

# ATAKEY

## 3Q24 & 9M24 Results Announcement Presentation

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**9M 2024**

**October 31, 2024**





# 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.



# Financial Performance for 9M24 (Million ₺)

## Revenues

Before	₺ 2,193 M	▲ %52 yoy
After	₺ 2,520 M	▼ -4% yoy

## Operating Profit

Before	₺ 846 M	▲ %58 yoy
After	₺ 495 M	▼ -27% yoy

## EBITDA

Before	₺ 682 M	▲ %30 yoy
After	₺ 411 M	▼ -39% yoy

## Net Profit

Before	₺ 760 M	▲ %154 yoy
After	₺ 9 M	▼ -95% yoy

- Operational profit is the profit generated from core business operations and investments, before accounting for financial expenses.
- Results of financial indicators IAS29 Inflation Accounting before and after are shown.



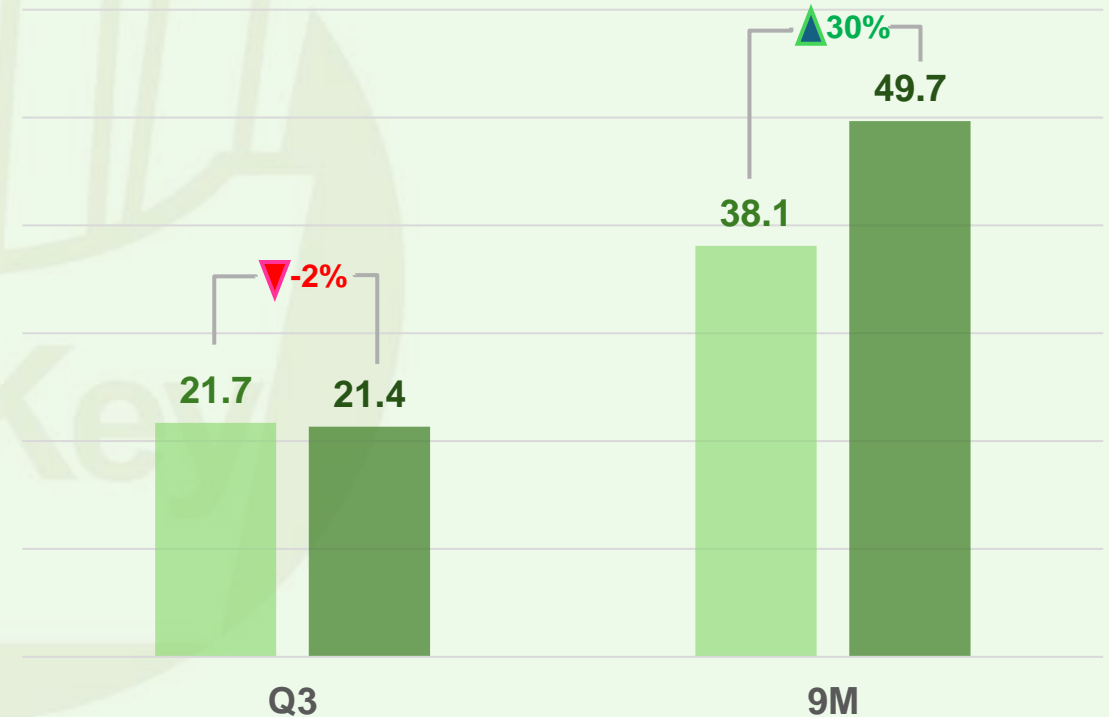
# From Field to Production: Enhancing Efficiency & Output with Harvesting and Solid Production

## Harvesting

-  The **harvesting process** of potatoes is progressing successfully securing necessary raw potato stocks for year 2025
- Harvest season will end by **127K tonnes** of raw potatoes
-  Anticipated on harvesting **3K tonnes** of onions by YE 2024 as planned

