



ATAKEY

Q2 2024 and H1 2024 Financial Bulletin

Q2 2024 and H1 2024 Financial and Operational Highlights

(All financial figures are in line with IAS 29 unless otherwise stated)

Million ₺	2Q24	2Q23	YoY %	1H24	1H23	YoY %
Revenues	798	759	5%	1,709	1,447	18%
Gross Profit	132	186	-29%	264	324	-19%
Operational Profit *	122	149	-18%	310	240	29%
EBITDA	116	181	-36%	266	318	-16%
EBITDA margin %	14%	24%	-10pp	16%	22%	-6pp
Net profit	38	36	4%	44	10	319%

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

Key highlights in H1 2024

(All financial figures are in line with IAS 29 unless otherwise stated.)

- Revenues in 1H24 increased by 18% yoy to 1,709 million TL with 32 K tonnes of sales. (Before IAS 29 accounting, revenues grew by 101% yoy from 778 million TL to 1,562 million TL.)
- Gross profit stood at 264 million TL in 1H24 compared to 324 million TL in 1H23. (Before IAS 29 accounting, on the contrary gross profit increased from 291 million TL to 518 million TL with 78% rise.)
- Operational profit before financial expenses came in 310 million TL by 29% yoy increase. (Before IAS 29 accounting, operational profit surged by 137% yoy to 582 million TL.)
- EBITDA declined by 16% yoy to 266 million TL with an EBITDA margin of 16%. (Before IAS 29 accounting, EBITDA grew by 69% yoy to 487 million TL with an EBITDA margin of 31%.)
- In 1H24 net profit was recorded at 44 million TL, representing a fourfold increase compared to the previous year. (Before IAS 29 accounting, net profit increased fivefold annually from 113 million TL to 562 million TL.)

Key highlights in Q2 2024

(All financial figures are in line with IAS 29 unless otherwise stated)

- Revenues in 2Q24 slightly increased by 5% yoy to 798 million TL with 16 K tonnes of sales. (Before IAS 29 accounting, revenues grew by 81% yoy from 427 million TL to 770 million TL.)
- Gross profit stood at 132 million TL in 2Q24 compared to 186 million TL in 2Q23. (Before IAS 29 accounting, on the contrary gross profit increased from 165 million TL to 261 million TL with 58% rise.)
- Operational profit before financial expenses came in 122 million TL by 18% yoy decrease. Main effect of the decrease was the inflationary accounting of COGS (Before IAS 29 accounting, operational profit had an increase of 92% yoy to reaching at 274 million TL.)
- EBITDA stood at 116 million TL with a decrease of 36% and EBITDA margin became 14%. (Before IAS 29 accounting, EBITDA reached 234 million TL and an annual growth became 44%, plus EBITDA margin was 30%.)
- In 2Q24 net profit was recorded at 38 million TL and remained nearly the same as the previous year's net profit of 36 million TL. (Before IAS 29 accounting, net profit reached nearly 3,8 times of the previous year from 71 million TL to 269 million TL.)

Comments of Atakey Board Member: Mr. Erhan Cansu

As Türkiye's leading frozen potato producer and one of Europe's top processors, we are pleased to build on our solid performance from the previous period. During this period, we maintained the strength of our sustainable production model by integrating every stage of the value chain—from sourcing seeds to delivering high-quality products to customers worldwide.

In the first half of 2024, our financial and operational results reflect our commitment to excellence. After IAS29 inflationary adjustments, we achieved a revenue milestone of 1.7 billion TL for H1 2024, representing real growth of 18% year-over-year. Our operational profit reached 310 million TL, showcasing our ability to maintain profitability despite the complex global economic environment. Pre-adjustment numbers before IAS29 also highlight our strong business performance, with H1 revenues growing by 101% to approximately 1.6 billion TL. Operational profitability showed robust growth, standing at 582 million TL in H1, a 137% increase. This strong performance positively impacted on our bottom line, reaching 562 million TL, representing an impressive 398% growth.

Our strategic partnership with TFI TAB Food Investments continues to be a key driver of our success. We have maintained strong supply channels with over 3,200 restaurants across Türkiye and China, reinforcing our presence in these critical markets. In Q2 2024, production rose 55% year-on-year to 10K tonnes, with first-half output up 73% to 28K tonnes. Q2 2024 sales reached 16K tonnes, up 24% year-on-year, with first-half sales rising 27% to 32K tonnes.

The most significant growth came from third-party sales, which surged 62% in H1 to 8K tonnes, with 69% of these sales attributed to major retailer accounts. As we expand alongside our largest client, TAB Gıda, enhancing third-party sales remains crucial to our strategy. While Q2 export sales remained steady at 1K tonnes, H1 exports saw a 214% increase to 6K tonnes, driven by strong Q1 results. Our sustained efforts to penetrate the Chinese market have been fruitful, as we continue to gain traction and strengthen our foothold in this competitive region.

