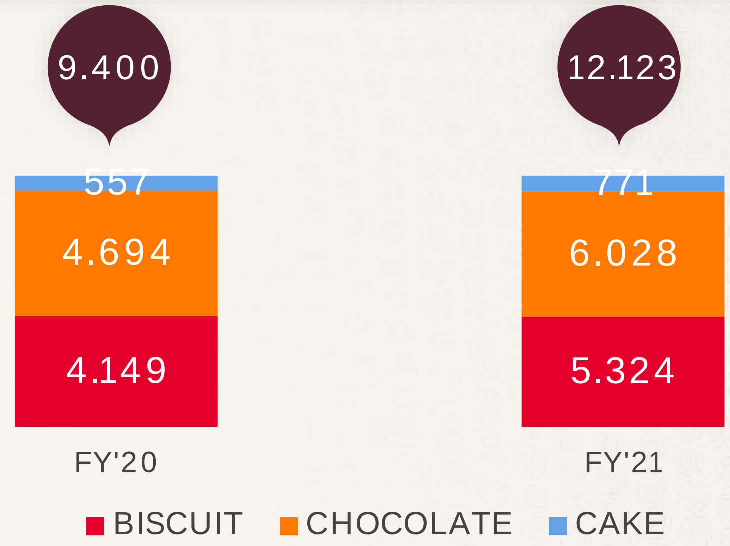
Snacking figures do not include raw material, layaside product and bulk sales of Önem Gida.

Ülker's consolidated volume and value performance FY'20 vs FY'21

Snacking Sales Volume (Ktons)



Snacking Sales Value (Mtl)



- Total snacking sales volume decreased by 2,0%.
  - Sales volume in biscuits and chocolates was down by 3,4%, and 0,6% respectively due to ;
    - Covid 19 impact
    - Pricing activities
    - Consumption slow-down that lead to volume shrinkage in the market
- Cake volume was up 2,2% thanks to the new launches and ongoing investment into the category throughout the year.

- Total revenue increased by 29,0% with the positive contribution in all categories in Turkey and international operations.
  - **Biscuit's** sales was up by 28,3% thanks to the in both domestic and international operations and pricing activities
  - **Chocolate** sales was up by 28,4% driven by value added launches in domestic market and mix impact
  - **Cake** sales was up by 38,3% due to the continuous positive performance in Turkey operations in the second and third quarter of this year.

Snacking figures do not include raw material, layaside product and bulk sales of Önem Gida.

Consolidated operational and financial performance

TL ('000)	4Q 2020	4Q 2021	%	FY 2020	FY 2021	%
Volume (Ton)	180.505	179.832	-0,4%	680.580	660.337	-3,0%
Snacking Volume	157.107	159.332	1,4%	594.795	583.060	-2,0%
Other	23.398	20.500	-12,4%	85.785	77.277	-9,9%
Revenue	2.739.018	4.118.123	50,4%	9.715.630	12.537.080	29,0%
Snacking Revenue	2.651.141	3.991.933	50,6%	9.400.292	12.122.965	29,0%
Other	87.877	126.190	43,6%	315.338	414.115	31,3%
Gross Profit	824.926	1.234.535	49,7%	2.937.258	3.612.415	23,0%
Gross Profit Margin	30,1%	30,0%	-0,1%	30,2%	28,8%	-1,4%
EBITDA	547.549	832.608	52,1%	1.922.060	2.328.359	21,1%
EBITDA Margin	20,0%	20,2%	0,2%	19,8%	18,6%	-1,2%
Net Income / Loss (Equity Sholders of the parent)	399.861	-1.118.986	-379,8%	1.081.394	-464.332	-142,9%
Net Income %	14,6%	-27,2%	-41,8%	11,1%	-3,7%	-14,8%

Revenue grew by 50,4% in Q4'21 on the back of effective volume, mix and pricing impact

Prior periods of ULKER are restated due to Onem Gida acquisition. All numbers presented in webcast include Onem Gida numbers unless otherwise stated..

4Q'2021 Highlights in Communication

Sustainability activities, employer brand projects, special day communications and new product announcements continued.

3 awards at Stevie International Business Awards post - October

Ülker's being chosen as lovemark post - November

November 11 National Afforestation Day post

Sustainable Business Awards Post - November

Make Happy Be Happy Day posts - November

First and only Turkish company listed in Sustainability Yearbook 2021 in food industry

«ESG» At the heart of what we do

LEADERSHIP

We are the first and only Turkish company listed in Sustainability Yearbook 2021 in food Industry based on the S&P Corporate Sustainability Assesment

SUSTAINABILITY PRINCIPLES

01 VALUE CHAIN
In the value chain we work with a total of 2,250 suppliers, of which 2,138 are local

02 INNOVATION
With 69 projects completed in R&D and innovation, we saved a total of 26.6 million TRY.

03 EMPLOYEES
We keep investing in human resources and grow stronger with our employees

04 SOCIAL RESPONSIBILITY
WE REDUCED 190 TONS OF FAT, 172 TONS OF SUGAR AND 28 TONS OF SALT from all product categories in the last year.

06 ENVIRONMENT
We achieved a 35,4% reduction in water use per unit production. Our carbon emissions have remained unchanged since 2014

05

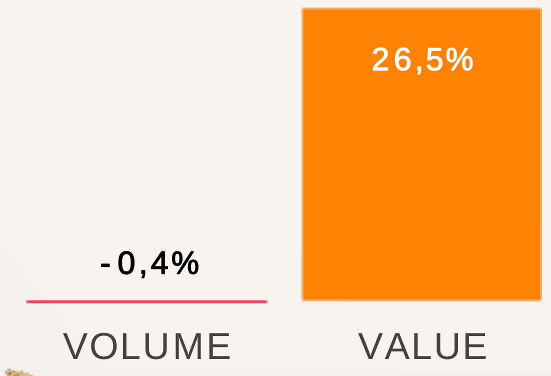
"We make people happy and be happy while doing our job."

