



TAT GIDA

1Q2022 FINANCIAL RESULTS REVIEW



-
- 1Q2022 Financial Results Review
 - Appendix

FINANCIAL RESULTS

1Q2022 HIGHLIGHTS



1Q2022 Highlights

Net Sales*

TL 537 mn
(151% yoy growth)

Exports Share*

46% of total sales
(vs. 25% in 1Q2021)

EBIT

TL 81 mn (228% yoy growth)

EBITDA*

TL 85 mn (211% yoy growth)

Net Profit:

TL95 mn (4% growth)

Net Profit : TL95 mn (273% yoy growth)*

*From Continuing operations

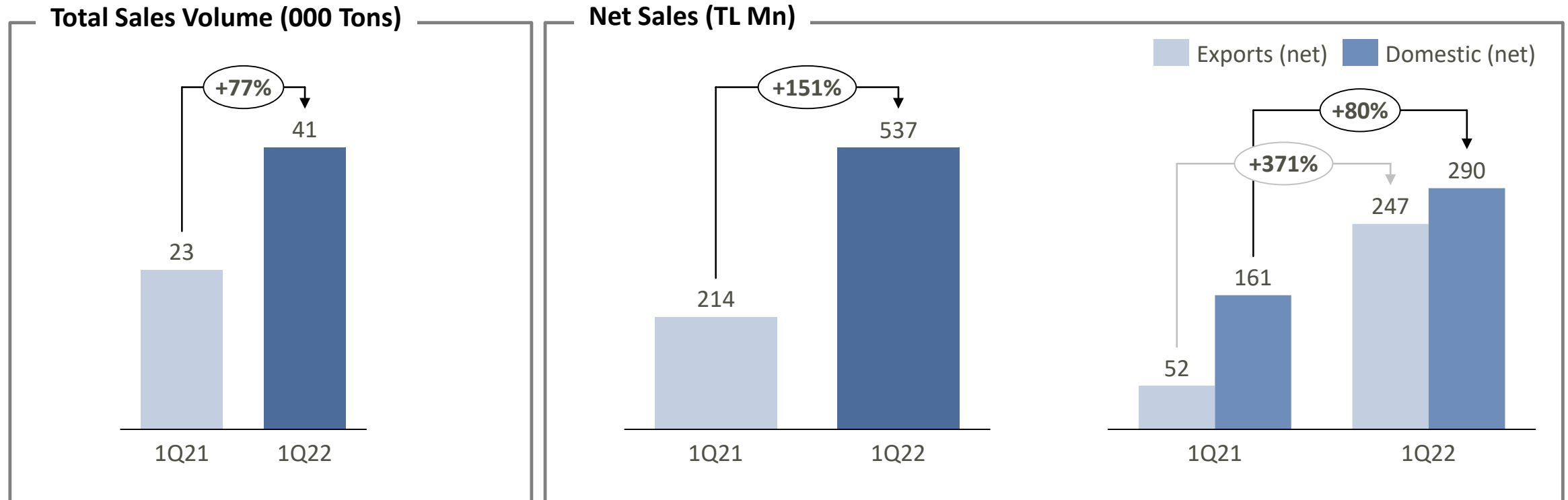
- Higher sales volumes in 1Q22, following strong harvesting season in 2021 with added capacities: Total amount of tomatoes processed increased by 32% to 503K tons and total production was up by 25% in FY2021.
- Net sales was up by 151% yoy in 1Q22 to TL537 mn, thanks to support of strong sales volumes both domestic and export markets.
- Able to offset the negative impact of challenging market environment due to elevated new season costs, increased tomato purchases and TL's depreciation; Gross profit increased by 203% yoy in 1Q22 to TL183 mn; while gross margin came in at 34% vs. 28% in 1Q21.
- Investing to accelerate growth and enhance long-term market position; marketing expenses reached TL50 mn in 1Q2022 vs. TL17 mn in 1Q2021.
- EBITDA came in at TL85 mn, up by 211%, yoy, while EBITDA margin was 16% vs. 13% in 1Q21.
- Net debt came down to TL132 mn in 1Q22, compared to TL293 mn in FY21-end; despite total dividend distribution of TL56 mn* in March 2022 and total investment expenditures of TL 8 mn in 1Q22.
- Net Profit from continued operations was TL95 mn vs. TL25 mn in 1Q21, owing to higher operational performance.

* TL 45.6 mn cash dividend to shareholders and rest as Dividend to Owners of Redeemed Shares

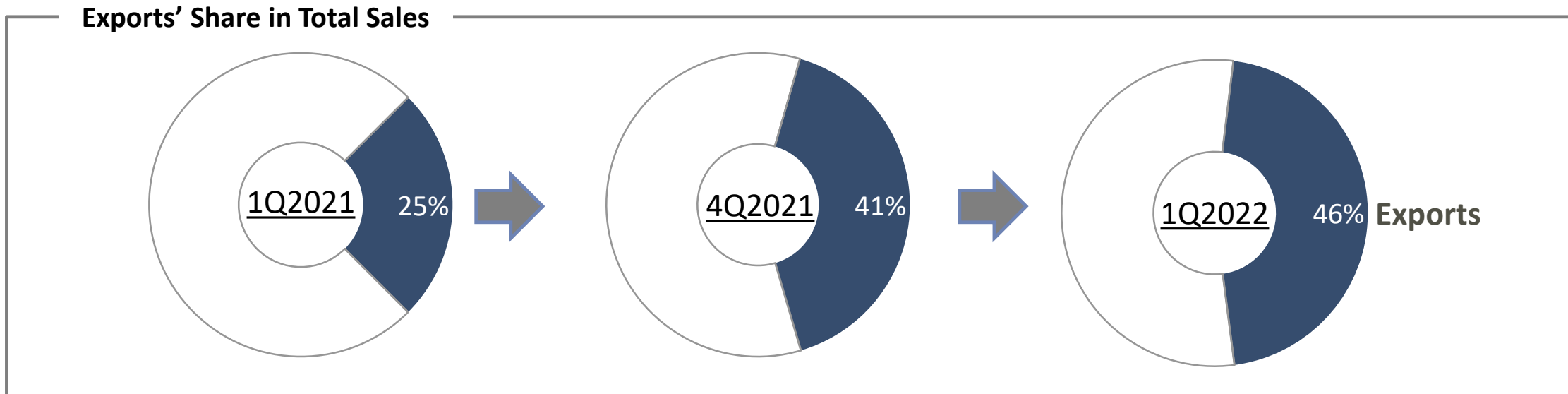
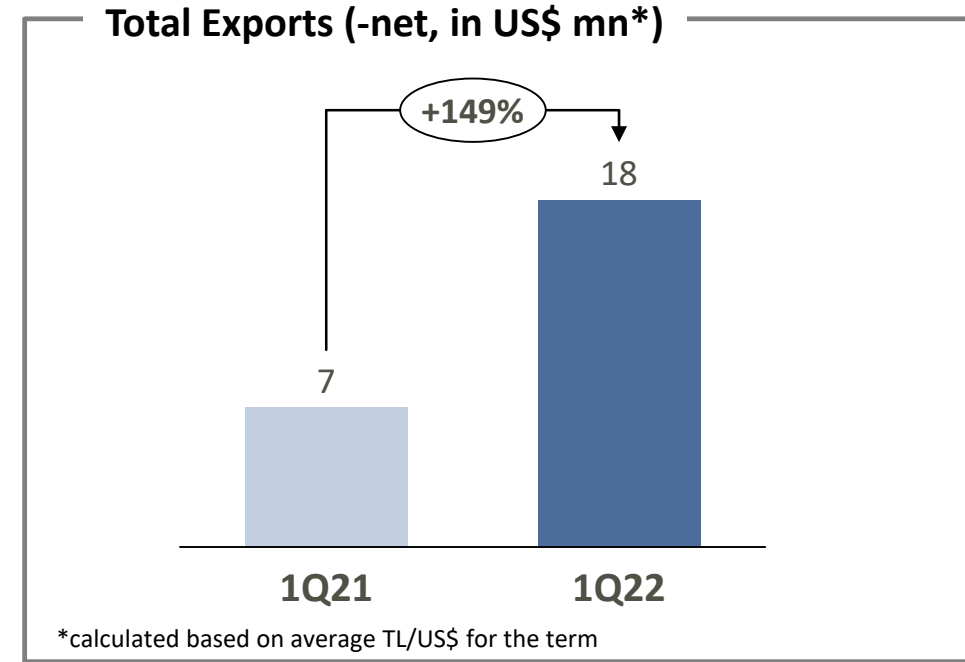
NET SALES INCREASED BY 151% IN 1Q2022



