



Bien Yapı

May 2023

bien



Overview

Investment Highlights

Financials

Overview

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Main Product Groups

86% Product Groups of Tile

Wall Tiles

Technical Granite

Floor Tiles

Porcelains and Glazed Porcelains



7% Ceramic Sanitary Wares

Sinks

Toilet Bowls

Bathroom Accessories

Bidet, Urinal and Stones



Sanitary ware

Faucets

Concealed Cisterns



Bien Banyo¹

Widespread Sales Network

106 branches

+3.500

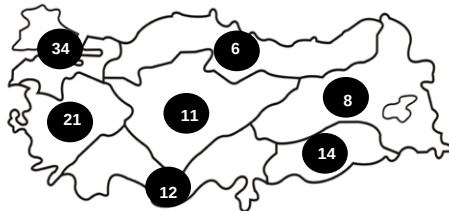
sub-dealer
sale point



+95

export
market
countries

Branches Amounts According to Regions



%21 export share
in the total sales

Main export countries and
respective shares in export

17% Germany
15% Israel
6% England
5% Romania
3% Holland

Summary of Financials (22')

5,274

mIn TL
Net sales

116% CAGR, 20'-22'



1,209

mIn TL
EBITDA²

124% CAGR, 20'-22'



874

mIn TL
Net profit

16.6% Net profit margin



1.12x

Net debt/
EBITDA

22.9% EBITDA² margin



Strategically Located Production Facilities

1 Bilecik Facility

Production Capacity:
51,1 mln m²

The capacity upgrade in
the 2. Organize Facility
has been completed.

2 Bozüyük Facility

The capacity
utilization rate: 84%

The construction of the
Çine Facility continues.

3 2.Organize Facility

Geographical proximity to
raw material resources

An additional 102.3 mln
m² capacity with the
completion of the Çine
Facility investment

4 Çine Facility

¹ 100% subsidiary of the company

² Except other income and costs other than operating activities

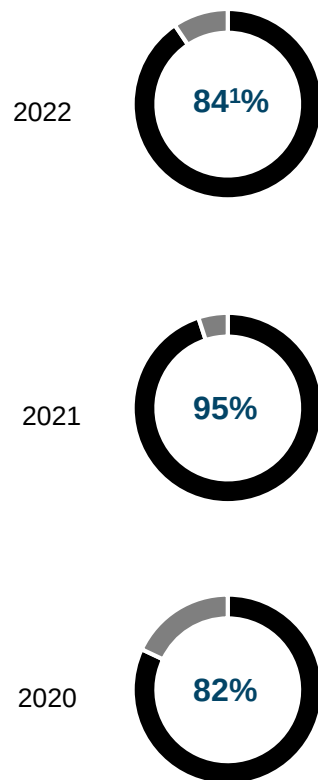


Total # of Employees: 2.424

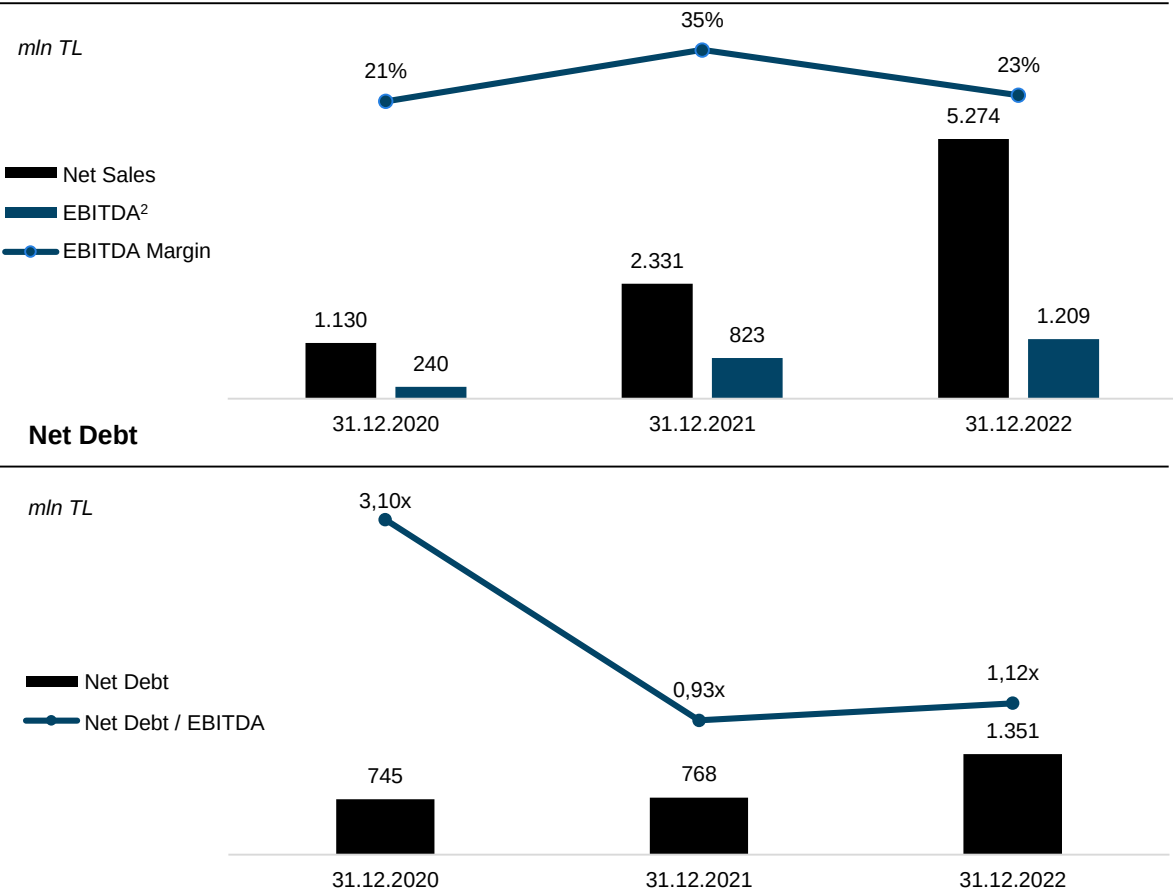


The sole shareholder of the company is Nurullah Ercan.

Capacity Utilization Rate(%)



Summary of Key Financials



¹ There were limitations of gas for heavy natural gas consumers in 2022 for a 10-day period in which no production could be made. Excluding the relevant period, the 9-month capacity utilization in 2022 is calculated as 84%.

² Other Operating Income and Expenses are excluded

Çine New Factory Investment

1



- Company planned to use funds from IPO to complete the investment in new factory in Aydın/Çine.

45-55%



- It is planned to produce glazed granite and technical granite in the dimensions of 300x600, 600x600, 500x500, 600x1200 and 1600x3200 in new ceramic production facility, which will be established on a total area of **609,704 m²** in 2 different sites.



- The facility is planned to be commissioned in 3 stages, in **2023, 2024** and **2025**. The total annual production capacity of the facility is targeted to be **102,300,000 m²** by 2025.

Stage 1

35.0 mln m²
capacity increase

Stage 2

32.3 mln m²
capacity increase

Stage 3

35.0 mln m²
capacity increase

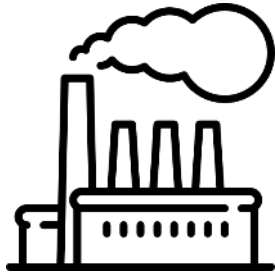
Financing of Working Capital

2



- Company planned to strengthen the working capital due to increasing production and sales volume which is planned to increase with the investment of Çine facility.

45-55%



Facilities

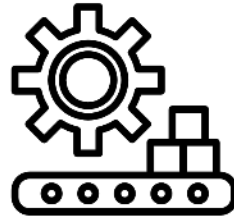
Geographical proximity to raw material resources

With present **3** facilities,
51.1 mln m² capacity

Capacity of ongoing investment of Çine Facility
102.3 mln m²

Total capacity will be reached
153.4 mln m²

Production

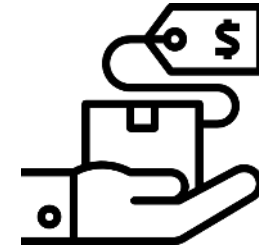


Product Groups of Tile

- Floor Tiles
- Wall Tiles
- Technical Granite
- Porcelains and Glazed Porcelains

