

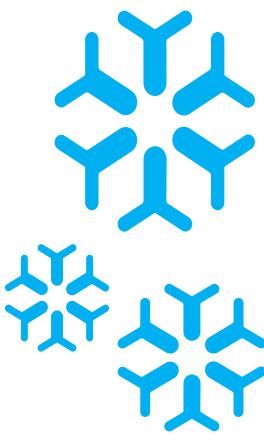


KLIMASAN

FY2021 Results Presentation



Legal Notice



In this presentation we make statements about future events (forward-looking statements) that are subject to risks and uncertainties. These statements are based on beliefs and suppositions of our Management and information to which the company currently has access. Statements about future events include information about our present intentions, beliefs or expectations. Reservations in relation to statements and information about the future also include information about possible or presumed operational results, and also statements that are preceded or followed by or which include the words “believe”, “may”, “will”, “continue”, “expect”, “forecast”, “intend”, “plan”, “estimate”, or similar expressions. Statements and information about the future are not guarantees of performance. They involve risk, uncertainties and suppositions because they refer to future events, and thus depend on circumstances which may or may not occur. Future results and the creation of value for stockholders may differ significantly from those expressed or suggested by forward-looking statements. Many of the factors that will determine these results and amounts are beyond Klimasan’s capacity to control or forecast.

Information on performance that is not directly derived from financial statements, such as, for example, information about the market, quantities produced and sold, production capacity, or calculation of adjustments on our results were not subject of audit by our external auditors.

The Group’s financial statements are prepared based on the Turkish Financial Reporting Standards (TFRS) and the numbers in this presentation are in accordance with these standards.



Klimasan

 **Metalrio** | Solutions

A global brand in the commercial refrigeration industry

 **KLIMASAN**

Leading regional brand in Europe, Central Asia and the Middle East

 **Caravell**

One of Europe's most renowned commercial ice-cream freezers and refrigeration brands

Derby

Top brand in Europe in the area of commercial freezers

SENOCAK

The leader in Turkish commercial refrigeration market

Commercial Type Coolers and Freezers

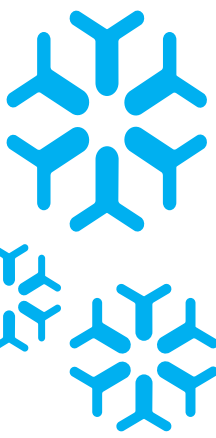


- Beverage and beer coolers
- Supermarket cabinets
- Ice cream cabinets
- Wine coolers
- Horizontal & vertical freezers

White Range

- Chest freezers
- Vertical freezers with drawers
- Freezers/coolers

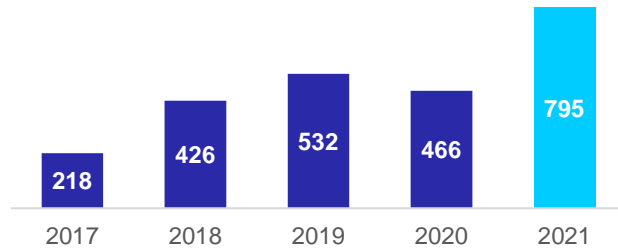




Performance Trend

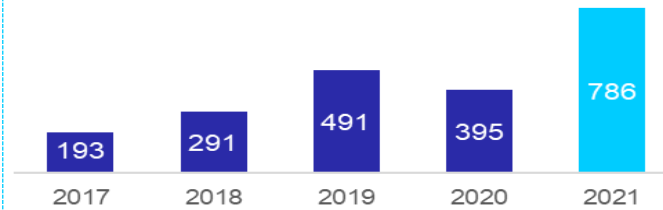
Domestic Sales (TLmn)

38% CAGR



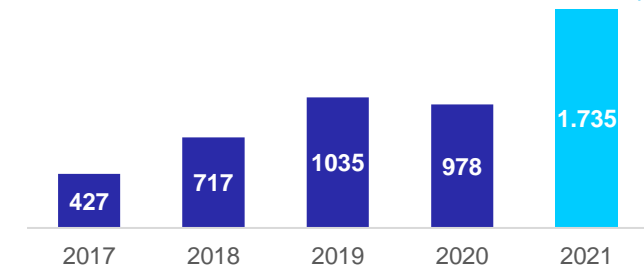
Export Sales (TLmn)

44% CAGR

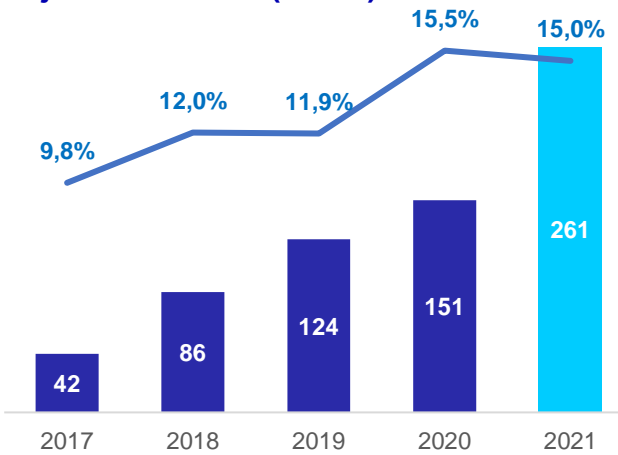


Total Sales (TLmn)

42% CAGR

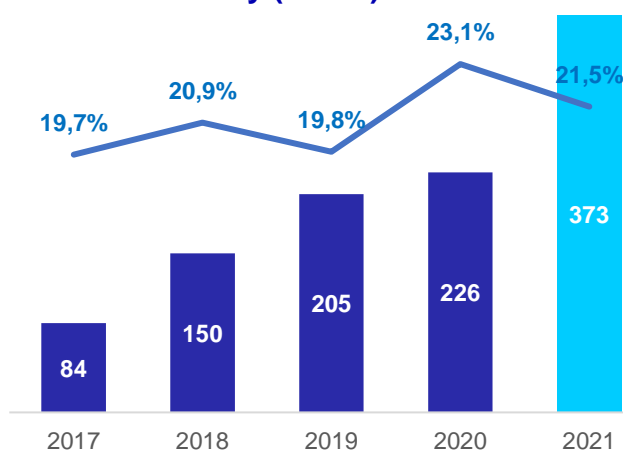


Adjusted EBITDA (TLmn)