ÜLKER

AGENDA

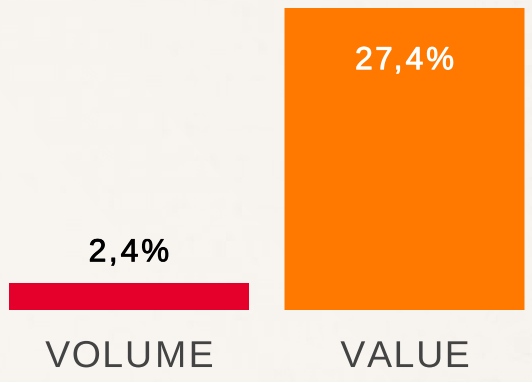
2021 Domestic market growth in our key market -Turkey

Total Snacking



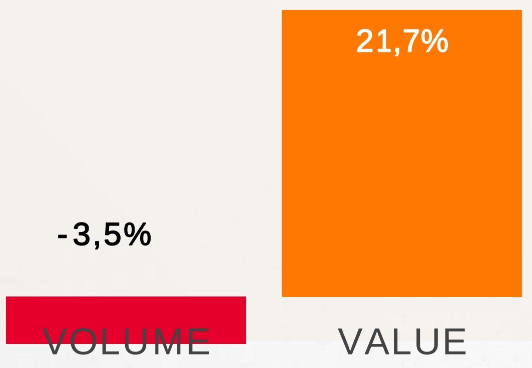
Total snacking market down by **0,4%** in volume terms and increased by **26,5%** in value terms

Chocolate



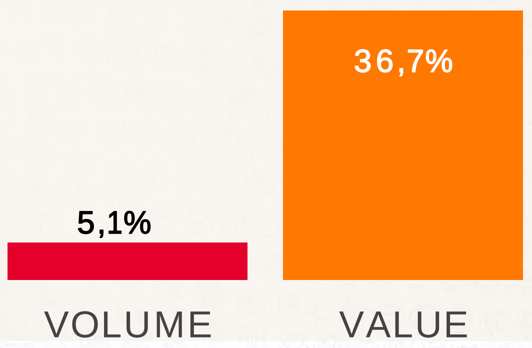
Total chocolate market up by **2,4%** in volume and increased by **27,4%** in value terms

Biscuits



Total biscuit market was contracted by **3,5%** in volume and increased by **21,7%** in value terms

Cake



Total cake market increased by **5,1%** in volume and increased by **36,7%** in value terms

Source : YTD 2021 Nielsen Data – cips excluded

Turkey – Strong #1 in total snacking with 37% market share

Biscuits–41% Market Share #1

#1 in Petit Beurre

#1 in Creamy Biscuits

#1 in Special Biscuits

#2 in Cracker

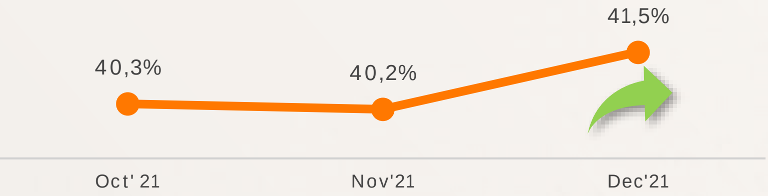
#1 in Sandwich Bisc.

#1 in Chocolate Filled

Market Share Development in Value(*)

	Q4'21	Change vs Q4'20	Change vs Q3'21
Biscuit	40,7%	-0,5%	-0,7%

Value Share %



Chocolate-41% Market Share #1

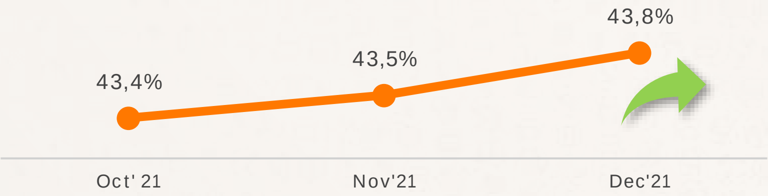
4 out of Top 5 in Chocolate Covered

#1 in Solid Chocolate

Market Share Development in Value(*)

	Q4'21	Change vs Q4'20	Change vs Q3'21
Chocolate	40,6%	-1,7%	-0,9%

Value Share %



Cake-19% Market Share #2

#1 in Family Cake

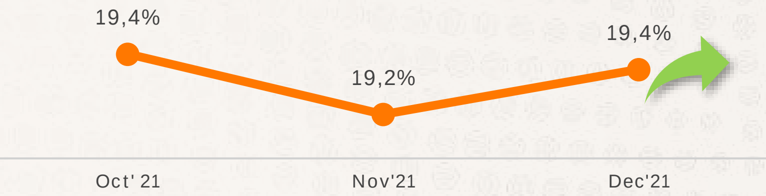
#2 in Portion Muffin Coated Cake

#2 in Wet Cake

Market Share Development in Value(*)

	Q4'21	Change vs Q4'20	Change vs Q3'21
Cake	19,3%	-1,8%	-1,2%

Value Share %



Source : Nielsen & Ipsos

Turkey-2020&2021 Synergy products

Turkey-NPD Sales contribute 14% of total domestic sales in 2021

2021 New Product Launches

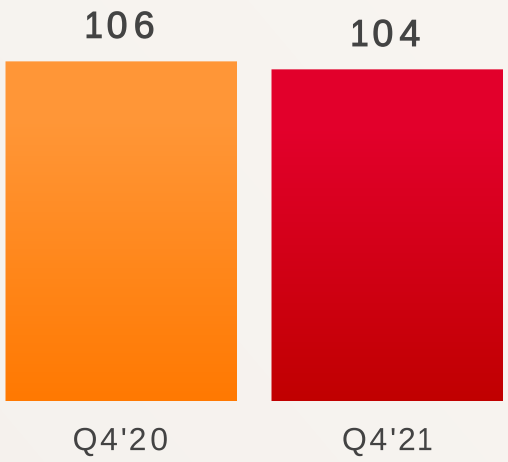
BISCUITS

CAKE

CHOCOLATE

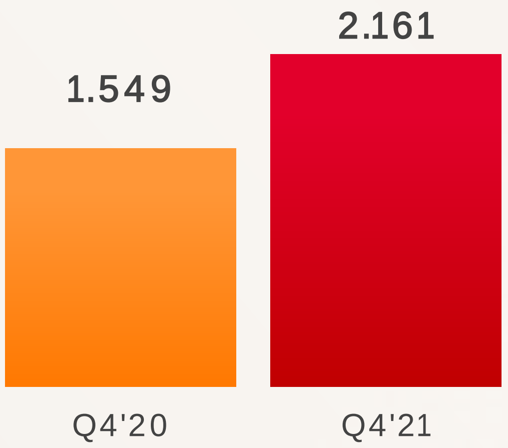
Achieved to deliver 38% higher net sales and 39% higher EBITDA in Q4'21 in Turkey compared to Q4'20