Increase in the share of value-added products

Sales



75% domestic, **25%** overseas sales

In Turkey

- **106** branches
- more than **3,500** sub-dealer sale point

Abroad

- Export to more than **95** countries

Business Model of Tile

Facilities

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Bilecik Facility



Wall Tile

10.1
mln m²/year

Production
Capacity

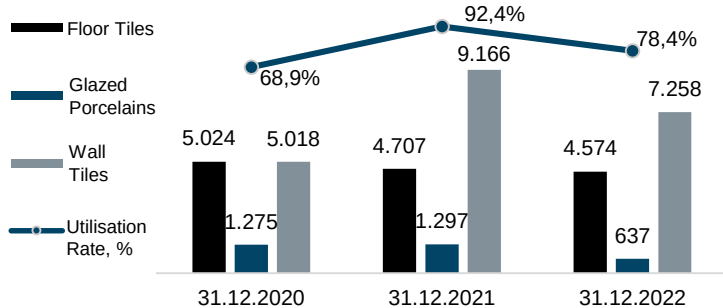


Floor Tile &
Glazed Porcelain

6.3
mln m²/year

Production
Capacity

Production (thsnd m²) & Utility rate



810
Employee



62 thsnd m²
Indoor Area



130 thsnd m²
Outdoor Area

Bozüyük Facility



Glazed Porcelain

18.5
mln m²/year

Production
Capacity



716
Employee

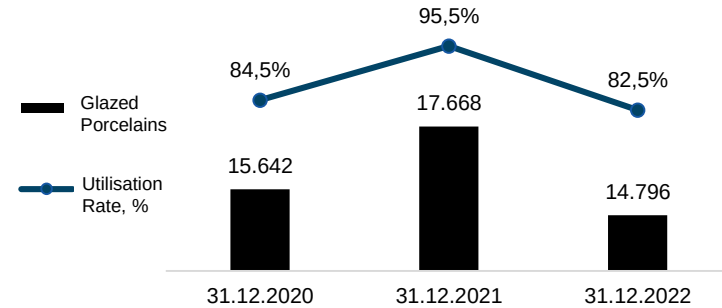


110 thsnd m²
Indoor Area



305 thsnd m²
Outdoor Area

Production (thsnd m²) & Utility rate



2. Organize Facility



Wall Tile

16,2
mln m²/year

Production
Capacity



380
Employee

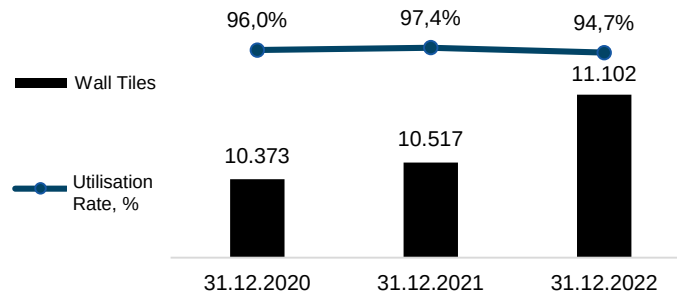


32 thsnd m²
Indoor Area



28 thsnd m²
Outdoor Area

Production (thsnd m²) & Utility rate



Çine Facility



Glazed Porcelain

102.3
mln m²/year

Production
Capacity*



5,2 bln TL
Worth of
Investment



2023 4Q
Operational
Date

* After 2025

Business Model of Tile

Sales

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79% Domestic

21% Overseas

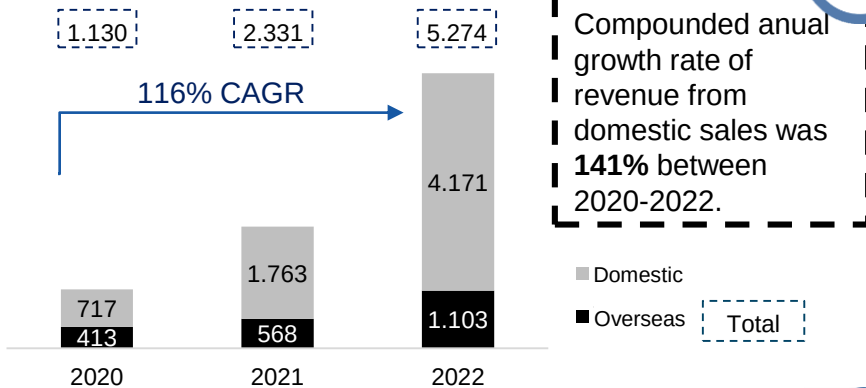
106 Branches

+3.500 Sub-dealer
sale point

+95 Export market
countries

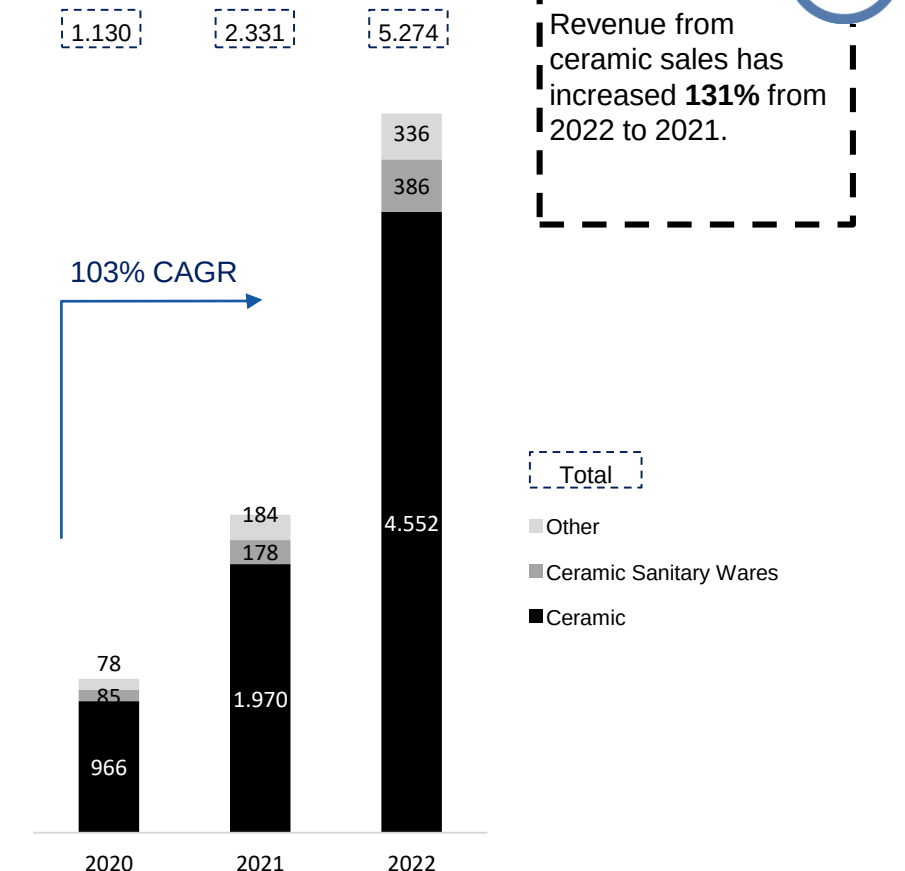
Revenue Accounting to Location

mln TL



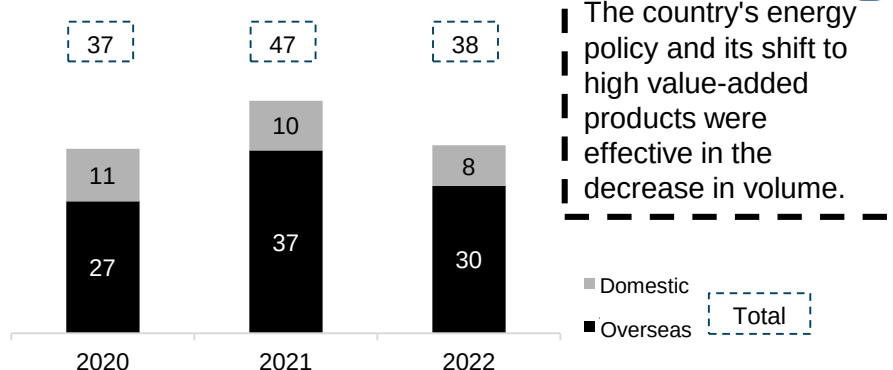
Revenue Accounting to Products

mln TL



Sales Amount of Ceramic

mln m²



Overview

Bien Banyo, a 100% subsidiary of the company, was established in Bozüyük in 2017 with Bien Yapı capital to manufacture sanitary ware, fixtures and concealed cisterns.

Products

Ceramic Sanitary Wares

Sinks



Toilet Bowls



Bathroom Accessories



Bidet, Urinal and Stones



Production



Sanitary Ware



Faucets

650 Production Capacity
thsnd/year



Bozüyük Facility

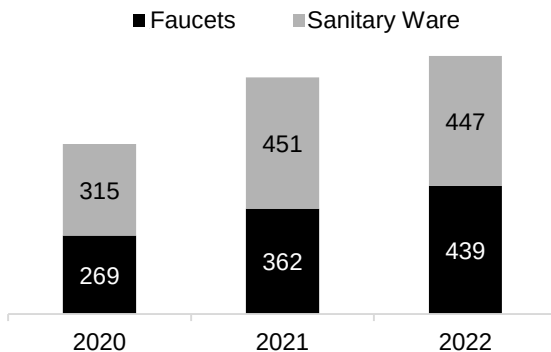
269 Production Capacity
thsnd/year



2. Organize Facility

Sales

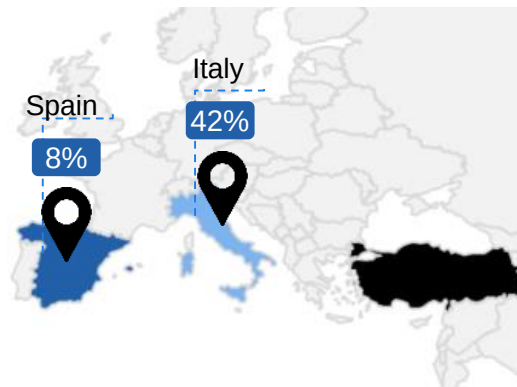
Total Volume of Faucets & Sanitary Ware Sales
thsnd pieces



Total sold pieces grew by **21%** from 2021 to 2022. On the other hand, Sanitary ware grew by **113%** compounded annually in 2020-2022.

92 Branches

+44 Export market countries



93% of faucets sales and **82%** of sanitary ware sales are made domestically.

