

# KEREVİTAS

## 2024 ANNUAL REPORT

“Reliable Food Company  
of Sustainable Future”

# SUMMARY OF 2024





# 2024 CONTINUED WITH AWARDS



Gold Award



2 Bronze Awards



1 Gold & 1 Bronze &  
1 Silver Award



Bronze Award



Integrated Communication  
Category Award



Most Innovative List of  
Companies (with WSA Project)



Bronze Award



A Better World  
Category Award



Good Agricultural Practices  
Category Award



Supply Chain  
Category Award



Agriculture  
Category Award



Most Innovative  
Frozen Product Award



Frozen Food  
Category Award



Diversity & Inclusion  
Category Award



Innovative Products  
of the Year



Innovative Product  
Innovation Award



Top Food Brands Europe 2nd Place  
Top Brands Europe 12th Place



Gender Equality



Best Social Media Team  
Gold Award



'Hamur Bizim İşimiz'  
Youtube Channel  
1 Million Subscribers Gold Plate



'Hamur Bizim İşimiz'  
Outstanding Performance Project



# Türkiye's Most Popular Frozen Food Brand is SuperFresh!



According to the results of the “Türkiye's Lovemarks 2024” research conducted by MediaCat and Ipsos; Superfresh was chosen as Türkiye's most popular brand in the “Frozen Food” category.



CONTAINS  
LOVE

SuperFresh, which was selected as Türkiye's most popular brand in the “Frozen Food” category in the “Türkiye's Lovemarks 2024” research, received its award at the ceremony held within the scope of Brand Week Istanbul. The fact that there is no other brand that stands out in the minds and hearts of consumers in the “Frozen Food” category also reveals SuperFresh's perception of 100 percent awareness in its field.



"Hamur Bizim İşimiz" " Youtube channel is  
**number 1 in FMCG.**

Founded by Ülker Bizim Yağ, Türkiye's leading fats&oil brand, and the first YouTube channel dedicated to pastry, "Hamur Bizim İşimiz" has surpassed 1 million subscribers and has become the largest YouTube channel to receive a Gold Plaque award in the "Fast Moving Consumer Goods" category.





# MESSAGE FROM THE CHAIRMAN OF THE BOARD

## Dear Stakeholders,

In recent years, we have been going through a different and open to change period in which multiple uncertainties on a global scale have not slowed down. In today's business world, where paradigm change dominates, focused management, innovation and agile management that adapts to change become much more important.

In this period of intense change, Kerevitaş maintained its sustainable success with its focused and innovative management strategy. As the leader of Türkiye's frozen food and oil market; We grow with our strong financial structure, market leading brands, dynamic business model, and strategic investments in innovation and R&D. While we reinforce our industry leadership with our expanding product portfolio, strong distribution network and increasing export volume, we contribute to the construction of not only today but also the future with our sustainability projects that have a positive impact on our ecosystem.

In the food industry in which we operate, we undoubtedly have a great responsibility in ensuring that our consumers have access to reliable products, as well as influencing a wide stakeholder ecosystem from the field to the plate. With this awareness of responsibility, as Kerevitaş, we see ensuring the sustainability of food as our top priority. We implement efficiency-oriented projects and support the sustainable production approach, especially the "waste-free company" model that has been valid since the establishment of Yıldız Holding. As one of the largest agricultural companies in our country, we add value to our farmers and suppliers with our contracted agricultural projects and innovative practices. While we support local development with Kerevitaş's local supplier ratio reaching 96 percent, we also undertake many projects that reinforce its transformative effect in the field of social sustainability.

The contribution of our business partners and consumers, especially Kerevitaş employees, who work with great devotion in all these successes. We are determined to carry Kerevitaş into the future with our strong financial structure, our understanding of innovation and our focus on sustainable growth.

I would like to thank all our stakeholders who are behind our success for their contributions and support.



**Mehmet Tütüncü**  
**Kerevitaş**  
**Chairman of Board**

# MESSAGE FROM CEO

Dear Stakeholders,

As Kerevitaş, Türkiye's leading company in the frozen food and oil industry, we took successful steps and continued our stable growth in 2024 with innovative projects focusing on food sustainability, technology and innovation, in line with our responsible production principles. In all our processes, we have developed meticulously designed, agile and proactive strategies to ensure that our consumers have access to quality food at affordable prices. We continue our activities with the harmonious synthesis of our leading brands that stand out within the wide ecosystem we influence in the sector; our rich product portfolio, our distribution network meticulously built to be present at every point, and our dynamic business model. Today, in 16 different categories; We are working to consolidate our leading position, constantly raising the bar in the food industry with approximately 1500 products and 57 brands.

In the field of frozen food, we are proud to be the only brand in the domestic market serving with a wide range of products covering every meal from breakfast to dinner with our SuperFresh brand. While our sector is among the fastest growing sectors in the field of food with a penetration rate reaching 85% in the last three years, our brand, which has given a strong impetus to this growth, has reinforced its leadership with its superior performance in turnover and tonnage growth. SuperFresh, which introduced Türkiye to frozen food for the first time and continues its sustainable success, has the rightful pride of being selected as the most loved brand in the "Frozen Food" category in the "Türkiye's Lovemarks 2024" research. Donuk Fırıncılık Ürünleri (DFU), which joined us in 2023 and is the strongest player in the frozen bakery products market, is a solution partner that offers practical results, offers the same taste every time, and produces guaranteed results for 4500 businesses in out-of-home and retail channels, in accordance with today's conditions, with more than 200 products in six different categories and an average annual production capacity of 15 thousand tons.

In the oil sector, our position in the margarine market, where we are the clear leader with our brands such as Ülker Bizim Yağ, Ülker Teremyağ, Luna and Ona, which has Turkey's largest scale production power and superior quality product range and is present on millions of tables in more than 45 countries, becomes stronger every year. In order to reinforce the deep-rooted ties, we have established with our consumers, we carry our leadership on the shelves to digital channels; By launching Turkey's first YouTube channel dedicated to pastry, "Dough is Our Business", we have created a digital community that meets in the field of taste with more than 1 million subscribers today. In addition, we reinforce our strong position in foreign markets by realizing 37% of Türkiye's total oil exports with our product portfolio in the oil sector.

In the rapidly changing and transforming food industry, our innovation and R&D studies are the cornerstone of realizing our corporate mission. We work meticulously with all our brands, focusing on innovation, in order to best meet the expectations of different household structures, nutritional preferences and even the tastes of different geographies. In our R&D centers, we



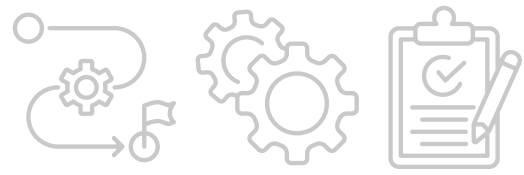
**Mert Altınkılıç**  
**Kerevitaş**  
**CEO**

not only develop products, but also undertake visionary projects that will shape the present and future of our industry, such as new production techniques, alternative content solutions, nature-friendly packaging practices and traceable agricultural activities.

The essence of our responsible production approach is to adopt food sustainability as a way of doing business. In addition to the meticulous work, we carry out on preventing food waste, waste management, food safety, efficient use of resources and sustainable raw material supply, we also pioneer projects that make a difference in the agricultural sector with our most valuable stakeholders, our farmers, through collaborations on regenerative agricultural practices. As one of Türkiye's largest agricultural raw material suppliers, we are taking exemplary steps in the sector with our projects aimed at providing equal opportunities for women, responsible agricultural practices and reducing waste to zero in the production process.

As Kerevitaş, we will continue our activities in the future with projects with high transformative impact that take sustainability and social benefit into consideration. We will take concrete steps that go beyond our commitments, with the strength we derive from the dedication of our employees and the appreciation of our consumers, shoulder to shoulder with all our stakeholders, to build the future of sustainable food. We would like to thank all our stakeholders who believed and supported us on this path.

# TABLE OF CONTENTS



## ABOUT US

09

Our Vision, Mission and Principles	10
History of Kerevitaş	11
About Kerevitaş	12
Shareholding Structure and Subsidiaries	13
Our Board of Directors	14-16
Our Executive Management Team	17
Our Brands and Product Portfolio	18-20
Our Value Chain	21-26
Our Production Facilities And Capacities	27-28
Main Financial and Operational Results	29-31

## ACTIVITIES IN 2024

32

Frozen&Canned Products Business Unit	33-34
Edible Fats&Oil Business Unit	35-37
Operational Excellence	38
Research&Development and Innovation	39-40
Human Resources	41
Diversity, Inclusion and Equity	42
Investments	43
Investor Relations	44

## SUSTAINABILITY

45

Our Sustainability Matrix	46
Our Sustainability Studies	47

## CORPORATE GOVERNANCE

51

Corporate Governance Principles	
Compliance Report For 2024	52-59
Declaration of Compliance to Sustainability Principles	60
Risk Management Policies	60-62
Other Issues Regarding Company Operations	63
Independent Auditor's Report on the Annual Report	64

## FINANCIAL STATEMENTS

65

Consolidated Financial Statements and Independent Audit Report for the Accounting Period of January 1 - December 31, 2024	66-135
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# KEREVİTAS

## ABOUT US

**SuperFresh**

**ÜLKER**  
**Bizim**  
yağ

**ÜLKER**  
**TEREM** YAĞ

**DFU**  
DONUK FIRINCILIK ÜRÜNLERİ

**LUNA**

**Yayla**  
Lazım dolu yapalım  
1964'ten beri

**USTAM**  
PASTACILIK ÜRÜNLERİ

**ONA**

**ÜLKER**  
**Bizim**  
**Bereket**

**Hesaplı**  
**Sabah**  
1964'ten beri

**EVET**

**Halk**

**Evin**



## Our Vision

To be a leading food company that always pleases our consumers, customers, employees and shareholders makes them smile.



## Our Mission

To be a leading and pioneering brand that offers the most practical, freshest, most delicious products to consumers, customers and shoppers with a healthy and safe value chain.



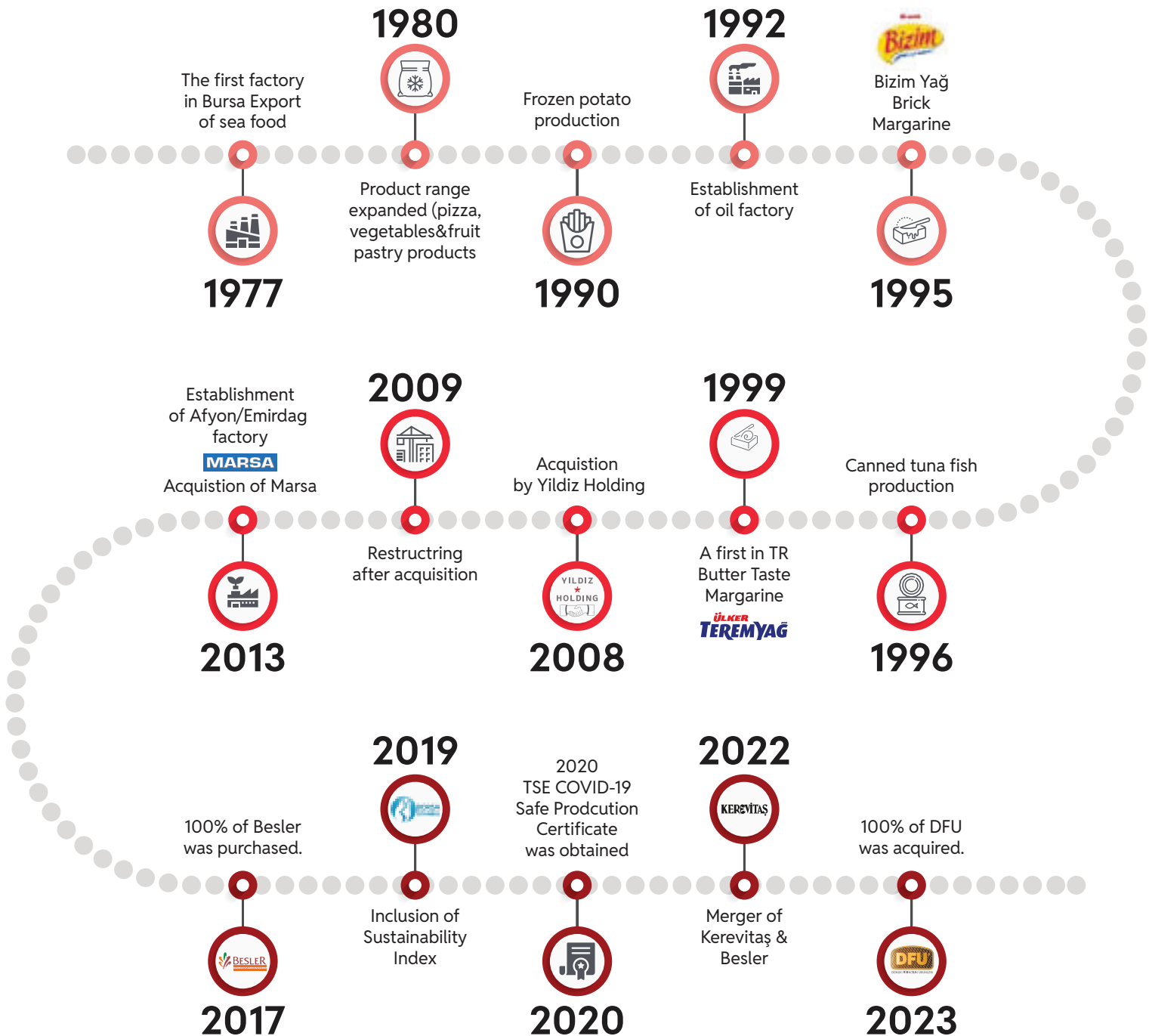
## Our Principles





# HISTORY OF KEREVİTAŞ

*We continue to be a pioneer in the food industry with approximately 1,500 products and 57 brands in 16 different categories.*



# ABOUT KEREVİTAŞ

*We are the only company in the domestic market with products in all categories in the frozen food field, and we continue to lead in these markets with our wide portfolio in the oil market.*



Since the first day of our establishment, we have been working to provide quality, healthy and reliable products to our customers in the frozen, canned food and margarine market in which we operate with our company and our subsidiaries. We continue our journey, which started with the export of aquatic products in 1978, today with firm steps as one of the leading companies in the food industry with the investments we have made over the years and by bringing our products to consumers in more than 60 countries on 6 continents.

While we produce baked products, vegetable and fruit products, potato and croquet products, meat products, sweet and frozen bakery products in the frozen product category; in the canned product category, we produce canned tuna and canned vegetables. As the only frozen food company in Türkiye with products in all categories in the domestic market, we continue to lead the

fresh frozen food market. In the fats&oil category, we meet our customers with consumer margarine, out-of-home consumption, edible oil and spread cheese products. Today, we produce and sell margarine, mainly Bizim Yağ, Teremyağ, Luna, Ona, Ustam and Evet, under the main categories of consumer margarine, out-of-home consumption, pastry, catering, industrial oils and edible oils. Marsa, one of our subsidiaries, maintains its position as the leading brand in the market with “Ustam Pastry Oils” in the out-of-home consumption products and pastry oils category.

While trading in Borsa İstanbul A.Ş. since 1994, we respond to the changing expectations and needs of our consumers and customers with our high-quality products, while ensuring an increase in our sales revenues in line with our strategic channel category perspective in all areas in which we operate.

Reporting Period:	01.01.2024 – 31.12.2024
Trade Name:	Kerevitaş Gıda Sanayi ve Ticaret Anonim Şirketi
Trade Registry Number:	114597
Paid/Issued Capital:	662.000.000 TL
Contact information for the head office and branches, if any:	Head Office: Kısıklı Mah. Ferah Cad. Yıldız Holding Placid Bloğu No: 1/A Üsküdar/İstanbul Bursa Factory: Akçalar Mah. Gölyolu Cad. No: 46 Nilüfer/Bursa Afyon Factory: Emirdağ Organize Sanayi Bölgesi, Kuruca/Emirdağ/Afyonkarahisar Kurtköy Factory: Ramazanoğlu Mah. Mahmut Bayram Cad. No: 88, 34906 Pendik/İstanbul
Website address:	www.kerevitas.com.tr
Investor Relations e-mail address:	yatirimci@kerevitas.com.tr



# SHAREHOLDING STRUCTURE AND SUBSIDIARIES

*While we continue to grow steadily with the strength we receive from our partners, we are Yıldız Holding's second largest food company listed on Borsa Istanbul.*

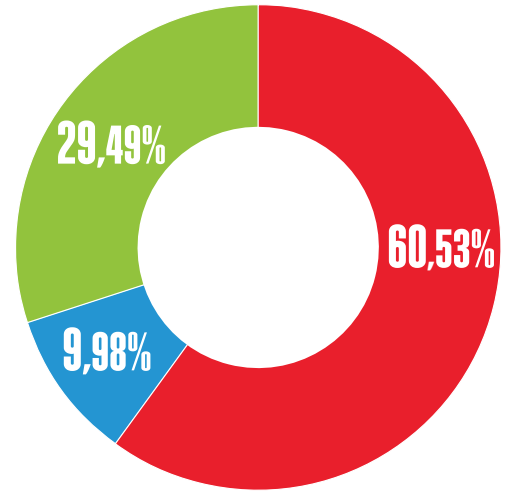
As of December 31, 2024, our Company's partnership structure includes three different structures: Yıldız Holding A.Ş., Murat Ülker and other partnerships. As Kerevitaş, we have subsidiaries with 6 different companies. As of December 31, 2024, our free float rate is 27.18%.

	31 December 2024		31 December 2023	
Shareholder	Share Ratio (%)	Amount (TRY)	Share Ratio (%)	Amount (TRY)
Yıldız Holding A.Ş.	60.53	400,675,745	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
Other	29.49	195,244,357	29.49	195,244,357
Total	100	662,000,000	100	662,000,000

## Direct and indirect effective ownership ratios (%)

Subsidiaries	31 December 2024	31 December 2023
Kerpe Gıda Sanayi ve Ticaret 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 Ticaret 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.



■ Yıldız Holding A.Ş.  
■ Murat Ülker  
■ Other



# OUR BOARD OF DIRECTORS

We see the corporate governance approach, the framework of which we have determined in compliance with legal regulations, as an important element that carries us forward and contributes to our sustainability journey.

The Board of Directors, the highest body of our corporate governance approach, consists of a total of six members, two of whom are independent. The Board of Directors convenes as often as it deems necessary, provided that the majority of its members are present. At the same time, we have two female members on our Board of Directors.

Through the committees and boards reporting to the Board of Directors, the Board of Directors evaluates the company, presents its ideas on strategic actions and ensures that the necessary steps are taken.

Committees and Boards Reporting to the Board of Directors		Meeting Frequency	Chair and Members
<b>Corporate Governance Committee</b>	The Corporate Governance Committee monitors business and management processes in line with the Capital Markets Board's (CMB) Corporate Governance Principles. The Committee also assumes the duties of the The Committee also assumes the duties of the Nomination and Remuneration Committees.	At least four times a year	<b>Chair:</b> Esra KIVRAK <b>Members:</b> Fusun KURAN ve Metin DOĞANAY
<b>Audit Committee</b>	The Audit Committee is responsible for ensuring that financial and operational activities are supervised in a healthy manner. The purpose of the Audit Committee is to oversee the functioning and effectiveness of the Company's accounting system, the auditing and public disclosure of financial information and the internal control system.	At least four times a year	<b>Chair:</b> Fusun KURAN <b>Member:</b> Esra KIVRAK
<b>Early Detection of Risk Committee</b>	It carries out activities for the purposes of early detection of risks that may jeopardize the existence, development and continuity of the Company, taking necessary measures against identified risks and managing the risks.	At least six times a year	<b>Chair:</b> Esra KIVRAK <b>Member:</b> Fusun KURAN





# OUR BOARD OF DIRECTORS



## **Mehmet Tütüncü**

**(Chairman of the Board)**

*Office Term: 26.04.2024-26.04.2027*

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 TUGİS, is also a member of many Turkish and foreign sectoral organizations.



## **Ali Ülker**

**(Deputy Chairman)**

*Office Term: 26.04.2024-26.04.2027*

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.



### **Fahrettin Günalp Ertik** (Board Member)

*Office Term: 26.04.2024-26.04.2027*

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.



### **Şükrü Çin** (Board Member)

*Office Term: 26.04.2024-26.04.2027*

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.



### **Esra Kıvrak** (Independent Board Member)

*Office Term: 26.04.2024-26.04.2027*

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.



### **Füsun Kuran** (Independent Board Member)

*Office Term: 26.04.2024-26.04.2027*

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.



# OUR EXECUTIVE MANAGEMENT TEAM

We strengthen our corporate governance approach thanks to our management team who support the success of our company with their experience in their fields. Our Executive Board consists of senior executives from Kerevitaş and the Oil Business Unit and is chaired by our CEO Mert Altinkılıç.

## ÜST YÖNETİM KADROMUZ

MERT ALTINKILINÇ	CEO	Frozen and Canned Food Business Unit, Edible Fats&Edible Business Unit
GÜLİZAR ÖCAL DOĞAN	CMO	Frozen and Canned Food Business Unit, Edible Fats&Oil Business Unit
ÖZHAN NURİ ÖZESENİ	COO	Frozen and Canned Food Business Unit, Edible Fats&Oil Business Unit
UFUK KASAR	CFO	Frozen and Canned Food Business Unit, Edible Fats&Oil Business Unit
UTKU ÜNAL	CCO	Frozen and Canned Food Business Unit
ILGIN HASIRCIOĞLU	General Manager	Donuk Fırıncılık Ürünleri
ALİ ERTUĞRUL YEMİŞ	Sales and Commercial Marketing Director	Edible Fats&Oil Business Unit
HAMİDE GÜVEN ŞEN	Human Resources Director	Frozen and Canned Food Business Unit, Edible Fats&Oil Business Unit, Donuk Fırıncılık
UĞUR TENDİK	Sales Director	Edible Fats&Oil Business Unit
AKİF YİĞİT	Export Director	Edible Fats&Oil Business Unit
HATİCE İÇELİ	R&D Director	Edible Fats&Oil Business Unit
KEREM ÇETİN	R&D Director	Frozen and Canned Food Business Unit
NEJLA YILMAZ EKER	Quality Assurance Director	Edible Fats&Oil Business Unit
AYTÜL TUNALI	Quality Assurance Senior Manager	Frozen and Canned Food Business Unit
KORCAN AYDIN	Sustainability Manager	Frozen and Canned Food Business Unit, Edible Fats&Oil Business Unit, Donuk Fırıncılık
EGEMEN HOPALI	Information Technologies Manager	Frozen and Canned Food Business Unit, Edible Fats&Oil Business Unit, Donuk Fırıncılık

# OUR BRANDS AND PRODUCT PORTFOLIO

## Frozen and Canned Products



### Frozen & Canned Food

#### Bakery Products

Pizza, pastry, puff pastry, turkish ravioli, simit, sweets, lahmacun, pastry roll, bread, cake, croissant, bun

#### Frozen Vegetables and Fruits

Corn, peas, spinach, onion, green beans, carrot, okra, broccoli, pepper, cauliflower, mix vegetables, borlotti beans, garniture, fruit mix, sour cherry, blackberry, raspberry

#### Potato and Croquettes

French fries, potato wedges, serrated potato, potato croquettes, cheese cruquettes, vegetables croquettes, onion rings, filled croquettes

#### Meat Products

Hamburger, meatball

#### Canned Products

Tuna fish, corn, peas, garniture

# OUR BRANDS AND PRODUCT PORTFOLIO

## Edible Fats&Oils Products



### Consumer Margarine



### Out-of Home Consumption

Pastry and Catering Products:



Industrial Oil:



### Cooking Oil



### Edible Fats&Oils

#### Consumer Margarine

Tub margarine, brick margarine, liquid margarine

#### Pastry Products

Baklava oil, general purpose oil

#### Catering Products

Block margarine, edible margarine, frying oil

#### Industrial Oil

Industrial frying oil, whipped cream fat, cocoa butter, biscuit fats, industrial cake fats, confectionary fats, bouillon and soup fats, spreadable chocolate butter

#### Cooking Fats

Spread Cheese



# OUR BRANDS AND PRODUCT PORTFOLIO

## Frozen Bakery Products

Having achieved many firsts since it started production in 2014, Donuk Fırıncılık Ürünleri (DFU) is the strongest company in the frozen bakery products market with an average annual production capacity of 22 thousand tons and over 200 products in 6 categories. Serving in the out-of-home and retail channels, DFU offers portion bread, large bread, sandwich breads, cakes, cookies, croissants, buns, bagels, pastries and pies.



### Breads:

Portion breads, large breads, sandwich breads

### Snacks:

Cake, cookies, croissants, buns, bagels, pastries, pies

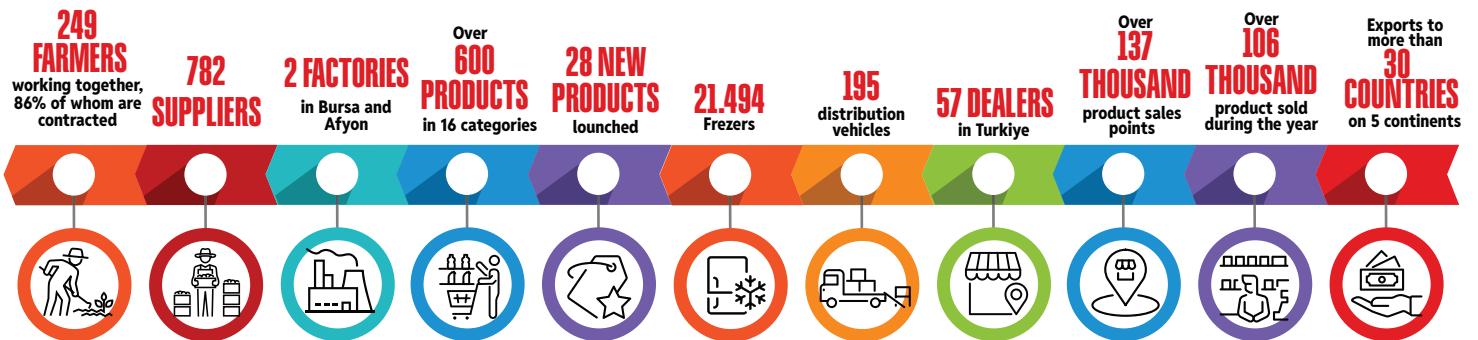


# OUR VALUE CHAIN

## Frozen and Canned Food

*In the adventure of our frozen food products, we touch a different stakeholder in every aspect of our value chain, which starts with agricultural production activities with our farmer stakeholders and consists of packaging, storage and distribution, sales and consumption steps respectively.*

We continue to create value by supporting more efficient and sustainable agricultural practices for the farmers we work with in agricultural production activities; by ensuring that our employees have a safe working environment and high motivation during the production phase; by turning to alternative and sustainable packaging options using less material in the packaging step; and by ensuring that our products meet with consumers without compromising on quality during the consumption phase.





## Frozen and Canned Food Value Chain Steps



### AGRICULTURE

We carry out our agricultural activities under the supervision of agricultural engineers in season in season and in regions with suitable soil structure. After the development and harvesting steps of our seeds that meet criteria such as efficiency, taste and naturalness, we ship them to our factories without losing their freshness.



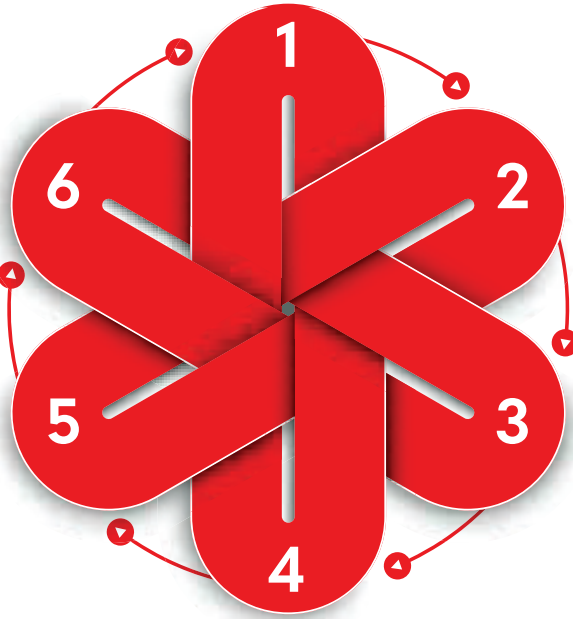
### CONSUMPTION

We listen to our consumers, update our product portfolio in line with their opinions and offer innovative products that will enhance their consumption experience. We respond quickly to our consumers' suggestions and complaints and ensure customer satisfaction through consumer visits by our sales managers.



