

**KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş.
AND ITS SUBSIDIARIES**

**CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2024
(ORIGINALLY ISSUED IN TURKISH)**

**KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş.
AND ITS SUBSIDIARIES**

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CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 MARCH 2024 AND 31 DECEMBER 2023

(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

	Notes	Unaudited Current Period 31 March 2024	Audited Prior Period 31 December 2023
ASSETS			
Current Assets		9,699,067,166	10,171,150,443
Cash and cash equivalents	26	42,819,506	51,085,486
Trade receivables	6	2,943,179,418	3,062,814,502
- Trade receivables from related parties	5,6	1,602,249,391	1,650,609,976
- Trade receivables from third parties	6	1,340,930,027	1,412,204,526
Other receivables	7	3,244,887,106	2,214,053,829
- Other receivables from related parties	5,7	3,168,425,978	2,056,672,219
- Other receivables from third parties	7	76,461,128	157,381,610
Inventories	8	2,390,957,696	3,864,415,389
Prepaid expenses	9	537,945,922	535,915,658
Current income tax assets	22	160,962,741	185,421,600
Other current assets	16	378,314,777	257,443,979
Non-Current Assets		8,374,741,410	8,381,490,098
Other receivables	7	3,138,381	4,455,109
- Other receivables from third parties	7	3,138,381	4,455,109
Investment properties	10	1,527,761,447	1,527,761,447
Property, plant and equipment	11	6,127,328,773	6,220,998,165
Right of use assets		38,330,807	40,327,181
Intangible assets	12	293,202,645	267,669,334
Prepaid expenses	9	33,906,448	25,325,899
Deferred tax assets	22	351,072,909	294,952,963
TOTAL ASSETS		18,073,808,576	18,552,640,541

The accompanying notes form an integral part of these consolidated financial statements.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 MARCH 2024 AND 31 DECEMBER 2023

(Amounts expressed in the purchasing power of the Turkish Lira ("TRY") as of 31 March 2024, unless otherwise indicated.)

	Notes	Unaudited Current Period 31 March 2024	Audited Prior Period 31 December 2023
LIABILITIES			
Current Liabilities			
Short-term borrowings	24	7,674,460,478	7,945,709,347
- Bank loans	24	2,823,860,331	2,414,678,498
- Lease liabilities	24	2,743,870,735	2,355,927,928
		79,989,596	58,750,570
Current portion of long-term financial liabilities	24	183,757,610	197,899,814
Trade payables	6	3,596,310,135	4,568,314,874
- Trade payables to related parties	5,6	38,872,345	41,514,156
- Trade payables to third parties	6	3,557,437,790	4,526,800,718
Other payables	7	195,606,810	115,330,827
- Other payables to related parties	5,7	195,477,668	115,195,336
- Other payables to third parties	7	129,142	135,491
Payables related to employee benefits		185,524,162	95,800,347
Deferred income	9	115,040,990	103,187,486
Current income tax liabilities	22	122,781,731	144,907,660
Short-term provisions		308,607,373	173,993,651
- Short-term provisions for employee benefits		127,328,978	130,690,361
- Other short-term provisions	14	181,278,395	43,303,290
Other current liabilities	16	142,971,336	131,596,190
Non-Current Liabilities		2,034,376,353	2,222,770,307
Long-term borrowings	24	423,976,181	543,376,113
- Bank loans	24	309,639,876	371,018,382
- Lease liabilities	24	114,336,305	172,357,731
Other payables	7	545,068,289	659,130,076
- Other payables to related parties	5,7	545,068,289	659,130,076
Long-term provisions		269,902,251	257,219,274
- Long-term provisions for employee benefits		269,902,251	257,219,274
Deferred income	9	6,414,175	11,002,425
Deferred tax liabilities	22	789,015,457	752,042,419
Total Liabilities		9,708,836,831	10,168,479,654

The accompanying notes form an integral part of these consolidated financial statements.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 MARCH 2024 AND 31 DECEMBER 2023

(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

	Notes	Unaudited Current Period 31 March 2024	Audited Prior Period 31 December 2023
EQUITY			
Paid in capital	17	662,000,000	662,000,000
Share capital adjustment differences		3,532,025,872	3,532,025,872
Other comprehensive income or expenses are not reclassified to profit or loss		1,496,383,223	1,851,018,181
- <i>Gains on revaluation of plant, property and equipment</i>		1,622,695,801	1,975,918,093
- <i>Losses on remeasurement of defined benefit plans</i>		(126,312,578)	(124,899,912)
Other comprehensive income or expenses to be reclassified to profit or loss		530,873,275	550,147,571
- <i>Currency translation differences</i>		530,873,275	550,147,571
Share premium		514,041,714	514,041,714
Restricted reserves	17	466,063,955	460,368,100
Effect of business combinations under common control	3	(1,088,751,679)	(1,088,751,679)
Retained earnings / (losses)		1,495,159,409	823,394,413
Net profit / (loss) for the year		375,976,318	671,764,996
Equity holders of the parent		7,983,772,087	7,976,009,168
Non-controlling interests		381,199,658	408,151,719
Total Equity		8,364,971,745	8,384,160,887
TOTAL LIABILITIES AND EQUITY		18,073,808,576	18,552,640,541

The accompanying notes form an integral part of these consolidated financial statements.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS ENDED 31 MARCH 2024 AND 2023

(Amounts expressed in the purchasing power of the Turkish Lira ("TRY") as of 31 March 2024, unless otherwise indicated.)

	Notes	Restated (*) Unaudited Current Year 1 January - 31 March 2024	Restated (*) Unaudited Prior Year 1 January - 31 March 2023
Revenue	18	5,728,910,484	5,647,323,422
Cost of sales (-)	18	(4,765,721,601)	(5,051,446,618)
Gross profit		963,188,883	595,876,804
General administrative expenses (-)	19	(153,074,116)	(125,075,238)
Marketing expenses (-)	19	(620,263,950)	(469,812,212)
Research and development expenses (-)	19	(9,095,149)	(5,857,620)
Other income from operating activities		48,339,165	38,049,967
Other expenses from operating activities (-)		(393,003,751)	(178,455,972)
OPERATING PROFIT / (LOSS)		(163,908,918)	(145,274,271)
Income from investment activities	20	288,449,729	257,009,956
Investing activities expenses (-)	20	(6,049)	(97,777,939)
OPERATING PROFIT / (LOSS) BEFORE FINANCIAL INCOME / (EXPENSE)		124,534,762	13,957,746
Financial income	21	12,418,923	27,037,565
Financial expenses (-)	21	(386,728,050)	(309,990,495)
Net monetary gain		465,623,472	373,425,961
PROFIT / (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		215,849,107	104,430,777
Tax income / (expense) from continuing operations		131,906,468	239,590,387
- Current tax expense (-)	22	(3,612,477)	(92,855,402)
- Deferred tax income / expense(-)	22	135,518,945	332,445,789
PROFIT / (LOSS) FOR THE YEAR		347,755,575	344,021,164
Profit for the year attributable to:			
Non-controlling interests		(28,220,743)	(69,044,820)
Equity holders of the parent		375,976,318	413,065,984
Earnings per share (TRY)	23	0.5679	0.6240
OTHER COMPREHENSIVE INCOME:			
Items to not be reclassified subsequently to profit or loss		(224,499,682)	(132,676,033)
- Gain on revaluation of property, plant and equipment		(180,382,951)	(112,721,056)
- Actuarial loss on defined benefit plans		(5,493,472)	(5,620,264)
- Other comprehensive (loss) / income not to be reclassified to (loss) / profit, tax effect		(38,623,259)	(14,334,713)
Items to be reclassified subsequently to profit or loss		(142,445,035)	(109,100,202)
- Currency translation differences		(142,445,035)	(109,100,202)
Other Comprehensive Income / (Expense)		(366,944,717)	(241,776,235)
TOTAL COMPREHENSIVE INCOME / (EXPENSE)		(19,189,142)	102,244,929
Total comprehensive income / (expense) for the year attributable to:			
Non-controlling interests		(26,952,061)	(108,240,364)
Equity holders of the parent		7,762,919	210,485,293

(*) Restatement effects have been explained in Note 2.3.

The accompanying notes form an integral part of these consolidated financial statements.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY FOR THE PERIODS 31 MARCH 2024 AND 2023
(Amounts expressed in the purchasing power of the Turkish Lira ("TRY") as of 31 March 2024, unless otherwise indicated.)

	Paid in capital		Accumulated other comprehensive income or expenses not to be reclassified to profit or lose				Retained earnings							
			Share capital adjustment differences	Gains / (losses) on revaluation of plant, property, and equipment	Losses on remeasurement of defined benefit plans	Currency translation differences	Share premium	Restricted reserves	Effect of business combinations under common control	Retained earnings	Net profit / (loss) for the year	Equity holders of the parent	Non-controlling interests	Total equity
Balances as of 1 January 2023	662,000,000	3,532,025,872	997,233,971	(95,443,214)	625,705,238	514,041,714	456,506,442	393,876,685	(721,027,756)	1,544,422,169	7,909,341,121	587,029,803	8,496,370,924	
Transfers	-	-	-	-	-	-	-	-	1,544,422,169	(1,544,422,169)	-	-	-	
Total comprehensive income	-	-	(161,657,090)	2,917,792	(53,375,276)	-	9,533,883	-	-	413,065,984	210,485,293	(108,240,364)	102,244,929	
Balances as of 31 March 2023	662,000,000	3,532,025,872	835,576,881	(92,525,422)	572,329,962	514,041,714	466,040,325	393,876,685	823,394,413	413,065,984	8,119,826,414	478,789,439	8,598,615,853	
Balances as of 1 January 2024	662,000,000	3,532,025,872	1,975,918,093	(124,899,912)	550,147,571	514,041,714	460,368,100	(1,088,751,679)	823,394,413	671,764,996	7,976,009,168	408,151,719	8,384,160,887	
Transfers	-	-	-	-	-	-	-	-	671,764,996	(671,764,996)	-	-	-	
Total comprehensive Income	-	-	(353,222,292)	(1,412,666)	(19,274,296)	-	5,695,855	-	-	375,976,318	7,762,919	(26,952,061)	(19,189,142)	
Balances as of 31 March 2024	662,000,000	3,532,025,872	1,622,695,801	(126,312,578)	530,873,275	514,041,714	466,063,955	(1,088,751,679)	1,495,159,409	375,976,318	7,983,772,087	381,199,658	8,364,971,745	

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CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED 31 MARCH 2024 AND 2023

(Amounts expressed in the purchasing power of the Turkish Lira ("TRY") as of 31 March 2024, unless otherwise indicated.)