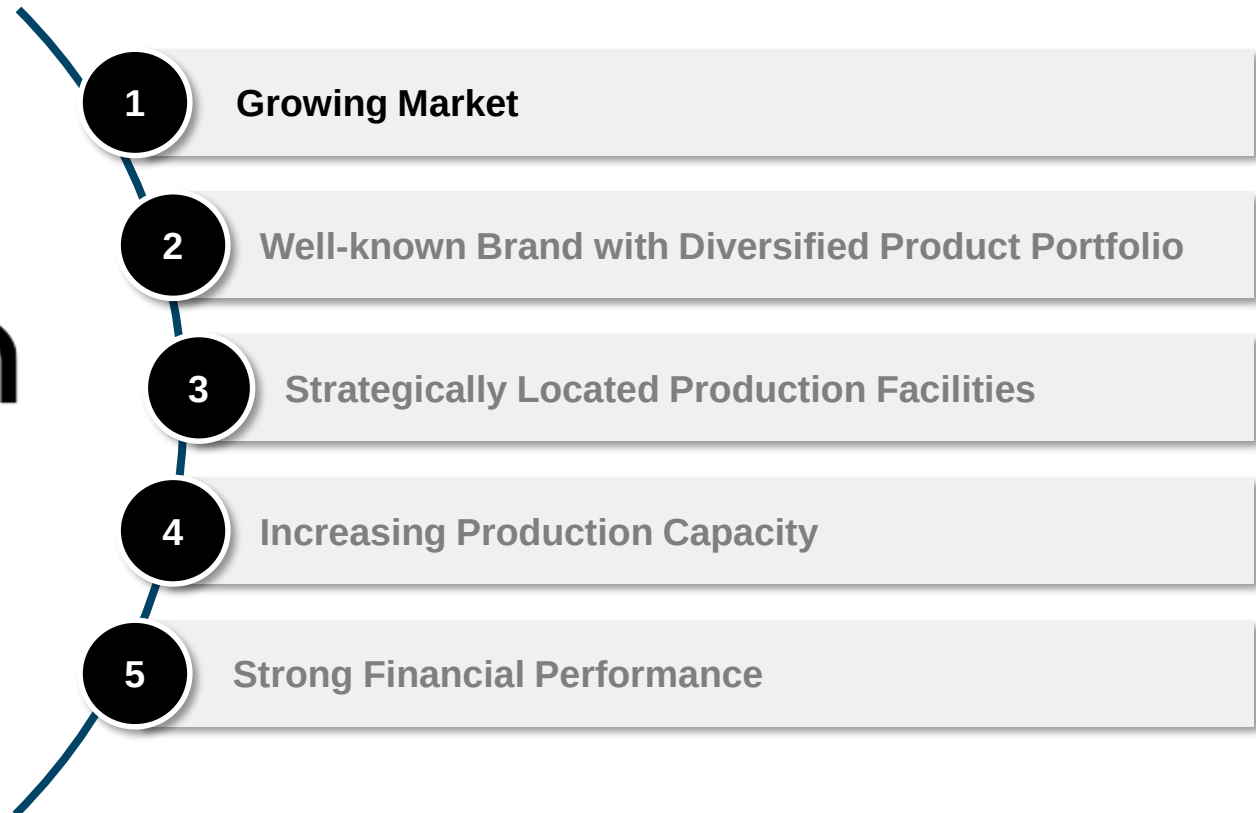


Overview

Investment Highlights

Financials

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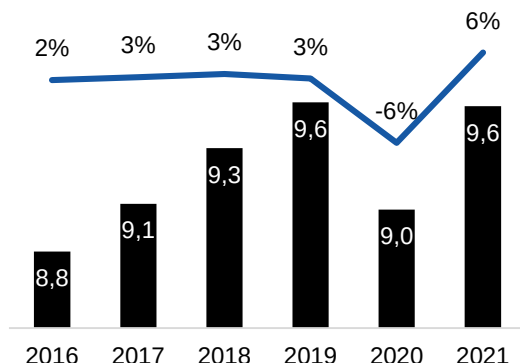
Growing Market

Building Materials Industry in the World

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Constuction Expenditures in the World & Its Growth

■ Constuction Expenditures in the World (bln USD)
 — Growth in Constuction Expenditures in the World (%)

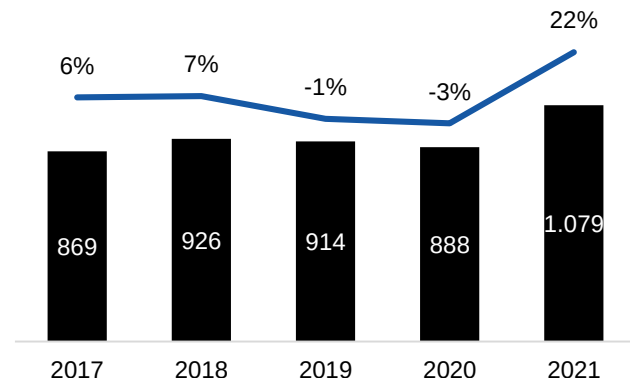


The 5.8% contraction effect of the epidemic in 2020 is compensated with a **6%** growth in 2021.

Constuction Materials Export in the World & Its Growth

■ Constuction Materials Export in the World (bln USD)
 — Growth in Constuction Materials Export in the World (%)

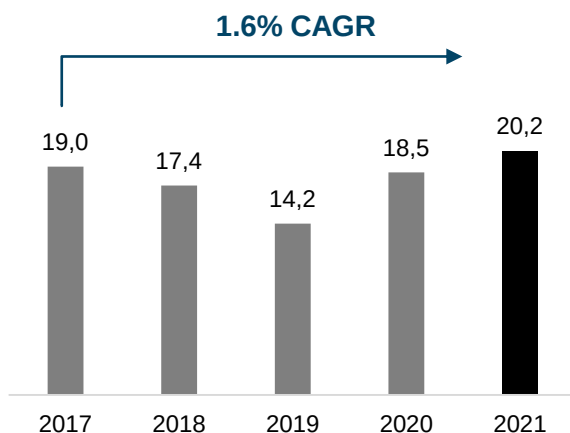
The exports, contracted by 2.8% in 2020 with the effect of the epidemic, exceeded USD **1 trillion** for the first time in 2021 with the rapid recovery and growth in the construction sector.



Ceramic Exports in the World

Total Ceramic Tile Export

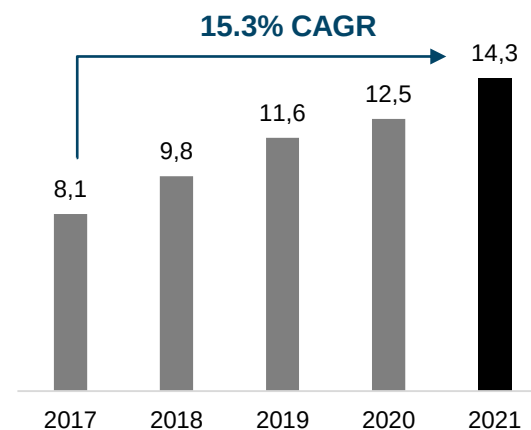
bln USD



By 2021,
 in the ceramic tile
 export, Turkey
 • Ranked **5th** in
 the World
 • With an export
 of USD **965**
million

Total Sanitary Ware Exports

bln USD



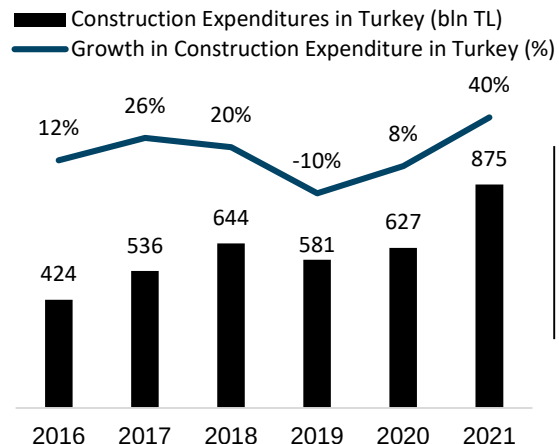
By 2021,
 in the sanitary ware
 export, Turkey
 • Ranked **4th** in
 the world
 • With an export
 of USD **3.4**
billion

Growing Market

Building Materials Industry in Turkey

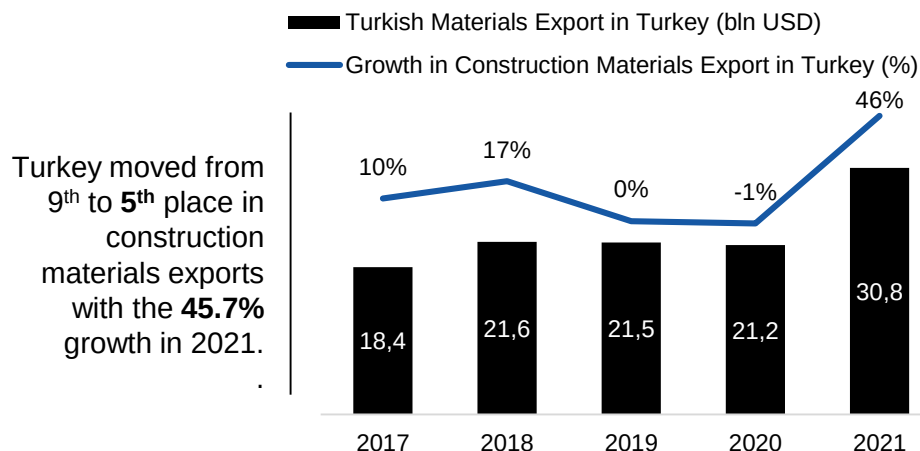
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Constuction Expenditures in Turkey & Its Growth



While the world grew by 6% in 2021, Turkey grew by **40%**.