## Production K Tonnes

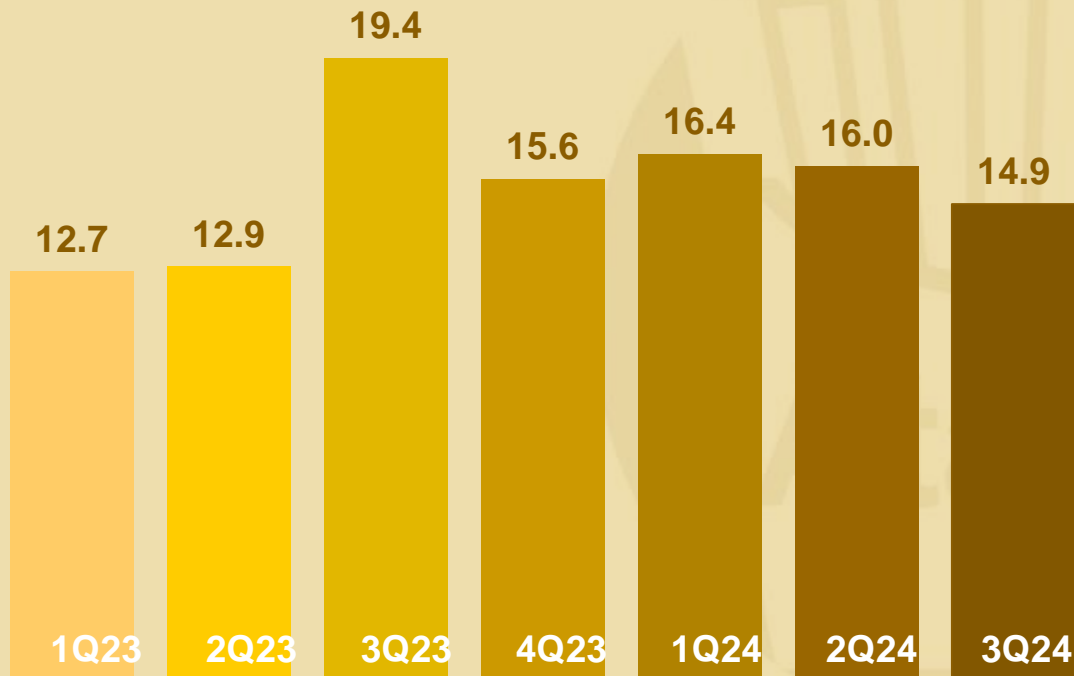
■ 2023 ■ 2024





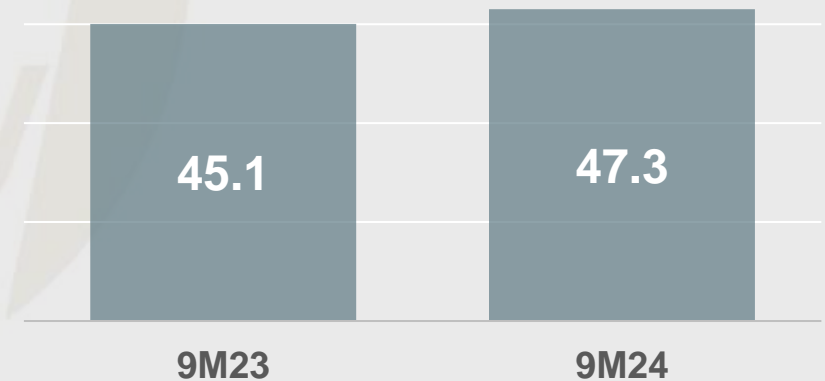
# Steady Sales Growth & Strategic Diversification: Navigating Challenges with a Strong Channel Mix

### Total Sales Volume K Tonnes



### Sales Volume by 9 Months K Tonnes

**47 K tonnes** 5% YoY  
Total Sales Volume in 9M24





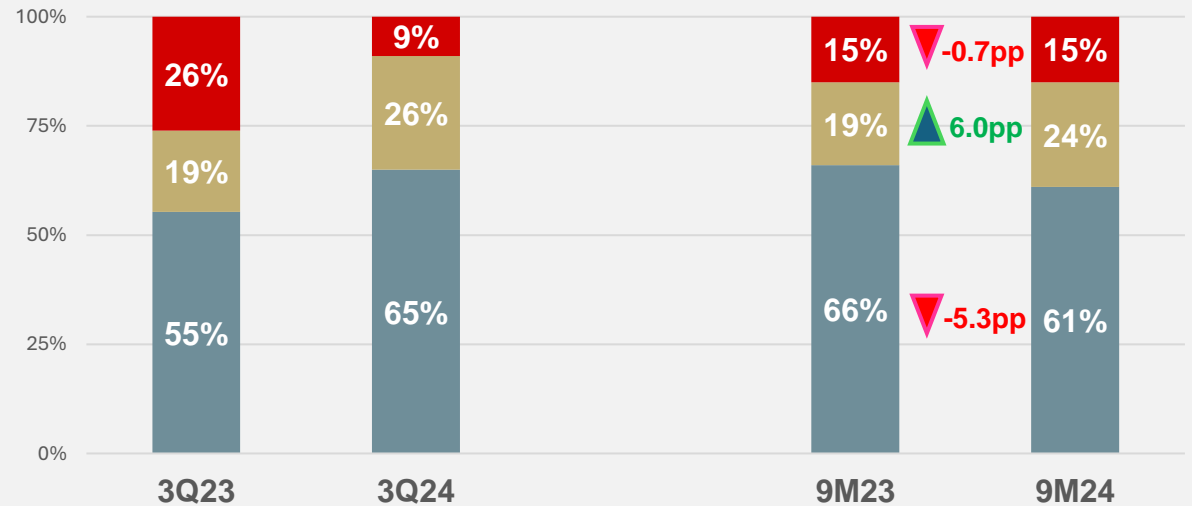
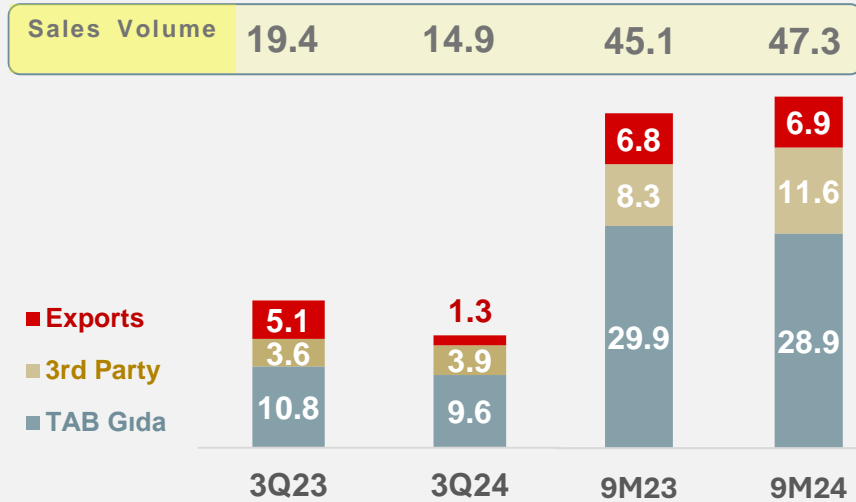
# Successfully Generating Real Growth Through Diversified Sales Channels

## Sales Volume Breakdown\_K tonnes

3<sup>rd</sup> Party Sales Volume  
**12 K tonnes**  
39% YoY

### 9M 2024

- 3<sup>rd</sup> party sales share reached 24% with a 6-point increase
- Export sales volumes remained stable around 15% of total sales





# Strengthening Growth Through Product Innovation and Sustainable Solutions

## New Production Line On Schedule



Coated Onion Rings production set to begin in November 2024 as planned



Cheese Stick production will also begin in November 2024, a head of schedule...

