



# Konfrut Investor Presentation

FY2023 Financial Results



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# Highlights

## Sales

- In 2023, consolidated sales grew by 5% in revenue, YoY, while sales volume increased slightly.
- Having high growth potential the fresh fruit and vegetable export, which started at the end of the previous year, gained momentum throughout 2023.

## Profitability

- Compared to the high costs in 2023, gross profitability increased and gross margin improved thanks to the slight improvement in costs in this period. Gross margin realized at 9.4% in 2023. (2022-12: 9.1%)
- The increase in the general level of prices led to a rise in the Company's operating expenses, YoY. Thanks to operational efficiency initiatives, operating expenses as a ratio of sales were realized at similar levels compared to the same period of the previous year.

## Cash Flow

- Cash flow from operating activities amounted to TL 504 million.

## Investments

- A new line was launched at the tea pelletizing plant in the first half of the year. Logistics investments in the third quarter of the year reached TL 22 million. With the investments made, the fiber pool capacity doubled, while the logistics fleet grew with new tractor vehicles and modern agricultural equipment.

## Consolidated Financial Summary 2023

**₺ 4.3 billion**  
Net Sales  **5%**  
Increase

**426 thousand tons**  
Sales Volume  **3%**  
Increase

**₺ 403 million**  
Gross Profit  **8%**  
Increase

**₺ 271 million**  
EBITDA  **10%**  
Increase

*Compared to December 31, 2022*

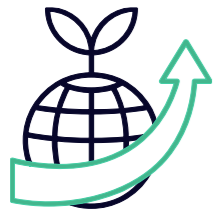
**₺ 155 million**  
Net Profit

**₺ 108.7 million**  
Yatırımlar

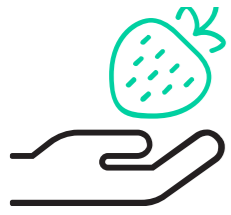
**₺ 2,6 billion**  
Total Assets

**₺ 1,1 billion**  
Total Equity

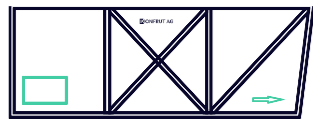
# Konfrut AG at a Glance



Leading the agricultural transformation



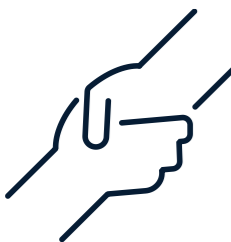
Turkey's largest industrial fruit purchaser



The only company in Turkey with fiber pool fleet



Turkey's largest scale organic strawberry project



Strong and strategic cooperations

## Business Units

### Agri Sourcing and Services

In 2023;  
**494** thousand tons  
Agri Sourcing Supply

**10,634** tons  
Fresh Fruit and Vegetables Supply

### Logistics

**254** thousand tons  
Transported Raw  
Material and Products

**240+** Numbered Vehicle and  
Equipment Fleet\*  
\* Including tractor, trailer, fiberglass, forklift,  
trailer, tow truck.

### Industry

**142** number of  
Pallet Sales

**66** number of  
Digital Agricultural Device  
Installed In The Fields

As Konfrut AG, we target to be the leading agricultural transformation company where we improve people's lives and help to conserve the planet using technology and sustainable practices.

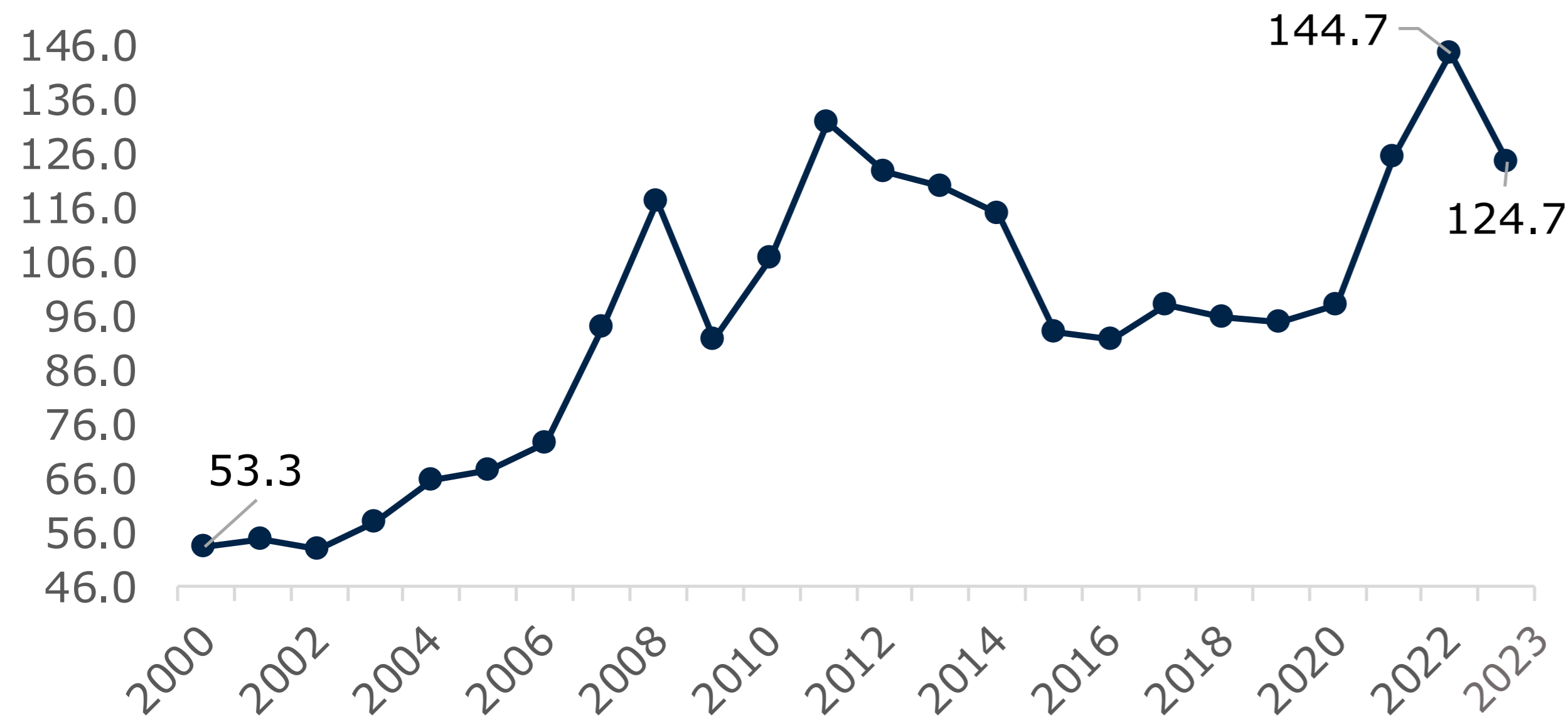
We are aiming to become the first end-to-end, digital agri supply chain company with zero-waste principle in its DNA.

# Market Dynamics

## Food Prices

### Food Price Index, World (Annually)

(2014-2016=100)



### Globally

- The World Food Price Index announced by the Food and Agriculture Organization of the United Nations (FAO) has a downward trend as of July 2023 with the start of new harvests in the Southern hemisphere, following the peaks it reached due to the Russian-Ukrainian war and the rise in energy prices.
- The index was realized as **124.7** points in 2023, **13.7%** lower than the previous year. (Source: FAO)

### Domestically

- Annual inflation in food and non-alcoholic beverages ended 2023 with **72.1%**.
- After rising in the second and third quarters of the year, fresh fruits and vegetables inflation edged down in the last quarter. (Source: The CBRT – Inflation Report 2024-I)