Constuction Materials Export in Turkey & Its Growth

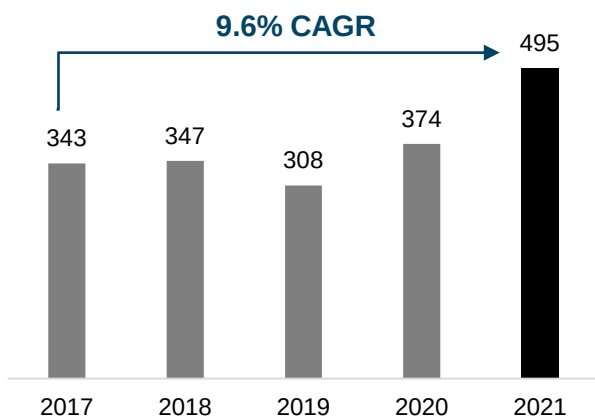


Turkey moved from 9th to 5th place in construction materials exports with the **45.7%** growth in 2021.

Ceramic Production in Turkey

Total Ceramic Tile Production

mln m²

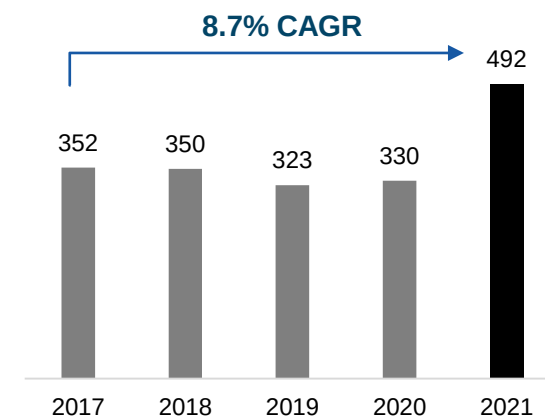


Turkey is the

- 3rd biggest in Europe
- 9th biggest in the world ceramic tile producer.

Total Sanitary Ware Production

thsnd ton

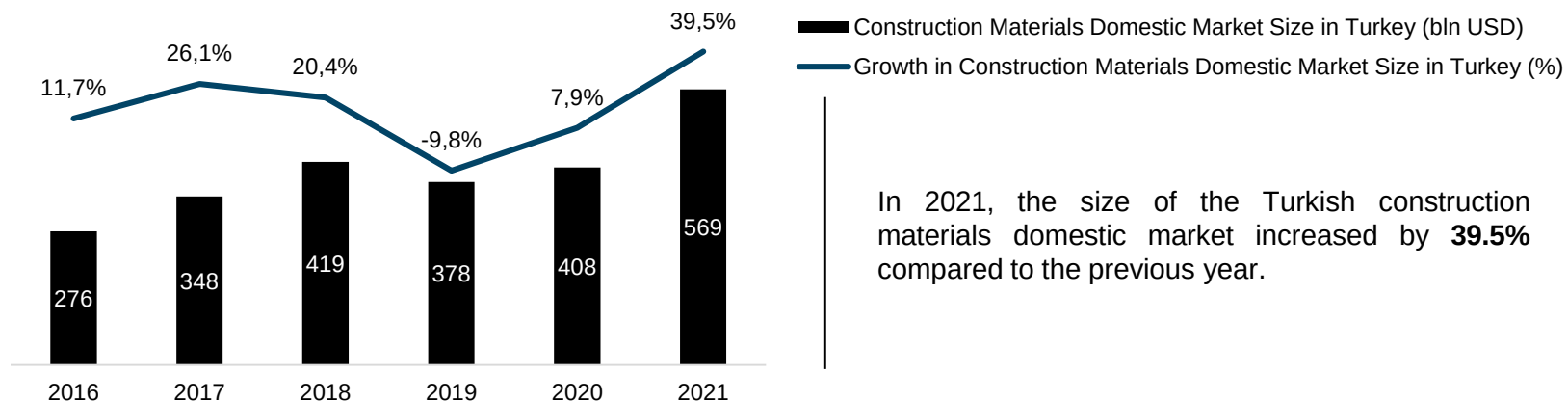


In 2021, the production of ceramic sanitary ware increased by **49.1%** compared to the previous year.

Growing Market

Building Materials Industry in Turkey

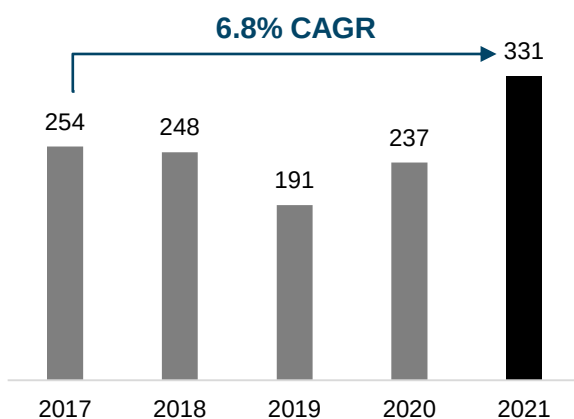
Construction Materials Domestic Market Size



Ceramic Consumption in Turkey

Total Ceramic Tile Consumption

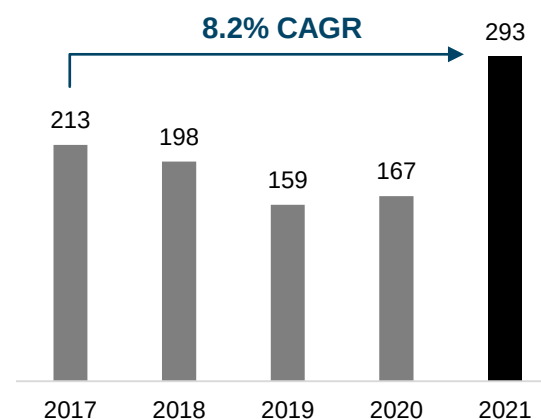
mln m²



In 2021, the consumption of ceramic sanitary ware increased by **39.9%** compared to the previous year..

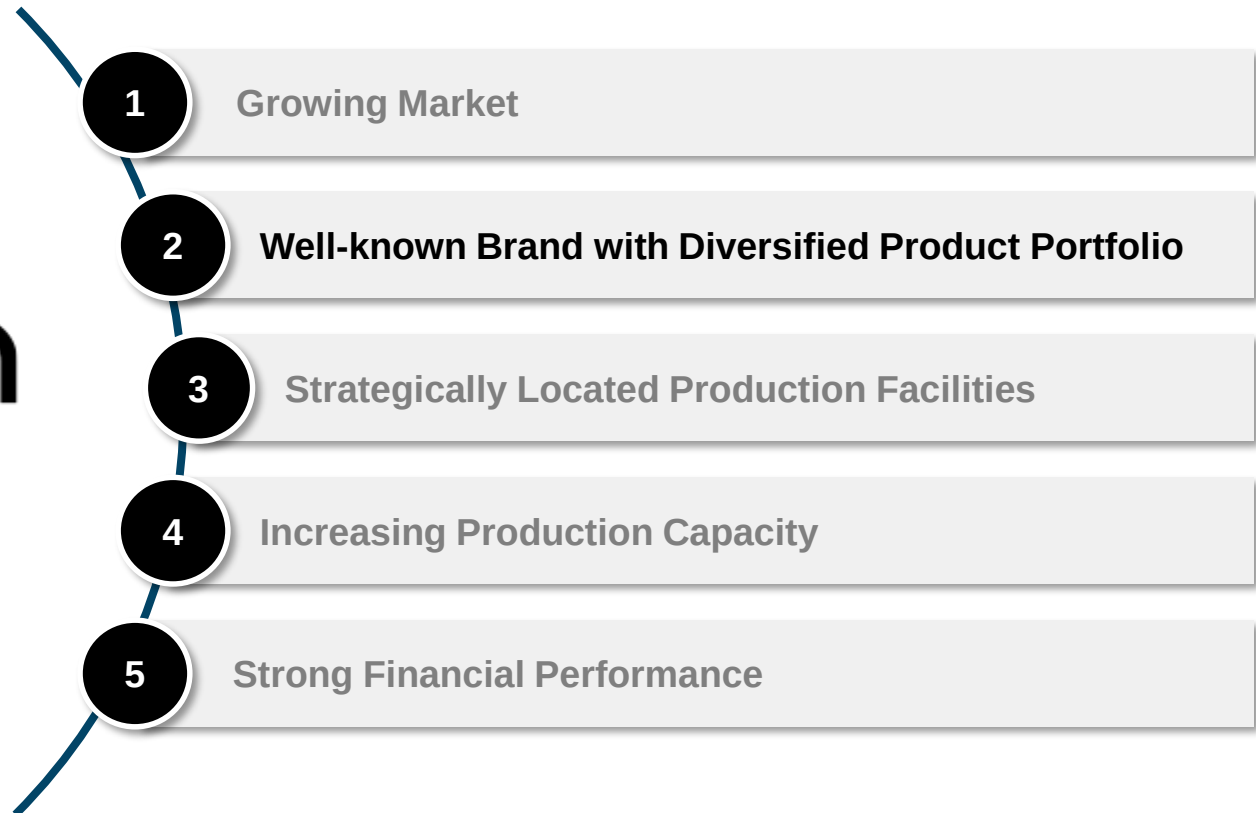
Total Sanitary Ware Consumption

thsnd ton



In 2021, the consumption of ceramic sanitary ware increased by **75.4%** compared to the previous year.

