

# ATAKEY

## 2Q24 & 1H24 Results Announcement Presentation

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**1H 2024**

**September 3, 2024**

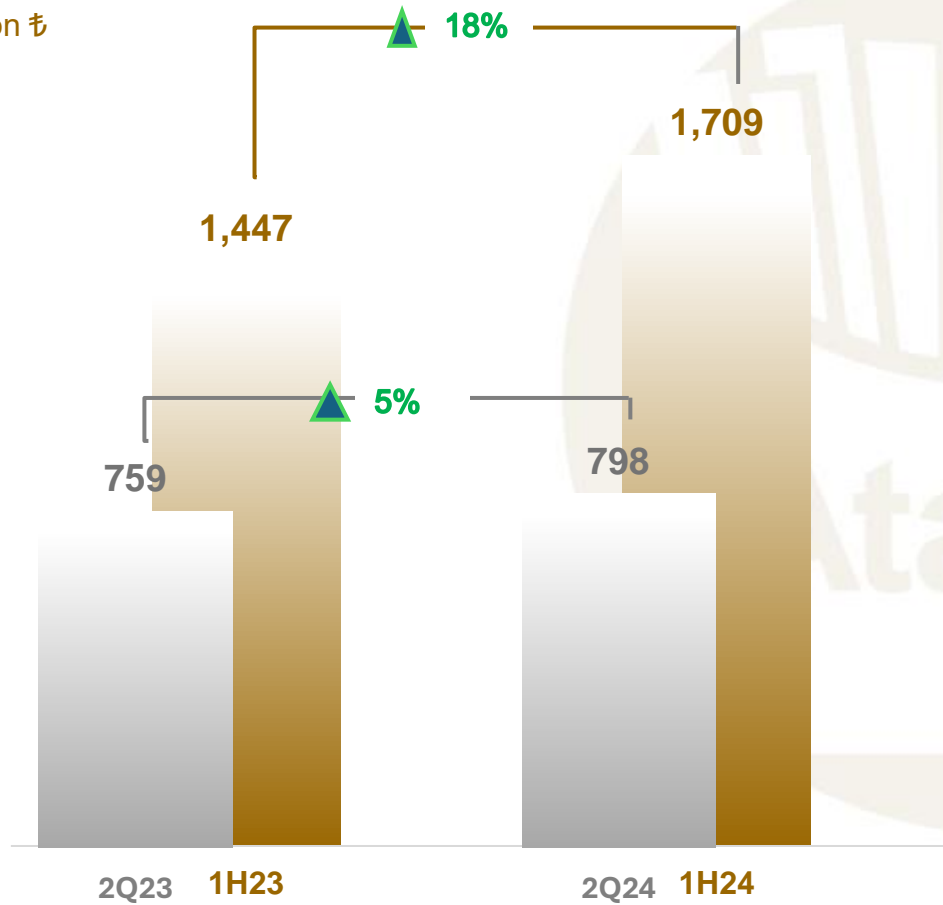




# Solid Financial Performance for 2Q24 & 1H24 – After IAS29

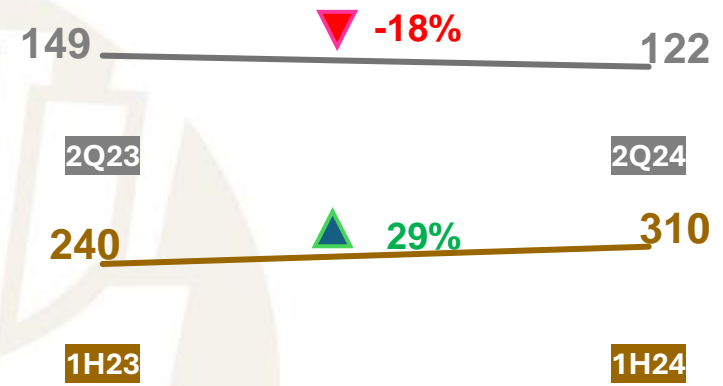
## Revenues

Million ₺



## Operational Profit \*

Million ₺



## Net Profit

	2Q 2024	1H 2024
Million ₺	38	44
YoY%	▲ 4%	▲ 319%

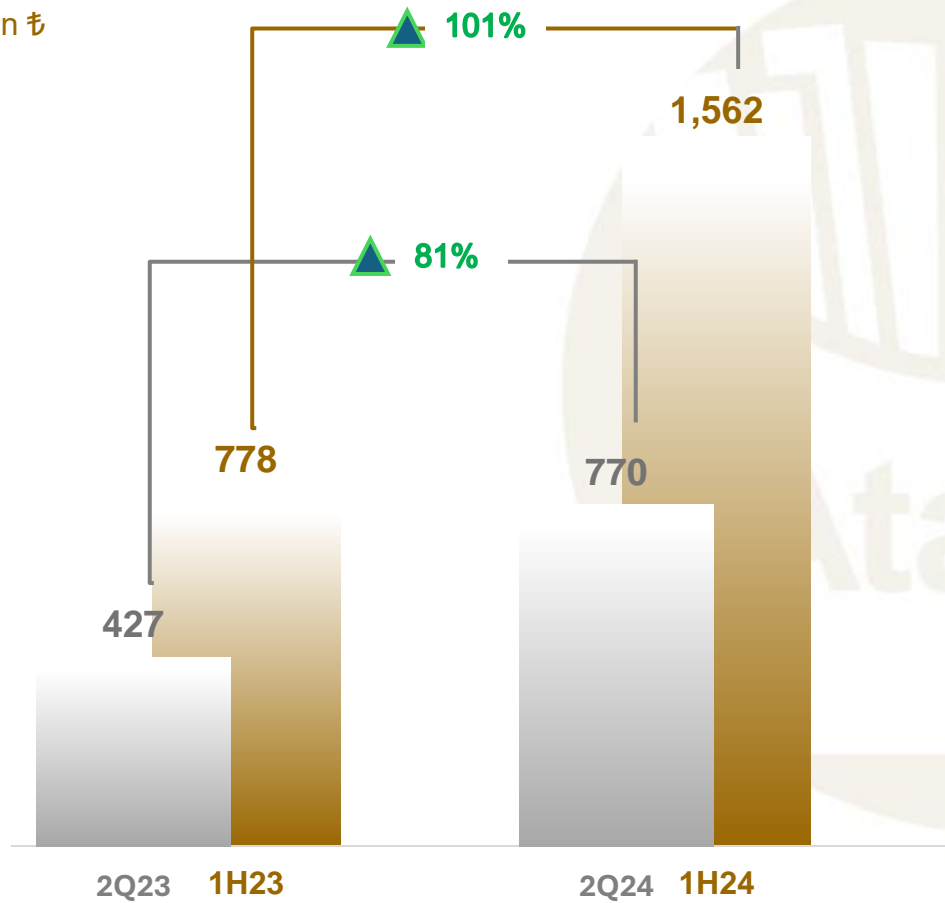
\* Operational profit is the profit generated from core business operations and investments, before accounting for financial expenses



