



Tat Gıda

1Q 2024 Financial Results

May 2024

With the Capital Markets Board of Turkey's Bulletin dated 28.12.2023 numbered 2023/81, CMB announced that issuers and capital market institutions shall prepare their annual financial statements ending on 31.12.2023 or later, in accordance with IAS 29 inflationary accounting provisions.

Hence, this presentation on 1Q 2024 financial results contain the Company's audited financial information prepared according to Turkish Accounting / Financial Reporting Standards by application of IAS 29 inflation accounting provisions, in accordance with CMB's decision dated 28.12.2023.

This presentation does contain forward-looking statements and figures that reflect the Company management's current views with respect to certain future events based on the base-case assumptions. Although it is believed that the expectations reflected in these statements are reasonable under current conditions, they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results to differ.

Accordingly, the Company or Members of the Board of Directors, advisors or employees cannot be held liable for any information or communication conveyed as part of this presentation or for any direct or indirect loss and damages that may be incurred on any individual because of information based on/omitted from the content of this presentation. It is believed that all information in the presentation was accurate at the time of preparation. The Company rejects any responsibility for errors that may occur during writing or printing.

Agenda



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1
Tat Gıda in Brief

Tat's Mission:

*We exist to lead the change
that will deliver good and
healthy food for all!*

#hayatlaratATkattik



High-Capacity, Leading Production Facilities

- Leader in tomato processing, with high capacity under one roof:
 - 1. in Türkiye
 - 5. in Europe
 - 13. in the World
- 3 facilities within ease of reach to the supply chain and distribution network:
 - Karacabey/Bursa: 5,450 tons/day
 - Mustafa Kemalpaşa/Bursa: 2,800 tons/day
 - Torbalı/İzmir: 2,900 tons/day
- Growth oriented capacity investments:
 - PET (sause) filling: 75 mln units/year (120 mln units/year by mid 2025)
 - Ready to serve: 180,000 units/day (230,000 units/day by mid 2025)

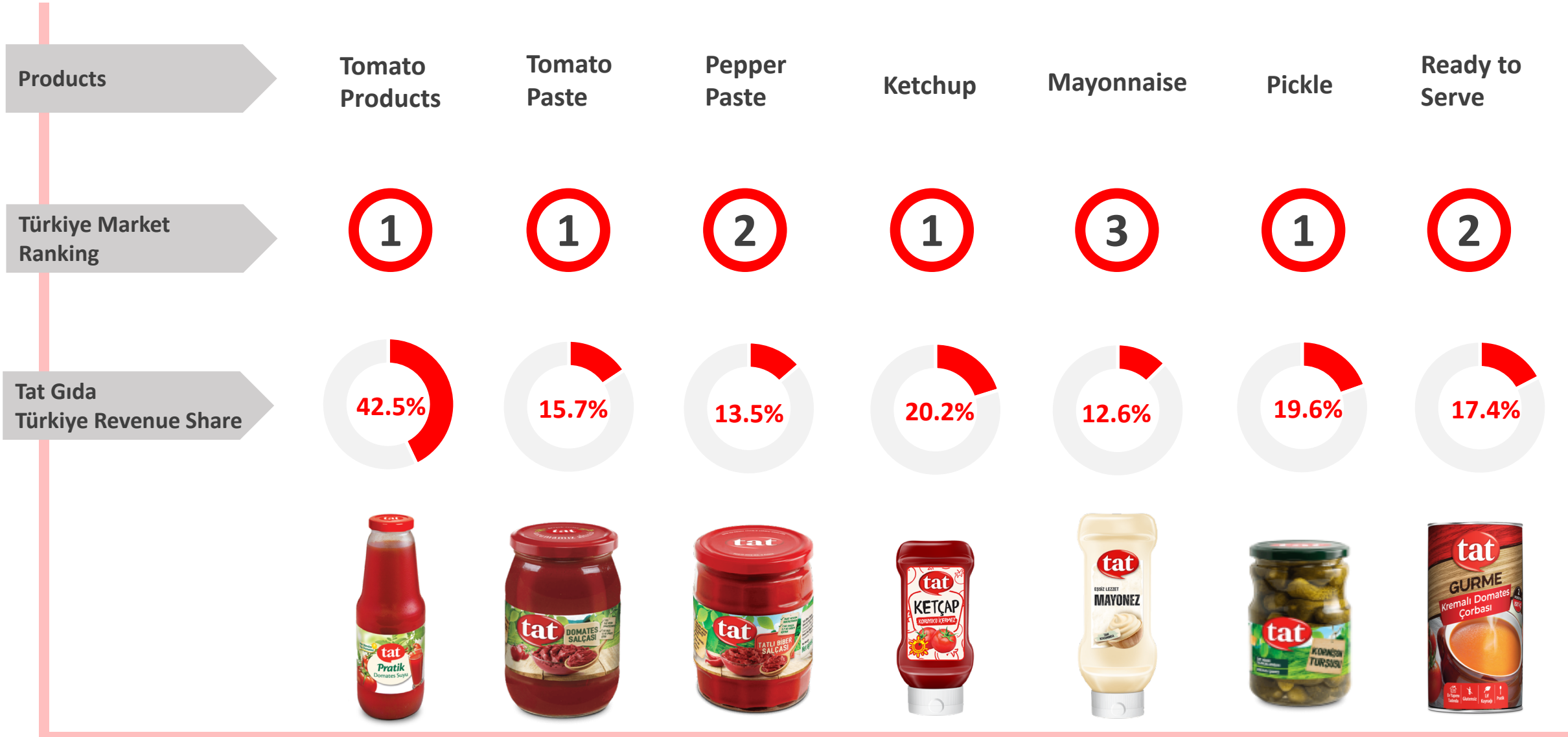
Extensive Supply Chain and Distribution Network