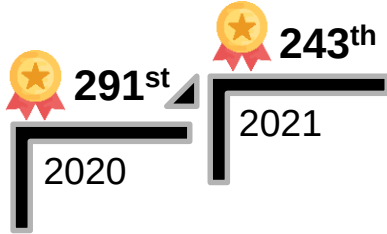
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Strong Brand with Diversified Product Portfolio

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Proven Success With Varied Trademarks

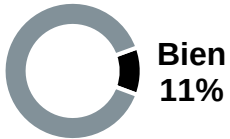


It was ranked **243rd** among Turkey's largest industrial organizations in the ISO 500 list in 2021.

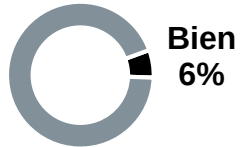


46 registered trademark

The Share of Bien Yapı in the Ceramic Tiles Industry



As of the end of 2021, the share of Bien Yapı in Turkey's domestic consumption is **11.2%**.



As of the end of 2021, the share of Bien Yapı in Turkey's export consumption is **6.1%**.

Diversified Product Portfolio

Thanks to its wide product portfolio with different sizes, all product needs in the ceramic coating and ceramic sanitary ware market are met.

● — Wall Tiles

● — Floor Tiles

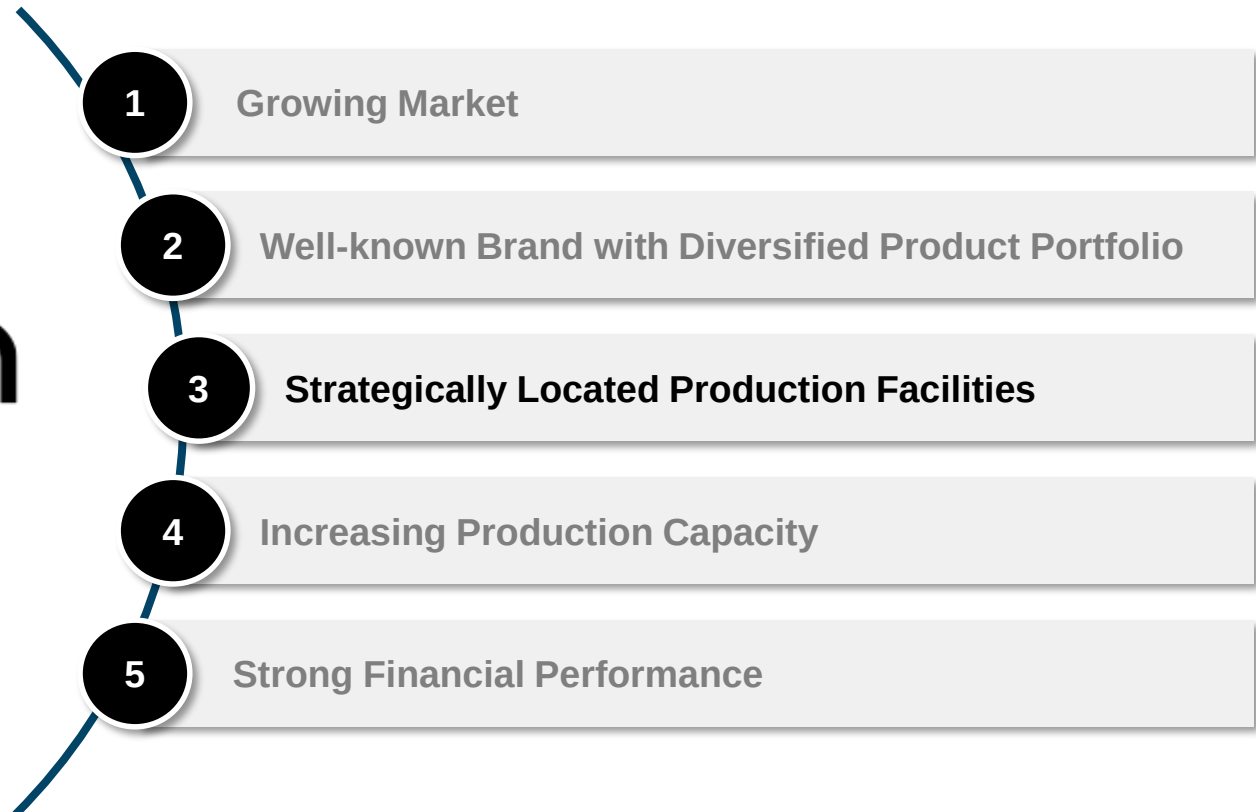
● — Glazed Porcelains

● — Technical Granite

● — Ceramic Sanitary Wares



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Strategically Located Facilities

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● Marble ● Quartz ● Clay ● Feldspar



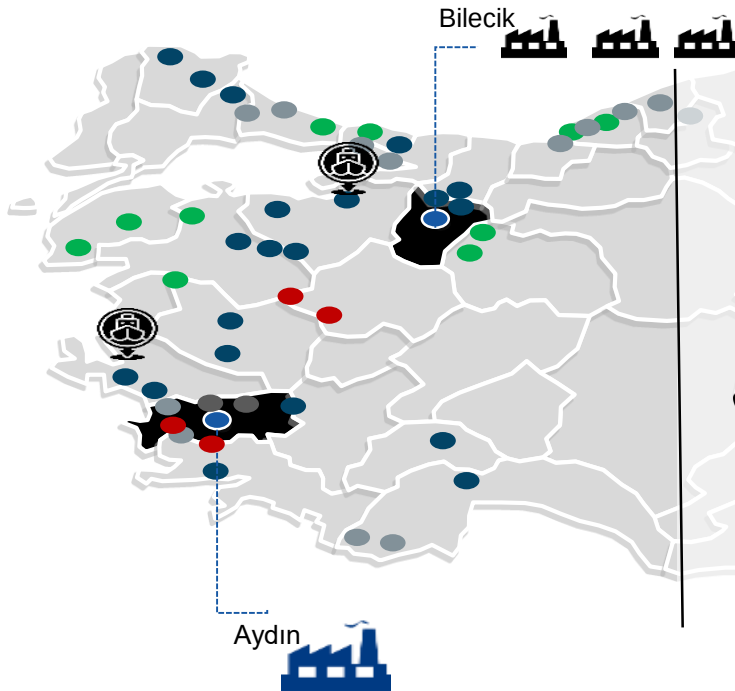
Port



Production Facility



Production facility with ongoing investment



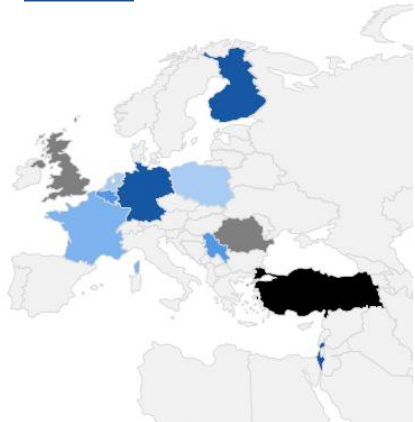
- Turkey has valuable ceramic raw material resources.
- There are clay mines suitable for ceramic production in Şile and Bilecik Bozüyük-Söğüt regions, and feldspar mines in Aydın's Çine district.
- The company has a significant advantage as its factories are located in the provinces of Bilecik and Aydın, where raw material sources are located.



- The proximity of the facilities in Bilecik and Bozüyük to the Gemlik Port provides an advantage for all export markets, especially Europe.
- The proximity of the facility being established in Çine to İzmir Port will also provide a significant logistic advantage.