10K tonnes of new production annual capacity



## Commitment to Sustainability Remains Strong

- Implementing co-generation capabilities to enhance efficiency and operational continuity
- New solutions will prevent disruptions caused by power outages and equipment damage, material waste etc.

- Reducing carbon footprint, enhancing energy efficiency, and preserving resources with impactful projects
- TFI Tab Food Investments Sustainability Report of 2023, including sustainability activities of group companies including AtaKey has been published





# **9M 2024 Financial Results Overview**







# Performance in 3Q24 and 9M24 **Before IAS 29 - Inflation Accounting**

Million ₺	3Q24	3Q23	YoY%	9M24	9M23	YoY%
<b>Revenues</b>	631	661	▼ -5%	2,193	1,439	▲ 52%
<b>Operational Profit</b>	264	291	▼ -9%	846	537	▲ 58%
<b>Operational Profit margin %</b>	42%	44%	▼ -2pp	39%	37%	▲ 2pp
<b>EBITDA</b>	195	237	▼ -18%	682	525	▲ 30%
<b>EBITDA margin %</b>	31%	36%	▼ -5pp	31%	36%	▼ -5pp
<b>Net Profit</b>	198	187	▲ 6%	760	300	▲ 154%
<b>Net Profit margin %</b>	31%	28%	▲ 3pp	35%	21%	▲ 14pp



# Performance in 3Q24 and 9M24 After IAS 29-Inflation Accounting

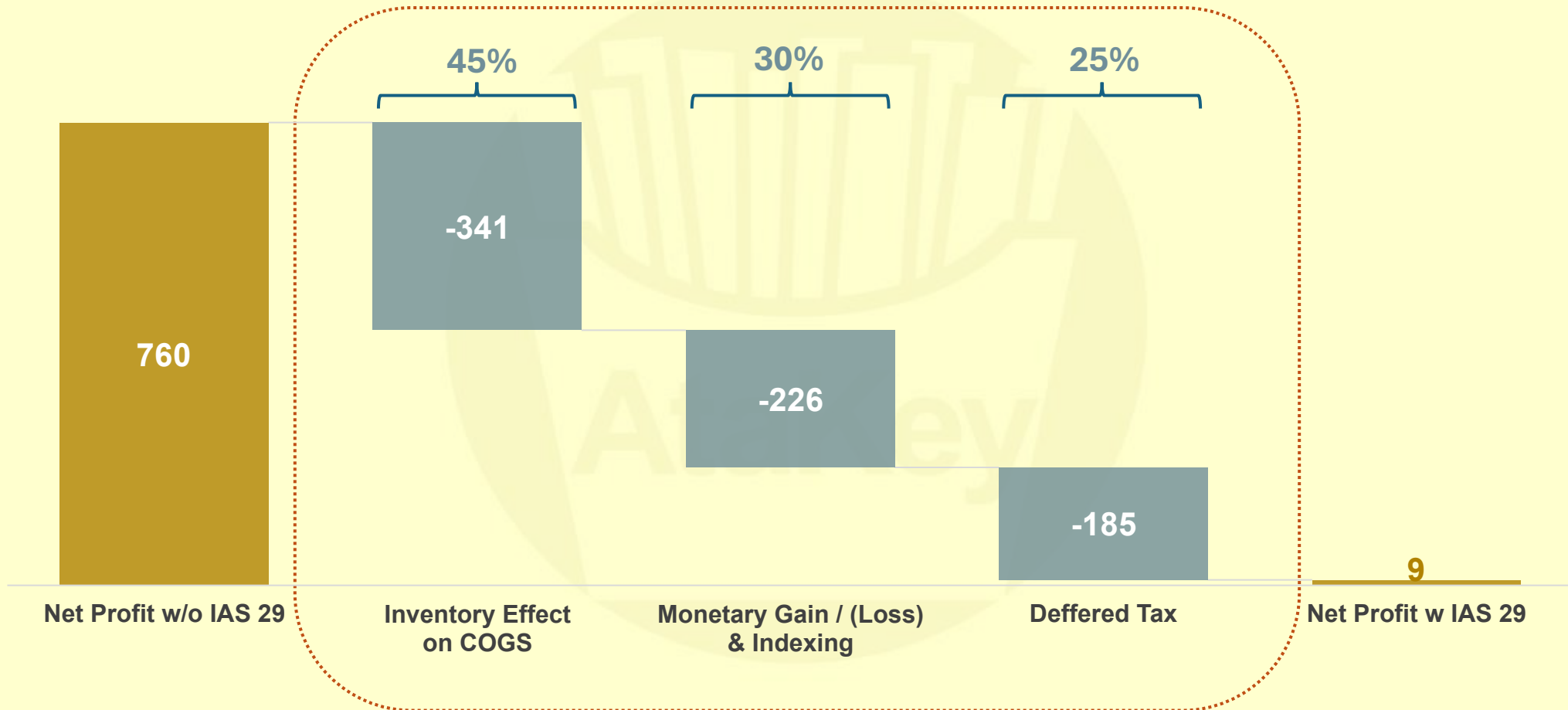
Million ¥	3Q24	3Q23	YoY%	9M24	9M23	YoY%
<b>Revenues</b>	658	1,037	-37%	2,520	2,613	-4%
<b>Operational Profit</b>	166	414	-60%	495	676	-27%
<b>Operational Profit margin %</b>	25%	40%	-15pp	20%	26%	-6pp
<b>EBITDA</b>	121	331	-63%	411	678	-39%
<b>EBITDA margin %</b>	18%	32%	-14pp	16%	26%	-10pp
<b>Net Profit</b>	-39	153	-125%	9	164	-95%
<b>Net Profit margin %</b>	-6%	15%	-21pp	0.4%	6%	-6pp