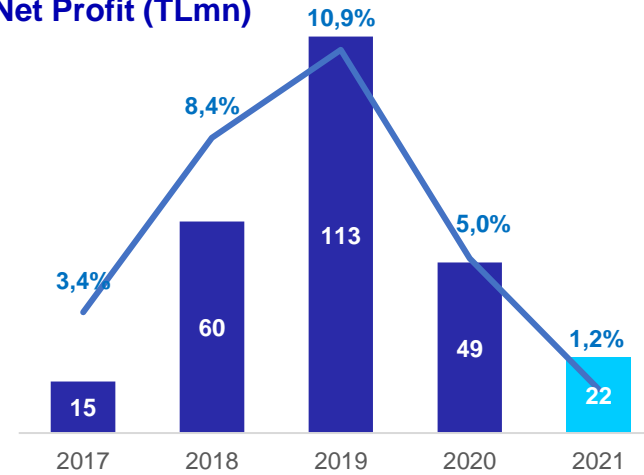
■ Adjusted EBITDA (TL mn) — Adjusted EBITDA Margin

Gross Profitability (TLmn)

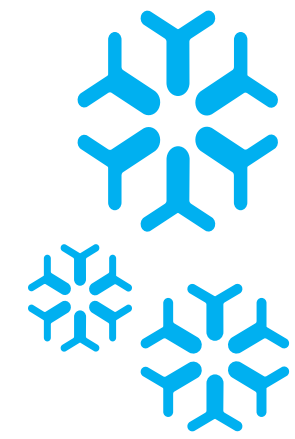


■ Gross Profit — Gross Margin

Net Profit (TLmn)



■ Net Profit — Net Profit Margin

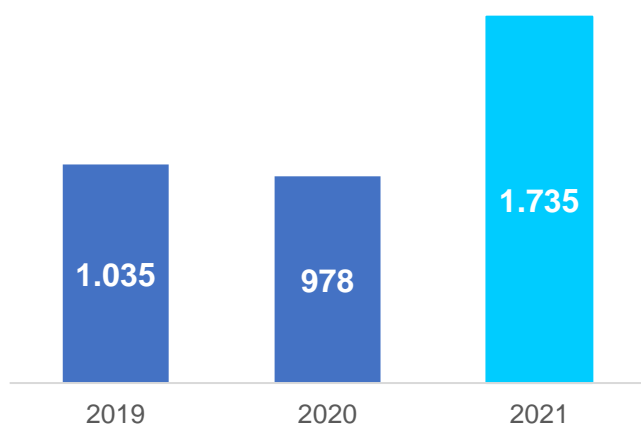


FY 2021 Highlights

NET REVENUE

up by 77%

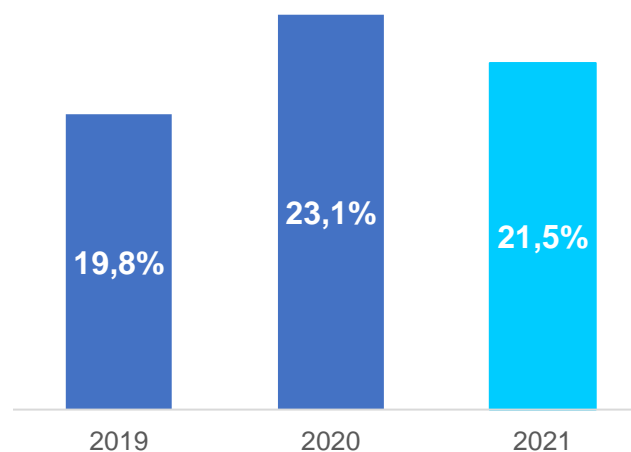
- Higher number of units sold
- Higher share of more value-added products
- Contribution of sales in hard currency



GROSS MARGIN

21.5%

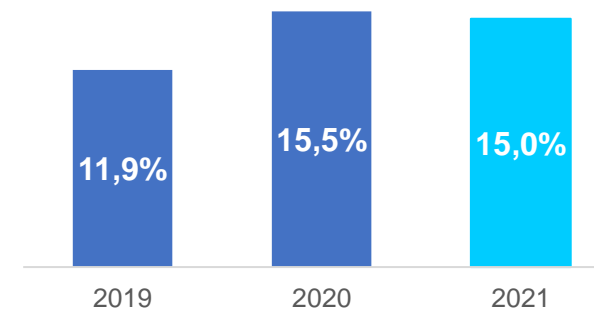
- Higher raw material costs
- Escalating energy prices



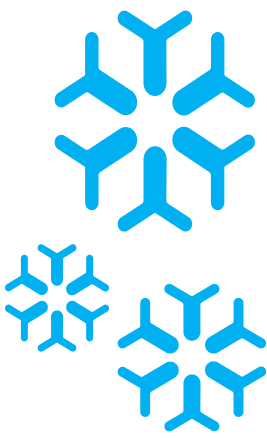
EBITDA MARGIN*

15.0%

- Increase in freight rates
- Lower SG&A expenses/sales
- Foreign currency gains from operations



* Adjusted



FY 2021 Highlights



28% increase in the number of units sold in 2021

- Strong demand both in Domestic and Export markets
- Contribution of non-key accounts



