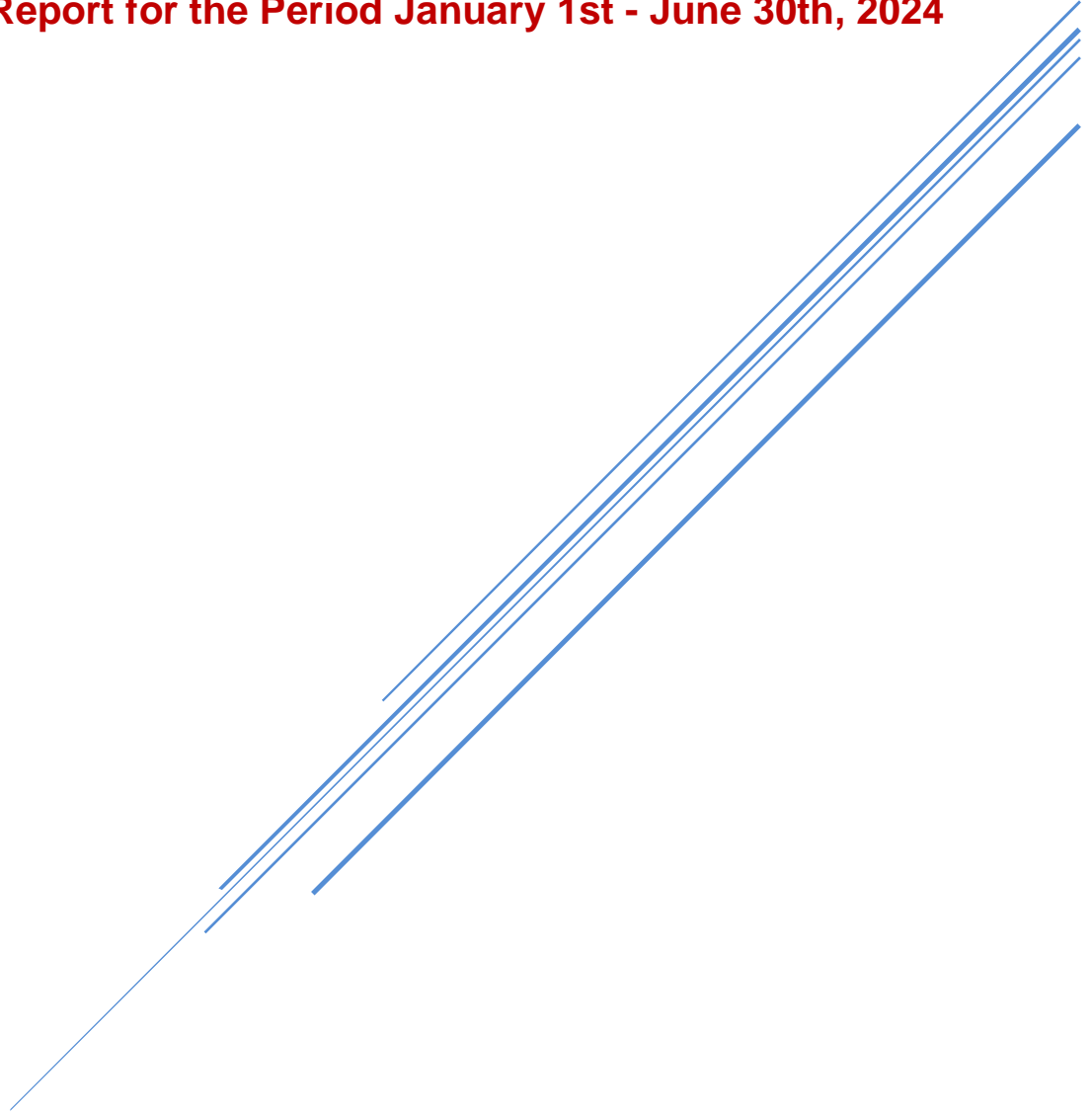


# KEREVİTAS

KEREVİTAS GIDA SANAYİ VE TİCARET A.Ş.  
AND SUBSIDIARIES

**Interim Report for the Period January 1st - June 30th, 2024**





**CONVENIENCE TRANSLATION INTO ENGLISH OF  
INDEPENDENT AUDITOR'S REVIEW REPORT ON SEMI-ANNUAL REPORT  
ORIGINALLY ISSUED IN TURKISH**

To the General Assembly of Kerevitaş Gıda Sanayi ve Ticaret A.Ş.