# Impact of IAS 29 Inflation Accounting on 9M24 Net Profit

Million ₺

## Inflation Accounting Effects on Net Profit



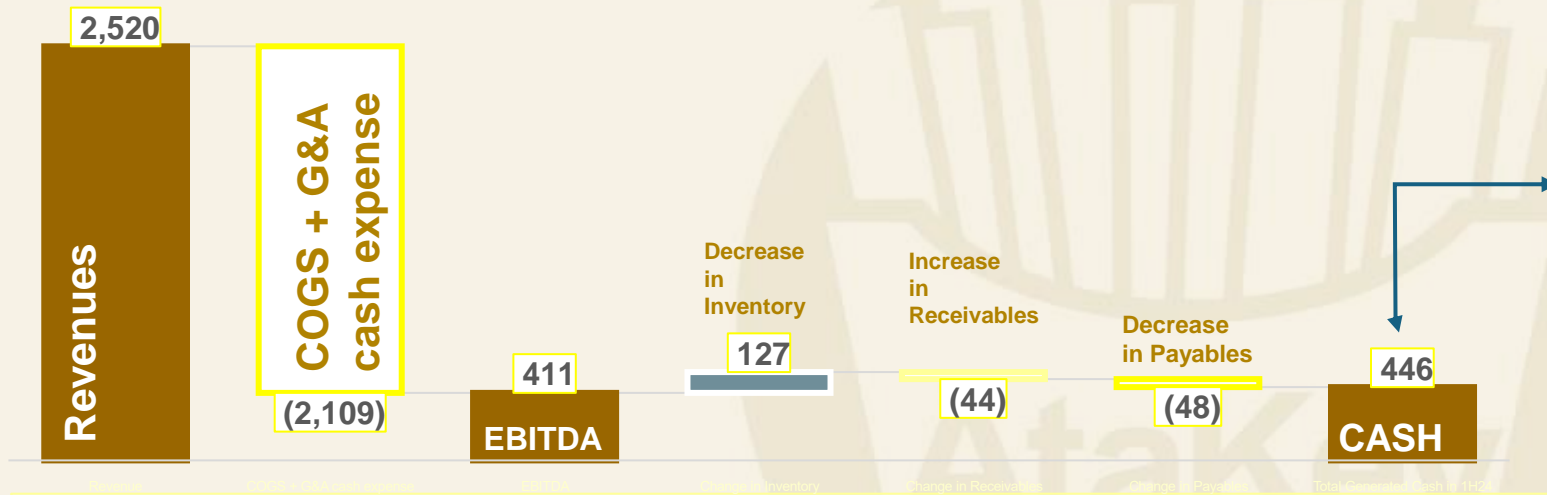


# Strong Cash Position: Sustainable Cash Generation Capabiliy – After IAS29

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 exports
- The average collection period for receivables is 41 days
- Payment of debts and expenses on new coated products line make cash outflows
- By the end of 9M24 Cash amount ended up to 737 million ₺

## Summary of Cash Flow

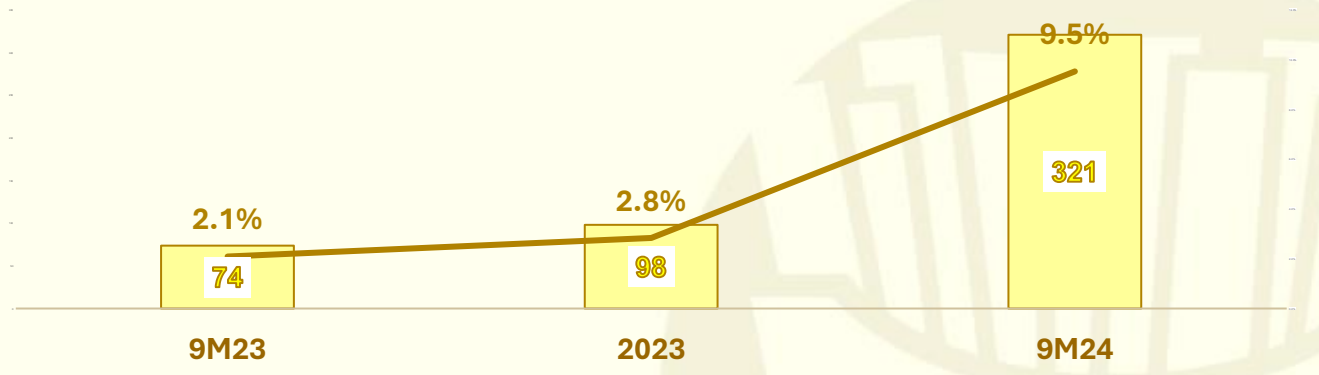
Million ₺

<b>2023 Year End Cash</b>	<b>1,190</b>
Generated Cash from Operations in 9M24	446
Financial Net Income	74
Debt Payment	(510)
New Product Line Investment (Advanced payments)	(109)
Tax & others	(354)
<b>9M24 End Cash</b>	<b>737</b>