34% revenue growth, on a hard currency basis*

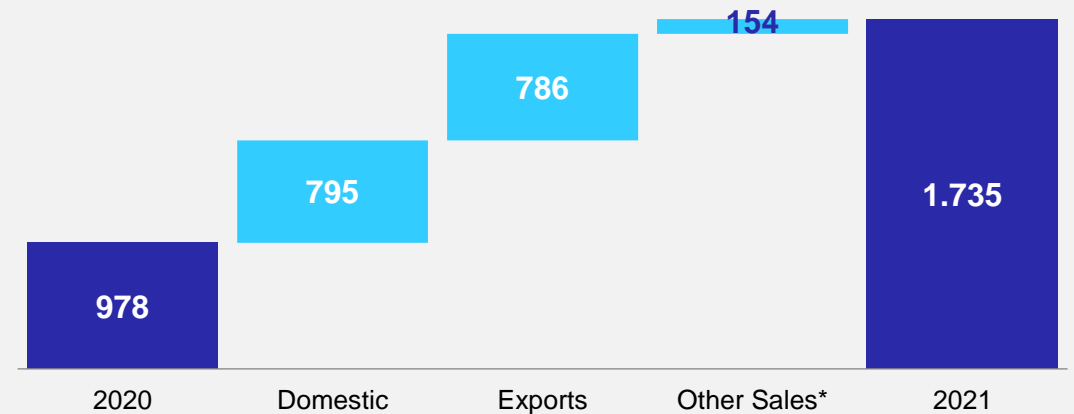
- Price adjustments to reflect escalating costs
- Favourable product mix



307% increase in operating profit

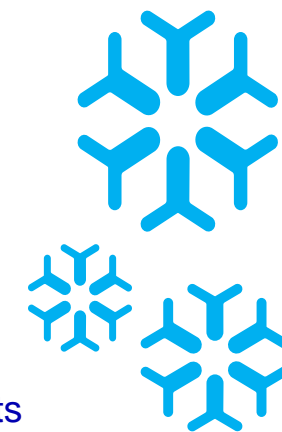
- Rigorous management of SG&A
- Foreign currency gains from operations

Net Revenue Contribution (TL mn)



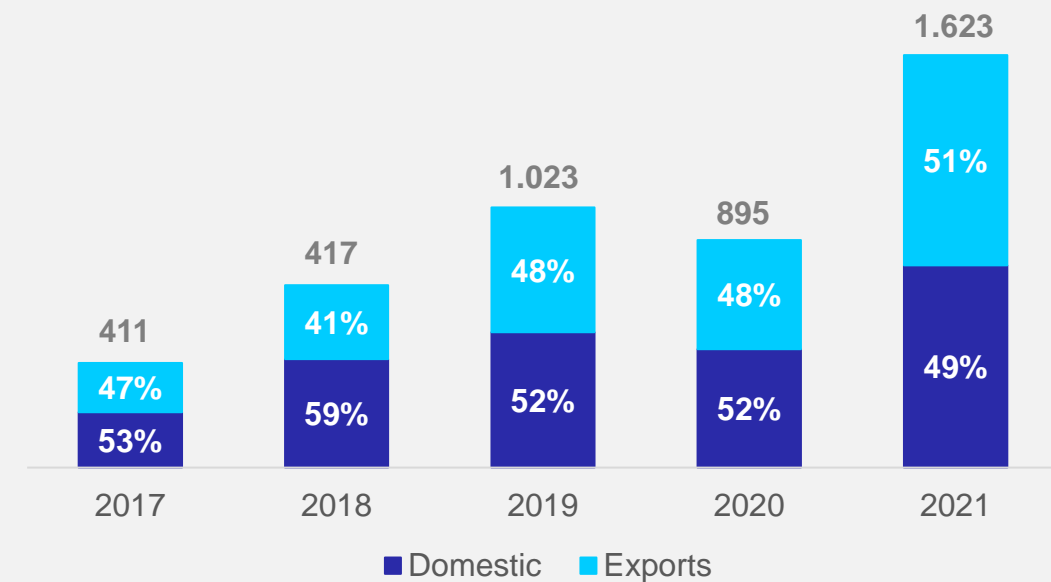
*Sales revenue from services and parts, other

*Sales growth in Euro terms



Sales and Operational Highlights

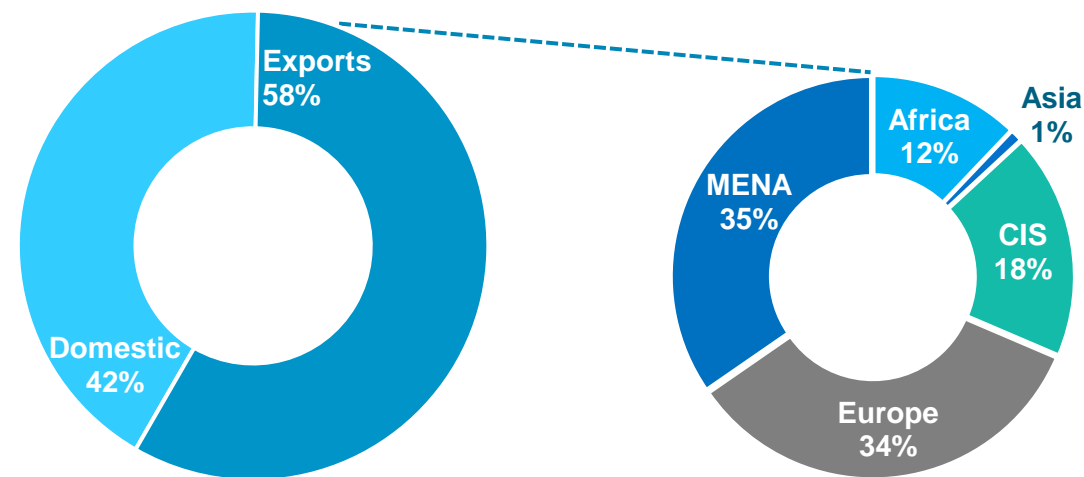
Total Sales (TLmn)*



- Exports reached 51% of total sales revenue in 2021
- >87% Sales denominated in hard currency
- Diversified customer base includes key and non- key accounts

- Sales operations to **90+** countries and **285+** customers
- **5** different geographies with different technical requirements
- Large service network
- Product portfolio of **110+** models