Snacking Volume (X000 Tons)



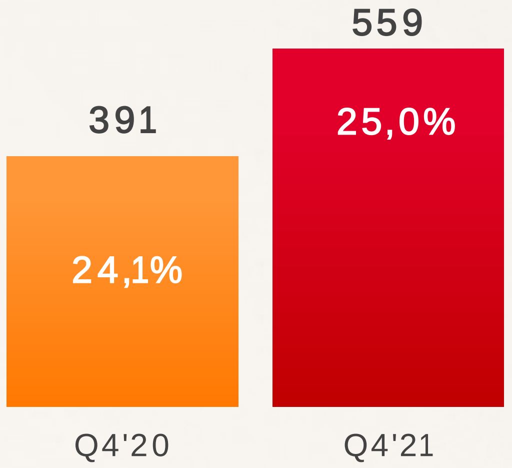
- Snacking sales volume down by **2,4%** and total volume decreased by **4,3%** mainly driven by
  - Sizing and pricing activities
  - Change in the channel and product mix

Snacking Sales (Mtl)



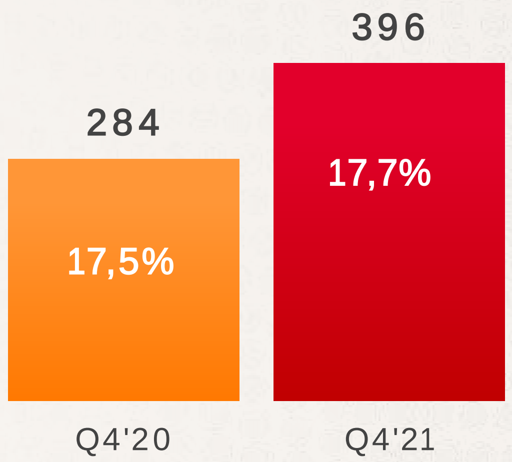
- Snacking revenue was up by **39,5%** and total revenue increased by **38,2%** thanks to;
  - Effective pricing after significant increase in procurement prices

Gross Profit (Mtl)



- Gross profit increased by **43,0%**
- Gross profit margin for the quarter realized as **25,0%** in 4Q'21 with an increase of 90 bps thanks to the significant top-line achievement and successful and timely pricing to control increased input prices

EBITDA (Mtl)



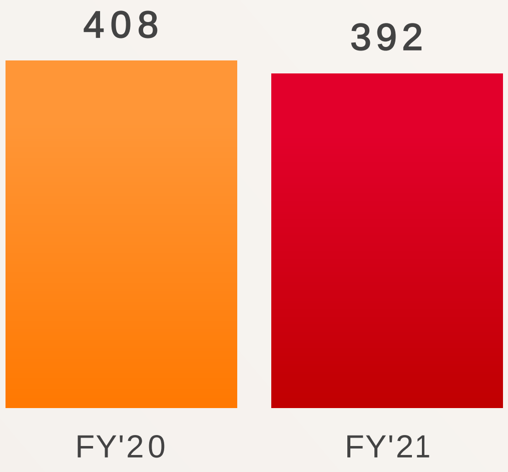
- EBITDA increased by **39,4%** and margin improved by 20 bps

Snacking figures do not include raw material, layaside product and bulk sales of Önem Gida.

ÜLKER

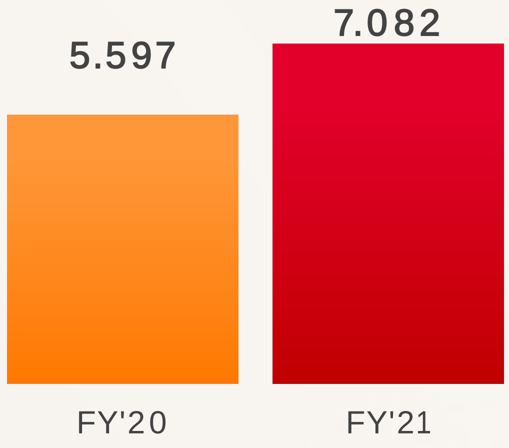
In 2021 Ülker continued to perform well in a challenging environment in the snacking market in Turkey

Snacking Volume (X000 Tons)



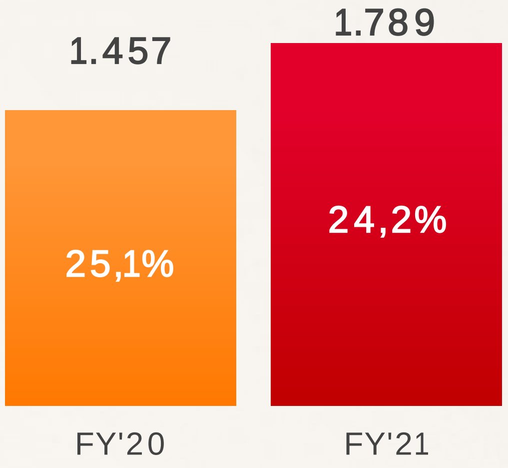
- Snacking sales volume contracted by 3,7% and total volume contracted by 4,5% driven by
  - Covid impact
  - Continuous lockdowns in 1 Half
  - Shrinkage in the snacking market
  - Decrease in the purchasing power parity

Snacking Sales (Mtl)



