

ÜLKER APARTMANI



ÜLKER

ÜLKER BİSKÜVİ

1 JANUARY – 30 SEPTEMBER 2024 INTERIM REPORT

1- GENERAL INFORMATION

Reporting Period:	01.01.2024 - 30.09.2024
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.ulker.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

As of 30 September 2024 and 31 December 2023, Ülker Bisküvi Sanayi A.Ş.'s subsidiaries within the scope of full consolidation ("Subsidiaries"), their main fields of activity and the Company's direct and effective ownership rates are as follows;

Name of the Shareholders	30 September 2024		31 December 2023	
	Share	Percentage	Share	Percentage
pladis Foods Limited	174.420	47,23%	174.420	47,23%
Other	194.856	52,77%	194.856	52,77%
	369.276	100,0%	369.276	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 2024 January-September period, Ülker carried out facility and modernization activities with an approximately 1.308 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. Three of the members of the Board of Directors serve as Independent Members and the total number of members is eight. The Board of Directors of Ülker Bisküvi has decided to elect Ahmed Salman AMIN to replace Mehmet TÜTÜNCÜ, Member of the Board of Directors, within the framework of the provisions of Article 363 of the Turkish Commercial Code, and Sridhar RAMAMURTHY to replace Murat ÜLKER, Member of the Board of Directors, to complete the remaining term within the framework of the provisions of Article 363 of the Turkish Commercial Code, and it was approved at the general assembly on 02.05.2024.

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
SALMAN AMİN	Member of the Board	24.4.2024-14.6.2026
SRIDHAR RAMAMURTHY	Member of the Board	02.5.2024-14.6.2026
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, 2024. Detailed information about subsidiaries is included in the notes of consolidated financial table. More detailed information is available in the notes related to the consolidated financial statements.

Subsidiaries	30 September 2024		31 December 2023		Nature of Operation
	Ratio of Direct Ownership	Ratio of Effective Ownership	Ratio of Direct Ownership	Ratio of Effective Ownership	
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%	Investing
Pladis Egypt for Food Industries S.A.E. (*)	-	51.4%	-	51.4%	Manufacturing-Sales
Sabourne Investments Ltd	100.0%	100.0%	100.0%	100.0%	Investing
Pladis Arabia Food Manufacturing Company (*)	-	55.0%	-	55.0%	Manufacturing-Sales
pladis Kazakhstan (*)	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%	Investing
pladis Gulf FZE	-	100.0%	-	100.0%	Sales
Pladis Egypt for Trading and Marketing S.A.E. (*)	-	99.8%	-	99.8%	Sales
Pladis Arabia International Manufacturing Company (*)	100.0%	100.0%	100.0%	100.0%	Manufacturing-Sales
Önem Gıda Sanayi ve Ticaret A.Ş. **	-	-	100.0%	100.0%	Manufacturing-Sales
Taygeta Gıda Üretim ve Pazarlama A.Ş. (**)	100.0%	100.0%	100.0%	100.0%	Manufacturing-Sales

(*) As of April 30, 2024, Hamle Company Ltd LLP changed its legal name to Pladis Kazakhstan. As of September 22, 2024, International Biscuits Company changed its legal name to Pladis Arabia International Manufacturing Company. As of September 18, 2024, Food Manufacturers Company changed its legal name to Pladis Arabia Food Manufacturing Company. As of May 26, 2024, Hi Food for Advanced Food Industries changed its legal name to Pladis Egypt for Food Industries S.A.E. Additionally, as of May 26, 2024, Ulker Egypt for Trading and Marketing changed its legal name to Pladis Egypt for Trading and Marketing S.A.E.

(**) On August 29, 2024, the company merged with Önem Gıda Sanayi ve Ticaret A.Ş., in which it holds a 100% stake. The effects of this merger are reflected in the equity movement statement under "Effects of Mergers Involving Jointly Controlled Enterprises or Operations."