# Solid Financial Performance for 2Q24 & 1H24 – Before IAS29

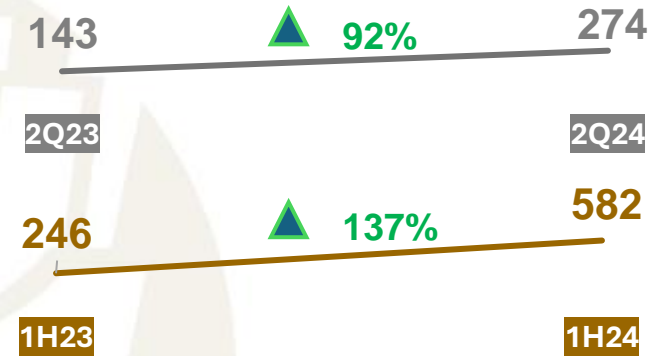
## Revenues

Million ₺



## Operational Profit \*

Million ₺



## Net Profit

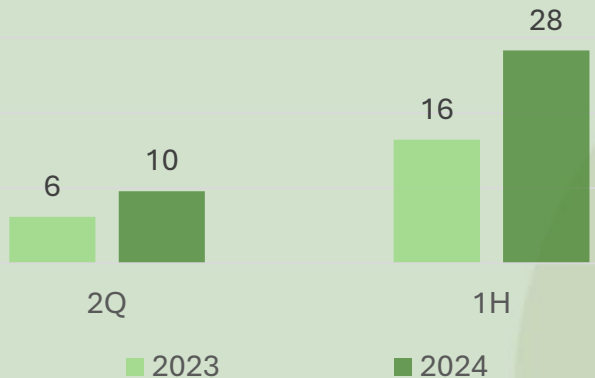
	2Q 2024	1H 2024
Million ₺	269	562
YoY%	$\uparrow 277\%$	$\uparrow 398\%$

\* Operational profit is the profit generated from core business operations and investments, before accounting for financial expenses



# Strong Operational Performance in 1H24

### Production K Tonnes



1H 2024 Production

**28 K tonnes**

▲ 73% YoY

2Q 2024 Production

**10 K tonnes**

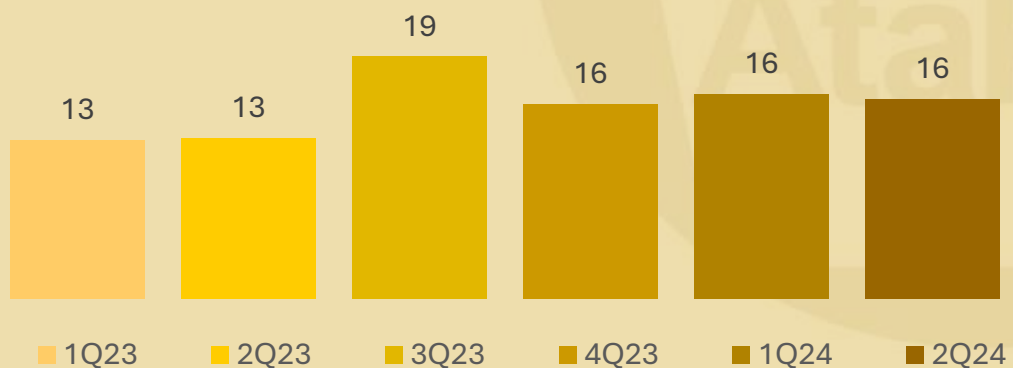
▲ 55% YoY

▲ 27% YoY

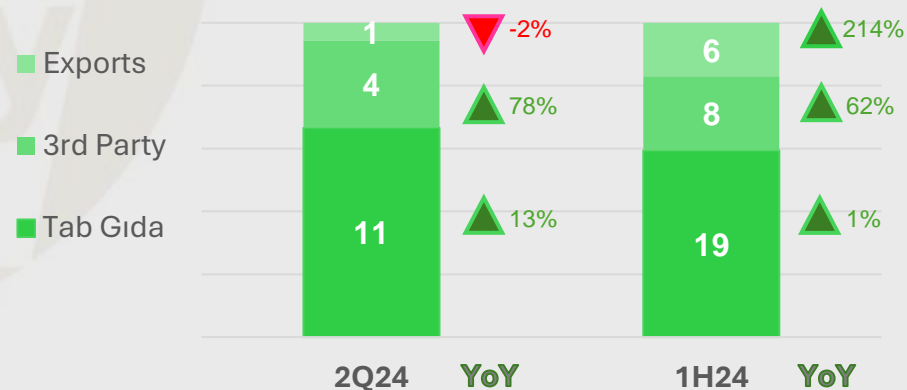
**32 K tonnes**

**Total Sales Volume in 1H24**

### Total Sales Volume K Tonnes



### Sales Volume in Channels\_K tonnes



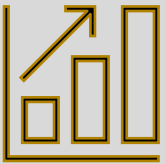


# Strengthening Leadership in Frozen Potato Production and Securing Future Supply Chain

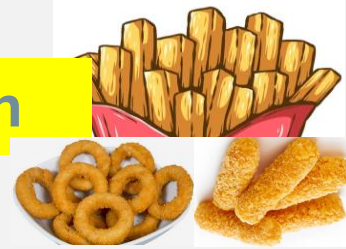
## Excellent Market Position



- Continue to serve efficiently as the exclusive supplier to both **domestic and international restaurants** of our ecosystem
- Catered to over **3,200 quick-service restaurants**, successfully accommodating the current demand for potatoes



## Production

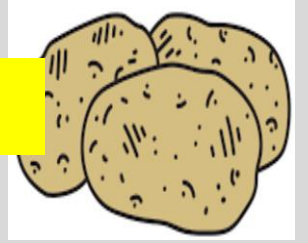


- Maintaining our position as **Türkiye's leading** frozen potato producers and **one of the largest in Europe**
- A new production line for **coated cheese and breaded onion rings** with a capacity of **10 K tonnes** will be launched in Q4 2024
- We expect to complete the year at par with annual production capacity
- We expect to produce around **75 K tonnes** of potatoes in 2024



**1 kg out of every 5 kg of products produced and sold in the industry is processed by AtaKey**

## Harvest



- The **harvesting process** of potatoes is progressing successfully and is expected to be completed **by November 2024**
- We expect to **harvest** approximately **140 K tonnes of potatoes** this year.
- Secured contracts for onions with farmers, **3.5 K tonnes of onion** to be harvested





# Expanding Market Reach: Strong Performance in 3rd Party Sales, Export Growth Potential and Capacity

## Sales Growth

- On track with sales plan and aligned with market demands
- Accelerating strong performance on 3rd party sales to major retailer accounts directly: 63% of 3<sup>rd</sup> party sales
- Following up on international tender opportunities



## New Production Line

Higher margin product line investment underway, on budget



Max 1K ton Breaded Onion Rings production planned for 4Q24

10K tonnes new production annual capacity added





# Positioned For Continued Profitable Growth



## TAB



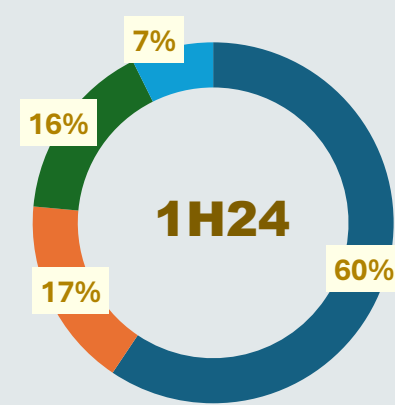
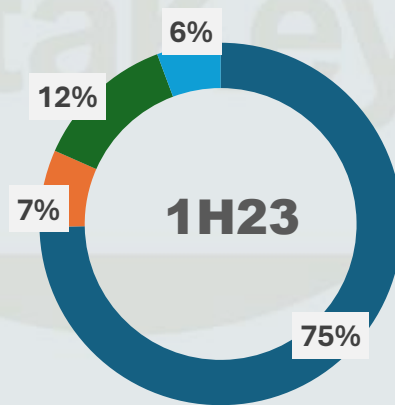
## BK China