- Türkiye's globe-wide advantageous position in tomato category:
 - Tomato processing ranking: 4.
 - Tomato processing share: %6
- Contracted farmers
 - 450 contracted farmers: Approximately 50% of input
- Spot purchases
- The only company engaging in its own agricultural activities in Türkiye via Digital Agriculture Applications
 - On an area of 2,500 decares
 - Efficiency of 10/11 tons per decares
 - 5% of the volume processed
- Proximity to Karacabey, providing 1/3 of Türkiye's agricultural output
- Extensive distribution network

Strong Brand Equity and Sales Channels

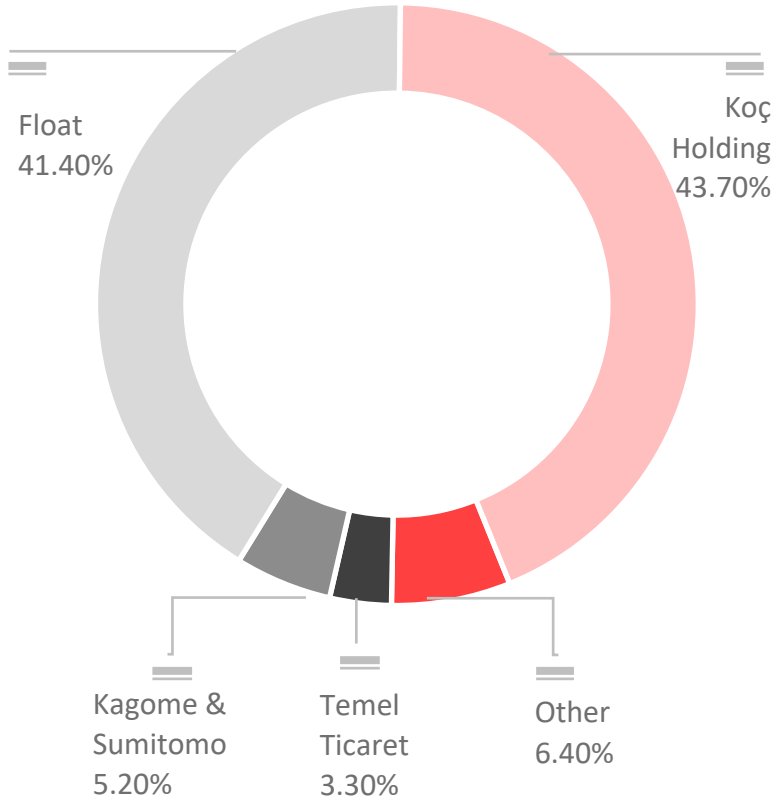
- Strong brand equity in domestic and export markets
- Extensive coverage of sales channels in the domestic market
 - Discount markets
 - National and local chains
 - Traditional sales points
 - HoReCa (Hotel/Restaurant/Cafe)
- 1. in household penetration in Türkiye
- Sales Channels Abroad
 - Exports to more than 40 countries
 - Participation to tenders abroad
 - Leading market chains in Europe

Sustained Market Leader: Ranks #1 in Almost All Its Categories in Local Market

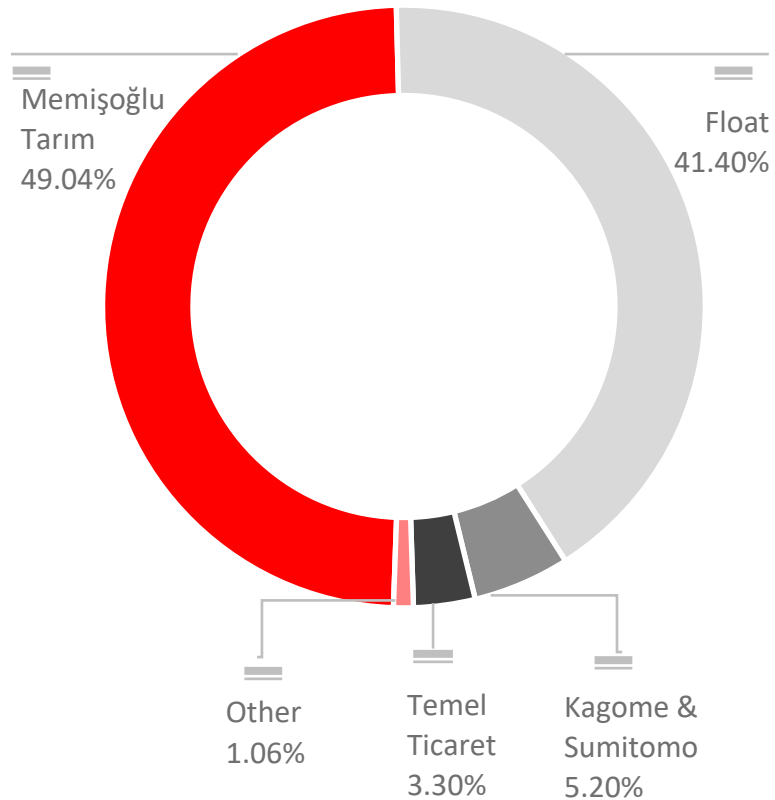


*Based on Nielsen 1Q 2024 Report including Hard Discounters and based on share of sales (TL) --(Pickles & Ready to Eat Food category based on Scantrack data & Ready to Eat Food Category is for the term Jan-April 2024).

