



ÜLKER BİSKÜVİ
1 JANUARY – 30 SEPTEMBER 2023
INTERIM REPORT
9 November 2023

1- GENERAL INFORMATION

Reporting Period:	01.01.2023 - 30.09.2023
Commercial Title:	Ülker Bisküvi Sanayi Anonim Şirketi
Trade Registration:	41603
Paid-in/Issued Capital:	369.275.855 TL
Head Office Communication Address, Phone and Fax:	Kısıklı Mahallesi Ferah Caddesi No: 1 34692 Büyük Çamlıca-Üsküdar / İstanbul
Web address:	www.ulkerbiskuvi.com.tr
Investor Relations Contact:	ir@ulker.com.tr

2- SCOPE OF ACTIVITIES

The purpose and fields of activity of Ülker Bisküvi Sanayi A.Ş. is to manufacture of all foodstuffs and particularly; manufacture, purchase, sale, export and import of all kinds of flour and sugar, cacao, nut finished and semi-finished products such as biscuits, chocolates, bars, chocolate covered biscuits and bars, cakes etc. and all raw stuffs and auxiliary products related to these finished and semi-finished products.

3- SHAREHOLDER STRUCTURE

Shareholder structure of Ülker Bisküvi as of September 30, 2023 is stated below;

Name of the Shareholders	30 September 2023		31 December 2022	
	Share	Percentage	Share	Percentage
pladis Foods Limited	174.420	47,23%	174.420	51,00%
Other	194.856	52,77%	167.580	%49,00
	369.276	100,0%	342.000	100,0%

a) Dividend Policy

Ülker distributes profit in accordance with the Turkish Commercial Code, Capital Market Law, Tax Law, other applicable legislation and the articles related to profit distribution in the Ülker's Articles of Association. The Board of Directors' dividend distribution proposal, which complies with the Ülker's dividend distribution policy and the Capital Markets Board's Corporate Governance Principles is submitted for the approval of shareholders at the General Assembly; detailed information on the history of profit distribution and capital increases is disclosed in the corporate web site.

b) Investment Policy

Ülker Bisküvi reinforced its robust market position with new capital investments that included new installations in the factories, capacity increases, modifications to production lines, productivity upgrades, and improvements in hygienic conditions and warehousing processes. Ülker's capital expenditures aim to increase consumer satisfaction, improve product quality more and more, and to make its cost structure more competitive by increasing operational efficiency. In 2023 January-September period, Ülker carried out facility and modernization activities with an approximately 600,2 million TL investment on consolidated basis. The mentioned investments include modifications to production lines, productivity upgrades, and improvements in hygienic conditions and warehousing processes.

4- MANAGEMENT

The Board of Directors of Ülker Bisküvi Sanayi A.Ş. was elected at the Ordinary General Assembly Meeting held on 14.06.2023 to serve for three years. The Company's Board of Directors is composed of eight members, three of whom are independent.

Name-Surname	Position	Term of Office
AHMET BAL	Chairman of the Board (Independent Member)	14.6.2023-14.6.2026
ALİ ÜLKER	Vice Chairman of the Board	14.6.2023-14.6.2026
MURAT ÜLKER	Member of the Board	14.6.2023-14.6.2026
MEHMET TÜTÜNCÜ	Member of the Board	14.6.2023-14.6.2026
METE BUYURGAN	Member of the Board	14.6.2023-14.6.2026
İBRAHİM TAŞKIN	Member of the Board	14.6.2023-14.6.2026
FÜSUN KURAN	Member of the Board (Independent Member)	14.6.2023-14.6.2026
PINAR ILGAZ	Member of the Board (Independent Member)	14.6.2023-14.6.2026

5- SUBSIDIARIES

The table below lists information relating to the direct subsidiaries of Ülker Bisküvi as of September 30, 2023. Detailed information about subsidiaries is included in the notes of consolidated financial table.