### Sales Breakdown

Sales channels in 4 groups

- TAB Gıda
- Exports
- \*\* Retailers
- \*\* Other 3rd parties



Serving over **+3,200\*** QSR global locations exclusively

**1,710** QS Restaurants in Türkiye

**1,554** QS Restaurants in China

\* As of June 2024 end

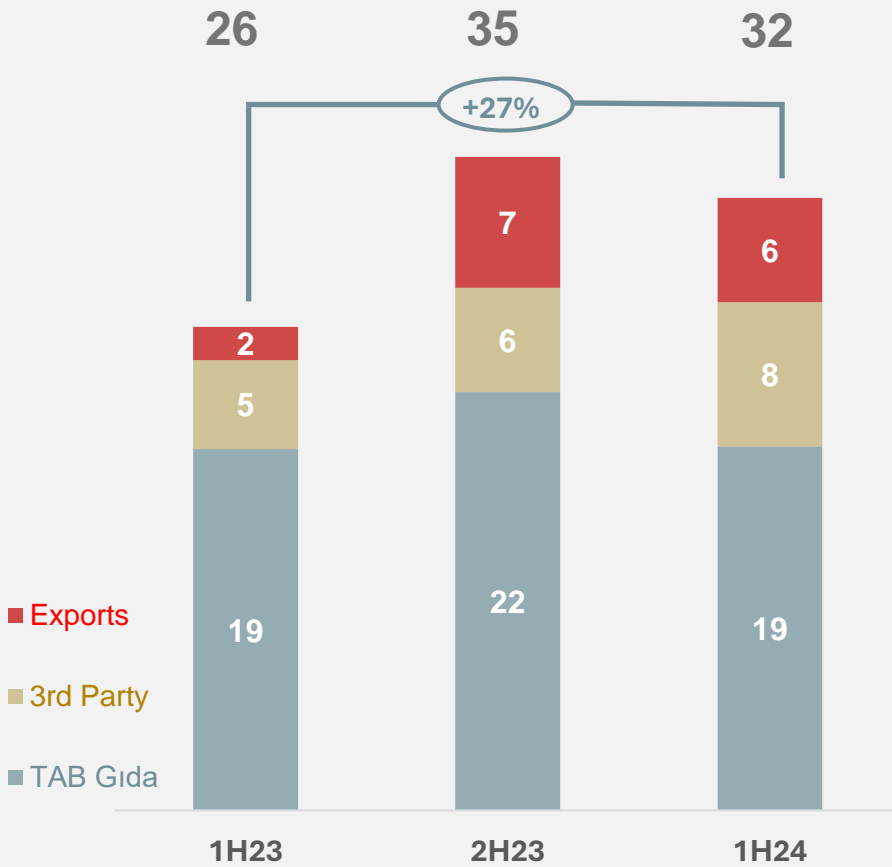
\*\* 3rd Party: Private Label Production for Retailers & Others



# Successfully Generating Real Growth Through Diversified Sales Channels

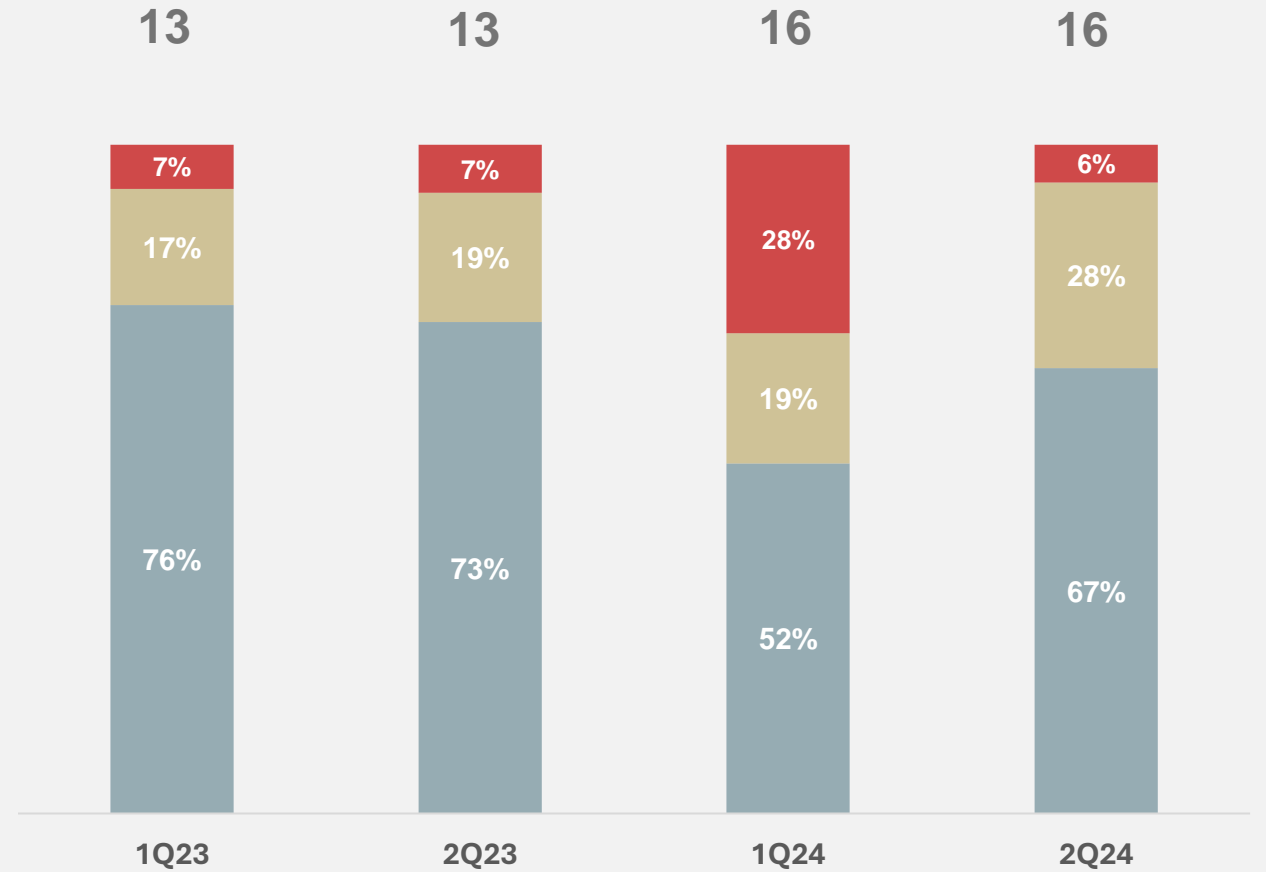
## Sales Volume Breakdown\_K tonnes

Total Sales Volume



## Distribution of Sales Volume Breakdown %

Total Sales Volume







# Comprehensive Sustainability Efforts



## SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

A commitment to create science-based targets to reduce carbon footprint was made to SBTi



