

KEREVİTAŞ GIDA SANAYİ VE TİCARET A.Ş. AND SUBSIDIARIES

Annual Report for the Period January 1st - December 31th, 2023

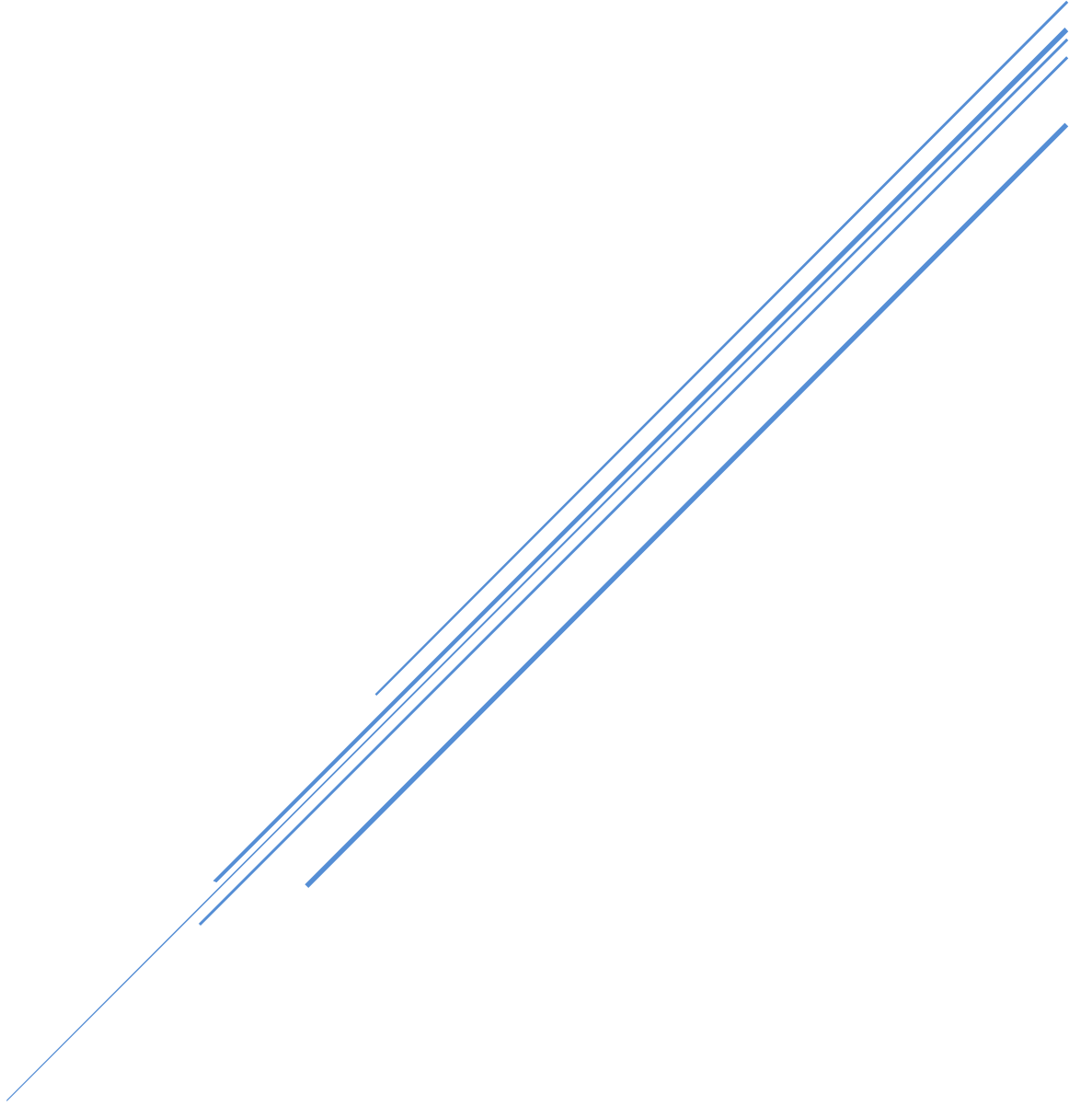


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Dear Stakeholders,

The recent changes and developments that have made a global impact have no doubt increased uncertainty even further. In today's business world, where uncertainty is so prevalent, only those organizations that are prepared to tackle risks, assume a flexible attitude toward change, and act most agilely when it comes to innovation can achieve sustainable success. It is with pleasure that I would like to say that Kerevitaş has maintained its industrial leadership positions and remarkable success throughout the last three years. As Türkiye's leading brand in the frozen food and edible oil industry, Kerevitaş closed 2023 with not only strong financial results but also its steadily growing innovative product portfolio through R&D innovations, widespread distribution network both in Türkiye and the rest of the world, export volume, and various sustainable projects that make a positive impact on the ecosystem.

As Yıldız Holding's second-largest publicly listed food company, Kerevitaş currently operates as a leading organization in the frozen food, edible oil, and canned food categories. Reaching into tables all across Türkiye on almost 75 million plates in around 18 million households with our industry-leading frozen and canned food brand SuperFresh, we maintain our leadership in the Turkish margarine market by a wide margin with our strong brands, such as Ülker Bizim Yağ. Having incorporated Donuk Fırıncılık, the leading company in the baked goods category, in 2023, Kerevitaş reinforced its strength in the consumer and out-of-home consumption markets while also diversifying its product portfolio.

We made our country's name heard in different parts of the world through our export efforts while maintaining our successful performance in Türkiye and contributing to the national economy. Based on the Turkish Statistical Institute (TÜİK) data revealing that we performed the export volume we achieved in 2023 accounted for 34 percent of Türkiye's overall edible oil export, we are sharing the happiness of standing as our country's leading margarine exporter.

Doubtless, we impact a considerably broad ecosystem within the food industry, which is one of the vital sectors we operate in. Driven by the awareness of the responsibility this lays on us and as part of our "waste-free company" model, we always center our operations around sustainability. Knowing we play a transformative role in this broad ecosystem and adopting an end-to-end approach to our value chain, we develop effective practices to minimize waste in every step, from harvest to consumption. We are one of Türkiye's largest agricultural organizations, with our extensive contract farming efforts and industry-inspiring projects.

Our employees, the architects of these successful business results and projects that make us proud, keep working and delivering uninterruptedly.

Today, we keep growing, advancing, and enabling added value for our country in all areas, from sustainability and export to solid financial performance and agile management structure at Kerevitaş. Thanks to all our stakeholders behind this success for their contributions and support!

Mehmet Tütüncü

Kerevitaş

Chairman of the Board

Dear Stakeholders,

As Kerevitaş, the leading company in the frozen food and edible oil market in Türkiye, we left behind a successful year, where we implemented many efforts within the broad ecosystem we impact, with a focus on sustainability, innovation, and digitalization.

In 2023, which proved to be a year in which various economic challenges, supply chain disruptions, and rapidly changing conjunctures prevailed worldwide, we maintained our successful performance in line with our strategy driven by our advanced production and distribution network and flexible way of doing business, and focused on always being prepared against risks while prioritizing new opportunities. We reinforced our market leadership positions in the markets we operate in and enhanced our export power.

With over 56 dealers in over 70 thousand points in the Frozen and Canned Food business unit across Türkiye and in line with our strategic channel-category perspective, we enabled an increase in our sales income while responding to the changing needs and expectations of our consumers and customers with high-quality innovative products we offer based on the insights we obtain from the field as we always do.

Today, food organizations aiming to adapt rapidly to consumer expectations and trends need to take bold steps in R&D. The R&D investments, which, driven by this fact, we leaned on more heavily as Kerevitaş, added to our strength in all areas, from our production infrastructure to our capacity for new product development. We owe our ability to respond most efficiently to diverse cultures and consumer expectations across such a wide geography to our R&D investments.

As the Turkish market in the frozen food and edible oil industry in which Kerevitaş operates keeps growing steadily, we take pride in contributing to its growth. We have a significant share in the 13-fold increase in the retail frozen food market size within the last six years with our market-leading position. Today, our SuperFresh brand, which drives its industry, is the market leader by a wide margin, with a market share of 42 percent. In 2023, we launched 44 new channel-specific products in line with our innovation strategy, reinforcing our leadership. As the leading brand in the market, we implemented a first in the category by including our consumers in our sustainability journey through our campaign “Refika Birgöl ile SuperFresh Bi’Yolculuk” and sharing all the details of frozen food’s journey from the fields to the tables.

The consumer edible oil market achieved a year-on-year growth of 29 percent while the margarine category grew by 31 percent in 2023. As Kerevitaş, we maintain our leadership in this steadily growing market by a wide margin of 65.5 percent thanks to our powerful consumer insight focus. In addition to our powerful brands with a 100 percent recognition rate, we built the most followed branded food channel on YouTube with the highest number of followers in the food category on social media with our successful channel “Hamur Bizim İşimiz.”

We also carry on our collaborations with chain restaurants particularly in the out-of-home consumption channel, which has a significant share in the industry. We reinforced our leadership in this channel by incorporating Donuk Fırıncılık, the leading company in the baked goods category, in 2023.

As we keep growing in export, one of Kerevitaş' greatest strengths, we maintain our leading positions in the markets with our powerful brands. Today, Marsa stands as the leader in our export markets, with its long-established brands and wide product portfolio, which responds effectively to market needs.

As Kerevitaş, we work to build the future of sustainable food. We run all our operations within the framework of Yıldız Holding's "Waste-free Company" working model principles and "This is Our World" approach. Driven by an end-to-end approach to our value chain, we develop effective practices to minimize waste in every step, from harvest to consumption. We care deeply about the development of the agricultural performance and competencies of farmers whom we consider our most critical business partners. We supply 90 percent of all our agricultural products from our contract farmers. As part of our sustainable agriculture efforts, we still run the "Women Stars of Agriculture" project we proudly initiated with the support of the Turkish Ministry of Agriculture and Forestry in 2022. Moreover, we achieved our 3-year tonnage goal within the first year and created a value of TRY 35 million. Our achievements brought us a total of 7 awards this year, not only from domestic institutions but also from some prestigious global organizations.

Surely, the greatest share in these successful results is that of all our stakeholders, from our employees and suppliers to our shareholders and farmers. Driven by the awareness of our role across the broad ecosystem we impact, we will continue working in dedication to meet the expectations of all our stakeholders and create long-term value.