We have been assigned to the review whether the financial information in the review report of Kerevitaş Gıda Sanayi ve Ticaret A.Ş. (the "Company") and its subsidiaries (collectively referred as the "Group") prepared as at 30 June 2024 is consistent with the reviewed interim condensed consolidated financial information. Management is responsible for the preparation of the semi-annual report. Our responsibility is to express a conclusion on whether the financial information provided in the semi-annual report is consistent with the reviewed interim condensed consolidated financial information on which we have expressed our conclusion dated 30 September 2024.

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410 "Review on Interim Financial Information Performed by the Independent Auditor of the Entity". Our review includes the assessment as to whether the financial information included in the semi-annual report is consistent with the reviewed interim condensed consolidated financial statements and other explanatory notes. A review is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards, the objective of which is to express an opinion on the financial statements. Consequently, a review on the semi-annual financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to conclude that the accompanying financial information included in the review report is not consistent, in all material respects, with the interim financial information and the information presented in the explanatory notes to interim condensed consolidated financial statements.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Mert Tüten, SMMM  
Independent Auditor

Istanbul, 30 September 2024

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

### a. General Information

<b>Reporting Period:</b>	01.01.2024 – 30.06.2024
<b>Commercial Title:</b>	Kerevitaş Gıda Sanayi ve Ticaret Anonim Şirketi
<b>Trade Registration:</b>	114597
<b>Paid-in/Issued Capital:</b>	662.000.000 TL
<b>Head Office and Branch Communication Address</b>	<b>Head Office:</b> Kısıklı Mah. Ferah Cad. Yıldız Holding Placid Bloğu No:1/A Üsküdar/İstanbul <b>Kurtköy Branch:</b> Ramazanoğlu Mah., Mahmut Bayram Cd. No:88, 34906 Pendik/İstanbul
<b>Web address:</b>	www.kerevitas.com.tr
<b>Investor Relations Contact</b>	yatirimci@kerevitas.com.tr

Subject of activity of Kerevitas Gıda Sanayi ve Ticaret A.S. ("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 and frozen bakery products. 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 sells 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 Kısıklı Mah. Ferah Cad. Yıldız Holding Placid Building No:1/A Üsküdar Istanbul address.

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

The shareholding structure of the Company as of June 30, 2024, and December 31, 2023, is as follows:

Partnership	30 June 2024		31 December 2023	
	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
<b>Total</b>	<b>100</b>	<b>662,000,000</b>	<b>100</b>	<b>662,000,000</b>

The details of the subsidiaries of the Group as of 30 June 2024 and 31 December 2023 are provided below.

Subsidiaries	Direct and indirect effective ownership ratios (%)	
	30 June 2024	31 December 2023
Kerpe Gıda Sanayi ve Tic. A.Ş.	100.00	100.00
Besmar Gıda Sanayi ve Ticaret A.Ş.	100.00	100.00
Donuk Fırıncılık Ürünleri Sanayi ve Ticaret A.Ş.	100.00	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 an indirect share in the related company.

#### b. Dividend Policy

Kerevitaş distributes profit in accordance with the Turkish Commercial Code, Capital Market Law, Tax Law, other applicable legislation and the articles related to profit distribution in the Kerevitaş' Articles of Association. The Board of Directors' dividend distribution proposal, which complies with the Kerevitaş' dividend distribution policy and the Capital Markets Board's Corporate Governance Principles is submitted for the approval of shareholders at the General Assembly; detailed information on the history of profit distribution and capital increases is disclosed in the corporate web site.