	Notes	Restated (*) Unaudited Current Period 1 January - 31 March 2024	Restated (*) Unaudited Prior Period 1 January - 31 March 2023
Cash inflows / (outflows) from operating activities		754,053,160	(316,576,017)
Profit for the year		347,755,575	344,021,164
Adjustments to reconcile profit / (loss) for the year		(158,611,327)	(405,311,030)
Adjustments related to depreciation and amortization expenses	12	138,585,157	130,647,504
Adjustments related to provision for/ (reversal) of impairment loss		15,894,448	10,171,867
- Adjustments related to impairment loss on receivables	6	15,465,650	7,463,810
- Adjustments related to impairment (loss) / gain on inventories, net	8	428,798	2,708,057
Adjustments related to provisions		239,766,783	95,202,111
- Adjustments related to provisions employee benefit		103,368,469	88,647,542
- Adjustments related to lawsuit provisions	14	(102,319)	(955,897)
- Other adjustments related to operations		136,500,633	7,510,466
Adjustments related to interest and commission expenses / (income)		(63,170,874)	30,844,637
- Adjustments related to interest and commission expense	21	214,315,361	279,117,298
- Adjustments related to interest income	20	(277,486,235)	(248,272,661)
Adjustments related to unrealized currency translation differences	21	144,409,512	(27,037,565)
Adjustments related to tax (income) / expense	22	(131,906,468)	(239,590,387)
Adjustments related to gain on disposal of non-current assets	20	(663,477)	(622,975)
Adjustments for other items caused by cash flows arising from investment or financing activities	21	(12,418,923)	127,149,504
Monetary gains / (losses)		(489,107,485)	(532,075,726)
Changes in working capital		660,235,335	(111,005,877)
Changes in trade receivables	6	104,169,434	168,525,743
- Changes in trade receivables from non-related parties	6	55,808,849	98,337,760
- Changes in trade receivables from related parties	5,6	48,360,585	70,187,983
Changes in inventories	8	1,473,028,895	48,775,233
Changes in other receivables related to operations		(195,981,812)	571,920,391
Changes in trade payables	6	(972,004,739)	(895,178,430)
- Changes in trade payables from non-related parties	6	(969,362,928)	(904,839,669)
- Changes in trade payables from related parties	5,6	(2,641,811)	9,661,239
Changes in other payables related to operations		251,023,557	(5,048,814)
Cash generated / (used) from operations		849,379,583	(172,295,743)
Cash outflow from paid in employee benefit provisions		(94,046,876)	(118,607,924)
Taxes paid		(1,279,547)	(25,672,350)

(*) Restatement effects have been explained in Note 2.3.

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KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED 31 MARCH 2024 AND 2023

(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

	Notes	Restated (*) Unaudited Current Period 1 January - 31 March 2024	Restated (*) Unaudited Prior Period 1 January - 31 March 2023
Cash inflows / (outflows) from investing activities		157,300,438	42,374,203
Payments for purchase of property, plant and equipment and intangible assets		(147,604,656)	(224,900,779)
- <i>Payments for purchase of property, plant and equipment</i>	11	(106,860,390)	(139,178,791)
- <i>Payments for purchase of intangible assets</i>	12	(40,744,266)	(85,721,988)
Proceeds from sale of property, plant and equipment and intangible assets	11,12,20	17,182,083	10,888,001
Interest income from investment activities	20	277,486,235	248,272,661
Rental income from investment properties	20	10,236,776	8,114,320
Cash inflows / (outflows) from financing activities		(831,295,107)	(307,596,787)
Cash inflows from loans		3,167,773,950	295,298,492
Cash outflows from repayment of borrowings		(2,620,536,405)	(1,190,218,876)
Payments of lease liabilities		(31,103,000)	(30,260,766)
Interest and commission paid		(214,315,361)	(279,117,298)
Net increase / (decrease) in other payables to related parties		(1,133,114,291)	896,701,661
Net decrease in cash and cash equivalents before the effect of exchange rate changes		80,058,491	(581,798,601)
Effects of exchange rate changes on cash and cash equivalents		(80,828,885)	56,673,141
Net change in cash and cash equivalents		(770,394)	(525,125,460)
Cash and cash equivalents at the beginning of the year	26	51,085,486	521,618,807
Inflation effect on cash and cash equivalents		(7,495,586)	56,639,172
Cash and cash equivalents at the end of the year	26	42,819,506	53,132,519

(*) Restatement effects have been explained in Note 2.3.

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KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024

(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 1 - GROUP’S ORGANISATION AND NATURE OF OPERATIONS

Main operations of Kerevitaş Gıda Sanayi ve Ticaret Anonim Şirketi (“Kerevitaş” or “the Company”) and its subsidiaries (“Group”) are production and trading of frozen and canned vegetables and fruits, frozen and canned sea food, frozen pastry products, croquettes, canned tuna fish, oil and margarine. Products in the frozen product category; bakery products, vegetables and fruit products, potatoes and croquettes, meat products and sea food. Canned product categories; canned tuna, vegetables, and convenience foods. Kerevitaş was initially established in 1978, to export its sea food and has been one of the pioneer food companies since 1990 with “Superfresh” brand.

The Company distributes frozen and canned products that are produced in Bursa and Afyon facilities throughout Turkey through its dealers and own direct distribution channels, as well as exports its products. The Company has vegetables, fruits, seafood, tuna canned food, bakery products and pizza facilities in its Bursa factory, and has potato, vegetables and fruit production facilities in its Afyon factory.

Kerevitaş has two production plants of oil and margarine in Pendik/İstanbul and in Adana. The third production plant of Kerevitaş was established by the end of 2017 in Sultanate of Brunei.

Donuk Fırıncılık (DFU) produces in its factory in Dudullu Organized Industrial Zone in the Frozen Bakery Products market and sells and markets it in all Turkey and foreign markets.

The Company’s registered office is in Kısıklı Mah. Ferah Cad. Yıldız Holding Placid Blogu No:1/A Üsküdar İstanbul.

The ultimate shareholder of the Group is Yıldız Holding A.Ş.

The Company is registered to the Capital Markets Board (“CMB”) and its shares have been quoted on the Borsa İstanbul (“BIST”) since 1994.

As of 31 March 2024, and 31 December 2023, the principal shareholders and their respective shareholding rates in the Company are as follows:

	31 March 2024	31 December 2023
	(%)	(%)
Yıldız Holding A.Ş.	54.27	54.27
Murat Ülker	9.98	9.98
Ufuk Yatırım Yönetim ve Gayrimenkul A.Ş.	6.26	6.26
Other	29.49	29.49
	100	100

As of 31 March 2024, the number of employees employed by the Group is 1,962 (31 December 2023: 1,932).

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024

(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 1 - GROUP’S ORGANISATION AND NATURE OF OPERATIONS (Continued)

The subsidiaries included in the scope of consolidation of the Group as of 31 March 2024 and 31 December 2023 and respective effective ownership rates are as follows:

Subsidiaries	Direct and Indirect Effective Ownership %		Countries of activity	Nature of business
	31 March 2024	31 December 2023		
Kerpe Gıda Sanayi ve Tic. A.Ş.	100	100	Türkiye	Production and Trading of Agricultural and Animal Products
Besmar Gıda Sanayi ve Ticaret A.Ş.	100	100	Türkiye	Production and Trading of Agricultural and Animal Products
Donuk Fırıncılık Ürünleri Sanayi ve Tic. A.Ş.	100	100	Türkiye	Production, Buying and Selling of Frozen Bakery Products
Berk Enerji Üretimi A.Ş.	88.17	88.17	Türkiye	Generation of Electricity
Marsa Yağ Sanayi ve Tic. A.Ş.	70	70	Türkiye	Production and Trading of Oil and Oil Products
Western Foods and Pack. SDN BHD (*)	70	70	Brunei	Production and Trading of Oil and Oil Products

(*) The Group has indirect ownership.

Approval of the financial statements

The consolidated financial statements as of and for the period ended 31 March 2024 have been approved by the Board of Directors on 26 September 2024. General Assembly has authority to change the financial statements.

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.1 - Basis of Presentation

Principles for Preparation of Financial Statements and Significant Accounting Policies

The accompanying consolidated financial statements are prepared in accordance with Communiqué Serial II, No:14.1, “Principles of Financial Reporting in Capital Markets” (“the Communiqué”) published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, consolidated financial statements are prepared in accordance with the Turkish Accounting Standards (“TAS”) issued by Public Oversight Accounting and Auditing Standards Authority (“POA”). TAS contains Turkish Accounting Standards, Turkish Financial Reporting Standards (“TFRS”) and its addendum and interpretations. In addition, the financial statements have been prepared in accordance with the “Announcement on TFRS Taxonomy” published by POA and the resolution of CMB about the Illustrations of Financial Statements and Application Guidance published on 4 October 2022.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024

(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

Principles for Preparation of Condensed Consolidated Financial Statements and Significant Accounting Policies (Continued)

The consolidated financial statements and notes of the Group have been presented in accordance with the formats announced by the Capital Markets Board (SPK) on 7 June, 2013, and include the required information.

The Company and Subsidiaries in Türkiye maintain their books of accounts and prepare their statutory financial statements in accordance with the Turkish Commercial Code (“TCC”), tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance and principles issued by CMB. The foreign subsidiaries maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered. The consolidated financial statements have been prepared under historical cost conventions except for land, buildings, derivatives, financial assets and financial liabilities which are carried at fair value.

The interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the accompanying notes for the year ended December 31, 2023.

Functional and Presentation Currency

The individual financial statements of each Group entity are prepared in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of each entity are expressed in TRY, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

Financial Reporting in Hyperinflationary Economies

With the announcement made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies for the annual reporting period beginning on or after 31 December 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of entities whose functional currency is the currency of a hyperinflationary economy.

In accordance with the standard, financial statements prepared in the currency of a hyperinflationary economy are stated in terms of the purchasing power of that currency at the balance sheet date. For comparative purposes, comparative information in the prior period financial statements is expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Group has presented its consolidated financial statements as at 31 March 2023, 31 December 2023 in terms of the purchasing power of the currency as at 31 March 2024.

In accordance with the CMB's resolution No: 81/1820 dated 28 December 2023, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 beginning with the annual financial statements for the accounting periods ending on 31 December 2023.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

Financial Reporting in Hyperinflationary Economies (Continued)

The financial statements dated March 31, 2024, have been presented are adjusted for the inflation effect in accordance with the accounting principles specified in TAS 29.