- With higher added capacities, owing to finalized capex investments in 3Q21, and strong overall sales performance, total sales volume in 1Q22 increased by 77% yoy to 41K tons.
- Net sales reached TL537 mn; up by 151% yoy, due to higher volumes and price adjustments.
- Domestic sales increased by 80% in 1Q22, yoy; while exports surged by 371%.



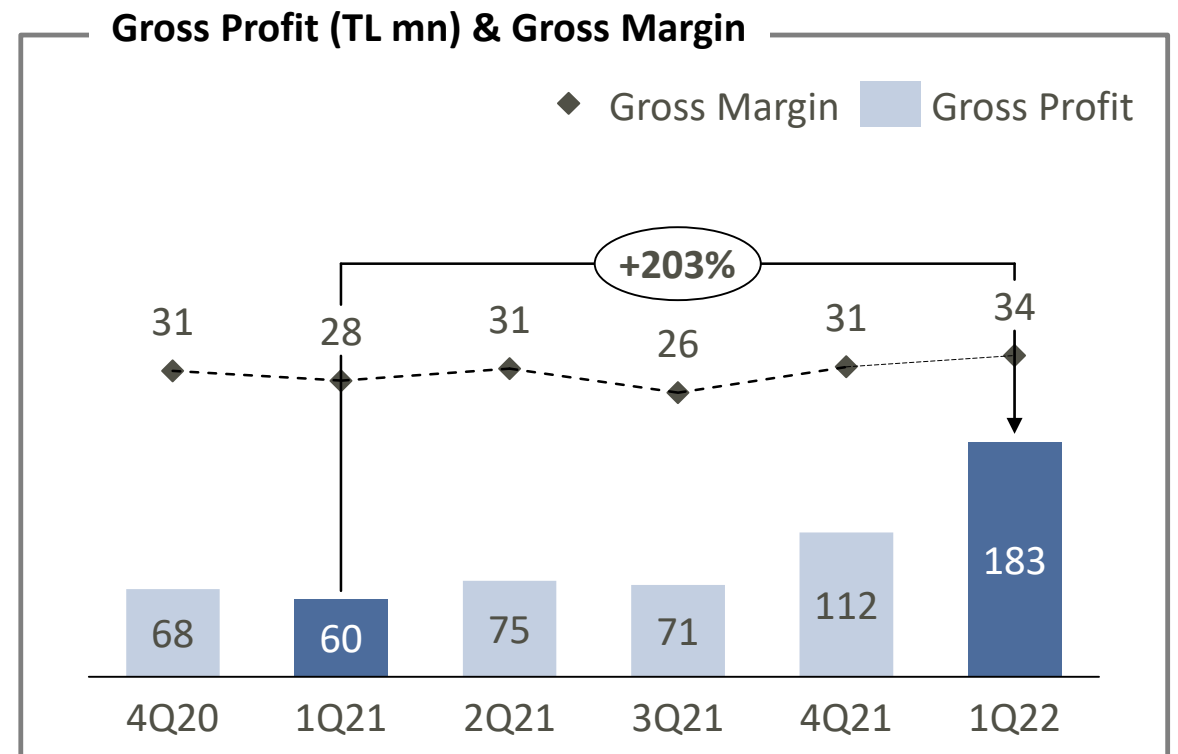
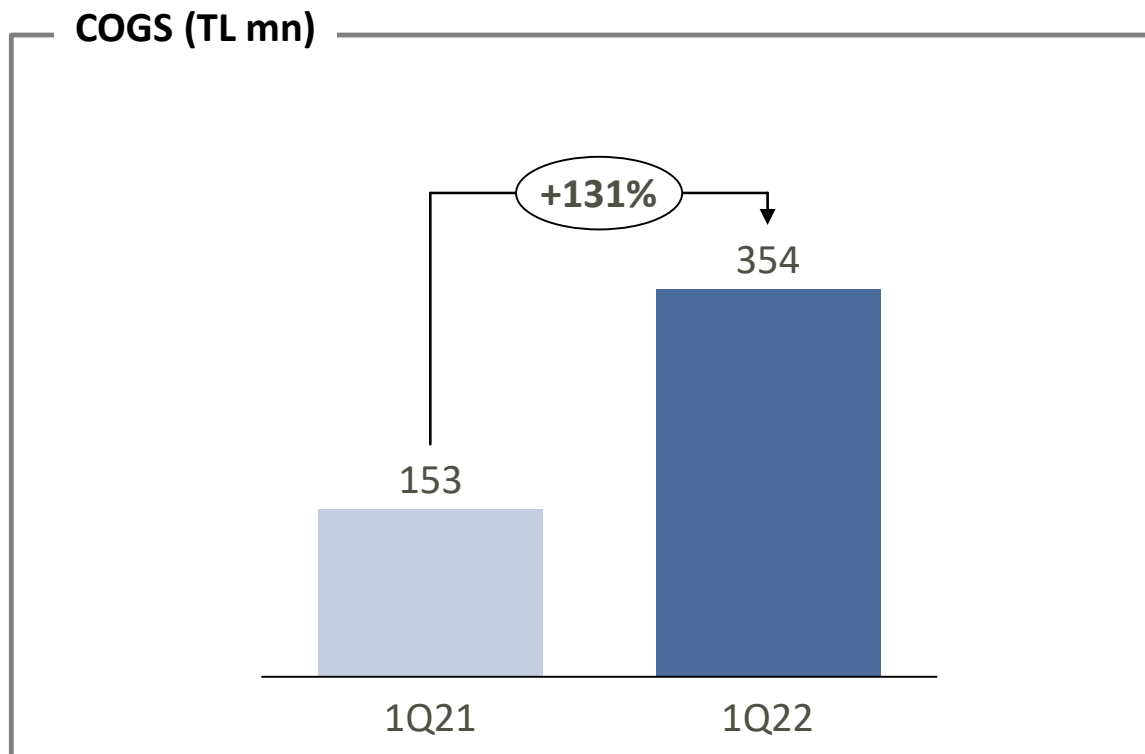
- Total exports in 1Q22 reached TL247 mn (US\$18 mn), displaying 371% growth yoy in TL terms and 149% in US\$ terms. This represents 46% share in total sales vs. 25% in 1Q21.
- Tat's main export market was Europe in 1Q22.