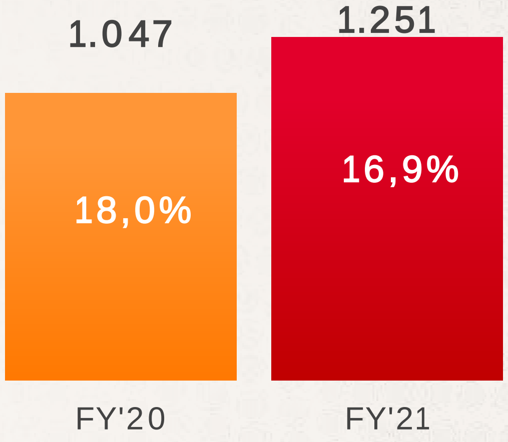
- Snacking revenue was up by 26,5% and total revenue up by 27,4% in total thanks to;
  - Portfolio optimizations
  - Effective pricing
  - Value added launches in all categories and cake categories positive contribution in the second quarter

Gross Profit (Mtl)



- Gross profit increased by 22,8%
- Gross profit margin realized as 24,2% in FY' 21
- Gross profit margin stress due to the high base impact, change in the channel mix and increase in commodity prices

EBITDA (Mtl)



- EBITDA increased by 19,5% and margin contracted by 110bps and realised as 16,9% on the back of Gross Margin contraction

Snacking figures do not include raw material, layaside product and bulk sales of Önem Gida.

ÜLKER

AGENDA

ÜLKER

Saudi Arabia – Remarkable market performance in a challenging environment– Position # 1

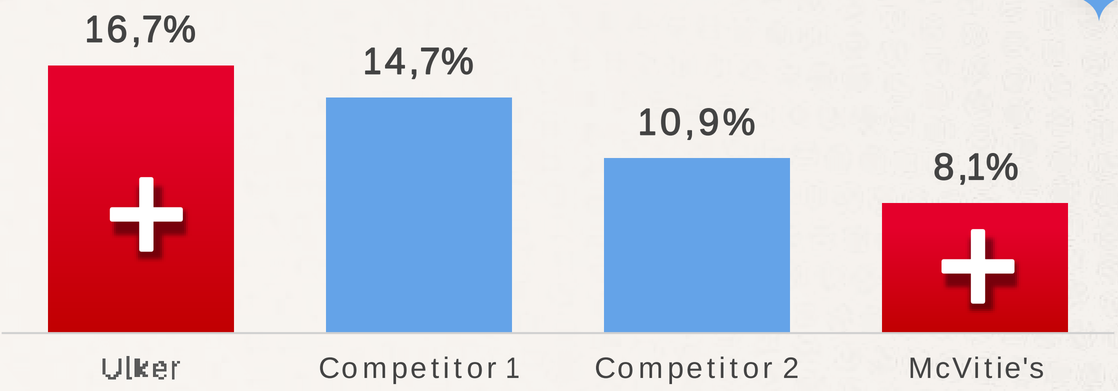
FMC Financial Review

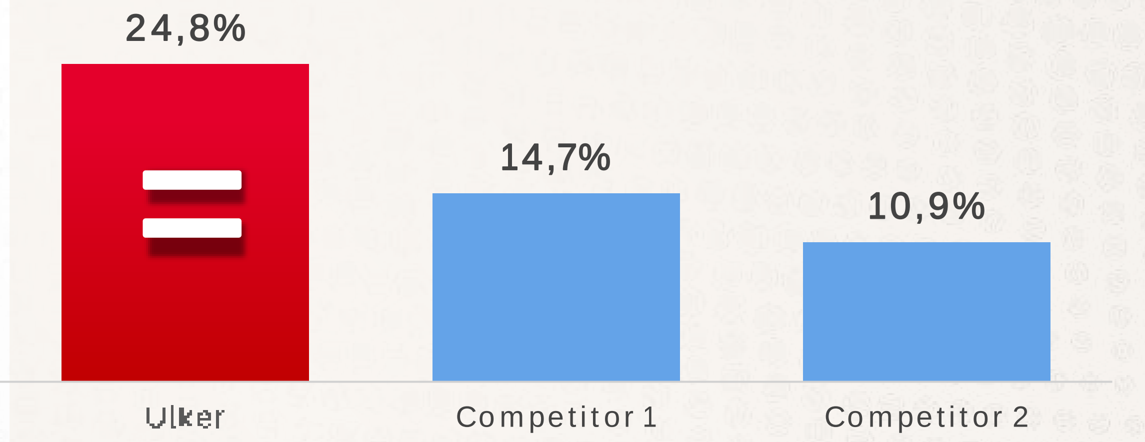
	FY'20	FY'21	Change
Sales Volume (tons)	49.509	46.920	-5,2%
Net Sales(SAR x000)	743.159	698.994	-5,9%
EBITDA(SAR x000)	102.093	85.761	-16,0%
EBITDA Margin	13,7%	12,3%	

- Covid-19 showed its greatest impact on the decrease in the trade and population of the MENA region in Saudi Arabia and the Gulf Countries. For the last two years, schools in Saudi Arabia have not been fully and physically opened. In the first half of 2021, the Saudi biscuit market decreased by 11.4% in tonnage compared to the same period of the previous year, due to the VAT increase in Saudi Arabia from 5% to 15%, the additional financial burdens on businesses and the cutting of additional aid paid to Saudi citizens. The situation is similar in the Gulf countries.
- In a declining market trend in Saudi, we manage to sustain our leadership position in biscuit category.
- Normalization expected with the easing precautions due to Covid-19 related

Biscuits Market Share

#1





Saudi Arabia – IBC operations %24 EBITDA in a contracting market

IBC Financial Review

	FY'20	FY'21	Change
Sales Volume (tons)	13.859	13.184	-4,9%
Net Sales(SAR x000)	168.700	162.630	-3,6%
EBITDA(SAR x000)	44.408	38.451	-13,4%
EBITDA Margin	26,3%	23,6%	

- Sales volume and revenue decreased by 4,9% and 3,6% respectively.
- Slow-down in KSA market driven by partial restrictions due to the pandemic, extension of online schooling, change in product mix and increase in VAT rate by 10%, shifting production to FMC affected company's revenue performance as compared to previous year.
- EBITDA decreased by 13,4% due to the incremental increase in commodity prices