Supplier Leadership on Climate Transition (S-LoCT) üyesidir



Farm Sustainability Assessment BY SAI PLATFORM

Working on Sustainable Agriculture and Biodiversity initiatives



Sıfır Atık Yönetim Sistemi kuruldu ve temel seviyede Sıfır Atık Belgesi alındı



I-REC supplied for all total electricity consumption



## Certificates

TSE Halal Certificate of Compliance

BRC Certificate

Sustainability (RSPO) Document

Zero Waste Certificate

FSA Sustainable Farming Certificate

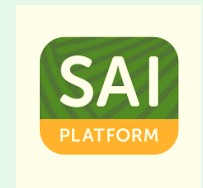
ISO 50001 Energy Management System Certificate

International Renewable Energy Certificate (I-REC)



GREENHOUSE GAS PROTOCOL

Scope 1, Scope 2 and Scope 3 emissions for 2023 have been verified by an independent institution





# **1H 2024 Financial Results Overview**

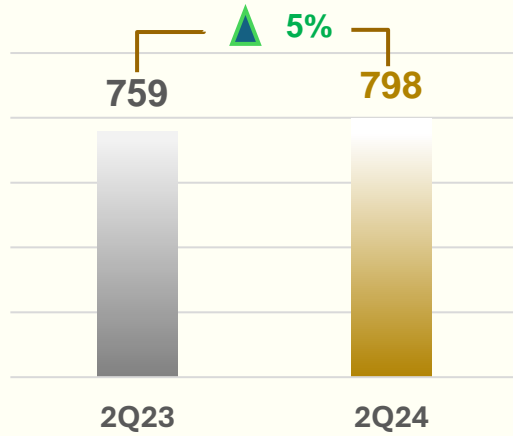




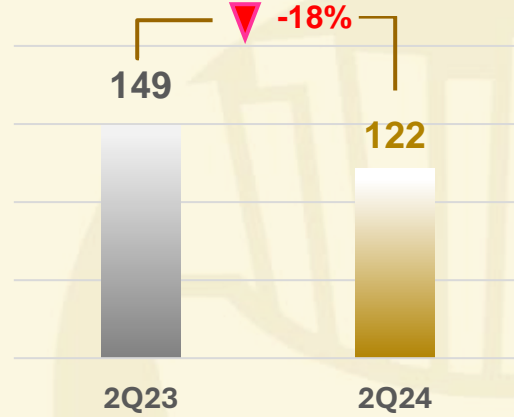
# 2Q24 Solid Financial Results in a Snapshot (Million ₺)

After IAS 29

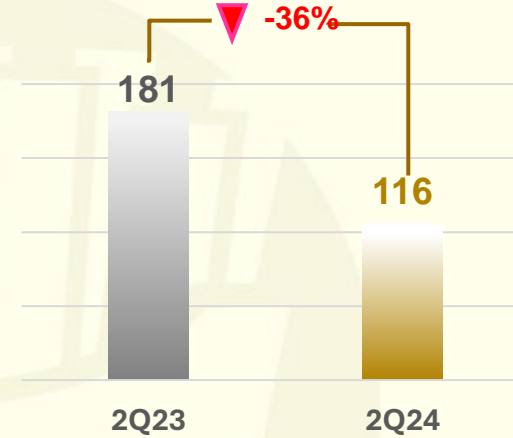
## Revenues



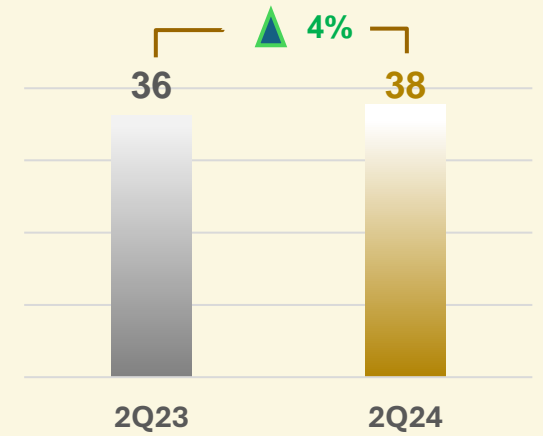
## Operational Profit



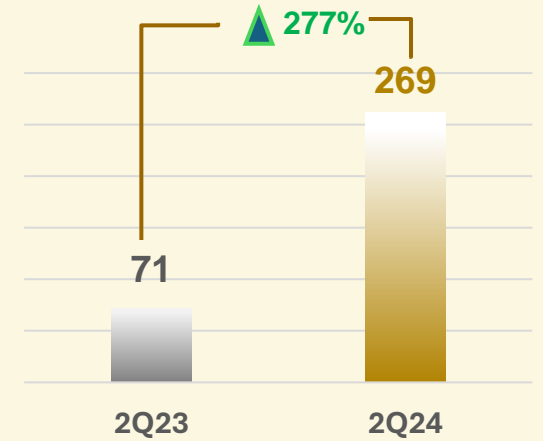
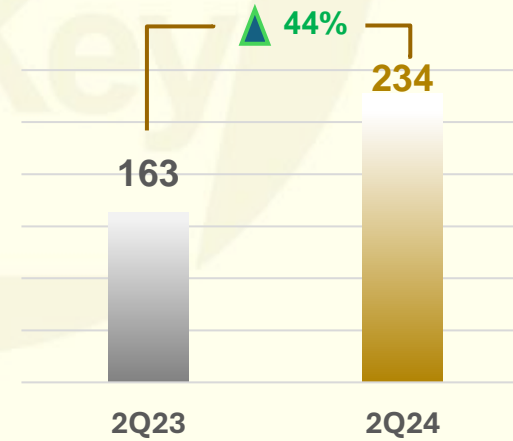
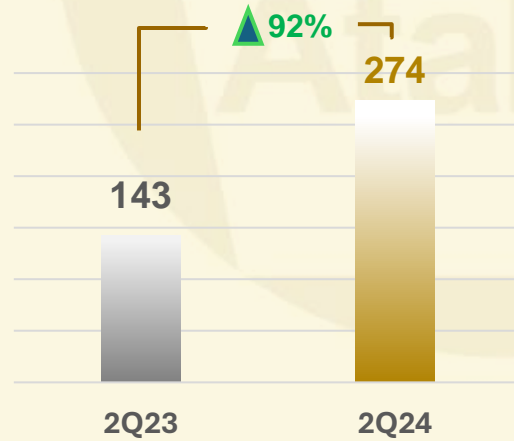
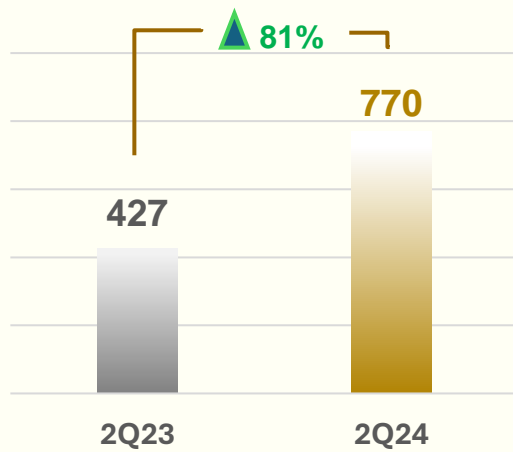
## EBITDA