Sales by geography



*Excluding sales from services and parts

Sales and Operational Highlights

Domestic Sales

- Continued recovery in immediate consumption channels
- Increasing share of value-added products
- High contribution of non-key accounts vs pre-covid sales mix

Export Sales

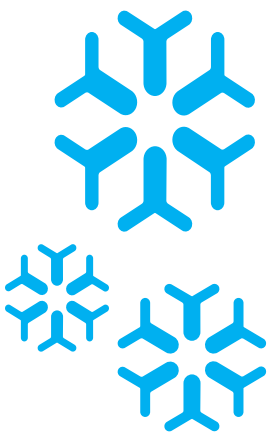
- Double-digit sales volume growth in key export markets
- 20% increase in sales volume in MENA
- 23% increase in sales volume in Europe
- Doubling sales volume in CIS



- Turkey
- Middle East
- Africa
- Europe
- CIS
- South-East Asia

Covid-19 Impact

- Early and decisive action steps minimized the Covid effect on our employees and suppliers
- Number of units produced exceeded pre-Covid levels in 2021
- Our diversified business model minimized the impact of localized and sector-specific disruptions caused by the pandemic
- Immediate consumption channels continued to be affected by the pandemic in some geographies
- Our well-invested assets, leave us well placed to make further progress as markets gradually open up
- Owing to the success of science and the availability of vaccines around the world, demand recovery is already evident





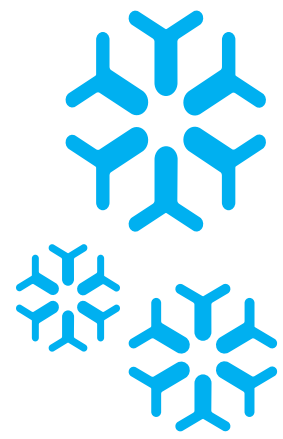
FY2021 P&L

- **Net revenue** increased by 77% to TL 1.735mn in 2021 driven by strong performance both in domestic and export markets, in addition to sales to new customers and currency conversion impact.
- **Gross margin** was 21.5% in 2021 vs. 23.1% in 2020, reflecting raw material inflation, depreciation of the Turkish Lira and higher energy costs.
- **Operating profit** increased by 95% in 2021, bringing operating margin to 12.5%.
- **Adjusted EBITDA** grew by 72%, supported by effective management of SG&A expenses
- **Net profit** was TL22mn in 2021 compared to TL49mn in 2020, mainly due to higher financial expenses and an increase in the corporate tax rate.

(TL mn)	2017	2018	2019	2020	2021	y/y change 2021/2020
Net Revenues	427	717	1.035	978	1.735	77,4%
Gross Profit	84	150	205	226	373	65,3%
Gross Margin	19,7%	20,9%	19,8%	23,1%	21,5%	
Operating Profit*	31	68	95	112	217	94,5%
Operating Margin	7,2%	9,5%	9,2%	11,4%	12,5%	
Adjusted EBITDA	42	86	124	151	261	72,4%
Adj.EBITDA Margin	9,8%	12,0%	11,9%	15,5%	15,0%	
Finance Income/Expense (net)	(68)	(54)	(42)	(65)	(301)	363,4%
Finance Income/Expense (net) Margin	-16,0%	-7,5%	-4,1%	-6,6%	-17,3%	
Net profit	15	60	113	49	22	-55,7%
Net profit margin	3,4%	8,4%	10,9%	5,0%	1,2%	

*Operating profit excludes other income/expense from operations

4Q21 Highlights



NET REVENUE

up by 143%

- Strong demand both in key markets
- Key accounts partially resume placement programs
- Foreign currency contribution

GROSS MARGIN

30.7%

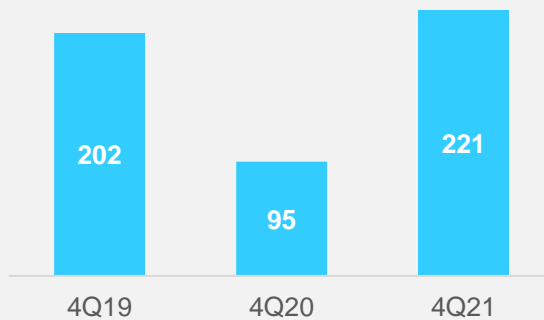
- Solid revenue growth to compensate for higher raw material costs and increasing energy prices

EBITDA MARGIN*

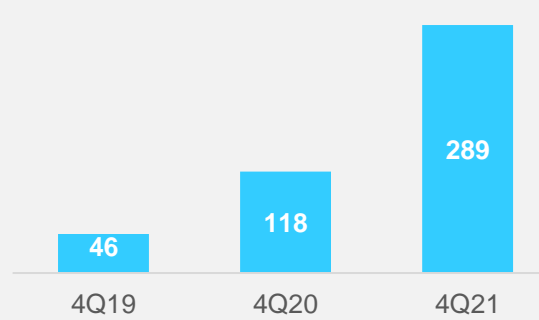
24.4%

- Lower SG&A expenses/sales
- Foreign currency gains from operations

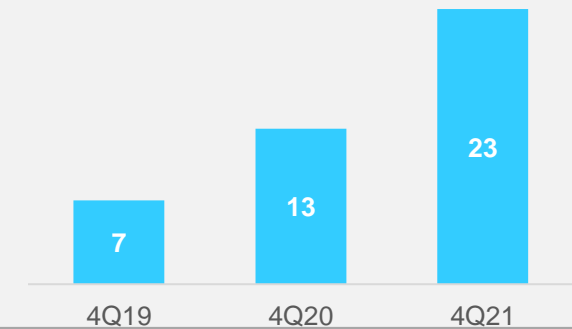
Domestic Sales (TLmn)



Exports (TL mn)



Exports (EUR mn)