# Market Dynamics

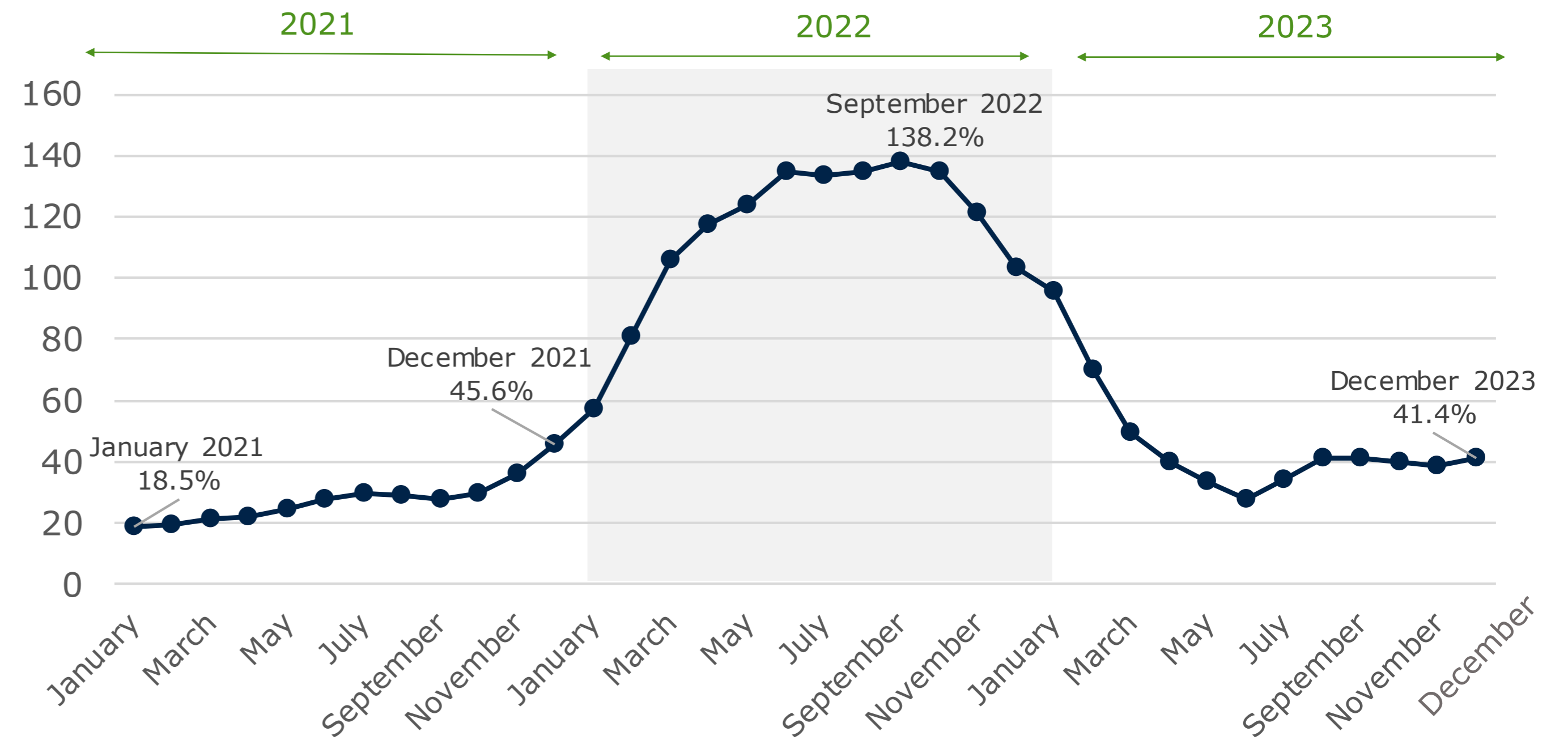
## Production and Cost in Turkey

### Agricultural Input Price Index

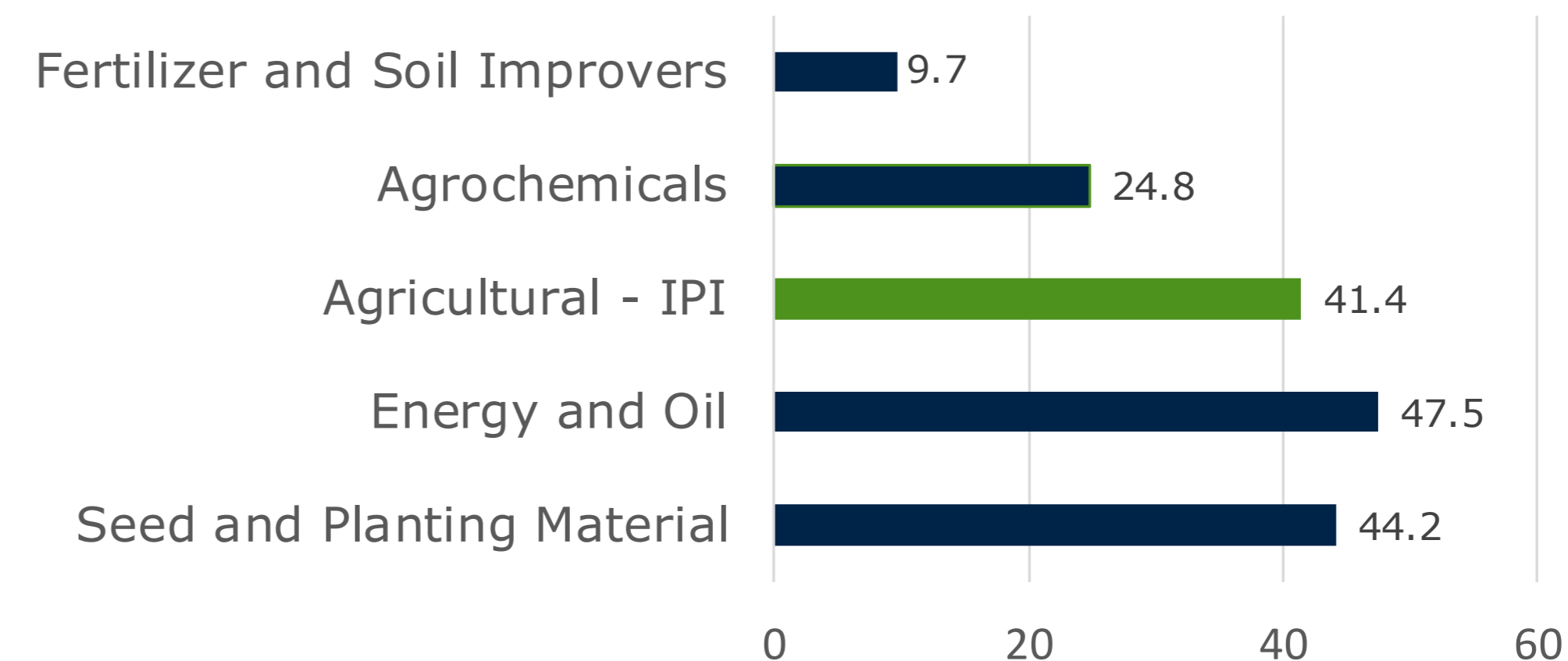
Annual Change Rate (%), December 2023

- The **Agricultural Input Price Index (Agri-GPI)** peaked in September 2022. Afterwards, the decline continued.
- In December, Agriculture-PPI was realized as **41.4%** compared to the same month of the previous year. In the same period of the previous year, Agriculture-PPI was realized as **103%**.
- **Fertilizers and soil improvers by 9.7%** and **agricultural pesticides by 25%** were among the subgroups with high annual increases.

(Source: TURKSTAT)



### Agricultural Input Price Index By Sub-groups Annual Change Rate (%), December 2023

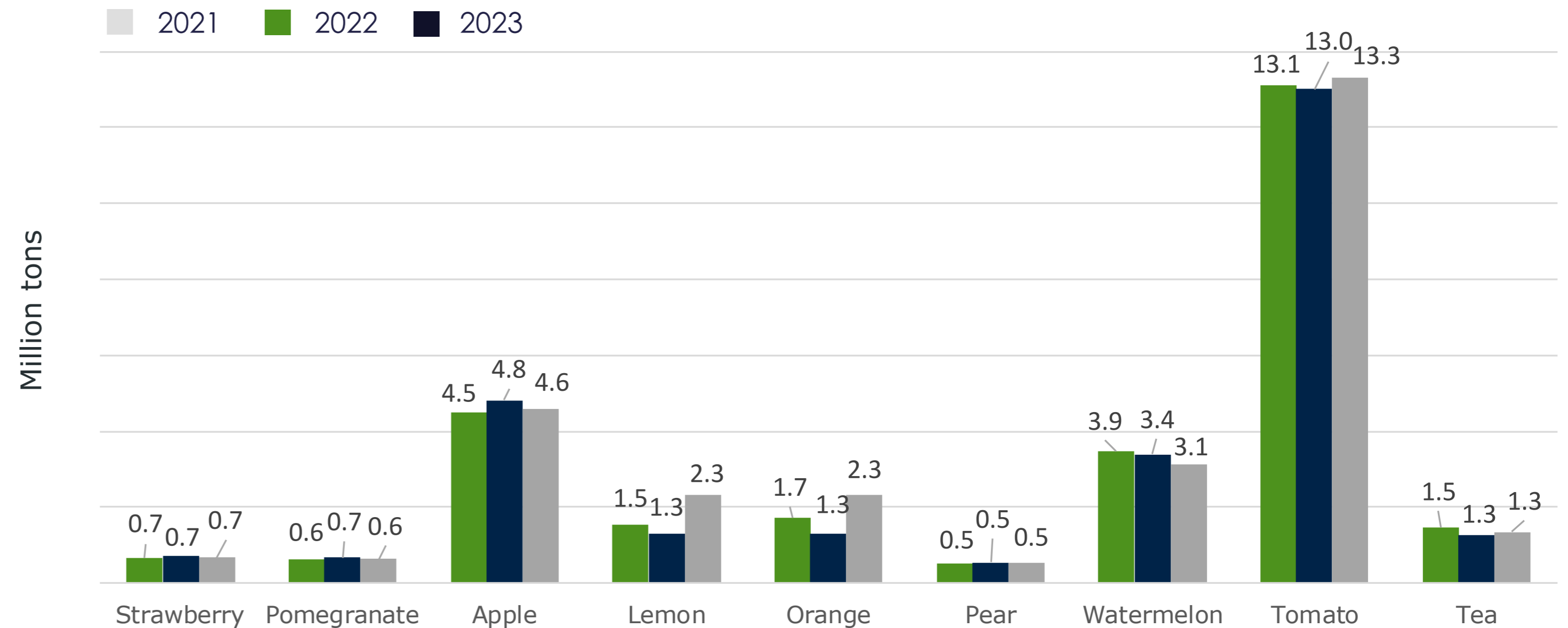


# Market Dynamics

## Production in Turkey Fresh Fruit and Vegetable Exportation

### Production Data

With Selected Fruit and Vegetable Groups

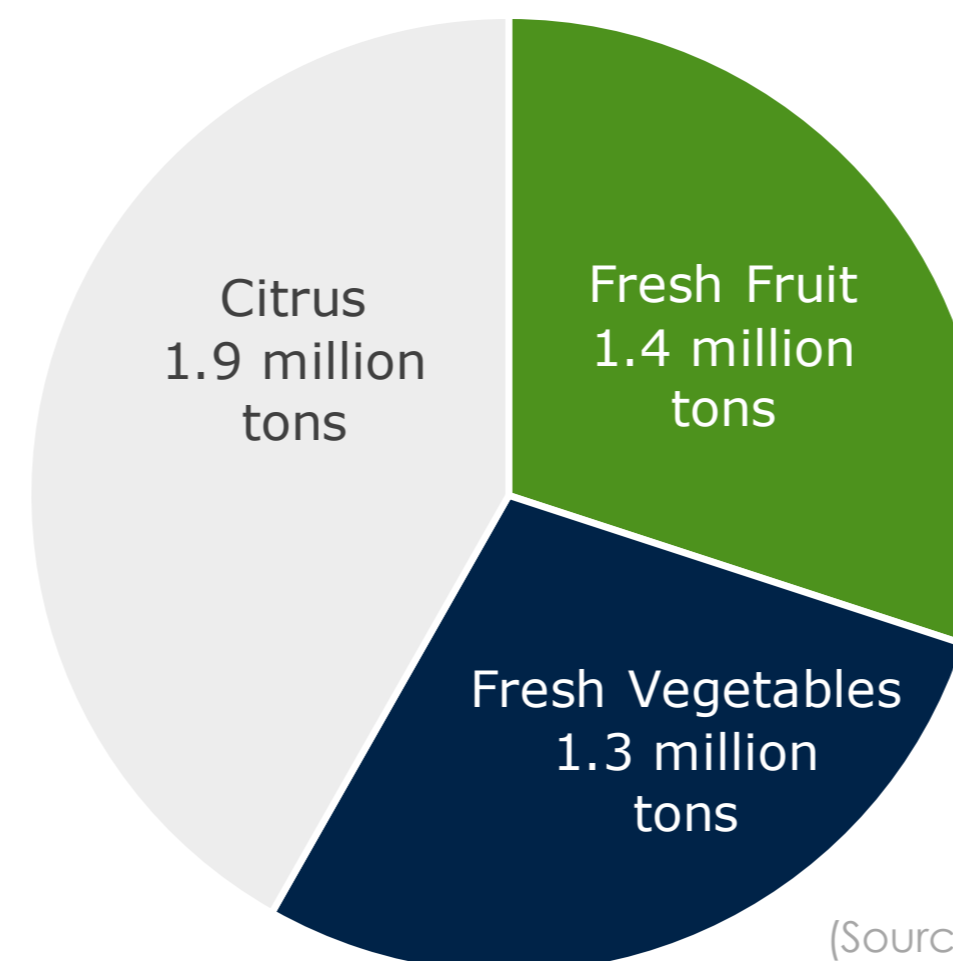


(Source: TURKSTAT)