## Net Profit



Before IAS 29

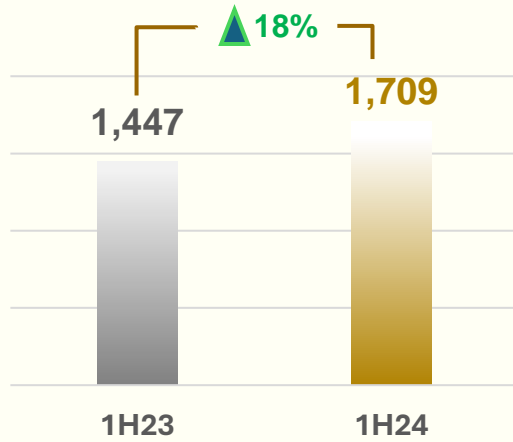




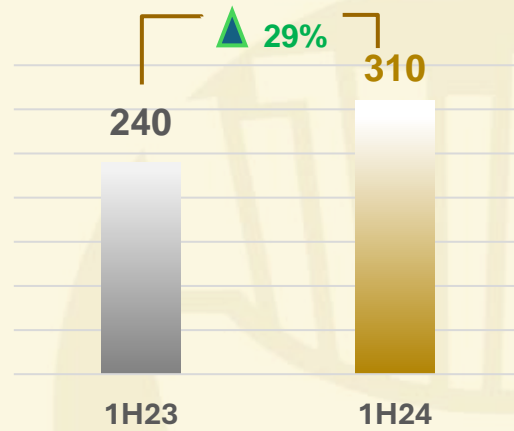
# 1H24 Solid Financial Results in a Snapshot (Million ₺)

After IAS 29

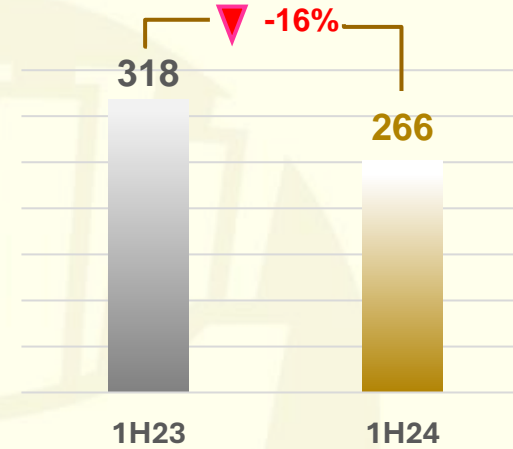
## Revenues



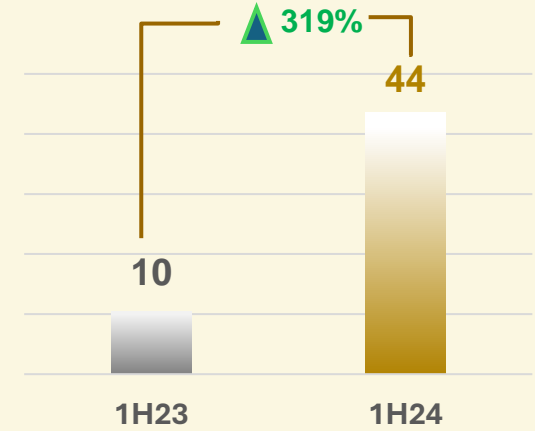
## Operational Profit



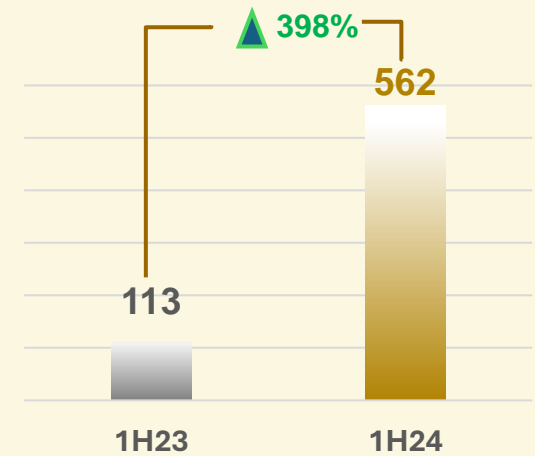
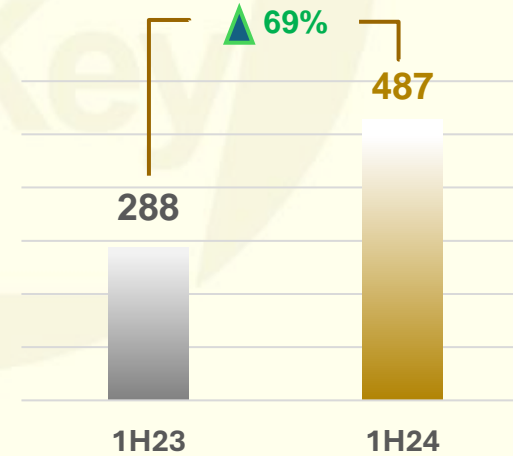
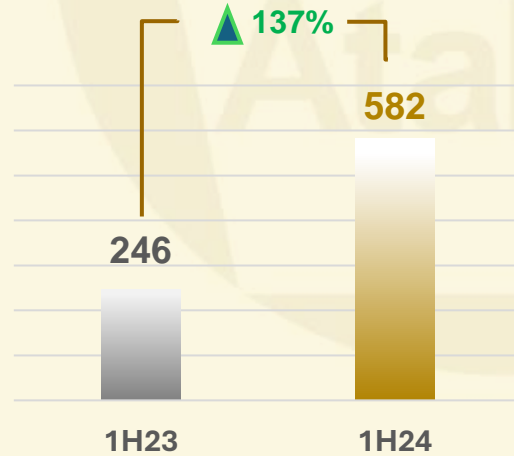
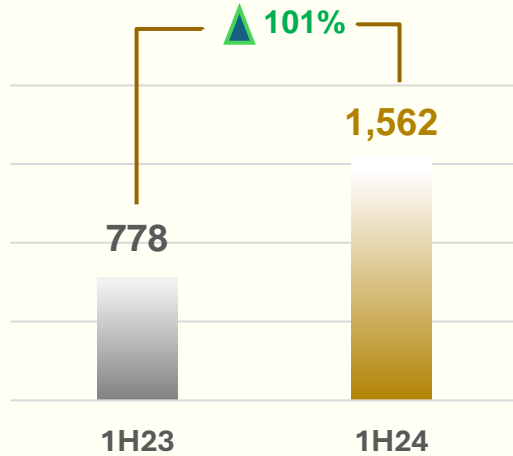
## EBITDA



## Net Profit



Before IAS 29





# Solid Performance in 2Q24 and 1H24 *After IAS 29-Inflation Accounting*

Million ₺	2Q24	2Q23	YoY%	1H24	1H23	YoY%
Revenues	798	759	▲ 5%	1,709	1,447	▲ 18%
Operational Profit	122	149	▼ -18%	310	240	▲ 29%
Operational Profit margin %	15%	20%	▼ -4.4pp	18%	17%	▲ 1.5pp
EBITDA	116	181	▼ -36%	266	318	▼ -16%
EBITDA margin %	14.5%	23.8%	▼ -9pp	16%	22%	▼ -6pp
Net Profit	38	36	▲ 4%	44	10	▲ 319%
Net Profit margin %	5%	5%	— 0pp	3%	1%	▲ 2pp