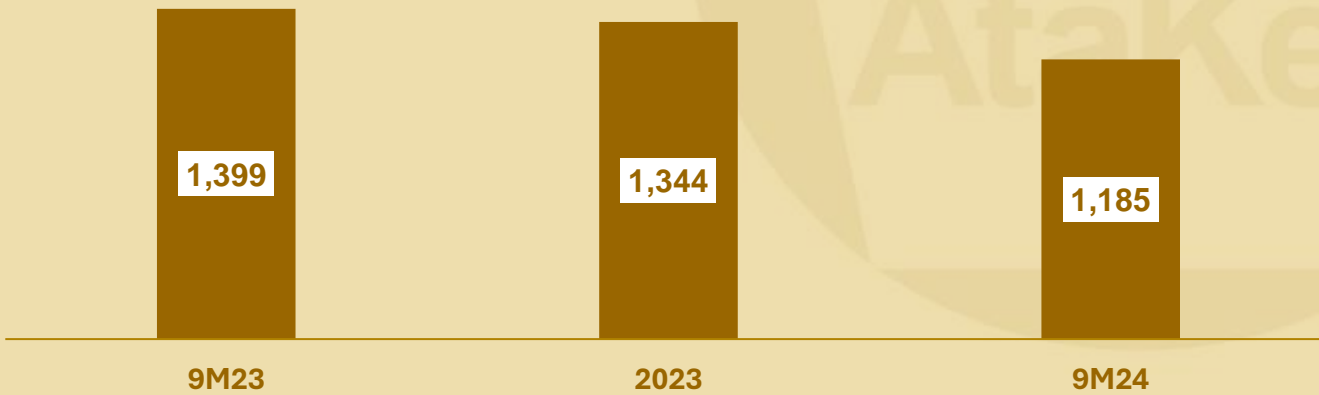


# Near to Zero Debt and Effective NWC Management – After IAS29

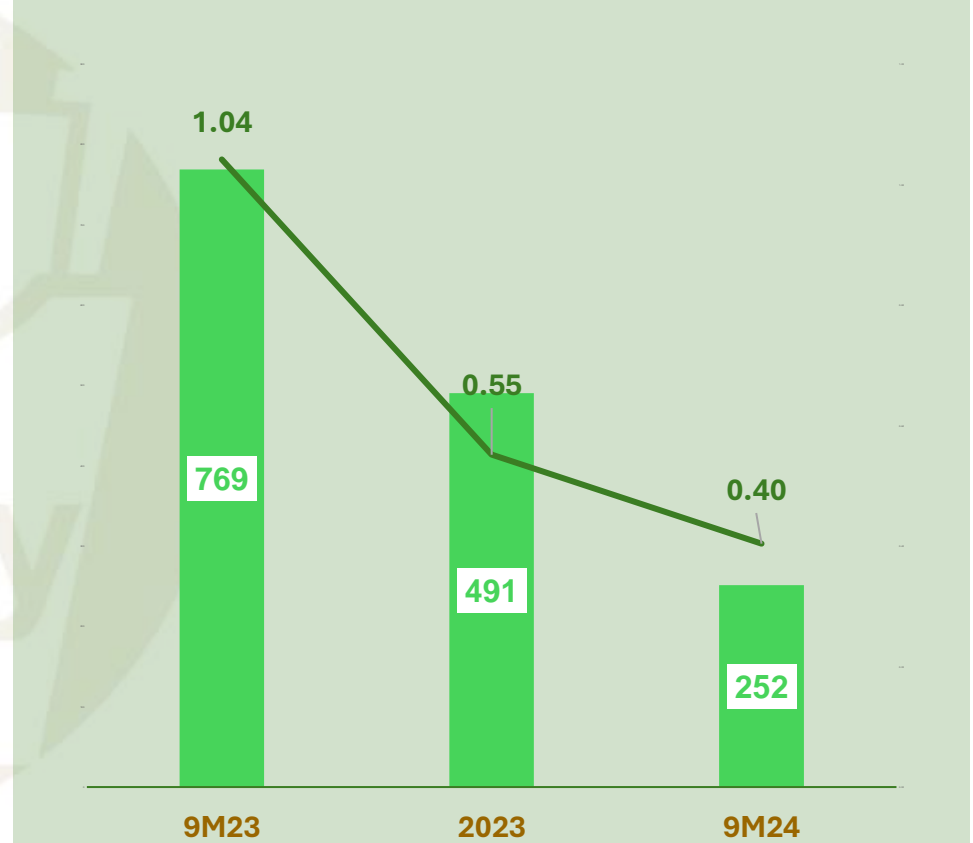
CAPEX Million ₺  
CAPEX / LTM Revenues %



Net Working Capital Million ₺



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





# Appendix





# Income Statement Summary for 1 Jan – 30 Sep 2024

Million ₺	After IAS29			Before IAS29		
	9M24	9M23	YoY %	9M24	9M23	YoY %
Revenue	2,520	2,613	-4%	2,193	1,439	52%
Cost of sales (-)	(2,141)	(1,911)	12%	(1,473)	(900)	64%
<b>Gross Profit</b>	<b>379</b>	<b>702</b>	<b>-46%</b>	<b>720</b>	<b>539</b>	<b>33%</b>
General and administrative expenses (-)	(100)	(80)	26%	(85)	(43)	98%
Other income from main activities	66	69	-4%	60	39	54%
Other expenses from main activities (-)	(85)	(123)	-31%	(55)	(64)	-13%
<b>Main operating profit</b>	<b>260</b>	<b>569</b>	<b>-54%</b>	<b>639</b>	<b>472</b>	<b>36%</b>
Income from investing activities	244	114	114%	213	68	213%
Expenses from investing activities (-)	(10)	(7)	34%	(7)	(3)	145%
<b>Operating profit before financial expenses</b>	<b>495</b>	<b>676</b>	<b>-27%</b>	<b>846</b>	<b>537</b>	<b>58%</b>
Financial income	-	0.7	-100%	-	0.4	-100%
Financial expenses (-)	(160)	(364)	-56%	(139)	(201)	-31%
Monetary loss/gain	(191)	188	-202%	-	-	0%
<b>Profit before tax</b>	<b>143</b>	<b>500</b>	<b>-71%</b>	<b>707</b>	<b>337</b>	<b>110%</b>
Tax expense	(26)	(117)	-78%	(23)	(60)	-61%
Deferred tax income/expense	(108)	(219)	-51%	77	23	239%
<b>Net profit for the period</b>	<b>9</b>	<b>164</b>	<b>-95%</b>	<b>760</b>	<b>300</b>	<b>154%</b>