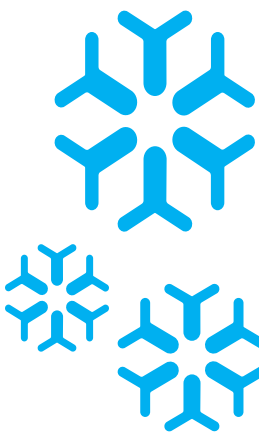
* Adjusted

4Q21 P&L

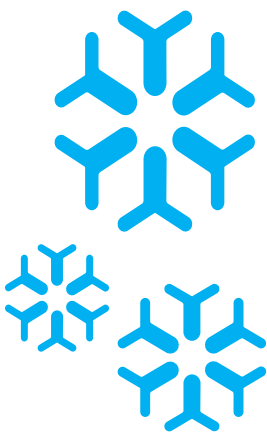
- **Net revenue** more than doubled to TL 564mn in 4Q21, boosted by the currency conversion impact and the continued recovery in the market.
- **Gross margin** increased to 30.7% as solid topline growth offset the adverse impacts of raw material inflation and higher energy costs.
- **Operating profit** margin expanded to 21.6%, benefiting from better gross profitability.
- **Adjusted EBITDA** margin expanded to 24.4% supported by effective management of SG&A expenses
- Higher financial expenses resulted in net loss of TL30mn in 4Q21 compared to TL42 mn net profit in 4Q20.
- Higher financial expense related to TRY depreciation resulted in a net loss.

(TL mn)	4Q20	4Q21	y/y change
Net Revenues	232	564	142,9%
Gross Profit	55	173	215,6%
Gross Margin	23,6%	30,7%	
Operating Profit*	26	122	361,7%
Operating Margin	11,3%	21,6%	
Adjusted EBITDA	35	137	293,7%
Adj.EBITDA Margin	15,0%	24,4%	
Finance Income/Expense (net)	(6)	(197)	3338,2%
Finance Income/Expense (net) Margin	-2,5%	-35,0%	
Net profit	42	(30)	-171,1%
Net profit margin	18,2%	-5,4%	

*Operating profit excludes other income/expense from operations

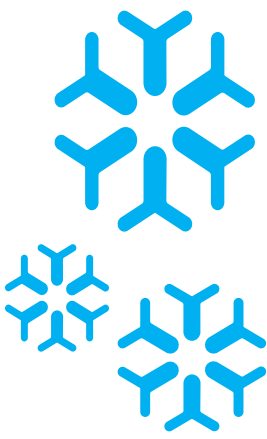


Balance Sheet



(TL mn)	YE2017	YE2018	YE2019	YE2020	YE2021
Cash and cash equivalents	303	439	351	467	924
Trade Receivables	76	163	263	233	711
Inventories	103	124	116	187	393
Fixed Assets	85	118	182	192	468
Other	78	37	284	401	724
Total Assets	645	881	1.196	1.480	3.220
Short-term Financial Loans	79	184	269	315	1.079
Trade Payables	136	165	203	223	552
Long-term Financial Loans	265	284	351	534	833
Other	18	38	54	66	147
Equity	147	210	319	342	609
Total Liabilities & Shareholders' Equity	645	881	1.196	1.480	3.220

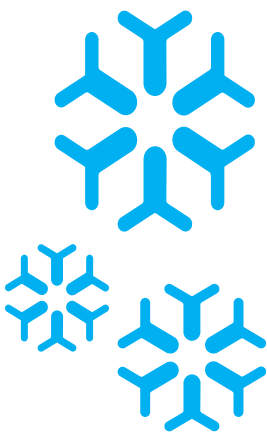
Liquidity&Debt



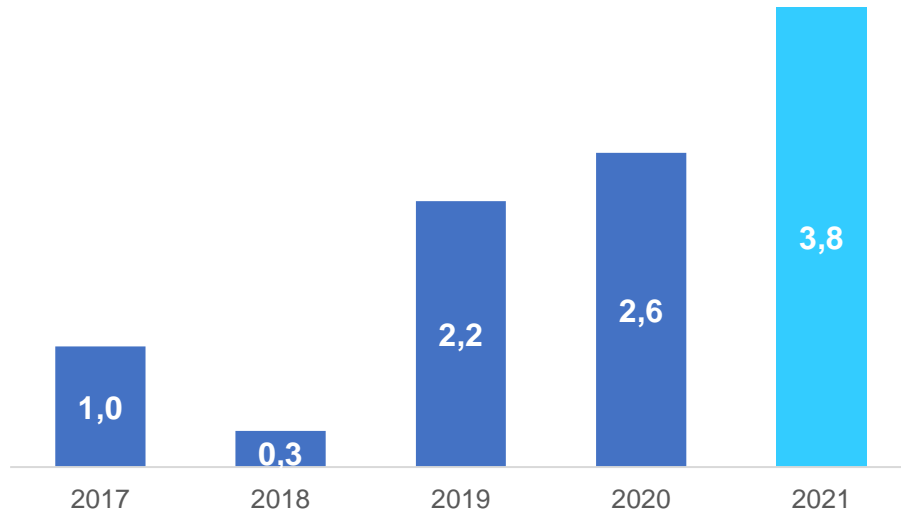
Liquidity Indicators

(TL mn)	FY20	FY21	YoY% Change
Cash and equivalents	244	579	138%
Financial Investments	224	345	54%
Short term debt (ST)	315	1.079	243%
Long term debt (LT)	534	833	56%
Euro denominated debt	819	1.891	131%
TRY denominated debt	20	-	n.m.
Gross debt	849	1.912	125%
Net cash / (Net debt)	(382)	(988)	n.m.
Shareholders' equity	342	609	78%
Net debt/Equity	1.1	1.6	