The table below includes the inflation rates calculated based on the Consumer Price Index published by the Turkish Statistical Institute ("TÜİK") for the relevant periods:

Date	Index	Adjustment Coefficient	Three-year cumulative inflation rates
31.03.2024	2,139.47	1.00000	%211
31.12.2023	1,859.38	1.15063	%268
31.03.2023	1,269.75	1.68495	%152

The main components of the Group's restatement for financial reporting purposes in hyperinflationary economies are as follows:

- The consolidated financial statements for the current period presented in TL are expressed in terms of the purchasing power of TL at the balance sheet date and the amounts for the previous reporting periods are adjusted and expressed in accordance with the purchasing power of TL at the end of the reporting period.
- Monetary assets and liabilities are not adjusted since they are currently expressed in terms of the purchasing power at the balance sheet date. Where the inflation-adjusted carrying amounts of non-monetary items exceed their recoverable amounts or net realisable
- Non-monetary assets, liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted by using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for the effect of non-monetary items in the balance sheet on the statement of comprehensive income, have been adjusted by applying the coefficients calculated over the periods in which the income and expense accounts were initially recognised in the financial statements.
- The effect of inflation on the Group's net monetary asset position in the current period is recognised in the gain/(loss) on net monetary position in the consolidated income statement.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

Basis of Consolidation

(a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-Group transactions, balances, and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated.

(b) Changes in ownership interests in subsidiaries without change of control

Changes in the Group's ownership interests in subsidiaries that do not result in the loss of control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recorded directly in equity as the Group's share.

(b) Loss of subsidiary control

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable TFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under TFRS 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2 New and Amended Turkish Accounting Standards

The accounting policies adopted in preparation of the consolidated financial statements as of March 31, 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2024 and thereafter. The effects of these standards and interpretations on the Group’s financial position and performance have been disclosed in the related paragraphs.

i) Standards, amendments, and interpretations applicable as of 31 March 2024:

Amendment to IFRS 16 - Leases on sale and leaseback; effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

Amendment to IAS 1 - Non-current liabilities with covenants; effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements; effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company’s liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB’s response to investors’ concerns that some companies’ supplier finance arrangements are not sufficiently visible, hindering investors’ analysis.

IFRS S1, ‘General requirements for disclosure of sustainability-related financial information; effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity’s value chain.

IFRS S2, ‘Climate-related disclosures’; effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

ii) Standards, amendments, and interpretations that are issued but not effective as of 31 March 2024:

Amendments to IAS 21 - Lack of Exchangeability; effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

The effects of standards, amendments and interpretations on Group’s consolidated financial statements and performance of are being evaluated by Group.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

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(Amounts expressed in the purchasing power of the Turkish Lira ("TRY") as of 31 March 2024, unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3 Comparative Information and Restatement of Prior Period Consolidated Financial Statements

Restatement of Consolidated Financial Statements

When the Group detects a significant error in its consolidated financial statements, it corrects these detected errors retroactively and restates the consolidated financial statements. In this context, the Group has detected that the index rates used for the elimination records made at the consolidated level were inadvertently taken incorrectly and corrected the effects of the detected errors summarized below in the consolidated financial statements as of January 1 - March 31, 2024 and January 1 - March 31, 2023 in its consolidated financial statements. The relevant changes do not have an effect on the profit/loss for the period.

	Reported Unaudited Current Period 1 January - 31 March 2024	Reported Unaudited Prior Period 1 January - 31 March 2023	Effects of Restatement 1 January - 31 March 2024	Effects of Restatement 1 January - 31 March 2023	Restated Unaudited Current Period 1 January - 31 March 2024	Restated Unaudited Prior Period 1 January - 31 March 2023
Revenue	5,728,910,484	4,780,816,763	-	866,506,659	5,728,910,484	5,647,323,422
Cost of sales (-)	(4,412,266,624)	(4,309,352,281)	(353,454,977)	(742,094,337)	(4,765,721,601)	(5,051,446,618)
Gross profit	1,316,643,860	471,464,482	(353,454,977)	124,412,322	963,188,883	595,876,804
General administrative expenses (-)	(153,074,116)	(122,193,954)	-	(2,881,284)	(153,074,116)	(125,075,238)
Marketing expenses (-)	(620,263,950)	(468,539,859)	-	(1,272,353)	(620,263,950)	(469,812,212)
Research and development expenses (-)	(9,095,149)	(5,282,058)	-	(575,562)	(9,095,149)	(5,857,620)
Other income from operating activities	68,863,952	69,592,587	(20,524,787)	(31,542,620)	48,339,165	38,049,967
Other expenses from operating activities (-)	(413,528,538)	(298,698,727)	20,524,787	120,242,755	(393,003,751)	(178,455,972)
OPERATING PROFIT / (LOSS)	189,546,059	(353,657,529)	(353,454,977)	208,383,258	(163,908,918)	(145,274,271)
Income from investment activities	288,449,729	204,339,531	-	52,670,425	288,449,729	257,009,956
Investing activities expenses (-)	(6,049)	(28,443,255)	-	(69,334,684)	(6,049)	(97,777,939)
OPERATING PROFIT / (LOSS) BEFORE FINANCIAL INCOME/ (EXPENSE)	477,989,739	(177,761,253)	(353,454,977)	191,718,999	124,534,762	13,957,746
Financial income	12,418,923	27,492,643	-	(455,078)	12,418,923	27,037,565
Financial expenses (-)	(386,728,050)	(253,124,680)	-	(56,865,815)	(386,728,050)	(309,990,495)
Net monetary gain	112,168,495	507,824,067	353,454,977	(134,398,106)	465,623,472	373,425,961
PROFIT / (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	215,849,107	104,430,777	-	-	215,849,107	104,430,777
Tax income / (expense) from continuing operations	131,906,468	239,590,387	-	-	131,906,468	239,590,387
- Current tax expense (-)	(3,612,477)	(92,855,402)	-	-	(3,612,477)	(92,855,402)
- Deferred tax income / expense (-)	135,518,945	332,445,789	-	-	135,518,945	332,445,789
PROFIT / (LOSS) FOR THE YEAR	347,755,575	344,021,164	-	-	347,755,575	344,021,164
Profit for the year attributable to:						
Non-controlling interests	(28,220,743)	(69,044,820)	-	-	(28,220,743)	(69,044,820)
Equity holders of the parent	375,976,318	413,065,984	-	-	375,976,318	413,065,984
Earnings per share (TRY)	0.5679	0.6240	-	-	0.5679	0.6240
OTHER COMPREHENSIVE INCOME:						
Items to not be reclassified subsequently to profit or loss	(224,499,682)	(132,676,033)	-	-	(224,499,682)	(132,676,033)
- Gain on revaluation of property, plant and equipment	(180,382,951)	(112,721,056)	-	-	(180,382,951)	(112,721,056)
- Actuarial loss on defined benefit plans	(5,493,472)	(5,620,264)	-	-	(5,493,472)	(5,620,264)
- Other comprehensive (loss) / income not to be reclassified to (loss) / profit, tax effect	(38,623,259)	(14,334,713)	-	-	(38,623,259)	(14,334,713)
Items to be reclassified subsequently to profit or loss	(142,445,035)	(109,100,202)	-	-	(142,445,035)	(109,100,202)
- Currency translation differences	(142,445,035)	(109,100,202)	-	-	(142,445,035)	(109,100,202)
Other Comprehensive Income / (Expense)	(366,944,717)	(241,776,235)	-	-	(366,944,717)	(241,776,235)
TOTAL COMPREHENSIVE INCOME / (EXPENSE)	(19,189,142)	102,244,929	-	-	(19,189,142)	102,244,929
Total comprehensive income / (expense) for the year attributable to:						
Non-controlling interests	(26,952,061)	(108,240,364)	-	-	(26,952,061)	(108,240,364)
Equity holders of the parent	7,762,919	210,485,293	-	-	7,762,919	210,485,293

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3 Comparative Information and Restatement of Prior Period Consolidated Financial Statements (Continued)

Restatement of Consolidated Financial Statements (Continued)