### PRODUCTION

We put our products through sorting, selecting, washing, boiling and pre-cooling processes, depending on the type. After completing this preparation process, we prepare our products at 40°C with the IQF method by quick freezing at 18°C center temperature.



### SALE

Thanks to our strong sales and marketing network consisting of our sales areas and dealers, we are strengthening our position in exports and improving our sales-marketing organization in international markets day by day.

**We export to more than 30 countries on 5 continents.**



### PACKAGING

We package our products without losing their nutritional value. Without compromising product quality and safety, we evaluate alternative packaging types and aim to reduce our environmental impact from packaging with new techniques developed by our R&D center.



### STORAGE AND DISTRIBUTION

We take our packaged products to cold storage at 20°C prevent the cold chain from breaking and protect them until they are shipped. We deliver our products to the sales points with 195 distribution vehicles to add flavor to the tables of our customers in every season.



# OUR VALUE CHAIN

## Oil Business Unit Value Chain

*As the Oil Business Unit, we carry out our production with a capacity of 505,000 tons/year in a total of 3 facilities in Adana, Istanbul and Brunei.*

We develop our product portfolio that responds to different needs every day, and we bring our innovative products to our customers with an innovative perspective. In this context, we detail our production processes as determining the oil composition, preparation of phases, emulsion preparation and crystallization. After the production of our products is completed, we ensure that they are packaged and stored under the right conditions and offer them to our consumers through our strong sales and marketing network.



## Oil Business Unit Value Chain Steps



### RAW MATERIAL SUPPLY

We supply the necessary raw materials for our production process and ensure the traceability of our raw materials. We complete our raw material procurement process by giving importance to quality and food safety.



### CONSUMPTION

With our developed domestic and international sales network, we aim to ensure that our products meet our customers whenever they need them. We are strengthening our position in exports, one of our greatest strengths and improving our sales-marketing organization in international markets day by day.

**We export to more than 45 countries in 5 continents.**



### SALE

In order to respond to the changing demands and needs of consumers and to meet their expectations in the best way possible, we closely monitor their notifications. We take action according to the notifications received by Yıldız Holding Customer Notification Center and improve our processes according to the results of the customer satisfaction surveys we conduct.



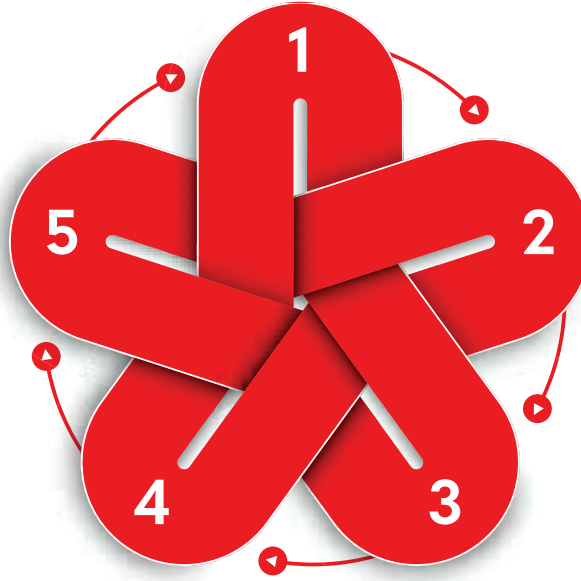
### PRODUCTION

After determining the appropriate oil composition in our production process, we decide on the desired flavor and nutritional values by mixing this composition with dairy product, necessary vitamins and water. We then emulsify and crystallize our products and finally complete the cooling process using high technology.



### PACKAGING

We ensure that our products are packaged in a way that does not threaten the quality and safety of our products. We make sure that the products are stored in a cold environment (below 14° C) during storage and distribution to prevent quality deterioration.



# OUR VALUE CHAIN

## Donuk Fırıncılık Ürünleri (DFU) Value Chain

*DFU products are packaged by quick-freezing at  $-40^{\circ}\text{C}$ , one of the best food preservation methods, and stored at  $-18^{\circ}\text{C}$  in Türkiye's first fully automatic frozen warehouse.*

We work to offer our highly diverse product portfolio that takes into account a wide range of tastes, to our consumers in a healthy, high-quality and easily accessible way with IQF technology, as fresh as the first day. We prepare our products, which are shocked and have a shelf life of 1 year, as fully cooked, half-cooked or raw frozen dough according to the needs of our stakeholders, and transport them in vehicles with an indoor temperature of  $-18^{\circ}\text{C}$ , without breaking the cold chain.





## Donuk Fırıncılık Ürünleri (DFU) Value Chain Steps



### FRESH AND RELIABLE AT ALL TIMES

Thanks to the shocking technology and hygienic production, the standard high quality and taste are always maintained.



### WIDE PRODUCT RANGE

As DFU, we offer more than 200 products in 6 categories, prepared as fully cooked, semi-cooked or raw frozen dough according to the needs of the businesses, under our SuperFresh 7/24 Fırından and Ülker Marifet brands.



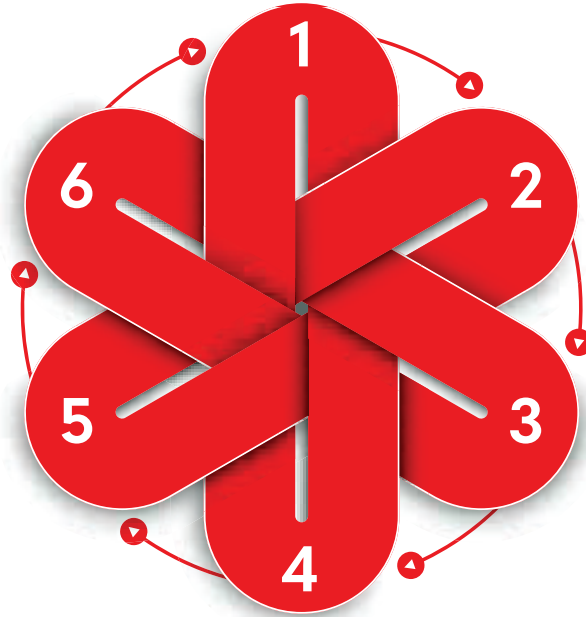
### INNOVATION AND R&D FOCUSED

It offers innovations that lead the sector with solutions that provide convenience and speed in the kitchen.



### SALES

We are developing our sales organization with sales teams focused on their own fields, organized for different sales channels such as Horeca, Bakery and In-store.



### CONTRIBUTION TO THE ECONOMY BY REDUCING WASTE

It uses resources efficiently with the advantage of producing and cooking as much as needed.



### SUSTAINABLE BUSINESS PROCESSES

It offers products consumed every day with environmentally friendly production and logistics processes and long-lasting business processes.

# OUR PRODUCTION FACILITIES AND CAPACITIES

## Frozen&Canned Food

*We offer the high-quality frozen food and canned products we produce in our three facilities to millions of people in Türkiye and around the world. We are the undisputed leader of the frozen food market with our annual production capacity of approximately 182 thousand tons.*

### Donuk Fırıncılık (Dudullu/İstanbul)

Establishment: 2014

#### Manufactured Product Categories:

Frozen bakery products

Indoor Area: 10,980 m2

Total Area: 18,010 m2

Production Capacity: 14,300 Tons



### Kerevitaş (Bursa)

Establishment: 1972

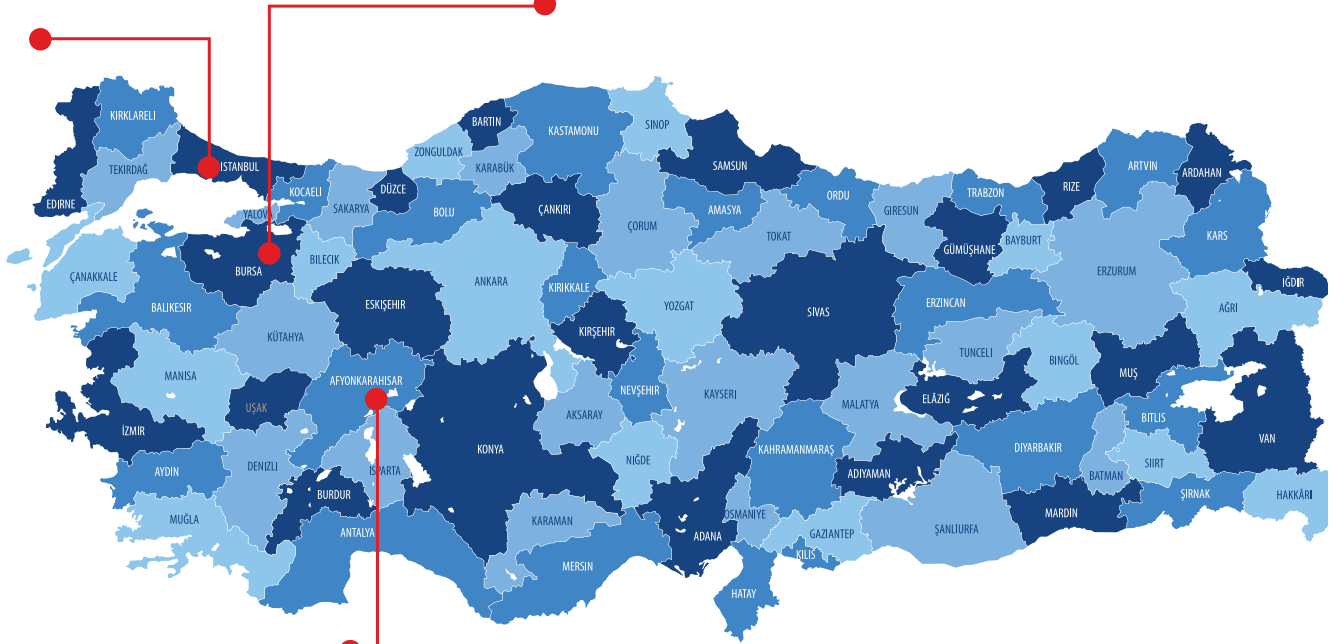
#### Manufactured Product Categories:

Frozen bakery products, frozen meat products, frozen croquettes, canned tuna fish, canned vegetables

Indoor Area: 43,000 m2

Total Area: 132,000 m2

Production Capacity: 66,720 Tons



### Kerevitaş (Afyon Emirdağ)

Establishment: 2013

#### Manufactured Product

Categories: Frozen potatoes, frozen fruit&vegetables, frozen croquettes

Indoor Area: 33,000 m2

Total Area: 272,000 m2

Production Capacity: 96,824 Tons



## Edible Fats&Oil Business Unit

*We serve millions of tables in more than 45 countries with our margarine production capacity, which is the largest in Türkiye, and the high-quality oil products we produce in our three facilities. We are by far the leader of the margarine market with our annual production capacity of approximately 505 thousand tons.*



### Kerevitaş (Kurtköy)

Establishment: 1992

#### Manufactured Product Categories:

Consumer margarine, catering&pastry, industrial, edible oils

Indoor Area: 40,468 m2

Total Area: 60,992 m2

Production Capacity: 220,000 Tons



### Western Foods (Brunei)

Establishment: 2017

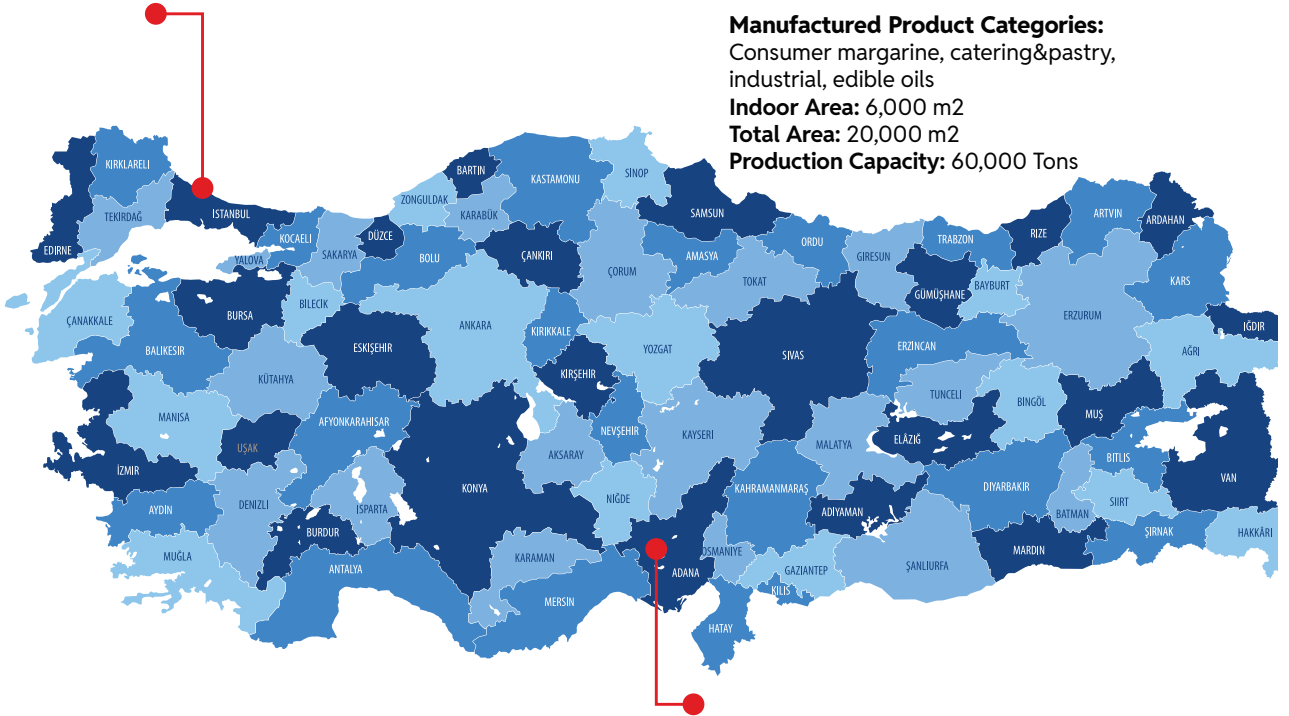
#### Manufactured Product Categories:

Consumer margarine, catering&pastry, industrial, edible oils

Indoor Area: 6,000 m2

Total Area: 20,000 m2

Production Capacity: 60,000 Tons



### Marsa (Adana)

Establishment: 1947

#### Manufactured Product Categories:

Consumer margarine, catering&pastry, industrial, edible oils

Indoor Area: 48,180 m2

Total Area: 88,480 m2

Production Capacity: 225,000 Tons

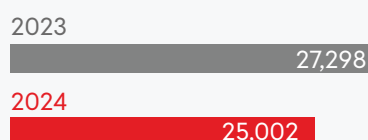




# MAIN FINANCIAL AND OPERATIONAL RESULTS

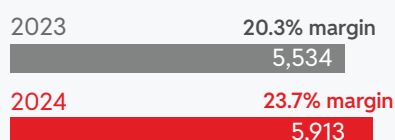
## Consolidated Results

### Net Sales (TRY in millions)



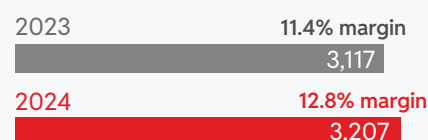
**-8.4%** ⬇️

### Gross margin (TRY in millions)



**+6.8%** ⬆️

### EBITDA (TRY in millions)



**+2.9%** ⬆️

### Investments (TRY in millions)



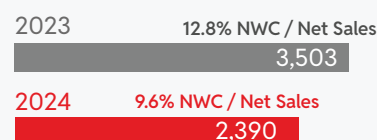
**+18.2%** ⬆️

### Net Debt (TRY in millions)



**-150.5%** ⬆️

### Net Working Capital (TRY in millions)



**-31.8%** ⬆️

### Cash Generated From Operations (TRY in millions)



**+1,012%** ⬆️

### Free Cash Flow (TRY in millions)



**+1,185%** ⬆️



**Net Working Capital:** Trade Receivables + Inventories + Short Term Prepaid Expenses – Trade Payables – Short Term Deferred Revenue

**Net Debt:** Total Financial Borrowings+ Other Payables to Related Parties- Cash and Cash Equivalents – Other Receivables from Related Parties

**EBITDA:** It is the operating profit before other income and expenses from main activities.

TMS 29 Effects are included, in TRY.

# MAIN FINANCIAL AND OPERATIONAL RESULTS

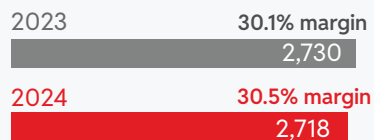
## Frozen&Canned Products Business Unit

### Net Sales (TRY in millions)



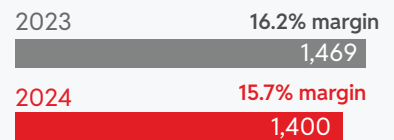
**-1.7%** ▼

### Gross margin (TRY in millions)



**-0.4%** ▼

### EBITDA (TRY in millions)



**-4.7%** ▼



### Household Penetration (%)



### Market Share (%)



### Annual Consumption per Household (kg)



### Number of New Products



# MAIN FINANCIAL AND OPERATIONAL RESULTS

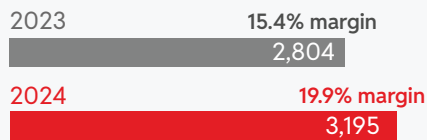
## Edible Fats&Oil Products Business Unit

### Net Sales (TRY in millions)



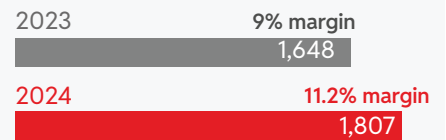
**%-11.7** ⬇️

### Gross margin (TRY in millions)



**%+13.9** ⬆️

### EBITDA (TRY in millions)

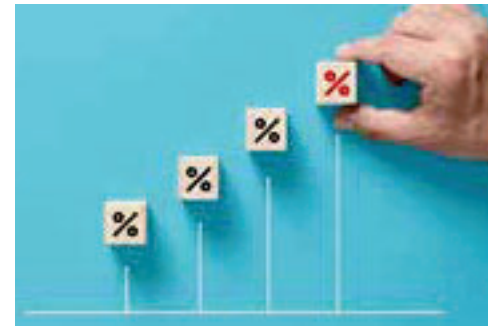


**%+9.6** ⬆️

### Household Penetration (%)



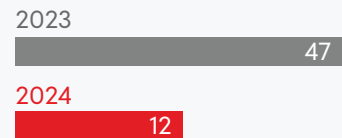
### Market Share (%)



### Annual Consumption per Household (kg)



### Number of New Products





**KEREVITAS**

# ACTIVITIES IN 2024



# FROZEN&CANNED PRODUCTS BUSINESS UNIT



*With our leading brand SuperFresh, we are the pioneering company with the broadest portfolio in the Turkish frozen food sector.*

## Frozen and Canned Food Market

The frozen food market has grown 13 times in the retail channel in the last 6 years, reaching 25.3 billion TL with a 100% increase in turnover in 2024.<sup>(1)</sup> It has become one of the top 3 growing categories of FMCG Food with a 20% growth in tonnage. The canned tuna market has grown 108% in turnover in 2024, reaching 6.7 billion TL and a 29% growth in tonnage, reaching 19 thousand tons.<sup>(2)</sup>

## Leading Brand: SuperFresh

SuperFresh is the undisputed leader in the frozen food sector with a 41% market share<sup>(3)</sup>. With a wide product portfolio of 436 SKUs in total across retail, out-of-home consumption and export channels, SuperFresh was chosen as the “Most Popular Frozen Food Brand”<sup>(4)</sup> of 2024 with its communication, product innovation and sustainability-focused approaches.

## Featured Campaigns in 2024

- With the “**Super Fast Recipes with Refika Birgöl**” Ramadan campaign, iftar recipes were presented, the 1-minute reels format was brought to TV for the first time in the industry and the “**Best Branded Content Bronze Award**” was won at The Hammers Awards.
- With the “**SuperFresh When You Want Tuna**” campaign, a **+3.5 point** increase in turnover was achieved in tuna.
- As part of World Pizza Day, “**With the Love of Pizza**”, special discounts were offered in sales channels in collaboration with Getir, and influencers were hosted at KidZania.
- With the **Potato Journey** Campaign, product diversity was emphasized and the highest market share of the year was reached with a **+5 point** increase in turnover share.
- The **Social Flavors** campaign was prepared with the **Karaca brand**, and a result that inspired the sector in terms of brand collaborations was achieved.
- **Accessibility and Inclusion:** With the integration of BlindLook, we became the **first EyeBrand brand in Türkiye** for visually impaired consumers.



(1) Source: Nielsen Total Türkiye, Fresh Frozen Food Market Report, 2024

(2) Source: Nielsen Total Türkiye, Canned Tuna Market Report, 2024

(3) Source: AC Nielsen YTD December'24, Turnover Share without discounters

(4) Source: “Türkiye’s Lovemarks 2024” research conducted in collaboration with MediaCat magazine and Ipsos

## Sales and Distrubiton Network

SuperFresh has a strong distribution network reaching more than 137 thousand sales points with 57 dealers, 195 distribution vehicles and 21,494 freezers. It provides services in traditional and out-of-home consumption channels through dealers and in modern channels through direct sales organization. Products are also offered to discount markets and international markets through Private Label partnerships.



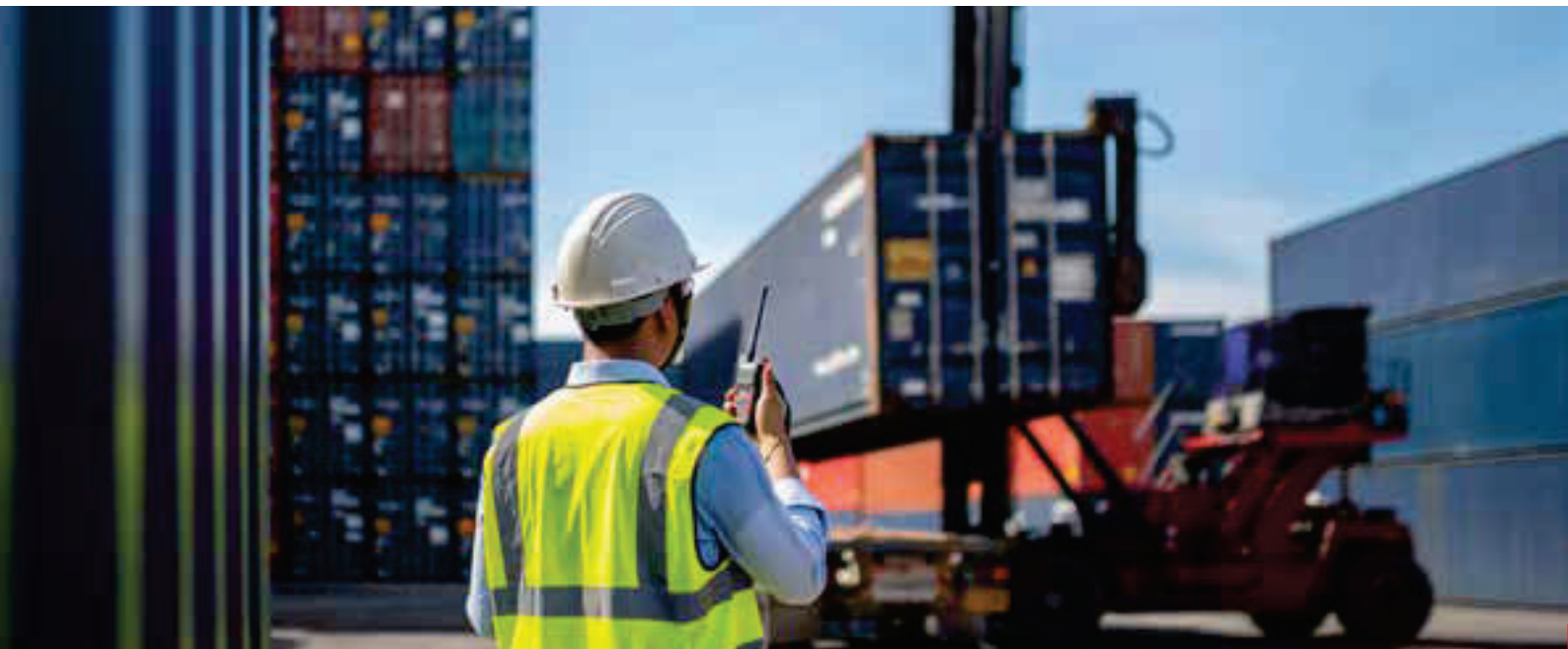
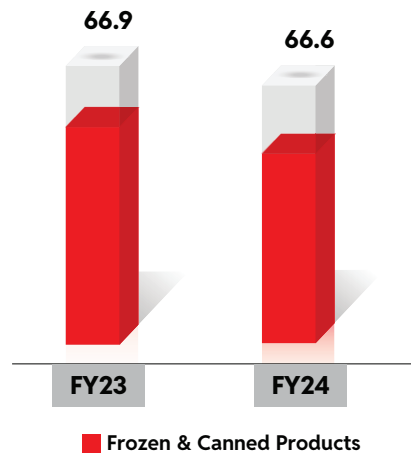
## Export

SuperFresh exports to more than 30 countries on 5 continents. Its main export markets include Iraq, Cyprus, Azerbaijan, Greece, Georgia, Europe, the USA, the Middle East and Asia. It expands its distribution network by participating in food fairs in Türkiye and around the world. In 2023, it was awarded the “Export Champion” award by the Istanbul Exporters Association.

## Production and Quality

The production facilities are located in Bursa, Afyon and Istanbul. In the facilities that are well-equipped in terms of production technologies, the products are shocked at -40°C and frozen with the IQF (Individual Quick Freezing) method, thus preserving the freshness and nutritional value of the day they were harvested. Thanks to the cold chain logistics, the products, which are stored at -18°C, are delivered to consumers in their first-day condition. Quality standards are meticulously monitored and regularly reported. Consumer comments are closely monitored with the organization established for customer relations, and the continuous development process that will increase satisfaction with the products continues.

Capacity Utilization Rate (%)





# EDIBLE FATS&OIL BUSINESS UNIT



## Market Status and Performance

The Turkish consumer oil market has grown by 55% in 2024 compared to 2023, reaching a turnover of 81 billion TL<sup>(1)</sup>, while the margarine category, which is the oil category most open to branding, has grown by 39% in turnover in the same period, reaching a turnover of 9.5 billion TL<sup>(2)</sup>. As Kerevitaş, we have a wide portfolio including leading brands such as Ülker Bizim Yağ, Ülker Teremyağ, Luna, and we are the clear leader with a 67%(3) share.

## Marketing Activities

### Ülker Bizim Yağ

Ülker Bizim Yağ, which has the most household penetration and the most loyal consumer base in the brick margarine market, continues its leadership with a turnover share of 35.2%(3).

- In the first quarter of 2024, we launched our “Türkiye’s Oil is Bizim, Its Flavor is Ours” campaign on TV, radio, magazines and digital media.
- With 512 thousand followers on Instagram, we are the brand with the highest follower count and highest interaction in the FMCG Food sector.
- The first and only pastry channel in Türkiye, Hamur Bizim İşimiz, has reached over 100 million views and 1 million subscribers. We have reached the number 1 brand position in FMCG and achieved the success of being the first branded channel to receive a gold plaque from YouTube.
- We broke new ground in the industry by offering accessible recipes for the visually impaired with the integration of artificial intelligence and became the first EyeBrand brand in the category.

### Ülker Teremyağ

We reached a turnover share of 58.2%(3) with our brand Ülker Teremyağ, the market leader in the tub margarine segment, and continued to strengthen our leading position by far.