### Fresh Fruit and Vegetable Exportation from Turkey

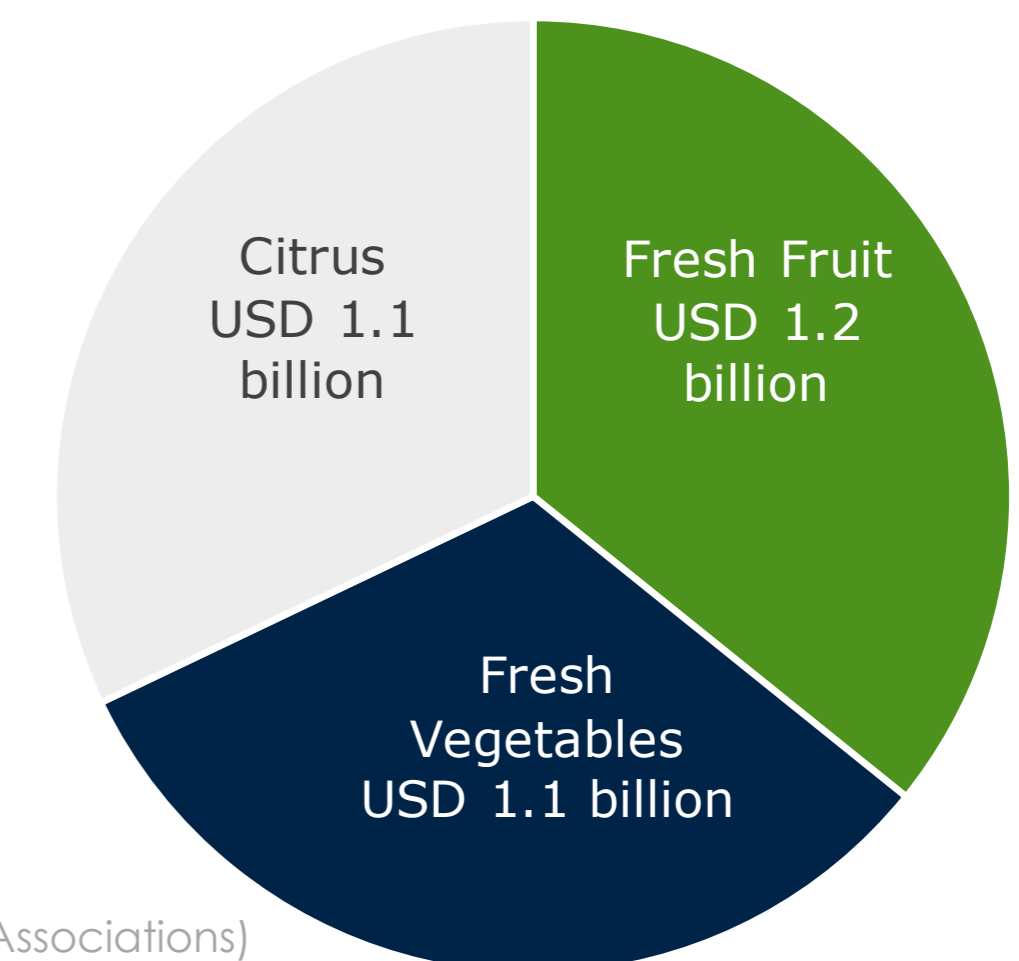
- Fresh fruit and vegetable exports contracted by **6%** in volume terms in 2023, YoY. In this period, **4.6 million tons of fresh fruits and vegetables were exported, generating USD 3.5 billion in revenues.**
- **Tangerines, tomatoes and lemons** generated the highest export revenues in 2023, **accounting for 42% of total export revenues.**
- **46% of exports were made to Russia, Germany and Romania,** respectively. Revenue from these countries reached **USD 1.6 billion.** (Source: Mediterranean Exporters' Associations)

#### Volume Basis:



(Source: Mediterranean Exporters' Associations)

#### Turnover Basis:



# Konfrut AG Business Units

*Agri Sourcing Redefined.*

**KONFRUT AG**

AS&S



 Agri Sourcing & Services

Agri Sourcing 

Agri Input Products 

Agri Trading 

**KONFRUT AG**

IL



 Intergrated Logistics

Agri Hauling Logistics 

Transportation 

Warehousing 

**KONFRUT AG**

E&ISS



 Energy and Industrial Supplies & Services

Green Energy 

Pomace & Fertilizer 

Packaging 



# Operations

Agri Sourcing Business Unit in 2023

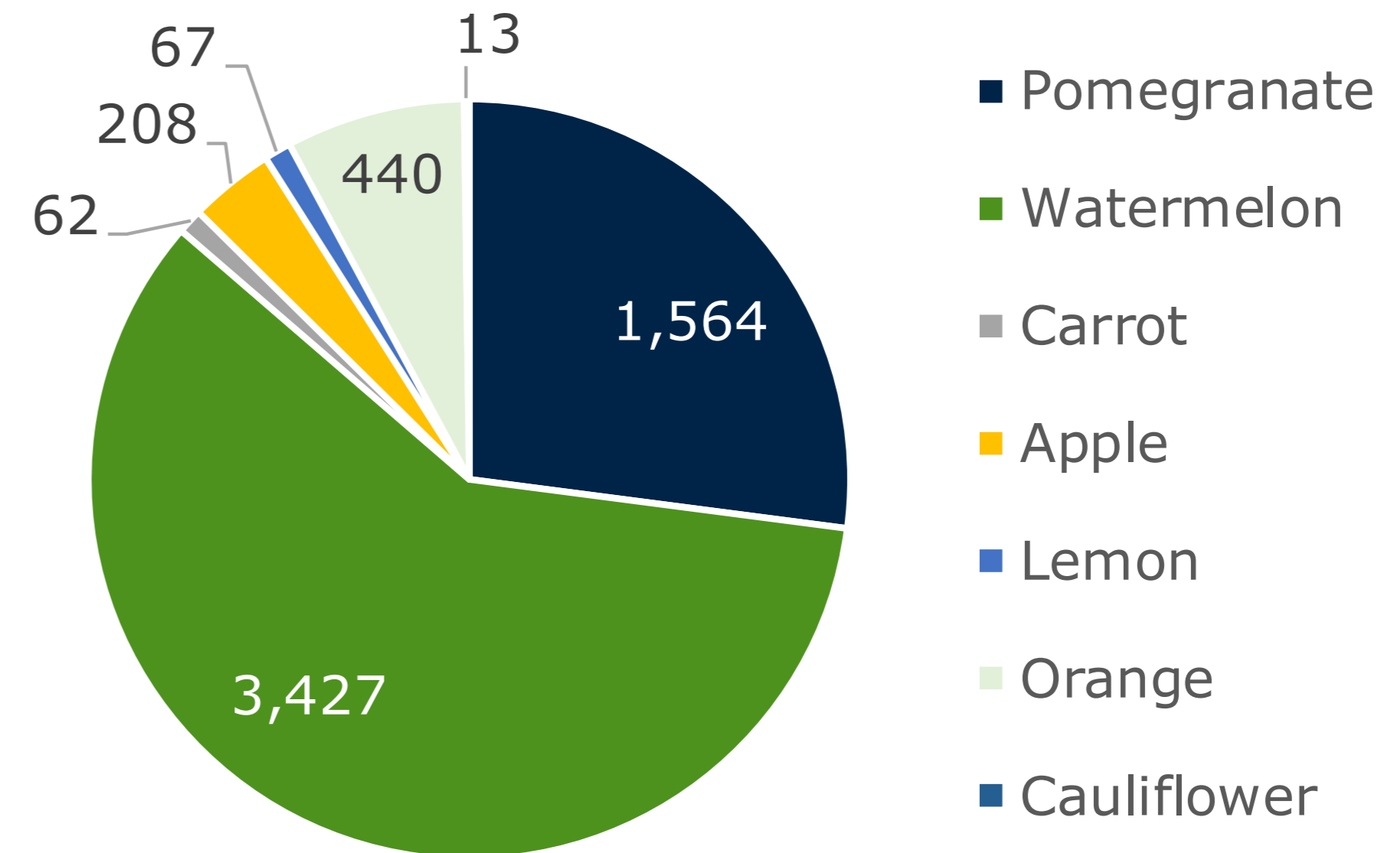
## Agri Sourcing Supply

- In 2023, Konfrut AG supplied **494 thousand tons of industrial agri sourcing**.
- Turkey's largest-scale **Organic/ Residue-Free Strawberry Project** supplied **5,170 tons** of strawberries.
- **Tea Fiber** sales amounted to **7,168 tons**.
- **In the Agri Input Channel; 11 million** seedlings and **3 thousand tons** of fertilizer were sold.

**Wunder Fresh**



**Fresh Fruit and Vegetable Export Breakdown (Volume Basis; tons)**



In 2023, **66%** of fresh fruit and vegetable exports were realized to Germany.

The number of exporting countries was **9**.

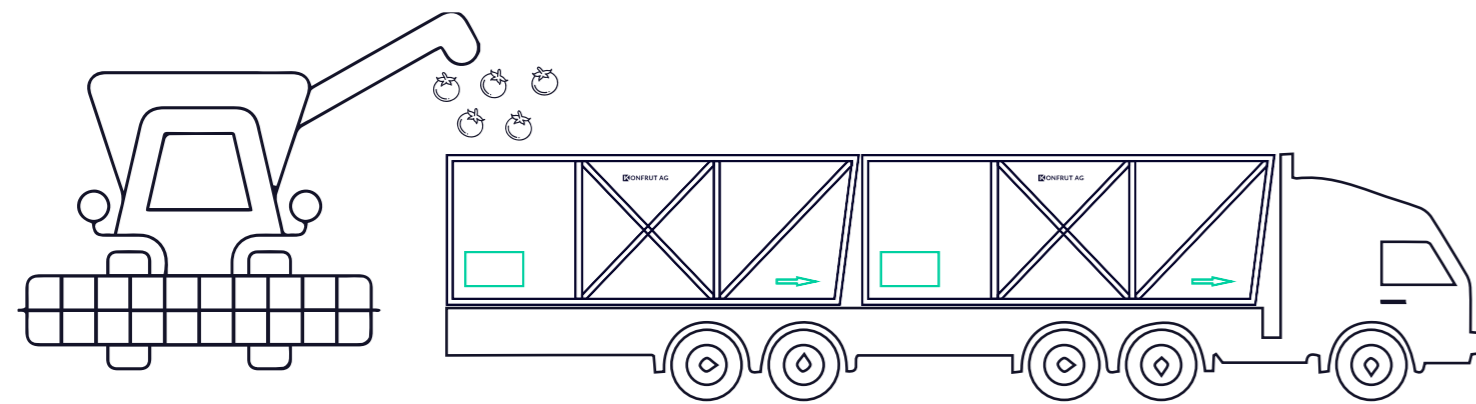
**€ 5 million** Export revenues were generated.