#### c. Investments

The Group reinforces its strong position in the market with new capital investments including new installations in factories, capacity increases, changes in production lines, productivity increases, improvements in hygienic conditions and storage processes. The common purpose of the investments is to consolidate the Group's leading position in the market, increase customer satisfaction, improve product quality, and make the cost base even more competitive by contributing to effectiveness and efficiency. The Group made a consolidated investment of approximately 146.7 million TL in the January-June period of 2024. These investments include

studies in areas such as infrastructure continuity, efficiency, quality continuity and information technologies.

## 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	26.04.2024-26.04.2027
Ali ÜLKER	Vice President	26.04.2024-26.04.2027
Fahrettin Günalp ERTİK	Member	26.04.2024-26.04.2027
Şükrü ÇİN	Member	26.04.2024-26.04.2027
Füsun KURAN	Member (Independent)	26.04.2024-26.04.2027
Esra KIVRAK	Member (Independent)	26.04.2024-26.04.2027

### Limits of Authority

Board's limits of authority are 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.

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

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

	1 January - 30 June 2024	1 January - 30 June 2023
Remunerations and other benefits	75,348,122	68,647,597
	<b>75,348,122</b>	<b>68,647,597</b>

## 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, which is one of the group companies of Yıldız Holding, 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 Private Label channel sales are made by Yeni Teköznel, 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**

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.

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.

#### **V. MATERIAL EVENTS AFTER THE PERIOD**

Ordinary general assembly meeting of Kerevitas Gıda Sanayi ve Ticaret A.S. for the year of 2023 held on 25/07/2024 at 11:00 at "Kisikli Mah. Ferah Cad. No:1 B.Camlıca Uskudar-Istanbul" address under the supervision of Yılmaz AKBAS, Ministry Representative assigned by the letter of the Governorship of Istanbul Provincial Directorate of Trade dated 23/07/2024 and no. 99046305.

It was announced that our application for the domestic issuance of debt instruments up to a nominal amount of 700,000,000 Turkish Liras was approved by the Board in the Capital Markets Board's Bulletin No. 2024/37.

#### **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  $-18^{\circ}\text{C}$  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 best 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  $-40^{\circ}\text{C}$ , 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  $-18^{\circ}\text{C}$  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  $-18^{\circ}\text{C}$  cabinets at retail locations are advised to put them in their home freezers or cook them within 2 hours.

Today, it is provided to freeze fruits and vegetables processed using the IQF (Individual Quick Freezing Process) technique in frozen food facilities, individually by deep-freezing. With this method, the raw materials supplied from the source and in the season are cleaned and individually frozen at  $-40^{\circ}\text{C}$  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 11.5 billion\* with a growth of 118% in 2024H1 compared to the same period of 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 2024H1 per household consumption is 3.8 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 54% in 2024H1 and reached a turnover value of TRY 25.6 billion\*\*\*. In the same period, the margarine category, which is the most open to branding oil category, reached a value of TRY 4.7 billion\*\*\*\* with a growth of 52% in turnover value.

\*Source: Nielsen Total Turkey, Fresh Frozen Food Market Report, Q2 2024

\*\*Source: IPSOS Household Panel, Frozen Food Market Report, Q2 2024

\*\*\*Source: Nielsen Total Turkey, Oil Market Report, Q2 2024

\*\*\*\*Source: Nielsen Total Turkey, Margarine Market Report, Q2 2024

## **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 21,653 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 41% brand market share. (Source: AC Nielsen 2024 Q2 - 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. (2024 June LTM house penetration 83%) 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 383 SKUs to customers in retail, export, commercial and out-of-home consumption channels.

## Research and Development Activities

In line with the innovation strategy in 2024, innovative launches, relaunches and 23 new channel-specific product launches were launched in the first half to reinforce its leadership in the category. In the first half of 2024, the turnover from new products constituted 15% of the total retail SuperFresh turnover.

In pizza category, the market share exceeded 40% with the relaunches of Stone Oven Pizza and Pizza Toast products. A special limited edition pizza menu was prepared for Yemeksepeti on April 2023 and was supported by communication.

Product diversity in potatoes category has been increased with the launch of cubed potatoes.