- We brought our new communication campaign “The Secret of Good Food” to our consumers on TV, digital, radio, markets and e-commerce channels. In a first in the sector, we included different target audiences in the kitchen, young, women and men. We reached the position of the brand that entered the most households with a penetration rate of 32%(4).
- With 384 thousand followers and a 33% interaction rate on Instagram, we became the 2nd most followed brand in the FMCG Food category.

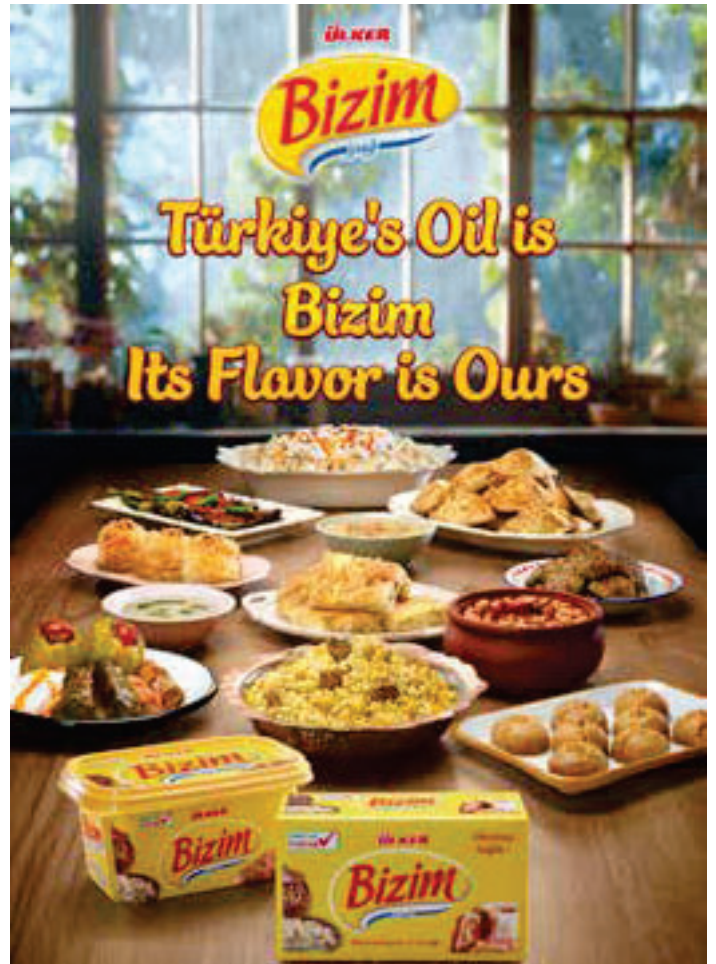
### New Category Launch

We launched Ülker Sürmix Ekmeküstü in the Spreadable Cheese category, stepping into a new area for the first time outside the oil category. We made an ambitious entry into the market with

innovative flavors that stand out from the competition, such as Cheese Chocolate and Cheese Honey.

### Out-of Home Consumption

With its wide product portfolio, ease of use, taste and strong communication in the category of out-of-Home Consumption Pastry Oils, it is the market leader under the brand name “Ustam Pastry Oils” and continues to strengthen its position. Ustam has the distinction of being the first brand in the sector to have a complete product portfolio that does not contain trans fat.



(1) Source: Nielsen, FMCG Report, 2024 Total

(2) Source: Nielsen, Margarine Market Report, 2024 Total

(3) Source: Nielsen, Margarine Market Report Without Discounters, 2024 Total

(4) Source: IPSOS Household Consumer Panel, Margarine Market Report, 2024 Total

## Sales and Distribution Network

With our widespread and strong domestic and international sales network, we aim to bring our products together with our customers whenever needed. Sales of our consumer products are carried out by Yıldız Holding subsidiary Horizon in the traditional channel and by our own organization structure in the modern channel. Our secondary brands Halk, Yayla and Luna are also sold by our own organization in the traditional channel. Our Private Label products are sold by Yeni Teközel, a Yıldız Holding group company.

Sales of industrial products are carried out by Kerevitaş, pastry and catering products by G2M Eksper, and export products by Marsa sales organization.



## Export

In the January-December 2024 period, we realized 37% of Türkiye's margarine exports, according to TURKSTAT data, reaching more than 50 countries in 5 continents. The countries we export to cover a wide market in Europe, the Middle East, Asia and Africa, as well as our neighboring countries of Iraq, Syria and Georgia. We have been operating in the consumer margarine category in Iraq and Georgia for over 30 years with our "Ona" brand, and in the out-of-home consumption sector, we continue to be market leaders in Albania in the pastry sector and in Iraq, Romania and Kazakhstan in the catering sector.

As Türkiye's largest margarine exporter, we participated in Gulfood Dubai, Prodexpo, West Africa, Sial Paris, Gulfood Manufacturing Dubai and Worldfood international fairs held in Türkiye in 2024 in order to expand our distribution network with new customers and increase our power in the global market. Thanks to these events, we have added more than 15 new customers to our portfolio and further expanded our export capacity.







## Production

*With our production in 3 factories in 2 countries, we develop our product portfolio that meets different needs day by day, and we introduce our innovative products to our customers with an innovative perspective.*

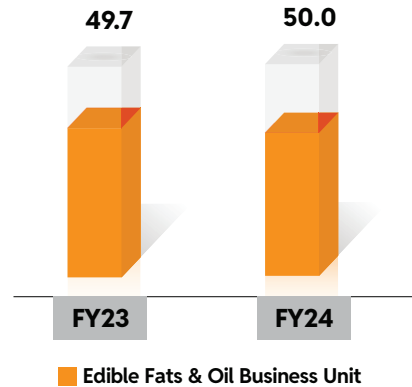
We detail our production processes as determining the oil composition, preparation of phases, emulsion preparation and crystallization. After the production of our products is completed, we ensure that they are packaged and stored in the right conditions and offer them to our consumers through our strong sales and marketing network.

Margarine is a finely crystalline food substance consisting of a mixture of various oils, water and skim milk. It is made entirely from oils of vegetable origin, and the saturated fat content of bowl margarines is higher than olive oil, sunflower oil, etc. It is almost the same as oils. It does not contain cholesterol and trans fat. Brick margarines have approximately 70% fat content, tub margarines have approximately 60% fat content.

Vegetable oils such as palm, sunflower, soy, cotton, canola and their derivatives are generally used in margarines produced in Türkiye. None of the oils found in nature can be consumed raw, except extra virgin olive oil. It is made edible by applying various physical and chemical processes.

There is not just one way to produce margarine, but essentially the process is very simple. First, the appropriate oil composition is determined. Then this combination; The desired taste and nutritional values are determined by mixing ingredients such as skim milk or milk protein with necessary vitamins and water.

### Capacity Utilization Rate (%)



### Margarine Product Technology

Margarines are an emulsion (water-oil mixture) similar to butter in color, taste and structure, and are prepared using ingredients such as vegetable oil, milk, yoghurt, whey powder, water, and vitamins.

It is possible to produce margarine suitable for different purposes with compositions with different fat content (-90%) and different production methods. These can be categorized as breakfast margarines and those used in food and industrial products.

The process of removing impurities in crude oils is called

refining. Refining (R) is done in 3 stages as neutralization, bleaching (B) and deodorization (D). Refined (RBD) oil mixtures obtained as a result of these 3 processes form the main ingredient of margarine.

**Margarine production generally consists of the following processes:**

1. Preparation of water phase and oil phase
2. Emulsification
3. Cooling, crystallization, kneading and resting
4. Packaging



# OPERATIONAL EXCELLENCE



*While focusing on the culture of operational excellence, we are taking firm steps towards our goals of transforming all our facilities into efficiency and continuous improvement machines.*

In line with this goal, the Kereviş Excellence System, which combines lean production, problem-solving studies, total productive maintenance, 6 sigma and agile management tools and ensures the spread of operational excellence culture in our facilities, was spread to our Edible Fats&Oils Business Unit facilities in 2023 after our Bursa and Afyon factories. The Kereviş Excellence System is based on respect for people, ownership of ideas and team spirit. We evaluate the ideas coming from our employees with importance in the Kereviş Excellence System and put them into action.

In 2024, we received 552 development suggestions from our employees in our production facilities. We successfully completed 4,168 Kaizen projects, 50 6 Sigma projects, and 6 Agile projects. As a result of these projects, we saved 120 million TL in our frozen and canned food business unit and 35 million TL in our edible fats&oil business unit. At the same time, we implemented carbon reduction, OHS and quality improvement projects.



# RESEARCH&DEVELOPMENT AND INNOVATION

*With our innovative perspective, we attach importance to innovation and achieve many firsts with all our brands under Kerevitaş. We are proud to have the first R&D centers in the frozen food, vegetable oil and margarine sectors registered by the T.R. Ministry of Science, Industry and Technology.*

As Kerevitaş, we are happy to introduce firsts and innovations to the Turkish market in the edible fats sector with our special products that do not contain trans fat and are developed with high technologies; and in the frozen food sector with our SuperFresh brand in 1990.

Our R&D Centers in Kurtköy and Bursa, which have the R&D Center Certificate of the Ministry of Industry and Technology, have produced hundreds of innovative products through their R&D

studies since the day they were established and continue to be pioneers in the sector with the projects they have developed that are leaders in all business lines in which they operate.

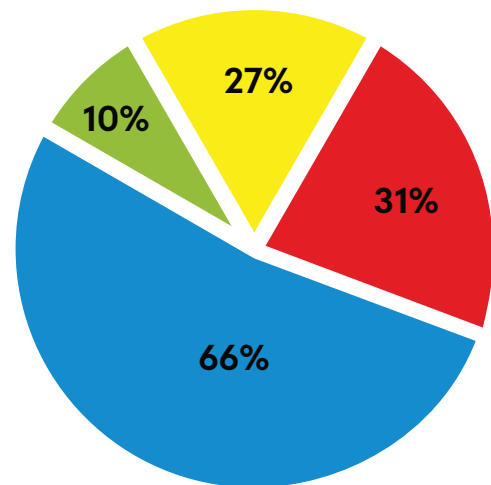
We attach great importance to the collaborations we make while implementing our projects. In this context, we are proud to implement 237 different collaborations with the public, universities, R&D centers and the private sector in 2024.

**The successes that emerged as a result of our strong R&D teams, the advanced technologies we use and our collaborations:**

- Our Oil and Frozen R&D Centers were awarded with “Above Threshold” awards by TÜBİTAK in 2022 with their Horizon Europe projects.
- Our Smart & Active Packaging For Margarine (SAP4MA) project, which is a world first and aims to preserve the freshness and taste of tub margarines, was successfully completed in 2023 and won the “2024 Euripides Innovation Award”.
- Within the scope of supporting sustainable agriculture, our AI and IOT supported “Smart Agricultural Fields Decision Support Platform” project, which enables monitoring of potato fields with drones and sensors and monitoring of fertilizer, water etc. needs and diseases, has been successfully completed.
- We are successfully continuing our project “Production of Functional Foods from Potato Processing Waste”, which aims to obtain high-efficiency extracts of proteins and dietary fiber fractions from potato waste, which we have carried out in cooperation with TUBITAK, TAGEM and Yıldız Technical University.

Our R&D centers, which offer innovative solutions by combining innovative thinking with high technology, carry out innovative studies that shape the future of the food and oil sector with national and international collaborations with the public, private sector, institutes, research centers, industrial organizations and universities,

as well as projects such as HORIZON, EUREKA, TÜBİTAK and TAGEM. To date, a total of 8 projects, 2 of which are international, have been successfully completed; collaborations have been made with more than 150 institutions and organizations in Türkiye and abroad. A total of 74.6 million TL of R&D and innovation investment was made in 2024.



- Private sector companies
- Universities
- R&D centers
- Public institutions

## Our Brand Based R&D Studies

By launching 28 new products at SuperFresh in 2024, we ensured that 20% of our total retail SuperFresh turnover would come from new products.

Our prominent launches in frozen food: Pizza and chicken doner wrap toast in collaboration with Refika Birgül, onion rings with cajun spices, heat-and-eat muffins which are the first in their category, mac&cheese croquettes, and baked potato croquettes which won the most innovative product award in the frozen food category at the SIAL fair.

Our prominent launches in the edible oil category: Bizim Yağ Pastry Brick 250 gr, reflecting our expertise in pastries, cheese and oil-based Ülker Sürmix (cheese honey and cheese chocolate), Bizim Yağ Breakfast Pleasure Tub, Bizim Yağ Brick 500 gr.

## Food Safety and Quality

As a food producer, food safety and quality are among our most important issues. As Kerevitaş, we handle all stages of our products from raw material selection to reaching the end consumer without compromising on quality and food safety. We carry out all our processes in accordance with our standards, certificates and quality policies. We ensure compliance with quality and food safety standards by conducting regular internal audits in our production processes. No non-compliance was detected in the audits conducted in 2024 and there were no notifications or recalls regarding food safety violations in any of our products.

As part of the Global Food Safety Initiative (GFSI) audit, we identified 50 non-conformances, all minor, and took corrective action. As of 2024, we have 319 GFSI-certified suppliers, accounting for 81% of our total purchases.

We increase awareness and competencies in quality and food safety by holding regular meetings and trainings in our oil and frozen food business units. This year, we provided 8,786 hours of training to 2,505 employees.



### Frozen Food R&D Center

- Türkiye's first and only R&D Center in the frozen food category
- Patent and utility model development
- New product, packaging development; content and process improvement
- Participation in scientific and academic symposiums and scientific publications

### Edible Fats&Oil Business Unit R&D Center

- Leading R&D activities in the margarine sector
- European Union, TUBITAK and TAGEM projects
- National and international collaborations with public, private sector and university partnerships

## Our Food Safety and Quality Standards

TS EN 9001: 2015 Quality Management System

Hazard Analysis Critical Control Point -HACCP) System

TS EN ISO 22000 Food Safety Management System

British Retail Consortium -BRC) approved Food Safety System and FSMA additional module

TSE - Halal Food Certificate

Kosher Certificate

Good Manufacturing Practices (GMP)

Sustainable Palm Oil Standard (RSPO)

You can find details about the certificates and documents we have [here](#).



# HUMAN RESOURCES

*In the light of our strategies, we prepare the competencies of our human resources for the future with the idea of obtaining a competent workforce and dynamic organization.*



## Strategic Human Resources Management

Kerevitaş's human resources strategy is based on bringing the right talent to the right job, supporting employee development and maximizing employee experience with a fair and transparent management approach.

### Performance and Career Management

- OKR System: It is a measurable system that aligns employees' individual goals with company strategies.
- OPERA System: Supports employee development with regular performance evaluation, development plans and 360-degree feedback mechanism.
- Digital Performance Management: With Digital Mind Cube and Digital Blue Collar Performance Management Systems, processes have been made more transparent and efficient.

### Recruitment and Orientation

- Career opportunities are offered to existing employees through internal postings.
- The North Star Orientation Program was developed to accelerate the adaptation of new employees to the company.

### Reward and Recognition Programs

- A performance-based bonus system is applied for white-collar employees.
- With the instant reward mechanism, employees who demonstrate outstanding success are quickly recognized.
- Special sales bonus systems have been created for sales teams.
- To encourage blue-collar employees, the Mind Cube, Kaizen and Star Eye Programs are carried out.

## Training and Development Programs

- New Generation Leadership Program: Leadership development program for managers
- Formen Development Academy: Program to develop management competencies.
- Mentoring and Coaching Programs: Individual development processes supported by internal and external resources.
- Life Academy - All-Aspect Development Program: A development program covering topics such as stress management and communication for blue-collar workers.
- Maintenance School: A training program to increase the professional competencies of technical employees.

## Employee Satisfaction and Open Communication

- Employees are provided with direct access to management through Open Communication Meetings.
- Improvement projects are developed and implemented based on survey results.

## Applications That Support Employee Well-being

- Dietician services are provided in factories.
- Social areas are improved to provide a comfortable work environment.
- Employee loyalty is supported with organizations such as healthy life chats, motivational events, social gatherings, birthday celebrations, family picnics.

## Investing in the Future

Human resources management aims to shape not only the present but also the future. Sustainable growth is targeted by supporting the development of employees, and practices that will be exemplary for the sector are developed.

# DIVERSITY, INCLUSION AND EQUITY

As Kerevitaş, we see inclusion and equal opportunity as one of the cornerstones of our company culture and we attach importance to creating a work environment that nurtures the different experiences, perspectives and talents of our employees.

## Equal and Fair Recruitment Processes

- Our recruitment processes are carried out with an objective and fair evaluation method, and selections are made based on competence without specifying gender.
- Career opportunities are offered to our employees through transparent internal posting processes, and projects are implemented to increase female employment.
- Increasing the rate of female employees in STEM fields and strengthening female representation in leadership roles within the company are among our primary goals.

## Diversity and Inclusive Work Environment

- We make the necessary arrangements for all our employees to

have equal rights and opportunities, and we build a culture where differences are seen as advantages.

- We create a work environment where our employees can share their original ideas and feel comfortable and safe.

## Ethical Principles and Practices

- An Ethics Board has been established within the General Directorate of Human Resources, providing guidance on ethical issues and implementing mechanisms to prevent ethical violations.
- Regular ethics training is provided to all our employees, and they are provided with the opportunity to report securely and confidentially through ethical reporting channels.
- Ethical violations are evaluated independently and fairly.

We are constantly improving our policies to ensure the sustainability of diversity, inclusiveness and equality, and we are determined to create a work environment where our employees feel they belong.



=QUAL  
VALU=

You can access our Inclusion and Diversity Policy published in 2024 [here.](#)

# INVESTMENTS



***We increased our competitiveness in the markets we are in with the investments we made in 2024 in our 6 production facilities where we operate.***

As Kerevitaş, we are reinforcing our strong position in the market with the investments we make in areas such as new installations, capacity increases, improvements in production lines, hygiene conditions, occupational health/safety and quality continuity.

## Investments for 2024

- In 2024, 453 million TL investment was made and significant improvements were made in the fields of infrastructure, efficiency, quality and information technologies.
- The investments made aim to increase customer satisfaction, improve product quality and increase competitiveness by providing cost advantage.

## Croquet Line Investment

- In November 2024, the capacity of the onion croquette line in our Bursa factory was increased by 3 times, and the line was successfully put into operation with a total investment of 64 million TL.
- With this investment, it is aimed to expand the product portfolio and provide advantages in production costs.

## Production Investments That Increase Competitiveness

Our competitiveness in the market has been further increased with the investments made in the 6 production facilities we operate in 2024.





# INVESTOR RELATIONS



***In 2024, we increased communication with investors and analysts and held many meetings.***

Our shares are traded on the Borsa İstanbul (BIST) BIST Star market and included in BIST Food-Beverage, BIST All Shares, BIST 500, BIST Bursa, BIST Sustainability, BIST Industrials and BIST All Shares-100 indices.

With our strong corporate sustainability performance, we have been included in the BIST Sustainability Index uninterruptedly since 2019.

In order to increase our communication with investors and analysts and to better promote our Company, we held meetings with 13 institutions from Türkiye and outside Türkiye in 2024. In addition, for the first time in our history, we started teleconference meetings with the announcement of the first quarter financial and operational results of 2024 and held teleconference meetings for 3 quarters.

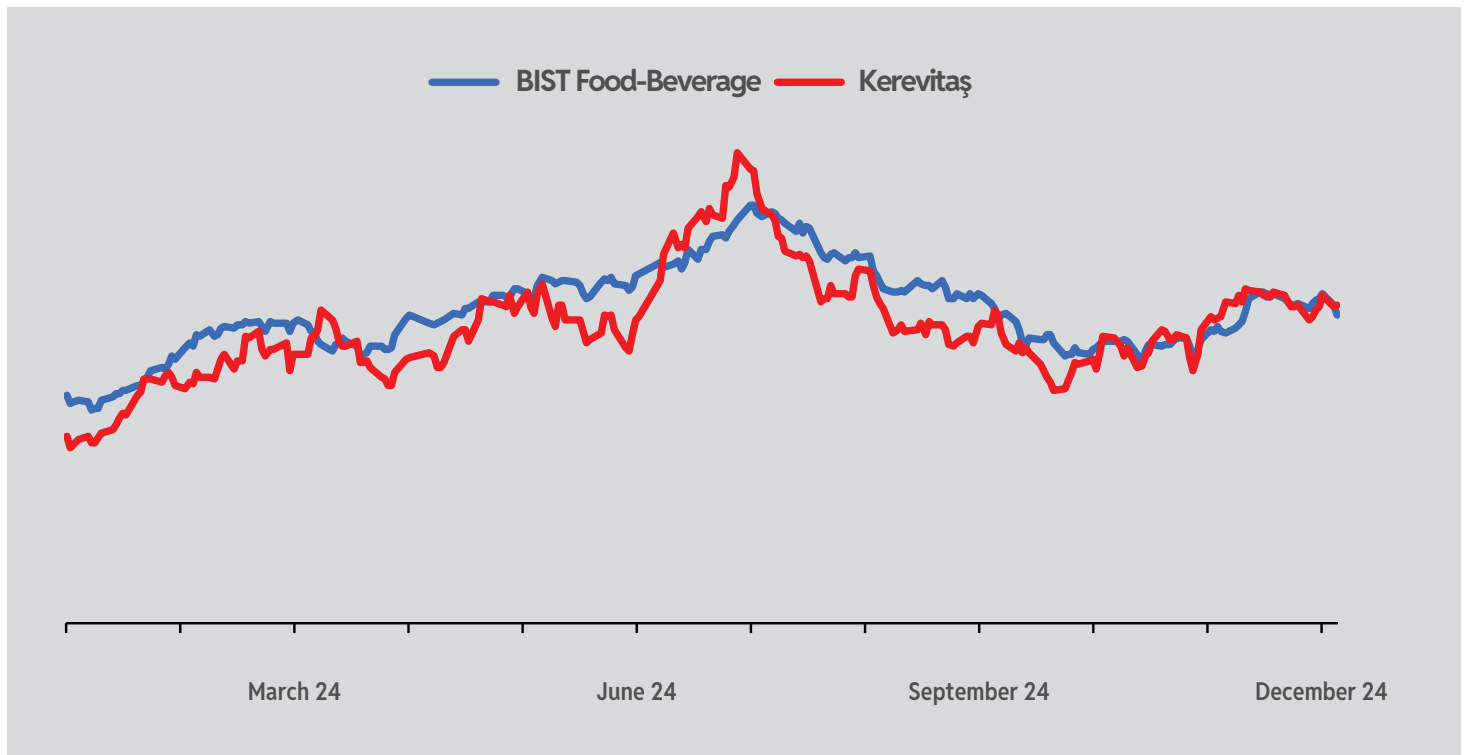
Again, for the first time, we held an Analyst Meeting at our Çamlıca Campus in December with the participation of many brokerage firm analysts and portfolio managers, where we explained our Company, the markets we operate in, our strategies and plans.

On the other hand, we provided regular and up-to-date information flow to our stakeholders through teleconferences, physical meetings, general investor presentations, financial results presentations, interim activity reports and our website.

## Stock performance

In 2024, the Turkish stock market fluctuated around factors such as local elections, monetary policies, high interest rates, and the Palestinian-Israeli war. Despite these factors, thanks to our strong financial performance, we reached a market value of 9.8 billion TL (277 million USD) at the end of 2024 and closed the year with a share price of 14.74 TL.

In 2024, our shares gained 57.1% in value, while the BIST Food Index increased by 30.1%.

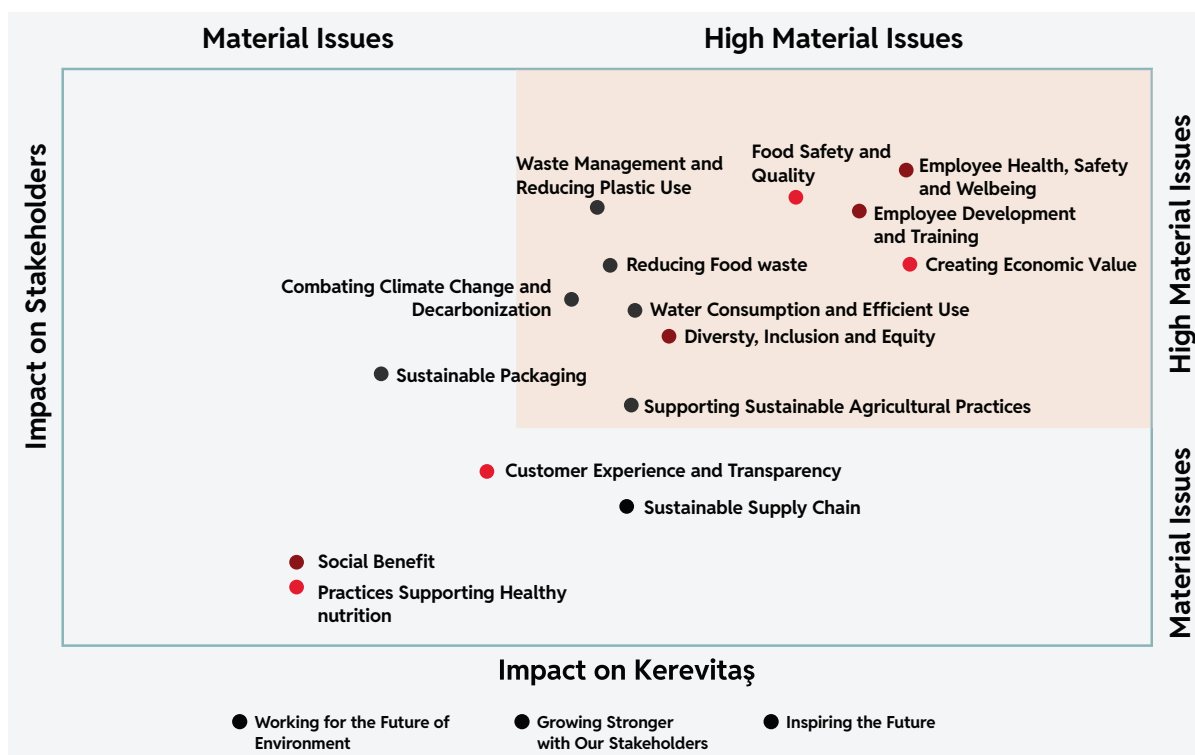
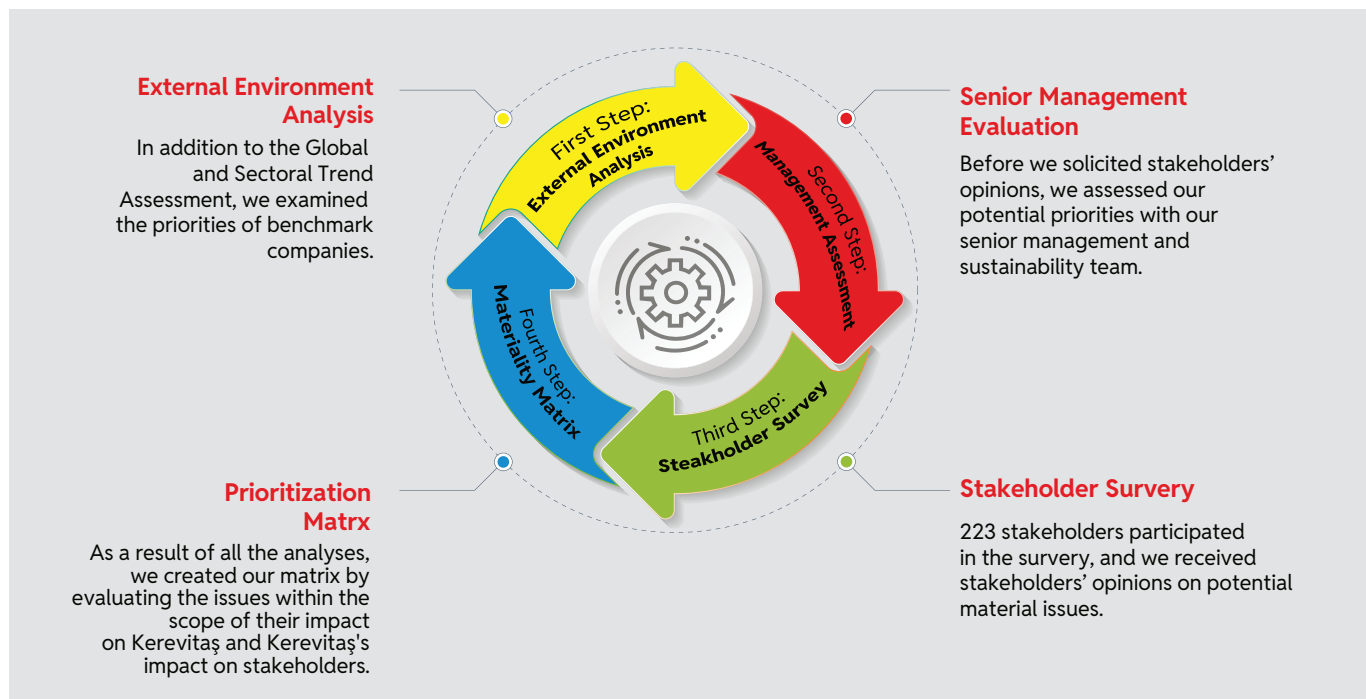


**KEREVİTAS**

# **SUSTAINABILITY**

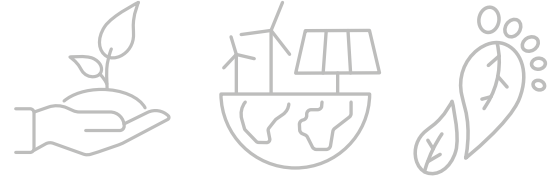


# OUR SUSTAINABILITY MATRIX





# OUR SUSTAINABILITY STUDIES



## 1 Working for the Future of Environment

### Climate Change and Decarbonization

As Kerevitaş, we carry the responsibility of fighting against the climate crisis with the raw materials we get from nature. We are carrying out projects to reduce carbon emissions in line with our net zero carbon target by 2050. In line with this target, we have initiated projects focused on reducing carbon emissions by making scope 1, 2, 3 calculations.