# Operations

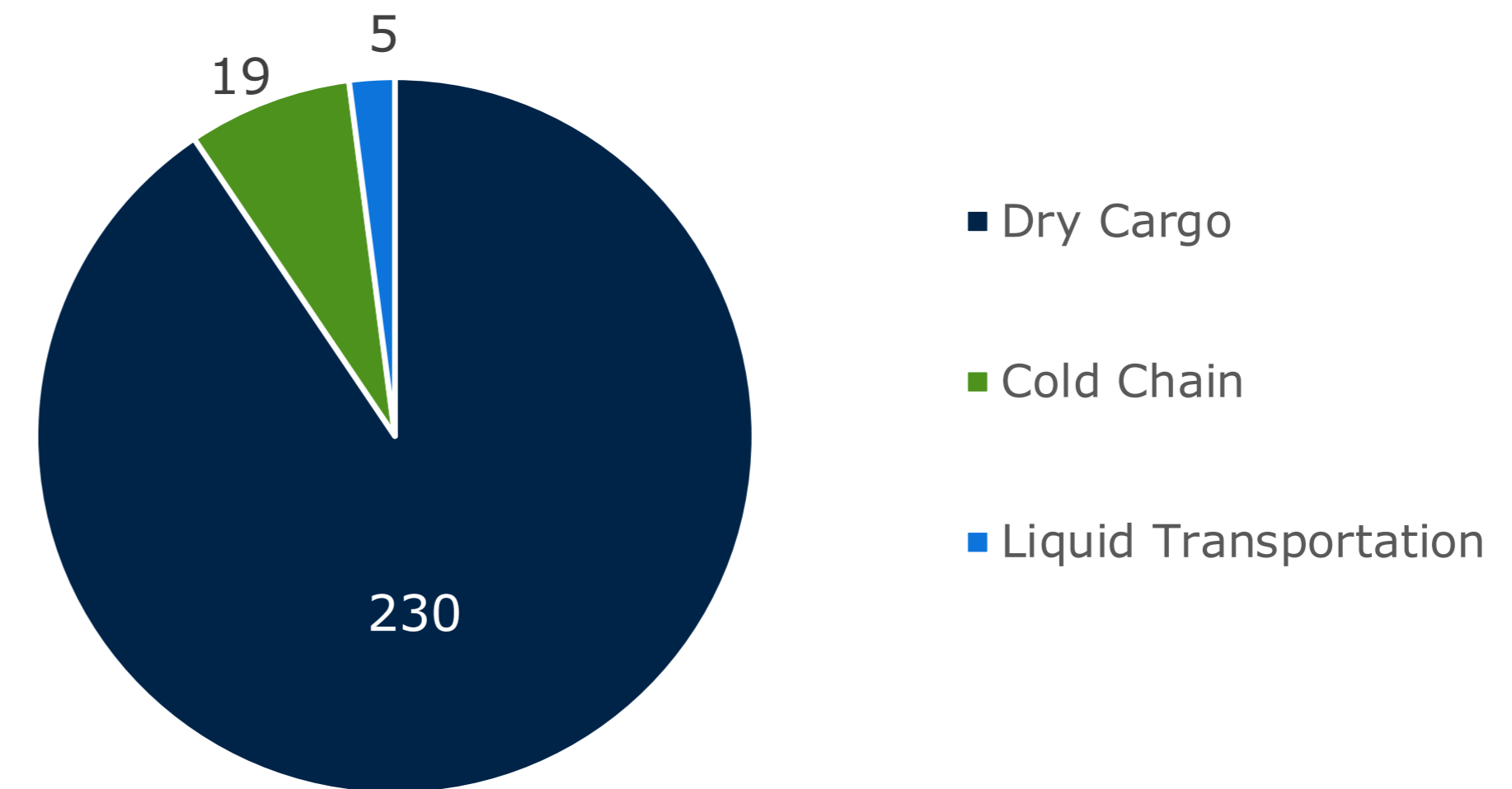
Logistics Business Unit in 2023

## Storage and Logistics Operations

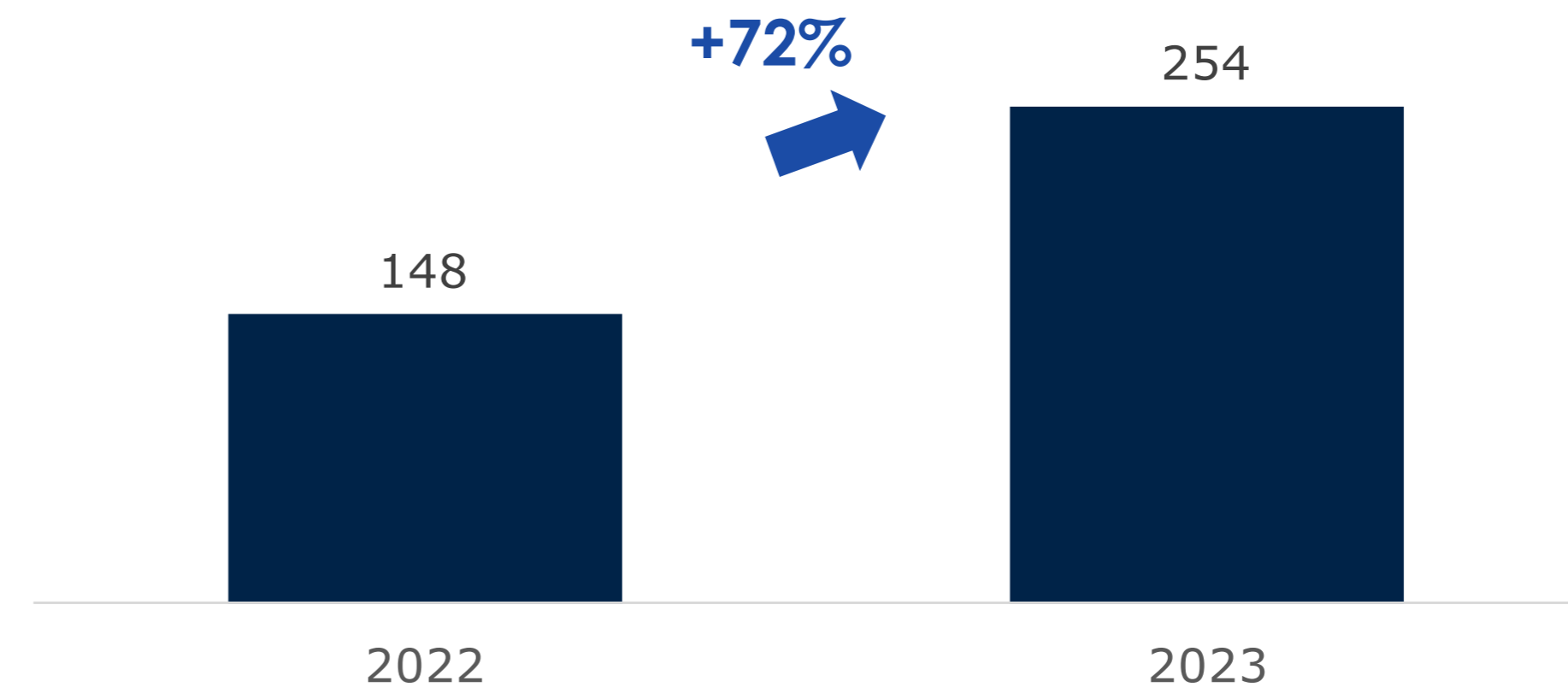
- Agricultural raw material and industrial product transportation, carried out under the Warehousing and Logistics business unit, **grew by 72% in 2023, reaching 254 thousand tons.**
- Transportation volumes increased **by 44%, YoY** and reached **62 thousand tons** with the tractor vehicle, specially designed fiber pool and refrigerated trailer, which continued to be invested throughout the year due to their cost advantages and for which an investment decision was taken for 2024.



## Distribution of Hauling Service Volume Basis (Thousand Tons)



## Agri Sourcing Transportation (Thousand Tons)



# Operations

Industry Business Unit in 2023



T-IRRIGATE  
Irrigation  
Optimization

T-TRAP  
Pheromone  
Trap

T-WEATHER  
Agro Station



## Digital Agriculture

- The use of digital agricultural devices was increased throughout the year. Digital agricultural devices were used in tomato, organic strawberry, black carrot, capia pepper, sugar beet and apple fields. The number of devices installed in this period reached **66**, while the use of agricultural drones was expanded.



## Energy and Industrial Products and Services

- Pallet sales increased **by 15% up to 142 thousand units**.
- **31%** of pallet sales were covered by the tender received last year.
- As of September, dried apple pulp trade started and **683 tons of apple pulp** was purchased.



## Konfrut Gıda

Fruit and Vegetables Process

- Denizli-Akkent Plant produced **18,431 tons** in 2023.