Mert Altinkılıç

Kerevitaş

CEO

I. ORGANIZATION, NATURE OF OPERATIONS AND SHAREHOLDING STRUCTURE OF THE GROUP

Subject of activity of Kerevitas Gıda Sanayi ve Ticaret A.Ş. ("Kerevitas" or the "Company") and its subsidiaries (the "Group") are the production of frozen and canned food, oil and margarine and the sales and marketing of these products in Türkiye and in foreign markets. The products in the frozen product category are: bakery products, vegetable and fruit products, potato and croquette products, meat products, sweets, frozen bakery products and ready meals. Canned product categories are canned tuna, canned vegetables and ready meals. In the oil category, there are consumer margarine, out-of-home consumption and cooking oil products. The company was established in 1978 with the aim of exporting aquacultural resources and has been one of the leading companies in the food sector since 1990 with the investments it has made over the years.

The Group's frozen and canned food business unit produces vegetables, fruits, seafood, canned tuna fish, bakery products and pizza in its Bursa plant, potatoes, vegetables and fruits in its Afyon plant and frozen bakery products in its Istanbul plant, and its oil business unit produces oil and margarine with three production facilities in Istanbul, Adana and the Sultanate of Brunei.

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 located at Kisikli Mah. Ferah Cad. Yıldız Holding Placid Building No:1/A Uskudar Istanbul address.

The Company is registered with the Capital Markets Board ("CMB") and its shares have been traded on the Borsa Istanbul A.Ş. ("BIST") since 1994.

The shareholding structure of the Company as of December 31, 2023 and December 31, 2022 is as follows:

| Partnership | 31 December 2023 | | 31 December 2022 | |
|------------------------------------|------------------|--------------------|------------------|--------------------|
| | Share Ratio (%) | Amount (TRY) | Share Ratio (%) | Amount (TRY) |
| 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 |

The details of the subsidiaries of the Group as of 31 December 2023 and 31 December 2022 are provided below.

| Subsidiaries | Direct and indirect effective ownership ratios (%) | |
|---|--|------------------|
| | 31 December 2023 | 31 December 2022 |
| Kerpe Gıda Sanayi ve Tic. A.Ş. | 100.00 | 100.00 |
| Besmar Gıda Sanayi ve Ticaret A.Ş. | 100.00 | 100.00 |
| Donuk Fırıncılık Ürünler Sanayi ve Ticaret A.Ş. (*) | 100.00 | - |
| Berk Enerji Üretimi A.Ş. | 88.17 | 88.17 |
| Marsa Yağ Sanayi ve Tic. A.Ş. | 70.00 | 70.00 |
| Western Foods and Packaging SDN BHD (**) | 70.00 | 70.00 |

(*) The Group has purchased 100% of the shares of Donuk Fırıncılık Ürünleri Sanayi ve Ticaret A.Ş., 100% owned by Yıldız Holding A.Ş. on 5 May 2023 for a consideration of TRY 901,301,000.

(**) The Group has an indirect share in the related company.

II. BOARD OF DIRECTORS

As of the balance sheet date, the Board of Directors is as follows:

| Name-Surname | Position | Office Term |
|------------------------|----------------------|------------------------|
| Mehmet TÜTÜNCÜ | Chairman | 27.04.2021-27.04.2024* |
| Ali ÜLKER | Vice President | 27.04.2021-27.04.2024* |
| Vehbi MERZECİ | Member | 27.04.2021-27.04.2024* |
| Şükrü ÇİN | Member | 30.03.2023-27.04.2024* |
| Ahmet Murat YALNIZOĞLU | Member (Independent) | 27.04.2021-27.04.2024* |
| Ceyda AYDEDE | Member (Independent) | 27.04.2021-27.04.2024* |

* At the Extraordinary General Assembly dated April 26, 2024, the election of Mr. Ali ÜLKER, Mr. Mehmet TÜTÜNCÜ, Mr. Fahrettin Günalp ERTİK, Mr. Şükrü ÇİN as members of the Board of Directors for a term of 3 years, election of Ms. Füsün KURAN and Ms. Esra KIVRAK as Independent Members of the Board of Directors with the approval of the Capital Markets Board was accepted.

Limits of Authority

Board's limits of authority is set in accordance with the Article 13 of Company's Articles of Association as well as provisions of Turkish Code of Commerce. Board Members do not have any activities subject to the restriction of competition in their transactions with the company on behalf of themselves or someone else. Detailed information about board members are provided below;

Mehmet Tütüncü

Chairman of the Board

Mehmet Tütüncü completed his undergraduate education at Gazi University, Department of Mechanical Engineering, and his master's degree at Maltepe University, Department of Industrial and Organizational Psychology. With an IRI scholarship, he participated at Production, Quality Control and Maintenance Practices for 6 months in Italy. He has certificates in various fields, including in Strategic Marketing from Harvard Business School, and from IMD / Switzerland and Insead / Singapore.

Mehmet Tütüncü started his business life in 1981 as a Domestic Industry Specialist at the Ministry of Industry and Trade. Between 1987 and 1996, he worked as Production Manager, Operations Manager and General Manager at Best Rothmans Entegre Cigarettes and Tütün Sanayi A.Ş., respectively. He started his first job within Yıldız Holding as Business Coordinator at Ülker Gıda A.Ş. in 1996. He served as General Manager of Ülker Biscuits and Chocolate Factories, Vice President of Ülker Group, President of Food and Beverage Group, President of Food Group and President of Ülker International Group. In 2016, he was appointed as the Regional CEO responsible for Türkiye, Middle East, North Africa and Central Asia at pladis organization established within Yıldız Holding. In 2017, Mr. Tütüncü continued his duty as Deputy CEO, taking responsibility for the South Asia and Latin America regions and pladis Global Information Systems and Business Models Transformation. Since October 2018, he has taken on the duties of Yıldız Holding Deputy Chairman of the Board of Directors and Yıldız Holding CEO. Mr. Tütüncü, who is a member of the Board of Directors of TÜGİS, is also a member of many Turkish and foreign sectoral organizations.

Ali Ülker

Vice Chairman

Ali Ülker who was born in 1969, completed his university education in the Department of Economics and Business Administration at Boğaziçi University, Faculty of Economics and Administrative Sciences, after finishing at Istanbul High School for Boys. He has attended various training programs at IMD, INSEAD, Wharton and Harvard. He took part in the Internal Kaizen Study (1992) and the IESC Sales System Development and Internal Organization Project (1997) with De Boccard & Yorke Consulting Company.

Ali Ülker, who started his career in 1985 as an intern in the Quality Control Department of Ülker Gıda A.Ş., assumed between 1986 and 1998 the positions of Intern, Sales Manager, Sales Coordinator, Product Group Coordinator and Product Group Manager at chocolate production facilities and Atlas Gıda Pazarlama A.Ş. Ali Ülker, who became the General Manager of Atlas Gıda Pazarlama A.Ş. in 1998 and was appointed Vice President of the Retail Group in 2000, assumed the position of General Manager at Merkez Gıda Pazarlama A.Ş. in 2001. He was appointed Food Group Vice President in 2002 and Ülker Group President in 2005. Ali Ülker, who has been serving as Yıldız Holding's Deputy Chairman of the Board of Directors since 2011, became the Chairman of Yıldız Holding's Board of Directors on January 29, 2020. At the same time, he is the Chairman of the Board of Directors of Yıldız International Food Investments Inc. that was established in December 2023.

Mr. Ülker, who has a strong knowledge and experience in marketing and sales, has a special interest in innovation and supports teams working on this subject within the Group. He enjoys mentoring young people. He loves being outdoors and in nature and doing sports. Ali Ülker speaks English and German, is married and has 3 children.

Şükrü Çin
Board Member

Şükrü Çin, who was born in 1960, after getting education at Marmara University, Faculty of Economics and Administrative Sciences, Department of Business Administration, Accounting and Finance, and worked as an Accounting and Finance Manager in the textile, machinery, import and export sectors between 1984-1991.

He started his first duty at Yıldız Holding as an auditor in the Control and Audit department in 1991, has worked at Yıldız Holding Subsidiary Besler Gıda ve Kimya Sanayi ve Tic. A.Ş. as Financial and Administrative Affairs Manager, Financial Affairs Coordinator, Assistant General Manager (Concurrently Financial Affairs Coordinator in companies affiliated to Yıldız Holding Food Group Presidency), General Manager and CEO of Frozen Food, Canned and Oil Business Unit since 1994.

The resumes of the members of the Board of Directors elected at the Extraordinary General Assembly dated April 26, 2024 are also stated below:

Fahrettin Günalp Ertik
Board Member

Fahrettin Günalp Ertik started his business life as a Financial Controller at Finansbank after graduating from Bilkent University, Department of Business Administration. Between 2002 and 2019, he worked at Yıldız Holding as Internal Auditor, Kellogg Finance Manager, Ülker Financial Affairs Coordinator, Food Group Financial Affairs Coordinator, Food & Beverage and Retail Group CFO, Besler General Manager and Önem Gıda Vice President. Mr. Ertik, who took on responsibilities in important projects throughout his career at Yıldız Holding, graduated from the INSEAD Leadership program in 2011. Then, he studied finance, sales, marketing and leadership at Wharton Business School and Kellogg School of Management. Mr. Ertik successfully completed the Harvard Business School Advanced Management Program (AMP) in 2023. Ertik, who served as the Chief Financial Officer and Member of the Board of Directors at Azersun Holding between January 2019 and June 2020, was appointed as the Chief Financial Officer of Yıldız Holding as of August 2020.

Füsun Kuran
Board Member (Independent)

Füsun Kuran, who started her career as an auditor at Arthur Andersen, continued her career at Stefanel, where she became General Manager in 2001. In 2005, she was awarded the "Youngest General Manager to Success" award by Capital Magazine. Füsun Kuran, who became Brooks Brothers General Manager in 2013, served as CEO of RMK Classic, which has Brooks Brothers and Edwards brands, until January 2019. Ms. Kuran, who served as the President of the Registered Trademarks Association (TMD) for two terms in 2010-2012 and 2014-2016, currently serves as the vice president of the association. Füsun Kuran, an experienced name in the

business world, became the CEO of Make-A-Wish® Türkiye, an international organization for children struggling with life-threatening diseases. Since 2022, she has been serving as the CEO and board member of TutumluAnne.com, Türkiye marketplace for second-hand children's and women's products.

Esra Kıvrak
Board Member (Independent)

Esra Kıvrak is a banker and senior manager with more than 30 years of experience in the banking industry. Between 1990 and 2018, she worked as a senior manager at Osmanlı Bankası, GarantiBBVA and Alternatifbank. In addition to her finance sector experience, she has led many projects on the development of women entrepreneurship and financing of SMEs in Türkiye. Lastly, she is the chairman of the executive board of a private company in the food industry and is a member of the Board of Directors of various associations. She graduated from Boğaziçi University, Political Science at 1989, and received executive training on various subjects from leading universities in the USA, especially Wharton Business School.