# Balance Sheet Summary as of 30 Sep 2024

Million ₺	After IAS29			Before IAS29		
	9M24	2023	YoD %	9M24	2023	YoD %
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	737	1,190	-38%	737	876	-16%
Trade receivables	309	266	16%	309	196	58%
Other receivables	1.6	2.2	-26%	2	2	0%
Inventories	1,298	1,424	-9%	1,208	1,048	15%
Prepaid expenses	6	7	-17%	5	5	-5%
Other current assets	170	167	2%	170	124	37%
<b>Total Current Assets</b>	<b>2,521</b>	<b>3,056</b>	<b>-17%</b>	<b>2,431</b>	<b>2,251</b>	<b>8%</b>
<b>Non-Current Assets</b>						
Other receivables	1.6	2.0	-19%	1.6	1.5	10%
Property, plant and equipment	2,326	2,160	8%	1,800	1,590	13%
Intangible assets	2.3	1.4	64%	1.3	1.0	21%
Right of use assets	10	9	19%	8	6	24%
Prepaid expenses	109	-	0%	92	-	-
Derivative instruments	6	5	30%	6	4	77%
Deferred tax assets	186	322	-42%	335	237	41%
<b>Total Non-Current Assets</b>	<b>2,641</b>	<b>2,499</b>	<b>6%</b>	<b>2,245</b>	<b>1,840</b>	<b>22%</b>
<b>TOTAL ASSETS</b>	<b>5,163</b>	<b>5,555</b>	<b>-7%</b>	<b>4,676</b>	<b>4,090</b>	<b>14%</b>





# Balance Sheet Summary as of 30 Sep 2024

Million ₺
<b>LIABILITIES</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		
9M24	2023	YoD %
-	505	-100%
229	234	-2%
5	3	54%
444	492	-10%
127	-	0%
6	6	1%
9	6	35%
6	15	-62%
9	3	162%
<b>834</b>	<b>1,265</b>	<b>-34%</b>
187	116	62%
3	2	56%
10	7	42%
<b>201</b>	<b>125</b>	<b>61%</b>
937	937	0%
1,217	1,217	0%
716	715	0.1%
(77)	(163)	-53%
175	-	0%
1,151	1,057	9%
9	402	-98%
<b>4,128</b>	<b>4,165</b>	<b>-1%</b>
<b>5,163</b>	<b>5,555</b>	<b>-7%</b>

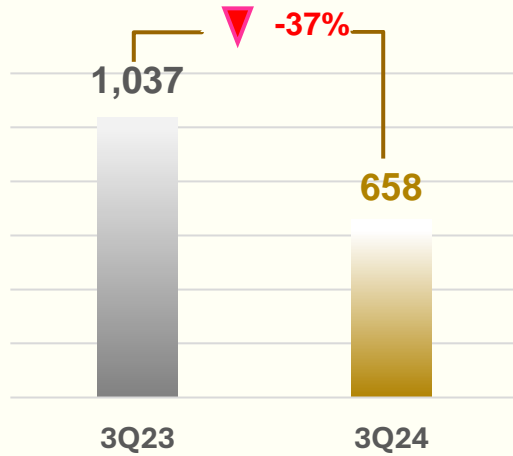
Before IAS29		
9M24	2023	YoD %
-	372	-100%
229	172	33%
5	2	110%
444	362	23%
127	-	0%
6	4	37%
9	5	83%
6	11	-48%
9	3	256%
<b>834</b>	<b>931</b>	<b>-10%</b>
187	85	120%
3	2	112%
10	5	93%
<b>201</b>	<b>92</b>	<b>118%</b>
139	690	-80%
778	896	-13%
1,278	526	142.75%
(77)	(120)	-36%
161	-	0%
603	779	-23%
760	296	157%
<b>3,641</b>	<b>3,067</b>	<b>19%</b>
<b>4,676</b>	<b>4,090</b>	<b>14%</b>



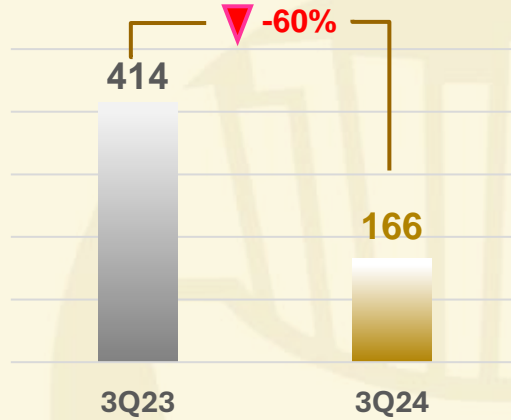
# 3Q24 Financial Results in a Snapshot (Million ₺)