### Waste Management

Waste management and plastic reduction are among our highest priorities, and all our factories operate with a “Zero Waste Certificate”.

### Sustainable Packaging

We are carrying out innovative work to use less material and recycled materials in packaging and wrapping steps. We reduced plastic use with our sustainable packaging work in 2024.

### Preventing Food Waste

As Kerevitaş, we are aware of the responsibility of reaching approximately 19.8 million households and approximately 62 million plates of food to the tables in Türkiye every year and of being among

the largest agricultural producers.

We develop effective practices to minimize waste at every step along our value chain from harvest to consumption. We prevent approximately 70 thousand tons of food waste every year. We have been raising awareness as a project partner and sponsor of the “Protect Your Food-Take Care of Your Table” campaign since 2020.

### Supporting Sustainable Agriculture

With our pioneering practices in agriculture, we use less water and energy. In this way, we help our farmers increase their productivity, increase their income and achieve financial savings by reducing their operational costs.

### Water Consumption and Efficient Use

Focusing on reducing water consumption and efficient use of water, we aim to create an impact by working with our farmers, not just our own production facilities. We regularly measure water consumption in our factories, and implement improvement projects focused on reuse and reducing wastewater. We have completed our scenario analyses for both this year and 2030 by analyzing the risk of water stress, and we are making plans for this.





## 2 Growing Stronger with Our Stakeholders

### Our Employees

We continue to grow with 2,043 employees in 2024. We prioritize “Diversity, Inclusion and Equality”, “Employee Development and Career Management”, “Employee Satisfaction and Communication” and “Employee Health, Safety and Well-being”.

### Sustainable Supply Chain

While we are trying to integrate our suppliers into our sustainability approach, we are also trying to make our supply processes as sustainable as possible. We work by considering environmental, social and economic impacts in all our processes. We address our sustainable supply chain approach under 3 subheadings:

- Supporting local development through local suppliers,
- Reducing the environmental impact of our supply chain,
- Contributing to social and community development

We are developing improvements and collaborations to prevent deforestation caused by supply processes. Thanks to our Roundtable on Sustainable Palm Oil (RSPO) certification, which our Oil Business Unit has had since 2019, we support the prevention of deforestation and the protection of biodiversity in the palm oil production process. This year, we supplied a total of 197,517 tons of palm oil and ensured that 400 tons were RSPO certified in line with the demands of our customers.

At the same time, we are taking steps to fulfill the requirements of the EU Deforestation Prevention Legislation, which entered into force in June 2023. We are also deepening our work on the legislation that sets critical requirements for palm oil, which we use in our oil business unit operations, and aim to comply with the requirements of the legislation by 2025.

### Supporting Farmers

With the contract farming model, we provide our farmers with a purchasing guarantee and secure their commercial activities. We support them with the incentives we provide in the field of sustainable agricultural practices, the purchasing assurance we provide with the contract farming model, and the technical assistance and training we provide for their development. In 2024, we worked with 387 farmers and provided contract farming opportunities to 88% of them. We managed to increase our contract farmer ratio by 9% compared to the previous year. In 2024, we provided 588 hours of training to 98 farmers.

### Contribution to Society

We carry out all our activities with the aim of creating social benefit and carry out projects and investments in this direction. By bringing quality, accessible products from farm to table to our consumers, we contribute to local employment and support social transformation. Supporting and empowering women is one of our most important focus areas in this area.







## FOR EQUAL OPPORTUNITY IN AGRICULTURE

### "WOMEN STARS OF AGRICULTURE"

In Türkiye, there are nearly 2 million women in the agricultural sector, and 78% of these women work without pay on their family's farms. As Kereviş, we are one of Türkiye's largest agricultural raw material suppliers, purchasing approximately 150,000 tons of agricultural raw materials annually. With the awareness of our potential to create impact in the agricultural field, we aimed to increase the presence of women farmers in the sector and empower them economically. With the support of the Yıldız Holding Women's Platform, the United Nations, and the Ministry of Agriculture and Forestry, we have been implementing the "Women Stars of Agriculture" project since 2022.

#### WE STAND BY OUR WOMEN FARMERS...

- ✓ Training
- ✓ Product Purchase Guarantee
- ✓ Financial Support
- ✓ 24/7 Agricultural Engineering Support
- ✓ Seed, Fertilizer, and Pesticide Support

#### WHAT HAVE WE ACHIEVED?

- ✓ We exceeded our **3-year targets** in just **1 year!**
- ✓ At the end of 2 years, the percentage of supported women farmers increased by **4.5 times.**
- ✓ **16 Awards** in Türkiye and Globally



### 3 Inspiring the Future



#### R&D and Innovation

We are proud to have the first R&D centers registered by the Ministry of Science, Industry and Technology of the Republic of Türkiye in the frozen food, vegetable oil and margarine sectors, where we have signed many firsts in the field of innovation. We owe our understanding of innovation, which we reflect on our products and production processes, to our strong R&D team, innovation centers, superior production technology and collaborations with expert chefs.

#### New Flavors with Nutritious and Healthy Products

As the company that introduced fresh frozen food to Türkiye, we maintain our leadership in the sector by offering quality, accessible and innovative products in the frozen food, canned vegetables-tuna and oil categories. We offer our products to our customers in both retail and out-of-home consumption channels with 57 different brands, 28 different product categories and 1,457 different products. In 2024, we launched a total of 52 new products on the market, 28 of which are in the frozen food and canned food group.

#### Food Safety and Quality

As a food manufacturer, food safety and quality are among our top priorities. We handle all stages of our products from raw material selection to reaching the end consumer without compromising on quality and food safety. We produce all of our products in facilities with international food safety and quality management systems, taking into account the health and safety of the consumer.

We are progressing by improving our understanding of quality and food safety every year. Within the scope of our oil business unit, we hold daily meetings regarding quality deviations throughout the year, conduct instant reviews regarding customer notifications and hold evaluation meetings twice a month with the participation of senior management.

Within the scope of the Quality and Food Safety trainings we organized, we provided a total of 8,786 hours of training to our employees this year.



# **CORPORATE GOVERNANCE**



# CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT FOR 2024

## 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 2024 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 was released for 2023. Sustainability reports are made available to shareholders and stakeholders on the Kerevitaş investor relations website.

In 2024, 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/en/sirket-bilgileri/ozet/4028e4a1416e696301416ec5743e289d>

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 Department” as a result of the joint work carried out with the relevant units.

Investor Relations Department 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 Department 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, Yıldız Holding analyst meeting was attended in November 2024, and investor meetings were also held according to the demands. For the first time in Kerevitaş’s history, an analyst meeting was held at our Çamlıca Campus in December 2024. The Company’s corporate website (<https://www.kerevitas.com.tr/en>) 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 Department 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 Department 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 Management Manager  
Tel: 0216 524 23 95

Ufuk KASAR – CFO  
Tel: 0850 209 18 31  
E-mail address: [yatirimci@kerevitas.com.tr](mailto: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 2024.

### 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.

### Extraordinary General Assembly Meeting with the Agenda of Board Member Election

The Extraordinary General Assembly meeting of Kerevitaş Gıda Sanayi ve Ticaret A.Ş. was held on April 26, 2024, at 11 am at the address Kısıklı Mahallesi Ferah Caddesi No: 1 Büyük Çamlıca Üsküdar-İSTANBUL under the supervision of the Ministry Representative Ms. Nuran DEVRİM, who was assigned with Istanbul Provincial Trade Directorate's letter no. 96159196 dated April 25, 2024.

The invitation to the meeting was made in due time, as stipulated in the Law and Articles of Association and including the agenda, by being announced in the Turkish Trade Registry Gazette dated March 15, 2024 and numbered 11044, and on the Company's official website <https://www.kerevitas.com.tr/en> and on the Public Disclosure Platform, as well as by notifying the meeting day and agenda.

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

The resolutions adopted at the Extraordinary General Assembly Meeting of our Company held on April 26, 2024, were registered by the Istanbul Trade Registry Office on May 16, 2024, and announced in the Turkish Trade Registry Gazette No. 11083.

### Ordinary General Assembly Meeting For The Year 2023

The Ordinary General Assembly meeting for the year 2023 was held on July 25, 2024, at 11 am at the address Kısıklı Mahallesi Ferah Caddesi No: 1 Büyük Çamlıca Üsküdar-İSTANBUL under the supervision of the Ministry Representative Mr. Yılmaz AKBAŞ, who was assigned with Istanbul Provincial Trade Directorate's letter no. 99046305 dated July 23, 2024. 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. 11112 dated July 1, 2024, and at the Company's corporate website <https://www.kerevitas.com.tr/en> and on the Public Disclosure Platform 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 (<https://www.kap.org.tr/en/>) and <https://www.kerevitas.com.tr/en> website.

The resolutions adopted at the Ordinary General Assembly Meeting of our Company held on July 25, 2024, were registered by the Istanbul Trade Registry Office on July 31, 2024, and announced in the Turkish Trade Registry Gazette No.11133.

### 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 2024, 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 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 Türkiye, 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 <https://www.kerevitas.com.tr/en> Furthermore, the company's investor relations website is available in Turkish and English at <https://www.kerevitas.com.tr/en/investor-relations/investor-relations>. 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' Duties and Working Principles, Policies, Articles of Association, Share Issuance Documents, Ethical Principles, Sustainability Committee Duties and Working Principles)
- Financial Statements and Footnotes
- Annual and Interim Reports
- Investor Presentations
- Sustainability Reports
- Material Events Disclosures
- General Assembly Details
- Company's Shareholding Composition
- Trade Registry Information and Company Profile

### 3.2 Annual Report

Company's annual and interim reports are 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-171 "Corporate Governance Communiqué" 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. The human resources policies adopted by our company are available at <https://www.kerevitas.com.tr/en/human-resources/human-resources-policy>

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.



In addition, Kerevitaş Diversity and Inclusion Policy was published in 2024, and the relevant policy is available at <https://www.kerevitas.com.tr/documents/kerevitas-diversity-and-inclusion-policy-en.pdf>

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	26.04.2024 – 26.04.2027
Ali Ülker	Vice Chairman	26.04.2024 – 26.04.2027
Şükrü Çin	Board Member	26.04.2024 – 26.04.2027
Fahrettin Günalp Ertik	Board Member	26.04.2024 – 26.04.2027
Füsun Kuran	Independent Board Member	26.04.2024 – 26.04.2027
Esra Kıvrak	Independent Board Member	26.04.2024 – 26.04.2027

## 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, Kereviş 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 40 Board decisions throughout the year. The participation rate was 97% 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 2024, 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 2024, 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 2024, 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. Among our board of directors and committee members, there is no member who owns more than 5% of the company capital.

#### 5.3.1 Audit Committee

Audit Committee is responsible for assisting the Board of Directors in their oversight of the quality and accuracy of the Company's financial statements and related disclosures, the implementation and effectiveness of the Company's accounting system, the qualifications and independence of independent auditors, the selection of the independent audit firm, the approval and review of the contract between the independent auditor and the Company, the operation and effectiveness of the Company's independent audit system, and the implementation and effectiveness of the Company's internal audit. The Audit Committee consists of at least two members elected by the Board of Directors from among the independent Board members.

The Audit Committee meets four times a year, at least once every three months. All members of the Audit Committee were elected among independent board members. This committee was formed by two members, Füsün KURAN was appointed as the Chair and Esra KIVRAK was appointed as the member. The Audit Committee, which was established within the Company in order to monitor the operation of the accounting and reporting systems within the framework of the relevant laws and regulations, the public disclosure of financial information, the operation and effectiveness of the independent audit and internal control system, held 4 meetings in 2024 and the participation rate in these meetings was 100%.

#### 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 compliance of the Company, to carry out improvement activities in this regard and to present suggestions to the Board of Directors. The duties of the Nomination Committee and the Remuneration Committee are also carried out by the Corporate Governance Committee. Independent board member Esra KIVRAK was appointed as the Chair of the Corporate Governance Committee, and independent board member Füsün KURAN and Investor Relations and Risk Management Manager Metin DOĞANAY were appointed as members. The committee meets as often as required by the task assigned to it, and held four meetings in 2024, and the participation rate in these meetings was 100%.

The Corporate Governance Committee also has the right to hire a consultant to assist in fulfilling its duty in determining the remuneration of senior management and board members. The Committee also aims to increase the diversity of the Board of Directors in other areas such as geography, age, race, gender and ethnicity.

In 2024, 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.

### 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 Esra KIVRAK was appointed as the Chair of the Corporate Governance Committee, and independent

board member Füsün KURAN 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. The Early Detection of Risk Committee met six times in 2024 and the participation rate in these meetings was 100%. Reports containing the committee's opinions and comments were presented to the Board of Directors.

## 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 Yıldız 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 July 20, 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. At the Extraordinary General Assembly dated April 26, 2024, it was decided to pay a net monthly fee of 34,000 TL to the Independent Board members separately, and not to pay any fees to the other members of the Board of Directors. 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.

## DECLARATION OF COMPLIANCE TO SUSTAINABILITY PRINCIPLES

With the Communiqué on Amendment (II-171.a) of the Communiqué on Corporate Governance (II-171) published in the Official Gazette dated October 2, 2020; partners subject to Corporate Governance Principles shall include the title of "Sustainability Principles Compliance Framework" in their reporting for the compliance to Corporate Governance Principles; and also provide information whether or not Sustainability Principles are implemented, and, if not, a reasoned explanation, as well as an explanation regarding the impacts on environmental and social risk management due to not fully complying these principles in their annual reports.

Kerevitaş complies with the principles published as part of the "Sustainability Principles Compliance Framework" of CMB through environmental, social and governance (ESG) policies that the Company has been sharing on its website as well as the Sustainability Reports disclosed to the public since 2017. Every year, the Company sustains and improves its activities in ESG. The details regarding the criteria mentioned in the principles and the performance data will be accessible in 2024 Sustainability Report to be published in July. Works are ongoing to share the related data in annual reports in the upcoming periods.

The goal is to achieve full compliance to the non-obligatory "Sustainability Framework Principles" and the criteria that are not

included within the principles are explained below. 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.

### Environmental Principles

There is no carbon pricing system and carbon credit. Renewable energy is not used; however, increasing the investments in this field is considered.

OKR Performance Management system is used in our company and ESG-related criteria are among the performance indicators of managers, it is aimed to share more detailed information on this subject.

### Social Principles

Developments on human rights are not disclosed in detail; however, the issue will be improved in the upcoming periods.

Kerevitaş Sustainability Reports are published on the website: <https://www.kerevitas.com.tr/en/investor-relations/sustainability>

# RISK MANAGEMENT POLICIES

In line with the corporate risk management framework, risks, which are identified and managed from an integrated perspective by taking into account their interactions with each other and root causes, are monitored under four main groups:

**Strategic Risks:** The risks that may arise as a result of failing to meet the expectations and needs of stakeholders within the framework of future-oriented expectations to the extent that may prevent the Company from achieving its objectives, or failing to adequately adapt to changes following significant regulations at both global and local levels. Risks that may arise as a result of changes in product demand, market regulations that may affect competition and market share, consumer/ stakeholder trends and expectations, and factors that may affect the business model are assessed under this heading. The product diversity is ensured by monitoring changes in consumer habits and expectations through periodically renewed stakeholder analyses and consumer surveys conducted in different areas, as well as with innovative products that focus on balanced nutrition and wellbeing trends. R&D activities are carried out within the framework of trainings, studies, and collaborations with various universities and research institutes to enhance the development of innovation culture within the organization. Significant/restrictive regulations regarding our geography of operation or the sector in which we operate are closely monitored, the possible effects of such changes on our Company are analyzed, and action plans are implemented proactively, thus managing our strategic risks more effectively.

**Financial Risks:** Liquidity risks that may arise from fluctuations in important indicators such as exchange rates, inflation, commodity prices, interest, etc. in financial markets, and risks that may arise from partial or total failure to fulfill financial obligations to our Company as a result of deterioration in the financial situation of third parties, etc. The exchange risk, liquidity risk, and interest rate risk are the primary financial risks of the Company. The relevant finance teams within the Company closely monitor a wide range of macro- and micro-level financial data and indicators and take the necessary measures to ensure that these financial risks remain within the limits of the Company's risk appetite.

## Detailed explanations regarding financial risks are as follows:

**Exchange Rate Risk:** The Company is exposed to foreign exchange risk due to the changes in the exchange rates used in the conversion of foreign currency denominated assets and liabilities into Turkish Lira. Foreign currency risk arises from the difference between future commercial transactions, recognized assets and liabilities and the Company controls this risk with a natural hedge method by netting off foreign currency assets and liabilities. In addition to the natural hedging method, various financial derivative instruments are used when necessary to manage exchange rate risk more effectively.

**Liquidity Risk:** Within the framework of effective liquidity management, it is aimed to increase and maintain the sustainability of funding resources in sufficient quantity and quality in order to meet cash needs. Liquidity risk is managed by monitoring cash inflows and outflows, observing the compatibility of their maturities, managing inventories effectively, and maintaining an adequate level of cash and financial instruments convertible into cash.

**Interest Rate Risk:** The Company's borrowings at fixed and floating interest rates expose it to interest rate risk. The risk in question is managed by making an appropriate apportionment between fixed- and floating-rate borrows through interest rate swap agreements. Hedging strategies are regularly evaluated to ensure alignment with interest rate expectations and risk appetite. Thus, it is aimed to create an optimal hedging strategy, review the balance sheet position, and keep interest expenses at a controllable level in line with the Company's risk appetite at different interest rates.

**Operational Risks:** Risks that may arise from failure to carry out processes effectively or failed business processes arising from failure to design processes adequately efficient, infrastructural or technological problems, human errors, etc. Inefficiencies and/or disruptions that may arise in processes such as information security, technological infrastructure, business continuity, quality, human resources, procurement/logistics, purchasing, etc. are primary operational risks. Various preventive controls are included in business processes in order to protect information security systems from damage, protect from cyber-attacks, prevent data leakage by ensuring data integrity and security, and thus ensure business continuity. Internal and external audits and penetration tests are carried out periodically for information security. All employees are provided with mandatory information security trainings in order to raise awareness on the subject. Periodic internal and external audits are conducted at our production facilities to monitor compliance with international quality and food safety standards, while periodic risk analysis studies are conducted for our suppliers to assess their environmental, social, and ethical performance. A talent management process has been launched to identify and develop the competencies of employees, and within this framework, actions are taken for the individual development of employees, and their career plans are made. Online trainings, specialization programs, management trainings, and personal and professional development programs are offered to our employees in order to promote a culture of lifelong learning. Thus, it is aimed at managing our outstanding operational risks more effectively through the aforementioned practices.

**Compliance Risks:** These are the risks that the Company may be exposed to as a result of difficulties that may be encountered in complying with internal legislation, procedures, and principles, especially ethics and external legislation requirements that the Company is subject to, based on the region and sector in which it operates. In order to prevent potential compliance risks and manage them more effectively, we closely monitor all applicable national and international legislation, especially those related to competition, personal data protection, tax, and human rights. We have policies and an ethics hotline established to ensure that ethical principles, which are among our most fundamental values, are adopted in our entire business conduct and value chain, and we aim to manage compliance risks more effectively by providing regular trainings to our employees in order to raise awareness regarding these ethical principles. All employees are provided with corporate risk management trainings throughout the Company in order to raise consciousness on risk awareness and risk culture and to carry out corporate risk management activities more effectively.



The main risk projections that may pose an obstacle to the realization of our company strategies are periodically evaluated and the possible financial effects of these projections are monitored within the framework of scenario analyses, taking into account the variables determined. In line with these projections, the risks included in the risk inventory are periodically evaluated in terms of their impact and probability, and changes in these risks and the reasons for these changes are periodically reported to the Senior Management and the Early Detection of Risk Committee. As a result of the assessments, if there are outstanding risks that are not included in the risk inventory, they are included in the risk inventory and the inventory is updated.

The risks prioritized as a result of periodic risk assessments are analyzed in detail with the risk management software within the framework of root cause analyses and accordingly, action plans are created to reduce the impacts and/or probabilities of these risks.

The Corporate Risk Management approach, which focuses on increasing risk culture and awareness throughout the Company, aims to manage risks;

- Related to uncertainties and potential events that may adversely affect the Company's strategies, in accordance with the Company's risk appetite and strategies,
- In a proactive and systematic way, based on projected developments and data,
- Within the framework of an integrated perspective, by taking into account the interactions of all risks with each other and their root causes.

In today's ecosystem, where economic and geopolitical developments are taking place at a dizzying pace, keeping pace with the changes in question and proactively monitoring and effectively managing the new risks that develop with these changes have become the critical

success factors in achieving the Company's strategies. Especially in recent years, hot conflicts between states and exacerbated political tensions between various regional, economic, and political unions have increased geopolitical risks at the global level. These risks, which started with geopolitical tensions, had significant geo-economic consequences that led to a global increase in energy and commodity prices, particularly in inflation. Kerevitaş effectively manages geo-economic risks, particularly exchange rate, liquidity, and interest rate risks, which have been triggered by geopolitical developments and have recently gained more importance, within the framework of the holistic risk management approach described under the heading of financial risks, and continues to implement the necessary action plans and risk mitigation strategies. On the other hand, especially in the recent period, climate change and the climate crisis have started to be considered as a risk factor that directly affects the food sector as well as all other sectors, increasing its importance in terms of the sustainability of our activities. Kerevitaş, which focuses on a waste-free company model, implements the necessary strategies, policies, and targets to effectively manage sustainability risks that may arise from environmental, social, governance, and economic factors in order to be a leader in sustainability and create long-term value. In this respect, we continue our sustainability efforts, which we accelerated in 2017 and continue to carry out successfully, with efforts to prevent potential risks by evaluating sectoral and global trends and regulations, innovative approaches in this field, and the potential impact of these developments on our business processes within the framework of various scenarios. The potential impacts of climate-related physical risks and transition risks on our Company's operations are identified and detailed risk analyses (water stress, etc.) are carried out in order to effectively manage these risks. Thus, we prioritize our efforts to prevent/mitigate potential risks and seize relevant opportunities by including them in our strategic decision-making processes in order to build a more agile and resilient management system.

## OTHER ISSUES REGARDING COMPANY OPERATIONS

- In 2024, the Company did not have any private audit whereas public audit was carried out by the Competition Authority and the Turkish Tax Inspection Board. Currently, no reports have been received by the Company regarding audit results.
- In 2024, no administrative or judicial penalty for any breach of Legislation provisions was given to our Company or the Members of the Board of Directors of our Company.
- The Company achieved the goals set for 2024 to a great extent.
- In 2024, there were no legal proceedings launched in the interest of the Company or measures taken or refrained to be taken in the interest of an affiliated company.
- There is no measure taken or refrained to be taken to the detriment of the Company in 2024.
- There is no lawsuit filed against the Company which may affect its financial situation and activities in 2024.
- There were no conflicts of interest between the Company and other institutions of investment advisory and rating agency, and no measures taken by the Company in order to prevent conflicts of interest.
- There are no legislative changes that could significantly affect the Company's activities.
- It has been evaluated whether the company's capital has become unreciprocated within the scope of Article 376 of the Turkish Commercial Code, and it has been concluded that the issued capital of Kerevitaş, which is 662,000,000 TL, is maintained with the equity attributable to the parent company, which is 11,810,085,736 TL as of December 31, 2024, and that the company's debt structure, with a Net Financial Debt/Equity Ratio of -10%, is conducive to the

continuation of operations in a healthy manner.

- The duties of the Board Members and Executives outside the Company are available on the PDP website under “Company Management”

<https://www.kap.org.tr/en/sirket-bilgileri/genel/1002-kerevitas-gida-sanayi-ve-ticaret-a-s>

- No changes occurred in participation rates to the financial fixed assets, in which Kerevitaş directly participates, that reached or fell below the limits set out in the Turkish Commercial Code in 2024.
- According to the Communiqué on Material Transactions and Exit Right, a shareholder who owns a stake in the company, attends the general assembly meeting and casts a negative vote on an agenda item associated with the material transaction and have this opposition annotated in the minutes is entitled to sell his/her shares to, and exit, the company. The Company achieves alignment with the applicable requirements and the price for the exercise of exit right is determined in accordance with the CMB Law and applicable regulations. During the reporting period, no transactions were carried out which gave rise to exit right.

#### 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. 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.
- No changes were made to the articles of association during the period. However, in accordance with the Resolution of our Company’s Board of Directors dated December 27, 2024; in line with our Company’s expanding product portfolio and synergistic focus areas, it was decided to change the company’s title as “Besler Gıda ve Kimya Sanayi ve Ticaret Anonim Şirketi” in order to create a corporate identity that is more compatible with our long-term goals in the food sector. Accordingly, in order to be submitted to the approval of the shareholders at the first general assembly meeting, the 3rd Article of our Company’s articles of association, titled “Title of the Company”, will be amended and within this scope, it will

be submitted to the Capital Markets Board and subsequently to the Ministry of Commerce of the Republic of Turkey to obtain the appropriate opinions and permissions. It has been decided to apply to and authorize the Management to carry out all kinds of work and transactions necessary for the implementation of this resolution.

#### MATERIAL EVENTS AFTER PERIOD

- Our application for the amendment planned for Article 3 of our Company’s Articles of Association, which is the subject of our material event disclosure dated December 30, 2024, was approved by Capital Markets Board’s letter dated January 27, 2025 and numbered E-29833736-110.03.03-66880.

Immediately afterwards, our application to the Ministry of Commerce General Directorate of Domestic Trade, requesting a favorable opinion on the amendment of the articles of association, was approved by the letter of the Ministry of Commerce dated February 10, 2025 and numbered E-50035491-431.02-00106063234.

The draft amendment to the Articles of Association will be submitted to the approval of our shareholders at the 2024 Ordinary General Assembly meeting.

- 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, 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 “Stable” outlook.

# INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT

## CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT ON THE BOARD OF DIRECTORS' ANNUAL REPORT ORIGINALLY ISSUED IN TURKISH

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

### 1. Opinion

We have audited the annual report of Kerevitaş Gıda Sanayi ve Ticaret A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") for the 1 January - 31 December 2024 period.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Group's position in the Board of Directors' Annual Report are consistent and presented fairly, in all material respects, with the audited full set consolidated financial statements and with the information obtained in the course of independent audit.

### 2. Basis for Opinion

Our independent audit was conducted in accordance with the Independent Standards on Auditing that are part of the Turkish Standards on Auditing (the "TSA") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities in the Audit of the Board of Directors' Annual Report section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

### 3. Our Audit Opinion on the Full Set Consolidated Financial Statements

We expressed an unqualified opinion in the auditor's report dated 7 March 2025 on the full set consolidated financial statements for the 1 January - 31 December 2024 period.