Board's limits of authority is set in accordance with the Article 13 of Company's Articles of Association as well as provisions of Turkish Code of Commerce.

The benefits made available to the Board Members and top executives are outlined below.

| | 1 January - 31 December 2023 | 1 January - 31 December 2022 |
|----------------------------------|---|---|
| Remunerations and other benefits | 80,861,578 | 57,604,868 |
| | 80,861,578 | 57,604,868 |

III. ORGANIZATIONS OTHER THAN CENTRAL ORGANIZATION

The distribution of products in the frozen and canned food business line is carried out throughout Turkey through dealers, distributors and direct distribution. In the export and Private Label channels, Yeni Tekozel, a Yıldız Holding group company, sells and markets the products both in domestic discounter markets and in international markets.

Consumer products in the oil business are sold by Horizon in the traditional channel, by own sales organization in the modern channel. Secondary brands Halk, Yayla and Luna products are sold in the traditional channel by their own sales organization and Yeni Tekozel in the Private Label channel, and industrial, pastry and catering sales are carried out by the Company's own sales organization and distributor structure and by G2mEksper, a Yıldız Holding company, while exports are carried out by the Company's own sales organization.

IV. MATERIAL EVENTS DURING PERIOD

JCR Eurasia Rating has assigned "AA- (tr)" long term national rating for Kerevitaş Gıda San.ve Tic. A.Ş. and "J1+ (tr)" short term national rating with "Stable" outlook. JCR Eurasia Rating has assigned "BB" long term foreign and local currency international rating for Kerevitaş Gıda San.ve Tic. A.Ş. with "negative" outlook.

The Group has purchased 100% of the shares of Donuk Fırıncılık Ürünleri Sanayi ve Ticaret A.Ş., 100% owned by Yıldız Holding A.Ş. on 5 May 2023 for a consideration of TRY 901,301,000.

V. MATERIAL EVENTS AFTER THE PERIOD

Rating of Kerevitaş Gıda Sanayi ve Ticaret A.Ş. has been preserved compared to last year in the report prepared by the credit rating agency JCR Eurasia Rating dated January 24, 2024, and has assigned "AA- (tr)" long term national issuer credit rating and "J1+ (tr)" short term national issuer credit rating with "Stable" outlook. JCR Eurasia Rating has assigned "BB" long term foreign and local currency international issuer credit rating for our company with "negative" outlook.

Within the scope of the resolution of our Board of Directors dated January 29, 2024 and numbered 2024/01; within the framework of the Capital Markets Legislation, it was resolved to issue debt instruments up to TRY 700,000,000 (Seven Hundred Million Turkish Lira), in various series and maturities within a one-year period, in Turkish Lira, domestically, in one or more times, in the form of private placement or sale to qualified investors without public offering. Regarding the issuance process, our Company made an application to the Capital Markets Board on January 31, 2024.

On February 26, 2024, by evaluating the report of the Corporate Governance Committee, which has assumed the duties of the Nomination Committee within the framework of the "Corporate Governance Communiqué" numbered II-17.1 of the Capital Markets Board, it was resolved to submit the nominations of Ms. Füsün KURAN and Ms. Esra KIVRAK to the Capital Markets Board within the framework of the Corporate Governance Committee Report and for approval at the first General Assembly to be held. Accordingly, on March 22, 2024, our Company was notified by the CMB that it had decided not to express any negative opinions about the candidates.

At the Extraordinary General Assembly dated April 26, 2024, the election of Mr. Ali ÜLKER, Mr. Mehmet TÜTÜNCÜ, Mr. Fahrettin Günalp ERTİK, Mr. Şükrü ÇİN as members of the Board of Directors for a term of 3 years, election of Ms. Füsün KURAN and Ms. Esra KIVRAK as Independent Members of the Board of Directors with the approval of the Capital Markets Board was accepted, monthly net salary of TRY 34,000 decided to pay separately to the independent members of the Board of Directors and it was decided not to pay any fee to the other members of the Board of Directors.

VI. INDUSTRY OF THE GROUP AND ITS PLACE IN THE INDUSTRY

Frozen Food Industry;

The frozen food sector, which is among the main business lines in which Kerevitaş operates, is a food industry branch that operates from the supply of raw materials suitable for freezing, (seed selection, production, purchase) to transporting raw material to the facilities under suitable conditions, from being stored in the premises to selection, picking, washing, sizing and processing with product-specific techniques and to the monitoring of customer results as a result of storage, loading, transportation, distribution, and consumption, by deep freezing and being packed in the appropriate ways and techniques.

According to Turkish Food Codex, "quick frozen food" means the food in which the maximum crystallization temperature zone is exceeded as soon as possible, depending on the type of product, provided by a suitable freezing process known as quick freezing, where all points of the product are at -18°C or lower after the temperature has reached a constant value and in which this situation is constantly maintained and marketed in such a way as to carry these characteristics.

Fast freezing process is the finest food preservation method for preserving food quality, flavor, smell, and nutritional content. Food is stored in its most natural state thanks to quick freezing at -40°C , which freezes the water in the foods into ice crystals and inhibits the microorganisms that cause spoilage from growing, as well as limiting chemical and biological changes. Cold storage, cold transportation and similar processes which must be implemented in order for the foodstuffs that need to be kept in a cold environment to maintain their compliance with the food safety criteria and their properties at every stage, starting from the production stage to consumption, such as shipping, storage and sales, is called "Cold Chain". Maintaining the temperature of -18°C in all links of the Cold Chain from production to shipment and sales point is of high importance for our frozen product groups. Consumers who purchase food kept in -18°C cabinets at retail locations are advised to put them in their home freezers or cook them within 2 hours.

Today, fruits and vegetables processed using the IQF (Individual Quick Freezing Process) technique in frozen food facilities, are frozen individually by deep-freezing. With this method, the raw materials supplied from the source and in the season are cleaned and individually frozen at -40°C cold in a short period of 5-8 minutes by applying IQF. The procedure involves freezing the water in the products, giving them a lengthy shelf life without the usage of chemicals. Freezing food: This is the process of freezing cell sap together with the ingredients that make up the food without cracking the core membrane, by applying the IQF method. Since the products are collected in full season and frozen in their freshest form and at low temperatures, they retain their freshness and nutritional value until the moment of consumption.

Frozen food investments began in Turkey in the early 1970s for export, and the Frozen Food Market began to flourish in 1990, with Kerevitaş's goods being sold to the domestic market for the first time. Today, it has become a category that is sold in both retail and out-of-home consumption channels, including different categories such as Pizza, Pastry, Puff Pastry, Ravioli, Pita, Vegetable-Fruit, Potato & Potato Croquettes, Desserts, Meat Products and Coated Products, Canned Products and Frozen Bakery. Reaching 13 times the value in the last 6 years, the Retail Frozen Food Market has reached a value of TRY 13 billion* with a growth of 101% in 2023 compared to the previous year.

Since the 1930s, this market has grown to nearly \$290 billion per year. Consumption per capita is over 30 kg in countries such as the U.S., Germany and the UK. In the Frozen Food and Canned Food Turkey market, in 2023 per capita consumption is 5.6 kg, which shows that there is growth potential.

Vegetable Oil/Fat Industry;

The production of vegetable oil in the world is mainly covered by palm oil, as well as soy, rapeseed and sunflower. In our country, a large part of the oilseed and vegetable oil production is obtained from sunflower. Other than that, cotton seed (chewed), soy, rapeseed, aspire, corn,

and olive are among the key ingredients used for vegetable oil production. Margarine is the fat category most open to branding. Sunflower oil is the largest category of the market.

Compared to the same period last year, the Turkish consumer oil market has grown by 29% in 2023 and reached a turnover value of TRY 37 billion**. In the same period, the margarine category, which is the most open to branding oil category, reached a value of TRY 4.2 billion*** with a growth of 31% in turnover value.

*Source: Nielsen Total Turkey, Fresh Frozen Food Market Report, 2023

**Source: Nielsen Total Turkey, Oil Market Report, 2023

*** Source: Nielsen Total Turkey, Margarine Market Report, 2023

VII. GOODS AND SERVICES PRODUCTION ACTIVITIES

Frozen and Canned Food Business Unit

Production

Operating under the SuperFresh brand in the frozen and canned food segments, the Company has an advanced production infrastructure in this business line. Products produced with high technology are stored in high-capacity frozen, cold and dry warehouses in Bursa, Afyon and Istanbul facilities. Production infrastructure is consistently developed in line with customer needs and expectations. It produces frozen food and canned food products in 3 factories in Bursa, Afyon and Istanbul.

Sales, Marketing and Distribution

With product availability at more than 70,000 points in the domestic market, the Company has a robust sales-marketing network with 195 distribution vehicles and 22,342 freezers. It has a sustainable sales and marketing network thanks to the strong network it has established with 56 dealers in the domestic market. Thanks to the high international brand recognition of its parent company, Yildiz Holding, Kerevitas has rapidly expanded its reach in markets around the world and is consistently reinforcing its sales and marketing organization in international markets. Kerevitas is the only company with products in all categories of the frozen food and canned food business line in the domestic market under the SuperFresh brand. The SuperFresh brand is the clear leader in the frozen food market with a 42% brand market share. (Source: AC Nielsen 2023 - Turnover Share, excluding discount stores) Today, SuperFresh has 100% brand recognition. In terms of household preferences, it is the most popular brand among branded products in Türkiye. (2023 house penetration 32%) Each year, it appears on around 24 million plates and is a guest in 7,5 million houses. In terms of consumer perception, this year, it maintained its position as the category leader in all brand image scores, especially with the statements "leading & expert brand in frozen food". SuperFresh offered 331 SKUs to customers in retail, export, commercial and out-of-home consumption channels. In line with the focused innovation strategy, the Company launched 44 new innovative products that will reinforce its leadership in the category in 2023. In 2023, contribution of the new products to total SuperFresh turnover is 17%. Pizza King Supreme, the new variety of the popular Pizza King, was launched as part of channel-specific portfolio activities. Within the scope of the value-added innovative product projects; Croissant, Mozzarella Cheese Sticks and Mac & Cheese, Baked Potato Croquette were

launched, bringing the flavors that are consumed outside to homes. Sausage Roll Pastry and Cheese Puff Pastry exclusive to the discount grocery channel were launched, a first in the market. The relaunch of the Tas Firin Pizza family, which brings the real restaurant experience to homes in the single pizza market, and the launch of Pizza King Extra were realized. In addition, 1Kg Turkish ravioli, which responds to the high consumption of consumers in the Turkish ravioli category, and Butcher Meatballs & Burger Meatballs products took their place on the shelves of discount groceries. As a first in Turkey; the forest fruit mix product, whose packaging design was designed with artificial intelligence, was launched.