MARGINS RECOVERED IN 1Q22; DESPITE TOUGHER MARKET CONDITIONS



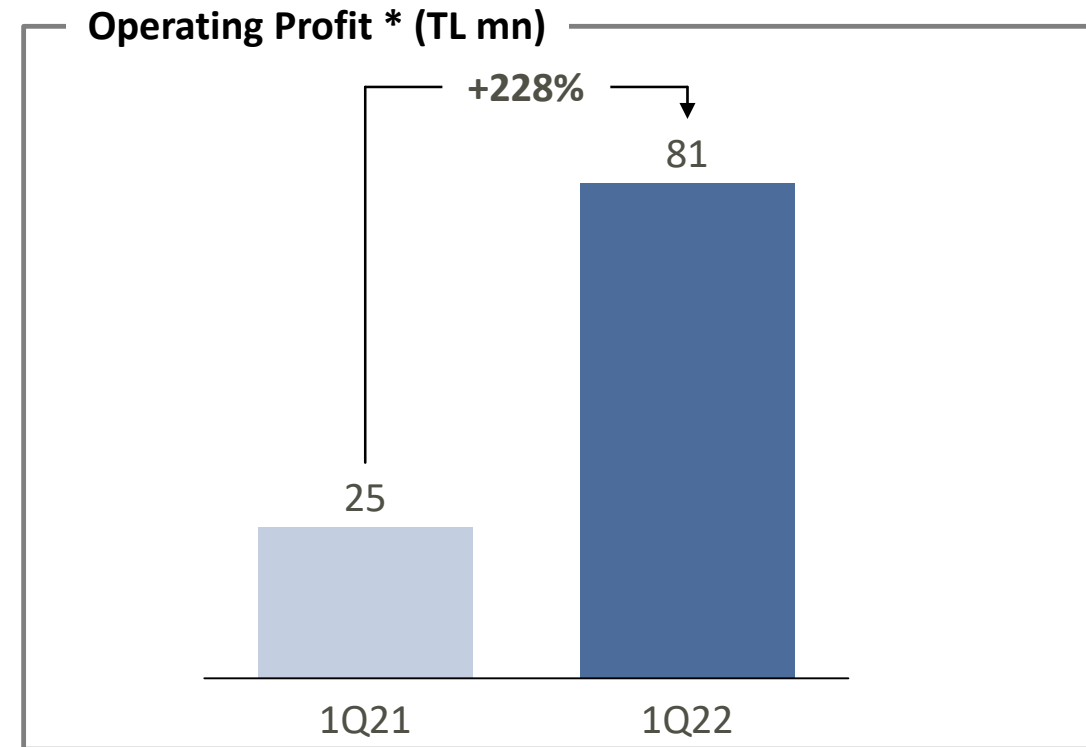
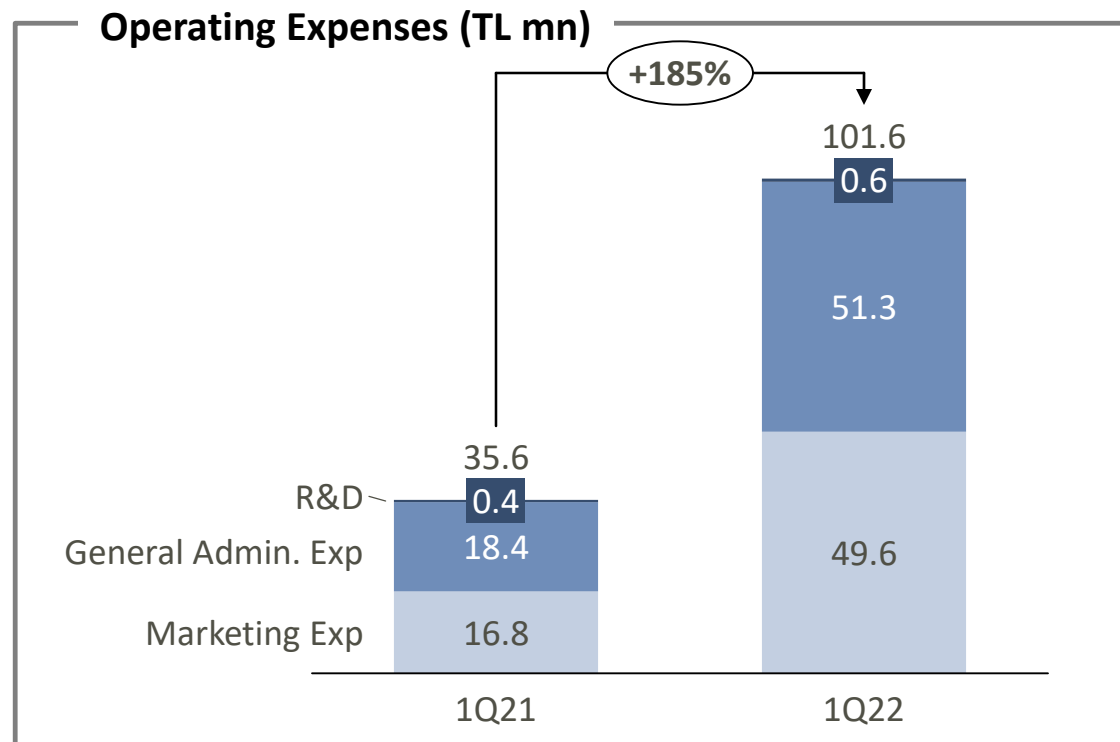
- Higher COGS due to new harvesting season's elevated prices, increased volume of tomato purchase, combined with weak TL led to a pressure on margins mainly in 3Q21.
- But, thanks to managing production costs and sales prices; gross profit increased by 203% yoy to TL183 mn; while gross margin came in at 34% in 1Q22, vs. 28% in 1Q21.