(***) As of September 23, 2024, Taygeta Gıda Üretim ve Pazarlama A.Ş. was established under its legal name.

6- FACILITIES

Ülker Bisküvi operates a factory located at Esenboğa Road, 21 km, Akyurt / ANKARA. The Ankara factory, one of the largest biscuit production and storage facilities in the Middle East, spans a total area of 110,000 m², with 80,000 m² dedicated to enclosed space. Ülker Bisküvi also has a factory in Gebze, which operates within an enclosed area of 80,000 m². Additionally, there are four facilities engaged in the production of chocolate paste and cocoa powder in Topkapı/İSTANBUL, hazelnuts in Keşap/GİRESUN, and flour production in Akyurt/ANKARA and KARAMAN.

The factory in Topkapı specializes in chocolate production and operates within an enclosed area of 84,537 m². The Silivri facilities, established in 1995 and covering 42,500 m² of enclosed space, focus on the production of chocolate and chocolate-coated biscuits. The Karaman factory produces biscuits, cakes,

crackers, and chocolates, occupying an enclosed area of 27,298 m². Additionally, biscuit production occurs in Egypt, while biscuits, chocolates, and cakes are produced in Saudi Arabia and Kazakhstan.

In line with its 2017 strategy, Ülker Bisküvi acquired UI Mena BV, the sole shareholder of pladis Gulf FZE, which holds the distribution and production rights for United Biscuits Limited products in Saudi Arabia, the Middle East, and North Africa.

7- INFORMATION ON BUSINESS ACTIVITIES

Sector Developments in Brief

Turkey confectionary market grew by 80% in value January-September 2024. Value growth in biscuit category realised as 71%, cake category 88 % and in chocolate category growth realised as 86% in January September 2024 period.

Ülker Bisküvi's position in the industry

Ülker Bisküvi operates a total of 13 production facilities, comprising 9 in Turkey and 4 in Egypt, Saudi Arabia, and Kazakhstan. Production is conducted in these countries through Pladis Egypt for Food Industries S.A.E., Pladis Arabia Food Manufacturing Company, Pladis Arabia International Manufacturing Company, and pladis Kazakhstan. Ülker Bisküvi manufactures biscuits, chocolate-coated biscuits, wafers, and cakes. As the leader in the biscuit sector, Ülker Bisküvi ranks among the world's major food producers, offering hundreds of products in the biscuit and cracker categories to both national and international markets.

The domestic distribution of biscuits, cakes, chocolate-coated products, and chocolates produced by Ülker Bisküvi and its affiliates is primarily carried out by Yıldız Holding companies, Horizon and Pasifik.

Ülker Bisküvi products are exported to Europe, Africa, and America, with a particular focus on the Middle East and Central Asian Republics. By engaging in exports, Ülker Bisküvi not only contributes to the national economy but also successfully represents Turkey's commitment to quality on a global scale. With an effective control system that ensures synergy across all stages of the process from production to consumption, Ülker Bisküvi continues to invest with a strategy focused on sustainable and profitable growth. The consumer is at the core of Ülker Bisküvi's operations, and the company has established a continuous relationship with its target audience by meeting their needs and expectations to the highest degree. Recent research indicates a high level of loyalty towards the Ülker brand.

8- COMPANY GUIDANCE

In the January-September period of 2024, the company continued its activities with its customer-oriented, innovative approach, without compromising the principles of quality and high hygiene. Ülker Bisküvi, which removed companies that are not within its main field of activity within the scope of the company's strategy, gathered all production, sales and similar functions under one roof with this new structuring and created a structure that will manage the biscuit-chocolate-cake category from a single source. The goal is to operate within a more focused structure under Ülker Bisküvi, along with its affiliated companies both domestically and internationally in the same sector, aiming to enhance corporate governance, increase efficiency and effectiveness, and reduce costs.