### 4. Board of Director's Responsibility for the Annual Report

Group management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102 and Capital Markets Board's ("CMB") Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué") are as follows:

a) to prepare the annual report within the first three months following the balance sheet date and present it to the general assembly;

b) to prepare the annual report to reflect the Group's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Group may encounter are clearly indicated. The assessments of the Board of Directors in regards to these matters are also included in the report.

c) to include the matters below in the annual report:

– events of particular importance that occurred in the Company after the operating year,

– the Group's research and development activities,

– financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.

### 5. Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC and Communiqué provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited consolidated financial statements of the Group and with the information we obtained in the course of independent audit.

Our audit was conducted in accordance with the TSAs. These standards require that ethical requirements are complied with and that the independent audit is planned and performed in a way to obtain reasonable assurance of whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited consolidated financial statements and with the information obtained in the course of audit.

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

**Mert Tüten, SMMM  
Independent Auditor**

**Istanbul, 7 March 2025**



# FINANCIAL STATEMENTS



# KEREVİTAS

Kısıklı Mahallesi, Ferah Caddesi, No: 1/A  
34692, Üsküdar/İstanbul  
Tel: (0850) 209 16 16  
Faks: (0212) 626 01 29  
[www.kerevitas.com.tr](http://www.kerevitas.com.tr)

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

**CONSOLIDATED FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED  
31 DECEMBER 2024  
TOGETHER WITH INDEPENDENT AUDITORS' REPORT**

**(CONVENIENCE TRANSLATION INTO ENGLISH OF THE  
INDEPENDENT AUDITORS' REPORT AND THE CONSOLIDATED  
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)**





**CONVENIENCE TRANSLATION INTO ENGLISH OF  
INDEPENDENT AUDITOR’S REPORT  
ORIGINALLY ISSUED IN TURKISH**

**INDEPENDENT AUDITOR’S REPORT**

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

**A. Audit of the consolidated financial statements**

**1. Our opinion**

We have audited the accompanying consolidated financial statements of Kerevitaş Gıda Sanayi ve Ticaret A.Ş. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements comprising a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards (“TFRS”).

**2. Basis for opinion**

Our audit was conducted in accordance with the Standards on Independent Auditing (the “SIA”) that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the “POA”). Our responsibilities under these standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the “Ethical Rules”) and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

**3. Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How the key audit matter was addressed in the audit
<p><b>Fair value of building, land and investment properties</b></p> <p>As disclosed in the Notes 2.5, 10 and 11, the Group accounted its building, land and investment properties at their fair value as of 31 December 2024. The fair value of building, land and investment properties in consolidated financial statements is TRY 8,664,765,875 as of 31 December 2024, and TRY 2,969,414,572 was recognised under equity as a fixed assets revaluation surplus. Building, land and investment properties were valued at the fair value reflecting market conditions as of 31 December 2024 based on revaluation reports performed by independent licenced valuers. Fair values were determined based on a method comparing the existing price of comparable real estate which was leased out or sold and located near the real estate in question. Reasons why we focused on this topic are, significance of fair values in the consolidated financial statements and; their values were determined via estimations.</p>	<p>The technical competency and independence of the valuation companies that conducted the work was assessed by checking the relevant licenses, agreements and statements.</p> <p>The valuation works prepared were obtained, and audit works listed below was performed.</p> <p>The accuracy of the valuation method was checked against the usage purpose of relevant land, building and investment properties.</p> <p>Various values used in average comparable value calculations of lands, buildings and and investment properties by the valuation company were selected using the sampling method and compared with market values. Sensitivity of the estimations on the total value were assessed.</p> <p>Fair values in the valuation report were compared with the notes to assess if the values in notes and accounting records are consistent with the valuation report and the disclosure notes are sufficient in terms of TFRS.</p>

<b>Key Audit Matters</b>	<b>How the key audit matter was addressed in the audit</b>
<b>Recoverability of trade receivables from third parties</b>	
<p>Trade receivables from third parties amounting to TRY 1,636,349,071 as of 31 December 2024 constitute a significant portion of the assets. Furthermore, the assessment of the recoverability of these assets involves significant level of management estimates. Such estimation includes considering the following for each customer - the amount of guarantees/collateral held, past collection performance, creditworthiness and aging of receivables. Therefore, recoverability of trade receivables is a key matter for our audit.</p> <p>Please refer to notes 2.5 and 6 to the consolidated financial statements for the Group's disclosures on trade receivables from third parties, including the related accounting policy.</p>	<p>Understanding the business process for collections from customers,</p> <p>Inquiries with management in relation to any disputes with customers and written inquiries with the Group's legal counsels on outstanding litigation in relation to trade receivables,</p> <p>Testing receivables from third parties, on a sample basis, by obtaining confirmation letters.</p> <p>Testing collections, on a sample basis, in the subsequent period.</p> <p>Assessing the adequacy of disclosures around recoverability of trade receivables from third parties in the consolidated financial statements.</p>

#### **4. Responsibilities of management and those charged with governance for the consolidated financial statements**

The Group management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.





## **5. Auditor's responsibilities for the audit of the consolidated financial statements**

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an independent audit conducted in accordance with SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **B. Other responsibilities arising from regulatory requirements**

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2024 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor's report on the early risk identification system and committee was submitted to the Company's Board of Directors on 7 March 2025.

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

Mert Tüten, SMMM  
Independent Auditor

Istanbul, 7 March 2025

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

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<b>CONTENTS</b>	<b>PAGE</b>
<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....</b>	<b>1-3</b>
<b>CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME .....</b>	<b>4</b>
<b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY .....</b>	<b>5</b>
<b>CONSOLIDATED STATEMENT OF CASH FLOWS .....</b>	<b>6-7</b>
<b>NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.....</b>	<b>8-68</b>
NOTE 1 GROUP'S ORGANIZATION AND NATURE OF OPERATIONS .....	8-9
NOTE 2 BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS .....	9-31
NOTE 3 SEGMENT REPORTING .....	32
NOTE 4 RELATED PARTY DISCLOSURES .....	33-36
NOTE 5 TRADE RECEIVABLES AND PAYABLES.....	37
NOTE 6 OTHER RECEIVABLES AND PAYABLES.....	38
NOTE 7 INVENTORIES.....	39
NOTE 8 PREPAID EXPENSES AND DEFERRED REVENUE .....	39
NOTE 9 INVESTMENT PROPERTIES .....	40
NOTE 10 PROPERTY, PLANT AND EQUIPMENT .....	41-43
NOTE 11 RIGHT OF USE ASSETS .....	44
NOTE 12 INTANGIBLE ASSETS.....	44-45
NOTE 13 GOVERNMENT GRANTS AND INCENTIVES .....	46
NOTE 14 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES .....	46-47
NOTE 15 COMMITMENTS AND CONTINGENCIES.....	48
NOTE 16 PAYABLES RELATED TO EMPLOYEE BENEFITS .....	49-50
NOTE 17 OTHER ASSETS AND LIABILITIES .....	50
NOTE 18 CAPITAL, RESERVES AND OTHER EQUITY ITEMS .....	51
NOTE 19 REVENUE AND COST OF SALES .....	52
NOTE 20 GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES.....	52-53
NOTE 21 OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES .....	54
NOTE 22 INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES.....	54
NOTE 23 FINANCIAL INCOME AND EXPENSES.....	55
NOTE 24 MONETARY GAIN LOSS.....	55
NOTE 25 INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) .....	56-58
NOTE 26 EARNING PER SHARE.....	59
NOTE 27 BORROWINGS .....	59-60
NOTE 28 NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS.....	60-68
NOTE 29 CASH AND CASH EQUIVALENTS.....	68
NOTE 30 SUBSEQUENT EVENTS .....	68



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

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

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

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

		<b>Audited Current Period 31 December 2024</b>	<b>Audited Prior Period 31 December 2023</b>
	<b>Notes</b>		
<b>ASSETS</b>			
<b>Current Assets</b>		<b>16,347,523,572</b>	<b>12,762,488,802</b>
Cash and cash equivalents	29	2,108,994,836	64,100,708
Trade receivables	5	3,542,533,574	3,843,138,101
- <i>Trade receivables from related parties</i>	4,5	1,906,184,503	2,071,141,457
- <i>Trade receivables from third parties</i>	5	1,636,349,071	1,771,996,644
Other receivables	6	6,297,566,534	2,778,135,802
- <i>Other receivables from related parties</i>	4,6	6,092,683,811	2,580,657,548
- <i>Other receivables from third parties</i>	6	204,882,723	197,478,254
Inventories	7	3,592,855,827	4,848,965,553
Prepaid expenses	8	384,937,750	672,452,701
Current income tax assets		175,968,185	232,662,088
Other current assets	17	244,666,866	323,033,849
<b>Non-Current Assets</b>		<b>11,453,459,179</b>	<b>10,516,870,648</b>
Other receivables	6	2,448,615	5,590,153
- <i>Other receivables from third parties</i>	6	2,448,615	5,590,153
Investment properties	9	2,685,026,012	1,916,994,393
Property, plant and equipment	10	8,061,858,312	7,805,942,885
Right of use assets	11	47,065,564	50,601,473
Intangible assets	12	295,842,920	335,864,354
Prepaid expenses	8	19,387,149	31,778,264
Deferred tax assets	25	341,830,607	370,099,126
<b>TOTAL ASSETS</b>		<b>27,800,982,751</b>	<b>23,279,359,450</b>

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

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

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

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

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

		<b>Audited</b>	<b>Audited</b>
		<b>Current Period</b>	<b>Prior Period</b>
		<b>31 December</b>	<b>31 December</b>
	<b>Notes</b>	<b>2024</b>	<b>2023</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>		<b>11,801,857,056</b>	<b>9,970,064,559</b>
Short-term borrowings	27	3,926,928,114	3,029,874,296
- Bank loans	27	3,846,054,538	2,956,155,645
- Lease liabilities	27	80,873,576	73,718,651
Current portion of long-term financial liabilities	27	110,407,200	248,319,418
Trade payables	5	5,010,378,535	5,732,199,887
- Trade payables to related parties	4,5	60,676,089	52,090,857
- Trade payables to third parties	5	4,949,702,446	5,680,109,030
Other payables	6	1,494,748,364	144,714,050
- Other payables to related parties	4,6	1,494,746,539	144,544,040
- Other payables to third parties	6	1,825	170,010
Payables related to employee benefits	16	152,725,838	120,207,725
Deferred income	8	119,508,717	129,476,910
Current income tax liabilities	25	683,101,577	181,826,275
Short-term provisions		206,046,640	218,322,602
- Short-term provisions for employee benefits	16	199,466,403	163,986,786
- Other short-term provisions	14	6,580,237	54,335,816
Other current liabilities	17	98,012,071	165,123,396
<b>Non-Current Liabilities</b>		<b>3,533,306,545</b>	<b>2,789,073,007</b>
Long-term borrowings	27	1,004,789,488	681,813,881
- Bank loans	27	844,633,734	465,543,989
- Lease liabilities	27	160,155,754	216,269,892
Other payables	6	508,847,753	827,058,872
- Other payables to related parties	4,6	508,847,753	827,058,872
Long-term provisions		348,794,597	322,751,897
- Long-term provisions for employee benefits	16	348,794,597	322,751,897
Deferred income	8	11,173,532	13,805,550
Deferred tax liabilities	25	1,659,564,465	943,642,807
Other long term liabilities		136,710	-
<b>Total Liabilities</b>		<b>15,335,163,601</b>	<b>12,759,137,566</b>

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

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

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

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

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

		<b>Audited Current Period 31 December 2024</b>	<b>Audited Prior Period 31 December 2023</b>
	<b>Notes</b>		
<b>EQUITY</b>			
Paid in capital	18	662,000,000	662,000,000
Share capital adjustment differences		4,600,552,013	4,600,552,013
Other comprehensive income or expenses are not reclassified to profit or loss		2,786,567,247	2,322,608,336
- <i>Gains on revaluation of plant, property and equipment</i>		2,969,414,572	2,479,329,421
- <i>Losses on remeasurement of defined benefit plans</i>		(182,847,325)	(156,721,085)
Other comprehensive income or expenses to be reclassified to profit or loss		517,129,670	690,310,526
- <i>Currency translation differences</i>		517,129,670	690,310,526
Share premium		645,005,859	645,005,859
Restricted reserves	18	577,657,637	577,657,637
Effect of business combinations under common control		(1,366,136,622)	(1,366,136,622)
Retained earnings / (losses)		1,876,086,223	1,033,173,390
Net profit / (loss) for the year		1,511,223,709	842,912,833
Equity holders of the parent		11,810,085,736	10,008,083,972
Non-controlling interests		655,733,414	512,137,912
<b>Total Equity</b>		<b>12,465,819,150</b>	<b>10,520,221,884</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>27,800,982,751</b>	<b>23,279,359,450</b>

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



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

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

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

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

		<b>Audited Current Period 1 January - 31 December 2024</b>	<b>Audited Prior Period 1 January - 31 December 2023</b>
	<b>Notes</b>		
Revenue	19	25,001,705,086	27,298,496,089
Cost of sales (-)	19	(19,088,721,481)	(21,764,390,373)
<b>GROSS PROFIT</b>		<b>5,912,983,605</b>	<b>5,534,105,716</b>
General administrative expenses (-)	20	(731,746,800)	(672,271,436)
Marketing expenses (-)	20	(2,495,546,608)	(2,357,724,804)
Research and development expenses (-)	20	(29,768,834)	(29,584,585)
Other income from operating activities	21	186,626,665	286,842,415
Other expenses from operating activities (-)	21	(1,378,140,155)	(1,736,829,226)
<b>OPERATING PROFIT / (LOSS)</b>		<b>1,464,407,873</b>	<b>1,024,538,080</b>
Income from investment activities	22	3,354,147,293	1,517,979,519
Investing activities expenses (-)	22	-	(258,890,842)
<b>OPERATING PROFIT / (LOSS) BEFORE FINANCIAL INCOME / (EXPENSE)</b>		<b>4,818,555,166</b>	<b>2,283,626,757</b>
Financial income	23	85,579,036	15,177,480
Financial expenses (-)	23	(1,935,242,316)	(1,909,693,955)
Net monetary position gains	24	(317,410,606)	106,814,971
<b>PROFIT / (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS</b>		<b>2,651,481,280</b>	<b>495,925,253</b>
Tax income / (expense) from continuing operations		(999,282,090)	134,593,269
- Current tax expense (-)	25	(651,766,727)	(320,928,773)
- Deferred tax income / expense(-)	25	(347,515,363)	455,522,042
<b>PROFIT / (LOSS) FOR THE YEAR</b>		<b>1,652,199,190</b>	<b>630,518,522</b>
<b>Profit for the year attributable to:</b>			
Non-controlling interests		140,975,481	(212,394,311)
<b>Equity holders of the parent</b>		<b>1,511,223,709</b>	<b>842,912,833</b>
Earnings per share (TRY)	26	2.2828	1.2733
<b>OTHER COMPREHENSIVE INCOME:</b>			
<b>Items to not be reclassified subsequently to profit or loss</b>		<b>473,039,118</b>	<b>1,191,065,300</b>
- Gain on revaluation of property, plant and equipment		1,009,614,810	1,545,432,425
- Actuarial loss on defined benefit plans		(39,722,538)	(53,942,888)
- Other comprehensive (loss) / income not to be reclassified to (loss) / profit, tax effect		(496,853,154)	(300,424,237)
<b>Items to be reclassified subsequently to profit or loss</b>		<b>(179,641,042)</b>	<b>(102,019,388)</b>
- Currency translation differences		(179,641,042)	(102,019,388)
<b>Other Comprehensive Income / (Expense)</b>		<b>293,398,076</b>	<b>1,089,045,912</b>
<b>TOTAL COMPREHENSIVE INCOME / (EXPENSE)</b>		<b>1,945,597,266</b>	<b>1,719,564,434</b>
<b>Total comprehensive income / (expense) for the year attributable to:</b>			
Non-controlling interests		143,595,502	(224,451,457)
<b>Equity holders of the parent</b>		<b>1,802,001,764</b>	<b>1,944,015,891</b>

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

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

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

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

	Paid in capital	Share capital adjustment differences	Accumulated other comprehensive income or expenses not to be reclassified to profit or lose		Accumulated other comprehensive income or expenses to be reclassified to profit or lose	Retained earnings								
			Gains / (losses) on revaluation of plant, property, and equipment	Losses on remeasurement of defined benefit plans	Currency translation differences	Share premium	Restricted reserves	Effect of business combinations under common control	Retained earnings	Net profit / (loss) for the year	Equity holders of the parent	Non-controlling interests	Total equity	
Balances as of 1 January 2023	662,000,000	4,600,552,013	1,251,302,639	(119,759,604)	785,118,275	645,005,859	572,812,131	494,225,978	(904,726,432)	1,937,899,822	9,924,430,681	736,589,369	10,661,020,050	
Transfers	-	-	-	-	-	-	-	-	1,937,899,822	(1,937,899,822)	-	-	-	
Effect of business combinations under common control	-	-	-	-	-	-	-	(1,860,362,600)	-	-	(1,860,362,600)	-	(1,860,362,600)	
Total comprehensive income	-	-	1,228,026,782	(36,961,481)	(94,807,749)	-	4,845,506	-	-	842,912,833	1,944,015,891	(224,451,457)	1,719,564,434	
Balances as of 31 December 2023	662,000,000	4,600,552,013	2,479,329,421	(156,721,085)	690,310,526	645,005,859	577,657,637	(1,366,136,622)	1,033,173,390	842,912,833	10,008,083,972	512,137,912	10,520,221,884	
Balances as of 1 January 2024	662,000,000	4,600,552,013	2,479,329,421	(156,721,085)	690,310,526	645,005,859	577,657,637	(1,366,136,622)	1,033,173,390	842,912,833	10,008,083,972	512,137,912	10,520,221,884	
Transfers	-	-	-	-	-	-	-	-	842,912,833	(842,912,833)	-	-	-	
Total comprehensive Income	-	-	490,085,151	(26,126,240)	(173,180,856)	-	-	-	-	1,511,223,709	1,802,001,764	143,595,502	1,945,597,266	
Balances as of 31 December 2024	662,000,000	4,600,552,013	2,969,414,572	(182,847,325)	517,129,670	645,005,859	577,657,637	(1,366,136,622)	1,876,086,223	1,511,223,709	11,810,085,736	655,733,414	12,465,819,150	

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

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

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

**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023**

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

	<b>Notes</b>	<b>Audited Current Period 1 January - 31 December 2024</b>	<b>Audited Prior Period 1 January - 31 December 2023</b>
<b>Cash inflows / (outflows) from operating activities</b>		<b>2,334,579,206</b>	<b>209,994,206</b>
Profit for the year		1,652,199,190	630,518,522
<b>Adjustments to reconcile profit / (loss) for the year</b>		<b>(12,912,655)</b>	<b>(410,841,442)</b>
Adjustments related to depreciation and amortization expenses	12	550,831,794	642,653,704
Adjustments related to provision for/ (reversal) of impairment loss		9,796,549	(7,809,742)
- <i>Adjustments related to impairment loss on receivables</i>	5	<i>11,644,163</i>	<i>(6,875,052)</i>
- <i>Adjustments related to impairment (loss) / gain on inventories, net</i>	7	<i>(1,847,614)</i>	<i>(934,690)</i>
Adjustments related to provisions		282,483,632	241,126,366
- <i>Adjustments related to provisions employee benefit</i>	16	<i>282,187,914</i>	<i>243,229,392</i>
- <i>Adjustments related to lawsuit provisions</i>	14	<i>295,718</i>	<i>(2,335,910)</i>
- <i>Other adjustments related to operations</i>		-	<i>232,884</i>
Adjustments related to interest and commission expenses / (income)		(1,085,017,912)	204,037,388
- <i>Adjustments related to interest and commission expense</i>	23	<i>1,378,356,130</i>	<i>1,219,522,774</i>
- <i>Adjustments related to interest income</i>	22	<i>(2,463,374,042)</i>	<i>(1,015,485,386)</i>
Adjustments related to unrealized currency translation differences	23	471,191,178	469,235,861
Adjustments related to tax (income) / expense	25	999,282,090	(134,593,269)
Adjustments related to (gain)/loss on fair value		(768,031,619)	(458,848,725)
- <i>Adjustments related to fair value gains of investment properties</i>	9	<i>(768,031,619)</i>	<i>(458,848,725)</i>
Adjustments related to gain on disposal of non-current assets	22	(2,508,700)	(6,234,215)
Adjustments for other items caused by cash flows arising from investment or financing activities	22,23	(85,579,036)	243,713,362
Monetary gains / (losses)		(385,360,631)	(1,604,122,172)
<b>Changes in working capital</b>		<b>1,048,326,178</b>	<b>875,699,859</b>
Changes in trade receivables	5	288,960,364	582,295,390
- <i>Changes in trade receivables from non-related parties</i>	5	<i>124,003,410</i>	<i>111,221,616</i>
- <i>Changes in trade receivables from related parties</i>	4,5	<i>164,956,954</i>	<i>471,073,774</i>
Changes in inventories	7	1,257,957,340	(281,755,096)
Changes in other receivables related to operations		318,642,733	389,722,747
Changes in trade payables	5	(721,821,352)	213,607,773
- <i>Changes in trade payables from non-related parties</i>	5	<i>(730,406,584)</i>	<i>194,545,968</i>
- <i>Changes in trade payables from related parties</i>	4,5	<i>8,585,232</i>	<i>19,061,805</i>
Changes in other payables related to operations		(95,412,907)	(28,170,955)
<b>Cash generated / (used) from operations</b>		<b>2,687,612,713</b>	<b>1,095,376,939</b>
Cash outflow from paid in employee benefit provisions	16	(259,235,985)	(312,048,055)
Taxes paid		(93,797,522)	(573,334,678)

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

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

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

**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 2023**

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

		<b>Audited Current Period 1 January - 31 December 2024</b>	<b>Audited Prior Period 1 January - 31 December 2023</b>
	<b>Notes</b>		
<b>Cash inflows / (outflows) from investing activities</b>		<b>2,129,590,503</b>	<b>(1,107,543,413)</b>
Payments for purchase of property, plant and equipment and intangible assets		(453,046,501)	(383,362,688)
- <i>Payments for purchase of property, plant and equipment</i>	10	(352,991,841)	(232,639,401)
- <i>Payments for purchase of intangible assets</i>	12	(100,054,660)	(150,723,287)
Proceeds from sale of property, plant and equipment and intangible assets	10,12,22	63,895,577	84,325,999
Interest income from investment activities	22	2,463,374,042	1,015,485,386
Rental income from investment properties	22	55,367,385	36,370,491
Cash outflows related to acquisitions to obtain control of subsidiaries		-	(1,860,362,601)
<b>Cash inflows / (outflows) from financing activities</b>		<b>(1,988,567,602)</b>	<b>396,683,558</b>
Cash inflows from loans	27	4,505,642,531	4,128,217,955
Cash outflows from repayment of borrowings	27	(2,675,974,852)	(3,183,091,209)
Payments of lease liabilities		(45,423,304)	(102,662,820)
Interest and commission paid	23	(1,378,356,130)	(1,219,522,774)
Net increase / (decrease) in other payables to related parties	6	(2,394,455,847)	773,742,406
<b>Net decrease in cash and cash equivalents before the effect of exchange rate changes</b>		<b>2,475,602,107</b>	<b>(500,865,649)</b>
Effects of exchange rate changes on cash and cash equivalents		(104,176,860)	74,471,085
<b>Net change in cash and cash equivalents</b>		<b>2,371,425,247</b>	<b>(426,394,564)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>29</b>	<b>64,100,708</b>	<b>654,513,393</b>
<b>Inflation effect on cash and cash equivalents</b>		<b>(326,531,119)</b>	<b>(164,018,121)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>29</b>	<b>2,108,994,836</b>	<b>64,100,708</b>

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



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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

#### NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS

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

The Company distributes frozen and canned products that are produced in Bursa and Afyon facilities throughout Türkiye 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 Türkiye and foreign markets.

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

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

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

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

	31 December 2024	31 December 2023
	(%)	(%)
Yıldız Holding A.Ş.	60.53	54.27
Murat Ülker	9.98	9.98
Ufuk Yatırım Yönetim ve Gayrimenkul A.Ş.	-	6.26
Other	29.49	29.49
	<b>100</b>	<b>100</b>

As of 31 December 2024, the number of employees employed by the Group is 2,043 (31 December 2023: 1,932).

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

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

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

(\*) The Group has indirect ownership.

**Approval of the financial statements**

The consolidated financial statements as of and for the period ended 31 December 2024 have been approved by the Board of Directors on March 7, 2025.

**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS**

**2.1 - Basis of Presentation**

**Principles for Preparation of Financial Statements and Significant Accounting Policies**

The accompanying consolidated financial statements are prepared in accordance with Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, consolidated financial statements are prepared in accordance with the Turkish Accounting Standards ("TAS") issued by Public Oversight Accounting and Auditing Standards Authority ("POA"). TAS contains Turkish Accounting Standards, Turkish Financial Reporting Standards ("TFRS") and its addendum and interpretations. In addition, the financial statements have been prepared in accordance with the "Announcement on TFRS Taxonomy" published by POA and the resolution of CMB about the Illustrations of Financial Statements and Application Guidance published on 3 July 2024.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### **2.1 Basis of Presentation (Continued)**

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

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

The Company and Subsidiaries in Türkiye maintain their books of accounts and prepare their statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance and principles issued by CMB. The foreign subsidiaries maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered. The consolidated financial statements have been prepared under historical cost conventions except for land, buildings, derivatives, financial assets and financial liabilities which are carried at fair value. The consolidated financial statements as of December 31, 2023 and 2023 have been presented in accordance with the purchasing power principle as of December 31, 2024.

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

##### **Functional and Presentation Currency**

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

##### **Financial Reporting in Hyperinflationary Economies**

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

**2.1 Basis of Presentation (Continued)**

**Financial Reporting in Hyperinflationary Economies (Continued)**

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

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

Date	Index	Adjustment Coefficient	Three-year cumulative inflation rates
31.12.2024	2,684.55	1.0000	291%
31.12.2023	1,859.38	1.44379	268%
31.12.2022	1,128.45	2.37897	156%

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

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



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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

**2.1 Basis of Presentation (Continued)**

**Basis of Consolidation**

**(a) Subsidiaries**

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

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

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

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

**(c) Loss of subsidiary control**

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

**2.2 New and Amended Turkish Financial Reporting Standards**

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### 2.2 New and Amended Turkish Financial Reporting Standards (Continued)

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

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

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

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

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

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

**Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;** effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### 2.2 New and Amended Turkish Financial Reporting Standards (Continued)

- **Annual improvements to IFRS – Volume 11;** Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash Flows.

**IFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity’s financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

**IFRS 19 Subsidiaries without Public Accountability: Disclosures;** effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19’s reduced disclosure requirements balance the information needs of the users of eligible subsidiaries’ financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

**2.3 Summary of Significant Accounting Policies**

The basic accounting policies applied while preparing the consolidated financial statements are given below. These policies have been applied consistently for the years presented, unless stated otherwise:

A related party is a person or entity that is related to the entity that is preparing its financial statements.

- a) A person or a close member of that person's family is related to a reporting entity if that person:
- (i) has control or joint control over the reporting entity;
  - (ii) has significant influence over the reporting entity; or
  - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

The income from the sale of the goods is recognized as soon as all the following conditions are met.

- b) An entity is related to a reporting entity if any of the following conditions applies:
- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.



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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### 2.3 Summary of Significant Accounting Policies (Continued)

###### Revenue recognition

- Allocation of price to performance obligations
- Recognition of revenue when the performance obligations are fulfilled.

The Group evaluates each contracted obligation separately and respective obligations, committed to deliver the distinct goods or perform services, are determined as separate performance obligations. Group determines at contract inception whether the performance obligation is satisfied over time or at a point in time. When the Group transfers control of a good or service over time, and therefore satisfies a performance obligation over time, then the revenue is recognised over time by measuring the progress towards complete satisfaction of that performance obligation.