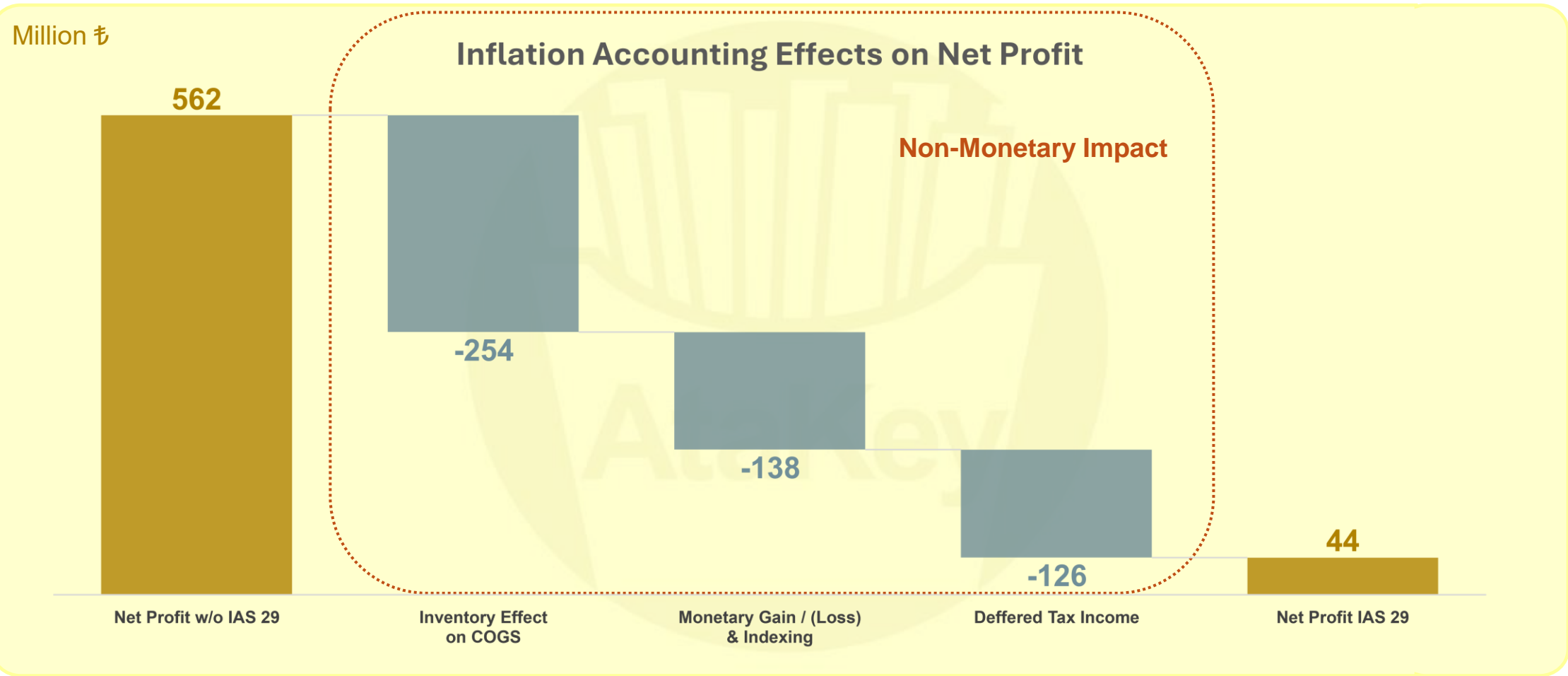


# Solid Performance in 2Q24 and 1H24 Before IAS 29 - Inflation Accounting

Million ₺	2Q24	2Q23	YoY%	1H24	1H23	YoY%
<b>Revenues</b>	770	427	▲ 81%	1,562	778	▲ 101%
<b>Operational Profit</b>	274	143	▲ 92%	582	246	▲ 137%
<b>Operational Profit margin %</b>	35.5%	33.5%	▲ 2pp	37.3%	31.6%	▲ 6pp
<b>EBITDA</b>	234	163	▲ 44%	487	288	▲ 69%
<b>EBITDA margin %</b>	30%	38%	▼ -8pp	31%	37%	▼ -6pp
<b>Net Profit</b>	269	71	▲ 277%	562	113	▲ 398%
<b>Net Profit margin %</b>	35%	17%	▲ 18pp	36%	15%	▲ 21pp



# Impact of IAS 29 Inflation Accounting on 1H24 Net Profit



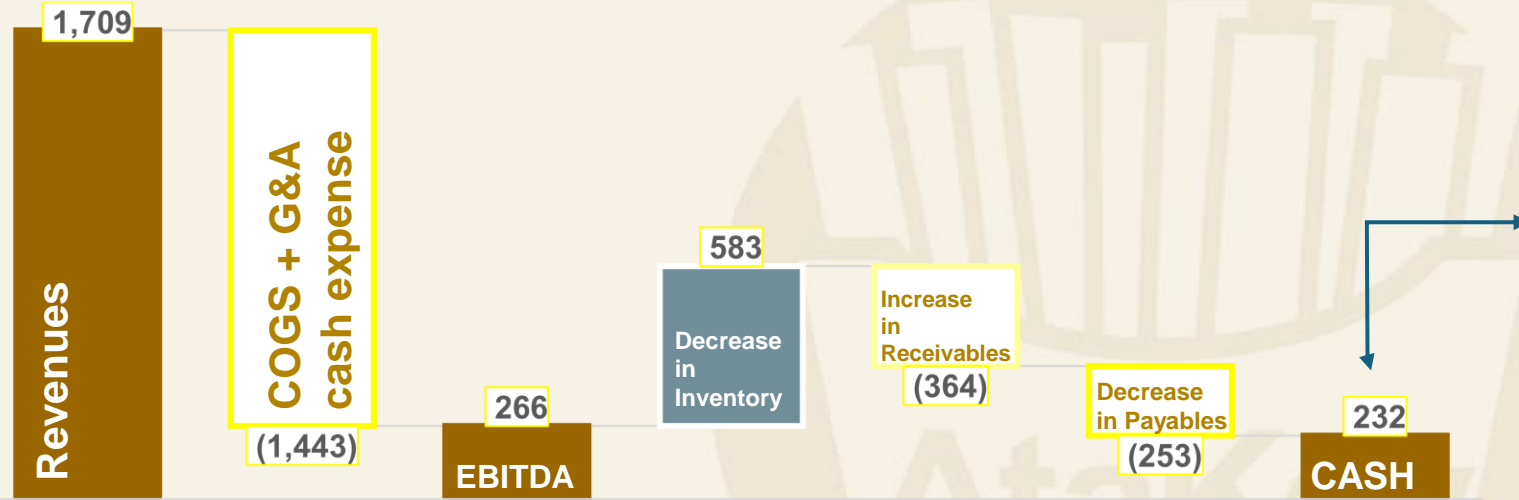


# Strong Cash Position: Sustainable Cash Generation Capabiliy – After IAS29

Million ₺

## Generated Cash From Operations

■ Increase ■ Decrease ■ Total



- EBITDA increase and inventory level decrease continue generating cash
- Increase in receivables is related to receivables from farmers
- The average collection period for receivables is 92 days
- Payment of debts and expenses on new line construction make cash outflows
- By the end of 1H24 Cash amount ended up to 605 million ₺