To reward consumers during the Ramadan period, high-grammage promotional products were launched that would generate tonnage returns. In the last quarter of 2023, large-sized product launches were made that will trigger high amounts of purchases. (1 kg peas, 1 kg side dish, 1 kg corn, 900 g onion croquettes, 900 g potato croquettes)

Communication Campaigns:

Superfresh which is directing the frozen food market and a specialized brand; broke a new ground in the category with "SuperFresh Journey with Refika Birgul" communication campaign, and explained to its consumers the journey of frozen food from the field to the plate in full detail. From harvest to technology, from product variation to taste, the documentary series and advertisements in which SuperFresh brand trust is underlined and all processes are conveyed through the famous chef Refika Birgul, consisting of 5 episodes (Harvest, Trust, Technology, Diversity, Taste), answering the questions by consulting the experts of the relevant subject, shedding light on the known wrongs, were started to be broadcasted in December 2022 and continued to be broadcasted in the first three quarters of 2023. It is realized by a 360 integrated communication plan, which is supported by channels such as TV, radio, outdoor, in-store, e-commerce, as well as the digital main channel. At the end of the project, +3,5 points turnover market share and high increases in all brand health scores (image and purchasing metrics) as well as in digital viewing metrics were observed in comparison with the previous year. The documentary series achieved a 57% viewership rate, well above the YouTube average (40%). High performance was demonstrated with a 28% video completion rate, which is well above the social media average (2%).

As a result of these successes, the "SuperFresh Journey with Refika Birgul" communication campaign won 8 awards from prestigious institutions around the world and locally. Additionally, the success of being on Youtube Ads Leaderbord for two consecutive periods, both in the last quarter of 2022 and the first quarter of 2023, was achieved. Ad recall score increased by +4 points (Source: Youtube, Brand Lift Survey, 2023) this communication campaign, it received bronze award in the Food & Beverage category under Media at the Brandverse Awards, Gold award in the Marketing Campaign of the Year category at the Global Stevie Awards, and Bronze award in the Best Marketing Team category in the Food & Beverage Sector at the Hammers Awards where Türkiye's most successful marketing businesses and teams are recognized.

In addition to the main communication campaign, another communication focus of the year was the approach of using uninterrupted digital media with high interaction. In the second half of the year, higher success was achieved with the new insight-oriented content and influencer collaboration strategy, which strengthens the emotional bond by conveying brand messages in a sincere language, compared to the first half. With the effect of this strategy, a 113% increase in content interactions, a 68% increase in organic interaction rate, and a 29% increase in the

organic reach of stories were observed. With this approach, the new brand language, in which all the messages intended to be conveyed can be conveyed clearly, has found its place in the daily life of the modern consumer, and the highest Top of Mind brand awareness (TOM) score of 73% has been achieved. All trial and purchase scores have increased. For the first time in the brand's history, BoomSocial was included in the top 10 among FMCG food brands in the Türkiye Social Brands Index.

In addition, as a pioneering brand that follows digital trends, for the first time in Türkiye, it explained the journey of its potatoes from field to table with a QR code developed with artificial intelligence.

SuperFresh, which is also active with in-store promotional activities, maximized its visibility by creating a buzz in-store with thematic uses both during the main communication period and during Ramadan. It has also increased its presence in the e-commerce sector of which usage by consumers is rapidly increasing, with product listings, special promotions and integrated campaigns (Refika Birgü integration).

SuperFresh, which is a pioneer in the sector with its sustainability efforts, has implemented the "Women Stars of Agriculture" project, in cooperation with Yıldız Holding Women's Platform and with the support of the Ministry of Agriculture and Forestry, in order to include and strengthen women in business life and in all areas of society. It supports women farmers, one of its most important stakeholders, with incentives in the field of sustainable agricultural practices, purchasing assurance and training provided thanks to the contracted agriculture model. The importance given to the issue was emphasized by reaching the project's 3-year targets for the number of female farmers and product purchase in just 1 year. A total of 7 global and local awards were won in 2023; Among the prominent awards are 'The Corporate Social Responsibility Program of the year' at Development 2030, 'Women-Related Corporate Social Responsibility' bronze award at Stevie Women in Business, 'Sustainability' bronze award at Smarties TR awards, 'Social Responsibility' bronze award at İMA. There is a 'Gender Equality' award.

Export

Kerevitas has a wide range of products on a global scale in the frozen food and canned food business line, which it operates with the SuperFresh brand. Kerevitaş sells frozen food and canned food to more than 30 countries on five continents, owing to its commitment to strict adherence to international quality standards and product diversity.

Kerevitas, which aims to expand its distribution network and grow its portfolio with new customers, participated in the world's prestigious international food fairs Moscow Prodexpo (February 6-10), Dubai Gulfood (February 19-23) and Anuga Cologne (October 7-11)

Kerevitas was awarded the most successful exporter of the last 3 years, by being selected first in the category of "Frozen Products" at the Export Winners 2022 Award Ceremony organized by the Istanbul Exporters' Association, with its sales tonnage.

Retail

Kerevitas has a broad range of products in the retail product group on Frozen Food and Canned business line. The Company's products in this product group range from vegetable and fruit products to bakery products, potato and croquette products.

Out-of-Home

The Group's out-of-home consumption products in the frozen food and canned food segment include a wide variety of categories such as potatoes, vegetables & fruits, frozen bakery products, pizza, tuna fish and canned food.

Kerevitas attended the Anfas 29th International Food and Beverage Specialization Fair. Brand new products attracted great interest from the sector's valuable chefs and business partners.

The Big Chefs collaboration started in 2022 continued with "potato and croquette" products on the snack menu and "tuna fish" on the salad menu.

For the first time, SuperFresh hot sales point was introduced to consumers at Zorlu Performing Arts Center.

Oil Business Unit Department

Production

Kerevitas began operating in the oil business after being acquired by Besler Gida. The company produces oil and margarine at three facilities: one in Adana, one in Istanbul, and one in Brunei. With a total capacity of 658,000 tons/year at its three facilities, the Company's Marsa Adana Factory is the production facility with the largest single-site capacity in Türkiye. Kerevitas carries out the sales and marketing of these products in Türkiye and foreign markets by producing in the fields of oil and margarine. Under the main categories of consumer margarine, EDT (Pastry/Catering and Industrial Oils) and Edible Oils; the company produces and sells a total of 53 brands and 557 SKUs, especially Bizim Yağ, Teremyağ, Luna, Ona, Ustam, and Evet, in its three facilities, which it has structured in the light of international quality standards.

Sales, Marketing and Distribution

With its main brands Bizim Yag, Teremyag, and Luna, which are managed with a strong consumer insight focus, Kerevitas Oil Department, which is the clear leader with a 65.6% percent share in the margarine industry, where local and foreign players are present, directs the market (Source AC Nielsen 2023– Turnover Share, without discount markets). The oil business unit mainly carries out its sales processes through Yildiz Holding distribution companies.

Ulker Bizim Yag, which is the most consumed branded product in the market, which was entered most houses and which has the most loyal consumers, consolidated its leadership in the package market in 2023 with a 32% turnover share (Source: AC Nielsen Total Türkiye 2023 Package Margarin Turnover Rate, Ipsos htp 2023). Bizim Yag, the brand with the highest number of followers in FMCG Food, strengthened its first place in FMCG Food in Turkey with its strategic influencer collaborations and new generation digital communication, reaching 457 thousand followers and breaking its own record.

"Hamur Bizim Isimiz" Youtube channel gained 100 thousand subscribers in the last 6 months with strategic communication and effective SEO efforts, reaching 464 thousand subscribers and maintaining its 1st place in the FMCG Food ranking on the platform.

Ulker Teremyag, the Market leader in the bowl margarine segment, maintained its clear leadership in 2023 with a 54.7% share of turnover (Source: AC Nielsen Total Türkiye, 2023 Bowl & Liquid Margarine Turnover Rate, except discount markets). Teremyag which is the most innovative brand in the category in terms of both product and communication, has protected its place as 2nd most followed brand in the FMCG Food category in 2023 with its flavor-oriented and differentiated content strategy on Instagram, which is the digital channel with the highest access and where the target audience spends a lot of time. Content collaborations were realized with the Delicious Food Recipes channel, which is the most visited by the target audience and has +10 million followers and subscribers, and average access is 1.4 million.

Marsa, a subsidiary of Kerevitas, is the leading brand in the market with "Ustam Pastry Oils" in the category of Out-of-House Consumer products, pastry oils. Ustam's market position is being strengthened by a diverse product portfolio that covers all needs in the pastry sector, as well as convenience of use, flavor, and effective communication. Thanks to advanced technology and specially developed product prescriptions, Ustam is the first brand in the industry that does not contain trans oil.

Ustam is engaged in audience-oriented (pastry masters) communication to increase the loyalty of the target audience, to reach new users, and to be the first brand that comes to mind in purchasing preferences, by carrying its leading and visionary stance in the non-household consumption market to digital platforms. Brand communication is strengthened with the use of advertisements (FoodinLife, Gastronomi, Patisserie by FoodinLife) in Türkiye's leading sectoral magazines with the highest distribution.

The Company continued its chef-oriented social media communication. With the collaboration of sales points and chefs, it has brought together the suggestions of masters with its followers in the concepts of "Hot from Ustam" and "Tastes from the World". On the other hand, Marsa continues to cooperate with universities and vocational schools with the aim of training the pastry masters of the future, while responding to the needs of the sector in the fastest way, thanks to its strong staff and production capabilities, who are experts in their fields and have local and international experience. Ustam demo chefs shared the features of Ustam Professional Pastry Oils, tips on their use and their experiences in the sector with the students of Beykent University and Sakarya Serdivan TOBB Vocational and Technical Anatolian High School.

Entering the pastry category in 2022, Teremyag brand launched a 20kg cream product special for semi-industrial points.

Export

According to TUIK data for the year 2023, Kerevitaş realized 34% of Türkiye's oil exports in more than 45 countries in five continents in the categories of consumer, pastry, catering and food.

Today, Marsa is a leader in many export markets, thanks to its strong brands and broad product portfolio that meets market needs. It takes use of sales opportunities on Alibaba, the world's

largest B2B platform, and participates in the world's top food fairs in order to maintain its position as Türkiye's premier margarine exporter and grow its distribution network with new customers.

In 2023, the Company participated in Prodexpo Russia, Gulfood Dubai, UZFOOD Uzbekistan, FHA Food&Beverage Singapore, Afrika's Big 7 Food&Beverage South Africa, Summer Fancy Food Show New York, IBA Munich, IME Dubai and Turkmenistan Turkish Export Products Fair. More than 20 new customers were added to its portfolio.