	Reported Unaudited Current Period 1 January - 31 March 2024	Reported Unaudited Prior Period 1 January - 31 March 2023	Effects of Restatement 1 January - 31 March 2024	Effects of Restatement 1 January - 31 March 2023	Restated Unaudited Current Period 1 January - 31 March 2024	Restated Unaudited Prior Period 1 January - 31 March 2023
Cash inflows / (outflows) from operating activities	722,054,649	(340,340,862)	31,998,511	23,764,845	754,053,160	(316,576,017)
Profit for the year	347,755,575	344,021,164	-	-	347,755,575	344,021,164
Adjustments to reconcile profit / (loss) for the year	(190,609,838)	(429,412,213)	31,998,511	24,101,183	(158,611,327)	(405,311,030)
Adjustments related to depreciation and amortization expenses	138,585,157	130,647,504	-	-	138,585,157	130,647,504
Adjustments related to provision for/ (reversal) of impairment loss	15,894,448	10,171,867	-	-	15,894,448	10,171,867
- Adjustments related to impairment loss on receivables	15,465,650	7,463,810	-	-	15,465,650	7,463,810
- Adjustments related to impairment (loss) / gain on inventories, net	428,798	2,708,057	-	-	428,798	2,708,057
Adjustments related to provisions	239,766,783	95,387,712	-	(185,601)	239,766,783	95,202,111
- Adjustments related to provisions employee benefit	103,368,469	88,647,542	-	-	103,368,469	88,647,542
- Adjustments related to lawsuit provisions	(102,319)	(955,897)	-	-	(102,319)	(955,897)
- Other adjustments related to operations	136,500,633	7,696,067	-	(185,601)	136,500,633	7,510,466
Adjustments related to interest and commission expenses / (income)	(95,169,385)	8,757,738	31,998,511	22,086,899	(63,170,874)	30,844,637
- Adjustments related to interest and commission expense	182,316,850	203,044,358	31,998,511	76,072,940	214,315,361	279,117,298
- Adjustments related to interest income	(277,486,235)	(194,286,620)	-	(53,986,041)	(277,486,235)	(248,272,661)
Adjustments related to unrealized currency translation differences	144,409,512	(27,399,896)	-	362,331	144,409,512	(27,037,565)
Adjustments related to tax (income) / expense	(131,906,468)	(239,590,387)	-	-	(131,906,468)	(239,590,387)
Adjustments related to gain on disposal of non-current assets	(663,477)	(2,460,528)	-	1,837,553	(663,477)	(622,975)
Adjustments for other items caused by cash flows arising from investment or financing activities	(12,418,923)	57,814,918	-	69,334,586	(12,418,923)	127,149,504
Monetary gains / (losses)	(489,107,485)	(462,741,141)	-	(69,334,585)	(489,107,485)	(532,075,726)
Changes in working capital	660,235,335	(110,669,539)	(336,338)	660,235,335	(111,005,877)	
Changes in trade receivables	104,169,434	168,525,743	-	-	104,169,434	168,525,743
- Changes in trade receivables from non-related parties	55,808,849	98,337,760	-	-	55,808,849	98,337,760
- Changes in trade receivables from related parties	48,360,585	70,187,983	-	-	48,360,585	70,187,983
Changes in inventories	1,473,028,895	48,775,233	-	-	1,473,028,895	48,775,233
Changes in other receivables related to operations	(195,981,812)	572,256,729	-	(336,338)	(195,981,812)	571,920,391
Changes in trade payables	(972,004,739)	(895,178,430)	-	-	(972,004,739)	(895,178,430)
- Changes in trade payables from non-related parties	(969,362,928)	(904,839,669)	-	-	(969,362,928)	(904,839,669)
- Changes in trade payables from related parties	(2,641,811)	9,661,239	-	-	(2,641,811)	9,661,239
Changes in other payables related to operations	251,023,557	(5,048,814)	-	-	251,023,557	(5,048,814)
Cash generated / (used) from operations	817,381,072	(196,060,588)	31,998,511	23,764,845	849,379,583	(172,295,743)
Cash outflow from paid in employee benefit provisions	(94,046,876)	(118,607,924)	-	-	(94,046,876)	(118,607,924)
Taxes paid	(1,279,547)	(25,672,350)	-	-	(1,279,547)	(25,672,350)
Cash inflows / (outflows) from investing activities	157,300,438	(10,296,222)	-	52,670,425	157,300,438	42,374,203
Payments for purchase of property, plant and equipment and intangible assets	(147,604,656)	(224,900,779)	-	-	(147,604,656)	(224,900,779)
- Payments for purchase of property, plant and equipment	(106,860,390)	(139,178,791)	-	-	(106,860,390)	(139,178,791)
- Payments for purchase of intangible assets	(40,744,266)	(85,721,988)	-	-	(40,744,266)	(85,721,988)
Proceeds from sale of property, plant and equipment and intangible assets	17,182,083	12,725,554	-	(1,837,553)	17,182,083	10,888,001
Interest income from investment activities	277,486,235	194,286,620	-	53,986,041	277,486,235	248,272,661
Rental income from investment properties	10,236,776	7,592,383	-	521,937	10,236,776	8,114,320
Cash inflows / (outflows) from financing activities	(799,296,596)	(231,161,516)	(31,998,511)	(76,435,271)	(831,295,107)	(307,596,787)
Cash inflows from loans	3,167,773,950	295,660,823	-	(362,331)	3,167,773,950	295,298,492
Cash outflows from repayment of borrowings	(2,620,536,405)	(1,190,218,876)	-	-	(2,620,536,405)	(1,190,218,876)
Payments of lease liabilities	(31,103,000)	(30,260,766)	-	-	(31,103,000)	(30,260,766)
Interest and commission paid	(182,316,850)	(203,044,358)	(31,998,511)	(76,072,940)	(214,315,361)	(279,117,298)
Net increase / (decrease) in other payables to related parties	(1,133,114,291)	896,701,661	-	-	(1,133,114,291)	896,701,661
Net decrease in cash and cash equivalents before the effect of exchange rate changes	80,058,491	(581,798,601)	-	-	80,058,491	(581,798,601)
Effects of exchange rate changes on cash and cash equivalents	(80,828,885)	56,673,141	-	-	(80,828,885)	56,673,141
Net change in cash and cash equivalents	(770,394)	(525,125,460)	-	-	(770,394)	(525,125,460)
Cash and cash equivalents at the beginning of the year	51,085,486	521,618,807	-	-	51,085,486	521,618,807
Inflation effect on cash and cash equivalents	(7,495,586)	56,639,172	-	-	(7,495,586)	56,639,172
Cash and cash equivalents at the end of the year	42,819,506	53,132,519	-	-	42,819,506	53,132,519

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Comparative Information and Restatement of Prior Period Consolidated Financial Statements (Continued)

Restatement of Consolidated Financial Statements (Continued)

In order to enable the determination of financial status and performance trends, the Group's consolidated financial statements are prepared comparatively with the previous period. In order to ensure compliance with the presentation of the current period consolidated financial statements, comparative information is re-arranged when necessary and significant differences are explained.

The Group has made classification transactions in its financial statements dated March 31, 2024 and March 31, 2023 in order to ensure compliance with the presentation of the current period consolidated financial statements. The effect of the relevant transactions is included in the financial statements above and does not have an effect on the profit/loss for the period.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 3 - BUSINESS COMBINATIONS

The Group purchased 100% shares of Donuk Fırıncılık Ürünleri Sanayi ve Ticaret A.Ş. that was 100% owned by Yıldız Holding A.Ş. by the amount of TRY 1,482,628,364 on 5 May 2023. The transaction is considered as “Effect of Business Combinations Under Common Control” and accounted in the shareholder’s equity. The net asset acquired and the effects of transaction in equity are presented as follows:

	31 March 2023
Net Assets within the Scope of Consolidation	
Current Assets	
Cash and cash equivalents	109,104
Trade receivables	231,652,735
Other current receivables	15,852,942
Inventories	46,713,788
Prepaid expenses	14,723,810
Other current assets	14,404,600
Non-Current Assets	
Tangible assets	615,587,966
Intangible assets	3,713,096
Other non-current assets	876,560
Current Liabilities	
Short-term financial lease liabilities	(46,912,566)
Trade payables	(155,276,119)
Employee benefit related liabilities	(19,955,860)
Other payables	(63,928,007)
Deferred income	(669,436)
Short term provisions	(3,462,108)
Other current liabilities	(4,585,399)
Non-Current Liabilities	
Long-term financial lease liabilities	(138,094,471)
Other non-current payables	(28,119,998)
Deferred income	(16,795)
Non-current provisions	(12,603,008)
Deferred tax liabilities	(48,898,578)
Net Assets Added into the Scope of Consolidation	421,112,256
Total share of the Group ownership	100%
The portion of the net assets to the Group	421,112,256
Non-Capital equity items	(27,235,571)
Cash paid for the acquisition	(1,482,628,364)
Net Equity Impact from the Acquisition of Subsidiary	(1,088,751,679)

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING

Established in Turkey, the Group's field of activity is the production and trade of frozen and canned fruits and vegetables, frozen and canned sea products, frozen bakery products, croquet, canned tuna fish, oil and margarine. Operating segments are determined and reported in a manner consistent with the reporting provided to the Board of Directors and their strategic decision-making processes.

The Board of Directors and top management monitor the operations of the Group based on the different business units, which are “frozen and canned food” and “edible oil”.

The segment revenues and expenses for the periods 1 January - 31 March 2024 and 1 January - 31 March 2023 are as follows:

	Frozen and Canned	Edible Oil	1 January- 31 March 2024
Revenue	1,771,252,864	3,957,657,620	5,728,910,484
Gross Profit	379,342,502	583,846,381	963,188,883
Operating Profit	18,628,358	162,127,310	180,755,668
EBITDA (*)	123,982,753	195,358,072	319,340,825
EBITDA/Revenue	7.0%	4.9%	5.6%
Investment	97,355,644	50,249,012	147,604,656

	Frozen and Canned	Edible Oil	1 January- 31 March 2023
Revenue	1,734,416,405	3,912,907,017	5,647,323,422
Gross Profit	427,070,578	168,806,226	595,876,804
Operating Profit	109,580,732	(114,448,998)	(4,868,266)
EBITDA (*)	203,442,623	(77,663,385)	125,779,238
EBITDA/Revenue	11.7%	-2.0%	2.2%
Investment	197,262,147	27,638,632	224,900,779

(*) EBITDA is not a measurement instrument that is prescribed in TAS and it cannot be comparable other entities calculations.

NOTE 5 - RELATED PARTY DISCLOSURES

Due to related parties, due from related parties and summary of significant transactions with related parties as of 31 March 2024 and 31 December 2023 are as follows.

The related parties listed below are composed of Yıldız Holding group companies.

Trade receivables from related parties	31 March 2024	31 December 2023
Ülker Bisküvi San. A.Ş.	497,009,170	516,971,848
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	277,228,988	288,141,244
G2mEksper Satış ve Dağıtım Hizmetleri A.Ş.	230,391,652	291,996,906
Şok Marketler Tic. A.Ş.	201,443,569	165,639,588
Horizon Hızlı Tüketim Ürünleri Paz. ve Tic. A.Ş.	149,251,727	108,344,413
Önem Gıda San. ve Tic. A.Ş.	117,385,191	119,433,268
Bizim Toptan Satış Mağazaları A.Ş.	51,633,745	72,367,091
E Star Global E Tic. Satış Ve Paz.	31,427,540	23,563,428
Pasifik Tük.Ürün. San.ve Tic. A.Ş.	3,449,621	42,038,131
Other	43,028,188	22,114,059
	1,602,249,391	1,650,609,976

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 5 - RELATED PARTY DISCLOSURES (Continued)

	31 March 2024	31 December 2023
Trade payables to related parties		
Aytaç Gıda Yatırım A.Ş.	17,544,601	16,052,312
İzsal Gayrimenkul Geliştirme A.Ş.	11,036,685	13,742,710
Sağlam İnşaat Taahhüt Tic. A.Ş.	2,453,321	1,577,726
Önem Gıda San. ve Tic. A.Ş.	2,083,920	1,842,648
Bizim Toptan Satış Mağazaları A.Ş.	1,667,257	1,699,571
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	744,946	905,138
Ülker Bisküvi San. A.Ş.	152,679	131,331
Şok Marketler Ticaret A.Ş.	54,703	104,340
Other	3,134,233	5,458,380
	38,872,345	41,514,156

Due from related parties and due to related parties’ balances comprised of purchasing and selling goods and services. Supply of goods comprise of mainly purchases of raw materials.

	31 March 2024	31 December 2023
Other receivables from related parties		
Yıldız Holding A,Ş.(*)	3,168,425,978	2,056,672,219
	3,168,425,978	2,056,672,219

	31 March 2024	31 December 2023
Other payables to related parties		
Yıldız Holding A,Ş, (*)	195,477,668	115,195,336
	195,477,668	115,195,336

	31 March 2024	31 December 2023
Other non-current payables to related parties		
Yıldız Holding A,Ş, (**)	545,068,289	659,130,076
	545,068,289	659,130,076

(*) The relevant amount consists of balances made available from Yıldız Holding and to Yıldız Holding for financing purposes, and these balances do not have a certain maturity. Interest rates are re-determined on a monthly basis, taking into account market conditions, and as of 31 March 2024, the average interest rates of TRY-based payables are 45.44% (31 December 2023: 42.53%).