Subsidiaries	30-September-2023*		31-December-2022		Natie of Operations
	Ratio of Direct Ownership	Ratio of Effective Ownership	Ratio of Direct Ownership	Ratio of Effective Ownership	
Biskot Bisküvi Gıda Sanayi ve Ticaret A.Ş.	-	-	73,9%	73,9%	Manufacturing
Ülker Çikolata Sanayi A.Ş.	-	-	91,7%	91,7%	Manufacturing
Atlas Gıda Pazarlama Sanayi ve Ticaret A.Ş.	100,0%	100,0%	100,0%	100,0%	Trading
Reform Gıda Paz. San. ve Tic. A.Ş.	100,0%	100,0%	100,0%	100,0%	Trading
UI Egypt B.V.	51,0%	51,0%	51,0%	51,0%	Investment
Hi-Food for Advanced Food Industries	-	51,4%	-	51,4%	Manufacturing-Sales
Sabourne Investments Ltd	100,0%	100,0%	100,0%	100,0%	Investment
Food Manufacturers' Company	-	55,0%	-	55,0%	Manufacturing-Sales
Hamle Company Ltd LLP	100,0%	100,0%	100,0%	100,0%	Manufacturing-Sales
Ulker Star LLC	-	99,0%	-	99,0%	Sales
UI Mena BV	100,0%	100,0%	100,0%	100,0%	Investment
Amir Global Trading FZE	-	100,0%	-	100,0%	Sales
Ulker for Trading and Marketing	-	99,8%	-	99,8%	Sales
International Biscuits Company	100,0%	100,0%	100,0%	100,0%	Manufacturing-Sales
Önem Gıda Sanayi ve Ticaret A.Ş.	100,0%	100,0%	100,0%	100,0%	Manufacturing-Sales

(*) On August 31, 2023, the Company merged with Ülker Çikolata Sanayi A.Ş., in which the Company holds 91.7% shares, and Biskot Bisküvi Gıda Sanayi ve Ticaret A.Ş., in which the Company holds 73.9% shares. The impact of this merger transaction is reflected in the "Effect of Mergers Involving Entities or Businesses Under Common Control" line of the statement of changes in equity.

6- BRANCHES

Ülker Bisküvi has a factory (branch) at Esenboğa road 21.km Akyurt / ANKARA. The Ankara Factory, which has the largest biscuit production and storage facilities in the Middle East, operates in a closed area of 80.000 m² on a total area of 110.000 m². Ülker Bisküvi has branches in Gebze. The Gebze Factory has a closed area of 80.000 m² on a total closed area.

Chocolate production is carried out in the factory which operates in a closed area of 84.537 m² in Topkapı. Biscuits, cakes, crackers and chocolates are produced in Karaman Factory in a closed area of 27.298 m². In Silivri facilities, established in 1995, chocolate and covered chocolate are produced in a closed area of 42.500 m². In Egypt, biscuit is produced. In Saudi Arabia and Kazakhstan, biscuits, chocolates and cakes are produced. As part of the strategy, in In 2017, Ülker Bisküvi acquired UI Mena BV, the sole shareholder of Amir Global Trading FZE, which has the distribution and production rights of United Biscuits Limited products in Saudi Arabia, the Middle East and North Africa, in line with its strategy. Ülker Bisküvi acquired Önem Gıda on 27.08.2021, which supplies chocolate and cocoa products, hazelnut, flour and derivatives products. Önem Gıda has 4 facilities where chocolate paste and cocoa powder in the Topkapı/İSTANBUL Factory, hazelnut production in Keşap/GİRESUN, and flour production in the Akyurt/ ANKARA and KARAMAN facilities.

7- INFORMATION ON BUSINESS ACTIVITIES

Sector Developments in Brief

Turkey confectionary market grew by 87,8% in value January-September 2023. In Biscuits category year to date value growth is realized as 86,1%, in cake category 87,8 % and in chocolate category total growth is 88,3% in January-September 2023 period.

Ülker Bisküvi's position in the industry

Ülker Bisküvi is the leader of the sector in biscuits market, producing in Kocaeli / Gebze and Ankara factories. Apart from these two main plants, Ülker Bisküvi produces by its subsidiary Biskot Gıda in Karaman and Silivri facilities and by its other subsidiary Ülker Çikolata in Topkapı / Istanbul facility. The Company also makes production by its subsidiaries Hi-Food, FMC, IBC and Hamle in Egypt, Saudi Arabia and Kazakhstan, respectively. In biscuit facilities, Ülker produces chocolate covered biscuits, wafers and cakes. Ülker Bisküvi, leader of the biscuit industry, is among the world's giant food producers with hundreds of kinds of products offered to the national and international markets in the fields of biscuits and crackers. Domestic distribution of biscuits, cakes, chocolate covered and chocolate products produced by Ülker Bisküvi is performed by Horizon Hızlı Tüketim Ürünleri Pazarlama Satış ve Tic. A.Ş. and Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş. that are subsidiaries of Yıldız Holding.