After IAS 29

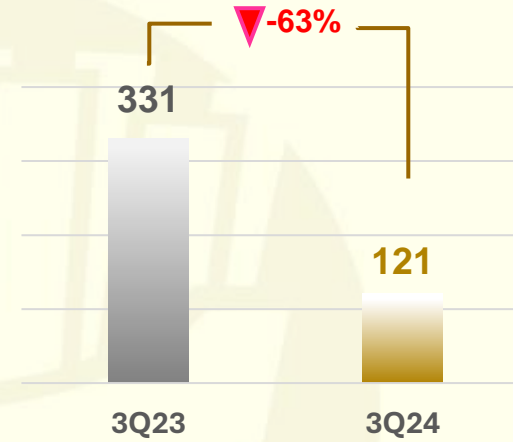
## Revenues



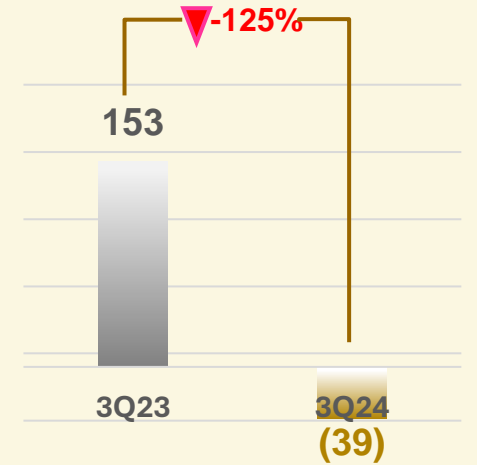
## Operational Profit



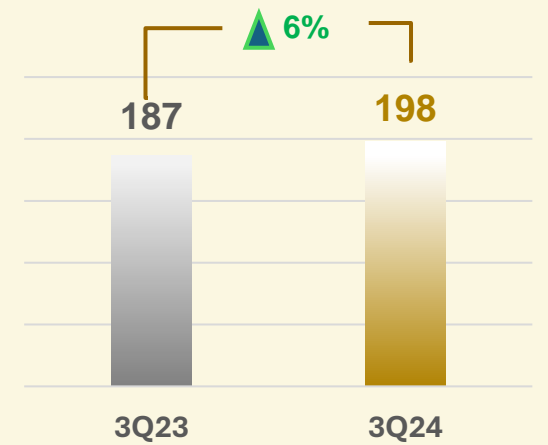
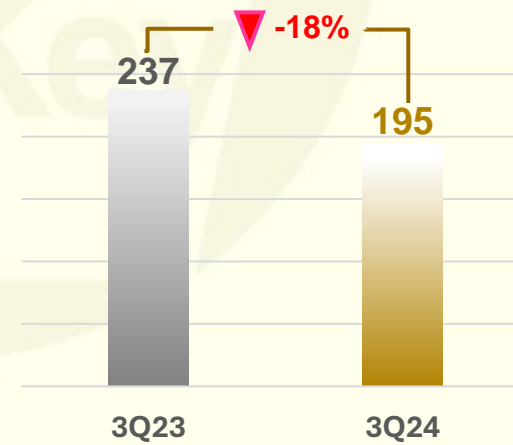
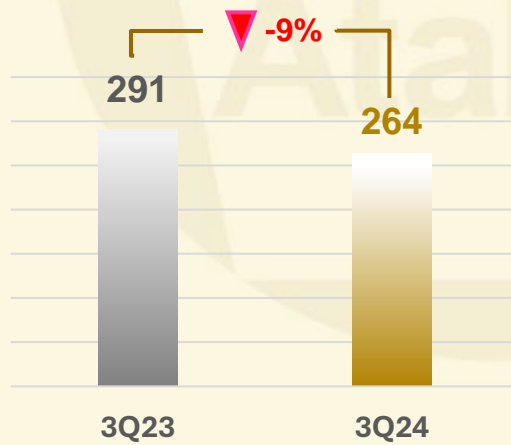
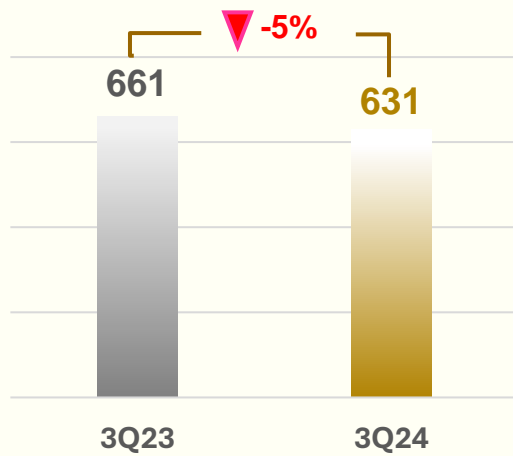
## EBITDA



## Net Profit



Before IAS 29

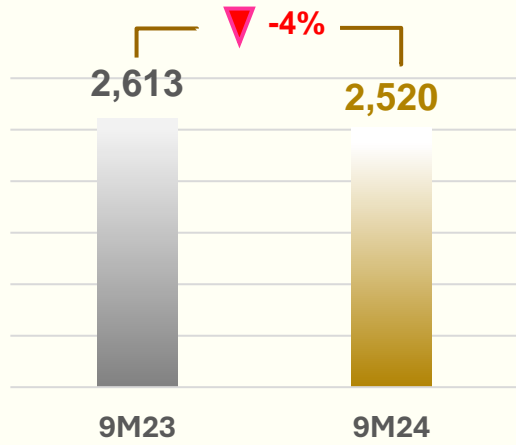




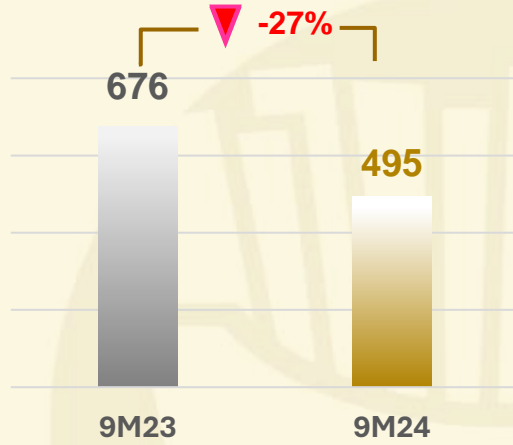
# 9M24 Financial Results in a Snapshot (Million ₺)