OPERATING PROFIT INCREASED BY 228% YOY IN 1Q22

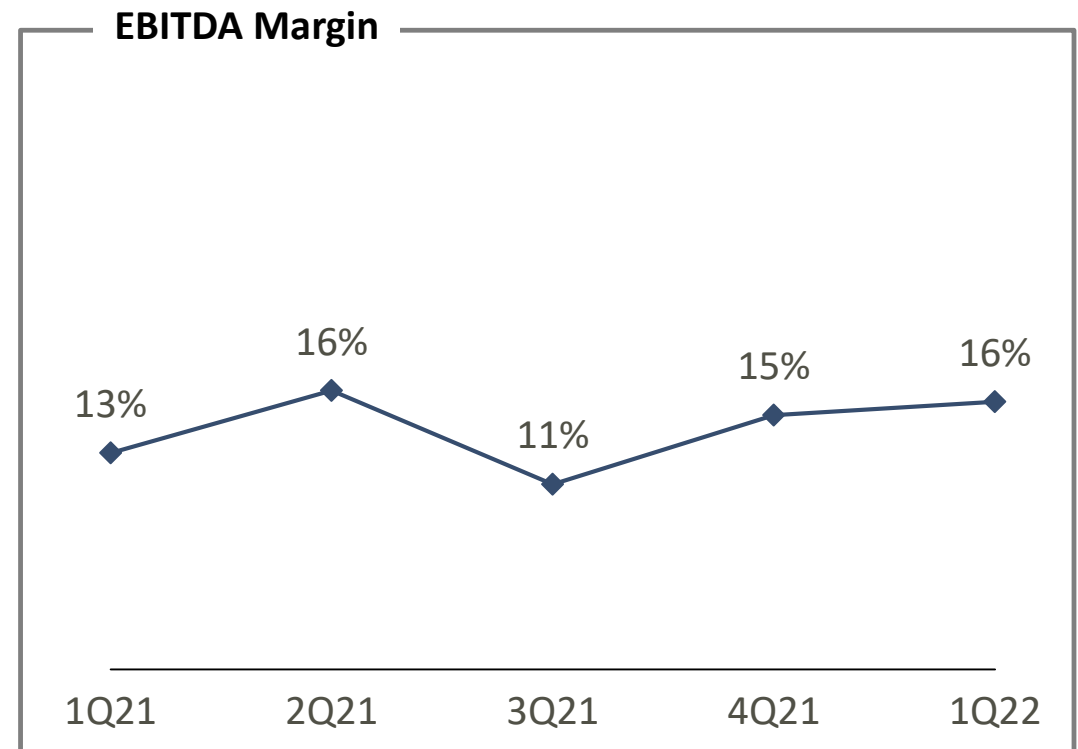
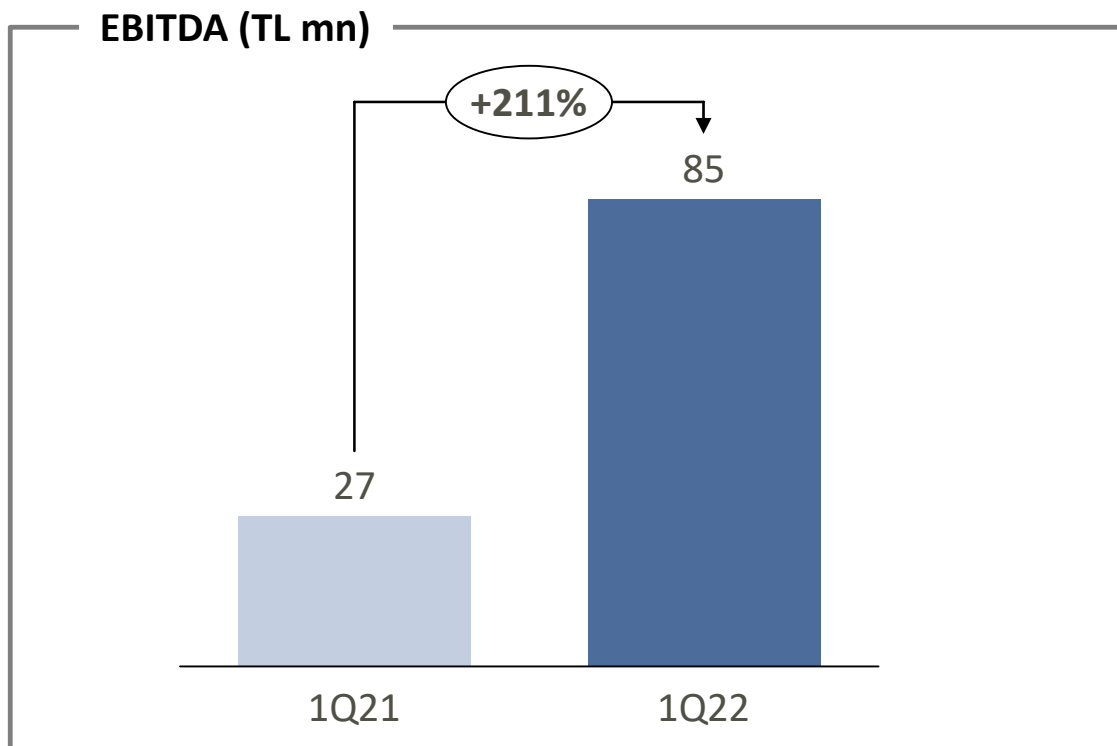


- Investing to accelerate growth and enhance long-term market position.
- Marketing expenses reached TL50 mn in 1Q2022 vs. TL17 mn in 1Q2021; while total operating expenses was TL102 mn, displaying a yoy growth of 185%.
- Despite elevated expenses, operating profit was up by 228% in 1Q22, yoy to TL81 mn.



*Operating Profit is calculated as Gross Profit – OPEX; Net Income(Exp) from Other Operating Activities excluded

- EBITDA at TL81 mn in 1Q22, displayed a year-on-year increase of 211%; while EBITDA margin reached 16% in this quarter, vs. 13% in 1Q21.