IBC Product Portfolio

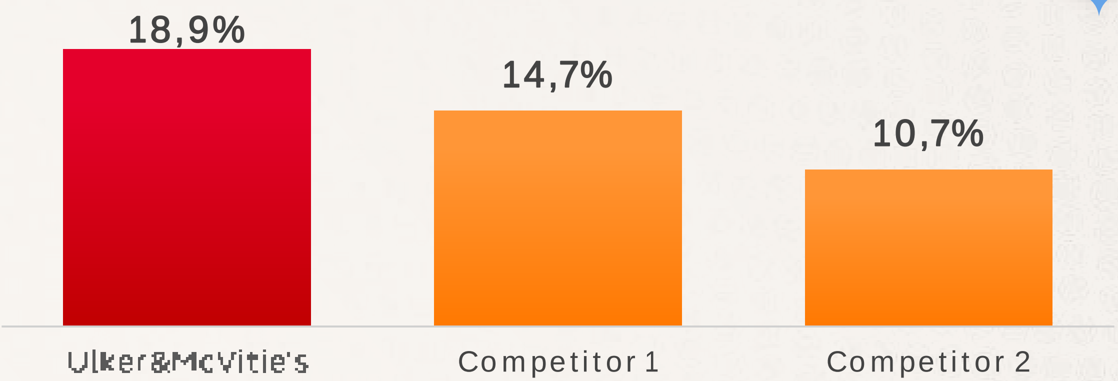
Egypt – Achieved number #1 position in biscuits, target to be #2 in cake & top 5 in chocolate

Hi-food & Ulker Egypt Financial Review

	FY'20	FY'21	Change
Sales Volume (tons)	34.743	37.834	8,9%
Net Sales(EGPx000)	1.288.001	1.506.094	16,9%
EBITDA(EGPx000)	214.558	148.164	-30,9%
EBITDA Margin	16,7%	9,8%	

Biscuits Market Share

#1



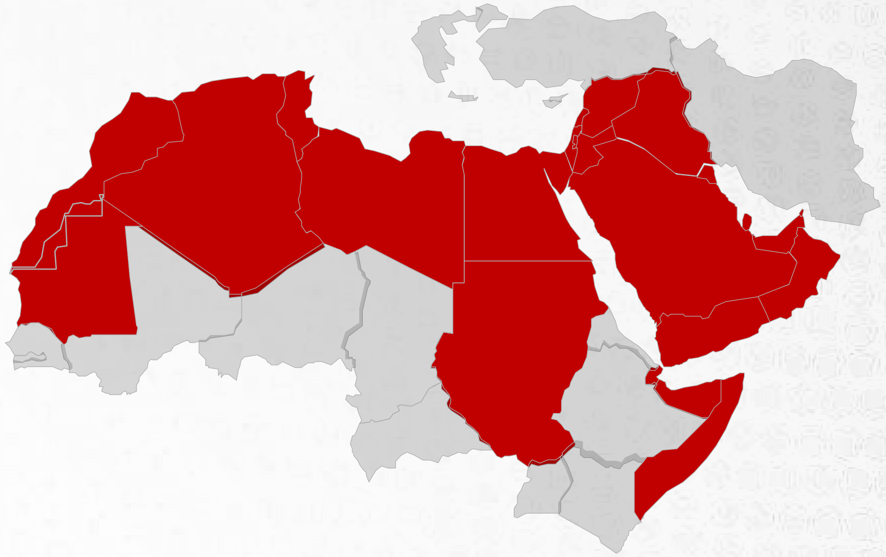
- Ulker brands are the biggest share gainer and maintained multiple segment leadership despite challenges because of COVID-19 and increasing competition
- In a declining market, with 18,9% market share we maintain market leader position in 2021 by widening the gap with competitor 2
- Topline volume and value performance witnessed a solid growth vs. 2020 with an increase of 8,9% and 16,9% despite the late opening of back-to-school season and continuous tough market and inflation challenges.
- Continuous market de-growth in Egypt domestic market and the dramatic increase in global commodity prices put pressure on profitability affecting raw and packaging material prices.

ÜLKER

UI MENA Operations

UI MENA Financial Review

	FY'20	FY'21	Change
Sales Volume (tons)	11.778	11.071	-6,0%
Net Sales(AED x000)	159.633	156.719	-1,8%
EBITDA(AED x000)	55.663	58.741	5,5%
EBITDA Margin	34,9%	37,5%	



- Volume declines mainly driven by the market contraction due to Covid 19
- Reshaping the trade strategy and focusing more on traditional trade driving growth in EBITDA vs last year for core brands in the UAE market.
- EBITDA margin improved by 260bps
- McVitie's SKUs are performing well driven by improved merchandising and quality of visibility, intensive focus on retail channel

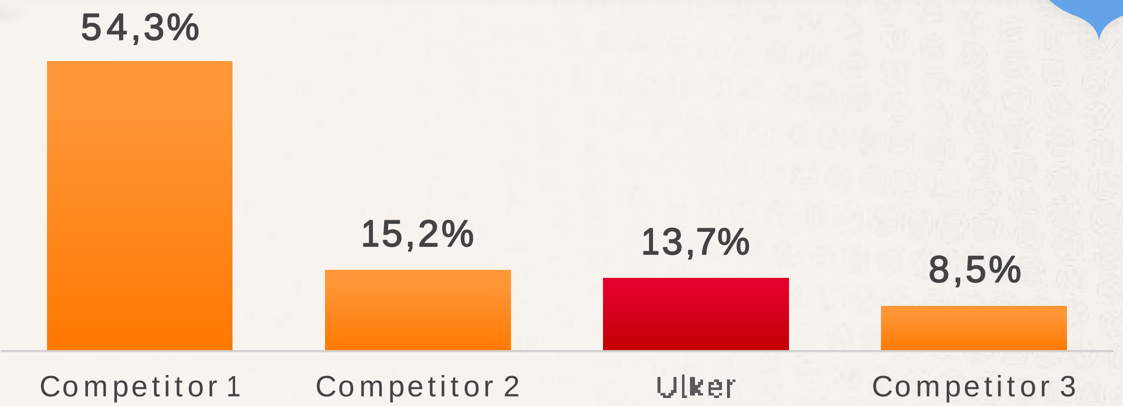
Kazakhstan-a Bridge from east to west and our gate to Cental Asia