In fruit category, the Forest Fruit Mix product was launched with its packaging prepared with artificial intelligence for the first time in the category with an innovative approach, and doypack packaging was transitioned to the entire portfolio.

In vegetables category, Organic Broccoli was launched by entering the organic category.

In meat category, the SuperFresh meatball portfolio (Grilled & Tekirdağ Style) has been moved to map packaging with its renewed taste.

In croquet category, Mac&Cheese Balls and Baked Potato Croquet, which were launched last year, were deemed worthy of the 'Innovative Products of the Year' award by public vote.

In bakery products, Açma and Crispy Simit were launched to expand the portfolio for the breakfast occasion.

In tuna fish category, consumer appeal has been increased with affordable tuna promotions.

To reward consumers during the Ramadan period, high-gramage promotional products were launched that would generate tonnage returns. (1 kg peas, 1 kg side dish, 1 kg corn, 900 g onion croquettes, 900 g potato croquettes, 1 kg spinach, 1200g crispy potato sticks)

### Communication Campaigns:

SuperFresh, the leading and expert brand that directs the frozen food market; The first "category education" communication of the category, which achieved high success and won 8 awards in the previous year, was launched with the 'SuperFresh Bi'Yolculuk' campaign with Refika Birgöl. The long-term journey with our brand ambassador, Refika Birgöl, continued in the first quarter of 2024 with the "Super Fast Recipes with Refika" Ramadan communication. During the first campaign period, Refika Birgöl witnessed SuperFresh's frozen food process from harvest to plate and explained the entire process in detail. In Ramadan communication, Refika Birgöl has taken action and prepared practical and delicious recipes that meet the consumers' "what should I cook for iftar" needs with the SuperFresh products she trusts. The campaign, which was broadcast on all channels throughout Ramadan, was a first in the industry by bringing the 1-minute reels format to television.

In addition to the main communication campaign, other prominent communication activities in the first half of 2024 were focus category campaigns and the approach of using uninterrupted digital media with high interaction. In the tuna category, in the February-March period, 360-degree communication was carried out for the first time after 7 years with the 'SuperFresh When You Want Tuna' campaign. During the successful campaign period, +3.5 points of turnover market share was gained. In the pizza category, a TV broadcast collaboration was made with Getir for the 'With the Love of Pizza' world pizza day communication, which is traditionally held every year in February, and it was supported with online and in-store discounts special for the period. During the semester, the 'With the Love of Pizza' concept was adopted at the SuperFresh Super Chefs workshop in Kidzania, and influencers and press were hosted for the first time. By increasing the awareness of the workshop, 4 million access was reached. Within the scope of unique communication opportunities; with the program sponsorship of the "Euro 2024 with Sergen Yalçın" program sponsorship on KafaSports digital media, a football-related project was implemented for the first time in a way that attracted great attention. In addition to digital media, a 360-degree experience was provided to consumers with SuperFresh flavors during match viewing events. In addition to its main target audience of women, SuperFresh has had the opportunity to reach a potential target audience of 10 million men and young people with whom it has not previously communicated. The project, which created a viral effect, had a total of approximately 42 million views and more than 600 thousand interactions. Within the scope of main brand digital media always-on communications; the first integrated project with Turkey's most visited digital platform, Nefis Yemek Tarifleri, was carried out and 21 million people were reached. With the new insight-focused social media strategy, an organic increase was achieved in all interaction and reach scores. In the first quarter of the year, for the first time in the brand's history, BoomSocial was ranked in the top 10 among FMCG food brands in the Türkiye Social Brands Index.

SuperFresh broke new ground in the category and became the first Eyebrand brand in the category by making the information and cooking instructions of popular SuperFresh products accessible to visually impaired consumers with artificial intelligence technology.