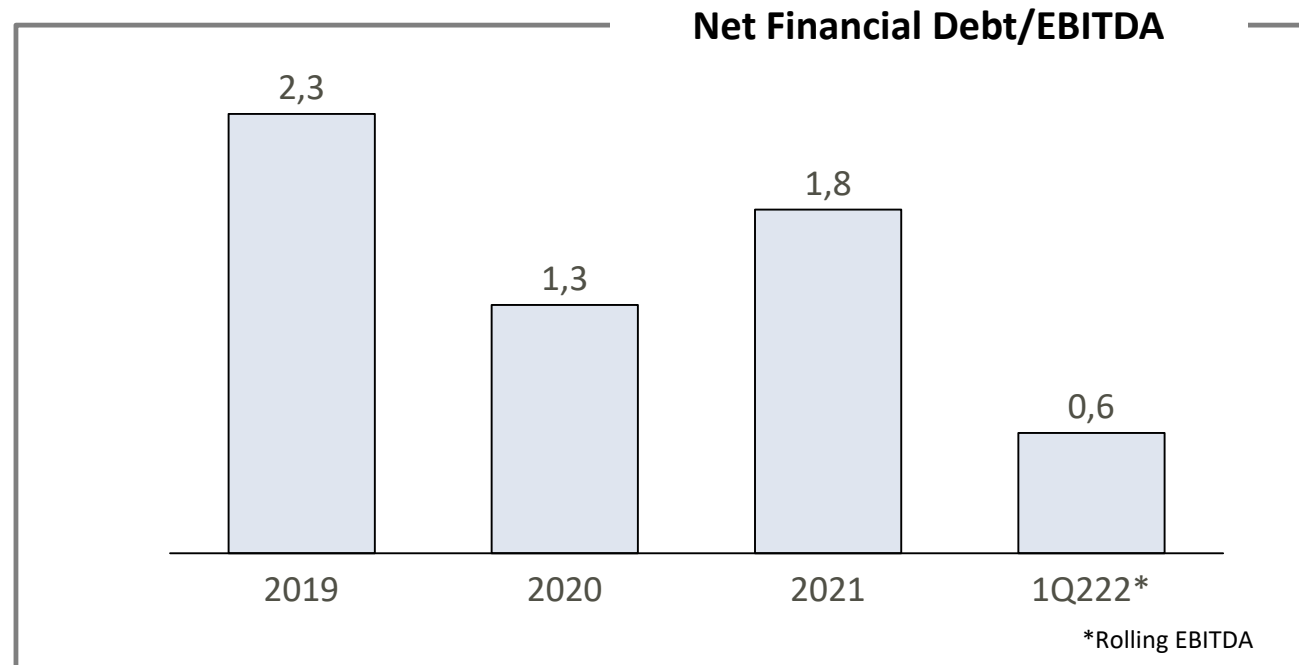
NET FINANCIAL DEBT CAME DOWN TO TL132 MN



- Net Financial Debt position, following a rise in 4Q21 due to elevated investments and harvesting season costs, came down to TL132 mn in 1Q22 from TL293 mn at FY2021-end. Despite;
 - Cash outflow of TL56* mn via total dividend distribution in March 2022;
 - and investments of TL 8 mn in 1Q22.

TL mn	1Q2021	FY2021	1Q2022
Cash and cash equivalents	337	106	252
ST Financial Debt	270	240	294
LT Financial Debt	25	160	90
Net Financial Debt (Cash)	-42	293	132

**Leasing liabilities not included*

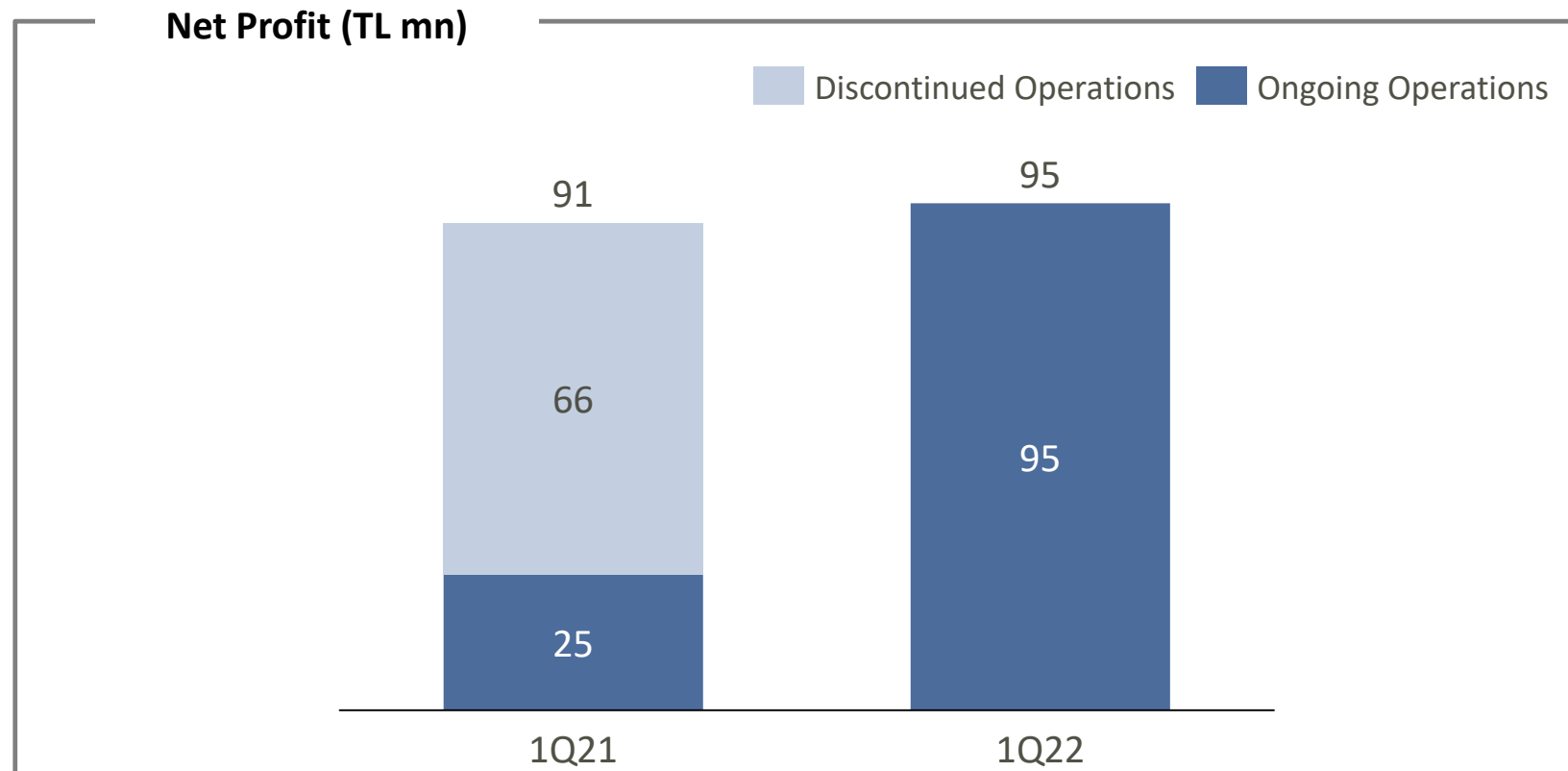


* TL 45.6 mn cash dividend to shareholders and rest as Dividend to Owners of Redeemed Shares

NET PROFIT FROM ONGOING OPERATIONS REACHED TL95 MN IN 1Q2022



- Due to tax incentives, Deferred tax expense of 0.1 mn in 1Q21 turned into income of TL4.4 mn in 1Q22.
- Strong operational performance together with deferred tax income, Net Profit from ongoing operations reached TL 95 mn in 1Q22 vs. TL 25 mn in 1Q21.