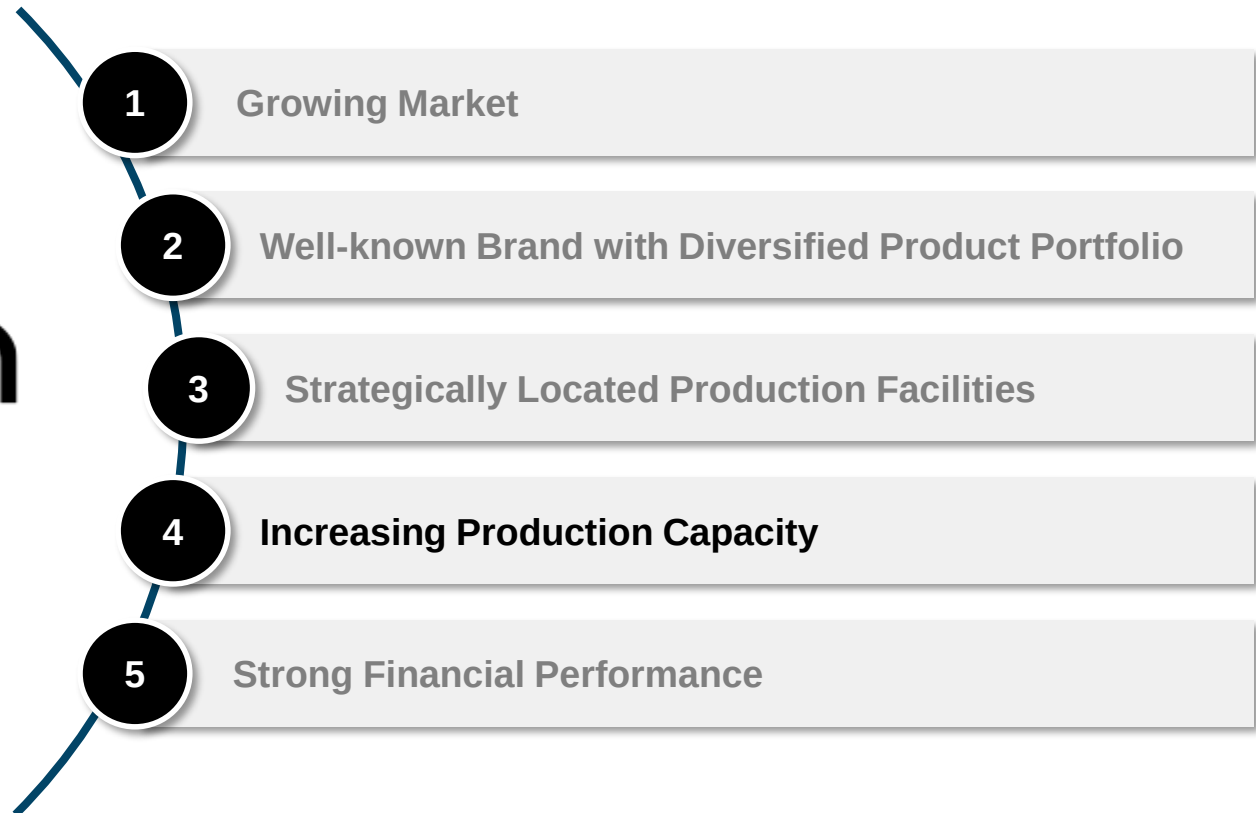
- Transshipment in sales have been facilitated and product tracking has been made effective since Company's sales network is close to active markets such as Istanbul, where it has 20 branches,



95+
Export
Market
Countries

- Company realized a significant part of its exports to Germany, Israel, England, Romania, Serbia, Netherlands, Belgium, Finland, France and Poland in 2022. The share of these countries in total exports was 59%.

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Increasing Production Capacity

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Çine Facility

Targeted Capacity: 102.3 milyon m²

- Total area of **609,704 m²** in 2 different sites
- Indoor Area: **318,280 m²**
- Focus: **Glazed granite** and **technical granite**
- Projected CAPEX: **266.4 mln Euro**

Incentive Certificate dated 11.10.2021 provides:

- Investment Incentive: 25%
- Tax Privileges: 60%

Economies of Scale with Çine Facility



Largest production capacity under one roof in Turkey



Energy Efficiency



Proximity to Raw Material



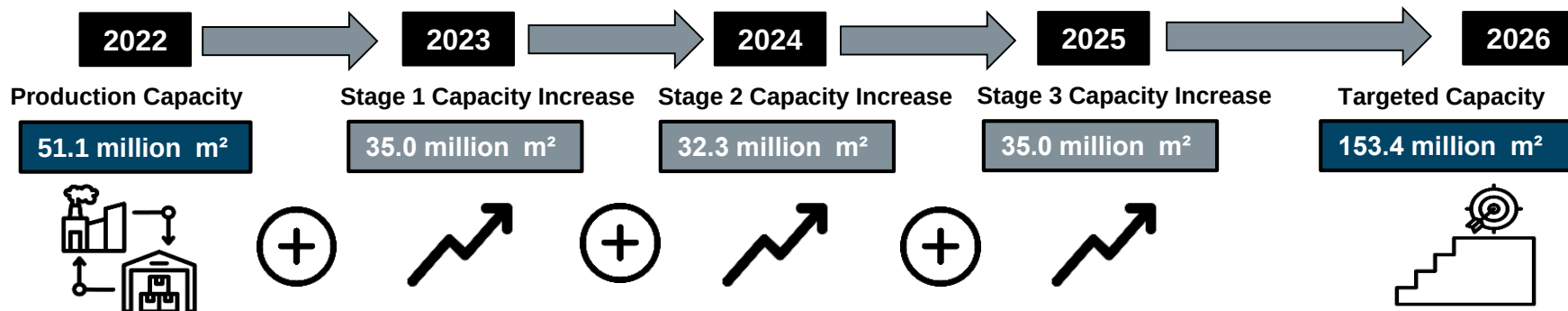
Main goal: 40% export



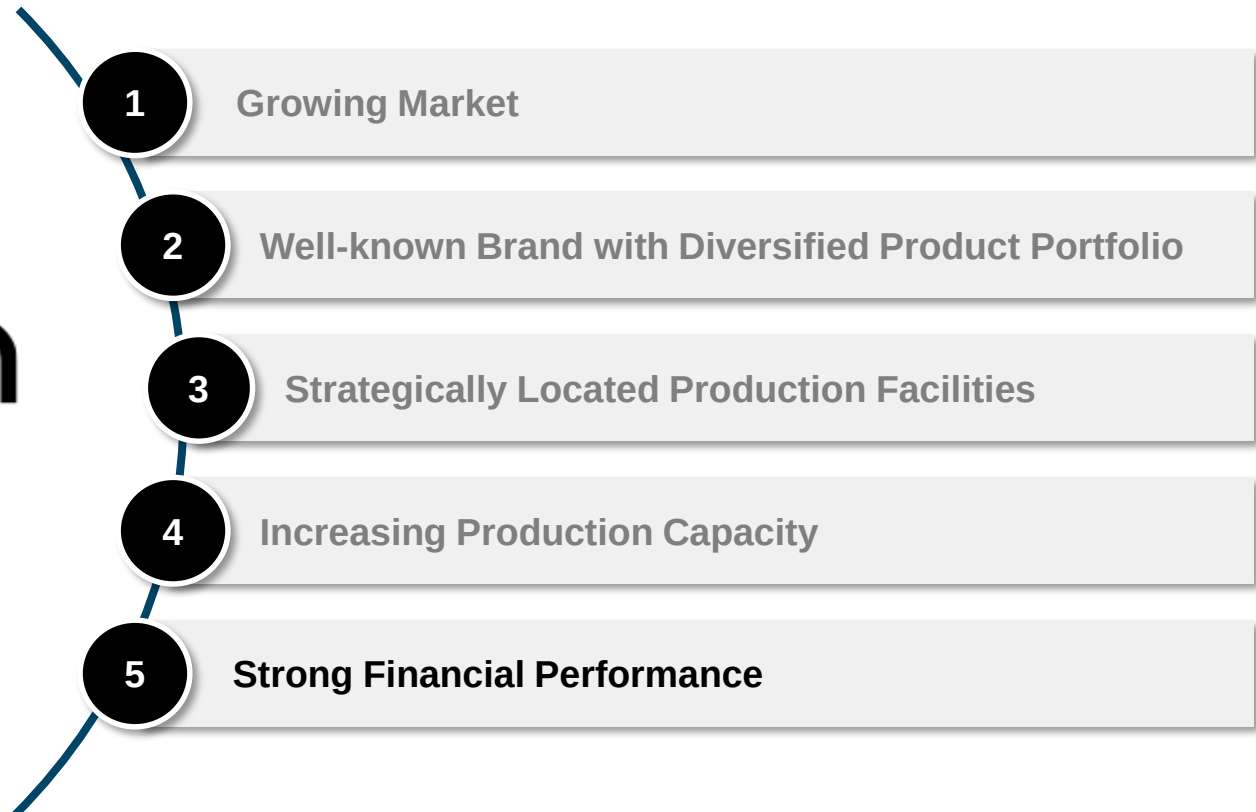
Competitive advantage with economies of scale



Proximity to Ports



bien

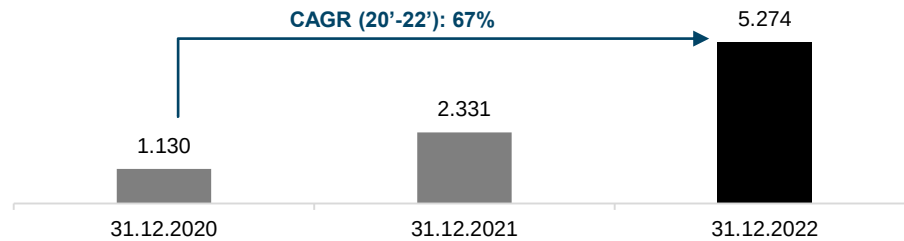


Strong Financial Performance

Increasing Profitability with Economies of Scale and Use of Technology

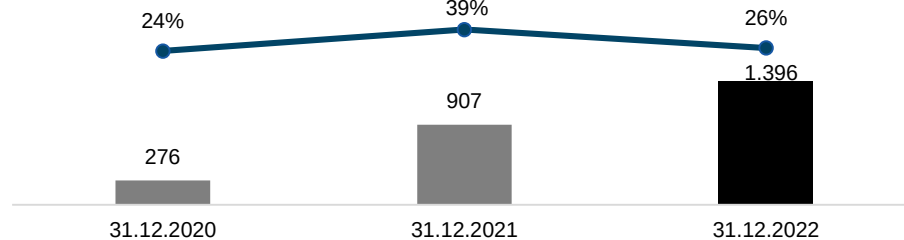
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Net Sales (TL mln)