SuperFresh, which is a pioneer in the sector with its sustainability efforts, has implemented the "Women Stars of Agriculture" project last year, in cooperation with Yıldız Holding Women's Platform and with the support of the Ministry of Agriculture and Forestry, to involve and empower 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. The project continues to be developed in 2024. The project film, in which women farmers are made visible on March 8, International Working Women's Day, reached 15 million people digitally, while 300 thousand people were reached with influencer works. In the same period, information about the project was included in Kerevitaş CEO interviews in the industry's leading magazine Marketing Turkey and in the Time Media Sustainable Brands special publication, and more than 300 thousand views were reached.

## **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. In addition to product diversity, Kerevitaş exports to more than 30 countries on 5 continents in the frozen food and canned food business line, thanks to its approach of full compliance with international quality standards.

Kerevitas, which aims to expand its distribution network and grow its portfolio with new customers, participated in the world's prestigious international food fairs Dubai Gulfood (February 19-23)

Kerevitas was awarded the most successful exporter, by being selected first in the category of "Frozen Products" at the Export Winners 2023 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 Gıda. The company produces oil and margarine at three facilities: one in Adana, one in Istanbul, and one in Brunei. 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 50 brands and 531 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 66.6% percent share in the margarine industry, where local and foreign players are present, directs the market (Source AC Nielsen 2024Q2– Turnover Share, without discount markets).

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 2024H1 with a 34.8% turnover share (Source: AC Nielsen Total Türkiye 2024Q2 Package Margarin Turnover Rate, Ipsos HTP 2024Q2).

### Communication Campaigns:

Kerevitaş implemented the 360 campaign "Turkey's Oil is Ours, Its Taste is Ours" and achieved significant increases in its image scores with its strong communication focused on the target audience (Ipsos BHT H1'24). It has strengthened its position as the "brand that the most home-entred" by increasing its penetration and loyalty scores.

Bizim Yağ, the brand with the highest followers in FMCG Food, achieved 36% interaction on Instagram, well above the industry average of 20%, thanks to its strategic influencer collaborations and new generation digital communication, and ranked first with 506 thousand followers on Instagram.

Bizim Yağ has reinforced its leadership in the FMCG Food market in digital. Turkey's First and Only Pastry Channel on YouTube, Dough is Our Business, has risen to first place in the FMCG Food rankings on the platform with 92 million views and 789 thousand subscribers, thanks to its strategic communication, effective SEO work and promotional communication.

Bizim Yağ broke new ground in the category and became the first Eyebrand brand in the category by making the most trending recipes on the Dough Our Business YouTube channel accessible to visually impaired consumers with artificial intelligence technology.

Ülker Teremyağ, the market leader in the bowl margarine segment, strengthened its leading position by far with a 55.5% turnover share in the first half of 2024. (Source: AC Nielsen Total Turkey Bowl & Liquid Margarine Turnover Share Excluding Discount Markets 2024 H1).

Teremyağ, the most innovative brand in the category in terms of both product and communication, is about the taste transformation of classic recipes from pastry to pilaf, pasta to menemen, with its "The Secret of Good Food" commercial film campaign in Q2'24. It took part in digital, radio and magazine media with its communication campaign. The brand, which is also the most innovative in terms of communication, featured a young married couple in its commercial for the first time in the category and featured the man in the kitchen. With the striking results achieved with the campaign, it achieved significant increases in its image scores and strengthened its position as the brand with the highest bowl penetration in the market with 26%.

(Ipsos HTP H1'24). Thanks to the cooperation with e-commerce platforms carried out in parallel with the campaign period, it has strengthened its bond with consumers.

On Instagram, where the target audience spends most of their time and is the digital platform with the highest reach, it reached a 33% interaction rate with its flavor-focused and differentiated content strategy and maintained its position as the 2nd most followed brand in the FMCG Food category with 336 thousand followers. Recipe contents created based on digital insights have reached over 17 million views. It was realized in collaboration with Turkey's most visited Delicious Recipes channel during Ramadan. The project "Ramadan Menus with Teremyağ" received 25 million views.

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.

Marsa participated in the Ibaktech Fair, which is the world's 2nd largest fair in its field, in April. At Ibaktech, which was held with the participation of thousands of local and foreign visitors, Ustam demonstration chefs shared the intricacies of dough art with Ustam products and gave the visitors an unforgettable pastry experience.