APPENDIX



Key Data

Close (Apr 27, 2022)
12.65 TL/share

Mcap
US\$116 mn
TL1.72 bn

Shares Outstanding
136 mn

Free-Float
41%

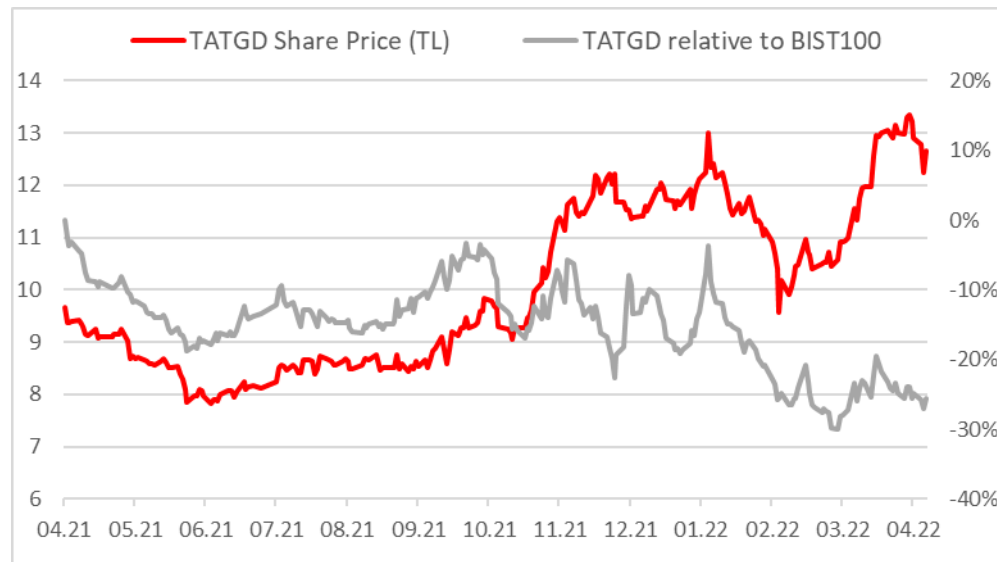
Volume (1 mth avg)
TL21 mn

52 wk range
9.4 – 13.8 TL/share

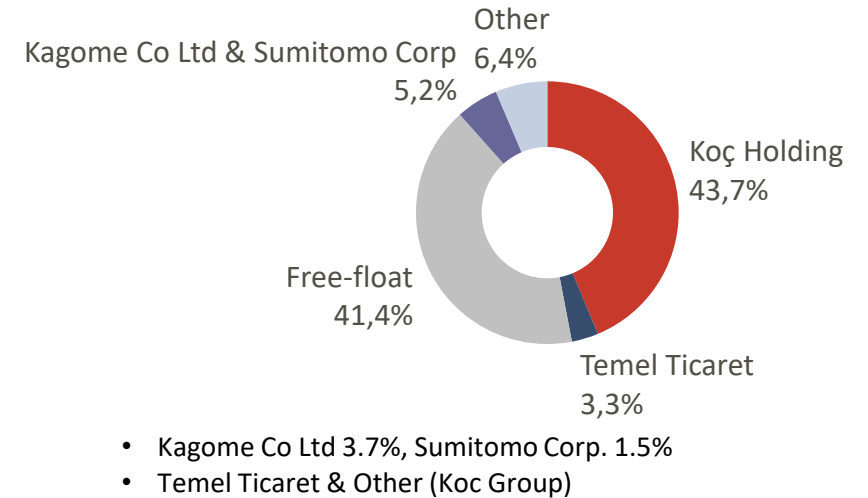
Latest Dividend (date)
TL46 mn (Mar 2022)

- TAT GIDA <TATGD> has been trading on Borsa Istanbul since 1993. The company is also included in BIST Sustainability Indices.
- TAT Gıda's Dividend Payout Ratio was 20% in 2022.

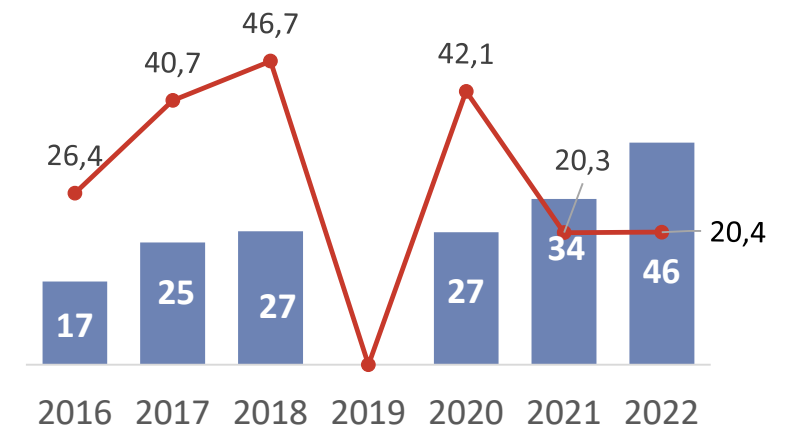
Tat Gıda <TATGD> Share Performance (12 mths)



Tat's Shareholder Structure



Dividend (TL mn)* & Dividend Payout Ratio (%)



*Cash dividend to shareholders

- In the last two years, Tat has reshaped its portfolio and increased its investments in its core area and “Tat” brand.