When a performance obligation is satisfied by transferring promised goods or services to a customer, the Group recognises the revenue as the amount of the transaction price that is allocated to that performance obligation. The goods or services are transferred when the control of the goods or services is delivered to the customers.

Following indicators are considered while evaluating the transfer of control of the goods and services: a) presence of Group's collection right of the consideration for the goods or services, b) customer's ownership of the legal title on goods or services, c) physical transfer of the goods or services, d) customer's ownership of significant risks and rewards related to the goods or services, e) customer's acceptance of goods or services. If Group expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less, the promised amount of consideration for the effects of a significant financing component is not adjusted. On the other hand, when the contract effectively constitutes a financing component, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of the consideration is recognised on an accrual basis as other operating income.

###### Dividend and interest income:

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### 2.3 Summary of Significant Accounting Policies (Continued)

###### Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale. When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in statement of profit or loss in the period the write-down or loss occurred. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the original write-down. Inventories have been valued with weighted average cost method.

###### Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any revaluation increase arising on the revaluation of such land and buildings is recognized in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognized in profit or loss to the extent that it exceeds the balance, if any, held in the properties' revaluation reserve relating to a previous revaluation of that asset.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation on revalued buildings is charged to profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings. Unless the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is not transferred to retained earnings. Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

**2.3 Summary of Significant Accounting Policies (Continued)**

Depreciation is recognized so as to write off the cost or valuation of assets, other than freehold land and properties under construction, less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Estimated useful life of property, plants and equipment's are shown below:

**Useful Life (Year)**

Buildings	10-50
Land improvements	8-50
Machinery and equipment's	3-25
Furniture and fixtures	3-50
Motor vehicles	4-10
Leasehold improvements	3-5
Other tangible assets	10

**Intangible Assets**

*Intangible assets acquired separately*

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Estimated useful life of intangible assets are between 2 and 15 years.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### 2.3 Summary of Significant Accounting Policies (Continued)

###### Internally generated intangible assets - research and development expenses

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale,
- The intention to complete the intangible asset and use or sell it,
- The ability to use or sell the intangible asset,
- How the intangible asset will generate probable future economic benefits
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount of intangible assets created within the enterprise is the total amount of expenditures incurred from the moment the intangible asset meets the above-mentioned accounting requirements. When intangible assets created within the business fail to meet the above-mentioned conditions, development expenses are recorded as expense in the period they occur.

After initial accounting, intangible assets created within the business are also shown over the amount after deducting accumulated amortization and accumulated depreciation from cost values such as separately purchased intangible assets.

###### Derecognition of intangible assets

An intangible asset is derecognized from statement of financial position on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

##### **Impairment of Assets Other Than Goodwill**

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.



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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

#### 2.3 Summary of Significant Accounting Policies (Continued)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### Right-of-use assets

The Group recognises a right-of-use asset and a lease liability at the lease commencement date (e.g. as of the date that the asset is available for use). Right-of-use assets are measured by deducting accumulated depreciation and impairment losses from their cost value. In case of revaluation of lease liabilities, this figure is also adjusted. Right-of-use assets are depreciated by separating into components if deemed necessary by asset class.

The cost of the right-of-use asset includes:

- a) The initial measurement amount of the lease liability,
- b) The amount obtained by deducting all lease incentives received from all lease payments made on or before the actual commencement date, and
- c) All initial direct costs incurred by the Group.

Unless the transfer of ownership of the underlying asset to the Group at the end of the lease term is reasonably certain, the Group depreciates the right-of-use asset from the actual commencement date to the end of the useful life of the underlying asset.

Right-of-use assets are subject to impairment assessment.

#### Lease liabilities

The Group measures the lease liability over the present value of the unpaid lease payments at the start of the lease.

The lease payments included in the measurement of the lease liability at the actual commencement date consist of the following payments to be made for the right to use the underlying asset during the lease term and not paid at the time the lease actually commences:

- a) Fixed payments,
- b) Variable lease payments based on an index or rate, whose first measurement is made using an index or rate on the actual commencement date,
- c) Amounts expected to be paid by the Group within the scope of residual value commitments,
- d) If the Group is reasonably sure that it will use the purchase option, the exercise price of this option and
- e) If the lease term indicates that the Group will use an option to terminate the lease, penalty payments regarding the termination of the lease.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### 2.3 Summary of Significant Accounting Policies (Continued)

Variable lease payments that are not dependent on an index or rate are recorded as an expense in the period in which the event or condition triggering the payment occurs.

The Group uses the revised discount rate for the remaining part of the lease period, if the implied interest rate in the lease can be easily determined, as this rate; if it cannot be determined easily, the Group determines it as the alternative borrowing interest rate on the date of re-evaluation

The Group measures the lease liability as follows, after the date the lease actually commences:

- a) Increases the book value to reflect the interest on the lease liability, and
- b) Reduces the book value to reflect the lease payments made.

In addition, the value of the lease liabilities is remeasured in the event of a change in the lease term, in substance a change in fixed lease payments, or in the assessment of the option to purchase the underlying asset.

##### Short-term leases and leases where the underlying asset is of low value

The Group applies the short-term lease registration exemption to short-term machinery and equipment lease contracts (e.g assets with a lease term of 12 months or less from the start date and without a call option). It also applies the exemption from accounting for low value assets to office equipment whose rental is considered to be of low value. Short-term lease contracts and lease contracts of low value assets are recorded as expense according to the linear method throughout the lease term.

##### Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in the statement of profit or loss in the period in which they are incurred.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

#### 2.3 Summary of Significant Accounting Policies (Continued)

##### Financial Assets

##### Classification and Measurement

The Group classifies its financial assets in three categories, as being financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit of loss. The classification of financial assets is determined considering the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The appropriate classification of financial assets is determined at the time of the purchase.

##### (a) Financial assets measured at amortized cost

Financial assets measured at amortized cost, are non-derivative assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets with a maturity date shorter than 12 months are classified as current assets and with a maturity date longer than 12 months are classified as non-current assets. Financial assets of the Group measured at amortized cost comprise "cash and cash equivalents", "trade receivables" and "other receivables".

The related assets which are initially measured at their fair values are in subsequent records recognized in the income statements at their discounted values using the effective interest rate method. Gains and losses resulting from valuation of non-derivative financial assets measured at amortized cost are recognized in the income statement.

##### *Impairment*

Impairment of the financial and contractual assets measured by using "Expected credit loss model". The impairment model applies for amortized financial and contractual assets.

The Group has preferred to apply "simplified approach" for the recognition of impairment losses on trade receivables, carried at amortized cost and that do not comprise of any significant finance component. In accordance with the simplified approach, Group measures the loss allowances regarding its trade receivables at an amount equal to lifetime expected credit losses except incurred credit losses in which trade receivables are already impaired for a specific reason. In calculation of the expected credit losses, the future estimations of the Group are taken into account together with past credit loss experiences.

In all other cases of impairment on financial assets, 12-month expected credit loss calculation is applied. 12-month expected credit loss is the expected credit loss due to defaults within 12 months after the reporting period.

If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the provision related to impairment is released and the release of the provision is credited to profit or loss.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### 2.3 Summary of Significant Accounting Policies (Continued)

###### (b) Financial assets measured at fair value

Assets that are held by the management for the collection of contractual cash flows and for selling the financial assets are measured at their fair value. If the management do not plan to dispose these assets in 12 months after the balance sheet date, they are classified as non-current assets. The Group make a choice for the equity instruments during the initial recognition and elect profit or loss or other comprehensive income for the presentation of fair value gain and loss:

- i) Financial assets carried at fair value through profit or loss" are assets that are not measured at amortized cost or at fair value through other comprehensive income. Gains and losses on valuation of these financial assets are accounted for under the consolidated statement of income.
- ii) Financial assets carried at fair value through other comprehensive income comprise of "financial assets" in the statement of financial position. The Group measures these assets with their fair values. Gains or losses on a financial asset measured at fair value through other comprehensive income is recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses until the financial asset is derecognized or reclassified. When the financial assets carried at fair value through other comprehensive income are sold, fair value gain or loss classified in other comprehensive income is classified to retained earnings.

###### Trade receivables

Trade receivables that are created by way of providing services directly to a debtor are measured at amortized cost, using the effective interest rate method, Short-term trade receivables with no stated interest rate are measured at the original invoice amount unless the effect of imputing interest is significant.

###### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

###### Recognition and derecognition of financial assets

The Group recognises a financial asset or a financial liability in its statement of financial position when, and only, the entity becomes a party to the contractual provisions of the instrument. The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. An entity shall remove a financial liability from its statement of financial position when, and only, the obligation specified in the contract is discharged or cancelled or expires.



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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### 2.3 Summary of Significant Accounting Policies (Continued)

###### Financial liabilities

The Group's financial liabilities and equity instruments are classified based on contractual arrangements and the definition of a financial liability and an equity instrument. A financial liability is measured at fair value during its initial recognition. During the initial recognition of financial liabilities whose fair value difference is not reflected in profit or loss, transaction costs that can be directly associated with the undertaking of the relevant financial liability are added to the fair value in question. Financial liabilities are accounted over the amortized cost value by using the effective interest method together with the interest expense calculated over the effective interest rate in the following periods.

Fair values, as much as possible, are derived from current market prices in active markets, if not available, are determined through the appropriate way of discounted cash flows and option pricing models.

###### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are stated at fair values at each reporting periods, with any gains or losses arising on remeasurement recognized in profit or loss. Change in fair values are recognised in statement of profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability.

###### Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other payables, are immediately measured at fair value at initial recognition, net of transactions costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

In the event that the Group fulfills its contractual obligations, or the obligations specified are cancelled or expired, the Group derecognises the financial liability from its statement of financial position. The difference between the book value of the financial liability derecognised and the amount paid or the fair value of the new financial liability recognised is recognised in the statement of profit or loss.

###### Amendments to debt instruments

The exchange of debt instruments with "significantly" different terms between an existing debtor and a creditor indicates that the old financial liability is eliminated, and a new financial liability should be included in the financial statements. Similarly, a significant change in the terms of an existing financial liability, in whole or in part, indicates that the old financial liability has disappeared, and a new financial liability should be included in the financial statements.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### **2.3 Summary of Significant Accounting Policies (Continued)**

An amendment agreement was signed with all the lending banks in August 2023 regarding the syndicated loan of the Group to Yıldız Holding A.Ş. In this context, changes in original maturities and interest rate risk have been accepted as a significant change. In loans where there is no change in the original currency and interest rate, the cash flows that are discounted with the original effective interest rate by at least 10% from the net present value of the new terms are considered as significant changes. These loans are evaluated as the removal of the old financial liability and the recognition of a new financial liability in the financial statements and the difference is recognized in the income statement.

The amortized cost of financial liabilities, which are not considered as the extinguishing of the old financial liability, is recalculated by calculating the present value of future flows discounted at the original effective interest rate ("EIR") of the financial instrument. Any adjustments resulting from this have been recognized in profit or loss.

##### **Derivative Financial Instruments and Hedge Accounting**

Derivative financial instruments are recognised with the market value on the date the derivative contract is signed at the first registration and subsequently re-evaluated with the market value. Gains or losses arising from the increase or decrease in the fair values of derivative instruments that do not provide sufficient conditions for hedge accounting are directly associated with the profit or loss statement. Fair values are determined, as far as possible, with the applicable market prices in active markets, otherwise discounted cash flows and option pricing models. Derivatives with positive fair value are carried as assets and derivatives with negative fair values are carried in the balance sheet as liability.

Hedge accounting is terminated when the term of use of the financial risk protection instrument is expired, sold or used, or when it fails to meet the requirements for hedge accounting. The cumulative gain or loss arising from the hedging instrument recorded in equity at the relevant date continues to be included in the equity until the date when the transaction is expected to take place. If the hedged transaction is not realized, the cumulative net gain or loss in equity is recorded in the profit or loss statement of the period.

##### **Effect of Exchange Differences**

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

In preparing the financial statements of the individual entities, transactions in currencies other than TRY (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

#### 2.3 Summary of Significant Accounting Policies (Continued)

Exchange differences are recognized in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below for hedging accounting policies); and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognized in the foreign currency translation reserve and recognized in profit or loss on disposal of the net investment.

#### Effect of Exchange Differences

Assets and liabilities of the Group's foreign operations are presented in TRY considering exchange rates prevailing at the reporting date. Income and expenses are translated by using the average rates calculated for the year when the transaction occurred, unless significant fluctuation has happened in exchange rates. In case of any significant fluctuation in exchange rates, the transaction is translated by using the exchange rate at the transaction date. The translation difference is accounted under comprehensive income as a component of equity.

#### Earnings Per Share / (Loss)

Earnings per share / (loss) disclosed in the consolidated statement of comprehensive income are determined by dividing net profit / (loss) by the weighted average number of shares that have been outstanding during the related period.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings on equity items. Such kind of bonus shares are taken into consideration in the computation of earnings per share as issued share certificates. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the period has been adjusted in respect of bonus shares issues without a corresponding change in resources, by giving them retroactive effect for the year in which they were issued and each earlier year.

#### Events After the Reporting Period

Events after the reporting period are those events that occur between the balance sheet date and the date when the financial statements are authorized for issue, even if they occur after an announcement related with the profit for the year or public disclosure of other selected financial information.

The Group adjusts the amounts recognized in its financial statements if adjusting events occur after the balance sheet date. The events that do not require correction after the reporting period are disclosed in the footnotes of the consolidated financial statements, in case they are the issues affecting the economic decisions of the users of the financial statements.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### **2.3 Summary of Significant Accounting Policies (Continued)**

###### **Provisions, Contingent Assets and Liabilities**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

###### **Reporting of Financial Information According to Segment**

The Group's main operations are producing and trading frozen and canned vegetables and fruits, frozen and canned sea food, frozen pastry products, croquettes, canned tuna fish, oil and margarine. The Group management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

The Group's management has separated its operations two segments which are frozen&canned products and margarine. Segment reporting is disclosed in Note 4.

###### **Government Grants and Incentives**

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the consolidated statement of financial position (balance sheet) and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.



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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### 2.3 Summary of Significant Accounting Policies (Continued)

###### Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation, including property under construction for such purposes. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the year in which they arise.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognized.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property that is measured at fair value to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property that is measured at fair value, the Group accounts for such property in accordance with the policy stated under "Property, Plant and Equipment" up to the date of change in use.

Fair value of investment properties is determined by valuation companies which have enough experience in valuation of investment property and have CMB valuation certificate. Investment properties are classified in level 2 of the fair value hierarchy table.

###### Corporate taxes

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Income tax expense represents the sum of the current income tax and deferred tax.

###### Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss because of items of income or expense that are taxable or deductible in other years and it excludes items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### 2.3 Summary of Significant Accounting Policies (Continued)

###### Deferred tax

Deferred tax liability or asset is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which are used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The management reviewed the Group's investment property portfolios and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the management has determined that the 'sale' presumption set out in the amendments to TAS 12 is not rebutted.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

**2.3 Summary of Significant Accounting Policies (Continued)**

*Current and deferred tax for the period*

Current and deferred tax are recognized as in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity.

**Employee Benefits**

*Termination benefits:*

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan as per TAS 19 (Revised) *Employee Benefits* ("TAS 19").

The retirement benefit obligation recognized in the consolidated statement of financial position represents the present value of the defined benefit obligation. The actuarial gains and losses are recognized in other comprehensive income.

**Statement of Cash Flows**

In the statement of cash flows, cash flows during the period are classified under operating, investing or financing activities.

Cash flows from operating activities indicate cash flows due to the Group entities' operations.

Cash flows due to investing activities indicate the Group cash flows that are used for and obtained from investments (investments in property, plant and equipment and financial investments).

Cash flows due to financing activities indicate the cash obtained from financial arrangements and used in their repayment.

**Share Capital and Dividends**

Common shares are classified as equity. Dividends on common shares are recognized in equity in the period in which they are approved and declared.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

##### 2.4 Significant Accounting Judgements, Estimates and Assumptions

During the implementation of accounting policies, the management made the following comments (except for the estimates below), which have a significant impact on the amounts recognized in the financial statements:

###### Provisions Related to Employee Benefits

Provisions related to defined benefit plans of the employees are determined by actuarial assumptions including discount rates, future salary increases and employee turnover rates. As these plans are long term, these assumptions contain significant uncertainties.

###### Deferred taxes

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax base legal financial statements and the financial statements prepared in accordance with TMS. The Group's subsidiaries have deferred tax assets consisting of unused tax losses and other deductible temporary differences that can be deducted from future profits. The partially or fully recoverable amount of deferred tax assets has been estimated under current conditions. During the evaluation, future profit projections, losses incurred in current periods, expiry dates of unused losses and other tax assets, and tax planning strategies that can be used when necessary, were taken into consideration.

###### Expected Credit Loss

The Group has preferred to apply "simplified approach" the recognition of expected credit losses on trade receivables. In accordance with this method, if any provision provided to the trade receivables because of a specific event, the Group measures expected credit loss from these receivables by the life-time expected credit loss by using an impairment matrix. The calculation of expected credit loss is performed based on the experience of the Group and its expectation based on the macroeconomic indications.

###### Determination of Fair Values of Tangible Fixed Assets, and its deferred tax effect

Lands, buildings, and land improvements are carried at their fair values in consolidated tables. Comparison of comparable sales, replacement cost and income capitalization methods were used in calculating the fair value of tangible fixed assets.

In the calculation of the postponed tax liability arising from the investment purposes of the Group, it is concluded that the economic benefits to be obtained from investment purposes are not obtained within the framework of a business model aimed at the use of completely over time rather than the sales path. Over the temporary differences between the real value of the real estates for investment purposes and the tax value, the postponed tax was calculated by using the valid of 18.75% or 25% tax rates, considering the subject matter of the activity of the company to which they belong.

##### 2.5 Convenience Translation into English of Consolidated Financial Statements

The accounting principles described in Note 2 (defined as Turkish Accounting Standards/Turkish Financial Reporting Standards) to the accompanying consolidated financial statements differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting, classification of some income statement items and also for certain disclosure requirements of the POA.



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

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024**

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

**NOTE 3 - SEGMENT REPORTING**

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

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

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

	<b>Frozen and Canned</b>	<b>Edible Oil</b>	<b>1 January- 31 December 2024</b>
Revenue	8,909,942,977	16,091,762,109	25,001,705,086
Gross Profit	2,718,312,721	3,194,670,884	5,912,983,605
Operating Profit	1,047,854,539	1,608,066,824	2,655,921,363
EBITDA (*)	1,399,630,852	1,807,122,305	3,206,753,157
EBITDA/Revenue	15.7%	11.2%	12.8%
Investment	306,579,206	146,467,295	453,046,501

	<b>Frozen and Canned</b>	<b>Edible Oil</b>	<b>1 January- 31 December 2023</b>
Revenue	9,067,318,533	18,231,177,556	27,298,496,089
Gross Profit	2,730,434,873	2,803,670,843	5,534,105,716
Operating Profit	1,148,206,712	1,326,318,179	2,474,524,891
EBITDA (*)	1,468,838,373	1,648,340,222	3,117,178,595
EBITDA/Revenue	16.2%	9.0%	11.4%
Investment	224,450,334	158,912,354	383,362,688

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 4 - RELATED PARTY DISCLOSURES**

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

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

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Trade receivables from related parties</b>		
Ülker Bisküvi San. A.Ş.	545,114,835	798,544,197
G2mEksper Satış ve Dağıtım Hizmetleri A.Ş.	390,051,145	366,389,945
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	319,540,334	361,551,962
Şok Marketler Tic. A.Ş.	294,711,813	207,840,146
Bizim Toptan Satış Magazaları A.Ş.	163,024,628	90,804,300
Horizon Hızlı Tüketim Ürünleri Paz. ve Tic. A.Ş.	139,557,432	135,947,685
E Star Global E Tic. Satış Ve Paz.	32,118,965	29,566,763
Pladis Foods LTD	18,652,049	-
Pasifik Tük.Ürün. San.ve Tic. A.Ş.	-	52,748,328
Duru G2M Gıda Tarım ve Tem. Ürün. Dağ. Paz. San. A.Ş.	-	25,345,653
Other	3,413,302	2,402,478
<b>Total</b>	<b>1,906,184,503</b>	<b>2,071,141,457</b>

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Trade payables to related parties</b>		
İzsal Gayrimenkul Geliştirme A.Ş.	31,062,896	17,243,987
G2mEksper Satış ve Dağıtım Hizmetleri A.Ş.	9,898,555	-
Ülker Bisküvi San. A.Ş.	3,728,256	2,476,897
Aytaç Gıda Yatırım A.Ş.	3,206,792	20,142,014
Sağlam İnşaat Taahhüt Tic. A.Ş.	2,835,637	1,979,689
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	2,356,191	1,135,743
Adapazarı Şeker Fabrikası A.Ş.	1,758,343	1,007,926
Northstar Innovation A.Ş.	1,430,767	-
Bizim Toptan Satış Magazaları A.Ş.	-	2,132,577
Other	4,398,652	5,972,024
<b>Total</b>	<b>60,676,089</b>	<b>52,090,857</b>

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 4 - RELATED PARTY DISCLOSURES (Continued)**

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Other receivables from related parties</b>		
Yıldız Holding A.Ş.(*)	6,092,683,811	2,580,657,548
	<b>6,092,683,811</b>	<b>2,580,657,548</b>
<b>Other payables to related parties</b>		
Yıldız Holding A.Ş.(*)	1,494,746,539	144,544,040
	<b>1,494,746,539</b>	<b>144,544,040</b>
<b>Other non-current payables to related parties</b>		
Yıldız Holding A.Ş.(**)	508,847,753	827,058,872
	<b>508,847,753</b>	<b>827,058,872</b>

(\*) The relevant amount consists of balances made available from Yıldız Holding and to Yıldız Holding for financing purposes, and these balances do not have a certain maturity. Interest rates are re-determined on a monthly basis, taking into account market conditions, and as of 31 December 2024, the average interest rates of TRY-based receivables and payables are 48.71% (31 December 2023: 42.53%).

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

The amount of collateral given as guarantor ship and mortgage within the scope of the syndication debts is TRY10,881,618,780 (31 December 2023: TRY10,904,184,375).

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 4 - RELATED PARTY DISCLOSURES (Continued)**

<b>Sale of goods and services</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Ülker Bisküvi San. A.Ş.	4,320,515,475	4,482,942,855
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	1,709,556,682	1,526,846,461
Şok Marketler Ticaret A.Ş.	1,095,939,030	525,509,444
Horizon Hızlı Tüketim Ürünleri A.Ş.	913,472,847	814,228,595
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	903,175,334	2,076,941,394
Bizim Toptan Satış Mağazaları A.Ş.	459,954,234	414,745,476
E Star Global E-Ticaret Satış ve Pazarlama A.Ş.	94,386,847	74,257,421
CCC Gıda San. ve Tic. A.Ş.	17,944,083	2,243,816
Pasifik Tük. Ürün. San. ve Tic. A.Ş.	-	1,397,924,833
Other	406,990	28,965,419
<b>Total</b>	<b>9,515,351,522</b>	<b>11,344,605,714</b>

<b>Purchase of goods and services</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Maia International B.V.	3,497,738,219	3,994,677,074
Yıldız Holding A.Ş.	319,167,538	247,355,127
İzsal Gayrimenkul Geliştirme A.Ş.	167,645,753	113,387,179
Aytaç Gıda Yatırım San. Tic. A.Ş.	69,194,479	226,428,728
Sağlam İnşaat Taahhüt Tic. A.Ş.	38,665,860	28,603,811
G2mEksper Satış ve Dağıtım Hizmetleri A.Ş.	20,888,787	10,082,843
Horizon Hızlı Tük.az. Sat.Tic. A.Ş.	13,088,419	2,469,082
Ülker Bisküvi San. A.Ş.	13,709,476	12,985,981
UCZ Mağazacılık Tic. A.Ş.	9,742,404	1,603,748
Penta Teknoloji Ürün.Dağ.Tic. A.Ş.	6,796,486	1,840,460
Bizim Toptan Satış Mağazaları A.Ş.	1,934,673	1,075,642
Adapazarı Şeker Fabrikası A.Ş.	1,762,774	7,502,164
Pasifik Tük. Ürün. San. ve Tic. A.Ş.	112,110	50,355,310
Other	6,449,456	22,089,031
<b>Total</b>	<b>4,166,896,434</b>	<b>4,720,456,180</b>

<b>Service, rent and other income</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
İzsal Gayrimenkul Geliştirme A.Ş.	1,905,469	-
Sağlam İnşaat Taahhüt Tic. A.Ş.	1,090,347	884,473
Bizim Toptan Satış Mağazaları A.Ş.	847,900	1,109,698
Yıldız Holding A.Ş.	-	6,291,920
Ülker Bisküvi San. A.Ş.	-	436,959
Other	665,191	989,495
<b>Total</b>	<b>4,508,907</b>	<b>9,712,545</b>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 4 - RELATED PARTY DISCLOSURES (Continued)**

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
<b>Commission and financial expense</b>		
Yıldız Holding A.Ş.	415,445,840	583,516,095
Pervin Finansal Kiralama A.Ş.	22,767,012	6,306,123
Ülker Bisküvi San. A.Ş.	19,815,239	-
Other	369,082	16,685,643
<b>Total</b>	<b>458,397,173</b>	<b>606,507,861</b>

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
<b>Commission and financial income</b>		
Ülker Bisküvi San. A.Ş.	60,727,311	-
Yıldız Holding	-	92,787,779
Other	1,084,732	52,272
<b>Total</b>	<b>61,812,043</b>	<b>92,840,051</b>

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
<b>Investment income</b>		
Yıldız Holding A.Ş. (*)	2,349,433,661	1,021,596,242
Other	-	1,995,978
<b>Total</b>	<b>2,349,433,661</b>	<b>1,023,592,220</b>

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

**Key management compensation:**

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

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Salaries and other benefits	142,793,765	116,746,953
	<b>142,793,765</b>	<b>116,746,953</b>



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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 5- TRADE RECEIVABLES AND PAYABLES**

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

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Current trade receivables</b>		
Trade receivables (*)	1,670,515,474	1,731,027,578
Notes receivable	19,377,437	108,235,651
Income accruals	1,214,420	261,757
Provision for doubtful receivables (-)	(54,758,260)	(67,528,342)
<b>Trade receivables, net</b>	<b>1,636,349,071</b>	<b>1,771,996,644</b>
Trade receivables from related parties (Note 4) (**)	1,906,184,503	2,071,141,457
	<b>3,542,533,574</b>	<b>3,843,138,101</b>

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

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

Average maturity for trade receivables is 53 days (31 December 2023: 54).

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

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
<b>Movement of provision for doubtful receivables</b>		
Opening balance	(67,528,342)	(116,795,466)
Charge for the year (-)	(12,666,844)	(4,603,212)
Reversals of provisions	1,022,681	11,478,264
Monetary gain / (loss)	24,414,245	42,392,072
<b>End of the period</b>	<b>(54,758,260)</b>	<b>(67,528,342)</b>

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Short-term trade payables</b>		
Trade payables	4,809,295,941	5,651,327,622
Expense accruals	140,406,505	28,781,408
<b>Trade payables, net</b>	<b>4,949,702,446</b>	<b>5,680,109,030</b>
Trade payables to related parties (Note 4) (*)	60,676,089	52,090,857
	<b>5,010,378,535</b>	<b>5,732,199,887</b>

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

Average maturity for trade payables is 101 days (31 December 2023: 99).