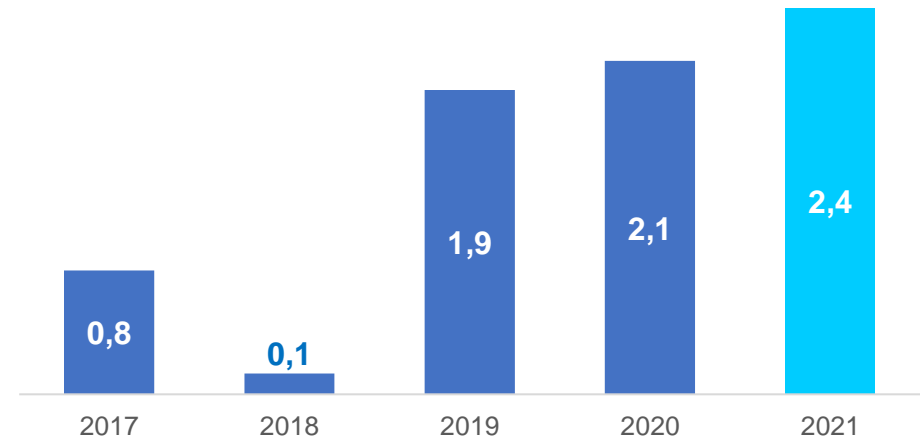
Liquidity&Debt

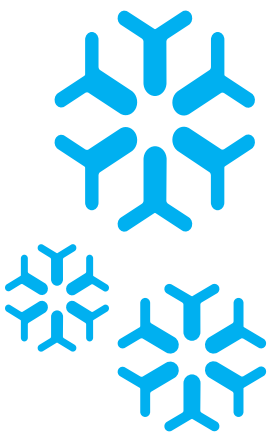


Net Debt/EBITDA (TL mn)



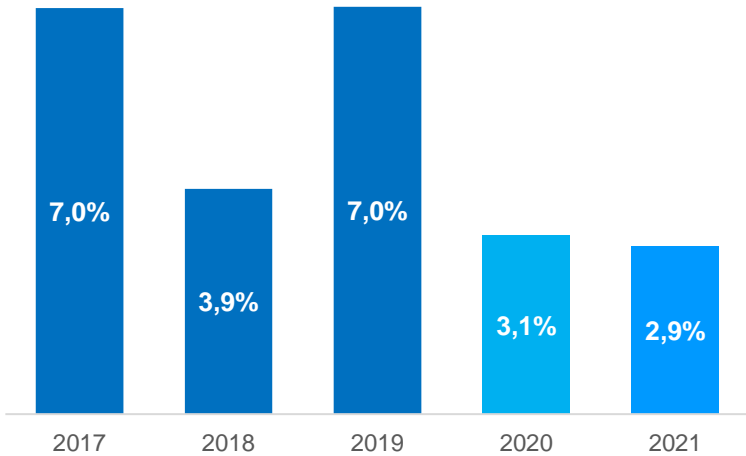
Net Debt/EBITDA (EUR mn)



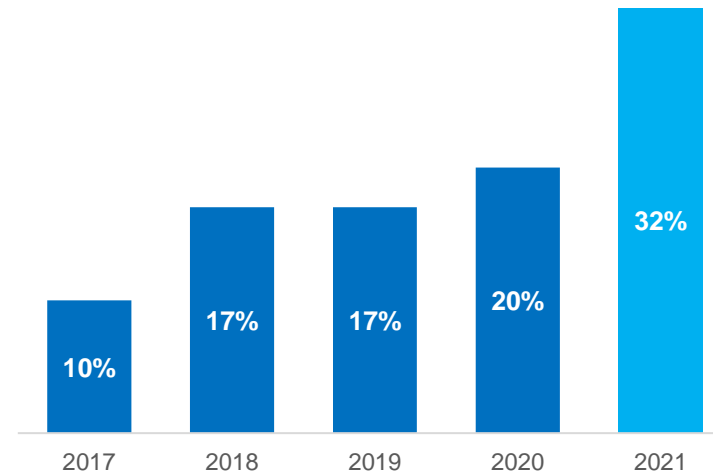


Free cash flow generation

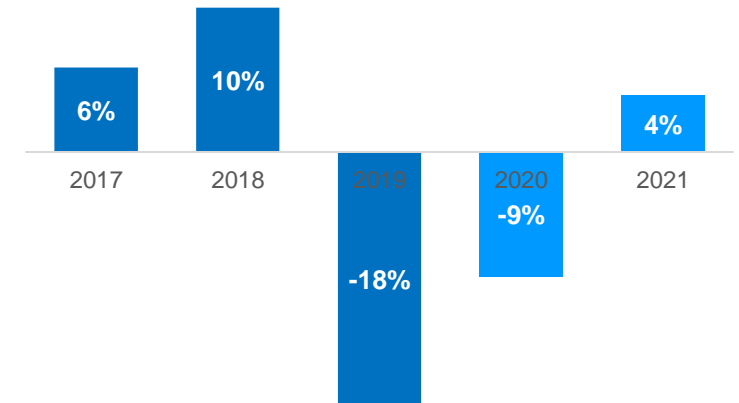
CapEx/Sales



Net Working Capital/Sales *



Free Cash Flow/Sales



* Although payment terms to suppliers and customers and the average stock level of the company have not been changed significantly, net working capital demand has increased by increasing raw material prices (commodity super-cycle) and the temporary effect of devaluation.

Sustainability agenda

- Energy consumption reduction of 50% by 2030 (vs. 2020)
- Life extend program - Refurbishing products to extend the useful life and upgrade to more efficient components at our new refurbishment facility in Manisa
- Recyclability of parts/components and offering Green Disposal services
- Reducing the carbon footprint of Manisa plant
- Obtained the International Renewable Energy Certificate (I-REC) by procuring the entire electricity consumption of 2020 from renewable energy sources
- The first company in the commercial cooler sector to receive 50001 Energy Management System Certificate



SDG 13: Climate Action

Klimasan aims to minimize the negative effects of its activities on the environment. Innovation efforts are carried out to produce products that work with the highest energy efficiency.



Supporting the UN Global Compact

By signing the Global Compact in 2019, Klimasan shared its commitment to the environment, human rights, and ethical trade and its commitments in all its processes with all its stakeholders.