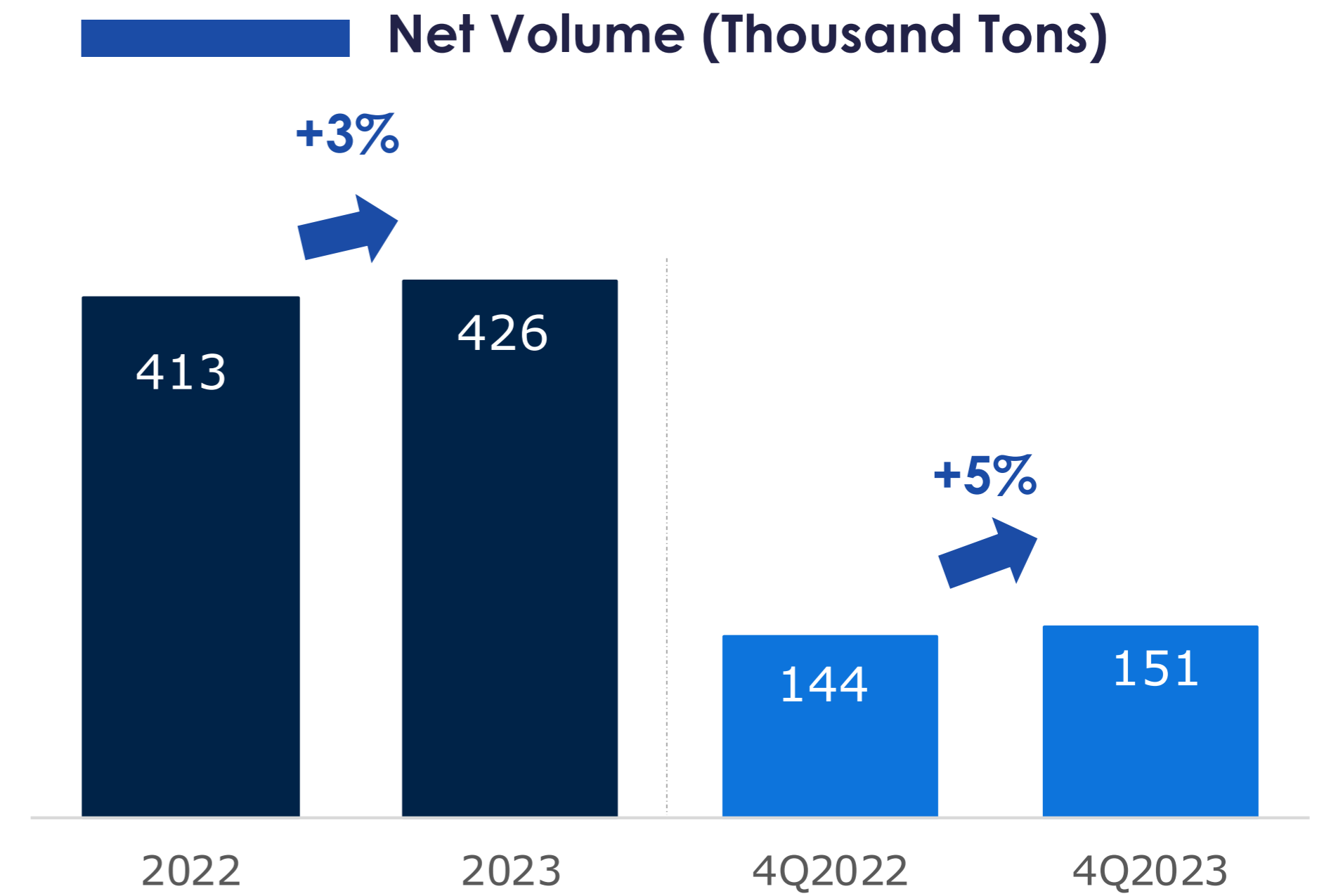
# Consolidated Financial Results

2023YE

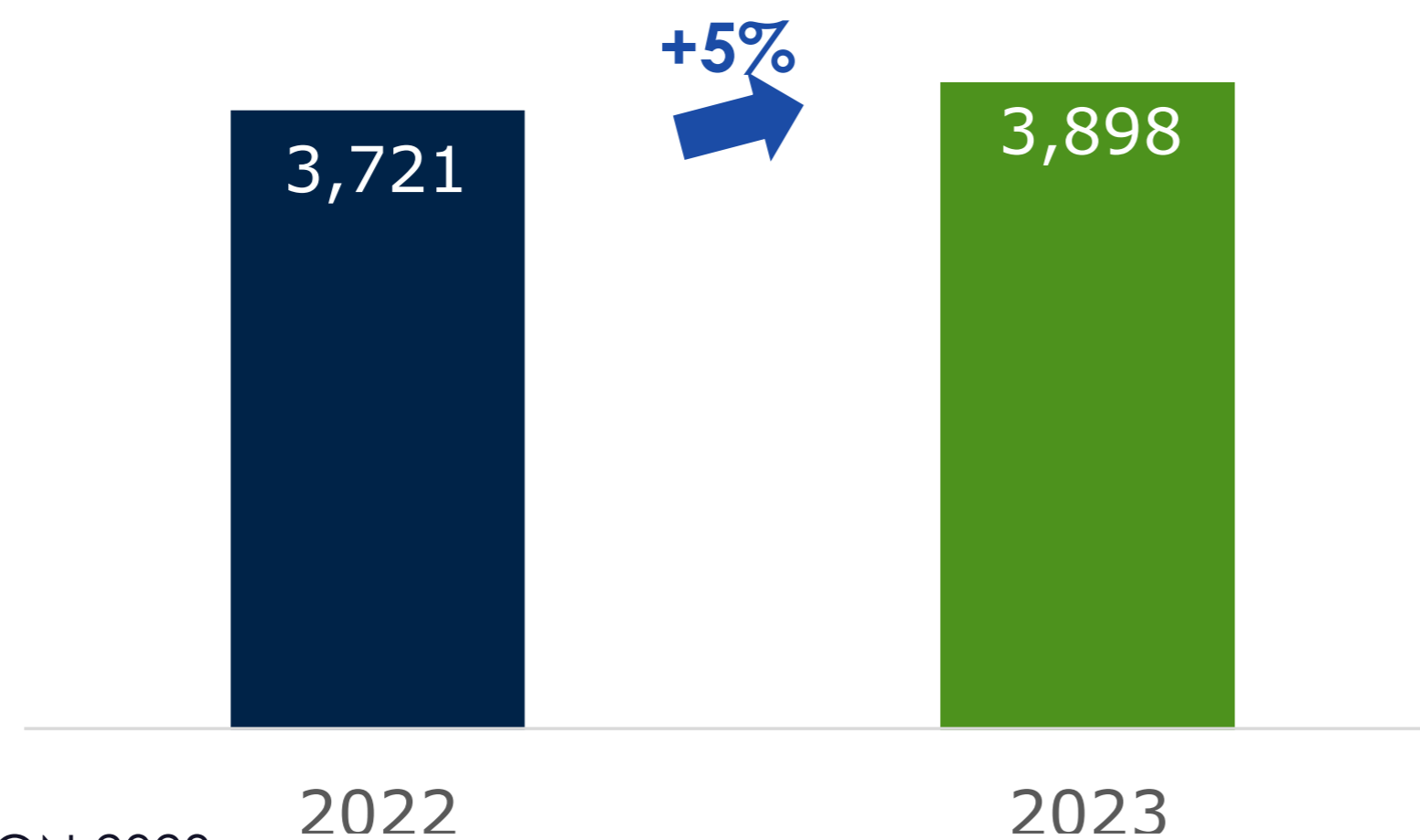
# Net Sales Improvement

Consistent Growth in Turnover and Volume

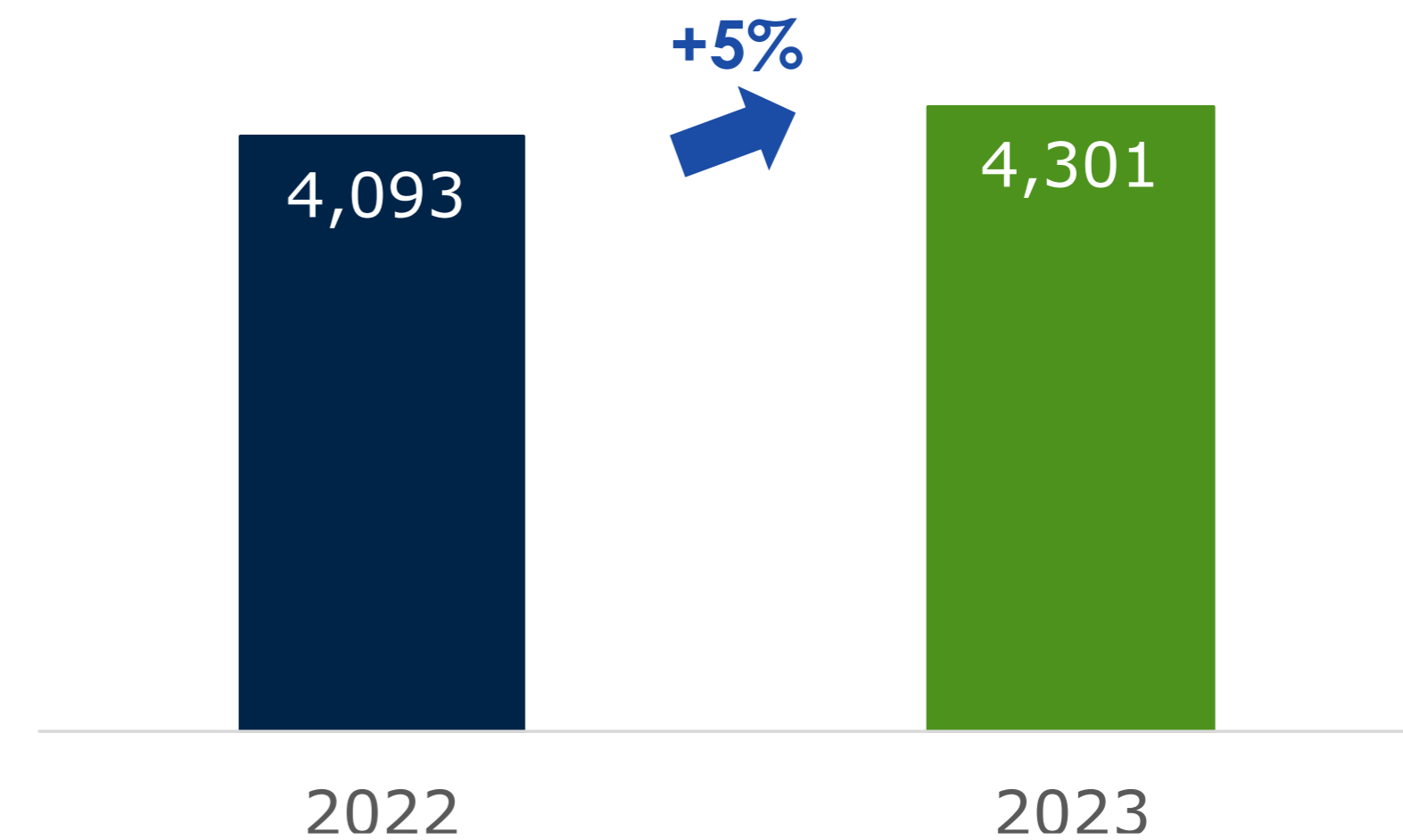
- Konfrut's consolidated sales volume increased by **3%**, **YoY**. And reached **426 thousand tons**.
- In terms of turnover, **5% growth** was achieved with a turnover of **TL 4.3 billion**.
- In 2023, cost of goods sold increased at a similar level to turnover growth.



Cost of Goods Sold (Million TL)



Net Sales (Million TL)