## Summary of Cash Flow

Million ₺

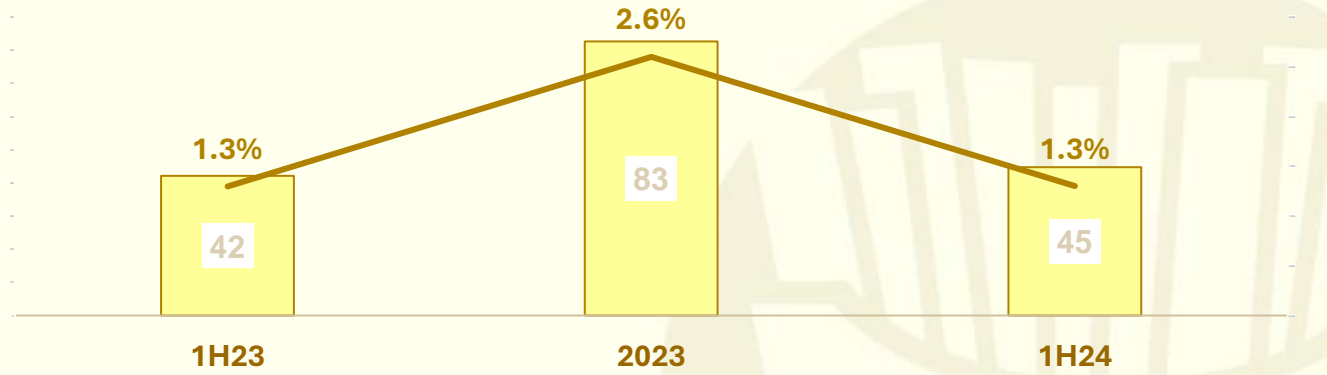
2023 Year End Cash	1,092
Generated Cash from Operations in 1H24	232
Financial Net Income	63
Debt Payment	(457)
New Product Line Investment (Advanced payments)	(177)
Tax & others	(151)
<b>1H24 End Cash</b>	<b>605</b>



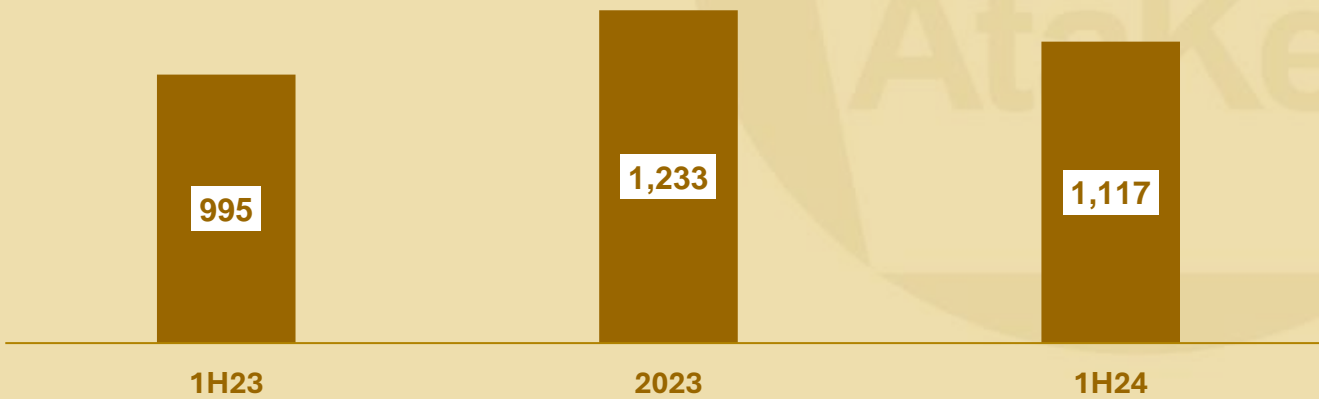


# Near to Zero Debt and Effective NWC Management – After IAS29

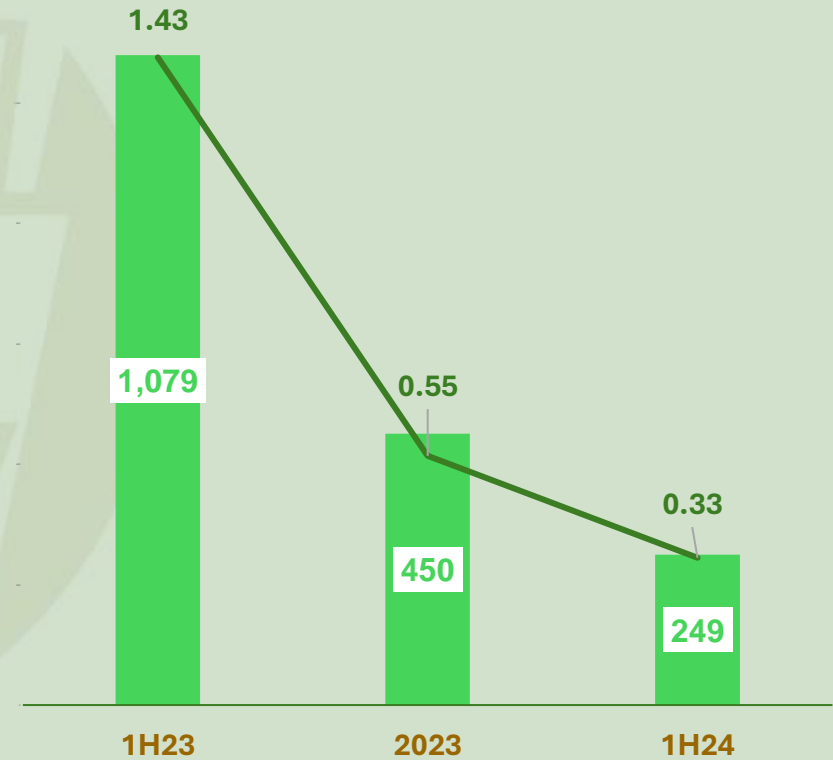
CAPEX Million ₺  
CAPEX / Revenues %



Net Working Capital Million ₺



Net Debt (excl. IPO Fund) Million ₺  
Net Debt / LTM EBITDA





# On Track with IPO Valuation Forecasts / FTR for YE 2024

	YE 2024 Forecasts *	Target Reached by 1H2024 %
Revenue	3,452 M ₺	✓ 45%
EBITDA	1,021 M ₺	✓ 48%
EBITDA Margin	30%	✓ 31%



# Income Statement Summary for 1 Jan – 30 June 2024

Million ₺
Revenue
Cost of sales (-)
<b>Gross Profit</b>
General and administrative expenses (-)
Other income from main activities
Other expenses from main activities (-)
<b>Main operating profit</b>
Income from investing activities
Expenses from investing activities (-)
<b>Operating profit before financial expenses</b>
Financial income
Financial expenses (-)
Monetary loss/gain
<b>Profit before tax</b>
Tax expense
Deferred tax income/expense
<b>Net profit for the period</b>

After IAS29		
1H24	1H23	YoY %
1,709	1,447	18%
(1,446)	(1,123)	29%
<b>264</b>	<b>324</b>	<b>-19%</b>
(60)	(46)	31%
28	37	-25%
(100)	(103)	-3%
<b>131</b>	<b>212</b>	<b>-38%</b>
179	28	531%
-	-	-
<b>310</b>	<b>240</b>	<b>29%</b>
-	0.4	-100%
(113)	(212)	-47%
(109)	101	-208%
<b>88</b>	<b>129</b>	<b>-32%</b>
(16)	(89)	-82%
(28)	(30)	-8%
<b>44</b>	<b>10</b>	<b>319%</b>