Ona, the star brand of Marsa in exports has been the clear leader in the consumer margarine category in the Middle East and Central Asian markets for many years. A total of 3 SKUs; Luna Bowl Margarine for the Africa region, Bizim Yağ Bowl (2 SKU) in Bulgaria and Teremyag in Iraq, launched in the pastry and consumer margarine categories.

Consumer Products

Ona, Luna, Sabah, Bizim Yağ, Teremyağ, Evet, Evin, Yayla, Halk brands

Out-of-Home Consumption

- Pastry and Catering Oils

Ustam, Usta, Proser, Teremyağ ve Bizim Yağ markaları

- Industrial Oils

Akbis, Akrim, Akyağ, Arma, Mars, Akao, Spy, Besler, Bes, Beska, Bizim

- Edible Oils

Sabah, Evet, Bizim Bereket

VIII. ADMINISTRATIVE ACTIVITIES

a) Managerial Staff

Our company's top executives and their roles are shown in the following table.

| | | |
|-----------------------|-----------------------------------|--|
| Mehmet Tütüncü | CEO | Yıldız Holding |
| Mert Altınkılıç | CEO | Oil Business Unit, Frozen Food and Canned Food Business Unit |
| Özhan Nuri Özesenli | COO | Oil Business Unit, Frozen Food and Canned Food Business Unit |
| Utku Ünal | CCO | Frozen Food and Canned Food Business Unit |
| İlgin Hasırcıoğlu | Vice President | Donuk Fırıncılık |
| Gülizar Öcal | CMO- Marketing | Oil Business Unit, Frozen Food and Canned Food Business Unit |
| Ufuk Kasar | Director - Financial Affairs | Frozen Food and Canned Food Business Unit |
| Adnan Kaplan | Director - Financial Affairs | Oil Business Unit |
| Recep Tavluoğlu | Director - Financial Affairs | Donuk Fırıncılık |
| Uğur Tendik | Director - Sales | Marsa |
| Ali Ertuğrul Yemiş | Director - Sales | Oil Business Unit |
| Muzaffer Ahad | Director - Sales | Frozen Food and Canned Food Business Unit |
| Kerem Çetin | Director-R&D&Business Development | Frozen Food and Canned Food Business Unit |
| Hatice İçeli | Director-R&D&Business Development | Oil Business Unit |
| Murat Fikrettin Turan | Director - Human Resources | Oil Business Unit, Frozen Food and Canned Food Business Unit |
| Egemen Hopalı | Director-Information Technologies | Oil Business Unit, Frozen Food and Canned Food Business Unit |

b) Information about Personnel

Company has 1,932 employees as of 31 December 2023. (31 December 2022: 1,837)

IX. CONSOLIDATED FINANCIAL STATEMENTS AND SHARE PERFORMANCE

BALANCE SHEET (TRY)

| | Independently Audited Current Period | Restated Independently Audited Previous Period | Restated Independently Audited Previous Period |
|----------------------------|--------------------------------------|--|--|
| | 31 December 2023 | 31 December 2022 | 31 December 2021 |
| ASSETS | | | |
| Current Assets | 8,839,588,172 | 11,414,855,084 | 9,372,043,065 |
| Non-Current Assets | 7,284,222,289 | 5,982,688,003 | 5,403,433,884 |
| TOTAL ASSETS | 16,123,810,461 | 17,397,543,087 | 14,775,476,949 |
| | | | |
| LIABILITIES | | | |
| Short-Term Liabilities | 6,905,492,035 | 8,058,969,833 | 7,690,722,505 |
| Long-Term Liabilities | 1,931,774,997 | 1,954,509,832 | 2,279,242,356 |
| Shareholder's Equity Total | 7,286,543,429 | 7,384,063,422 | 4,805,512,088 |
| TOTAL EQUITY | 16,123,810,461 | 17,397,543,087 | 14,775,476,949 |

INCOME STATEMENT (TRY)

| | Independently Audited Current Period | Restated Independently Audited Previous Period |
|-----------------------------|--------------------------------------|--|
| | 1 January - 31 December 2023 | 1 January - 31 December 2022 |
| Revenues | 18,907,555,329 | 24,248,480,443 |
| Gross profit | 3,833,046,688 | 3,816,228,926 |
| Gross profit margin | 20.27% | 15.74% |
| Operating Profit (*) | 1,713,911,863 | 2,024,799,205 |
| Operating profit margin | 9.06% | 8.35% |
| EBITDA | 2,159,028,341 | 2,467,794,530 |
| EBITDA margin | 11.42% | 10.18% |

(*) Operating profit before other incomes and expenses from main operations.

Performance of Shares

The closing price of the shares traded on the Stock Exchange Istanbul with the KERVT code as of December 29, 2023, was TRY 9.38. The company's shares are quoted in the BIST FOOD, BEVERAGE / BIST ALL SHARES / BIST 500 / BIST BURSA / BIST YILDIZ / BIST SUSTAINABILITY / BIST INDUSTRIAL / BIST ALL-100 / indices.

X. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Draft amendment to the Articles of Association of our Company amending Article 12 of the Articles of Association titled "Meetings of the Board of Directors" was approved by Capital markets Board on 31 March 2023, Ministry of Customs and Trade on 12 April 2023, and it was submitted to the approval of the shareholders and accepted at the Ordinary General Assembly meeting held on 13 June 2023.

XI. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT FOR 2023

SECTION I- STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

Capital Market Board ("CMB") made certain Corporate Governance Principles mandatory for the companies quoted in the Borsa Istanbul (BIST) with the "Corporate Governance Communiqué" on the basis of Article 17 of Capital Market Law No 6362 of 06.12.2012, and Corporate Governance Communiqué No II-17.1 of 03.01.2014. To this end, it is exactly decided to ensure compliance with the mandatory requirements of CMB. Our works are continuing to ensure the compliance with non-mandatory requirements of relevant communiqué.

The established Committees of the Board of Directors actively carry out their tasks. Committee working principles were announced on the website. Committee chairmen were formed amongst the independent members of the Board of Directors while independent member candidates are in majority in the committees. Three weeks prior to the General Assembly, information document, meeting agenda, annual report, résumés of the member candidates for the Board of Directors and other information to be announced were submitted to the information of the investors and shareholders. Related party transactions were submitted to the information of the Board of Directors, and by getting the approval of the independent members of the Board of Directors a decision was taken to continue the transactions. The website and annual report of our Company were revised and updated. A report for common and continuous transactions was issued for 2023 and published on the Public Disclosure Platform (PDP) upon the Board's decision. Independence of the independent members of the Board of Directors was examined, and new candidates were presented by the Nomination Committee to the Board of Directors. Within the scope of the sustainability activities, the first comprehensive sustainability report was released in 2017 and the seventh report is going to be released for 2023. Sustainability reports are made available to shareholders and stakeholders on the Kerevitaş investor relations website.

In 2023, efforts for compliance with the corporate governance principles were undertaken in accordance with the Capital Markets Law which covered the regulations of the CMB on the Corporate Governance Principles and with the communiqués issued on the basis of this law. During the year, our Company's website and annual report were reviewed and the necessary revisions were made to achieve full compliance with the principles. In this context, in the annual report, the issues that have been complied with as regards the principles in the Sustainability Principles Compliance Framework, which was put into effect with the amendment made to the CMB Corporate Governance Communiqué, have been comprehensively explained, and the assessments for the principles that have not yet been fully complied with are included in the Statement of Compliance with Sustainability Principles.

Although full compliance with non-compulsory Corporate Governance Principles is aimed, full compliance has not yet been achieved due to reasons such as difficulties in practice in some of the principles, and some principles do not fully match the existing structure of the market and our Company. Work on the principles that have not been put into practice yet are in progress and it is planned to be implemented after the completion of administrative, legal and technical infrastructure Works in a way that will contribute to the effective management of our Company. The reasons for non-application of those Corporate Governance Principles are provided below:

The reasons for the Corporate Governance Principles that have not yet been implemented are listed below:

- No model or mechanism was created for the stakeholders to participate in the management. However, the independent members of the Board of Directors make sure that the Company and shareholders, as well as all stakeholders, are represented in the management. The Company takes into account the opinions and suggestions of employees, suppliers, various non-governmental organizations and all other stakeholders.
- Some of the Board Members hold office in multiple committees.
- As per Article 4.6.5 of the “Corporate Governance Principles,” the remuneration of the members of the Board of Directors and executive senior managers as well as all other benefits granted are publicly announced via Annual Report. However, the announcement is not made on a personal basis but made to indicate the differentiation between the Board of Directors and executive senior managers.
- There is no provision in the Articles of Association as an individual right that enables to request a special audit from the General Assembly to shareholders. TCC (Turkish Commercial Code) and CMB (Capital Markets Board) regulations on the appointment of a special auditor are deemed sufficient. In line with the provisions of the Turkish Commercial Code dated July 1, 2012, with no. 6102, each shareholder's right to request a special audit is protected.

Although the principles in exceptional nature, that have not yet been implemented, has not yet led to any conflict of interest among stakeholders, they are planned to be implemented as part of a process.

As required by the CMB Decision No 2/49 of 10.01.2019, Corporate Governance Compliance Reporting No II-17.1 will be made over KAP platform using Corporate Compliance Report (URF) and Corporate Governance Information Form (KYBF) templates. You can find relevant reports on <https://www.kap.org.tr/tr/sirket-bilgileri/ozet/1002-kerevitas-gida-sanayi-ve-ticaret-a-s>. Corporate Governance Principles Report are made publicly available on <https://www.kerevitas.com.tr/tr/yatirimci-iliskileri/yatirimci-iliskileri>

The Corporate Governance practices of Kerevitaş shall continue within the frame of Corporate Governance to operate the mechanisms better and improve corporate governance practices including voluntary principles which have not been applied yet.

SECTION II – SHAREHOLDERS

2.1 Investor Relations Department

All relations between Kerevitaş and its shareholders are carried out under the responsibility of the “Investor Relations Unit” as a result of the joint work carried out with the relevant units.

Investor Relations Unit is in charge of regularly informing the shareholders and prospective investors about the Company’s activities, financial condition and strategies, excluding confidential information and trade secrets, without causing any information inequality, and it is also responsible for ensuring a two-way communication between the Company’s management and the shareholders by obtaining opinions from other units when necessary and ensuring coordination. The Investor Relations Unit informs the Corporate Governance Committee at least four times a year about the activities carried out to be communicated to the Board of Directors.