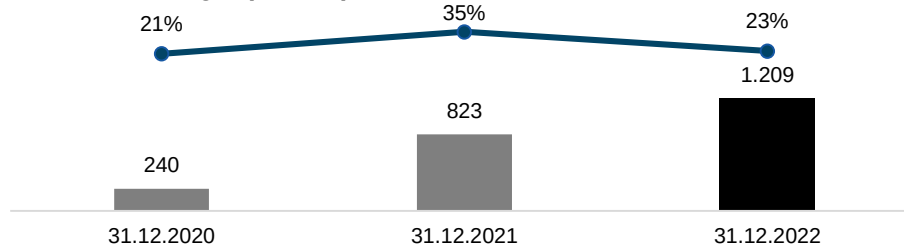
- Net sales of the Company reached TL 5,274 million with an increase of 126% in 31.12.2022.
- Exports in net sales is 37%, 24% and 21%, respectively, in 31 December 2020, 2021 and 2022

Gross Profit % Margin (TL mln)



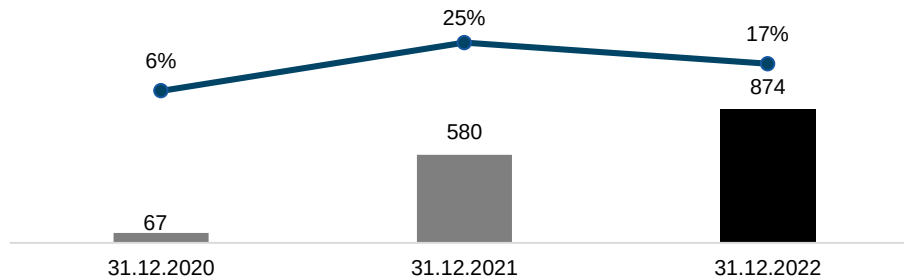
- Company has improved the gross profit margin over the years and managed to keep its gross profit margin in 2022 above 26% despite the increasing energy costs.

EBITDA¹ % Margin (TL mln)



- The EBITDA margin of the Company has been 21% and 35% respectively, in the last 2 years.
- EBITDA margin was 23% due to the high energy costs in 31.12.2022.

Net Profit % Margin (TL mln)



- Net profit, which was TL 67 million as of 2020, reached TL 580 million by increasing 769% with the rise in sales and profit margins
- It is observed that the net profit increased by 51% compared to 31.12.2021 and was realized as TL 874 million in 31.12.2022.

¹ Other Operating Income and Expenses are excluded

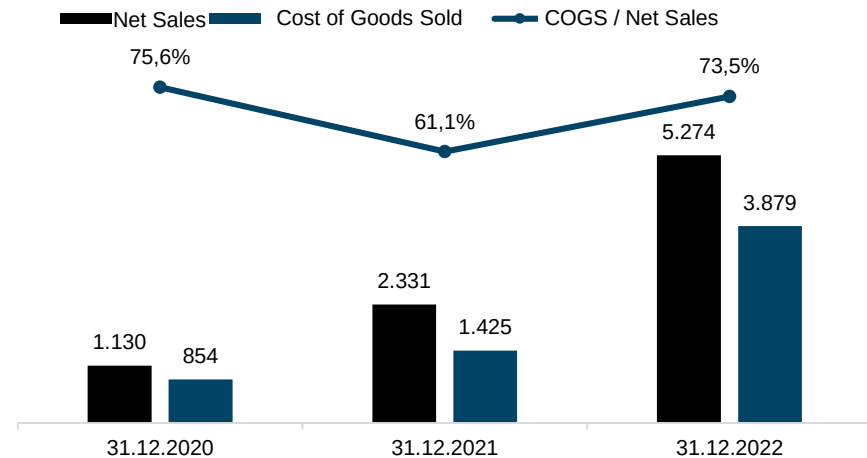
Strong Financial Performance

Cost of Goods Sold

bien

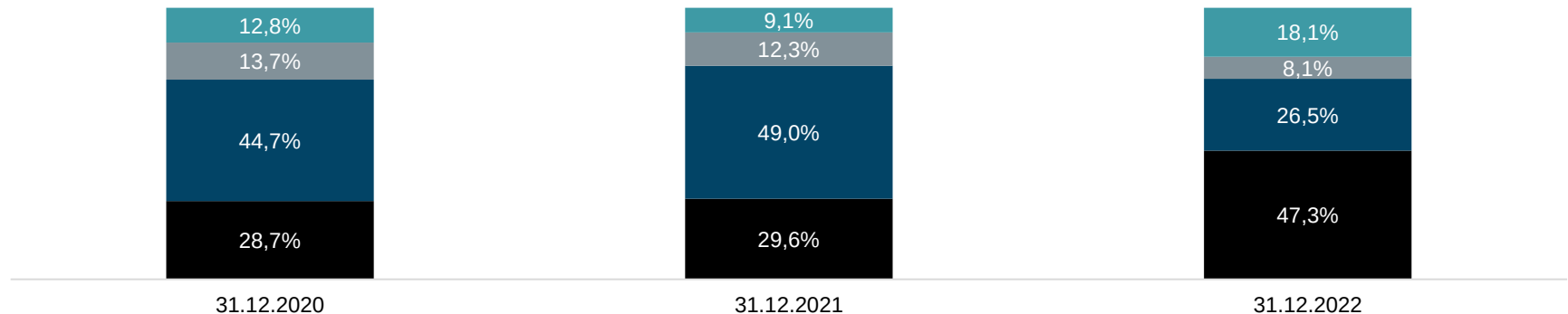
- The most important cost items of the Company are natural gas, electricity, labor, raw materials and complementary raw materials. Starting from the fourth quarter of 2021, rapid increases were observed primarily in raw material and energy costs. Since Company's imports dependent on the exchange rate, it had a cost-increasing effect as well.
- Although there is an increase in the cost of sales due to the growth in revenue, the COGS / Net Sales ratio was 75.6% in 2020, decreased to 61.1% in 2021, and rise to 73,5% in 2022.

mln TL



Cost of Goods Sold

■ Energy Costs ■ Direct Raw Material Costs ■ Personnel Exp. ■ Other Expenses



Strong Financial Performance

Operating Expenses

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General and Administrative Expenses: The Company's general administrative expenses increased by 107% compared to 2021 and reached TL 62 million in 2022. Personnel expenses have the largest share in general administrative expenses with 47%. Personnel expenses increased by 103% in 2022 compared to 2021, due to the increase in the wages of white-collar personnel at the rate of increase in the minimum wage.



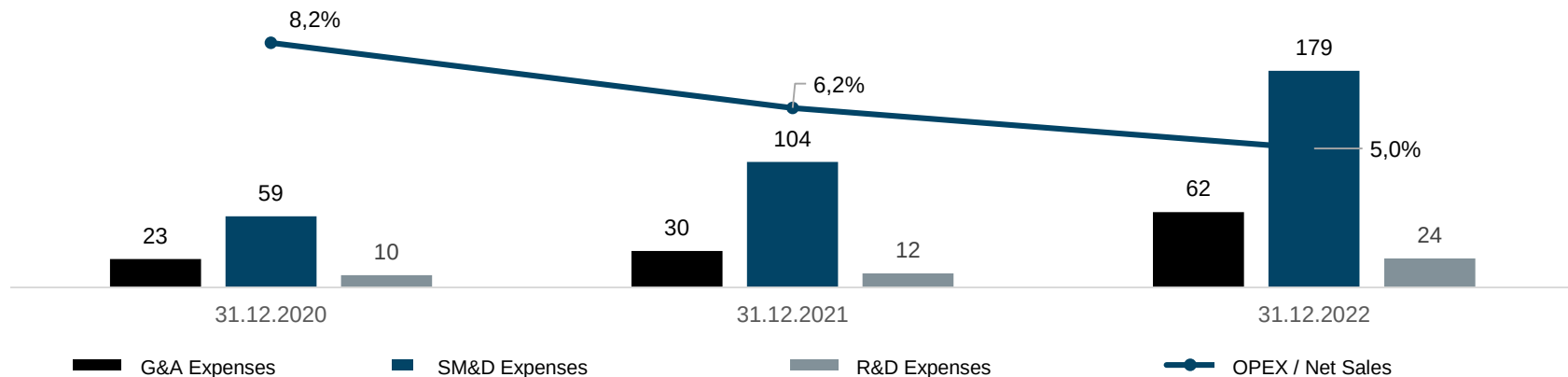
Sales, Marketing and Distribution Expenses: Company's sales, marketing, and distribution expenses increased by 73% compared to 2021 and reached TL 179 million in 2022. The biggest item causing these increases is distribution and freight expenses with 31%



Research and Development Expenses: Research and development expenses, which constitute the Company's product development expenses, increased by 104% compared to 2021 and reached TL 24 million in 2022. As having the biggest share, increases and decreases in personnel expenses directly affect the R&D expenses of the Company.