Setting science-based targets

By setting and implementing science-based targets, we specifically aim to reduce our Scope 3 GHG emissions



Strategic Position

Growth Supported by Megatrends

Global beer, soft drink and ice-cream consumption presents attractive growth in both emerging and developed markets



Strong Customer Base

Established partnerships with the largest soft drink, beer and ice-cream companies worldwide, providing a sustainable and growing sales platform



Footprint

Turkey represents a large domestic market and a competitive manufacturing hub



Innovative Products & Services

- Product innovation retains customers and creates barriers to entry/switch.
- Increased penetration of services provide recurring, higher margin revenues



Positive Operational Performance

The team is delivering a consistent positive trend in operational performance



Thank you!

For more information:

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www.klimasan.com.tr

Elif Turak

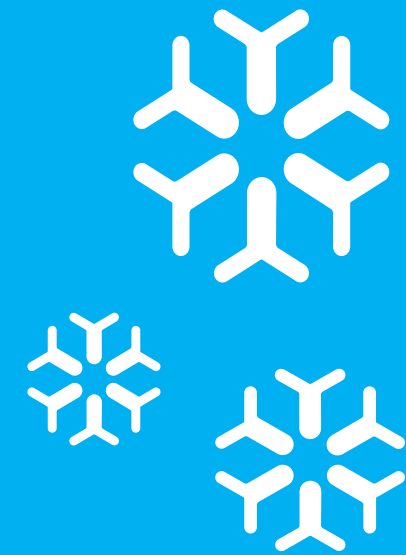
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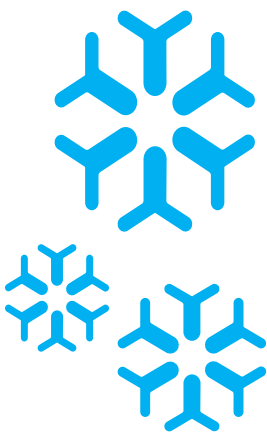




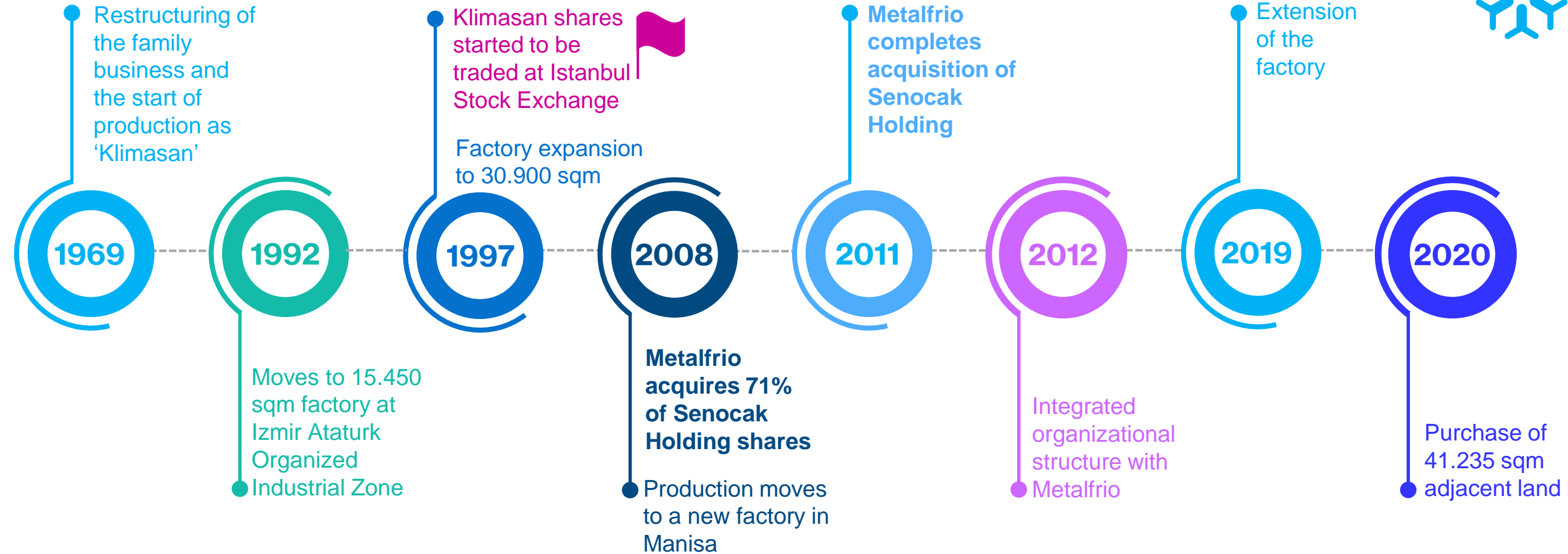
Back-up Slides



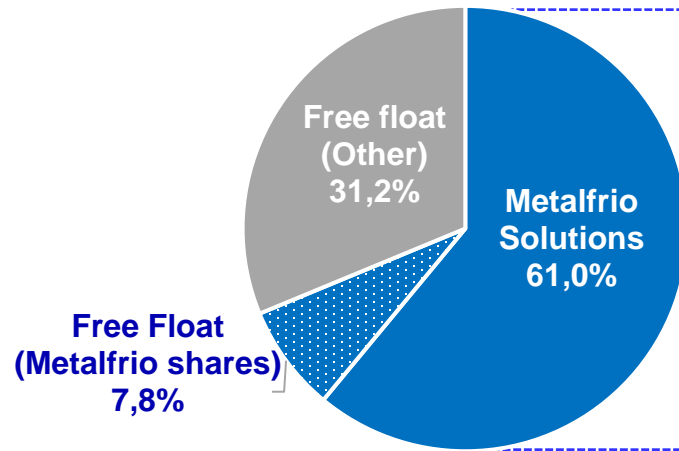
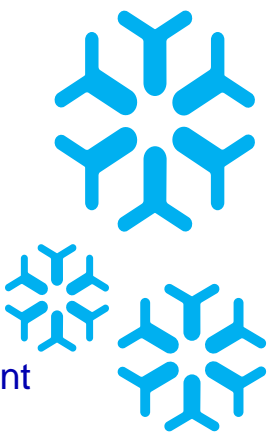
Klimasan at a glance - Milestones



Corporate history dates back to 1915 when the Senocak family business was founded...