In closing, our commitment to optimizing supply chain and production capabilities remains steadfast as we adapt to rising future demands. Our focus on maintaining financial discipline and managing costs effectively ensures sustainable growth and strengthens our financial structure. Our strong performance in the first half of 2024 demonstrates our ability to thrive in a challenging economic environment. We will continue to leverage our strategic partnerships, expand our market presence, and enhance our operational efficiency to drive future growth and deliver exceptional value to our stakeholders.

We sincerely thank all our stakeholders: our employees for their dedication, our ecosystem partners for their support, our farmers for their crucial partnership, our investors for their continued confidence, and our customers for their trust and collaboration.

Business Highlights

We are the exclusive supplier to over 3,200 quick-service restaurants both domestically and internationally, showcasing our efficiency and reliability in meeting their potato demands. Our management over the entire process, from seed to final product, continues to provide us advantages and enhances our competitive edge in both domestic and international markets. Atakey continues to process one out of every five kilograms of frozen potato products in the industry, highlighting our central role and commitment to quality and volume.

Harvest and Supply Chain Management

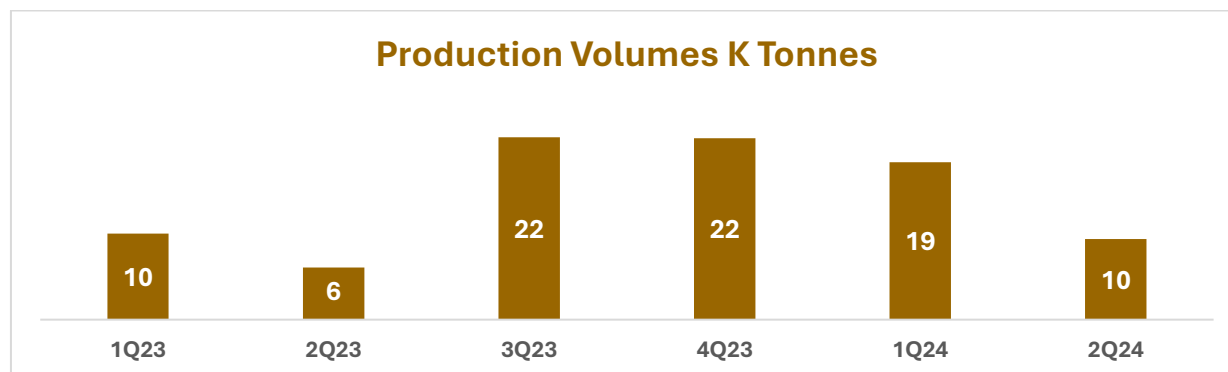
Our potato harvest is progressing well, with expected completion by November 2024 and a forecasted yield of approximately 140K tonnes. Additionally, we have secured contracts for 3,5K tonnes of onions for our new production line, demonstrating our effective supply chain management.

Production Capacity Expansion

We will enhance our production capabilities with a new production line in Q4 2024, adding 10K tonnes of capacity. For 2024, we project a production volume of around 75K tonnes of potatoes, maintaining our leadership in the frozen potato sector.

Our positioning for profitable growth is supported by our strong ecosystem and diversified sales channels. TF Holding operates through two main segments: Atakey and 3,200 restaurant operators, including Tab Gıda and China, making us the fourth-largest QSR operator globally.

Operational Highlights

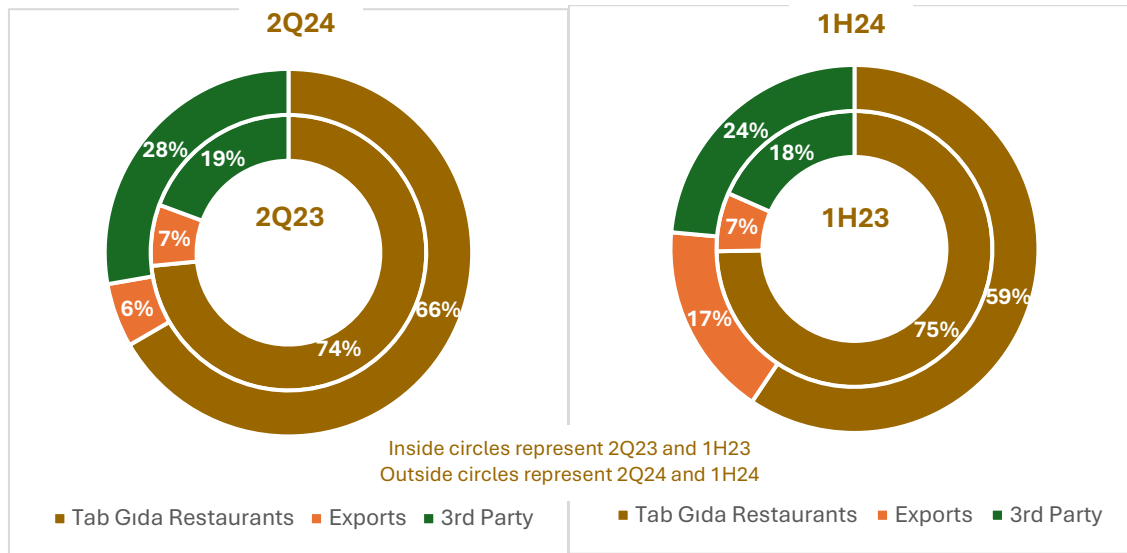


Total Sales and Sales Channel Distributions

K Tonnes	2Q24	2Q23	YoY %	1H24	1H23	YoY %
Tab Gıda	11	9	13%	19.3	19.1	1%
Exports	0.90	0.93	-2%	6	2	214%
3rd Party	4	2	78%	8	5	62%
Total Sales Volume	16	13	24%	32	26	27%