(**) As of 12 April 2018, Yıldız Holding A.Ş and some Yıldız Holding Group entities including Group, signed a syndicated loan agreement with creditors. Thus, the Group's borrowings to banks were transferred to Yıldız Holding. Total of the long-term payables of the Group to Yıldız Holding is composed of syndicated debts.

The amount of collateral given as guarantor ship and mortgage within the scope of the syndication debts is TRY 6,593,593,168 (31 December 2023: TRY 8,690,162,353).

Transactions with related parties comprised of purchasing and selling goods and services. Purchases are mainly comprised of purchases of raw materials.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 5 - RELATED PARTY DISCLOSURES (Continued)

Sale of goods and services	1 January - 31 March 2024	1 January - 31 March 2023
Ülker Bisküvi San. A.Ş.	915,105,667	942,544,645
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	426,986,942	477,671,598
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	312,770,672	258,659,286
Horizon Hızlı Tüketim Ürünleri A.Ş.	241,595,165	253,287,296
Şok Marketler Ticaret A.Ş.	201,380,551	78,041,890
Önem Gıda San. ve Tic. A.Ş.	121,042,668	152,117,994
Bizim Toptan Satış Mağazaları A.Ş.	90,086,354	110,859,121
E Star Global E-Ticaret Satış ve Pazarlama A.Ş.	51,432,368	23,877,860
CCC Gıda San. ve Tic. A.Ş.	3,056,599	-
Pasifik Tük. Ürün. San. ve Tic. A.Ş.	-	514,034,161
Other	2,974,947	12,528,156
	2,366,431,933	2,823,622,007
	1 January - 31 March 2024	1 January - 31 March 2023
Purchase of goods and services		
Maia International B.V.	577,953,137	1,963,740,235
Yıldız Holding A.Ş.	68,310,747	13,593,306
Aytaç Gıda Yatırım San. Tic. A.Ş.	27,789,589	45,597,122
İzsal Gayrimenkul Geliştirme A.Ş.	27,590,661	14,370,251
Sağlam İnşaat Taahhüt Tic. A.Ş.	7,694,578	3,771,030
G2mEkspert Satış ve Dağıtım Hizmetleri A.Ş.	4,782,687	728,031
Horizon Hızlı Tüketim Ürünleri A.Ş.	2,211,672	-
Önem Gıda San. ve Tic. A.Ş.	1,573,860	1,517,049
Adapazarı Şeker Fabrikası A.Ş.	-	2,717,374
UCZ Mağazacılık Tic. A.Ş.	-	1,278,118
Other	4,996,760	3,747,412
	722,903,691	2,051,059,928
	1 January - 31 March 2024	1 January - 31 March 2023
Service, rent and other income		
Yıldız Holding A.Ş.	1,628,754	1,389,999
Sağlam İnşaat Taahhüt Tic. A.Ş.	236,619	258,054
Bizim Toptan Satış Mağazaları A.Ş.	226,260	255,909
Other	204,097	148,214
	2,295,730	2,052,176
	1 January - 31 March 2024	1 January - 31 March 2023
Commission and financial expense		
Yıldız Holding A.Ş.	61,190,960	161,920,214
Pervin Finansal Kiralama A.Ş.	5,133,860	1,434,847
Other	-	3,050,136
	66,324,820	166,405,197

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NOTE 5 - RELATED PARTY DISCLOSURES (Continued)

	1 January - 31 March 2024	1 January - 31 March 2023
Commission and financial income		
Yıldız Holding A.Ş.,	80,583,110	29,899,556
	80,583,110	29,899,556
Investment income		
Yıldız Holding A.Ş. (*)	197,059,080	211,788,633
Other	-	414,772
	197,059,080	212,203,405

(*) Income from investment activities obtained from Yıldız Holding comprised of interest and exchange differences.

Key management compensation:

Key management personnel of the Company consist of the members of Board of Directors and members of Executive Board. The compensation of key management personnel comprises salaries, bonus, health insurance and transportation. The compensation of key management during the years are as follows:

	1 January - 31 March 2024	1 January - 31 March 2023
Salaries and other benefits	47,916,200	43,627,556
	47,916,200	43,627,556

NOTE 6- TRADE RECEIVABLES AND PAYABLES

As of 31 March 2024 and 31 December 2023 trade receivables of the Group are as follows:

	31 March 2024	31 December 2023
Current trade receivables		
Trade receivables (*)	1,325,550,904	1,379,553,956
Notes receivable	78,226,486	86,259,123
Income accruals	-	208,609
Provision for doubtful receivables (-)	(62,847,363)	(53,817,162)
Trade receivables, net	1,340,930,027	1,412,204,526
Trade receivables from related parties (Note 5) (**)	1,602,249,391	1,650,609,976
	2,943,179,418	3,062,814,502

(*) Progress accruals arising from sales to customers are netted off with trade receivables.

(**) Trade receivables from related parties mainly comprised from sales of goods. Purchases are mainly comprised of purchases of raw materials.

Average maturity for trade receivables is 46 days (31 December 2023: 54).

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 6- TRADE RECEIVABLES AND PAYABLES (Continued)

Movements of provision for doubtful receivables as of 1 January - 31 March 2024 and 1 January - 31 March 2023 are as follows:

Movement of provision for doubtful receivables	1 January - 31 March 2024	1 January - 31 March 2023
Opening balance	(53,817,162)	(93,076,307)
Charge for the year (-)	(16,638,311)	(7,487,201)
Reversals of provisions	1,172,661	23,391
Monetary gain / (loss)	6,435,449	11,102,599
End of the period	(62,847,363)	(89,437,518)

	31 March 2024	31 December 2023
Short-term trade payables		
Trade payables	3,531,921,989	4,503,863,183
Expense accruals	25,515,801	22,937,535
Trade payables, net	3,557,437,790	4,526,800,718
Trade payables to related parties (Note 5) (*)	38,872,345	41,514,156
	3,596,310,135	4,568,314,874

(*) Trade payables to related parties mainly comprised from purchases of goods and services. Purchases are mainly comprised of purchases of raw materials.

Average maturity for trade payables is 82 days (31 December 2023: 99).

NOTE 7 - OTHER RECEIVABLES AND PAYABLES

Other Receivables

	31 March 2024	31 December 2023
Other current receivables		
Receivables from related parties (Note 5)	3,168,425,978	2,056,672,219
Receivables from tax administration	44,506,773	91,854,426
Receivables from personnel	19,073	80,041
Other miscellaneous receivables	31,935,282	65,447,143
	3,244,887,106	2,214,053,829

	31 March 2024	31 December 2023
Other non-current receivables		
Deposits and guarantees given	3,138,381	4,455,109
	3,138,381	4,455,109

Other Payables

	31 March 2024	31 December 2023
Other current liabilities		
Payables to related parties (Note 5)	195,477,668	115,195,336
Other miscellaneous liabilities	129,142	135,491
	195,606,810	115,330,827

	31 March 2024	31 December 2023
Other non-current liabilities		
Non-current liabilities to related parties (Note 5)	545,068,289	659,130,076
	545,068,289	659,130,076

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 8 - INVENTORIES

	31 March 2024	31 December 2023
Raw materials	783,304,807	2,117,042,736
Work in process	846,350,967	1,063,004,762
Finished goods	490,595,108	482,170,589
Trade goods	136,501,782	78,316,656
Other inventory (*)	135,835,086	125,729,646
Provision for impairment of inventory (-)	(1,630,054)	(1,849,000)
	2,390,957,696	3,864,415,389

(*) Other inventories consist of packaging and technical operating materials.

Movements of provision for impairment of inventories as of 1 January - 31 March 2024 and 1 January - 31 March 2023 are as follows:

	1 January - 31 March 2024	1 January - 31 March 2023
Opening balance	(1,849,000)	(4,127,910)
Charge for the year	(521,926)	(6,183,173)
Reversals of provisions during the period	93,128	3,475,116
Monetary gain / (loss)	647,744	459,561
Closing balance	(1,630,054)	(6,376,406)

NOTE 9 - PREPAID EXPENSES AND DEFERRED REVENUE

	31 March 2024	31 December 2023
Short-term prepaid expenses		
Advances given for inventory purchases	462,533,168	441,962,040
Prepaid expenses	75,350,502	93,870,483
Business advances	62,252	83,135
	537,945,922	535,915,658

	31 March 2024	31 December 2023
Long-term prepaid expenses		
Advances given for fixed asset purchases	33,906,448	25,325,899
	33,906,448	25,325,899

	31 March 2024	31 December 2023
Short-term deferred income		
Advances received	110,199,976	99,704,763
Deferred income	4,841,014	3,482,723
	115,040,990	103,187,486

	31 March 2024	31 December 2023
Long-term deferred income		
Deferred income	6,414,175	11,002,425
	6,414,175	11,002,425

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 10 - INVESTMENT PROPERTIES

Cost value	1 January 2024	Disposals	Transfers	Change in fair value	31 March 2024
Land, building, plant machinery and devices	1,527,761,447	-	-	-	1,527,761,447
	1,527,761,447	-	-	-	1,527,761,447

Cost value	1 January 2023	Disposals	Transfers	Change in fair value	31 March 2023
Land, building, plant machinery and devices	957,314,432	-	-	-	957,314,432
	957,314,432	-	-	-	957,314,432

The Group has earned rent income from its investment properties amounting to TRY 10,236,776 in the current period. (1 January - 31 March 2023: TRY 8,114,320) (Note 20).

Fair value of investment properties

	31 March 2024		
	Level 1	Level 2	Level 3
Investment properties	-	1,527,761,447	-
Total	-	1,527,761,447	-

	31 March 2023		
	Level 1	Level 2	Level 3
Investment properties	-	957,314,432	-
Total	-	957,314,432	-

As of 31 March 2024, the Group's investment properties are carried with their fair values determined by the revaluation carried out on 31 December 2023, and these fair values have been determined by an independent valuation firm holding a CMB License. The change between the fair value and cost value of the investment properties at initial recognition is included under equity. Gains or losses arising from changes in fair value in subsequent measurement periods are included in the consolidated statement of profit or loss.

The table above present the fair value hierarchy of investment properties of the Group as of 31 March 2024 and 31 December 2023. The levels of hierarchies of fair values are detailed below.