In order to inform shareholders and investors, the Company was attended in Yıldız Holding Analyst Meeting in November 2023, and investor meetings were held according to the demands. The Company’s corporate website (<https://www.kerevitas.com.tr>) is available in two languages, Turkish and English. The Company’s material event disclosures can be accessed via Public Disclosure Platform or the Company’s investor relations website. Copies of the Company’s presentations are also available on the investor relations website in Turkish and English. Quarterly financial results, as well as annual reports in Turkish and English, are also available on the website.

Metin DOĞANAY, who serves as Investor Relations Department Manager and Corporate Governance Committee Member in accordance with the provisions of the Capital Markets Board’s “Corporate Governance Communiqué” numbered II-17.1, holds Corporate Governance Rating and Capital Market Activities Level 3 License. During the period, shareholders’ applications and questions were answered without discrimination by phone, e-mail or one-on-one meetings.

Investor Relations Unit is responsible for the creation of the Company Information Policy and the adoption of this policy within Kerevitaş.

Main activities of the unit include:

- Ensuring that shareholders’ records are reliable, secure and up to date,
- Answering shareholders’ written information requests about the Company – apart from those that interfere with trade secrets and that are not publicly announced,
- Ensuring that the General Assembly Meeting is held in conformity with the applicable legislation, the Articles of Association, and other internal regulations of the Company and delivering the necessary documents to the shareholders,
- Communicating all necessary special circumstances disclosures to all investors via Borsa Istanbul, CMB and Public Disclosure Platform (KAP) by also considering the Material Events Communiqué of CMB.
- Keeping up-to-date with legislative amendments, informing relevant units about them,
- Carrying out the works as part of the Public Disclosure Platform and Central Registration System applications, overseen by Capital Market Board, as well as Corporate Management Principles.

The Investor Relations Unit is carried out by the Investor Relations and Risk Management Department working within Kerevitaş Financial Affairs Directorate. Information about our Company's responsible managers regarding relations with shareholders is provided below:

Metin DOĞANAY – Investor Relations and Risk Manager
Tel: 0216 524 23 95

Ufuk KASAR – Financial Affairs Director
Tel: 0850 209 18 31

E-mail address: yatirimci@kerevitas.com.tr

2.2 Shareholders' Right to Information

In terms of exercising the shareholder rights, the Company complies with the legislation, Articles of Association and other in-house regulations, measures are taken to ensure the exercise of these rights, and all shareholders are treated equally. The main purpose of the Company is to ensure that the shareholders' right to obtain information are fulfilled fairly and completely. In addition, the Company fulfills the rights of the shareholders arising from the partnership completely and as soon as possible. No discrimination is made between shareholders regarding the exercise of the right to obtain and review information on our Company. Every shareholder has the right to receive and review information.

Except for information considered either commercial secret or insider information, all written requests from our shareholders for information within the period were met. We provided our shareholders with all the information as required under their rights as shareholders via the annual report, material disclosures, and replies to individual inquiries.

The principles regarding the process run by Kerevitaş to provide information to our shareholders in conformity with legal regulations, and the detailed information about the manner, frequency and methods of providing information to the shareholders, is available in "Kerevitaş Information Policy." Current Information Policy text is available for shareholders at our Investor Relations part of website.

Article 16 of the Articles of Association provides information on the procedures and principles for the audit of company. No request has been received from the shareholders for the assignment of private auditor in 2023.

2.3 General Assembly Meetings

Pursuant to Article 1527 of the Turkish Commercial Code No. 6102 dated January 13, 2011, which stipulates that online participation in general assembly meetings of joint-stock companies, making proposals and statements online, and online voting shall have the same legal effects in all aspects as participating and voting in any general assembly meeting in person; and that all companies traded on the stock exchange are required to set up and maintain a system allowing online participation in general assembly meetings and voting; the online general assembly convenes on the same date and with a parallel agenda as the physical general assembly.

The Ordinary General Assembly meeting for the year 2022 was held on June 13, 2023, at 2 pm at the address Kısıklı Mahallesi Ferah Caddesi No: 1 Büyük Çamlıca Üsküdar-İSTANBUL under the supervision of the Ministry Representative Mr. Zafer KARAKOÇ, who was assigned with Istanbul Provincial Trade Directorate's letter no. 86271294 dated June 12, 2023. The invitation for the General Assembly, which stated the date and agenda of the meeting envisaged by the law and articles of association, was published in due time in the Turkish Trade Registry Gazette no. 10832 dated May 16, 2023, and at the Company's corporate website <http://www.kerevitas.com.tr>, on the Public Disclosure Platform, and the Electronic General Assembly System of Merkezi Kayıt Kuruluşu A.Ş. (Central Registry Agency) at least three weeks before the date of the General Assembly by indicating the date and agenda of the meeting.

The minutes and agenda items of the General Assembly were published on the Public Disclosure Platform (www.kap.gov.tr) and <http://www.kerevitas.com.tr> website.

The resolutions adopted at the Ordinary General Assembly Meeting of our Company held on June 13, 2023, were registered by the Istanbul Trade Registry Office on July 20, 2023, and announced in the Turkish Trade Registry Gazette No.10856.

2.4 Voting Rights and Minority Rights

The voting procedure at General Assembly meetings is announced to shareholders at the beginning of the meeting. The Company avoids practices that complicate exercising to exercise voting rights and provides every shareholder, including those who reside abroad, with the opportunity to exercise their voting rights in the easiest and most convenient way, either physically or electronically. There is no privilege in the Articles of Association regarding the exercise of voting rights in the Company. Each share is entitled to one vote. There is no legal entity that is a subsidiary of the Company among the shareholders of the Company. There is no provision in the Articles of Association preventing a non-shareholder from voting by proxy. Shareholders representing minority shares form the management together with the majority shareholders through their participation in the General Assembly. In 2023, no criticism or complaint was received by the Company in this regard.

According to Article 411 of the Turkish Commercial Code, shareholders constituting at least one twentieth of the capital may request the Board of Directors to call the General Assembly for a meeting or to add an item to the agenda.

According to the Articles of Association, each share carries the right to one vote. Any shareholder, who is entitled to attend General Assembly meetings, may attend the meetings via electronic communication means in accordance with Article 1527 of the Turkish Commercial Code. Pursuant to the Regulation on the General Assembly of Joint Stock Companies to be Held via Electronic Means, the Company may set up an electronic General Assembly system or procure any system developed for this purpose so that shareholders are able to attend, express their views, make suggestions, and cast their votes via electronic communication means. Pursuant to the relevant provision in the Articles of Association, shareholders, and their proxies are allowed to exercise their respective rights at any General Assembly meeting, under the referenced regulations via the electronic system.

The Company does not grant any privileges to share groups or other shares. None of our shareholders controls, or is controlled by, the Company. Cumulative voting is not practiced in the Company.

The Articles of Association do not contain any provision prohibiting voting by proxy, who is not a shareholder of the Company.

In order to carry out a significant transaction, a board of directors decision must be taken to determine the principles of the transaction and this transaction must be approved by the general assembly. The provisions of the Turkish Commercial Code and Capital Markets legislation apply to the quorum in these meetings.

2.5 Dividend Rights

Company has a specific and consistent dividend policy in accordance with the Turkish Code of Commerce, Capital Market Board, tax laws, and other applicable legislation, as well as the Company's Articles of Association. This policy is presented to shareholders for approval at the general assembly meeting, provided in the activity report, and publicly made available on the website of the Company.

Dividend Distribution policy of our Company is defined by considering the our Company's strategies, operational performance and financial status, and market developments in accordance with the provisions of Turkish Code of Commerce, Capital Market Legislation, Tax Legislation and other applicable legislation, as well as article of our Articles of Association concerning the dividend.

Our Company adopts the policy of distributing minimum 10% of the net distributable period profit as dividend in the form of cash and/or bonus share for each account year with the proposal of Board of Directors, and approval of General Assembly, subject to the changes that may be made by them, and the applicable legislation in Turkey, by also considering the cash flow requirements of the company.

The profit distribution proposal of our Board of Directors, also specifying the details as required by the dividend policy, regulations of Capital Market Board, and the Corporate Governance Principles is made publicly available on the website of our company and Public Disclosure Platform.

This policy is subject to annual review of Board of Directors to consider any changes in the national and global economic conditions, and current projects and company's financial resources.

Dividend Distribution policy observes a balance between interests of the shareholders and interests of the company. In line with the dividend distribution policy of the Company, profits are distributed to entire shares as of the distribution date. Our company does not have dividend advance application in place.

2.6 Transfer of Shares

Our Articles of Association does not have provisions that prevents shareholders from transferring their shares freely, or restricts the share transfer.

SECTION III - PUBLIC DISCLOSURE AND TRANSPARENCY

3.1 Corporate Website and Its Contents

Our company website is available both in Turkish and English at www.kerevitas.com.tr. Furthermore, the company's investor relations website is available in Turkish and English at <http://www.kerevitas.com.tr/tr/yatirimci-iliskileri>. The following information is available at the company website for the purpose of disclosure to our shareholders:

- Information about Company
- Information about Board of Directors
- Corporate Documents (Committees, Policies, Articles of Association, Share Issuance Documents, Ethical Principles, Sustainability Committee Duties and Working Principles)
- Financial Statements and Footnotes
- Annual Activity Reports
- Investor Presentations
- Material Events Disclosures
- General Assembly Details
- Company's Shareholding Composition
- Trade Registry Information and Company Profile

3.2 Annual Report

Company's activity report is prepared in such detail so that shareholders and public can access full and accurate information about the activities of the Company in accordance with the Corporate Governance Principles as defined in the Serial: II-17.1 "Corporate Governance Communique" as well as the legislative requirements.

SECTION IV – STAKEHOLDERS

4.1 Informing Stakeholders

The term stakeholders related to the Company is used to refer to third parties who have a direct relationship with the Company. Stakeholders are informed about issues that concern them by inviting them to meetings or using telecommunication means when necessary. The Company respects and protects the rights of stakeholders that they have obtained through legislation and mutual agreements and contracts, taking into account that cooperation with stakeholders will benefit the Company in the long term. The corporate governance structure of the Company enables all stakeholders, including employees and representatives, to communicate their concerns regarding unlawful and unethical actions to the management.

In the event there is not any regulation in-laws or contracts regarding the rights of stakeholders, the Company endeavors to protect their rights in good faith and within means available to the Company with due consideration given to the reputation of the Company. Furthermore, Company employees may access the circulars and announcements through our internal portal, and important announcements are disseminated to all of our employees promptly via e-mail.

There are no restrictions that prevent stakeholders from contacting the Corporate Governance Committee or the Audit Committee about any Company transactions they deem either unethical or contrary to regulations. Stakeholders may contact these committees by any communication means they prefer.