Hamle Financial Review

	FY'20	FY'21	Change
Sales Volume (tons)	16.798	17.952	6,9%
Net Sales(KZTx000000)	19.357	21.956	13,4%
EBITDA(KZTx000000)	2.812	3.090	9,9%
EBITDA Margin	14,5%	14,1%	

Chocolate Market Share

#3



- Though in general most categories fell down in 2021 due to covid 19 pandemic and Kazakhstan's economic vulnerabilities after post pandemic level, we achieved great growth in all categories in 2021.
- Russia, Kazakhstan domestic and Azerbaijan are drivers of revenue and the volume growth .
- EBITDA increased by 9,9% supported by higher net sales performance in addition to the lower A&M spending
- Growth of Kazakhstan domestic sales supported with Albeni's increasing visibility and return on investments of star brands
- Hamle started to manufacture for Azerbaijan market. The production has been switched from Turkey to Hamle

International operations performance

Biscuits–25% M.Share #1

#1 in Plain

#1 in Filled

#1 Coated

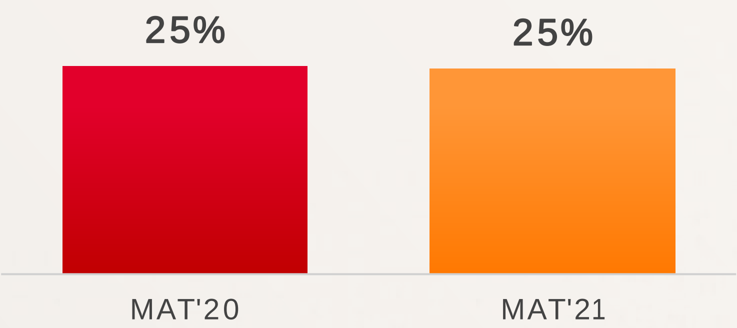
#2 in Wafer

#4 in Wafer

#4 in Sandwich Bisc.

#2 in Digestive

M.Share Development in Value Based(*)



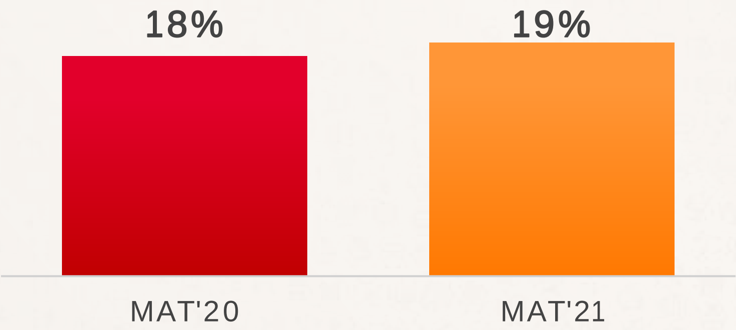
Biscuits-19% M.Share #1

#1 in Filled (Biskrem and Tamr brands)

#1 in Digestives

#2 in Plain (Teabiscuits and Finger biscuits)

M.Share Development in Value Based(*)

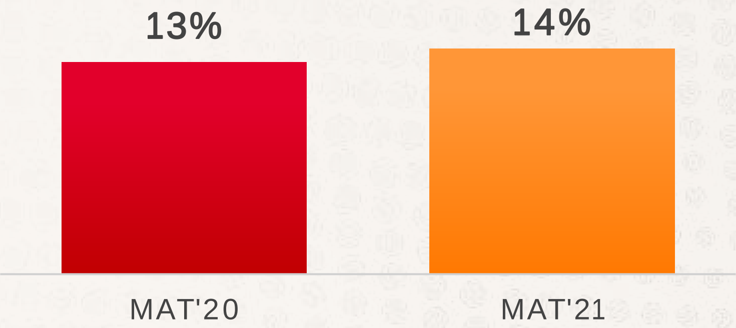


Chocolate-14% M.Share #3

#1 in Biscuits with Filling

#2 in Countline

M.Share Development in Value Based(*)



Source : MAT (Moving Annual Total) Nielsen Data

NPD Sales contributes 5% of total international sales in FY2021

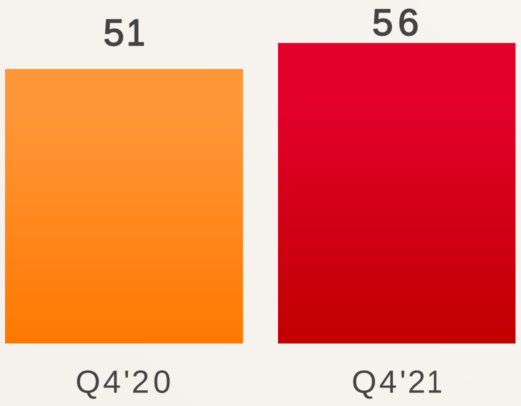
Saudi Arabia

Egypt

Kazakhstan

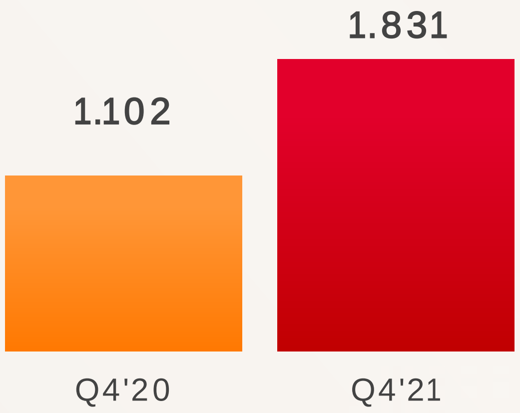
Strong results achieved in exports and international operations in 4Q'21

Snacking Volume (X000 Tons)