- Level 1: Quoted prices in active markets for identical assets or liabilities,
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly,
- Level 3: Inputs for the asset or liability that are not based on observable market data

Valuation techniques used to derive level 2 fair values.

Level 2 fair values of investment properties have been derived using the sales comparison approach. Sales prices of comparable land and buildings in proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

Cost value	1 January 2024	Additions	Disposals	Currency translation differences	31 March 2024
Land and land improvements	2,104,064,265	-	-	(188,955)	2,103,875,310
Buildings	3,552,258,183	6,798,734	-	(67,426,951)	3,491,629,966
Machinery and equipment	4,558,932,640	14,067,564	(22,630,849)	(16,487,376)	4,533,881,979
Motor vehicles	17,252,810	-	-	(358,597)	16,894,213
Furniture and fixtures	433,679,682	928,525	(316,884)	(878,686)	433,412,637
Leasehold improvements	46,119,918	27,916,574	-	-	74,036,492
Other tangibles (*)	298,487,674	-	(3,434,314)	-	295,053,360
Construction in progress	1,531,927	57,148,993	-	-	58,680,920
	11,012,327,099	106,860,390	(26,382,047)	(85,340,565)	11,007,464,877
Accumulated depreciation	1 January 2024	Additions	Disposals	Currency translation differences	31 March 2024
Land improvements	(27,463,500)	(3,800,080)	-	706,643	(30,556,937)
Buildings	(1,156,388,269)	(61,395,649)	-	11,798,206	(1,205,985,712)
Machinery and equipment	(3,081,488,574)	(52,553,862)	22,500,349	5,543,346	(3,105,998,741)
Motor vehicles	(15,331,827)	(493,647)	-	408,240	(15,417,234)
Furniture and fixtures	(299,035,245)	(8,507,557)	100,384	-	(307,442,418)
Leasehold improvements	(34,551,024)	(1,063,964)	-	-	(35,614,988)
Other tangibles (*)	(177,070,495)	(4,765,947)	2,716,368	-	(179,120,074)
	(4,791,328,934)	(132,580,706)	25,317,101	18,456,435	(4,880,136,104)
Net book value	6,220,998,165				6,127,328,773

(*) Other tangibles comprised of refrigerators.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 12 - INTANGIBLE ASSETS

Cost value	1 January 2024	Additions	Disposals	Currency translation differences	31 March 2024
Rights	220,721,478	20,456,824	(15,453,660)	(1,162,226)	224,562,416
Development expenses	326,175,366	20,287,442	-	-	346,462,808
Other intangible assets	5,440,137	-	-	-	5,440,137
	552,336,981	40,744,266	(15,453,660)	(1,162,226)	576,465,361

Accumulated amortization	1 January 2024	Additions	Disposals	Currency translation differences	31 March 2024
Rights	(123,498,713)	(1,718,626)	-	3,796,073	(121,421,266)
Development expenses	(155,728,918)	(672,516)	-	-	(156,401,434)
Other intangible assets	(5,440,016)	-	-	-	(5,440,016)
	(284,667,647)	(2,391,142)	-	3,796,073	(283,262,716)

Net Book Value	267,669,334				293,202,645
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Cost Value	1 January 2023	Additions	Disposals	Currency translation differences	31 March 2023
Rights	149,646,362	67,752,301	-	549,964	217,948,627
Development expenses	270,624,939	17,969,687	-	-	288,594,626
Other intangible assets	5,440,137	-	-	-	5,440,137
	425,711,438	85,721,988	-	549,964	511,983,390

Accumulated amortization	1 January 2023	Additions	Disposals	Currency translation differences	31 March 2023
Rights	(114,946,425)	(493,137)	-	80,659	(115,358,903)
Development expenses	(128,767,367)	(7,905,042)	-	-	(136,672,409)
Other intangible assets	(5,440,016)	-	-	-	(5,440,016)
	(249,153,808)	(8,398,179)	-	80,659	(257,471,328)

Net Book Value	176,557,630				254,512,062
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CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

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(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 12 - INTANGIBLE ASSETS (Continued)

Allocation of depreciation and amortization expenses of property, plant and equipments, intangible assets, and right-of-use assets as of 1 January - 31 March 2024 and 1 January - 31 March 2023 are as follows:

	1 January- 31 March 2024	1 January- 31 March 2023
Cost of sales	(125,558,402)	(106,398,758)
Marketing, sales and distribution expense (Note 19)	(8,942,781)	(18,773,103)
General administration expenses (Note 19)	(2,530,687)	(3,826,950)
Research and development expenses (Note 19)	(1,553,287)	(1,648,693)
	(138,585,157)	(130,647,504)

NOTE 13 - GOVERNMENT GRANTS AND INCENTIVES

The validity period of the Incentive Certificate is 3 years and ends on April 13, 2025. The support elements foreseen in the Investment Incentive Certificate are 100% customs exemption and Value Added Tax exemption, 2-year insurance premium employer share support and 50% Tax Deduction. The total amount of investment foreseen in the Investment Incentive Certificate is TRY 29,113,930. As of March 31, 2024, the investment amount realized within the scope of the incentive certificate is TRY 6,266,260.

The Group received the Investment Incentive Certificate numbered 552413 on April 26, 2023, from the General Directorate of Incentive, Implementation and Foreign Capital of the Ministry of Economy. The validity period of the mentioned Incentive Certificate is 3 years and ends on 25 April 2026. The support elements foreseen in the Investment Incentive Certificate are 100% customs exemption and Value Added Tax exemption, 7 years of insurance premium employer's share support, 80% Tax Reduction and 40% Investment Contribution Rate support. Total amount of the investment foreseen in the Investment Incentive Certificate is TRY 37,129,764. As of 31 March 2024, the amount of investment realized within the scope of the incentive certificate is TRY 33,205,393.

The Group's rights that can be used by all companies that meet the criteria required by the legislation, regardless of sector; Incentives within the scope of research and development law (100% corporate tax, VAT exemption, etc.), inward processing permits, social security institution incentives and employer's insurance premium support.

NOTE 14 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Contingent Assets and Liabilities

Contingent assets and liabilities as of 31 March 2024, and 31 December 2023 are as follows:

	31 March 2024	31 December 2023
Contingent assets		
Letters of guarantees received	1,156,704,420	1,232,531,720
Pledges and mortgages received	2,101,031	1,971,811
	1,158,805,451	1,234,503,531

Letter of guarantees received, and mortgages received are comprised of the guarantees received from customers within the scope of credit risk.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 14 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Contingent liabilities	31 March 2024	31 December 2023
Guarantorship given (*)	4,759,947,172	5,088,972,951
Mortgages given (*)	1,833,645,996	3,601,189,402
Letters of guarantees given	1,035,699,544	1,192,596,449
Guarantees given	947,292,023	1,067,424,641
	8,576,584,735	10,950,183,443

(*) Mortgages and guarantees given are given as Yıldız Holding syndication loan guarantees, Letter of guarantees given comprised of guarantees given to public institutions for various reasons.

Other short-term provisions	31 March 2024	31 December 2023
Provisions for cost expenses	144,196,700	7,696,066
Turnover / premium provisions	25,221,245	21,842,428
Price difference and activity provisions	8,647,273	9,949,866
Provisions for lawsuits	3,213,177	3,814,930
	181,278,395	43,303,290

The movements of provisions for lawsuits as of 1 January - 31 March 2024 and 1 January - 31 March 2023 are as follows:

Movement of provision for lawsuits	1 January - 31 March 2024	1 January - 31 March 2023
Opening	3,814,930	9,353,416
Reversals of provisions during the period	(102,319)	(955,897)
Monetary gain / (loss)	(499,434)	(1,040,865)
End of the period	3,213,177	7,356,654

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Guarantee, pledge and mortgages given by the Group

Guarantee, pledge and mortgages (“GPM”) in respect of commitment and contingencies realized in the ordinary course of business given for the periods ended 31 March 2024 and 31 December 2023 are as follows:

	31 March 2024			31 December 2023		
	Original Currency	Amount	TRY Equivalent	Original Currency	Amount	TRY equivalent
A. CPMs given for Company’s own legal personality (*)	TRY	5,180,537,892	5,180,537,892	TRY	7,378,662,224	7,378,662,224
	USD	95,702,287	3,089,786,603	USD	95,702,287	3,241,690,974
	EUR	8,800,000	306,260,240	EUR	8,800,000	329,830,245
B. CPMs given on behalf of fully consolidated companies		-	-		-	-
C. CPMs given in the normal course of business activities on behalf of third parties		-	-		-	-
D. Total amount of other CPMs		-	-		-	-
i) Total amount of CPMs given on behalf of the parent		-	-		-	-
ii) Total amount of CPMs given to on behalf of other Group companies which are not in scope of B and C		-	-		-	-
iii) Total amount of CPMs given on behalf of third parties which are not in scope of C		-	-		-	-
			8,576,584,735			10,950,183,443

As of 31 March 2024, the Group has export commitments of TRY 185,000,000, USD 6,767,293 and EUR 42,850,002 (31 December 2023: TRY 143,829,529, USD 2,739,865, and EUR 57,600,000). The fulfillment period of export commitments is two years.

- (*) On February 2018, Yıldız Holding A.Ş. started negotiations with the creditors in order to refinance the loan payables for which no guarantee was provided and the balances which are used by the itself and by various Yıldız Holding group entities in connection with the miscellaneous loan agreements the Holding company entered into with Turkish banks. The purpose of these negotiations is to move all loan payable balances to the level of Yıldız Holding A.Ş. within the framework of a single maturity, interest rate and payment plan.
The bank loans of the Company and its subsidiaries which in total TRY 4.784 million in cash (Nominal: TRY 745 Million) and TRY 1,297 million non-cash (Nominal: TRY 202 million) contingencies were moved to the level of Yıldız Holding A.Ş. through syndication. The Company’s total debt has not increased as a result of the syndicated loan, but cash and non-cash loans are moved to Yıldız Holding A.Ş. level.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 16 - OTHER ASSETS AND LIABILITIES

	31 March 2024	31 December 2023
Other current assets		
Deferred VAT	369,734,803	248,730,854
Other	8,579,974	8,713,125
	378,314,777	257,443,979

	31 March 2024	31 December 2023
Other current liabilities		
Taxes and funds payables	120,328,897	98,702,095
Other current liabilities	22,642,439	32,894,095
	142,971,336	131,596,190

NOTE 17 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS

As of 31 March 2023, the Company's capital was issued and consisted of 66,200,000,000 shares, each with a nominal value of TRY 0.01. (31 December 2023: 66,200,000,000 shares).