Details of Operational Expenses

TL mln



Strong Financial Performance

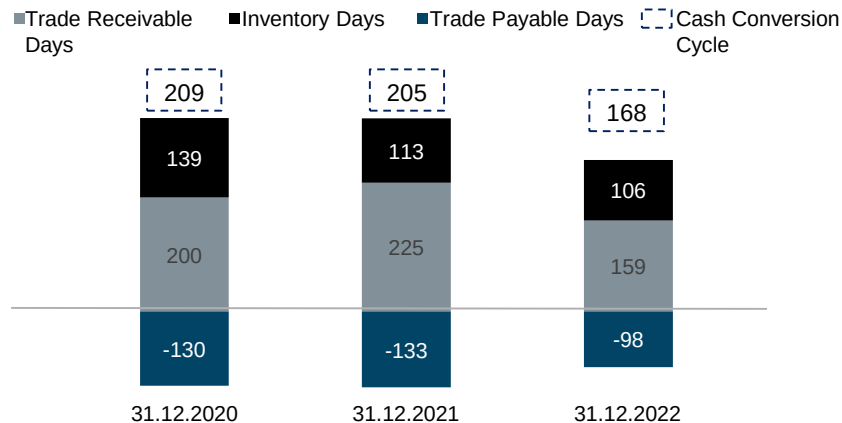
Strong Cash Flow

bien

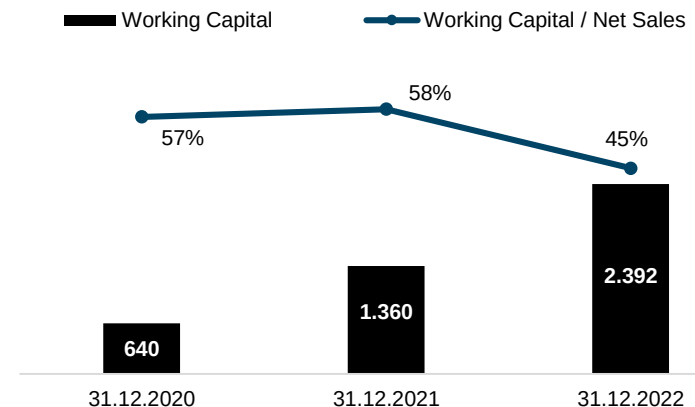
Net Working Capital (TL mln)	31.12.2020	31.12.2021	31.12.2022
Trade Receivables	618	1.440	2.303
<i>Trade Receivables Days</i>	<i>200</i>	<i>225</i>	<i>159</i>
Inventory	326	439	1.125
<i>Inventory Days</i>	<i>139</i>	<i>113</i>	<i>106</i>
Trade Payables	304	519	1.036
<i>Trade Payable Days</i>	<i>130</i>	<i>133</i>	<i>98</i>
Net Working Capital	640	1.360	2.392
Net Sales	1.130	2.331	5.274
Net Working Capital / Net Sales	57%	58%	45%
Cash Conversion Cycle	209	205	168

- **Trade Receivables:** Receivable collection period of the company increased to 200 days in 2020, and 225 days in 2021 due to the increase in sales and export. Receivable days were decreased to **159**, in 2022 respect to Company's strategy.
- **Inventory:** Inventory turnover days were 139 days in 2020. It is decreased to 113 days in 2021 and 106 days in 2022 due to the decrease in stocks as a result of the effective use of working capital.
- **Trade Payables:** The main reason for the significant increase in the trade payables of the Company between 2020 and 2022 is the increase in electricity and natural gas costs. Accordingly, due to the increase in the share of energy bills with a payment period of less than 30 days in total costs, the average trade payables payment period decreased from 133 in 2021 to 98 days in 2022.

Cash Conversion Cycle



Working Capital / Net Sales



Strong Financial Performance

Net Debt

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Net Debt

TL mln	31.12.2020	31.12.2021	31.12.2022
Financial Debts	812	786	1.677
(-) Cash and Cash Equivalents	-68	-18	-326
Net Debt	745	768	1.351
Equity	516	1.094	1.905
<i>Net Debt / Equity Ratio</i>	<i>144%</i>	<i>70%</i>	<i>71%</i>

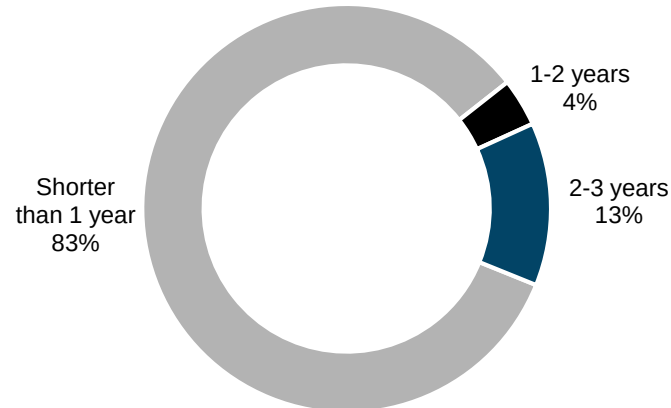
Financial Debts;

- Limited increase has been observed in the financial debts of the Company in order to finance the increased working capital requirements due to the increased sales in the last 2 periods.

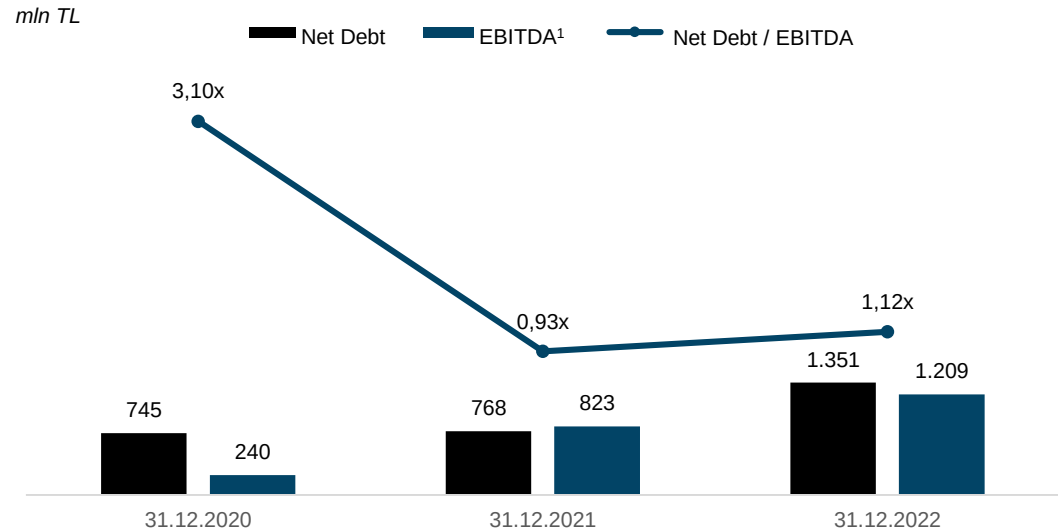
Cash and Cash Equivalents:

- A significant portion of the Company's cash and cash equivalents are held in banks. Company's cash and cash equivalents increased from TL 18 million to TL 326 million as of December 31, 2022. 150 million TL of the increase consists of the bank loans used for bill payments and the remaining amount is the balance accumulated from month-end check and pos collections.

Maturity of Debts (22')



Net Debt, EBITDA, Net Debt / EBITDA



¹ Other Operating Income and Expenses are excluded

IPO Structure

Issuer	Bien Yapı Ürünleri Sanayi Turizm ve Ticaret A.Ş.
Leading Coordinators	Ak Yatırım Menkul Değerler A.Ş., Garanti Yatırım Menkul Kıymetler A.Ş., Yapı Kredi Yatırım Menkul Değerler A.Ş.
IPO Type	Capital Increase
Pre-IPO Issue Capital	TL 288,673,881
IPO size	Capital Increase: Shares with a nominal value of 72.326.119 TL (100%)
Over-allotment	Group B shares with a nominal value of 14,465,223 TL owned by Nurullah Ercan
Mediation Method	Bookbuilding with Fixed Price/ Best Effort
Free Float Rate	20.0% (with over-allotment: 24.0%)
IPO Calendar	Depending on the CMB approval process, the public offering within the month of [...] is planned to be carried out
Price Stabilisation	At most 30 days after the shares start to trade in BIST
Allocation	Will be announced later



Appendices

A'DESIGN AWARD



Altın
A'design Award
2012



Altın
A'design Award
2012



Bronz
A'design Award
2012



Platin
A'design Award
2012



Platin
A'design Award
2012



Gümüş
A'design Award
2014



Gümüş
A'design Award
2015



Demir
A'design Award
2016



Gümüş
A'design Award
2017



Tasarım Ödülü
A'design Award
2017



Tasarım Ödülü
A'design Award
2017



Tiger Black
Bronz
A'design Award
2018



Tasarım Ödülü
A'design Award
2018



Tasarım Ödülü
A'design Award
2018



Famous
Silver
A'design Award
2021

IDA DESIGN AWARDS



Pietra Moda
Bronz
IDA Design Award
2016



Pietra Moda
Onur Ödülü
IDA Design Award
2016

REDDOT DESIGN AWARD



reddot design award
winner 2015

Reddot
Product Design
2015

ELLE DECORATION INTERNATIONAL DESIGN AWARDS



Elle Decoration
Yılın Banyo Tasarımı
2013



Elle Decoration
Yılın Banyo Tasarımı
2015



Hypnos
Altın Çekül Uluslararası Yapı Kataloğu Ödülleri
Zemin-Duvar Kategorisi İnovasyon Ödülü
2020



Monoslim
Altın Çekül Yapıda Yenilikçi Ürün ve Fikir Ödülleri
Jüri Özel Ödülü
2021

RAF ÖDÜLLÜ AWARD



Arkitera
Raf Yapı Malzemesi Ödülü
2013



20 mm Karolar
Arkitera
Raf Yapı Malzemesi Ödülü
2014



Authorized Economic Operator

- Cost reduction
- Time saving through customs control within the company
- Convenience in procedural matters
- Having various advantages in imports

Fairs Participated in 2022

The company has participated in many fair organizations with new design of its products and collections for many years in order to increase its recognition in national and international markets.

Coverings Fair



Showcasing Tile + Stone Experience 2022

Cersaie Fair



Unicera Fair



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