4.2 Participation of Stakeholders in Management

According to Articles of Association, Board of Directors is composed of minimum five and maximum seven members, which are selected by General Assembly upon the proposal of various shareholders in line with the provisions of Articles of Association. Board of Director is composed of six members, two of whom are independent members. Although there are no studies on the participation of stakeholders in management, the Company takes into account the opinions and suggestions of employees, suppliers, various non-governmental organizations and all other stakeholders.

Stakeholders are informed through regular meetings.

4.3 Human Resources Policy

Company has created a human resources policy which is effectively in place. In this respect, recruitment policies, career planning, personnel development and training policies, etc. are implemented under the Personnel Regulation. All rights of the Company personnel are taken under assurance so that they will not be exposed to any discriminative practices or harsh treatments. There is no complaint in terms of discrimination lodged against the human resources policy of Company in place.

The main criteria forming the policy of Company's Human Resources Policy include:

- To assess performance of all personnel, and handling the success criteria in parallel with these assessments,
 - To ensure a transparent management,
 - To maintain easy access to management,
 - To ensure personnel have convenience to express and share their ideas,
 - To attach importance to the job discipline,
 - To ensure all personnel work in a team spirit.
 - To guarantee equal opportunity among the successful personnel in terms of training, benefits, remuneration and career,
 - To organize social activities.
-

4.4 Ethical Rules and Social Responsibility

Carried out with the responsibility, service awareness and experience as a requirement of food industry, the social responsibility activities are geared towards contributing value to the social needs in the highest level and quality. In this respect, all measures for the prevention of the environmental pollution that may arise from the production activities have been put in place, including the treatment facilities which meet the legal requirements. In addition, internship requests from secondary and higher education institutions as a required by Turkish education system are being satisfied to the maximum level with the awareness of importance of high-quality qualified workforce. Ethical rules adopted by Yıldız Holding are implemented throughout holding members including the Company, which are made available to the shareholders on the website in accordance with the information policy.

SECTION V - BOARD OF DIRECTORS

5.1 The Structure and Composition of the Board of Directors

The members of the Board of Directors are determined in a way that allows them to work efficiently and constructively, make quick and rational decisions, and organize the work of the committees effectively. Prior to the General Assembly, the member's resume and his/her duties outside the Company are also submitted for the consideration of the shareholders. The resumes of the members of the Board of Directors are included in the Annual Report. The Board of Directors of our Company carries out its activities in a transparent, accountable, fair, and responsible manner in compliance with all the Corporate Governance Principles and the procedures and principles related to its structure, duties, management rights, and representation powers are governed by the Company's Articles of Association. The Company's Board of Directors has a one-tier board structure and all Board members have easy access to information about the Company and its management.

Our Board of Directors consists of at least 5 members in accordance with our Articles of Association. Our Board of Directors currently consists of six members in total, including a Chairman, a Deputy Chairman, and four members, two of whom are independent members.

The required qualifications of the Company's Board Members coincide with the relevant articles in the Corporate Governance Principles. Members of the Board of Directors are selected from people who have basic knowledge of the legal principles regulating transactions and dispositions related to the Company's field of activity, are trained and experienced in company management, and have the ability to analyze financial statements and reports. Two of the members of the Board of Directors were elected among the individuals who are qualified as independent members, determined in accordance with the Capital Markets Board's Corporate Governance Principles and regulations on corporate governance. Declarations of independence of the independent Board members were received prior to their appointment and these declarations remain valid. As of the relevant activity period, there is no situation that eliminates independence.

The term of office of the members of the Board of Directors is three years. If a membership is vacated for any reason, at its first meeting, the Board of Directors elects a new member and submits him/her for the approval of the General Assembly. This member completes the term of office of the leaving member. While the powers of the Chairman/members of the Board of

Directors and Company executives are defined in the Company's Articles of Association, no one in the Company has unlimited decision-making authority alone.

Board of Directors include executive and non-executive Members. Most of the Board Members consists of non-executive member. Non-executive Board Members include the Independent Members who satisfy the criteria set by Capital Market Board regulations, are qualified to carry out his/her tasks without any influence, can spare time to Company affairs sufficient to follow up the activities and to completely fulfill the requirements of the role he/she assumes.

Pursuant to the Corporate Governance Principles, our Company is required to have 2 independent members on the Board of Directors. Since the Corporate Governance Committee can fulfill the duties of this committee if a separate Nomination Committee cannot be established due to the structure of the Board of Directors under the relevant regulations, the Corporate Governance Committee evaluated the nominations of candidates for independent membership, including the management and shareholders, by taking into account whether the candidates meet the independence criteria, and submitted its evaluations to the Board of Directors for approval. Independent Board Member candidates submitted their written declarations of independence within the framework of the criteria set forth in the legislation, Articles of Association, and communiqué to the Nomination Committee at the time of their nomination.

The written declarations of all independent members stating that they are independent within the framework of the criteria outlined in the legislation, Articles of Association, and communiqué are included in the corporate governance section of the annual report. In 2023, no situation arose that eliminated the independence of the independent members serving as a member of the Board of Directors. Article 4.3.4 of the Corporate Governance Communiqué stipulating that the number of independent members in the Board of Directors cannot be less than one-third of the total number of members has been fully complied with and the target number of independent members specified in the communiqué has been reached.

Chairman of the Board of Directors and Chief Executive Officer (CEO) are different persons with separate duties.

General Assembly approval is required for the Chairman and Board Members to carry out the Company activities in person or on behalf of others, and to partner with companies which carry out such activities under the relevant Articles of Turkish Code of Commerce.

Members of the Board of Directors of the Company as of the balance sheet date are listed below:

| Name-Surname | Position | Office Term |
|------------------------|--------------------------|--------------------------|
| Mehmet Tütüncü | Chairman | 27.04.2021 – 27.04.2024* |
| Ali Ülker | Vice Chairman | 27.04.2021 – 27.04.2024* |
| Şükrü Çin | Board Member | 30.03.2023 – 27.04.2024* |
| Vehbi Merzeci | Board Member | 27.04.2021 – 27.04.2024* |
| Ahmet Murat Yalnızoğlu | Independent Board Member | 27.04.2021 – 27.04.2024* |
| Ceyda Aydede | Independent Board Member | 27.04.2021 – 27.04.2024* |

*At the Extraordinary General Assembly dated April 26, 2024, the election of Mr. Ali ÜLKER, Mr. Mehmet TÜTÜNCÜ, Mr. Fahrettin Günalp ERTİK, Mr. Şükrü ÇİN as members of the Board of

Directors for a term of 3 years, election of Ms. Füsün KURAN and Ms. Esra KIVRAK as Independent Members of the Board of Directors with the approval of the Capital Markets Board was accepted.

DECLARATION OF INDEPENDENCE

Joint "declaration of independence" of Independent Board Members is provided below.

I declare that;

- a) There is no relation of employment in executive positions to assume material roles and responsibilities for the past 5 years between the Company, Subsidiaries where the Company holds control or significant power over management or Partners that hold significant power in the Company and the legal entities where such Partners hold control over management, and me, my wife, and up to second-degree relatives by kinship and marriage; that no capital or voting rights or privileged shares more than 5% were held collectively or individually or no material trade relations were established;
- b) In the past five years, I was not a shareholder (5% and above) or an employee in executive positions to assume material duties and responsibilities, particularly including roles in Company audits (tax audit, legal audit and internal audit), ratings, and consultancy, nor did I serve as a board member, in the companies to and from which the Company extensively sold or purchased services or products as per the contracts signed, and during periods where products or services were purchased or sold,
- c) I do have the professional training, knowledge, and experience that will help me properly carry out the tasks and duties I will assume as a result of being an Independent Member of the Board of Directors,
- d) I do not work full-time in public institutions and organizations;
- e) I am considered to reside in Türkiye pursuant to the Income Tax Law no. 193 dated 31.12.1960;
- f) I have strong ethical standards, occupational reputation and experience to make positive contributions to the activities of the Company, to protect my objectivity in conflicts of interest between the bank stakeholders, and to decide independently considering the rights of the stakeholders,
- g) I am able to allocate time for the corporation's business to follow up on the activities of the corporation and duly fulfill the allocated duties;
- h) I have not served as a board member of the Company for more than 6 years in the past 10 years;
- i) I do not serve as an independent member of the board of directors in more than three companies, at which Company or its shareholders who possess Company's management

control have management control, and in more than five companies in total that are publicly traded,

- j) I have not been registered and announced on behalf of the legal person elected as the Board Member.

5.2 The Working Principles of the Board of Directors

Under normal circumstances, the Board of Directors meets at least four times a year to make strategic evaluations about the Company's activities and to evaluate the developments in the period between two meetings. In these meetings, Kereviyaş Gıda Sanayi ve Ticaret A.Ş. Strategic evaluations were enabled by obtaining sufficient and transparent information regarding its strategies and activities; Additionally, members of the Board of Directors were regularly informed about the Company's performance and developments. The quorum for meetings and decisions is the absolute majority of the total number of members. The Board of Directors made 37 Board decisions throughout the year. The participation rate was 91% and independent Board members participated in all decisions taken. If there are different opinions and reasons for opposing votes expressed at the Board of Directors meetings, they are recorded in the decision minutes and in this case, the detailed reasons of the members who voted against are disclosed to the public. Since no such opposition or different opinion was expressed at the Board of Directors meetings held in 2023, no public disclosure was made and it was not forwarded to the auditors. Each member of the Board of Directors has one vote.

The Board of Directors convenes when the Company's business requires it. The place of the meeting is the head office of the Company. The Board of Directors meetings may convene at any other convenient place in or outside of Türkiye, subject to the Board of Directors' resolution. The agenda of the meetings of the Board of Directors is determined by notifying the Company's senior management and the members of the Board of Directors by the relevant departments of the issues that the relevant legislative legislation stipulates that they should be decided by the Board of Directors. In addition, the agenda of the meeting is also determined by notifying the Company's senior management of the necessity of deciding on an important issue by any member of the Board of Directors. The issues required to be discussed at the meeting of the Company's Board of Directors are gathered and consolidated and the agenda is determined.

The presence of the majority (50% and more) of the total number of members of the Board of Directors is required for a resolution to be adopted, without prejudice to the provisions of the Capital Market Legislation. Resolutions shall be adopted by a majority of votes of members present at the meeting. Meetings may be conducted through teleconference, video conference, or voice or video communication means and resolutions may be adopted upon signing the minutes related thereto. A resolution may be adopted without the need for a meeting in case that all of the members of the Board of Directors unanimously approved the resolutions by signing them. Board members who have the right to participate in the Board meetings can attend via an electronic environment as per Article 1527 of the Turkish Commercial Code. The Company may set up its own electronic meeting system, or subscribe to services from the systems formed by service providers for this purpose, that will enable the right holders to participate and vote at these meetings via electronic media pursuant to the provisions of the Communiqué Regarding Boards to be Convened via Electronic Media in Commercial Companies other than General

Assemblies of Joint Stock Companies. It shall be ensured in those meetings that the beneficiaries exercise their rights set forth in the provisions of the relevant legislation within the framework of relevant Communiqué of the Ministry through the system set-up or through the system from which support will be received under this provision of the Articles of Association.