From Koç Group



To Memişoğlu Tarım



Share Transfer

Tat Gıda Shares Owned By Koç Group¹

- 49.04% share of Tat Gıda capital: USD80,915,335.72 dollars
- 15 redeemed shares

Koç Group Shared Owned By Tat Gıda²

- 7.5% share of RAM Dış Ticaret capital: TL23,768,000
- 1.1% share of Düzey Tüketim Malları capital: TL8,507,000

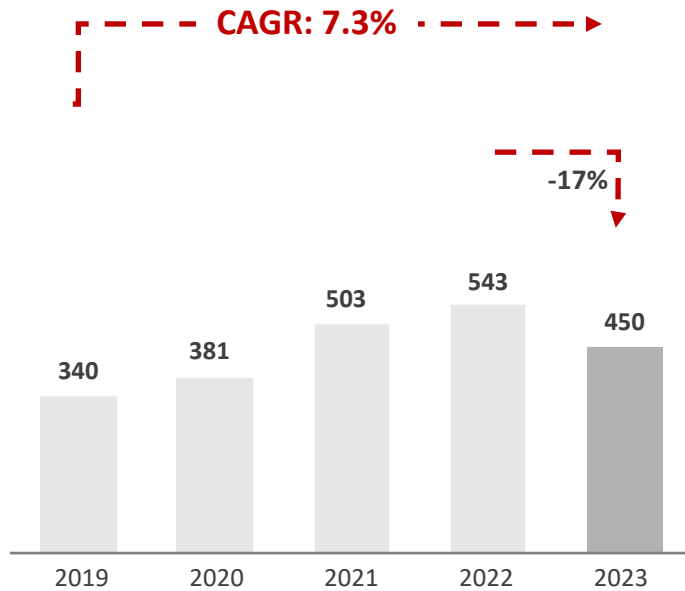
Memişoğlu Tarım Option Agreement³

- Memişoğlu Tarım's
- 6-month call option
- On 3.26% share of Tat Gıda
- Owned by Koç Holding's main shareholder; Temel Ticaret
- Starting at the end of 6-month from Closing Date



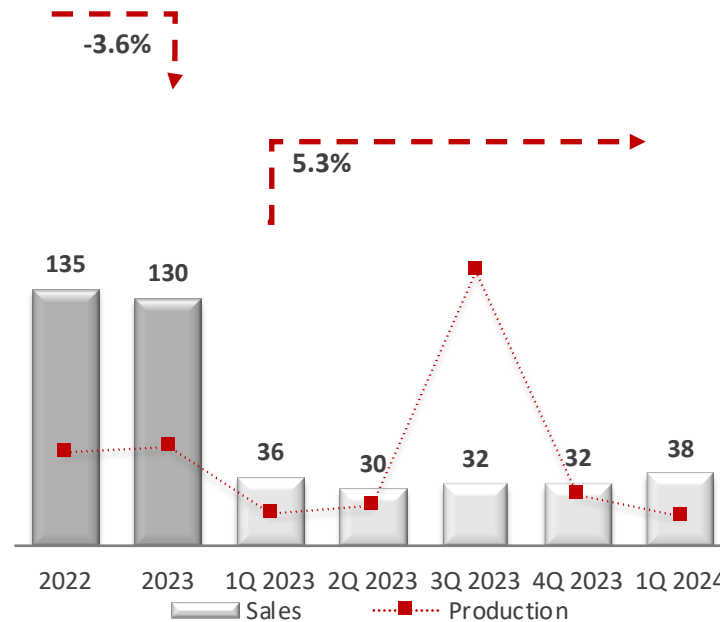
2
1Q 2024
Financial Results

Tat Gıda Tomato Processing (000 tons)



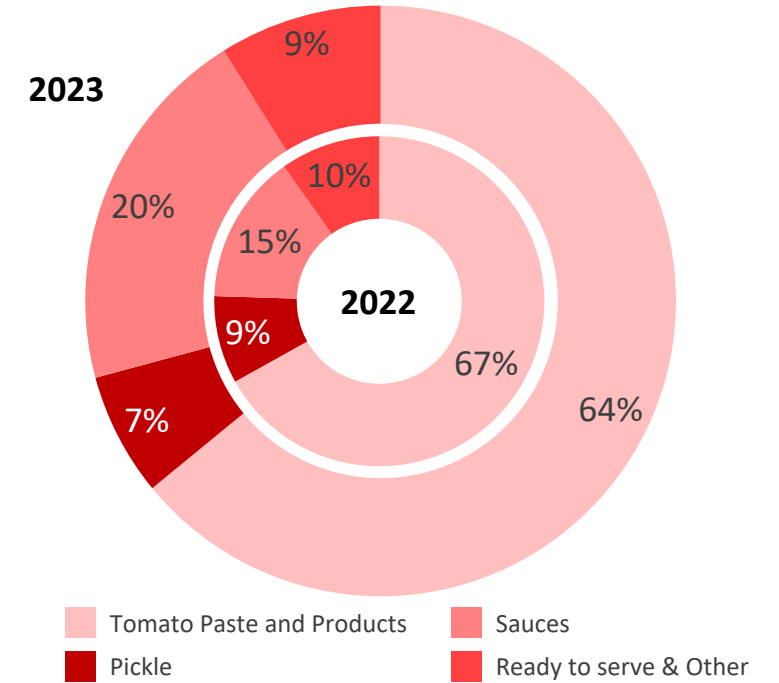
- In 2023, Tat Gıda secured a 17% share in Türkiye tomato processing market.
- Tomato processed by Tat Gıda in 2023 decreased by 17% to 450,000 tons.
- 450,000 tons still remaining comfortably above the 350,000 to 380,000 tons pre-growth range.