The Group’s shareholders and their share in the capital as of 31 March 2024 and 31 December 2023 are as follows:

Shareholders	31 March 2024		31 December 2023	
	Share (%)	Amount	Share (%)	Amount
Yıldız Holding A.Ş.	54.27	359,245,941	54.27	359,245,941
Murat Ülker	9.98	66,079,898	9.98	66,079,898
Ufuk Yatırım Yönetim ve Gayr. A.Ş.	6.26	41,429,804	6.26	41,429,804
Other	29.49	195,244,357	29.49	195,244,357
Total	100	662,000,000	100	662,000,000

Restricted Reserves and Retained Earnings

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code. The first legal reserves are appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserves are appropriated after the first legal reserves and dividends, at the rate of 10% per annum of all cash dividend distributions. These reserves can only be used to cover losses, to maintain the company in times when things are not going well, or to prevent unemployment and to mitigate the effects of such losses, unless they exceed half of the paid-in capital of the company.

Restricted reserves allocated from profit as of March 31, 2024, are as follows. There is no remaining profit for the period after deducting previous years' losses in the legal records of the Group and there are no other resources that can be subject to profit distribution.

	31 March 2024	31 December 2023
Restricted reserves		
Legal reserves	466,063,955	460,368,100
	466,063,955	460,368,100

These are reserves set aside from the profits of previous periods due to obligations arising from the law or contract or for certain purposes other than profit distribution. These reserves are shown based on their amounts in legal records, and the differences arising from the evaluations made within the framework of TFRS are associated with previous years' profits and losses.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

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(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 17 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Continued)

31 March 2024 (In accordance with TFRS)	Nominal value	Inflation adjustment effect	Indexed Value
Paid capital	662,000,000	3,532,025,872	4,194,025,872
Legal reserves	45,170,916	420,893,039	466,063,955

31 March 2024 (In accordance with Tax Law)	Nominal value	Inflation adjustment effect	Indexed Value
Paid capital	662,000,000	5,066,732,762	5,728,732,762
Legal reserves	44,837,021	657,499,080	702,336,101

NOTE 18 - REVENUE AND COST OF SALES

	1 January - 31 March 2024	1 January - 31 March 2023
Domestic sales	6,512,954,637	6,219,901,197
Export sales	576,332,585	655,103,958
Other income	27,740,623	19,025,624
Gross sales	7,117,027,845	6,894,030,779
Sales returns and discounts (-)	(1,388,117,361)	(1,246,707,357)
Net sales	5,728,910,484	5,647,323,422
Cost of sales (-)	(4,765,721,601)	(5,051,446,618)
Gross profit	963,188,883	595,876,804

NOTE 19 - GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES

Marketing, sales and distribution expenses	1 January - 31 March 2024	1 January - 31 March 2023
Transportation expenses	(154,987,191)	(122,822,675)
Advertisement expenses	(148,062,989)	(93,477,714)
Personnel expenses	(120,652,471)	(107,130,996)
Tax duties and fees (*)	(56,233,494)	(29,330,480)
Brand usage expense	(39,610,120)	(27,496,013)
Rent expenses	(20,711,086)	(15,554,963)
Depreciation and amortization expense (Note 12)	(8,942,781)	(18,773,103)
Energy expenses	(8,809,849)	(12,074,504)
Export expenses	(7,508,621)	(3,261,403)
Maintenance and repair expenses	(3,557,364)	(1,582,038)
Externally provided benefits and services	(1,957,034)	(2,271,857)
Other	(49,230,950)	(36,036,466)
	(620,263,950)	(469,812,212)

(*) These are expenses incurred regarding the recycling contribution fee (RCF).

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 19 - GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (Continued)

General administrative expenses	1 January - 31 March 2024	1 January - 31 March 2023
Externally provided benefits and services	(73,693,292)	(54,944,127)
Personnel expenses	(62,236,300)	(54,981,956)
Rent expenses	(2,621,281)	(2,660,259)
Depreciation and amortization expense (Note 12)	(2,530,687)	(3,826,950)
Building expenses	(1,609,926)	(389,226)
Energy expenses	(1,289,981)	(980,529)
Brand copyright expenses	(1,077,290)	(309,695)
Communication expenses	(592,415)	(500,309)
Travel expenses	(408,424)	(362,377)
Tax duties and fees	(322,299)	(1,750,848)
Other	(6,692,221)	(4,368,962)
	(153,074,116)	(125,075,238)

Research and development expenses	1 January - 31 March 2024	1 January - 31 March 2023
Personnel expenses	(3,299,043)	(4,033,397)
Depreciation and amortization expense (Note 12)	(1,553,287)	(1,648,693)
Externally provided benefits and services	(220,937)	-
Other	(4,021,882)	(175,530)
	(9,095,149)	(5,857,620)

NOTE 20 - INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES

Income from Investment Activities	1 January - 31 March 2024	1 January - 31 March 2023
Interest income	277,486,235	248,272,661
Rent income	10,236,776	8,114,320
Gain on sale of fixed assets	663,477	622,975
Exchange difference income	63,241	-
	288,449,729	257,009,956

Expenses from Investment Activities	1 January - 31 March 2024	1 January - 31 March 2023
Exchange difference expenses	-	(97,777,939)
Other	(6,049)	-
	(6,049)	(97,777,939)

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NOTE 21 - FINANCIAL INCOME AND EXPENSES

Financial income	1 January - 31 March 2024	1 January - 31 March 2023
Discount income from financing (*)	12,418,923	-
Exchange difference income on loans	-	27,037,565
	12,418,923	27,037,565
Financial expense	1 January - 31 March 2024	1 January - 31 March 2023
Interest expense	(157,025,858)	(260,572,030)
Exchange difference expenses on loans	(144,409,512)	-
Commission expenses	(57,289,503)	(18,545,268)
Discount expenses from financing (*)	-	(29,371,565)
Other	(28,003,177)	(1,501,632)
	(386,728,050)	(309,990,495)

(*) The positive/negative difference between the interest rate which is understood within the framework of the renovation agreement within the framework of the unionized loan in other long-term commercial debts of Group to Yıldız Holding A.Ş. and the interest rates valid in the market were accountable in accordance with TFRS 9.

NOTE 22 - INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

The Group is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Group’s results for the years and periods. Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, current income taxes recognized in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

In Turkey, the corporate tax rate is 25% as of 31 March 2024 (31 December 2023: 25%). The corporate tax rate is applied to the net corporate income to be found as a result of adding the expenses that are not accepted as deductible in accordance with the tax laws to the commercial income of the corporations and deducting the exceptions and deductions in the tax laws.

The Corporate tax rate is applied to the corporate income of the corporations, which is the result of the addition of expenses that are not allowed to be deducted in accordance with the tax laws and the exemptions and discounts included in the tax laws. Losses can be carried forward for a maximum of 5 years, to be deducted from the taxable profits that will arise in future years. However, the losses incurred cannot be deducted retrospectively from the profits of previous years.

The 7061 numbered law on the Amendment of Some Tax Laws was entered into force by being published in the Official Gazette dated 5 December 2017 and numbered 30261. With the 89th article of this Law, amendments are made in the 5th article titled “Exceptions” of the Corporate Tax Law. The first paragraph of the article; With paragraph (a), the 75% exemption applied to the earnings arising from the sale of real estates which were stated in the assets of the institutions for two full years has been reduced to 50%. This amendment was entered into force on 5 December 2017.

NOTE 22 - INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

	31 March 2024	31 December 2023
Current income tax liabilities		
Current income tax expense	3,612,477	255,766,323
Less: prepaid taxes	(41,793,487)	(296,280,263)
Current income tax liability / (asset)	(38,181,010)	(40,513,940)

Income tax expense for the periods ended 31 March 2024 and 31 March 2023 comprised of the following items:

	1 January - 31 March 2024	1 January - 31 March 2023
Current income tax expense	(3,612,477)	(92,855,402)
Deferred tax income / (expense)	135,518,945	332,445,789
Total tax income / (expense)	131,906,468	239,590,387

Deferred Tax

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax base legal financial statements and the financial statements prepared in accordance with TAS. These differences are generally due to the fact that some income and expense items are included in different periods in tax base financial statements and financial statements prepared in accordance with TAS, and these differences are stated below.

The tax rate used in the calculation of deferred tax assets and liabilities will be 25% for 2023, and 25% for 2024 taxation periods.

In Turkey, the companies cannot declare a consolidated tax return, therefore subsidiaries that have deferred tax assets position were not netted off against subsidiaries that have deferred tax liabilities position and disclosed separately.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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NOTE 22 - INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

As of 31 March 2024, and 31 December 2023 the breakdown of the accumulated temporary differences related to the Group and the deferred tax assets and liabilities using the applicable tax rates are as follows:

	Total temporary differences		Deferred tax asset / (liability)	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
Provisions for employee termination benefits	269,902,250	257,219,274	66,567,919	64,304,819
Provisions for doubtful receivables	32,101,788	19,385,847	8,025,447	4,846,463
Provisions for lawsuits	3,213,177	3,814,930	803,294	953,732
Provision for unused vacations	45,817,248	37,565,639	11,454,312	9,391,410
Carry-forward tax losses (*)	461,587,689	484,280,903	41,363,126	38,380,665
Discount income from financing	(193,525,772)	(222,677,765)	(48,381,443)	(55,669,441)
Provision of performance premium	9,900,403	28,186,274	2,475,101	7,046,569
Foundation and organization expenses	927,144	1,066,805	231,786	266,701
Exchange difference assetization	139,074,440	143,128,505	34,768,610	35,782,127
Net differences between the carrying values and tax bases of investment properties	(1,241,010,740)	(1,434,988,984)	(126,255,699)	(194,419,724)
Revaluation differences on property, plant and equipment	(3,181,222,181)	(2,590,059,209)	(520,407,726)	(380,094,321)
Other	365,650,895	48,486,186	91,412,725	12,121,544
Deferred tax assets / (liabilities), net	(3,287,583,659)	(3,224,591,595)	(437,942,548)	(457,089,456)

(*) As of 31 March 2024, based on the projections and future estimations, there is no previous year loss for which deferred tax is not recognized (31 December 2023: None).