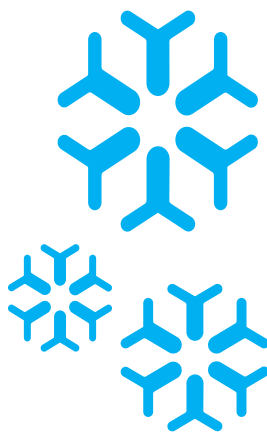


Klimasan at a glance – Shareholder Structure



- Brazilian multinational
- One of the world's largest manufacturers of plug-in commercial refrigeration equipment
- Product portfolio of 350 different models of commercial refrigerators
- Direct distributors and commercial representatives in 74 countries on 5 continents
- 5 industrial facilities, Brazil (2), Turkey, Russia and Mexico
- 1 distribution center in the United States



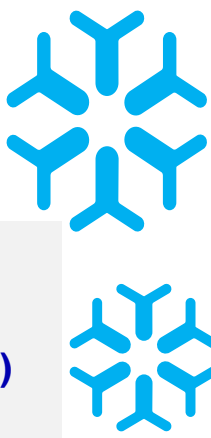


Klimasan at a glance - Clients

2019-2021 Blue-chip client's ratio in total is 45%

	<ul style="list-style-type: none"> Integral part of trade/marketing strategy Coolers/Freezers are the brand presence at POS 	<p>POS</p>	<ul style="list-style-type: none"> Full range of products addressing brand priorities, consumer occasions/ multi-channels and geographies
	<ul style="list-style-type: none"> Boost consumer experience and drive consumption Brand differentiation is key 	<p>INNOVATION</p>	<ul style="list-style-type: none"> Innovative merchandising/aesthetics, cooler performance & consumer interaction Joint new product development
	<ul style="list-style-type: none"> High quality service level, with cold availability Focus on core business 	<p>SERVICES</p>	<ul style="list-style-type: none"> Fleet management/servicing Full outsourcing: Logistics, refurbishment, rental.
	<ul style="list-style-type: none"> Correct placement with data on consumer interaction Real time data on equipment 	<p>IoT @POS</p>	<ul style="list-style-type: none"> Modular connectivity solutions for new coolers and installed fleet. Transforming data into insights and actions: assets 365
	<ul style="list-style-type: none"> Reduce carbon footprint and energy consumption 	<p>SUSTAINABILITY</p>	<ul style="list-style-type: none"> Assist customers in designing sustainable cooler standards Joint engineering for new technologies

Klimasan at a glance



2 production plants, 1800 employees

800,000+ units of annual production capacity

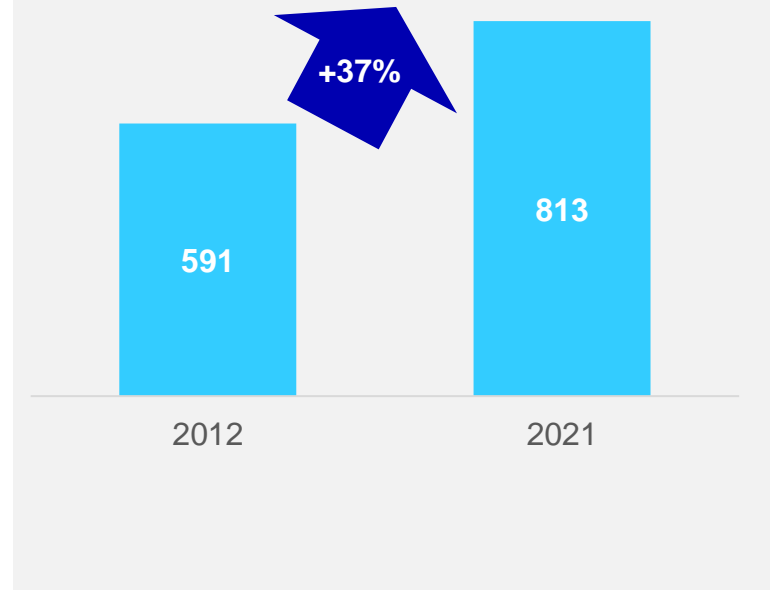
Footprint in 90+ countries,
market leader in Turkey

1600+ customers and 3 mn+ units of production
in the last 10 years

Approved R&D Center in Turkey,
7 Patents & 6 Industrial Designs in 2021

EUR 25 mn CapEx in the last 5 years

Production Capacity (1000 units/year)



Products with the highest level of safety, performance and energy efficiency



Klimasan at a glance - Innovation

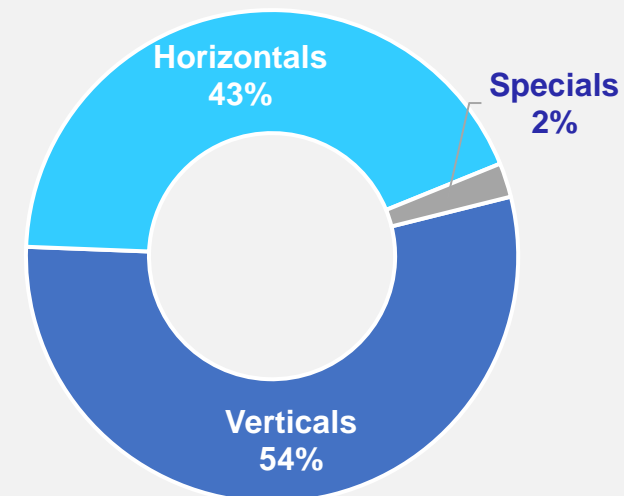
Innovation & Customization



Customer Diversification & New Channels



Sales by product category



- Approved R&D Center in Turkey
- 7 Patents in 2021
- 6 Industrial Designs in 2021