Production and Sales Volume (000 tons)



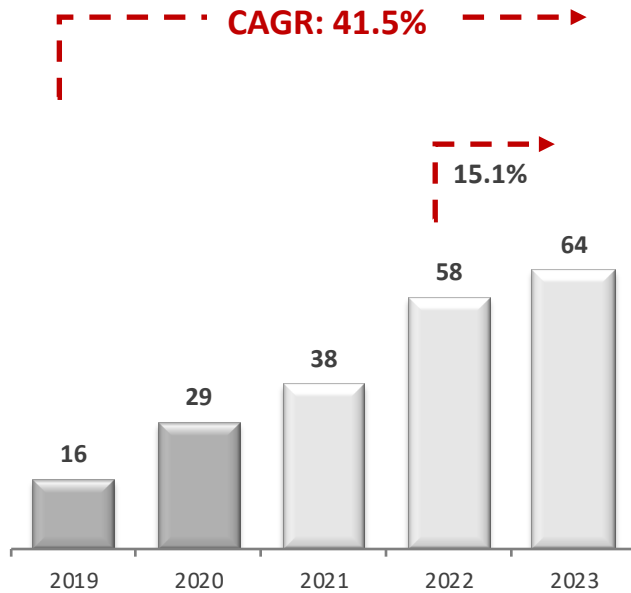
- Tomato processing takes place in 3Q due to seasonality.
- 1Q 2024, total annual production decreased by 3.0% to 11,970 tons.
 - Sauces: 8,185 tons (10% increase)
 - Ready to serve: 2,632 tons (29% decrease)
 - Other: 795 tons (1.0% increase)
- Sales volume deteriorated in domestic market, while increasing in total by 5.3% to 37,516 tons due to exports.

Production Breakdown (2022 & 2023)



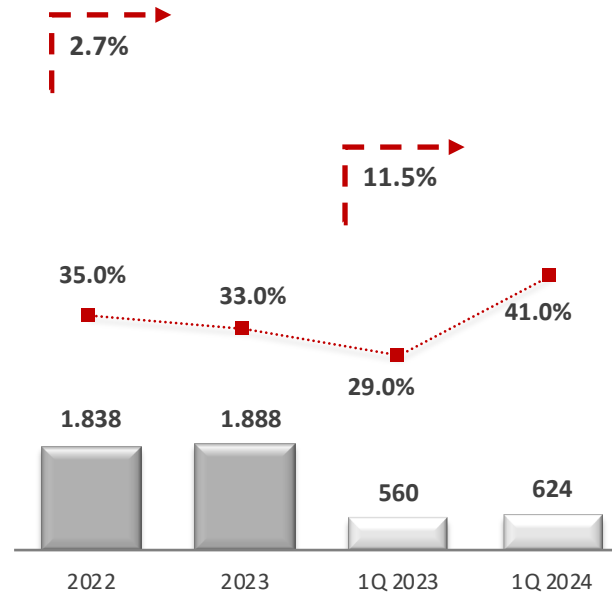
- In 2023, the share of Sauces category in total production increased.
- This trend continues over in 1Q 2024.

USD Denominated Export Revenues



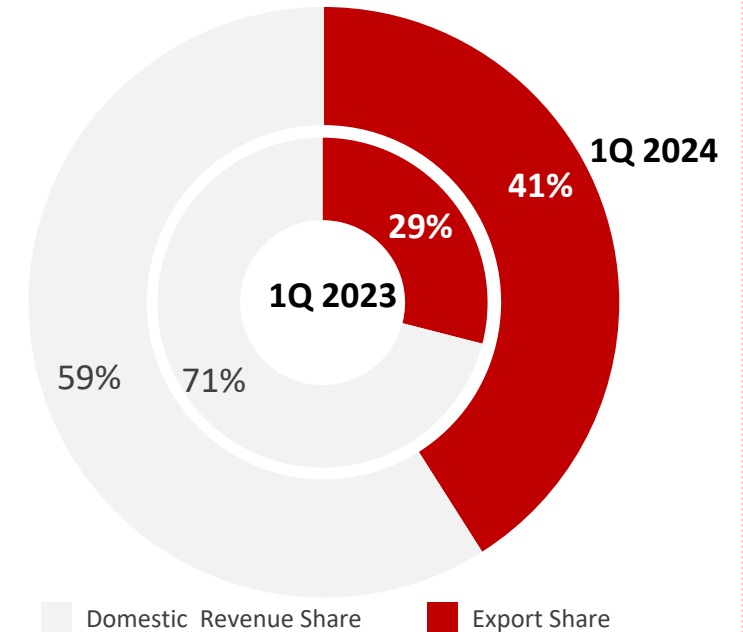
- Tat Gıda has been continuously growing its export revenues in new geographies with new customers and by private label product manufacturing for market chains abroad.
- In 2023, 28 new customers were added in 12 new countries to the clientele portfolio.
- Between 2019 – 2023, USD denominated export revenues' CAGR reached 41.5%.