After IAS 29

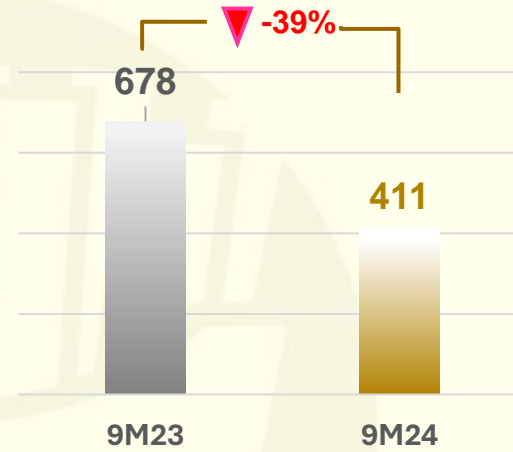
## Revenues



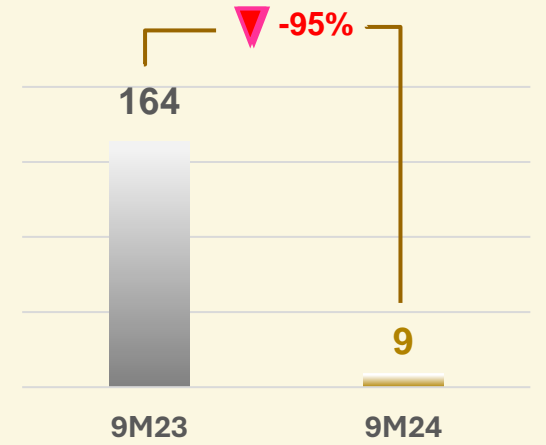
## Operational Profit



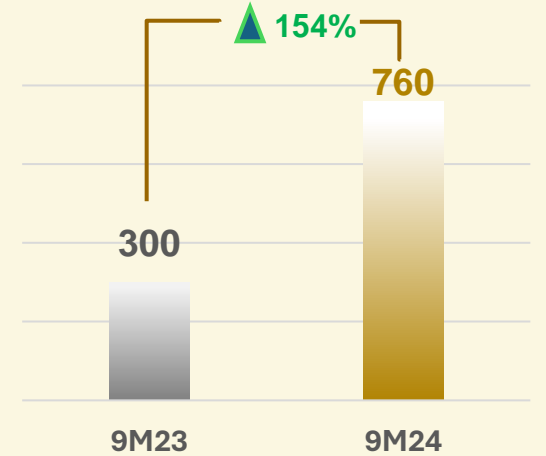
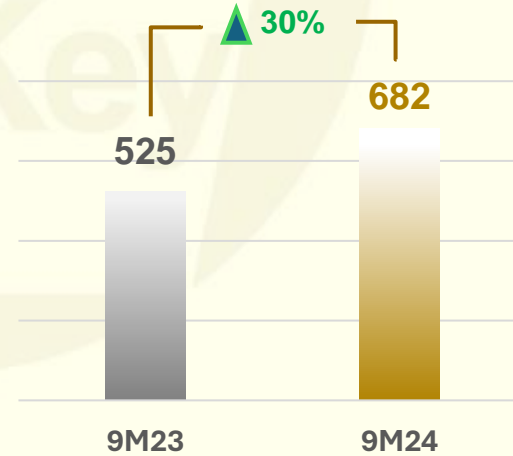
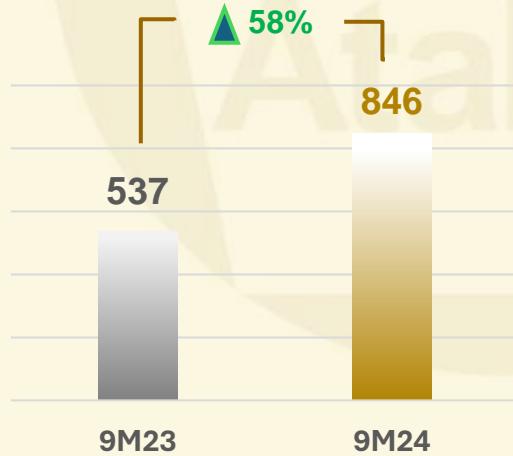
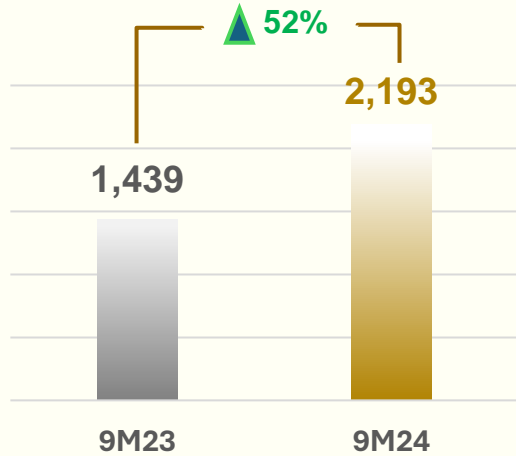
## EBITDA



## Net Profit



Before IAS 29





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