NOTE 23 - EARNING PER SHARE

	1 January - 31 March 2024	1 January - 31 March 2023
Net gain for the year attributable to equity holders of the parent	375,976,318	413,065,984
Weighted average number of shares	662,000,000	662,000,000
Earning per share (TRY)	0.5679	0.6240

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

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(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 24 - BORROWINGS

	31 March 2024	31 December 2023
Short term borrowings		
Short term foreign currency loans	2,533,043,535	2,182,875,173
Short term local currency loans	210,827,200	173,052,755
Current portion of long-term financial liabilities	183,757,610	197,899,814
Short term lease liabilities	79,989,596	58,750,570
	3,007,617,941	2,612,578,312
	31 March 2024	31 December 2023
Long term borrowings		
Long term foreign currency loans	309,639,876	371,018,382
Long term lease liabilities	114,336,305	172,357,731
	423,976,181	543,376,113

As of 31 March 2024, and 31 December 2023 details of short and long-term bank loans are as follows:

31 March 2024				
Original Currency	Maturity	(%)	Original Amount	TRY Equivalent
USD	July, 2024	10.6	1,037,733	33,563,864
EUR	May, 2024 - March 2026	6.5 - 11	85,841,880	2,992,877,157
TRY	Sept. 2024 - Feb. 2025	26.00 - 57.72	210,827,200	210,827,200
				3,237,268,221

31 December 2023				
Original Currency	Maturity	(%)	Original Amount	TRY Equivalent
USD	July 2024	10.6	1,565,698	53,130,017
EUR	May, 2024 - Dec. 2025	6.5 - 10	71,871,877	2,698,663,352
TRY	Feb. 2024 - Sept. 2024	9.50 - 26.00	173,052,755	173,052,755
				2,924,846,124

Details of short and long-term lease liabilities are as follows:

31 March 2024				
Original Currency	Maturity	(%)	Original Amount	TRY Equivalent
USD	Apr. 2024 - Sept. 2025	5.25	3,248,046	105,053,506
EUR	Sept. 2024	3.66	226,416	7,893,994
TRY	Apr. 2024 - May 2029	13.10 - 55.00	81,378,401	81,378,401
				194,325,901

31 December 2023				
Original Currency	Maturity	(%)	Original Amount	TRY Equivalent
USD	Jan. 2024 - Sep. 2025	5.25	3,679,483	124,858,694
EUR	Sept. 2024	3.66	338,107	12,695,327
TRY	Jan. 2024 - May. 2029	15.45 - 55.00	93,554,280	93,554,280
				231,108,301

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024

(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 25 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Currency Risk Management

The Group is exposed to currency risk on its operations that are denominated in other currencies.

The distribution of the Group's foreign currency denominated monetary and non-monetary assets and monetary and non-monetary liabilities as of the balance sheet date is as follows:

31 March 2024	TRY Equivalent	USD	EUR	Other
1. Trade Receivables	338,574,628	9,428,574	977,613	3,629
2a. Monetary Financial Assets	9,638,148	262,305	16,588	14,577
2b. Non-monetary Financial Assets	-	-	-	-
3. Other	5,045,194	45,224	103,013	-
4. CURRENT ASSETS (1+2+3)	353,257,970	9,736,103	1,097,214	18,206
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. NON-CURRENT ASSETS (5+6+7)	-	-	-	-
9. TOTAL ASSETS (4+8)	353,257,970	9,736,103	1,097,214	18,206
10. Trade Payables	2,156,668,315	14,653,950	48,188,710	52,082
11. Financial Liabilities	2,724,695,139	1,037,733	77,187,187	-
12a. Monetary Other Liabilities	35,069,467	181,873	837,144	-
12b. Non-Monetary Other Liabilities	-	-	-	-
13. CURRENT LIABILITIES (10+11+12)	4,916,432,921	15,873,556	126,213,041	52,082
14. Trade Payables	-	-	-	-
15. Financial Liabilities	414,693,382	3,248,046	8,881,109	-
16a. Monetary Other Liabilities	-	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-	-
17. NON-CURRENT LIABILITIES (14+15+16)	414,693,382	3,248,046	8,881,109	-
18. TOTAL LIABILITIES (13+17)	5,331,126,303	19,121,602	135,094,150	52,082
19. Off-balance Sheet Derivative Instruments Net Asset/Liability Position (19a - 19b)	-	-	-	-
19a. Amount of active foreign derivative currency off-balance sheet	-	-	-	-
19b. Amount of passive foreign derivative currency off-balance sheet	-	-	-	-
20. Net Foreign Currency Assets/(Liabilities) Position (9-18+19)	(4,977,868,333)	(9,385,499)	(133,996,936)	(33,876)
21. Monetary Items Net Foreign Currency Assets / (Liabilities) (1+2a+3+5+6a-10-11-12a-14-15-16a)	(4,977,868,333)	(9,385,499)	(133,996,936)	(33,876)
22. Fair value of financial instruments used for currency hedge	-	-	-	-
23. Hedged foreign currency assets	-	-	-	-
24. Export	718,650,390	19,659,723	2,549,580	3,346
24. Import	(1,125,839,107)	(198,740)	(32,129,422)	(45,374)

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024

(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 25 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

31 December 2023	TRY Equivalent	USD	EUR	Other
1. Trade Receivables	374,983,067	10,248,807	742,177	283
2a. Monetary Financial Assets	38,531,284	869,334	236,228	5,391
2b. Non-monetary Financial Assets	-	-	-	-
3. Other	15,996,268	43,102	387,834	-
4. CURRENT ASSETS (1+2+3)	429,510,619	11,161,243	1,366,239	5,674
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. NON-CURRENT ASSETS (5+6+7)	-	-	-	-
9. TOTAL ASSETS (4+8)	429,510,619	11,161,243	1,366,239	5,674
10. Trade Payables	2,200,495,837	6,883,376	52,371,637	5,849
11. Financial Liabilities	2,380,500,349	1,565,698	61,990,768	-
12a. Monetary Other Liabilities	30,127,295	190,126	630,538	-
12b. Non-Monetary Other Liabilities	-	-	-	-
13. CURRENT LIABILITIES (10+11+12)	4,611,123,481	8,639,200	114,992,943	5,849
14. Trade Payables	-	-	-	-
15. Financial Liabilities	508,572,411	3,679,483	10,219,217	-
16a. Monetary Other Liabilities	39,776,685	1,172,186	-	-
16b. Non-Monetary Other Liabilities	-	-	-	-
17. NON-CURRENT LIABILITIES (14+15+16)	548,349,096	4,851,669	10,219,217	-
18. TOTAL LIABILITIES (13+17)	5,159,472,577	13,490,869	125,212,160	5,849
19. Off-balance Sheet Derivative Instruments				
Net Asset/Liability Position (19a - 19b)	-	-	-	-
19a. Amount of active foreign derivative currency off-balance sheet	-	-	-	-
19b. Amount of passive foreign derivative currency off-balance sheet	-	-	-	-
20. Net Foreign Currency Assets/(Liabilities) Position (9-18+19)	(4,729,961,958)	(2,329,626)	(123,845,921)	(175)
21. Monetary Items Net Foreign Currency Assets / (Liabilities)(1+2a+3+5+6a-10-11-12a-14-15-16a)	(4,729,961,958)	(2,329,626)	(123,845,921)	(175)
22. Fair value of financial instruments used for currency hedge	-	-	-	-
23. Hedged foreign currency assets	-	-	-	-
24. Export	3,197,934,486	67,074,898	8,063,917	-
24. Import	(6,726,284,606)	(3,310,662)	(141,868,879)	(196,325)

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024

(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 25 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

Sensitivity Analysis to Currency Risk

The Group is mainly exposed to foreign currency risks in USD and EUR. The following table shows the Group’s sensitivity to a 10% increase and decrease in USD and EUR. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the possible change in foreign exchange rates. The sensitivity analysis only includes outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. This analysis comprises the borrowings used for foreign operations within the Group outside the functional currency. A positive number indicates an increase in profit / loss and other equity.

31 March 2024	Profit/Loss	
	Appreciation foreign currency	Depreciation foreign currency
In case of USD increases in 10% against TRY		
1- USD net asset/liability	(30,412,747)	30,412,747
2- USD hedged portion (-)	-	-
3- Net effect of USD (1 +2)	(30,412,747)	30,412,747
In case of EUR increases in 10% against TRY		
4- EUR net asset/liability	(467,187,197)	467,187,197
5- EUR hedged portion (-)	-	-
6- Net effect of EUR (4+5)	(467,187,197)	467,187,197
In case of other currencies increases in 10% against TRY		
7- EUR net asset/liability	(186,890)	186,890
8- EUR hedged portion (-)	-	-
9- Net effect of other currencies (4+5)	(186,890)	186,890
TOTAL (3+6+9)	(497,786,834)	497,786,834

31 December 2023	Profit/Loss	
	Appreciation foreign currency	Depreciation foreign currency
In case of USD increases in 10% against TRY		
1- USD net asset/liability	(7,973,490)	7,973,490
2- USD hedged portion (-)	-	-
3- Net effect of USD (1 +2)	(7,973,490)	7,973,490
In case of EUR increases in 10% against TRY		
4- EUR net asset/liability	(465,029,012)	465,029,012
5- EUR hedged portion (-)	-	-
6- Net effect of EUR (4+5)	(465,029,012)	465,029,012
In case of other currencies increases in 10% against TRY		
7- EUR net asset/liability	6,307	(6,307)
8- EUR hedged portion (-)	-	-
9- Net effect of other currencies (4+5)	6,307	(6,307)
TOTAL (3+6+9)	(472,996,195)	472,996,195

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH (NOTE 2.7)

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024

(Amounts expressed in the purchasing power of the Turkish Lira (“TRY”) as of 31 March 2024, unless otherwise indicated.)

NOTE 25 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

Interest Rate Risk Management

The Group’s borrowings with fixed and variable interest rates exposes the Group to interest rate risk.

The interest rate profile of the Group’s interest-bearing financial instruments are as follows:

Interest Position	31 March 2024	31 December 2023
Fixed interest rate instruments		
Borrowings	2,759,764,050	2,627,403,381
Cash and cash equivalents (term deposits)	700,000	12,430,749
Trade receivables	2,943,179,418	3,062,814,502
Other receivables	3,248,025,487	2,218,508,938
Trade payables	3,596,310,135	4,568,314,874
Other payables	740,675,099	774,460,903
Variable interest rate instruments		
Borrowings	671,830,072	528,551,044

NOTE 26 - CASH AND CASH EQUIVALENTS

	31 March 2024	31 December 2023
Cash at banks	41,842,987	50,215,336
- Demand deposits	41,142,987	37,784,587
- Time deposits (*)	700,000	12,430,749
Credit card receivables	976,519	870,150
	42,819,506	51,085,486

(*) The maturity of time deposit balances at banks is 1 April 2024 and the average interest rates are 35% for TRY. (31 December 2023: 32% in TRY and 0.5% in EUR).

NOTE 27 - SUBSEQUENT EVENTS

None.

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