Export Revenues (TL mln) and Share (%)



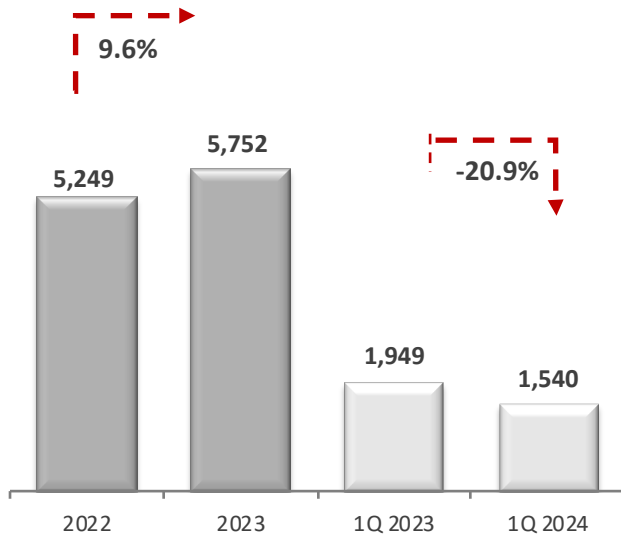
- In 1Q 2024, export sales volume rose thanks to sauces, tomato products and paste categories.
- In the same period, export revenues went up by 11.5%.

Increase in Export Share in 1Q 2023 vs 1Q 2024



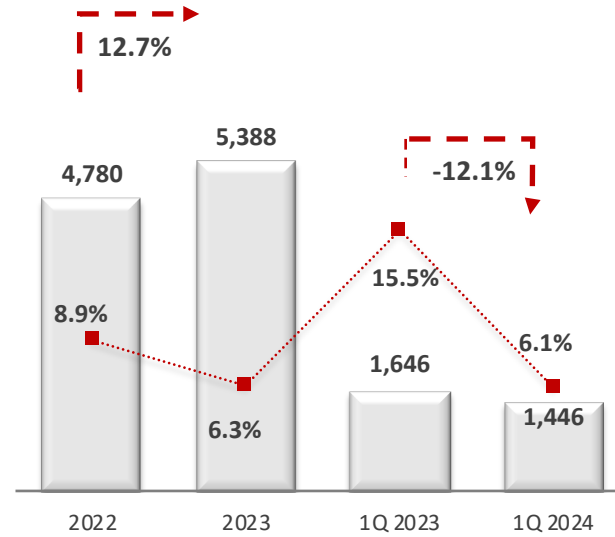
- Share of exports in total elevated by 12 p.p. to 41%.
 - Private label pizza sauce in the European Market
 - Private label pickle manufacturing for France Market
 - Sales representatives in Germany and Russia
 - New distributor agreements in the US, UK, Germany, Russia, France, Japan, Saudi Arabia, Australia – New Zealand

Total Revenues (TL mln)



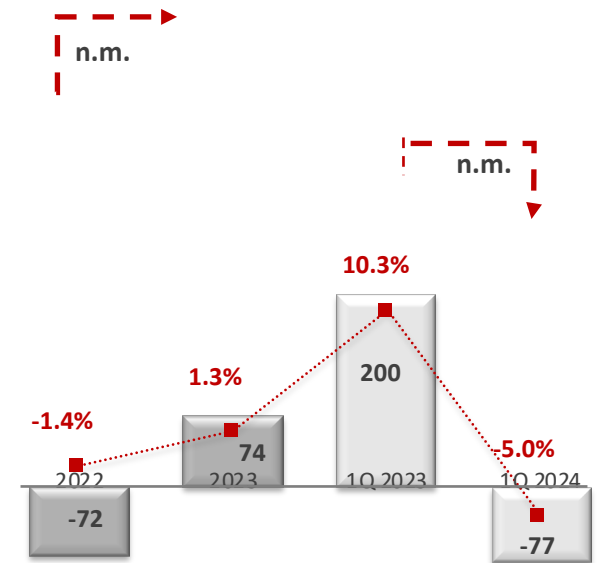
- In 1Q 2024, total revenues deteriorated by 20.9%, realizing at TL 1,540 mln TL.
- Continuing price sensitivity in the domestic market directed consumers towards market brands and campaign products.
- Domestic revenues slid by 34.0% year on year to TL916.0 mln.
- Rising export sales volume and revenues partially offset the decline.

COGS (TL mln) & Gross Profit Margin (%)



- Gross Profit Margin went down to 6.1%, falling by 9.4 p.p.
 - High indexation impact of inflation accounting in 1Q 2024 wrt. 1Q 2023
 - 2023 harvest season cost increase
 - Price pressure, especially in domestic market
- Gross Profit decreased by 68.8% to TL94.5 mln.