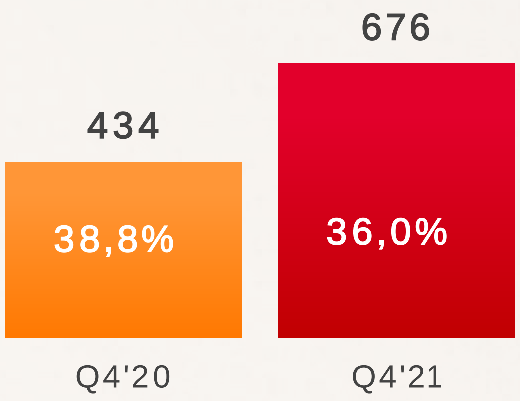
- Snacking volume increased by 9,4% and total volume up by 9,2% driven by the positive contribution in chocolate and biscuit categories

Snacking Sales (Mtl)



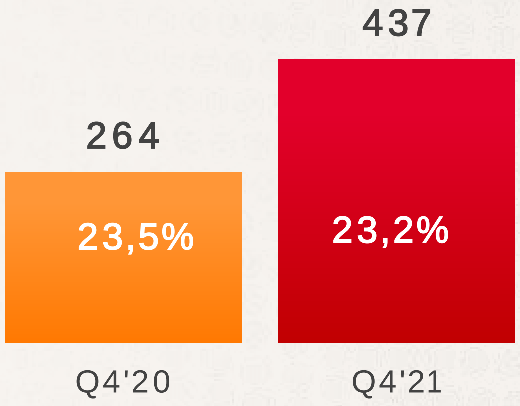
- Snacking revenue up by 66,2% and total revenue up by 68,0% thanks to;
  - Demand recovery with easing of restrictions and strong momentum gains in traditional channels in MENA region.

Gross Profit (Mtl)



- Gross Profit increased by 55,7%
- Gross Margin decreased to 36,0% driven by the increase in commodity prices

EBITDA (Mtl)

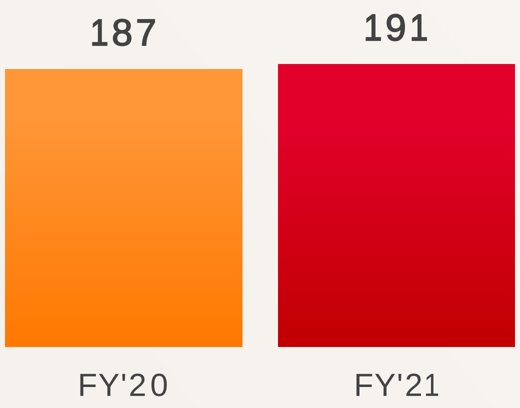


- EBITDA in 4Q'21 realized at 437mn TL with an increase of 65,7% versus 4Q'20.
- EBITDA margin contracted by 30bps and realised as 23,2%.

Prior periods of ÜLKER are restated due to Önem Gida acquisition. All numbers presented in webcast include Önem Gida numbers unless otherwise stated.

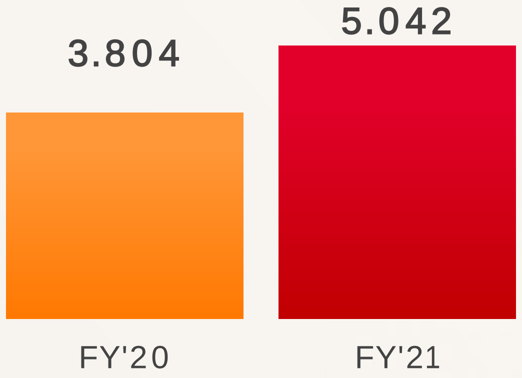
Exports and international operations in FY'21

Snacking Volume (X000 Tons)



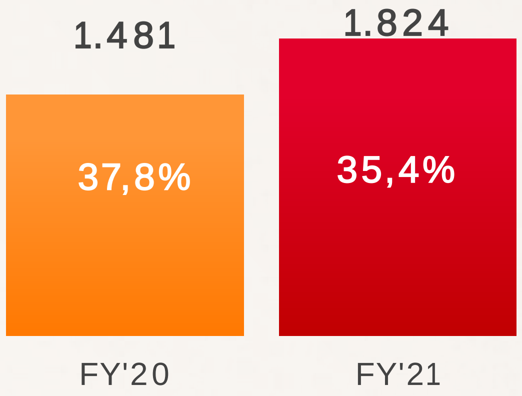
- Snacking volume increased by 1,8% and total volume increased by 0,8% thanks to the easing restrictions in export markets and successful launches

Snacking Sales (Mtl)



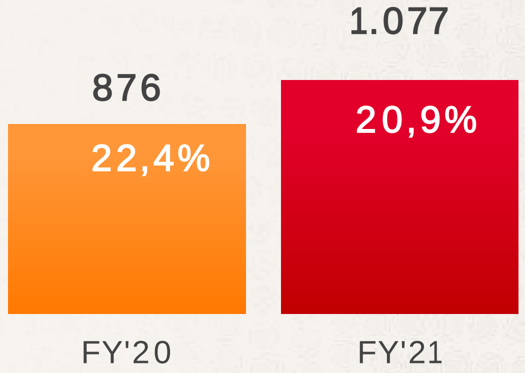
- Snacking revenue up by 32,5% and total revenue up by 31,5% thanks to ;
  - Price adjustments and currency impact in export operations
  - Favourable category and mix impact
  - New launches

Gross Profit (Mtl)



- Gross Profit increased by 23,2% reflecting the ;
  - Increase in sales & new launches
  - Efforts in productivity
- Gross Margin decreased to 35,4% driven by the increase in commodity prices

EBITDA (Mtl)



- EBITDA in **FY'21** realized at **1.077 mn TL** with an increase of 23,0% versus **FY'20**.
- EBITDA margin realised as 20,9%.