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 6 - OTHER RECEIVABLES AND PAYABLES**

**Other Receivables**

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Other current receivables</b>		
Receivables from related parties (Note 4)	6,092,683,811	2,580,657,548
Receivables from tax administration	197,657,980	115,256,489
Other miscellaneous receivables	7,224,743	82,221,765
	<b>6,297,566,534</b>	<b>2,778,135,802</b>

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Other non-current receivables</b>		
Deposits and guarantees given	2,448,615	5,590,153
	<b>2,448,615</b>	<b>5,590,153</b>

**Other Payables**

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Other current liabilities</b>		
Payables to related parties (Note 4)	1,494,746,539	144,544,040
Other miscellaneous liabilities	1,825	170,010
	<b>1,494,748,364</b>	<b>144,714,050</b>

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Other non-current liabilities</b>		
Non-current liabilities to related parties (Note 4)	508,847,753	827,058,872
	<b>508,847,753</b>	<b>827,058,872</b>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 7 - INVENTORIES**

	<b>31 December 2024</b>	<b>31 December 2023</b>
Raw materials	1,662,664,760	2,656,408,867
Work in process	1,083,327,861	1,333,830,076
Finished goods	623,334,307	605,014,819
Trade goods	89,788,422	98,269,655
Other inventory (*)	134,212,939	157,762,212
Provision for impairment of inventory (-)	(472,462)	(2,320,076)
	<b>3,592,855,827</b>	<b>4,848,965,553</b>

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

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

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Opening balance	(2,320,076)	(5,179,591)
Charge for the year	-	(1,547,969)
Reversals of provisions during the period	1,847,614	4,407,484
<b>Closing balance</b>	<b>(472,462)</b>	<b>(2,320,076)</b>

**NOTE 8 - PREPAID EXPENSES AND DEFERRED REVENUE**

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Short-term prepaid expenses</b>		
Advances given for inventory purchases	276,126,604	554,562,201
Prepaid expenses	108,611,918	117,786,183
Business advances	199,228	104,317
	<b>384,937,750</b>	<b>672,452,701</b>

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Long-term prepaid expenses</b>		
Advances given for fixed asset purchases	19,387,149	31,778,264
	<b>19,387,149</b>	<b>31,778,264</b>

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Short-term deferred income</b>		
Advances received	116,336,453	125,106,882
Deferred income	3,172,264	4,370,028
	<b>119,508,717</b>	<b>129,476,910</b>

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Long-term deferred income</b>		
Deferred income	11,173,532	13,805,550
	<b>11,173,532</b>	<b>13,805,550</b>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 9 - INVESTMENT PROPERTIES**

<b>Cost value</b>	<b>1 January 2024</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Change in fair value</b>	<b>31 December 2024</b>
Land, building, plant machinery and devices	1,916,994,393	-	-	768,031,619	2,685,026,012
	<b>1,916,994,393</b>	<b>-</b>	<b>-</b>	<b>768,031,619</b>	<b>2,685,026,012</b>

<b>Cost value</b>	<b>1 January 2023</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Change in fair value</b>	<b>31 December 2023</b>
Land, building, plant machinery and devices	1,201,192,994	-	256,952,674	458,848,725	1,916,994,393
	<b>1,201,192,994</b>	<b>-</b>	<b>256,952,674</b>	<b>458,848,725</b>	<b>1,916,994,393</b>

The Group has earned rent income from its investment properties amounting to TRY55,367,385 in the current period. (1 January - 31 December 2023: TRY36,370,491) (Note 22).

*Fair value of investment properties*

<b>31 December 2024</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Investment properties	-	2,685,026,012	-
<b>Total</b>	<b>-</b>	<b>2,685,026,012</b>	<b>-</b>

<b>31 December 2023</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Investment properties	-	1,916,994,393	-
<b>Total</b>	<b>-</b>	<b>1,916,994,393</b>	<b>-</b>

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

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

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

*Valuation techniques used to derive level 2 fair values.*

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024  
(Amounts expressed in the purchasing power of the Turkish Lira ("TRY") as of 31 December 2024, unless otherwise indicated.)

**NOTE 10 - PROPERTY, PLANT AND EQUIPMENT**

<b>Cost value</b>	<b>1 January 2024</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Revaluation</b>	<b>Currency translation differences</b>	<b>31 December 2024</b>
Land and land improvements	2,640,123,826	-	-	142,182,162	702,766,259	(108,125)	3,484,964,122
Buildings	4,457,279,002	24,871,159	(57,795,140)	(61,160,320)	(49,107,098)	(269,761,367)	4,044,326,236
Machinery and equipment	5,720,427,310	273,077,741	(66,999,245)	-	-	(64,916,622)	5,861,589,184
Motor vehicles	21,648,367	-	-	-	-	(736,637)	20,911,730
Furniture and fixtures	544,169,720	35,047,152	(38,310,766)	-	-	(5,953,926)	534,952,180
Leasehold improvements	57,870,045	2,499,229	-	-	-	-	60,369,274
Other tangibles (*)	374,534,388	15,062,423	(25,438,020)	-	-	-	364,158,791
Construction in progress	1,922,221	2,434,137	-	-	-	-	4,356,358
	<b>13,817,974,879</b>	<b>352,991,841</b>	<b>(188,543,171)</b>	<b>81,021,842</b>	<b>653,659,161</b>	<b>(341,476,677)</b>	<b>14,375,627,875</b>

<b>Accumulated depreciation</b>	<b>1 January 2024</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Revaluation</b>	<b>Currency translation differences</b>	<b>31 December 2024</b>
Land improvements	(34,460,468)	(6,353,608)	-	26,061,097	-	42,473	(14,710,506)
Buildings	(1,451,005,215)	(103,429,353)	26,244,335	(26,061,097)	(9,898,774)	29,310,115	(1,534,839,989)
Machinery and equipment	(3,866,569,829)	(301,912,674)	65,129,342	-	-	27,002,703	(4,076,350,458)
Motor vehicles	(19,237,969)	46,143	-	-	-	774,771	(18,417,055)
Furniture and fixtures	(375,221,464)	(36,571,756)	13,789,666	-	-	(1,347,908)	(399,351,462)
Leasehold improvements	(43,353,705)	(4,242,792)	-	-	-	-	(47,596,497)
Other tangibles (*)	(222,183,344)	(22,313,203)	21,992,951	-	-	-	(222,503,596)
	<b>(6,012,031,994)</b>	<b>(474,777,243)</b>	<b>127,156,294</b>	<b>-</b>	<b>(9,898,774)</b>	<b>55,782,154</b>	<b>(6,313,769,563)</b>

<b>Net book value</b>	<b>7,805,942,885</b>						<b>8,061,858,312</b>
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(\*) Other tangibles comprised of refrigerators.

As of 31.12.2024, there is a total mortgage of TRY5,766,979,000 on fixed assets within the scope of the syndicated loan (31 December 2023: TRY4,518,676,592). (Note 14)



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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024  
(Amounts expressed in the purchasing power of the Turkish Lira ("TRY") as of 31 December 2024, unless otherwise indicated.)

**NOTE 10 - PROPERTY, PLANT AND EQUIPMENT (Continued)**

<b>Cost value</b>	<b>1 January 2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Revaluation</b>	<b>Currency translation differences</b>	<b>31 December 2023</b>
Land and land improvements	2,128,005,491	8,480,629	-	(240,359,350)	744,011,082	(14,026)	2,640,123,826
Buildings	3,319,359,171	4,998,872	(35,113,633)	(28,368,773)	1,235,935,044	(39,531,679)	4,457,279,002
Machinery and equipment	5,672,826,962	162,892,903	(143,446,044)	32,930,496	-	(4,777,007)	5,720,427,310
Motor vehicles	19,027,534	2,716,683	-	3,482,358	-	(3,578,208)	21,648,367
Furniture and fixtures	514,041,101	37,400,387	(6,560,820)	-	-	(710,948)	544,169,720
Leasehold improvements	55,933,698	1,936,347	-	-	-	-	57,870,045
Other tangibles (*)	412,758,029	5,655,074	(43,878,715)	-	-	-	374,534,388
Construction in progress	47,468,720	8,558,506	(17,692,150)	(36,412,855)	-	-	1,922,221
	<b>12,169,420,706</b>	<b>232,639,401</b>	<b>(246,691,362)</b>	<b>(268,728,124)</b>	<b>1,979,946,126</b>	<b>(48,611,868)</b>	<b>13,817,974,879</b>
<b>Accumulated depreciation</b>	<b>1 January 2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Revaluation</b>	<b>Currency translation differences</b>	<b>31 December 2023</b>
Land improvements	(22,382,586)	(3,601,796)	-	-	(8,578,907)	102,821	(34,460,468)
Buildings	(754,882,358)	(167,549,198)	-	11,775,449	(576,317,500)	35,968,392	(1,451,005,215)
Machinery and equipment	(3,690,678,399)	(340,616,372)	123,932,821	-	-	40,792,121	(3,866,569,829)
Motor vehicles	(15,417,990)	(5,527,430)	-	-	-	1,707,451	(19,237,969)
Furniture and fixtures	(344,683,675)	(38,398,828)	4,618,712	-	-	3,242,327	(375,221,464)
Leasehold improvements	(39,516,894)	(3,836,811)	-	-	-	-	(43,353,705)
Other tangibles (*)	(237,451,159)	(24,780,230)	40,048,045	-	-	-	(222,183,344)
	<b>(5,105,013,061)</b>	<b>(584,310,665)</b>	<b>168,599,578</b>	<b>11,775,449</b>	<b>(584,896,407)</b>	<b>81,813,112</b>	<b>(6,012,031,994)</b>
<b>Net Book Value</b>	<b>7,064,407,645</b>						<b>7,805,942,885</b>

(\*) Other tangible assets consist of refrigerated cabinets.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 10 - PROPERTY, PLANT AND EQUIPMENT (Continued)**

*Fair value of investment properties*

	31 December 2024		
	Level 1	Level 2	Level 3
Lands, land improvements and buildings	-	5,979,739,863	-
<b>Total</b>	<b>-</b>	<b>5,979,739,863</b>	<b>-</b>

	31 December 2023		
	Level 1	Level 2	Level 3
Lands, land improvements and buildings	-	5,611,937,145	-
<b>Total</b>	<b>-</b>	<b>5,611,937,145</b>	<b>-</b>

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

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

Level 1: Quoted prices in active markets for identical assets or liabilities,

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly,

Level 3: Inputs for the asset or liability that are not based on observable market data

*Valuation techniques used to derive level 2 fair values.*

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 11 - RIGHT OF USE ASSETS**

Cost Value- Effect of IFRS 16	1 January 2024	Additions	Disposals	Current Year Depreciation	Inflation Effect	31 December 2024
Buildings	20,448,697	20,812,094	(11,542,531)	(5,021,867)	(6,285,467)	18,410,926
Motor Vehicles	30,152,776	24,803,122	(1,870,737)	(15,162,240)	(9,268,283)	28,654,638
	<b>50,601,473</b>	<b>45,615,216</b>	<b>(13,413,268)</b>	<b>(20,184,107)</b>	<b>(15,553,750)</b>	<b>47,065,564</b>

Cost Value- Effect of IFRS 16	1 January 2023	Additions	Disposals	Current Year Depreciation	Inflation Effect	31 December 2023
Buildings	3,010,233	-	22,661,043	(4,039,244)	(1,183,335)	20,448,697
Motor Vehicles	31,151,372	(2,378,683)	26,501,678	(11,048,959)	(14,072,632)	30,152,776
	<b>34,161,605</b>	<b>(2,378,683)</b>	<b>49,162,721</b>	<b>(15,088,203)</b>	<b>(15,255,967)</b>	<b>50,601,473</b>

The interest rate used for the lease obligations is between 19-55% for 31 December 2024 and 20% for 31 December 2023. Interest expenses are TRY25,447,162 (31 December 2023: TRY10,991,212).

**NOTE 12 - INTANGIBLE ASSETS**

Cost value	1 January 2024	Additions	Disposals	Transfers	Currency translation differences	31 December 2024
Rights	276,955,434	25,416,115	-	(81,021,842)	(4,532,398)	216,817,309
Development expenses	409,276,166	74,638,545	-	-	-	483,914,711
Other intangible assets	6,826,139	-	-	-	-	6,826,139
	<b>693,057,739</b>	<b>100,054,660</b>	<b>-</b>	<b>(81,021,842)</b>	<b>(4,532,398)</b>	<b>707,558,159</b>

Accumulated amortization	1 January 2024	Additions	Disposals	Transfers	Currency translation differences	31 December 2024
Rights	(154,965,742)	(7,392,318)	-	-	1,348,590	(161,009,470)
Development expenses	(195,401,656)	(48,478,126)	-	-	-	(243,879,782)
Other intangible assets	(6,825,987)	-	-	-	-	(6,825,987)
	<b>(357,193,385)</b>	<b>(55,870,444)</b>	<b>-</b>	<b>-</b>	<b>1,348,590</b>	<b>(411,715,239)</b>
<b>Net Book Value</b>	<b>335,864,354</b>					<b>295,842,920</b>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 12 - INTANGIBLE ASSETS (Continued)**

<b>Cost Value</b>	<b>1 January 2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Currency translation differences</b>	<b>31 December 2023</b>
Rights	187,772,272	81,020,091	-	-	8,163,070	276,955,433
Development expenses	339,572,970	69,703,196	-	-	-	409,276,166
Other intangible assets	6,826,139	-	-	-	-	6,826,139
	<b>534,171,381</b>	<b>150,723,287</b>	<b>-</b>	<b>-</b>	<b>8,163,070</b>	<b>693,057,738</b>

<b>Accumulated amortization</b>	<b>1 January 2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Currency translation differences</b>	<b>31 December 2023</b>
Rights	(144,231,714)	(9,427,044)	-	-	(1,306,983)	(154,965,741)
Development expenses	(161,573,864)	(33,827,792)	-	-	-	(195,401,656)
Other intangible assets	(6,825,987)	-	-	-	-	(6,825,987)
	<b>(312,631,565)</b>	<b>(43,254,836)</b>	<b>-</b>	<b>-</b>	<b>(1,306,983)</b>	<b>(357,193,384)</b>
<b>Net Book Value</b>	<b>221,539,816</b>					<b>335,864,354</b>

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

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Cost of sales (Note 19)	(466,093,939)	(555,833,570)
Marketing, sales and distribution expense (Note 20)	(53,323,558)	(55,186,894)
General administration expenses (Note 20)	(13,060,880)	(14,699,783)
Research and development expenses (Note 20)	(18,353,417)	(16,933,457)
	<b>(550,831,794)</b>	<b>(642,653,704)</b>

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

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024**

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

**NOTE 13 - GOVERNMENT GRANTS AND INCENTIVES**

Investment Incentive Certificate numbered 535745 was received from the General Directorate of Incentives, Implementation and Foreign Capital of the Ministry of Industry and Technology of the Republic of Türkiye on April 21, 2022. The validity period of the Incentive Certificate is 3 years and expires on April 13, 2025. The support elements foreseen in the Investment Incentive Certificate are 100% customs exemption and Value Added Tax exemption, 2-year insurance premium employer share support and 50% Tax Deduction. The total amount of investment foreseen in the Investment Incentive Certificate is TRY99,936,725. As of December 31, 2024, the investment amount realized within the scope of the incentive certificate is TRY18,569,470.

Investment Incentive Certificate numbered 552413 was received from the General Directorate of Incentives, Implementation and Foreign Capital of the Ministry of Industry and Technology of the Republic of Türkiye on April 26, 2023. The validity period of the said Incentive Certificate is 3 years and expires on April 25, 2026. The validity period of the mentioned Incentive Certificate is 3 years and ends on 25 April 2026. The support elements foreseen in the Investment Incentive Certificate are 100% customs exemption and Value Added Tax exemption, 7 years of insurance premium employer's share support, 80% Tax Reduction and 40% Investment Contribution Rate support. Total amount of the investment foreseen in the Investment Incentive Certificate is TRY86,414,080. As of 31 December 2024, the amount of investment realized within the scope of the incentive certificate is TRY51,212,623.

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

**NOTE 14 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**

**Contingent Assets and Liabilities**

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

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Contingent assets</b>		
Letters of guarantees received	838,142,867	1,546,547,991
Bonds of guarantee received	7,125,350	-
Pledges and mortgages received	198,670	2,474,176
	<b>1,371,754,441</b>	<b>1,549,022,167</b>

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



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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

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

<b>Contingent liabilities</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
Mortgages given (*)	8,865,162,569	4,518,676,592
Guarantorship given (*)	5,114,639,780	6,385,507,783
Letters of guarantee given	1,206,587,749	1,496,438,276
Promissory notes issued	-	1,339,376,023
	<b>15,186,390,098</b>	<b>13,739,998,674</b>

(\*) Mortgages and guarantees given are given as Yıldız Holding syndication loan guarantees.

<b>Other short-term provisions</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
Provisions for lawsuits	3,611,214	4,786,872
Provisions for cost expenses	2,969,023	9,656,820
Turnover / premium provisions	-	27,407,297
Price difference and activity provisions	-	12,484,827
	<b>6,580,237</b>	<b>54,335,816</b>

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

<b>Movement of provision for lawsuits</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Opening	4,786,872	11,736,416
Charge / (reversals) for the period	295,718	(2,335,910)
Monetary gain / (loss)	(1,471,376)	(4,613,634)
<b>End of the period</b>	<b>3,611,214</b>	<b>4,786,872</b>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024  
(Amounts expressed in the purchasing power of the Turkish Lira ("TRY") as of 31 December 2024, unless otherwise indicated.)

**NOTE 15 - COMMITMENTS AND CONTINGENCIES**

**Guarantee, pledge and mortgages given by the Group**

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

	31 December 2024			31 December 2023		
	Original Currency	Amount	TRY Equivalent	Original Currency	Amount	TRY equivalent
A. CPMs given for Company's own legal personality (*)	TRY	12,245,851,711	12,245,851,711	TRY	9,258,548,928	9,258,548,928
	USD	83,347,885	2,940,538,387	USD	95,702,287	4,067,587,536
	EUR	-	-	EUR	8,800,000	413,862,210
B. CPMs given on behalf of fully consolidated companies		-	-		-	-
C. CPMs given in the normal course of business activities on behalf of third parties		-	-		-	-
D. Total amount of other CPMs		-	-		-	-
i) Total amount of CPMs given on behalf of the parent		-	-		-	-
ii) Total amount of CPMs given to on behalf of other Group companies which are not in scope of B and C		-	-		-	-
iii) Total amount of CPMs given on behalf of third parties which are not in scope of C		-	-		-	-
			<b>15,186,390,098</b>			<b>13,739,998,674</b>

As of 31 December 2024, the Group has export commitments of EUR 39,335,975 (31 December 2023: TRY180,473,464, USD 2,739,865, and EUR 57,600,000). The fulfillment period of export commitments is two years.

(\*) On February 2018, Yıldız Holding A.Ş. started negotiations with the creditors in order to refinance the loan payables for which no guarantee was provided and the balances which are used by the itself and by various Yıldız Holding group entities in connection with the miscellaneous loan agreements the Holding company entered into with Turkish banks. The purpose of these negotiations is to move all loan payable balances to the level of Yıldız Holding A.Ş. within the framework of a single maturity, interest rate and payment plan.

The bank loans of the Company and its subsidiaries which in total TRY6.003 million in cash (Nominal: TRY745 Million) and TRY1,627 million non-cash (Nominal: TRY202 million) contingencies were moved to the level of Yıldız Holding A.Ş. through syndication. The Company's total debt has not increased as a result of the syndicated loan, but cash and non-cash loans are moved to Yıldız Holding A.Ş. level.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 16 - PAYABLES RELATED TO EMPLOYEE BENEFITS**

<b>Payables related to employee benefits</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
Due to personnel	83,310,161	71,091,657
Social security premiums payable	69,415,677	49,116,068
	<b>152,725,838</b>	<b>120,207,725</b>

<b>Short-term provisions for employee benefits</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
Provisions for performance premium	149,933,838	114,775,711
Provisions for unused vacations	49,532,565	47,136,364
Other provisions	-	2,074,711
	<b>199,466,403</b>	<b>163,986,786</b>

The movements of provisions for performance premium as of 1 January - 31 December 2024 and 2023 are as follows:

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Opening balance	114,775,711	81,777,537
Charge for the year	149,933,838	114,775,711
Cash payments during the year	(79,496,251)	(37,862,210)
Inflation effect	(35,279,460)	(43,915,327)
<b>End of the period</b>	<b>149,933,838</b>	<b>114,775,711</b>

The movement of provisions for unused vacations as of 1 January - 31 December 2024 and 2023 are as follows:

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Opening balance	47,136,364	41,855,033
Charge for the year	23,802,275	42,690,597
Reversals of provisions during the period	-	(22,546,710)
Inflation effect	(21,406,074)	(14,862,556)
<b>End of the period</b>	<b>49,532,565</b>	<b>47,136,364</b>

<b>Non-current provisions for employee benefits</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
Provisions for employee termination benefits	348,794,597	322,751,897
	<b>348,794,597</b>	<b>322,751,897</b>

**Provision for Employee Termination Benefit**

In accordance with the existing labour law in Turkey, the Group is required to make up lump-sum payments to employees who have completed one year of service and whose employment is terminated without cause or who retire (age of 58 for women, age of 60 for men) or completed service years of 25, are called up for military service or die.

Such payments are calculated on the basis of 30 days' pay maximum TRY41,828.42 as at 31 December 2024 (31 December 2023: TRY23,489.83) per year of employment at the of pay applicable at the date of retirement or termination.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 16 - PAYABLES RELATED TO EMPLOYEE BENEFITS (Continued)**

Employee termination benefit is not funded and does not require any legal funding requirement. The reserve employee termination benefit has been calculated by estimating the present value of future probable obligation of Group from the retirement of the employees. The calculation was based upon the retirement pay ceiling announced by the Government. TAS 19 “Employee Benefits” requires actuarial valuation methods to be developed to estimate the enterprise’s obligation under defined benefit plans. Accordingly, the following actuarial assumptions are used in the calculation of the total liability:

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying consolidated financial statements as at 31 December 2024, the provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. The provision at 31 December 2024 has been calculated assuming an annual inflation rate of 22.77% (31 December 2023: 20.95%) and an interest rate of 27.15% (31 December 2023: 25.39%) resulting in a real discount rate of approximately 3.57% (31 December 2023: 3.67%). Estimated amount of retirement pay not paid due to voluntary leaves is also taken into consideration as 3.82% for employees with 0-15 years of service, and 0% for those with 16 or more years of service. Ceiling amount of TRY46,655.43 which is in effect since 1 January 2024 is used in the calculation of Groups’ provision for retirement pay liability (1 January 2023: TRY35,058.58).

The movement of provisions of employee termination benefit as of 1 January - 31 December 2024 and 2023 are as follows:

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Opening balance	322,751,897	376,348,436
Service cost	55,060,825	64,698,517
Interest cost	53,390,976	43,611,277
Actuarial loss	39,722,538	53,942,890
Termination benefits paid	(34,545,975)	(73,191,060)
Inflation effect	(87,585,664)	(142,658,163)
<b>End of the period</b>	<b>348,794,597</b>	<b>322,751,897</b>

**NOTE 17 - OTHER ASSETS AND LIABILITIES**

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Other current assets</b>		
Deferred VAT	232,118,390	312,100,854
Other	12,548,476	10,932,995
	<b>244,666,866</b>	<b>323,033,849</b>

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Other current liabilities</b>		
Taxes and funds payables	47,011,975	123,848,761
Other current liabilities	51,000,096	41,274,635
	<b>98,012,071</b>	<b>165,123,396</b>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 18 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS**

As of 31 December 2024, the Company's capital was issued and consisted of 66,200,000,000 shares, each with a nominal value of TRY0.01. (31 December 2023: 66,200,000,000 shares).

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

Shareholders	31 December 2024		31 December 2023	
	Share (%)	Amount	Share (%)	Amount
Yıldız Holding A.Ş.	60.53	400,675,745	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
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>

(\*) In accordance with the decision of the board of directors of Ufuk Yatırım Yönetim ve Gayr. A.Ş. dated 14.06.2024, all of its shares transferred to Yıldız Holding via the special-order method on the stock exchange.

**Restricted Reserves and Retained Earnings**

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

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

	31 December 2024	31 December 2023
<b>Restricted reserves</b>		
Legal reserves	577,657,637	577,657,637
	<b>577,657,637</b>	<b>577,657,637</b>

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

31 December 2024 (In accordance with TFRS)	Nominal value	Inflation adjustment effect	Indexed Value
Paid capital	662,000,000	4,600,552,013	5,262,552,013
Legal reserves	37,378,879	540,278,758	577,657,637

31 December 2024 (In accordance with Tax Law)	Nominal value	Inflation adjustment effect	Indexed Value
Paid capital	662,000,000	6,700,832,962	7,362,832,962
Legal reserves	44,837,076	908,859,513	953,696,589



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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 19 - REVENUE AND COST OF SALES**

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Domestic sales	29,787,070,497	30,055,204,337
Export sales	2,489,837,949	3,141,300,495
Other income	108,684,315	228,614,778
<b>Gross sales</b>	<b>32,385,592,761</b>	<b>33,425,119,610</b>
Sales returns and discounts (-)	(7,383,887,675)	(6,126,623,521)
<b>Net sales</b>	<b>25,001,705,086</b>	<b>27,298,496,089</b>
Cost of sales (-)		
- Raw materials	(16,531,728,328)	(18,821,015,043)
- Labour costs	(1,039,069,250)	(932,880,067)
- Depreciation and Amortization Expense (Note 12)	(466,093,939)	(555,833,570)
- Manufacturing overhead costs	(1,051,829,964)	(1,454,661,693)
<b>Cost of sales (-)</b>	<b>(19,088,721,481)</b>	<b>(21,764,390,373)</b>
<b>Gross profit</b>	<b>5,912,983,605</b>	<b>5,534,105,716</b>

**NOTE 20 - GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES**

<b>Marketing, sales and distribution expenses</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Transportation expenses	(718,850,488)	(769,982,089)
Personnel expenses	(541,813,135)	(496,880,782)
Advertisement expenses	(484,091,214)	(403,126,252)
Tax duties and fees (*)	(227,480,464)	(178,892,329)
Brand usage expense	(124,408,361)	(121,562,409)
Rent expenses	(91,651,099)	(73,146,422)
Energy expenses	(55,902,470)	(68,031,572)
Export expenses	(53,511,136)	(25,847,298)
Depreciation and amortization expense (Note 12)	(53,323,558)	(55,186,894)
Maintenance and repair expenses	(23,934,158)	(33,451,681)
Externally provided benefits and services	(19,378,018)	(12,247,508)
Other	(101,202,507)	(119,369,568)
	<b>(2,495,546,608)</b>	<b>(2,357,724,804)</b>

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 20 - GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (Continued)**

<b>General administrative expenses</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Externally provided benefits and services	(368,587,251)	(261,632,866)
Personnel expenses	(262,340,278)	(283,366,932)
Depreciation and amortization expense (Note 12)	(13,060,880)	(14,699,783)
Energy expenses	(6,647,144)	(5,540,984)
Brand copyright expenses	(5,389,069)	(3,507,365)
Fees, duties and charges	(5,052,733)	(6,559,569)
Rent expenses	(4,698,343)	(10,925,220)
Communication expenses	(3,815,211)	(4,404,426)
Travel expenses	(3,724,380)	(2,250,243)
Building expenses	(1,470,407)	(6,983,048)
Other	(56,961,104)	(72,401,000)
	<b>(731,746,800)</b>	<b>(672,271,436)</b>

<b>Research and development expenses</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Depreciation and amortization expense (Note 12)	(18,353,417)	(16,933,457)
Personnel expenses	(9,988,312)	(9,015,844)
Externally provided benefits and services	(198,885)	(2,224,367)
Analysis expenses	(467,353)	-
Other	(760,867)	(1,410,917)
	<b>(29,768,834)</b>	<b>(29,584,585)</b>

***Fees for Services Obtained from Independent Auditor/Independent Audit Firms***

The Group's explanation regarding the fees for the services rendered by independent audit firms, which is based on the KGK's letter dated 19 August 2021, the preparation principles of which are based on the Board Decision of the KGK published in the Official Gazette on 30 March 2021, is as follows:

<b>Fees for Services Obtained from Independent Audit Firms</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Independent audit fee for the reporting period	3,849,353	2,627,643
Fees for other assurance services	131,250	108,284
	<b>3,980,603</b>	<b>2,735,927</b>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 21 - OTHER INCOME AND EXPENSE FROM OPERATING ACTIVITIES**

<b>Other Income from Operating Activities</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Service income	143,669,469	112,708,134
Interest income from forward sales	14,238,445	95,822,962
Provisions no longer required for impairment of inventory (Note 7)	1,847,614	2,482,659
Insurance claim income	1,227,681	-
Provisions no longer required of doubtful receivables (Note 5)	1,022,681	11,478,264
Provisions no longer required of lawsuits (Note 15)	-	2,335,910
Other	24,620,775	62,014,486
	<b>186,626,665</b>	<b>286,842,415</b>