Sales Channel Distribution_2ndQuarter

Sales Channel Distribution_1stHalf



Strong Operational Performance

Our production reached 10K tonnes in Q2, marking a robust 55% year-on-year increase. For the first half of 2024, production grew impressively by 73%, reaching 28K tonnes.

In terms of sales, Q2 2024 saw 16K tonnes sold, reflecting a 24% year-on-year increase. Total sales for the first half of the year rose by 27%, reaching 32K tonnes.

The standout growth came from third-party sales, which surged by 62% in H1, reaching 8K tonnes. On none group 3rd party front there was an expansion in our engagement with major retail accounts, with 69% of our direct sales attributed to these key partners. This performance is highly encouraging, and we are committed to maintaining this positive trajectory as we continue to grow alongside our largest client, TAB Gida.

Export sales in Q2 remained stable at 1K tonnes, consistent with the previous year. However, for H1, export sales saw 214% increase, reaching 6K tonnes, supported by our strong Q1 performance.

We are actively pursuing international tender opportunities to enhance our global presence, in addition to our sales to China.

On the production front, we are progressing well with our new product lines. Investments in our new production facility are on track, and we expect to begin production of coated onion rings in Q4, around November, with an initial output of approximately 1K tonnes. Cheese sticks will also be introduced starting in 2025.

Overall, our diversified sales channels continue to drive real growth, with each segment contributing significantly.

Key Financial Figures

Summary of Income Statement

Million TL	1H24	1H23	YoY %
Revenue	1,709	1,447	18%
Cost of sales (-)	(1,446)	(1,123)	29%
Gross Profit	264	324	-19%
General and administrative expenses (-)	(60)	(46)	31%
Other income from main activities	28	37	-25%
Other expenses from main activities	(100)	(103)	-3%
Main operating profit	131	212	-38%
Income from investing activities	179	28	531%
Expenses from investing activities	-	-	-
Operating profit before financial expenses	310	240	29%
Financial income	-	0.4	-100%
Financial expenses	(113)	(212)	-47%
Monetary loss/gain	(109)	101	-208%
Profit before tax	88	129	-32%
Tax expense	(16)	(89)	-82%
Deferred tax income/expense	(28)	(30)	-8%
Net profit for the period	44	10	319%

Summary Balance Sheet

Million TL	1H24	FY23	YoD %
ASSETS			
Cash and cash equivalents	605	1,092	-45%
Trade receivables	608	244	149%
Other receivables	1.6	2.0	-20%
Inventory	725	1,308	-45%
Prepaid expenses	29	6	372%
Other current assets	152.7	153.5	-1%
Total Current Assets	2,121	2,806	-24%
Other receivables	1.5	1.8	-20%
Tangible fixed assets	1,933	1,983	-3%
Intangible assets	2.0	1.3	56%
Right of use assets	7.7	7.9	-3%
Prepaid expenses	177	-	na
Derivative instruments	8	4	72%
Deferred tax assets	233	296	-21%
Total Non-Current Assets	2,363	2,295	3%
TOTAL ASSETS	4,484	5,101	-12%
LIABILITIES			
Short-term borrowings	-	464	-100%
Current portion of long-term financial borrowings	222	215	3%
Payables from short-term rental transactions	5	3	68%
Trade payables	199	452	-56%
Other payables	171	-	na
Employee benefits	16	5	194%
Short-term provisions	7	6	17%
Period profit tax liability	-	13	-100%
Other short-term liabilities	7	3	116%
Total Short -Term Liabilities	626	1,162	-46%
Long-term borrowings	35	106	-67%
Payables from long-term lease transactions	1	2	-60%
Long-term provisions for employee benefits	7	6	11%
Total Long-Term Liabilities	43	115	-63%
EQUITY			
Share capital and adjustments to share capital	860	860	0%
Share premium	1,118	1,118	0%
Other comprehensive income and expenses not to be reclassified under profit or losses	657	657	0.05%
Other comprehensive income and expenses to be reclassified under profit or losses	(81)	(150)	-46%
Restricted reserves separated from profit	161	-	na
Retained earnings	1,057	972	9%
Net profit for the period	44	367	-88%
Total Equity	3,815	3,824	-0.2%
TOTAL LIABILITIES AND EQUITY	4,484	5,101	-12%