Before IAS29		
1H24	1H23	YoY %
1,562	778	101%
(1,044)	(488)	114%
<b>518</b>	<b>291</b>	<b>78%</b>
(52)	(24)	115%
25	20	22%
(72)	(55)	31%
<b>419</b>	<b>232</b>	<b>80%</b>
166	16	960%
(3)	(2)	50%
<b>582</b>	<b>246</b>	<b>137%</b>
-	0.2	-100%
(103)	(116)	-11%
-	-	-
<b>479</b>	<b>130</b>	<b>268%</b>
(16)	(49)	-67%
99	31	216%
<b>562</b>	<b>113</b>	<b>398%</b>



# Balance Sheet Summary as of 30 June 2024

Million ₺	After IAS29			Before IAS29		
	1H24	2023	YoD %	1H24	2023	YoD %
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	605	1,092	-45%	605	876	-31%
Trade receivables	608	244	149%	608	196	211%
Other receivables	1.6	2.0	-20%	2	2	0%
Inventories	725	1,308	-45%	646	936	-31%
Prepaid expenses	29	6	372%	22	4	491%
Other current assets	152.7	153.5	-1%	153	124	23%
<b>Total Current Assets</b>	<b>2,121</b>	<b>2,806</b>	<b>-24%</b>	<b>2,035</b>	<b>2,137</b>	<b>-5%</b>
<b>Non-Current Assets</b>						
Other receivables	1.5	1.8	-20%	1.48	1.48	0%
Property, plant and equipment	1,933	1,983	-3%	1,570	1,566	0.3%
Intangible assets	2.0	1.3	56%	1.1	0.4	198%
Right of use assets	7.7	7.9	-3%	6	4	50%
Prepaid expenses	177	-	na	129	-	na
Derivative instruments	8	4	72%	7	4	105%
Deferred tax assets	233	296	-21%	358	273	31%
<b>Total Non-Current Assets</b>	<b>2,363</b>	<b>2,295</b>	<b>3%</b>	<b>2,073</b>	<b>1,847</b>	<b>12%</b>
<b>TOTAL ASSETS</b>	<b>4,484</b>	<b>5,101</b>	<b>-12%</b>	<b>4,108</b>	<b>3,984</b>	<b>3%</b>



# Balance Sheet Summary as of 30 June 2024

Million ₺
<b>LIBILITIES</b>
<b>Short-Term Liabilities</b>
Short-term borrowings
Short-term portion of long-term financial borrowings
Payables from short-term rental transactions
Trade payables
Other payables
Employee benefits
Short-term provisions
Period profit tax liability
Other short-term liabilities
<b>Total Short -Term Liabilities</b>
<b>Long-Term Liabilities</b>
Long-term borrowings
Payables from long-term lease transactions
Long-term provisions for employee benefits
<b>Total Long-Term Liabilities</b>
<b>EQUITY</b>
Share capital and adjustments to share capital
Share premium
Other comprehensive income and expenses not to be reclassified under profit or losses
Other comprehensive income and expenses to be reclassified under profit or losses
Restricted reserves separated from profit
Retained earnings
Net profit for the period
<b>Total Equity</b>
<b>TOTAL LIABILITIES AND EQUITY</b>

After IAS29		
1H24	2023	YoD %
-	464	-100%
222	215	3%
5	3	68%
199	452	-56%
171	-	na
16	5	194%
7	6	17%
-	13	-100%
7	3	116%
<b>626</b>	<b>1,162</b>	<b>-46%</b>
35	106	-67%
1	2	-60%
7	6	11%
<b>43</b>	<b>115</b>	<b>-63%</b>
860	860	0%
1,118	1,118	0%
657	657	0.05%
(81)	(150)	-46%
161	-	na
1,057	972	9%
44	367	-88%
<b>3,815</b>	<b>3,824</b>	<b>-0.2%</b>
<b>4,484</b>	<b>5,101</b>	<b>-12%</b>

Before IAS29		
1H24	2023	YoD %
-	372	-100%
222	172	29%
5	2	110%
199	362	-45%
171	-	na
16	4	267%
7	5	45%
-	11	-100%
7	3	169%
<b>626</b>	<b>931</b>	<b>-33%</b>
35	85	-59%
1	2	-51%
7	5	39%
<b>43</b>	<b>92</b>	<b>-53%</b>
139	139	0%
778	778	0%
1,277	1,277	0.03%
(82)	(120)	-32%
161	-	na
603	268	125%
562	619	-9%
<b>3,438</b>	<b>2,961</b>	<b>16%</b>
<b>4,108</b>	<b>3,984</b>	<b>3%</b>



# Disclaimer

This presentation includes forward-looking statements, including, but not limited to, statements regarding ATAKey's plans, objectives, expectations, and intentions, and other statements that are not historical facts. Forward-looking statements can generally be identified by the use of words such as "may," "will," "expect," "intend," "estimate," "anticipate," "plan," "target," "believe," or other words of similar meaning. These forward-looking statements reflect the current views and assumptions of management and are inherently subject to significant business, economic, and other risks and uncertainties. Although management believes the expectations reflected in the forward-looking statements are reasonable, at this time, you should not place undue reliance on such forward-looking statements. These forward-looking statements include statements about ATAKey's expectations and beliefs regarding: (1) the sales, revenue, and production capacity and expansion opportunities for ATAKey and the drivers and pace of such growth, (2) ATAKey's production pipeline and its long-term growth goal, (3) ATAKey's approach and goals with respect to initiatives, (4) ATAKey's business strategies, strategic initiatives, and growth prospects, (5) capital allocation, (6) ATAKey's ability to create value for its shareholders, (7) competition in its markets and its relative position, and (8) sources of revenue and the drivers of ATAKey's financial and operational performance. Should any of these risks and uncertainties materialize or should any of management's underlying assumptions prove to be incorrect, ATAKey's actual results from operations or financial conditions could differ materially from those described herein as anticipated, believed, estimated, or expected. Forward-looking statements speak only as of this date, and ATAKey has no obligation to update those statements to reflect changes that may occur after that date.

Revision of Financial Statements in Accordance with International Accounting Standard 29 (IAS 29) for Hyperinflationary Economies: Entities operating with a functional currency from a hyperinflationary economy are required to adjust their financial reports to reflect changes in general price levels as mandated by IAS 29. This includes Turkish entities that adhere to the International Financial Reporting Standards (IFRS), such as our company, for all reporting periods ending after December 31, 2023.

As of December 31, 2023, our company has adjusted its financial reports, including data from the corresponding period in the previous year, in compliance with IAS 29. This adjustment ensures that our financial statements are represented in the measurement unit current to December 31, 2023. The adjustments extend to all balance sheet figures not already expressed in the measurement unit of the restatement date, utilizing the general price index. The inflation adjustments have been determined based on price indices from the Turkish Statistical Institute (TurkStat).

This presentation also features certain financial metrics not strictly defined by IFRS, such as, Revenue, and EBITDA, all unadjusted per IAS 29, alongside Free Cash Flow and Net Working Capital. These metrics do not conform to IFRS measures of financial performance and might omit details crucial for a comprehensive understanding and evaluation of our financial outcomes. As such, these metrics should not be seen as standalone or substitutive for IFRS-defined profit/loss or other profitability, liquidity, or performance indicators. It's important to note that our method of presenting these metrics may differ from similar measures presented by other entities, which might have their own definitions and calculation methods. We present these metrics with the belief that they offer valuable insights to investors, aiding in the assessment and understanding of our operational results as viewed by our management and board of directors.



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