EBITDA (TL mln) & EBITDA Margin (%)

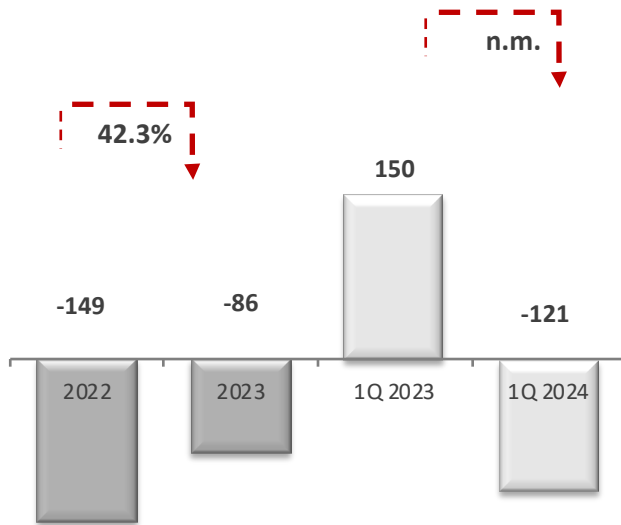


- EBITDA came in at -TL77.0 mln due to declining revenues and rising COGS.
- Total operating expenses increased by 14.9% to TL279.7 mln.
- Selling and Marketing Expenses was TL144.0 mln.
 - In this period, Tat Ketchup Love Mark communication activities were carried out and Tat Ketchup captured the largest revenue share in recent times.
- General Administrative Expenses rose to TL130.5 mln due to personnel costs.

Major Impact on Net Loss Stemmed From Gross Profit Gap

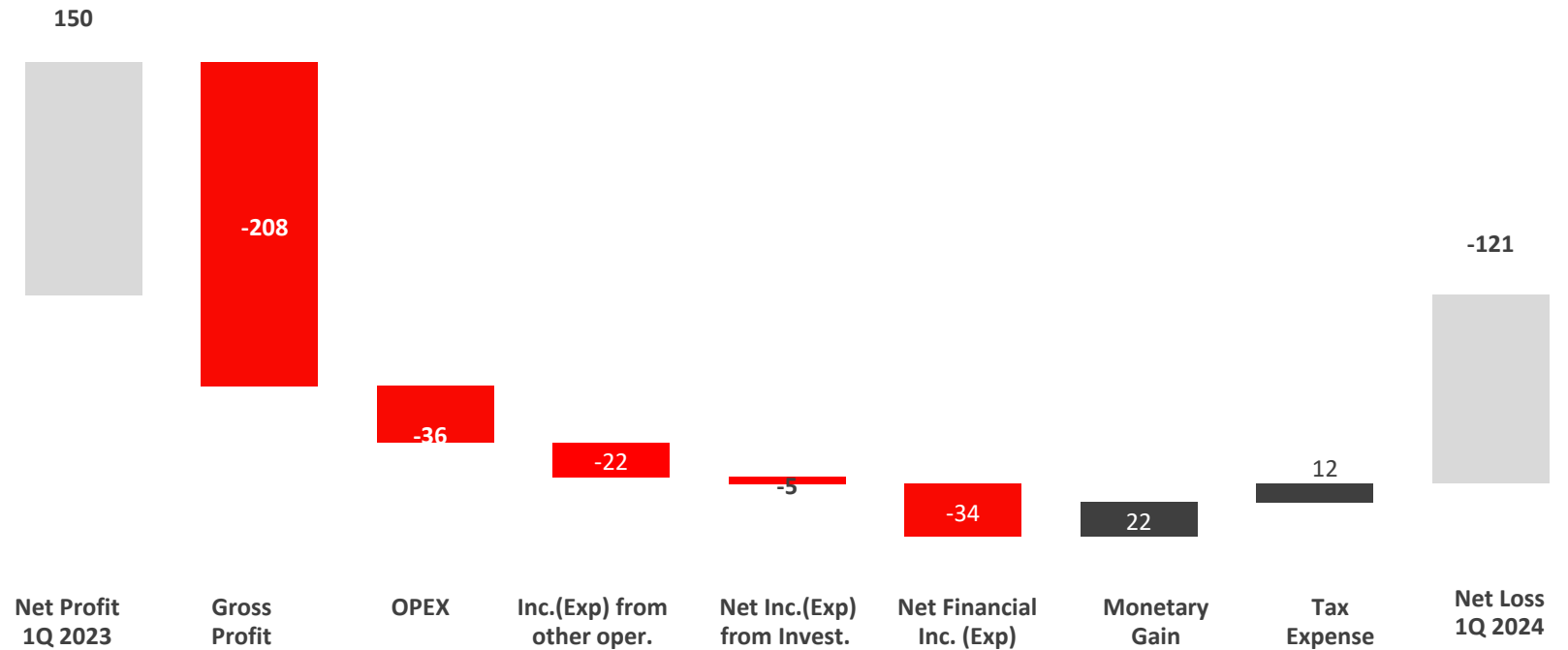


Net Profit / (Loss) (TL mln)



- Decreasing revenues due to demand and price pressure, coupled with the inflation indexation on COGS resulted in a net loss of TRY121 mln.

1Q 2023 – 1Q 2024 Net Profit Evolution (TL million)



- Increasing COGS and OPEX, coupled with declining revenues resulted in negative operational profitability.
- Net financing loss further increased in 1Q 2024 due to rising interest rates compared to a year ago.
- The positive Monetary Gain due to inflation indexation continued to positively contribute to the bottom line.
- Tax expense decreased due to Net Income Loss for the Period.