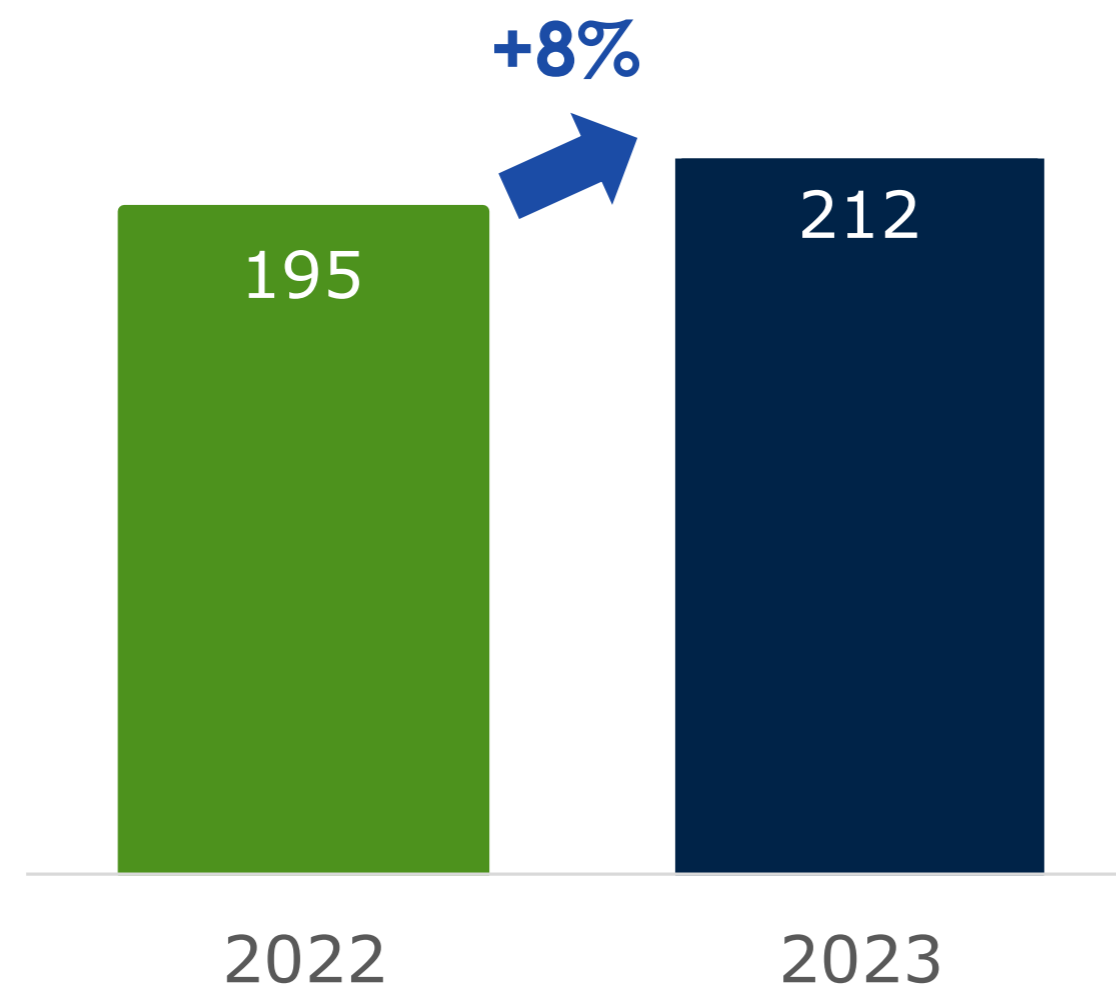


# Profitability

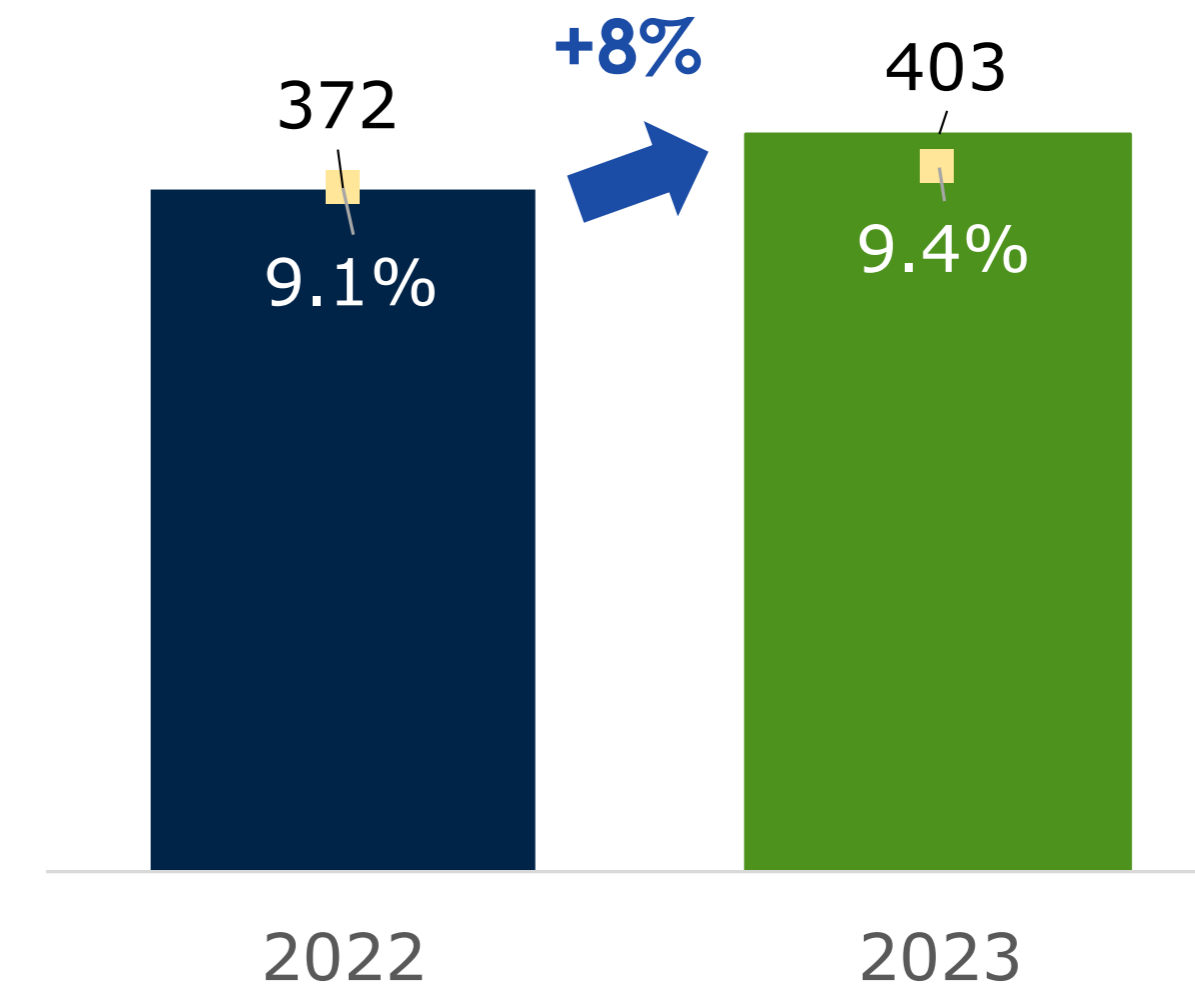
Profitability Figures Point to Growth while Margins Improved.

- In 2023, Konfrut's gross profit was realized as 403 mn TL, YoY.
- Operating expenses as a percentage of net sales remained at **5%**, the same level as last year, thanks to operational efficiency initiatives.

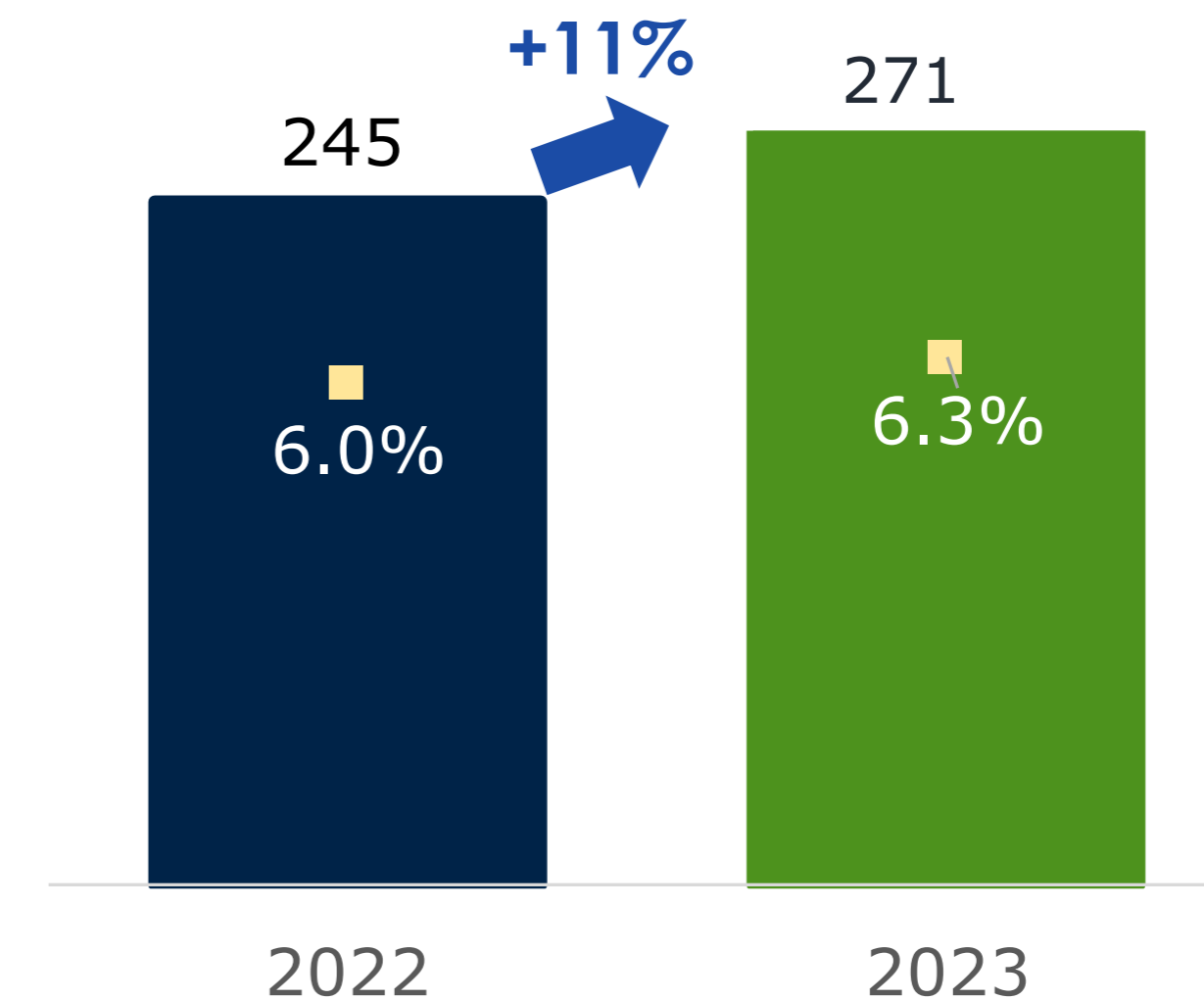
Operating Profit (Million TL)



Gross Profit and Gross Profit Margin (Million TL)



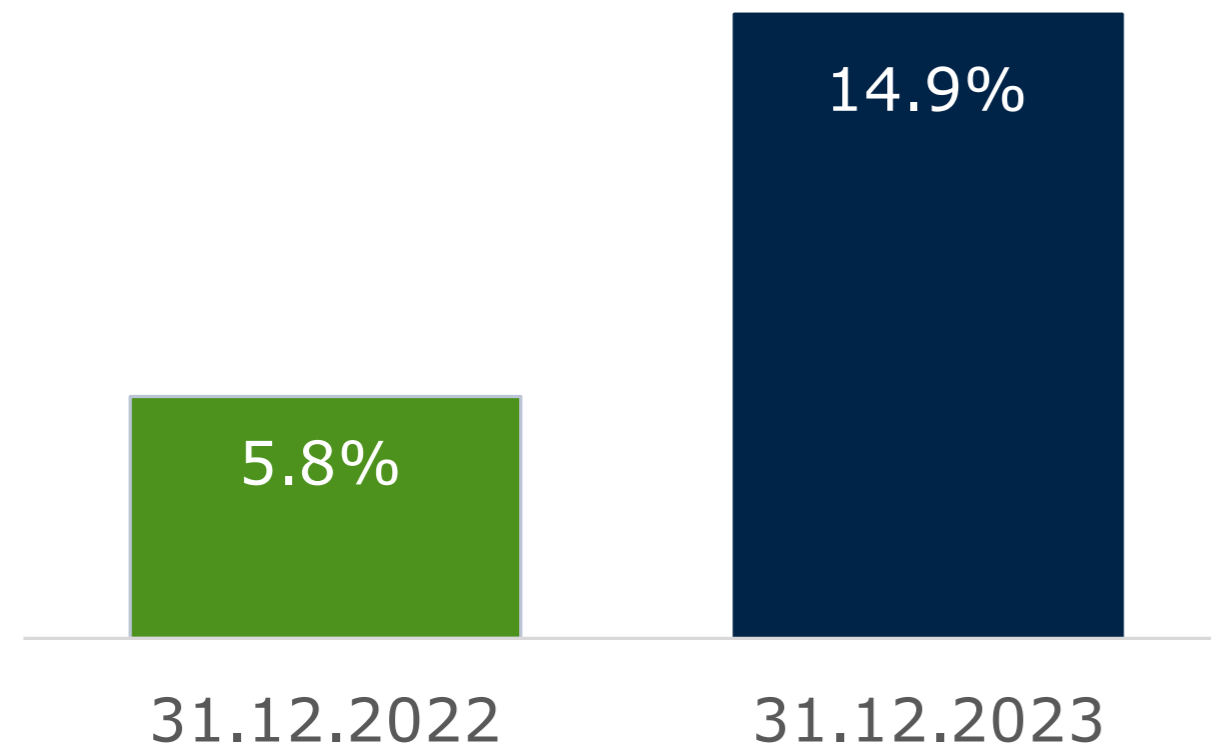
EBITDA and EBITDA Margin (Million TL)