In cases where the meetings of the Board of Directors are held electronically, the provisions of the Articles of Association regarding the meeting quorums are applied exactly as they are. In 2023, the Board of Directors monitored the meeting minutes and reports of the Audit Committee, Corporate Governance Committee and Risk Committee. No related party transactions or other transactions of significant nature were submitted to the approval of the independent Board members during the year. Any material information which must be disclosed to the public is promptly disclosed after the end of each meeting. Material resolutions of the Board of Directors are disclosed to the public via PDP and these material event disclosures are posted on the corporate website in Turkish and English.

5.3 The Number, Structure and Independence of the Committees Established by the Board of Directors

Corporate Governance Principle No. 4.5.1 stipulates that an Audit Committee, a Corporate Governance Committee, a Nomination Committee, an Early Detection of Risk Committee, and a Remuneration Committee should be established in order to fulfill the duties and responsibilities of the Board of Directors in a healthy manner; however, if a separate Nomination Committee and a Remuneration Committee cannot be established due to the structure of the Board of Directors, the Corporate Governance Committee may fulfill the duties of these committees. Audit Committee, Corporate Governance Committee and Early Risk Assessment Committee were established by the Board of Directors. The established committees of the Board of Directors actively carry out their tasks. Committee chairs are elected from among the independent members of the Board of Directors. Independent members assume tasks in multiple committees. Committees generally convene a few days before, or on the same day as, Board of Directors' meetings. Working principles of the committees formed under the umbrella of the Board of Directors were prepared, and necessary arrangements were put in place regarding the monitoring of such principles by relevant units. The working principles of the committees are available on the Company's corporate website.

The duties of the Remuneration and Nomination Committees are also fulfilled by the Corporate Governance Committee in accordance with the Corporate Governance Principles. In 2023, all the committees of the Board of Directors fulfilled their duties and responsibilities within the scope of the Corporate Governance Principles and their working principles and convened in accordance with their working plans. During the operations of the Committee, the opinions of the Company executives and the independent auditor were also obtained when necessary. The committees presented their reports on their activities and the results of their meetings held during the year to the Board of Directors. The Board of Directors believes that the expected benefit is obtained from the works of the committees of the Board of Directors.

5.3.1 Audit Committee

The duty of the Audit Committee is to ensure that financial and operational activities are carried out in sound manner. Reporting to the Board of Directors, the Committee aims at controlling the accounting system and publicly disclosing financial data of the Company and overseeing the

working and effectiveness of the internal control system. Audit Committee composed of Two Independent Board Member convenes at least four times a year. Supervisory Committee convened 4 (four) times during 2023. Head of Audit Committee is Ahmet Murat YALNIZOĞLU, and Committee Member is Ceyda AYDEDE.

At the Board of Directors meeting dated May 14, 2024;

In accordance with the Capital Markets Board's Communiqué on the Determination and Implementation of Corporate Governance Principles, Serial: II No. 17.1;

- It was decided to elect Füsun KURAN as the Chairman of the Audit Committee and Esra KIVRAK as the Committee Member.

5.3.2 Corporate Governance Committee

In accordance with the Corporate Governance Principles published by the Capital Markets Board, a Corporate Governance Committee has been established within the Company to monitor the Company's compliance with the Corporate Governance Principles, to carry out improvement activities in this regard, and to submit proposals to the Board of Directors. Duties of the Nomination Committee and the Remuneration Committee are carried out by the Corporate Governance Committee as well. Independent Board Member Ceyda AYDEDE was elected as the Chairman of the Corporate Governance Committee and Independent Board Member Ahmet Murat YALNIZOĞLU and Investor Relations and Risk Management Manager Metin DOĞANAY as its members. The Committee convenes as often as required by the duties assigned to it and held four meetings in 2023. In 2023, the Corporate Governance Committee evaluated the Company's corporate governance practices and the Corporate Governance Principles Compliance Report and also presented information to the Board of Directors on the activities of the Investor Relations Unit. In addition, the Corporate Governance Committee, which also serves as the Nomination Committee and the Remuneration Committee, has worked on the effectiveness of the Board of Directors' work, the nomination of independent Board member candidates, and the benefits provided to Board members and senior executives. Detailed information on the duties, responsibilities, and working principles of the Corporate Governance Committee is available on the Company's website.

At the Board of Directors meeting dated May 14, 2024;

In accordance with the Capital Markets Board's Communiqué on the Determination and Implementation of Corporate Governance Principles, Serial: II No. 17.1;

- It was decided to elect Esra KIVRAK as the President of the Corporate Governance Committee, and Füsun KURAN and Metin DOĞANAY as Committee Members.
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5.3.3 Early Detection of Risk Committee

The Early Detection of Risk Committee, which operates under the Board of Directors, is responsible for

- Early detection of strategic, operational, financial, compliance/legal, and any other risks that may jeopardize the existence, development, and sustainability of the Company in a systematic manner,
- Assessment of the impacts and probabilities of the identified risks within the framework of the Company's corporate risk-taking limits,
- Establishing an effective corporate risk management system to prioritize the risks whose assessments have been completed and to create the action plans needed to reduce their impact and/or probability, monitoring such risk management activities to ensure their effectiveness and development, and reporting them periodically to the Board of Directors.

The Early Detection of Risk Committee consists of at least two independent non-executive members of the Board of Directors. The Chief Executive/ General Director may not assume duties in the committees. The committee convenes six times in a given year at maximum, no less than once every two months. The meetings of the Committee may be held with members attending in person or via technological communication means. The timing of the committee meetings is in accordance with the board meetings to the extent possible. Independent board member Ahmet Murat Yalnızođlu was appointed as the Chairman of the Corporate Governance Committee, and independent board member Ceyda AYDEDE was appointed as the member. As a result of its bimonthly meetings, the Committee is obliged to submit to the Board of Directors a report on the findings and suggestions it has reached in relation to its duties and responsibilities. In 2023, the Early Detection of Risk Committee convened six times and reports containing the opinions and comments of the committee were submitted to the Board of Directors.

At the Board of Directors meeting dated May 14, 2024;

In accordance with the Capital Markets Board's Communiqué on the Determination and Implementation of Corporate Governance Principles, Serial: II No. 17.1;

- It was decided to elect Füsün KURAN as the President of the Early Detection of Risk Committee and Esra KIVRAK as the Committee Member.

5.4 Risk Management and Internal Control Mechanism

Internal Control

Kerevitaş has established an internal control system to effectively manage its operations, minimize risks, and achieve its targets. This system is designed to protect the integrity of the Company's assets and information, increase operational efficiency, and ensure compliance with legal regulations. The internal control system is regularly evaluated in areas such as operational processes, financial reporting, risk management, and compliance by the Internal Audit Department established within the Holding. In addition to analyzing and evaluating the internal control systems, the Internal Audit Department also provides improvement suggestions to Kerevitaş' senior management. The Internal Audit Department shares the results of its activities with the Kerevitaş Audit Committee four times a year.

Risk Management

Risks identified through risk management processes are systematically monitored and measured using quantitative and qualitative measurement criteria in line with written risk policies in accordance with international standards and the Company's corporate risk appetite within the scope of risk management strategies that are vital for the Company's sustainable performance. These processes both increase transparency and ensure a more systematic assessment of risks in investment and operational decisions.

The Investor Relations and Risk Management Department, which operates under the Financial Affairs Directorate, carries out its activities in order to identify all kinds of risks that may jeopardize the existence, development, and continuity of the Company and that affect the decisions to be adopted or have already been adopted within the scope of the Company's activities, together with the risk owners, to plan and implement the necessary measures and actions, to ensure that the risks are managed in a coordinated manner within a management system, to review them, and to report them to the Senior Management. Senior executives are responsible for the management of risks related to their business functions or organizations, and for taking and monitoring the necessary actions to mitigate the impact and probability of such risks within the framework of action plans. Kerevitaş Early Detection of Risk Committee carries out, on the other hand, the activities for establishing the corporate risk management system implemented throughout the Company, ensuring its development, observing and monitoring its effective functioning, and reporting it to the Board of Directors.

5.5 Strategic Goals of Company

To be a company that, first of all, respects customers, where personnel from every level participates in the management, adopting the continuous and widespread training, respecting the laws and environment, that is progressive, innovative keeping abreast with the technological development in its industry, committed to continuously improve quality/HACCP Management System without compromising quality and food safety under any circumstances. To reinforce its leadership position in the industry by identifying and meeting the demands and expectations of

the customers in the best manner possible. The policies and goals are necessary to achieve this goal, requiring all personnel in every unit and level work in full compliance with Quality/HACCP Management System. The target of the company is to do its entire business meticulously in every stage from sourcing of the raw materials up to the points where the end products are delivered to the customers. In entire process from seed to the table, its first priority is to contribute value to all its stakeholders.

Company aims at launching digitalization projects in order to be leader pioneering in ways of doing business and digitalization in the industry, to ensure continuous growth and success, for continuous development, to translate business strategies into practice in the fastest and best manner, to do business with lower cost and higher efficiency, to make the lives of stakeholders, customers, consumers and personnel easier, add value to them and earn their hearts.

Company sets long-term goals for itself, as well as devise three-year strategic plans and annual budgets in parallel with these goals. Performance assessments are conducted according to the predefined goals at the end of every activity period.

5.6 Financial Rights

The remuneration principles of our company's executive directors are documented, which is presented to shareholders for their information as a dedicated agenda item at the Ordinary General Assembly meeting held on 20 July 2019, and also published as part of activity report of Company on the corporate website. No benefits are made available to the Chairman and Board Members, other than the remunerations and attendance fees defined by General Assembly. The remunerations of Board Members are determined by General Assembly separately for each of them by considering the financial position of the Company. Among the Board Members elected at the Ordinary General Assembly held on 13 June 2023, it was resolved to pay a net monthly fee of TRY 17,000 to the independent members of the Board of Directors, and to pay a net monthly fee of TRY 8,500 to Vehbi MERZECİ. No lending is made to Board Members and director, no credit in the form of personal credit is extended to them directly or via a third party, as well as no guarantee such as surety is furnished in their favor.

At the Extraordinary General Assembly dated April 26, 2024, it was decided to pay a monthly net fee of TRY 34,000 separately to the Independent Board members and not to pay any fees to the other members of the Board of Directors.