Reshaped Portfolio for Growth

- Sale of PASTAVILLA brand (pasta operations) - worth TL8 mn – Oct 2019
- Sale of Pastavilla land (worth TL85.5 mn) –Nov 2020
- Sale of SEK (dairy milk & milk products); transaction value TL240 mn, and net cash inflow of TL182 mn – Mar 2021



- Generated cash inflow for capex
- Better resource allocation
- Plant-based focus
- Higher margins

Revitalized core operation

- With a total investments worth €13 mn in FY21, €10 mn was spent on capex to increase tomato products and pickles capacity (completed in 3Q21)
- Focus on new categories for ready-to eat segment



- Higher volumes
- In house production of pickles
- Entry to new markets

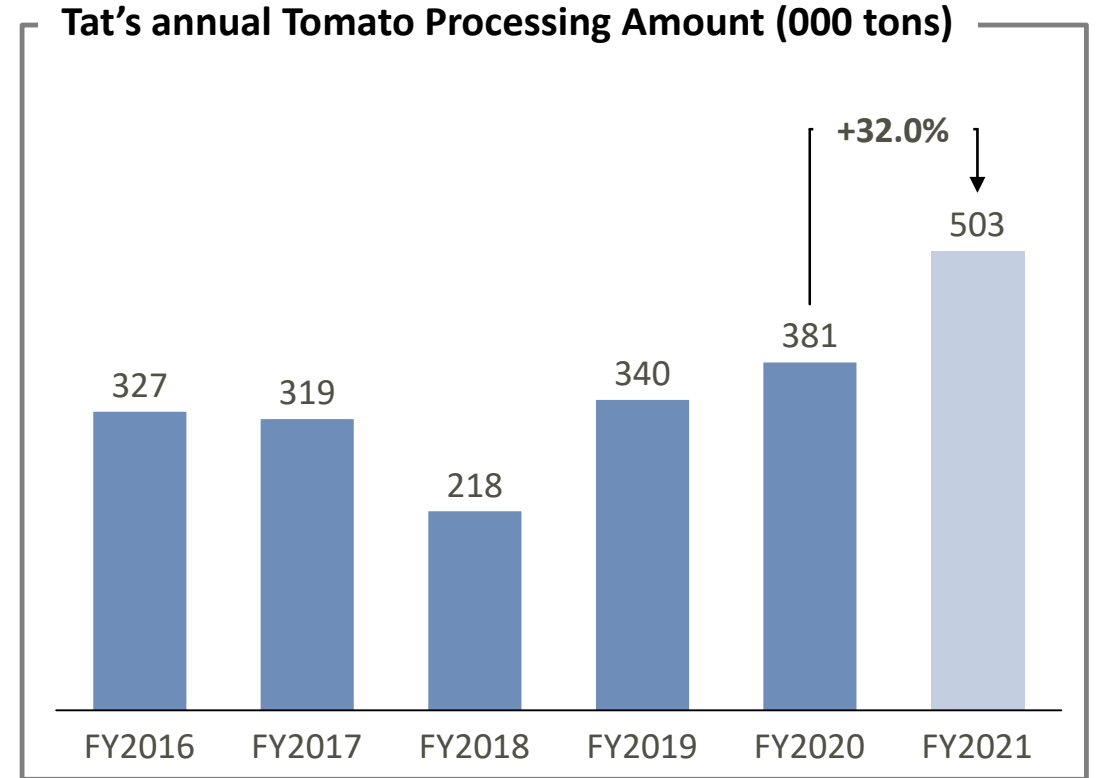
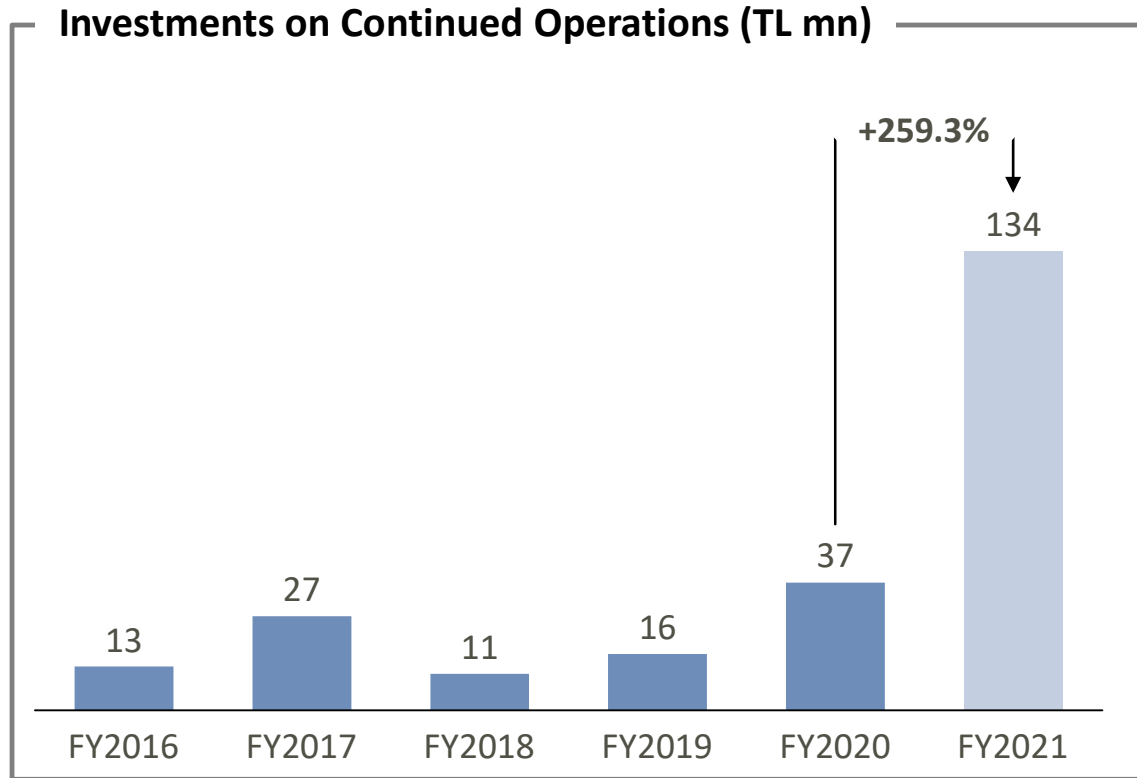
Business Development Areas

- Accelerated digital farming
- Growth in export markets
- Focus on sustainability



- Sustainable agriculture
- Efficient production
- Balanced sales

- Investment expenditures reached TL134 mn (€13 mn) as of FY2021 vs. TL37 mn in FY2020.
- Tat has finalized capacity expansion investments in 3Q2021 worth €10 mn.
 - Pickle capacity increased from 5K tons to 22K tons at Mustafakemalpaşa plant.
 - With new tomato paste line at Karacabey plant; total tomato paste capacity of Tat increased from 71K tons to 85K tons.