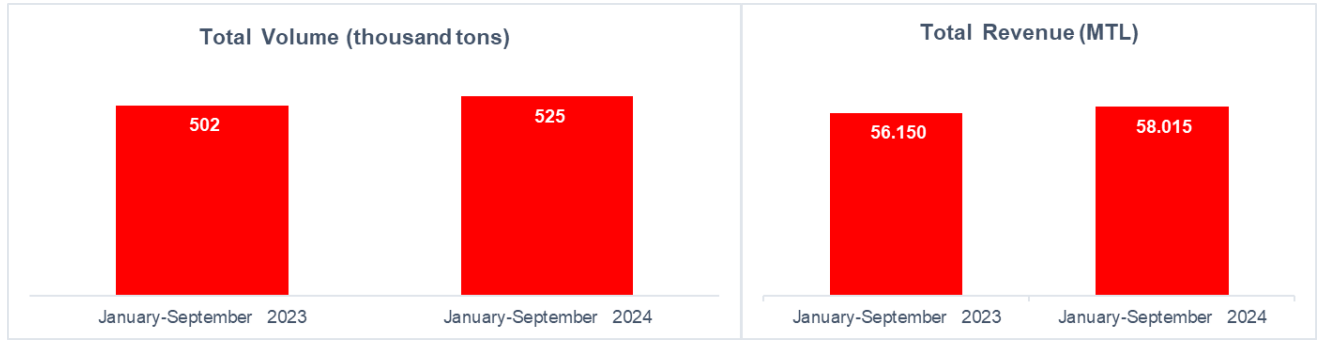
With this new structuring;

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 2024, 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 January-September 2024 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 company has Eurobonds listed on the Irish Stock Exchange, maturing in 2025 and 2031.

On October 30, 2020, the issuance and sale of Eurobonds maturing on October 30, 2025, with a total nominal value of USD 650,000,000 were completed. The tender offer process for these bonds, aimed at the eligible and rightful investors, was finalized on July 10, 2024, with a total of USD 351,709,000 in nominal value tendered.

The issuance and sale of Eurobonds, intended for overseas investors and rated BB (stable) by S&P and BB- (positive) by Fitch, with a total nominal value of USD 550,000,000, were completed on July 8, 2024. These bonds have been listed on the Irish Stock Exchange (Euronext Dublin).

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 May 06,2021.

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 10.127 which contains 2.334 employees who worked as subcontractors as of 30.09.2024 (31.12.2023: 9.794, subcontractor: 2.172).

15- MATERIAL EVENTS AFTER THE OPERATING PERIOD

In order to manage its international investments in a more effective and focused manner, our company submitted an application to the Capital Markets Board on October 11, 2024, regarding a partial demerger. This demerger involves the transfer of the specified foreign subsidiary shares in our company's assets to a newly established entity named Taygeta Gıda Üretim ve Pazarlama Anonim Şirketi ("Taygeta"), which has a capital of 250,000.00 TL. This transfer will be executed in accordance with relevant legal provisions and will not compromise the operational integrity of the business.

16- FINANCIAL SUMMARY

Income Statement (TLmn)	3Q24	3Q23	9M'24	9M'23
Sales Revenues	18.196	17.809	58.015	56.150
Growth (%)		2,2%		3,3%
Gross Profit	4.931	5.401	17.423	16.581
Growth (%)		-8,7%		5,1%
Gross Profit Margin	27,1%	30,3%	30,0%	29,5%
EBITDA	2.902	3.668	10.872	11.002
Growth (%)		-20,9%		-1,2%
EBITDA Margin	15,9%	20,6%	18,7%	19,6%

Balance Sheet (TLm)	30.09.2024	31.12.2023
Current Assets	58.863	50.251
Non-current Assets	31.015	33.425
Current Liabilities	17.693	20.987
Non-current Liabilities	43.138	35.786
Shareholders Equity	29.047	26.903
Net Financial Debt	21.258	22.170