1Q 2024 Summary Balance Sheet Shows Financial Ratios Improving

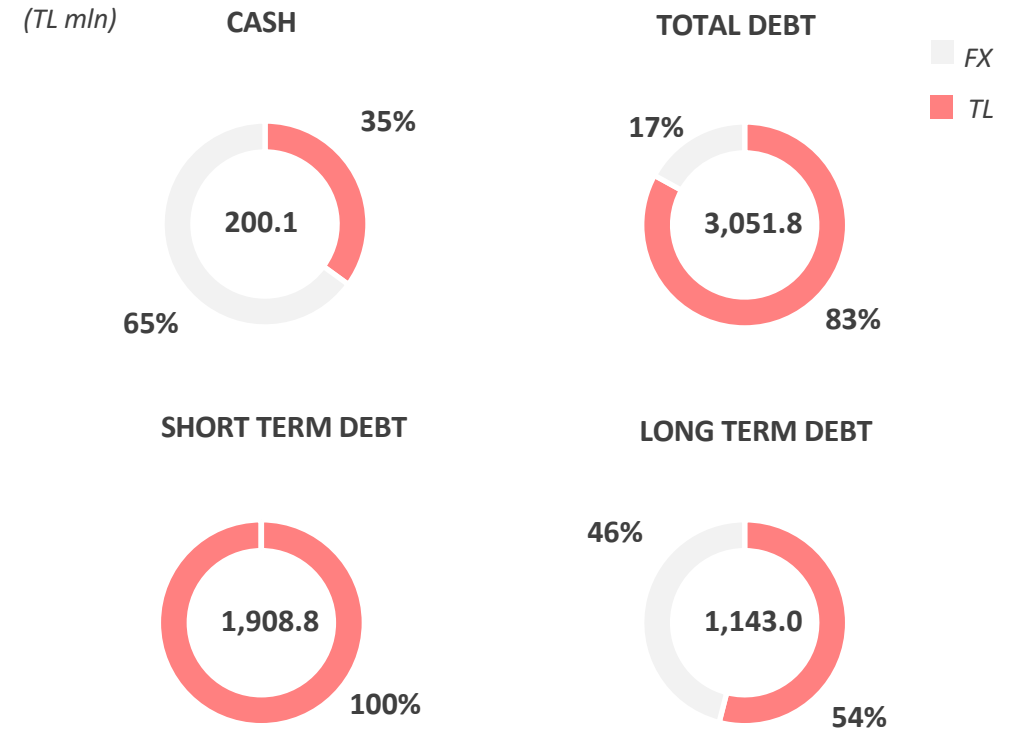


BALANCE SHEET

| (TL mln) | December 31, 2023 | March 31, 2024 |
|--------------------------|-------------------|----------------|
| Current Assets | 5,667.2 | 4,861.4 |
| Non Current Assets | 1,921.3 | 1,874.8 |
| TOTAL ASSETS | 7,588.5 | 6,736.2 |
| Short Term Liabilities | 3,698.6 | 2,722.0 |
| Long Term Liabilities | 1,192.1 | 1,350.7 |
| Total Liabilities | 4,890.7 | 4,072.7 |
| Equity | 2,697.7 | 2,663.5 |
| TOTAL LIABILITIES | 7,588.5 | 6,736.2 |

| FINANCIAL RATIOS | December 31, 2023 | March 31, 2024 |
|--|-------------------|----------------|
| Current Ratio | 1.53 | 1.79 |
| Liquidity Ratio | 0.58 | 0.84 |
| Current Assets / Total Assets | 0.75 | 0.72 |
| Net Financial Debt / Equity | 1.24 | 1.07 |
| Short Term Liabilities / Total Liabilities | 0.76 | 0.67 |

CASH – DEBT COMPOSITION



| (TL mln) | December 31, 2023 | March 31, 2024 |
|---------------------|-------------------|----------------|
| Net Working Capital | 4,063.0 | 3,408.9 |
| Net Debt | 3,333.4 | 2,851.7 |

2019 - 2021

2021 - 2023

2024

Restructure

Focus

Grow

- PASTAVILLA brand sale and halt of production:
 - Transaction Value: TL8 million
 - Closing: October 2019
- PASTAVILLA land sale:
 - Transaction Value: TL85.5 million
 - Closing: November 2021
- SEK business unit sale:
 - Transaction Value: TL240 million (Net cash inflow: TL182 million)
 - Closing: March 2021
- €10 million investment in 2021:
 - Tomato processing capacity increase
 - Launch of pickle manufacturing

- Impact on production volume of new tomato processing and pickle manufacturing investments in 2021
- €12 million of renewal, maintenance and automation investment in 2022
- New growth focus:
 - New ready to serve product line
 - Sauces
 - Rapid growth in exports
- PET bottle sauce filling capacity increase in 2023

- €10 million capacity increase investments to be commissioned in 2024 & 2025
 - PET bottle sauce filling capacity increase: 120 mln units/year
 - Ready to serve meal capacity increase: 230,000 units/day
- Growth in customer portfolio
 - New export customers covering 100 countries
 - New export opportunities through international tenders
 - Joining forces in domestic market
 - Growth opportunities in HoReCa
 - Distribution opportunities in Easter Region of Turkey
- Elevating efficiency and competitiveness