STRONG GROWTH AND SUSTAINABLE MARGINS



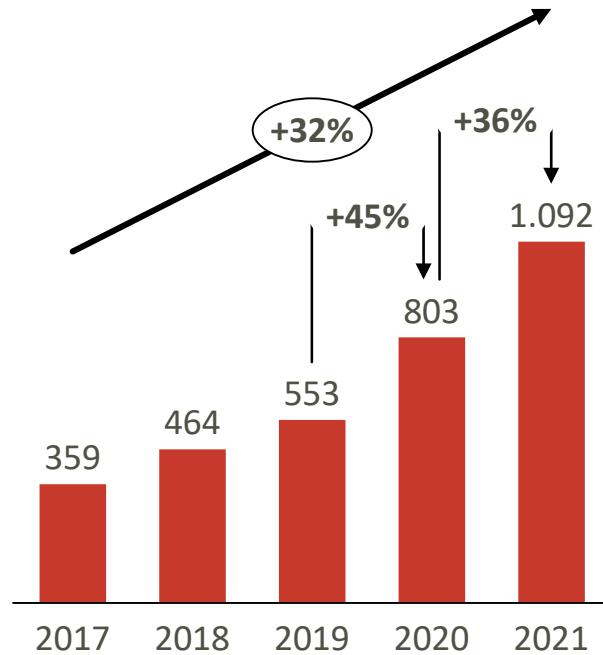
2017-2021
performance*

Net Sales
32.1% CAGR

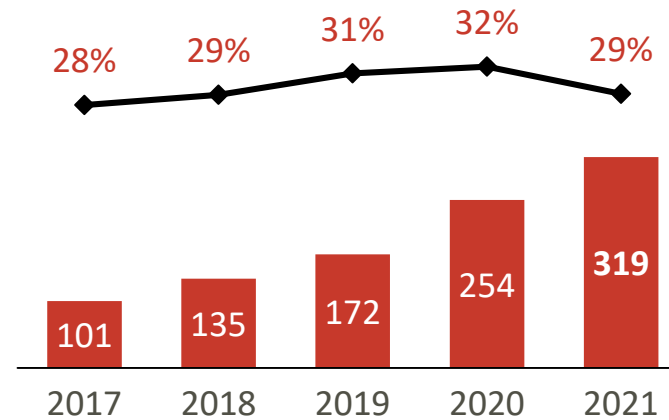
Gross Margin
29.8% (avg)

EBITDA
44.0% CAGR

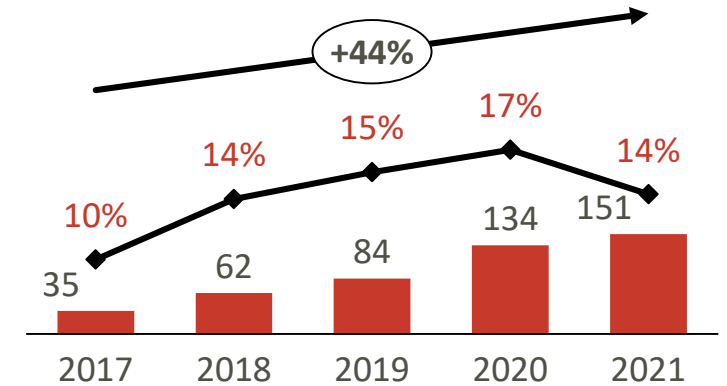
Net Sales (TL mn)*



Gross Profit (TL mn) & Gross Margin (%)*



EBITDA (TL mn) & EBITDA Margin (%)*



*continued operations

TAT IN NUMBERS

- *Be the healthy eating partner of our consumers by supporting sustainable agriculture while growing our sales multinationally.*

Culture

- Transformation to “Digital Company”
- Building an agile organization and winning company culture

Focus Areas

- Customer centric
- Value leadership
- Sustainable Agriculture
- Pioneering R&D

Sustainable profit growth via

- Growth in export markets
- Strengthen leadership in domestic market
- Expanding sales on Horeca channel
- Focus on Digital Farming

Income Statement - Summary (TL mn)	FY2020	FY2021	Δ YoY	1Q21	1Q22	Δ YoY
Sales	803	1.092	36%	214	537	151%
Cost of Sales (-)	549	773	41%	153	354	131%
Gross Profit	254	319	26%	60	183	203%
Operating Expenses (-)	134	188	40%	36	102	185%
Operating Profit	120	131	9%	25	81	228%
EBITDA	134	151	13%	27	85	211%
Net Income(Exp) from Other Operating Act.	2	7	250%	5	19	250%
Net Other Income(Exp)	1	2	54%	2	2	25%
Net Financial Income (Exp)	-26	14	n.m.	4	-11	n.m.
Profit before Tax from continuing operations	97	154	60%	36	91	156%
Tax expense	-25	3	n.m.	-10	4	n.m.
Profit for the period from continuing operations	71	158	121%	25	95	273%
Profit / (loss) for the period from discontinued opera	96	66	-32%	66	0	n.m.
Profit for the period	167	223	33%	91	95	4%
<hr/>						
Gross Margin	32%	29%		28%	34%	
Operating Margin	15%	12%		12%	15%	
EBITDA Margin	17%	14%		13%	16%	
Net Profit Margin (Continuing Operations)	9%	14%		12%	18%	

Balance Sheet -Summary (TL mn)	FY2019	FY2020	FY2021	1Q2022
Current Assets	780	1.173	1.350	1.388
Cash	10	121	106	252
Trade receivables	384	446	474	467
Inventories	338	361	628	474
Non-current Assets	247	136	288	297
Total Assets	1.026	1.309	1.638	1.685
Current Liabilities	275	411	553	630
Short-term financial borrowings	-	42	92	181
Short-term portion of long-term borrowings	54	73	147	113
Trade payables	181	213	258	249
Non-current Liabilities	191	193	199	131
Long-term financial borrowings	150	175	160	90
Shareholder's Equity	561	705	885	924
Total Liabilities	1.026	1.309	1.638	1.685

Net Financial Debt (TL mn) *	194	170	293	132
-------------------------------------	-----	-----	-----	-----

Ratios	FY2019	FY2020	FY2021	1Q2022
Current Ratio	2,8	2,9	2,4	2,2
Liquidity Ratio	1,6	2,0	1,3	1,5
Net Financial Debt/Equity	0,3	0,2	0,3	0,1
Working Capital (TL Mn)	541	594	844	693

**Leasing liabilities not included*

This presentation does contain information and analysis on financial statements that reflect the Company management's current views. Although it is believed that the information and analysis are correct and expectations reflected in these statements are reasonable, they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results to differ materially.

Neither Tat Gıda nor any of its directors, managers or employees nor any other person shall have any liability whatsoever for any loss arising from the use of this presentation.

THANK YOU

FOR FURTHER QUESTIONS PLEASE CONTACT:

BANU AMLITEPE - HEAD OF IR

BANU.CAMLITEPE@TAT.COM.TR

P: +90 216 430 00 00 EXT: 2015

TAT GIDA A.Ő.

INVESTORRELATIONS@TAT.COM.TR

TAŐDELEN MAHALLESİ

SİRRI ELİK BULVARI NO: 7

EKMEKÖY - İSTANBUL