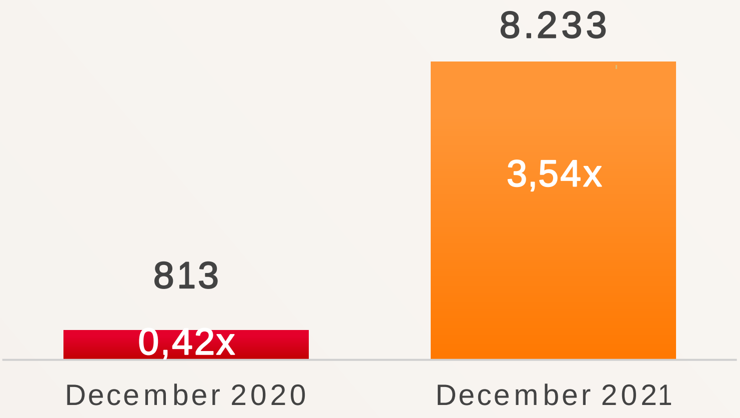
Prior periods of ULKER are restated due to Onem Gida acquisition. All numbers presented in webcast include Onem Gida numbers unless otherwise stated.

ÜLKER

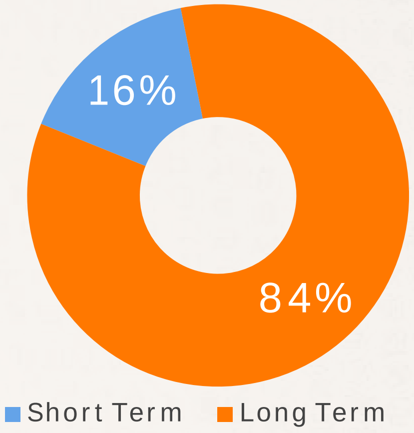
AGENDA

Consolidated Net Working Capital & Net Debt Position

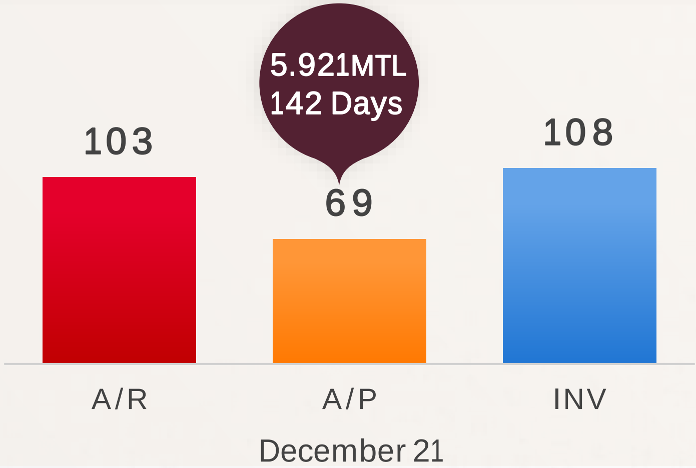
Net Debt / (Mtl) – Net Debt/Ebitda (X)



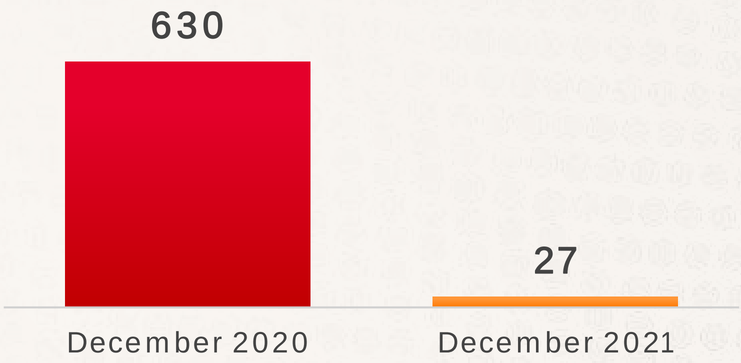
Maturity Breakdown As Of December 2021



Average Working Capital Days & Net Working Capital



Operating Cash Flow (Mtl)



Prior periods of ULKER are restated due to Onem Gida acquisition. All numbers presented in webcast include Onem Gida numbers unless otherwise stated.

Ülker Bisküvi - Largest snacking company in the region

2021 Sales

12.537

Million TL

5 Year CAGR

Ülker Net Sales

22%

18.6%

EBITDA Margin 2021

5 Year CAGR EBITDA

28%

1,4 MN Ton	77	960 KTon	35,4%	69	65%
2021 Total Production Capacity(1)	Years of Experience	2021 Production(1)	Reduction in Water Use	Innovation Project	Reduce Rejected Packaging Ratio

(1) Total production capacity and production also includes Önem Gıda's chocolate dough and flour products on a combined bases

Prior periods of ÜLKER are restated due to Önem Gıda acquisition. All numbers presented in webcast include Önem Gıda numbers unless otherwise stated.

Investor relations contact

For further information please e-mail or call

E-Mail	Phone
ir@ulker.com.tr	+90 (216) 524 25 56

Beste Tasar

Investor Relations Director

Phone	E-Mail	Website
+90 (216) 524 25 56	beste.tasar@ulker.com.tr	http://ulkerbiskuviyatirimciiliskileri.com

Disclaimer

- This presentation contains information and analysis on financial statements and is prepared for the sole purpose of providing information relating to Ülker Bisküvi Sanayi A.Ş. ("Ülker")
- This presentation contains forward-looking statements which are based on certain expectations and assumptions at the time of publication of this presentation and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in these materials. Many of these risks and uncertainties relate to factors that are beyond Ülker's ability to control or estimate precisely, such as future market and economic conditions, the behavior of other market participants, the ability to successfully integrate acquired businesses and achieve anticipated cost savings and productivity gains as well as the actions of government regulators
- Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this presentation. Ülker does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials
- This presentation merely serves the purpose of providing information. It neither represents an offer for sale nor for subscription of securities in any country, including Turkey. This presentation does not include an official offer of shares; an offering circular will not be published
- This presentation is not allowed to be reproduced, distributed or published without permission or agreement of Ülker
- The figures in this presentation are rounded to provide a better overview. The calculation of deviations is based on figures including fractions. There fore rounding differences may occur
- Neither Ülker nor any of its managers or employees nor any other person shall have any liability whatsoever for any loss arising from the use of this presentation