<b>Other Expense from Operating Activities</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Interest expense from forward purchases	(679,788,139)	(412,105,160)
Foreign exchange losses from operating activities	(346,028,374)	(788,655,001)
Product disposal expenses	(42,874,313)	(22,136,970)
Service expenses	(32,528,355)	(178,622,969)
Provision expenses for doubtful receivables (Note 5)	(12,666,844)	(4,603,212)
Other	(264,254,130)	(330,705,914)
	<b>(1,378,140,155)</b>	<b>(1,736,829,226)</b>

**NOTE 22 - INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES**

<b>Income from Investment Activities</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Interest income	2,463,374,042	1,015,485,386
Investment properties revaluation	687,682,223	458,848,724
Exchange difference income	145,214,943	-
Rent income	55,367,385	36,370,491
Gain on sale of fixed assets	2,508,700	6,234,215
Other	-	1,040,703
	<b>3,354,147,293</b>	<b>1,517,979,519</b>

<b>Expenses from Investment Activities</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Exchange difference expenses	-	(258,890,842)
	-	<b>(258,890,842)</b>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 23 - FINANCIAL INCOME AND EXPENSES**

<b>Financial income</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Discount income from financing (*)	85,579,036	15,177,480
	<b>85,579,036</b>	<b>15,177,480</b>
<b>Financial expense</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Interest expense	(1,053,474,041)	(1,112,170,979)
Exchange difference expenses on loans	(471,191,178)	(469,235,861)
Commission expenses	(324,882,089)	(107,351,795)
Financing obligation regarding severance pay	(37,814,199)	(43,611,277)
Discount expenses from financing (*)	(47,880,809)	(177,324,043)
	<b>(1,935,242,316)</b>	<b>(1,909,693,955)</b>

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

**NOTE 24 – MONETARY GAIN LOSS**

<b>Non-monetary items</b>	<b>31.12.2024</b>
<b>Financial statement items</b>	<b>(1,999,131,176)</b>
Inventories	(58,457,976)
Prepaid expenses (short term)	14,954,637
Property, plant and equipment	370,390,976
Intangible assets	20,325,610
Deferred tax liability	(267,292,590)
Paid-in capital	(1,617,589,557)
Other accumulated comprehensive income or expense not to be reclassified to profit or loss	208,733,500
Capital reserves	(6,210,698)
Premiums related to shares	(514,549,203)
Restricted reserves allocated from profits	(193,928,446)
Effect of combinations involving entities or entities under common control	(419,919,523)
Retained earnings / (losses)	464,412,094
<b>Profit or loss statement items</b>	<b>1,681,720,570</b>
Revenue	(3,140,884,649)
Cost of sales	3,377,951,939
Research and development expenses	6,674,390
Marketing, selling and distribution expenses	332,973,323
General administrative expenses	80,288,511
Income/expenses from investing activities	414,609,089
Other income/expenses from operating activities	166,616,848
Financing income/expenses	216,174,942
Current tax expense	227,316,177
<b>Net monetary position gains / (losses)</b>	<b>(317,410,606)</b>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 25 - INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)**

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

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

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

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

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

	31 December 2024	31 December 2023
<b>Current income tax liabilities</b>		
Current income tax expense	683,101,577	320,928,773
Less: prepaid taxes	(175,968,185)	(371,764,586)
<b>Current income tax liability / (asset)</b>	<b>507,133,392</b>	<b>(50,835,813)</b>

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

	1 January - 31 December 2024	1 January - 31 December 2023
Current income tax expense	(651,766,727)	(320,928,773)
Deferred tax income / (expense)	(347,515,363)	455,522,042
<b>Total tax income / (expense)</b>	<b>(999,282,090)</b>	<b>134,593,269</b>

Deferred Tax

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

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

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



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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 25 - INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)**

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

	Total temporary differences		Deferred tax asset / (liability)	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Provisions for employee termination benefits	370,421,849	322,751,897	92,605,463	80,687,975
Provisions for doubtful receivables	23,114,268	24,324,844	5,778,567	6,081,212
Provisions for lawsuits	3,611,214	4,786,872	902,804	1,196,718
Provision for unused vacations	69,569,682	47,136,364	17,392,421	11,784,091
Carry-forward tax losses (*)	566,908,799	607,662,785	102,043,584	48,159,036
Discount income from financing	(262,692,777)	(279,410,132)	(65,673,194)	(69,852,533)
Provision of performance premium	-	35,367,386	-	8,841,847
Foundation and organization expenses	927,144	1,338,599	231,786	334,650
Exchange rate difference activation	219,377,182	179,593,838	54,844,296	44,898,460
Net differences between the carrying values and tax bases of investment properties	(2,606,624,023)	(1,800,585,975)	(651,656,006)	(243,952,694)
Revaluation differences on property, plant and equipment	(4,115,118,938)	(3,249,937,344)	(778,351,197)	(476,932,236)
Other	(383,409,529)	60,839,174	(95,852,382)	15,209,793
<b>Deferred tax assets / (liabilities), net</b>	<b>(6,113,915,129)</b>	<b>(4,046,131,692)</b>	<b>(1,317,733,858)</b>	<b>(573,543,681)</b>

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

The effects of the net presentation style of the Group's consolidated balance sheet were reflected on the group's consolidated balance sheet because they have clearly demonstrated the deferred tax assets and obligations in the financial statements of subsidiaries with separate taxpayers. The temporary differences in the table above and the deferred tax assets and obligations are prepared on the basis of gross values.

Details of carry-forward tax losses are as below:

Previous year losses	31 December 2024	31 December 2023
2024	-	91,820,215
2025	95,293,820	114,987,145
2026	109,791,942	132,481,434
2027	108,163,111	130,515,990
2028	114,247,689	137,858,001
2029	139,412,237	-
	<b>566,908,799</b>	<b>607,662,785</b>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 25 - INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)**

Movements of deferred tax assets / (liabilities) as of 1 January - 31 December 2024 and 1 January - 31 December 2023 are as follows:

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Opening	(573,543,681)	(705,680,612)
Charged to profit or loss	(347,515,363)	455,522,042
Actuarial gains recorded in equity	6,222,074	16,981,405
Revaluation difference recorded in equity	(622,946,353)	(317,405,642)
Currency translation differences	220,049,465	(57,508,100)
Other tax effects	-	34,547,226
<b>End of the period</b>	<b>(1,317,733,858)</b>	<b>(573,543,681)</b>

(\*) Within the scope of inflation accounting, classification was made to previous year's profit / (loss).

The reconciliation of the current tax income and current profit before tax are as follows:

<b>Total charge for the year can be reconciled to the accounting profit as follows:</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Profit from before tax	2,651,481,280	495,925,253
Legal income tax rate	25%	25%
Tax expense at the legal income tax rate	(662,870,320)	(123,981,313)
Nonallowable charges	(40,432,428)	(39,959,121)
Deductions and exemptions	(11,250,000)	9,636,996
Available prior year losses, net	(26,285,008)	(20,706,915)
Effect of fixed asset valuation and inflation	(381,643,116)	54,697,678
Effect of different tax rates	6,796,349	5,396,343
Other tax effects, net	116,402,433	249,509,601
<b>Income tax provision recognized in profit or loss</b>	<b>(999,282,090)</b>	<b>134,593,269</b>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 26 - EARNING PER SHARE**

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Net gain for the year attributable to equity holders of the parent	1,511,223,709	842,912,833
Weighted average number of shares	662,000,000	662,000,000
<b>Earning per share (TRY)</b>	<b>2.2828</b>	<b>1.2733</b>

**NOTE 27 - BORROWINGS**

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Short term borrowings</b>		
Short term foreign currency loans	2,931,075,914	2,739,013,663
Short term local currency loans	914,978,624	217,141,982
Current portion of long-term financial liabilities	110,407,200	248,319,418
Short term lease liabilities	80,873,576	73,718,651
	<b>4,037,335,314</b>	<b>3,278,193,714</b>

	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Long term borrowings</b>		
Long term foreign currency loans	844,633,734	465,543,989
Long term lease liabilities	160,155,754	216,269,892
	<b>1,004,789,488</b>	<b>681,813,881</b>

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

<b>31 December 2024</b>				
<b>Original Currency</b>	<b>Maturity</b>	<b>(%)</b>	<b>Original Amount</b>	<b>TRY Equivalent</b>
USD	Jan. 2025	4.90 – 6.00	359,204	12,695,634
EUR	Jan. 2025 – Dec. 2026	4.29 – 11.00	105,204,055	3,869,637,814
TRY	Jan. 2025 – Sept. 2025	26.93 – 57.72	918,762,024	918,762,024
				<b>4,801,095,472</b>

<b>31 December 2023</b>				
<b>Original Currency</b>	<b>Maturity</b>	<b>(%)</b>	<b>Original Amount</b>	<b>TRY Equivalent</b>
USD	July 2024	10.60	1,565,698	66,666,131
EUR	May 2024 - Dec. 2025	6.50 - 10.00	71,871,877	3,386,210,939
TRY	Feb. 2024 - Sept. 2024	9.50 - 26.00	217,141,982	217,141,982
				<b>3,670,019,052</b>

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
<b>Movement of borrowings</b>		
Opening	3,670,019,052	3,707,949,145
Foreign exchange differences	471,191,178	575,264,195
Interest paid	(414,276,304)	(600,568,067)
Interest accrual	474,633,583	605,885,575
Borrowing received in current year	4,505,642,531	4,022,189,621
Payments in current year	(2,675,974,852)	(3,183,091,209)
Inflation effect	(1,230,139,716)	(1,457,610,208)
<b>Closing</b>	<b>4,801,095,472</b>	<b>3,670,019,052</b>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 27 – BORROWINGS (Continued)**

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

<b>31 December 2024</b>				
<b>Original Currency</b>	<b>Maturity</b>	<b>(%)</b>	<b>Original Amount</b>	<b>TRY Equivalent</b>
USD	Jan. 2025 – Sept. 2025	5.25	1,934,894	68,386,507
EUR	Jan. 2025 – Dec. 2027	11.96 – 14.04	2,319,054	85,346,753
TRY	Jan. 2025 – Feb. 2028	16.83 – 49.00	87,296,070	87,296,070
				<b>241,029,330</b>

<b>31 December 2023</b>				
<b>Original Currency</b>	<b>Maturity</b>	<b>(%)</b>	<b>Original Amount</b>	<b>TRY Equivalent</b>
USD	Jan. 2024 - Sep. 2025	5.25	3,679,483	156,669,355
EUR	Sep. 2024	3.66	338,107	15,929,758
TRY	Jan. 2024 - May. 2029	15.45 - 55.00	117,389,430	117,389,430
				<b>289,988,543</b>

**NOTE 28 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS**

**a) Capital Risk Management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital using net financial debt / capital ratio, which calculated by dividing net debt to total capital. Net debt is calculated by deducting cash and cash equivalents and other receivables from related parties from total financial liabilities which is calculated by summing total short-term and total long-term liabilities, total short-term and total long-term other payables to related parties. Total capital (in other words total equity) is the difference between total assets and total liabilities.

Net financial debt / total capital ratios as of 31 December 2024 and 2023 are as follows:

	<b>31 December 2024</b>	<b>31 December 2023</b>
Total financial liabilities	7,045,719,094	4,931,610,507
Less: Other receivables from related parties	6,092,683,811	2,580,657,548
Less: Cash and cash equivalents (Note 29)	2,108,994,836	64,100,708
Net financial debt	(1,155,959,553)	2,286,852,251
Total equity	12,465,819,150	10,520,221,884
<b>Total capital</b>	<b>11,309,859,597</b>	<b>12,807,074,135</b>
<b>Net debt / total capital ratio</b>	<b>(0.10)</b>	<b>0.18</b>

**b) Financial Risk Factors**

The Group has exposure to the market risk, credit risk, liquidity risk arising from its operations. Risk management activities of the Group are focused minimizing the negative effects of uncertainties in market conditions on the Group's financial performance.

Risk management is conducted by a centralized finance department in accordance with the policies approved by Board of Directors. The risks are identified, evaluated by the finance department of the Group and instruments to reduce the impacts of the risk are utilized with the cooperation with operation units of the Group.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 28 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)**

**b.1) Credit Risk**

Credit Risks Exposed According to Types of Financial Instruments

31 December 2024	Receivables				Deposits at Banks
	Trade Receivables		Other Receivables		
	Related Parties	Third Parties	Related Parties	Third Parties	
Maximum credit risk exposed as of balance sheet date (*)	1,906,184,503	1,636,349,071	6,092,683,811	207,331,338	2,108,994,836
- Secured portion of the maximum credit risk by guarantees (**)	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	1,906,184,503	1,149,088,884	6,092,683,811	207,331,338	2,108,994,836
B. Net book value of financial assets that are past due but not impaired	-	487,260,187	-	-	-
- Secured portion of the net book value by guarantees, etc.	-	617,351,235	-	-	-
C. Net book value of the impaired assets	-	-	-	-	-
- Past due (gross amount)	-	54,758,260	-	-	-
- Impairment	-	(54,758,260)	-	-	-
- Secured portion of the net book value by guarantees	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-
- Impairment	-	-	-	-	-
- Secured portion of the net book value by guarantees	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-
D. Off-balance sheet items include credit risk	-	-	-	-	-

(\*) On the determination of the amount, factors that increase credit reliability, such as collaterals received, are not considered.

(\*\*) Guarantees are comprised of *letter of guarantees, mortgages and cheques of cheques received from customers*.



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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 28 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)**

**b.1) Credit Risk (Continued)**

Credit Risks Exposed According to Types of Financial Instruments

31 December 2023	Receivables				Deposits at Banks
	Trade Receivables		Other Receivables		
	Related Parties	Third Parties	Related Parties	Third Parties	
Maximum credit risk exposed as of balance sheet date (*)	2,071,141,457	1,771,996,644	2,580,657,548	203,068,407	64,100,708
- Secured portion of the maximum credit risk by guarantees (**)	-	259,400,131	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	1,854,879,439	1,357,681,324	2,580,657,548	203,068,407	64,100,708
B. Net book value of financial assets that are past due but not impaired	216,262,018	414,315,320	-	-	-
- Secured portion of the net book value by guarantees, etc.	-	348,929,120	-	-	-
C. Net book value of the impaired assets	-	-	-	-	-
- Past due (gross amount)	-	67,528,342	-	-	-
- Impairment	-	(67,528,342)	-	-	-
- Secured portion of the net book value by guarantees	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-
- Impairment	-	-	-	-	-
- Secured portion of the net book value by guarantees	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-
D. Off-balance sheet items include credit risk	-	-	-	-	-

(\*) On the determination of the amount, factors that increase credit reliability, such as collaterals received, are not considered.

(\*\*) Guarantees are comprised of *letter of guarantees, mortgages and cheques of cheques received from customers*.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 28 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)**

As of 31 December 2024 and 2023, the aging of trade receivables that are past due but not impaired are as below:

	<b>31 December 2024</b>	<b>31 December 2023</b>
Past due up to 30 days	355,147,123	287,133,891
Past due 1 - 3 months	131,289,393	127,032,341
Past due 3 - 12 months	30,731	149,088
<b>Total past due receivables</b>	<b>486,467,247</b>	<b>414,315,320</b>
<b>Secured portion of receivables by guarantees</b>	<b>617,351,235</b>	<b>348,929,120</b>

**b.2) Liquidity Risk**

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. Funding risk of current and future requirement of liquidity is managed by maintaining adequate reserves, banking facilities and reserve borrowing facilities.

The followings presents, contractual maturities of non-derivative financial liabilities of the Group.

**Contractual Maturities**

	<b>Non-Derivative Financial Liabilities</b>				
	<b>Carrying value</b>	<b>Total Contractual Cash Outflows (I+II+III)</b>	<b>Less than 3 months (I)</b>	<b>3 to 12 months (II)</b>	<b>1 to 5 years (III)</b>
<b>31 December 2024</b>					
Borrowings	4,801,095,472	4,801,095,472	987,715,198	2,576,041,125	1,237,339,149
Lease Liabilities	241,029,330	241,029,330	16,007,517	64,866,059	160,155,754
Trade payables to third parties	4,949,702,446	4,949,702,446	3,081,155,797	1,868,546,649	-
Trade payables to related parties	60,676,089	60,676,089	60,676,089	-	-
Other payables	1,825	1,825	1,825	-	-
Other payables to related parties	2,003,594,292	2,003,594,292	-	1,494,746,539	508,847,753
Payables to employees	152,725,838	152,725,838	152,725,838	-	-
	<b>12,208,825,292</b>	<b>12,208,825,292</b>	<b>4,298,282,264</b>	<b>6,004,200,372</b>	<b>1,906,342,656</b>

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 28 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)**

**Contractual Maturities (Continued)**

31 December 2023	Carrying value	Non-Derivative Financial Liabilities			
		Total Contractual Cash Outflows (I+II+III)	Less than 3 months (I)	3 to 12 months (II)	1 to 5 years (III)
Borrowings	3,670,019,052	3,670,019,052	2,682,251,547	522,223,516	465,543,989
Lease Liabilities	289,988,543	289,988,543	145,510,436	48,200,943	96,277,164
Trade payables to third parties	5,680,109,030	5,680,109,030	3,481,751,732	2,198,357,298	-
Trade payables to related parties	52,090,857	52,090,857	52,090,857	-	-
Other payables	170,010	170,010	170,010	-	-
Other payables to related parties	971,602,912	971,602,912	-	-	971,602,912
Payables to employees	120,207,725	120,207,725	120,207,725	-	-
	<b>10,784,188,129</b>	<b>10,784,188,129</b>	<b>6,481,982,307</b>	<b>2,768,781,757</b>	<b>1,533,424,065</b>

The maturities that the Group estimated is the same with the contractual maturities.

**b.3) Market Risk Management**

Due to its operations, the Group exposed to financial risks related to changes in foreign exchange rates and interest rates

The Group evaluates market risk with sensitivity analysis.

The Group's market risk management policies have not changed during the period compared to previous period.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 28 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)**

*Currency Risk Management*

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

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

<b>31 December 2024</b>	<b>TRY Equivalent</b>	<b>USD</b>	<b>EUR</b>	<b>Other</b>
1. Trade Receivables	858,620,860	23,974,908	339,235	7,164
2a. Monetary Financial Assets	564,815,808	8,610,877	6,955,897	124,149
2b. Non-monetary Financial Assets	-	-	-	-
3. Other	195,429,829	745,649	4,603,718	-
<b>4.CURRENT ASSETS (1+2+3)</b>	<b>1,618,866,497</b>	<b>33,331,434</b>	<b>11,898,850</b>	<b>131,313</b>
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	666,815	18,900	-	-
6b. Non-monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
<b>8. NON-CURRENT ASSETS (5+6+7)</b>	<b>666,815</b>	<b>18,900</b>	<b>-</b>	<b>-</b>
<b>9. TOTAL ASSETS (4+8)</b>	<b>1,619,533,312</b>	<b>33,350,334</b>	<b>11,898,850</b>	<b>131,313</b>
10. Trade Payables	2,939,273,763	6,964,477	73,213,457	82,402
11. Financial Liabilities	3,062,845,759	359,204	82,936,820	-
12a. Monetary Other Liabilities	100,495,421	1,312,292	1,474,408	-
12b. Non-Monetary Other Liabilities	-	-	-	-
<b>13. CURRENT LIABILITIES (10+11+12)</b>	<b>6,102,614,943</b>	<b>8,635,973</b>	<b>157,624,685</b>	<b>82,402</b>
14. Trade Payables	4,430,120	125,344	-	-
15. Financial Liabilities	973,220,949	1,934,894	24,586,289	-
16a. Monetary Other Liabilities	42,451,002	1,203,249	-	-
16b. Non-Monetary Other Liabilities	-	-	-	-
<b>17. NON-CURRENT LIABILITIES (14+15+16)</b>	<b>1,020,102,071</b>	<b>3,263,487</b>	<b>24,586,289</b>	<b>-</b>
<b>18. TOTAL LIABILITIES (13+17)</b>	<b>7,122,717,014</b>	<b>11,899,460</b>	<b>182,210,974</b>	<b>82,402</b>
19 Off-balance Sheet Derivative Instruments				
Net Asset/Liability Position (19a - 19b)	-	-	-	-
19.a Amount of active foreign derivative currency off-balance sheet	-	-	-	-
19.b. Amount of passive foreign derivative currency off-balance sheet	-	-	-	-
<b>20.Net Foreign Currency Assets/(Liabilities) Position (9-18+19)</b>	<b>(5,503,183,702)</b>	<b>21,450,874</b>	<b>(170,312,124)</b>	<b>48,911</b>
<b>21.Monetary Items Net Foreign Currency Assets / (Liabilities)(1+2a+3+5+6a-10-11-12a-14-15-16a)</b>	<b>(5,503,183,702)</b>	<b>21,450,874</b>	<b>(170,312,124)</b>	<b>48,911</b>
22. Fair value of financial instruments used for currency hedge	-	-	-	-
23. Hedged foreign currency assets	-	-	-	-
24. Export	2,890,833,737	67,920,118	9,193,268	12,510
24. Import	(5,128,049,788)	(14,673,379)	(120,164,923)	(281,032)

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 28 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)**

<b>31 December 2023</b>	<b>TRY Equivalent</b>	<b>USD</b>	<b>EUR</b>	<b>Other</b>
1. Trade Receivables	470,518,770	10,248,807	742,177	283
2a. Monetary Financial Assets	48,348,030	869,334	236,228	5,391
2b. Non-monetary Financial Assets	-	-	-	-
3. Other	20,071,691	43,102	387,834	-
<b>4.CURRENT ASSETS (1+2+3)</b>	<b>538,938,491</b>	<b>11,161,243</b>	<b>1,366,239</b>	<b>5,674</b>
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
<b>8. NON-CURRENT ASSETS (5+6+7)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9. TOTAL ASSETS (4+8)</b>	<b>538,938,491</b>	<b>11,161,243</b>	<b>1,366,239</b>	<b>5,674</b>
10. Trade Payables	2,761,123,596	6,883,376	52,371,637	5,849
11. Financial Liabilities	2,986,988,465	1,565,698	61,990,768	-
12a. Monetary Other Liabilities	37,802,928	190,126	630,538	-
12b. Non-Monetary Other Liabilities	-	-	-	-
<b>13. CURRENT LIABILITIES (10+11+12)</b>	<b>5,785,914,989</b>	<b>8,639,200</b>	<b>114,992,943</b>	<b>5,849</b>
14. Trade Payables	-	-	-	-
15. Financial Liabilities	638,143,122	3,679,483	10,219,217	-
16a. Monetary Other Liabilities	49,910,725	1,172,186	-	-
16b. Non-Monetary Other Liabilities	-	-	-	-
<b>17. NON-CURRENT LIABILITIES (14+15+16)</b>	<b>688,053,847</b>	<b>4,851,669</b>	<b>10,219,217</b>	<b>-</b>
<b>18. TOTAL LIABILITIES (13+17)</b>	<b>6,473,968,836</b>	<b>13,490,869</b>	<b>125,212,160</b>	<b>5,849</b>
19 Off-balance Sheet Derivative Instruments				
Net Asset/Liability Position (19a - 19b)	-	-	-	-
19.a Amount of active foreign derivative currency off-balance sheet	-	-	-	-
19.b. Amount of passive foreign derivative currency off-balance sheet	-	-	-	-
<b>20.Net Foreign Currency Assets/(Liabilities) Position (9-18+19)</b>	<b>(5,935,030,345)</b>	<b>(2,329,626)</b>	<b>(123,845,921)</b>	<b>(175)</b>
<b>21.Monetary Items Net Foreign Currency Assets / (Liabilities)(1+2a+3+5+6a-10-11-12a-14-15-16a)</b>	<b>(5,935,030,345)</b>	<b>(2,329,626)</b>	<b>(123,845,921)</b>	<b>(175)</b>
22. Fair value of financial instruments used for currency hedge				
23. Hedged foreign currency assets	-	-	-	-
24. Export	4,012,683,059	67,074,898	8,063,917	-
24.Import	(8,439,962,859)	(3,310,662)	(141,868,879)	(196,325)

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 28 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)**

Sensitivity Analysis to Currency Risk

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

	Profit/Loss	
	Appreciation foreign currency	Depreciation foreign currency
<b>31 December 2024</b>		
In case of USD increases in 10% against TRY		
1- USD net asset/liability	75,603,765	(75,603,765)
2- USD hedged portion (-)	-	-
3- Net effect of USD (1 +2)	75,603,765	(75,603,765)
In case of EUR increases in 10% against TRY		
4- EUR net asset/liability	(626,868,262)	626,868,262
5- EUR hedged portion (-)	-	-
6- Net effect of EUR (4+5)	(626,868,262)	626,868,262
In case of other currencies increases in 10% against TRY		
7- EUR net asset/liability	946,126	(946,126)
8- EUR hedged portion (-)	-	-
9- Net effect of other currencies (4+5)	946,126	(946,126)
<b>TOTAL (3+6+9)</b>	<b>(550,318,371)</b>	<b>550,318,371</b>

	Profit/Loss	
	Appreciation foreign currency	Depreciation foreign currency
<b>31 December 2023</b>		
In case of USD increases in 10% against TRY		
1- USD net asset/liability	(6,929,636)	6,929,636
2- USD hedged portion (-)	-	-
3- Net effect of USD (1 +2)	(6,929,636)	6,929,636
In case of EUR increases in 10% against TRY		
4- EUR net asset/liability	(404,149,460)	404,149,460
5- EUR hedged portion (-)	-	-
6- Net effect of EUR (4+5)	(404,149,460)	404,149,460
In case of other currencies increases in 10% against TRY		
7- EUR net asset/liability	(182,423,938)	182,423,938
8- EUR hedged portion (-)	-	-
9- Net effect of other currencies (4+5)	(182,423,938)	182,423,938
<b>TOTAL (3+6+9)</b>	<b>(593,503,034)</b>	<b>593,503,034</b>



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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

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

**NOTE 28 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)**

*Interest Rate Risk Management*

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

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

<b>Interest Position</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Fixed interest rate instruments</b>		
Borrowings	4,319,946,231	3,296,795,817
Cash and cash equivalents (term deposits)	1,846,001,289	15,597,773
Trade receivables	3,542,533,574	3,843,138,101
Other receivables	6,300,015,149	2,783,725,955
Trade payables	5,010,378,535	5,732,199,887
Other payables	2,003,596,117	971,772,922
<b>Variable interest rate instruments</b>		
Borrowings	722,178,571	663,211,778

**NOTE 29 - CASH AND CASH EQUIVALENTS**

	<b>31 December 2024</b>	<b>31 December 2023</b>
Cash at banks	2,007,680,215	63,008,867
- Demand deposits	161,678,926	47,411,094
- Time deposits (*)	1,846,001,289	15,597,773
Credit card receivables	101,314,621	1,091,841
	<b>2,108,994,836</b>	<b>64,100,708</b>

(\*) The maturity of the balances constituting the relevant amount is between January 2-7, 2025, and the interest rate for Turkish Lira-based time deposits is 43.71% - 48.92%, for Euro-based time deposits it is 1% - 1.25% and for US Dollar-based time deposits it is 2% - 2.1%. (December 31, 2023: The interest rate for TRY-based time deposits is 32%, and for EUR-based time deposits it is 0.5%)

**NOTE 30 - SUBSEQUENT EVENTS**

In line with the Board of Directors' resolution dated 27.12.2024, and considering our company's expanding product portfolio and strategic focus areas, a decision has been made to change the company's trade name to "Besler Food and Chemical Industry and Trade Joint Stock Company" in order to create a corporate identity that better aligns with our long-term goals in the food sector. This change will be submitted for shareholder approval at the first General Assembly Meeting, with the amendment of Article 3, titled "Company Name," of the company's Articles of Association. Regarding this matter, the approval processes of the Capital Markets Board (CMB) and the Ministry of Trade have been completed in 2025. The draft amendment of the Articles of Association will be presented for shareholder approval at the 2024 Annual General Assembly Meeting.

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