Ülker Bisküvi products are exported to Europe, Africa and America, mainly Middle East, Russia and Central Asia Republics. As well as contributing to the national economy by making exports, also successfully represents Turkey's approach to quality to worldwide. Ülker Bisküvi, which has an effective control system that ensures synergy in all phases of production and consumption, continues its investments with its strategy focused on sustainable profitable growth. The focus of Ülker Bisküvi is on consumers. Ülker Bisküvi, which meets the needs and expectations of its customers to the maximum level, has established a consistent and consistent relationship with the target mass. Research conducted in recent years shows that the commitment to the Ülker brand is at a high level.

8- COMPANY GUIDANCE

In January-September 2023 period, as always, Ülker do its activities; customer focused, innovative approach, quality and high hygiene principles without compromising. As a result of the restructuring efforts, Ülker Bisküvi has taken its companies out its portfolio since 2010 which are out of core business, has gathered all the functions such as production, sales and similar functions under one roof and formed a structure to manage the biscuit-chocolate-cake categories in one hand.

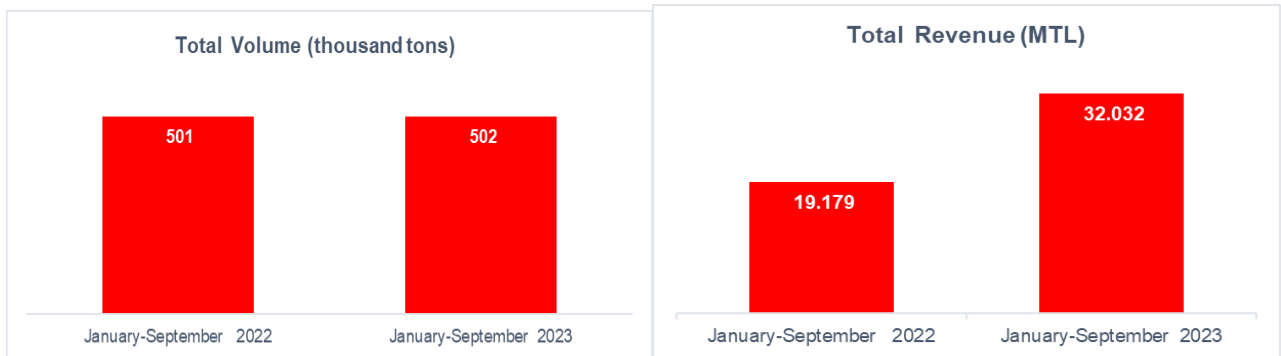
With this new structuring realized;

1. Move the leadership vision and competitiveness of Ülker to the future
2. Power with the focus in the confectionary categories
3. To better evaluate innovation opportunities
4. Provide efficiency in supply chain and channel costs
5. Aims to be able to respond more effectively to consumer needs.

In 2023, the Company continues to work towards its budget and strategic plan goals that have set up to keep its financial and operational results at the highest level.

9- OPERATIONAL DEVELOPMENTS

Ülker Bisküvi's total revenue and tonnages in the nine months of 2023 are shown in the table below.



10- R&D

The ethical principles of Ülker Bisküvi's R&D activities are determined as follows:

- Use scientific methods and techniques to research and find truths and report them.
- To observe the human and environmental health and public interest while working in accordance with the current laws and regulations and the principles and objectives of the Group.
- To keep consumer needs and expectations always on the first plenary.
- To provide Food Safety-Quality-Price-Diversity optimization in products.
- Act in

line with the principle of "We will not consume any products that we will not consume and that we will not eat with our children". With the completion of the Global R&D organization structure in R&D work, Ülker's global targets became clear. New missions and tasks have been added to the work done in this framework. The company has continued to work in a customer-focused manner in line with new product development, current product improvement, cost reduction, quality improvement, alternative raw material approval and technical / technological support.