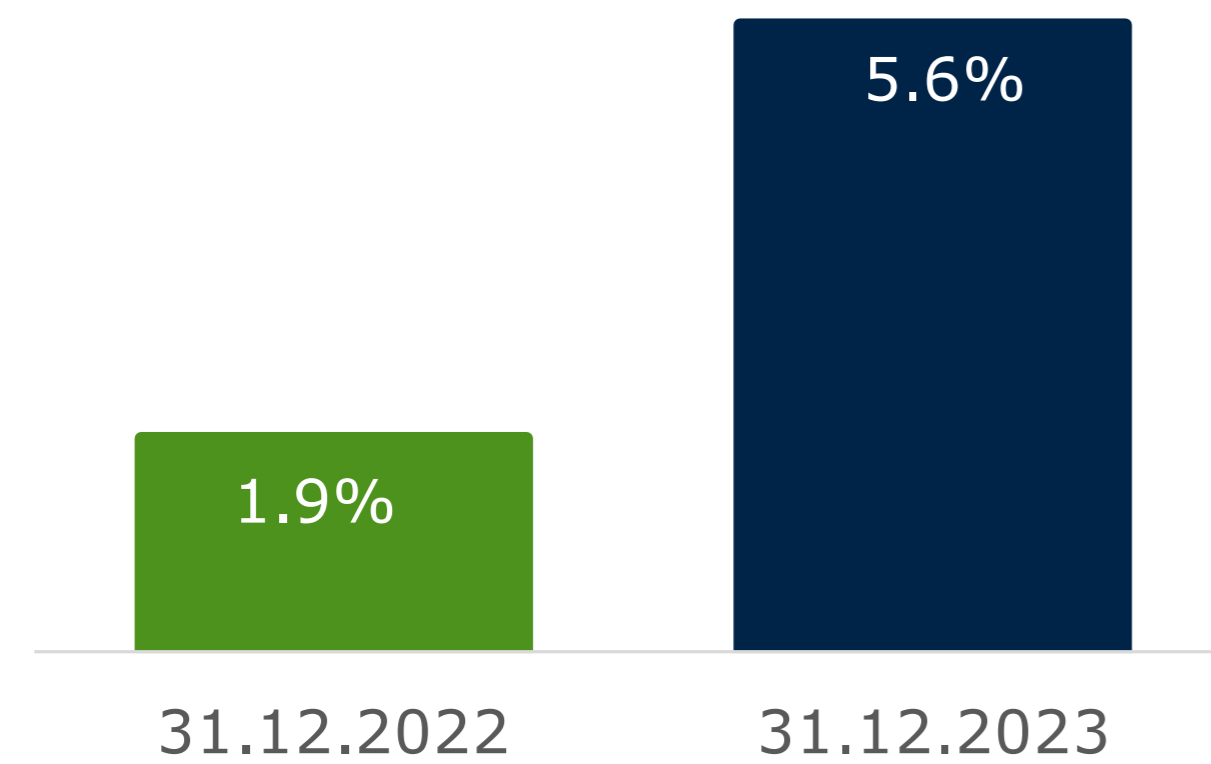
# Profitability

177% Increase in Net Profit for the Period

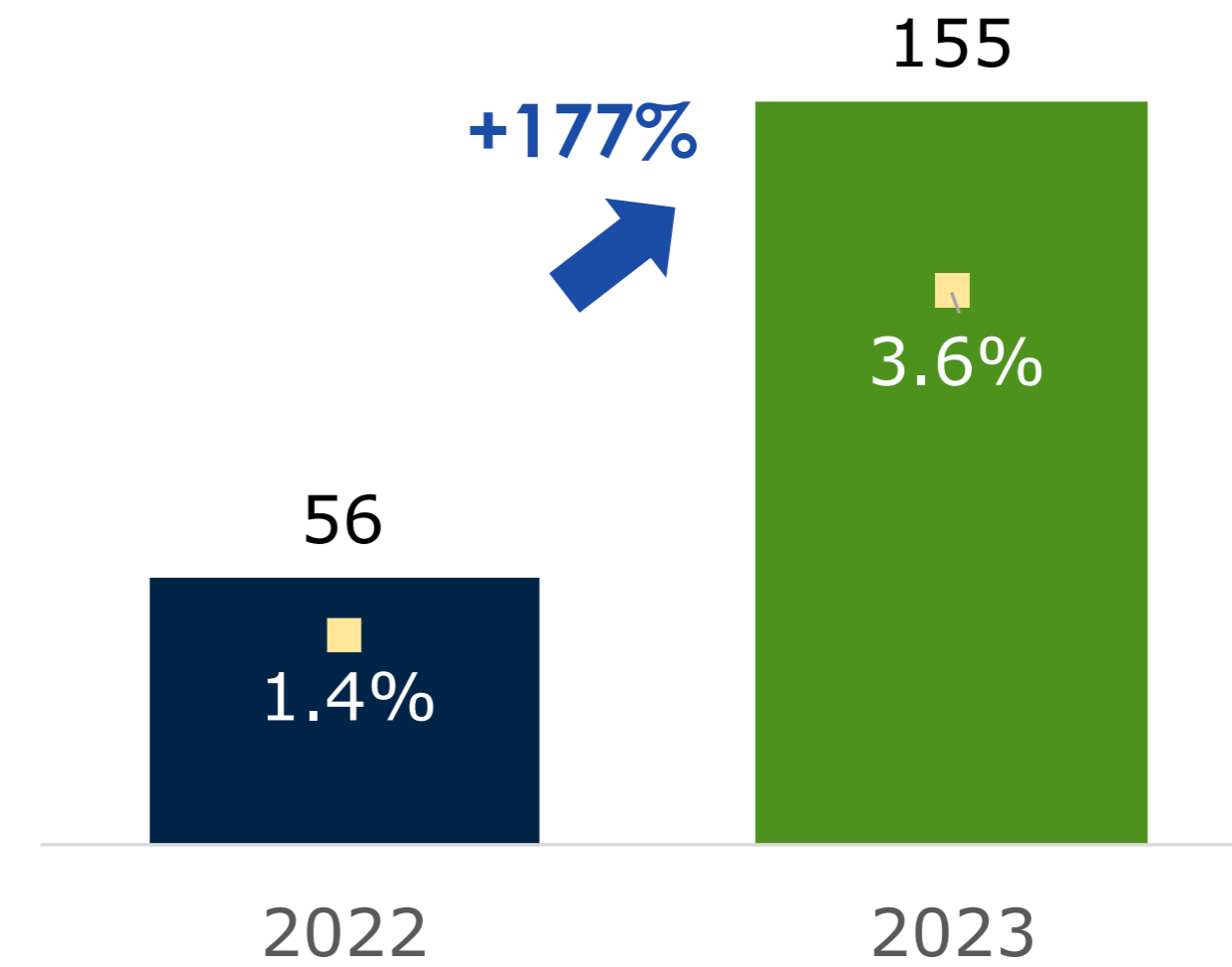
## Return on Equity



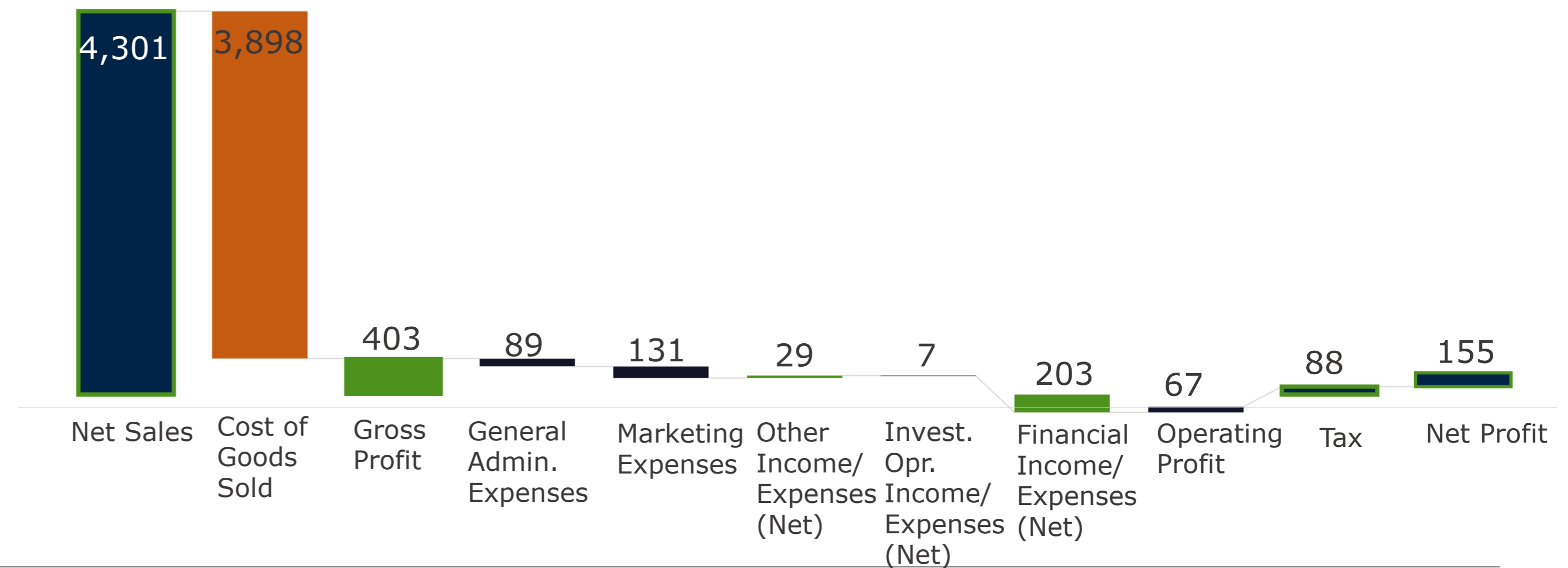
## Return on Assets



## Net Profit and Net Profit Margin (Million TL)



## Net Profit (Million TL)

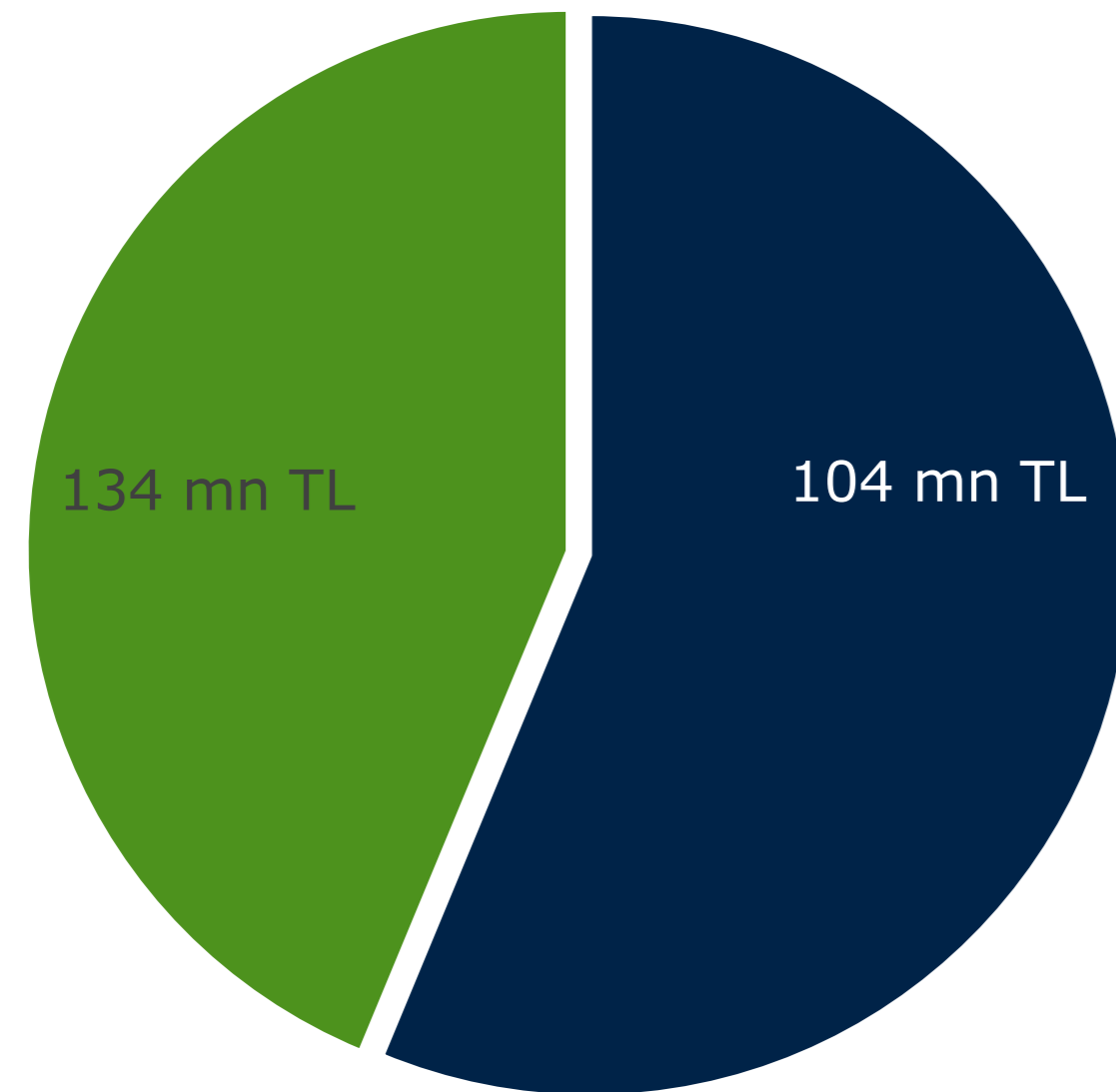


# Investments and Liabilities

Continued Investment in Konfrut AG Due to High Growth and Profitability Potential.