Sustainable and Profitable Growth With New Products, In New Markets, Through A Balanced Portfolio



3

Appendix
Financial Indicators

SUMMARY BALANCE SHEET



| BALANCE SHEET (TL) | December 31, 2023 | March 31, 2024 |
|--|--------------------------|-----------------------|
| Cash and Cash Equivalents | 106,649,572 | 200,088,698 |
| Trade Receivables | 1,541,002,047 | 1,391,109,056 |
| Inventories | 3,540,217,068 | 2,577,693,101 |
| Total Current Assets | 5,667,157,755 | 4,861,406,875 |
| Total Non Current Assets | 1,921,327,652 | 1,874,786,889 |
| TOTAL ASSETS | 7,588,485,407 | 6,736,193,764 |
| Short Term Borrowing | 1,610,783,128 | 1,422,803,432 |
| Current Portion of Long Term Borrowing | 833,991,143 | 486,051,164 |
| Trade Payables | 1,018,222,043 | 559,948,858 |
| Short Term Liabilities | 3,698,608,316 | 2,722,009,193 |
| Long Term Borrowing | 995,279,366 | 1,142,975,000 |
| Long Term Liabilities | 1,192,141,320 | 1,350,682,165 |
| Total Equity | 2,697,735,771 | 2,663,502,406 |
| TOTAL LIABILITIES AND EQUITY | 7,588,485,407 | 6,736,193,764 |

SUMMARY INCOME STATEMENT



| INCOME STATEMENT (TL) | 2022 | 2023 | % Change | 1 January - 31 March 2023 | 1 January - 31 March 2024 | % Change |
|--|----------------------|----------------------|------------------|---------------------------|---------------------------|--------------------|
| Revenue | 5,248,584,498 | 5,751,675,366 | 9.6% | 1,948,705,570 | 1,540,494,347 | -20.9% |
| <i>Domestic sales (net)</i> | 3,410,228,149 | 3,863,180,562 | 13.3% | 1,388,465,896 | 916,013,658 | -34.0% |
| <i>Exports (net)</i> | 1,838,356,349 | 1,888,494,804 | 2.7% | 560,239,675 | 624,480,689 | 11.5% |
| Cost of Goods Sold (-) | (4,779,533,703) | (5,387,864,332) | 12.7% | (1,645,727,230) | (1,446,011,442) | -12.1% |
| Gross Profit | 469,050,795 | 363,811,034 | -22.4% | 302,978,340 | 94,482,905 | -68.8% |
| Gross Profit Margin | 8.9% | 6.3% | (2.6 p.p) | 15.5% | 6.1% | (9.4 p.p.) |
| Operating Expenses | (940,714,492) | (830,019,104) | -11.8% | (243,417,048) | (279,743,167) | 14.9% |
| <i>Marketing expenses (-)</i> | (448,918,040) | (424,909,030) | -5.3% | (119,925,202) | (144,000,229) | 20.1% |
| <i>General administrative expenses (-)</i> | (475,846,680) | (395,323,673) | -16.9% | (120,470,128) | (130,507,706) | 8.3% |
| <i>Research and development expenses (-)</i> | (15,949,772) | (9,786,401) | -38.6% | (3,021,717) | (5,235,232) | 73.3% |
| Other Income / (Loss) from operations, net | 173,246,473 | 432,954,850 | 149.9% | 108,533,047 | 86,363,365 | -20.4% |
| Operating Profit / (Loss) | (298,417,224) | (33,253,220) | -88.9% | 168,094,340 | (98,896,897) | n.m. |
| EBITDA | (159,121,018) | 160,656,755 | n.m. | 200,402,570 | (77,403,861) | n.m. |
| EBITDA Margin | -3.0% | 2.8% | 5.8 p.p. | 10.3% | -5.0% | (15.3 p.p.) |
| Income / (Loss) from investing activities, net | 5,946,546 | 10,002,504 | 68.2% | 6,723,371 | 2,127,097 | -68.4% |
| Financing income / (loss), net | (312,028,170) | (749,740,330) | 140.3% | (221,886,923) | (255,867,848) | 15.3% |
| Monetary Gain / (Loss) | 452,385,834 | 798,108,734 | 76.4% | 241,724,039 | 264,198,373 | 9.3% |
| Profit Before Tax | (65,426,636) | (61,568,690) | -5.9% | 194,654,826 | (88,439,275) | n.m. |
| Tax expense | (83,930,104) | (24,675,607) | -70.6% | (44,503,062) | (32,597,623) | -26.8% |
| <i>Tax expense for the period</i> | (34,115,969) | (59,052,608) | 73.1% | (65,591,732) | (888,124) | -98.6% |
| <i>Deferred tax income / (loss)</i> | (49,814,135) | 34,377,001 | n.m. | 21,088,670 | (31,709,499) | n.m. |
| Net Profit for the Period | (149,356,740) | (86,244,297) | -42.3% | 150,151,764 | (121,036,898) | n.m. |
| Net Profit Margin | -2.8% | -1.5% | 1.3 p.p. | 7.7% | -7.9% | (15.6 p.p.) |
| Amortization | 139,296,206 | 193,909,975 | 39.2% | 32,308,231 | 21,493,036 | -33.5% |



Thank You

For further questions please contact:

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