With the aim of adding value to the pastry industry and establishing sustainable and effective communication with the pastry chefs of the future; Ustam Academy met with more than 100 students from 5 universities in the first semester of 2024.

### **Research and Development Activities**

In line with its innovation strategy in 2024, Bizim Yağ made 3 powerful launches that will strengthen its leadership in the first half of the year. These launches are the Breakfast Joy Bowl 250 gram product specially designed for the breakfast occasion, Bizim Yağ Package 500 gram product, which offers consumers high grammage at an affordable price, and Bizim Yağ Pastry Package 250 gram product, which reflects the brand's expertise in pastries.

### **Export**

According to TUIK data for the first quarter of year 2024, Kerevitaş realized 36% of Türkiye's oil exports in more than 50 countries in five continents in the categories of consumer, pastry, catering, and cooking oil.

Today, Marsa is a leader in many export markets, thanks to its strong brands and broad product portfolio that meets market needs. It 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 the first half of 2024, the Company participated in Gulfood Dubai, Prodexpo Russia and West Africa fairs. More than 15 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.

## **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, Akyag, 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 Altinkılıç	CEO	Oil Business Unit, Frozen and Canned Food Business Unit
Özhan Nuri Özesenli	COO	Oil Business Unit, Frozen and Canned Food Business Unit
Utku Ünal	CCO	Frozen and Canned Food Business Unit
İlgin Hasırcıoğlu	General Manager	Donuk Fırıncılık
Gülizar Öcal	CMO- Marketing	Oil Business Unit, Frozen and Canned Food Business Unit
Ufuk Kasar	Director - Financial Affairs	Frozen 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 and Canned Food Business Unit
Kerem Çetin	Director-R&D&Business Development	Frozen 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 and Canned Food Business Unit
Egemen Hopalı	Director-Information Technologies	Oil Business Unit, Frozen and Canned Food Business Unit

### b) Information about Personnel

Company has 1,966 employees as of 30 June 2024. (31 December 2023: 1,932)



## **IX. RISK MANAGEMENT POLICIES**

### **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.

## X. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND SHARE PERFORMANCE

### CONDENSED CONSOLIDATED BALANCE SHEET (TRY)

	Independently Limited Audited Current Period	Independently Audited Previous Period
	30 June 2024	31 December 2023
<b>ASSETS</b>		
Current Assets	11,988,556,755	11,026,023,972
Non-Current Assets	8,839,075,985	9,085,944,730
<b>TOTAL ASSETS</b>	<b>20,827,632,740</b>	<b>20,111,968,702</b>
<b>LIABILITIES</b>		
Short-Term Liabilities	9,359,267,088	8,613,537,106
Long-Term Liabilities	1,772,064,304	2,409,591,602
Shareholder's Equity Total	9,696,301,348	9,088,839,994
<b>TOTAL EQUITY</b>	<b>20,827,632,740</b>	<b>20,111,968,702</b>

### CONDENSED CONSOLIDATED INCOME STATEMENT (TRY)

	Independently Limited Audited Current Period	Independently Limited Audited Previous Period
	1 January - 30 June 2024	1 January - 30 June 2023
<b>Revenues</b>	<b>10,860,209,315</b>	<b>11,517,625,411</b>
<b>Gross profit</b>	<b>2,321,438,762</b>	<b>1,824,060,763</b>
Gross profit margin	21.38%	15.84%
<b>Operating Profit (*)</b>	<b>814,813,517</b>	<b>608,044,073</b>
Operating profit margin	7.50%	5.28%
<b>EBITDA</b>	<b>1,087,975,372</b>	<b>849,494,765</b>
EBITDA margin	10.02%	7.38%

(\*) 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 June 28, 2024, was TRY 17.84. The company's shares are quoted in the BIST FOOD, BEVERAGE / BIST ALL SHARES / BIST 500 / BIST BURSA / BIST STARS / BIST SUSTAINABILITY / BIST INDUSTRIALS / BIST ALL SHARES-100 / indices.

## XI. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

None.