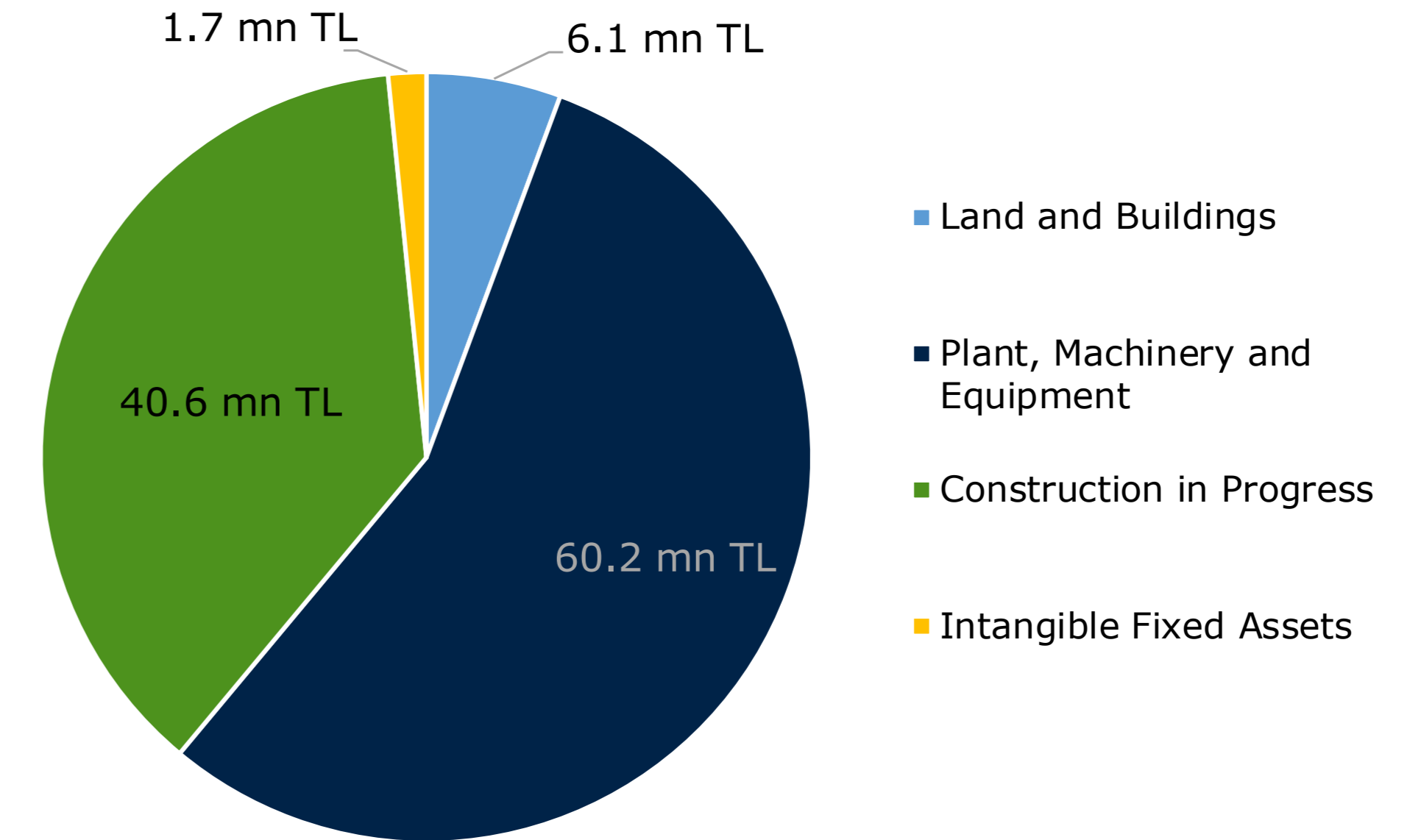
- In 2023, **108.7 million TL** was invested on a consolidated basis.

**Financial Debt Distribution**



- 56%** of financial debts are in Turkish Lira.
- Financial liabilities consist of financial loans and financial leasing liabilities.

**Investment Expenditures Distribution (Million TL)**



Konfrut AG in 2023;

- A new line investment in the tea fiber pelletizing plant in İyidere district of Rize, providing a capacity increase of 11.9 million TL,
- The logistics business unit invested 22 million TL in tow trucks and fiber pools.

(Million TL)

	2021	2022	2023
Investment Expenditures	31.5	107.9	108.7



# Income Statement - Summary

(Million TL)

	2022	2023	Change	Change (%)
Net Sales	4,092.8	4,300.6	207.9	5.1%
Cost of Sales	(3,720.7)	(3,898.1)	(177.4)	4.8%
<b>Gross Profit</b>	<b>372.1</b>	<b>402.6</b>	<b>30.4</b>	<b>8.2%</b>
General Administrative Expenses	(66.8)	(88.9)	(22.0)	33.0%
Marketing Expenses	(126.4)	(131.1)	(4.8)	3.8%
<b>Operating Profit</b>	<b>179.0</b>	<b>182.6</b>	<b>3.6</b>	<b>2.0%</b>
<b>EBITDA</b>	<b>245.2</b>	<b>271.4</b>	<b>26.2</b>	<b>10.7%</b>
Other Income/Expenses (Net)	11.3	22.2	10.9	96.1%
Financial Income/Expenses (Net)	(56.0)	(137.8)	(81.8)	146.1%
<b>Profit Before Tax</b>	<b>134.3</b>	<b>66.9</b>	<b>(67.3)</b>	<b>-50.1%</b>
Tax	(78.3)	88.2	166.5	-212.7%
<b>Net Profit for the Period</b>	<b>56.0</b>	<b>155.2</b>	<b>99.2</b>	<b>177.1%</b>

# Balance Sheet - Summary

(Million TL)

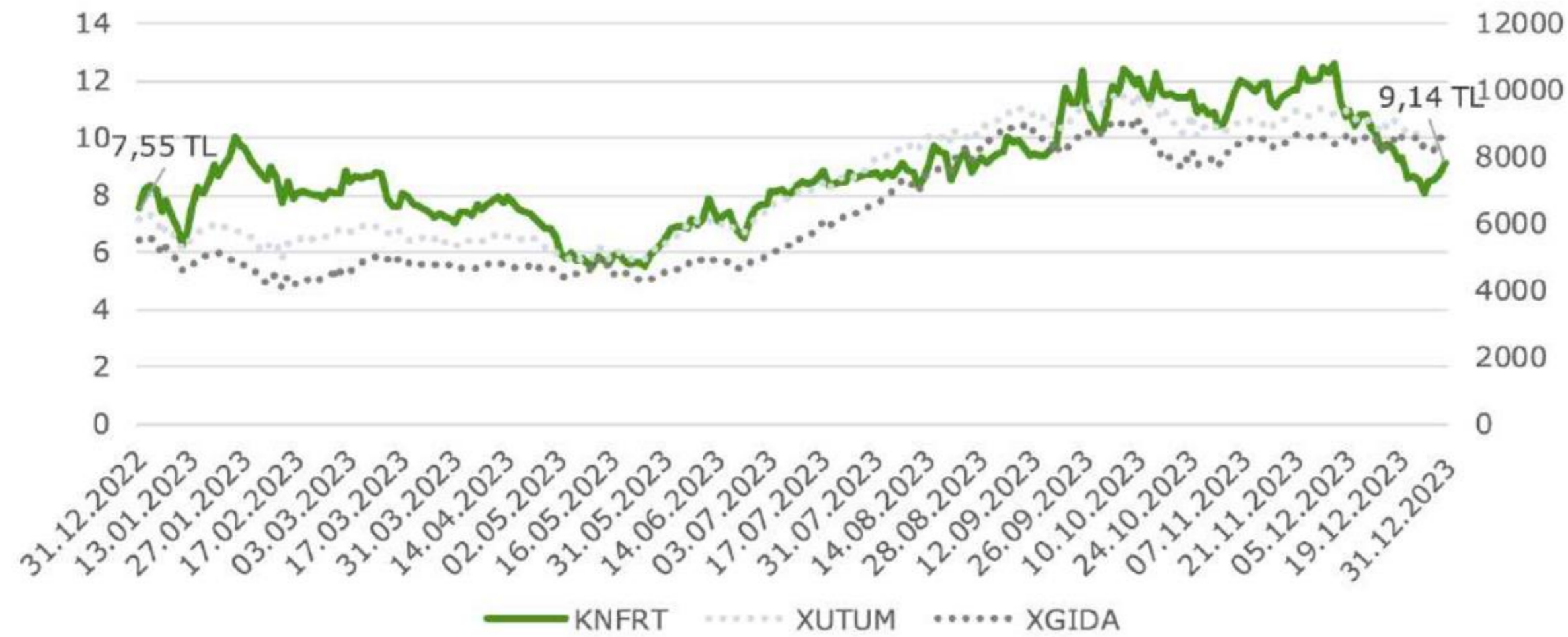
	31.12.2022	31.12.2023
<b>Current Liabilities</b>	<b>2,255.7</b>	<b>1,993.3</b>
Cash and Cash Equivalents	5.7	33.0
Trade Receivables	538.3	431.3
Inventories	1,154.2	1,006.4
<b>Non-Current Assets</b>	<b>621.5</b>	<b>647.1</b>
<b>Total Assets</b>	<b>2,877.2</b>	<b>2,640.4</b>
<b>Current Liabilities</b>	<b>1,657.6</b>	<b>1,406.2</b>
Short Term Financial Borrowings	638.7	133.8
Trade Payables	701.4	730.3
<b>Long Term Liabilities</b>	<b>254.7</b>	<b>122.3</b>
<b>Equity</b>	<b>964.9</b>	<b>1,111.9</b>
<b>Total Equity</b>	<b>2,877.2</b>	<b>2,640.4</b>

# Financial Ratios

	2022	2023
Gross Profit Margin	9.1%	9.4%
EBITDA Margin	6.0%	6.3%
Net Profit Margin	1.4%	3.6%
Current Ratio	1.4	1.4
Acid Test Ratio	0.7	0.7
Return on Assets (ROA)	1.9%	5.6%
Return on Equity (ROE)	5.8%	14.9%

# Stock Performance

## Konfrut Stock Price Developments



- The graph and table calculated the end of closing share prices.
- BIST-ALL and BIST-FOOD Indices are shown in comparison.

Public Offering Date	10.06.1996
Issued Capital	TL 264,000,000
Ticker Symbol	KNFRT
Free Float Rate	22.38%
Stock Price TL (31.12.2022 - 31.12.2023)	7.55 - 9.14
Market Value	TL 2,412,960,000
Change in Market Value in the year 2023	+21%
Market in Borsa Istanbul	Main Market
BIST Market where Company's Capital Market Instruments are Traded	BIST-INDUSTRIALS BIST-DENIZLI BIST-PARTICIPATION BIST-FOOD AND BEVERAGE

# Legal Disclaimer

Information about Konfrut Gıda Sanayi ve Ticaret A.Ş. (Konfrut Gıda) and its 100% subsidiary Konfrut AG Tarım A.Ş. (Konfrut AG), the financial statements' analysis and current views on possible future events are included in this presentation. Although, it is considered that the information and analyzes included in the presentation are correct and the data regarding the predictions are reasonable, these can be affected by various variables and changes in underlying assumptions that could cause actual results to differ materially.

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