11- RISK MANAGEMENT

Corporate Risk Management efforts include determining potential incidents that may affect Ülker Bisküvi, managing risks in line with the Company's risk taking profile, and providing an acceptable level of assurance for the Company to achieve its goals. Corporate Risk Management is a systematic process which is utilized in devising strategies, implemented across the Company and impacted by the Company's Board of Directors, senior management as well as all of its employees.

12- CAPITAL MARKET INSTRUMENTS

The issue of bonds to be sold outside Turkey with an aggregate principal amount of USD 650,000,000, rated B+ by S&P and BB- by Fitch has been completed by the group on 30 October 2020. The bonds have been listed on the Irish Stock Exchange (Euronext Dublin). As of the date of this report, current long-term foreign-currency issuer default ratings are; B (stable) by Fitch, B (stable) by S&P. On 19 July 2023, the Company repurchased USD 50.069.000 of its debt securities with a nominal value of USD 650.000.000 with a maturity of 2025. JCR Eurasia Rating has revised the long-term national issuer credit rating from "AA- (tr)" to "AA(tr)" for Ülker Bisküvi and affirmed the short-term national issuer credit rating as "J1+" with "Stable" outlook. JCR Eurasia Rating keep the long-term international foreign and local currency rating unchanged.

13- SENIOR MANAGEMENT

Ahmet BAL

Ahmet Bal started to work as an Assistant Financial Affairs Coordinator in Anadolu Endüstri Holding in 1994. He carried his duties as Finance Director in Efes Sinai Yatırım Ticaret A.Ş. in which he was responsible from the International Coca-Cola business operations of Anadolu Group between 1995 and 1998 and as General Manager between 1998-1999. He served as the Financial Affairs Coordinator for the Automotive, Finance and Stationery companies in Anadolu Endüstri Holding's Financial Affairs Department between 1999-2006. He worked as the Audit Coordinator responsible for all Group companies Anadolu Endüstri Holding between 2006-2012. Ahmet Bal has been appointed as the Chairman of Ülker Bisküvi's Board of Directors as of 06.05.2021.

Mete BUYURGAN

Mete Buyurgan who joined Yıldız Holding in 2013 as Vice President of Food Group, has been appointed as the CEO of Ülker as of February 25, 2020.

Fulya Banu SÜRÜCÜ

Fulya Banu Sürücü, who has played important roles in many international companies, has been appointed as the CFO of Ülker Bisküvi as of January 03, 2022.

14- EMPLOYEE INFORMATION

The number of employee is 9.555 which contains 2.169 employees who worked as subcontractors as of 30.09.2023 (31.12.2022: 9.489, subcontractor: 1.914).

15- MATERIAL EVENTS AFTER THE OPERATING PERIOD

None

16- FINANCIAL SUMMARY

Income Statement (TLmn)	9M'22	9M'23
Sales Revenues	19.179	32.032
Growth (%)		67,0%
Gross Profit	5.568	10.654
Growth (%)		91,4%
Gross Profit Margin	29,0%	33,3%
Marketing, Sales & Distribution Expenses	(1.662)	(3.089)
General Administration Expenses	(473)	(863)
Research and Development Expenses	(51)	(133)
Operating Profit	3.382	6.570
Other Operating Inc/Exp, Net	783	961
Operating Profit including Other Income/Expense	4.166	7.531
Income and Expenses from Investments	1.791	4.375
Operating Profit before Financial Inc/Exp	5.957	11.906
Finance Expenses	(6.910)	(10.733)
Profit /(Loss) Before Taxation	(954)	1.174
Tax (Expense) / Income	(32)	225
Profit/(Loss) For The Period	(986)	1.399
Non – Controlling Interests	351	739
Equity Holders of the Parent	(1.336)	659
EBITDA	3.633	6.927
EBITDA Margin	18,9%	21,6%

Balance Sheet (TLm)	31.12.2022	30.09.2023
Current Assets	25.174	31.286
Non-current Assets	12.685	16.775
Current Liabilities	16.887	12.797
Non-current Liabilities	13.289	24.755
Shareholders Equity	7.682	10.509
Net Financial Debt	12.370	16.696