

3Q & 9M 2024 Financial and Operational Highlights

(All financial figures are in line with IAS 29 unless otherwise stated)

(million TL)	3Q 2023	3Q 2024	YoY change	9M 2023	9M 2024	YoY change
Revenues	8,345	8,015	-4.0%	22,488	22,912	1.9%
Gross profit	1,588	1,479	-6.9%	4,013	3,978	-0.9%
Gross margin	19.0%	18.4%	-0.6 pp	17.8%	17.4%	-0.4 pp
Adj. EBITDA ¹	1,818	1,848	1.7%	4,739	4,905	3.5%
Adj. EBITDA margin	21.8%	23.1%	1.3 pp	21.1%	21.4%	0.3 pp

Key highlights in 9M 2024

(All financial figures are in line with IAS 29 unless otherwise stated)

- Revenues increased by 1.9% YoY to 22.9 billion TL in 9M 2024. (Without applying IAS 29, net sales grew by 67% YoY to TL 20.3 billion.)
- Gross profit came in at 4.0 billion TL in 9M 2024 similar to what was recorded in 9M 2023. (Without applying IAS 29, gross profit grew by 65% YoY to 4.3 billion TL.)
- Adjusted EBITDA posted a solid real growth of 3.5% on a YoY basis and was recorded at 4.9 billion TL in 9M 2024. (Without applying IAS 29, adj. EBITDA grew by 69% YoY to 4.3 billion TL.)
- System-wide sales (without applying IAS 29) increased by 64% YoY to 30.1 billion TL in 9M 2024.

Key highlights in 3Q 2024

(All financial figures are in line with IAS 29 unless otherwise stated)

- Revenues in 3Q 2024 came in at 8.0 billion TL. (Without applying IAS 29, revenues grew by 51% YoY to TL 7.7 billion.)
- Gross profit came in at 1.5 billion TL in 3Q 2024. (Without applying IAS 29, gross profit grew by 53% YoY to 1.7 billion TL.)
- Adjusted EBITDA grew by 1.7% on a YoY basis and was recorded at 1.8 billion TL in 3Q 2024. (Without applying IAS 29, adj. EBITDA increased by 64% YoY to 1.7 billion TL.)
- System-wide sales (without applying IAS 29) increased by 47% YoY to 11.7 billion TL in 3Q 2024.

Comments of Co-CEOs Özgür Çetinkaya, Gökhan Asok and Sinan Ünal

In 3Q 2024, we maintained robust execution and delivered strong results across key metrics, despite a challenging macroeconomic landscape. As we have frequently emphasized, our primary focus remains on achieving profitability and creating value for our shareholders. This approach paves the way for sustainable and healthy growth, reinforcing our leadership position in the industry. Our success is evident in our real EBITDA growth and solid cash generation, which we believe add significant value.

Our system-wide sales, encompassing both our own restaurants and those operated by franchisees, reached 30.1 billion TL reflecting 64% year-on-year growth in this first nine months of the year. On a quarterly basis, our system-wide sales grew by 47% year-on-year and came in at 11.7 billion TL in 3Q 2024. Meanwhile, our revenues, which include sales from our own restaurants and franchise commissions, grew by 67% year-on-year in the nine months of 2024 (51% in 3Q 2024) on an unadjusted basis, underscoring our commitment to sustainable growth.

Over the 9-month period in 2024, based on IAS 29 financials, the company achieved real revenue growth of 2% year-on-year and improved its Adjusted EBITDA margin by 0.3 percentage point,

¹Adjusted EBITDA is calculated by deducting operating expenses (G&A and marketing expenses) from gross profit and adding depreciation and amortization, waste oil income, salary protocol income, and insurance income related to profit losses.

leading to Adjusted EBITDA growth of 4% in real terms, underscoring the strength of its business fundamentals.

Quarterly revenues reached 8.0 billion TL, with a modest year-on-year decline of 4.0%, primarily due to the absence of a mid-year minimum wage adjustment in 2024, unlike the 34% increase implemented last year in July, as well as persistent inflationary pressures that affected consumer spending in 3Q. More importantly, a strong focus on profitability and cost control—through efficient labor management and strategic procurement—resulted in a 1.3 percentage point improvement in Adjusted EBITDA margin, highlighting the company's ability to adapt and drive value even in a challenging economic environment.

Our expansion strategy is a vital growth driver. In 3Q, we opened 76 new restaurants, totaling 182 openings in the first nine months of 2024. At this remarkable pace, it demonstrates our system's capability to virtually launch a new restaurant each workday. Today, we can share that we will exceed our 2024 restaurant opening target of over 200 new locations. This growth not only expands our footprint but also enhances customer accessibility, reinforcing our commitment to reaching diverse markets. Our franchise model is central to our expansion strategy, now comprising 796 locations, i.e. 45% of our total restaurant count. In the past quarter, revenues from franchisees surged by 5.5% in real terms (14% real growth in 9 months), highlighting the success of our franchise models in attracting motivated entrepreneurs and boosting efficiency and profitability. Our franchise partners remain crucial to our success, reinforcing our commitment to sustainable growth.

Marketing and product innovation were crucial to our 3Q success. During the back-to-school period, we successfully launched our 'BÖRGIR' advertising campaign to emphasize that we are not just a brand, but the top brand associated with burgers in Turkey. Survey results confirm that 4 out of 5 people think of Burger King when they hear 'burger,' underscoring our unique position as the strongest representative of the burger category. Along with this campaign, we promoted more affordable meal options with larger fries and drinks catering to value-seeking customers. Seasonal items, including various ice creams and new cold coffee product line, capitalized on summer demand, enhancing sales. For our Usta Dönerci brand, which has performed exceptionally well in 2024, we launched several side dishes to enhance upselling opportunities, along with localized product adjustments to better cater to tastes and preferences of customers. Additionally, we introduced new chicken-based sandwiches and wraps for our Burger King and Popeyes brands to fill price gaps in our product assortments. Our 'Ne Yediğini Bil' ('Know What You Eat') platform reinforced our commitment to transparency, food safety, and quality, strengthening consumer trust and loyalty.

Our ability to adapt to fluctuating market conditions has been crucial for maintaining profitability. Through strategic procurement, we achieved cost efficiencies that effectively mitigated rising input costs. Our focus on technological advancements and digitalization has streamlined operations, enabling us to provide high-quality service while controlling expenses. We continue to expand the use of self-ordering kiosks and implement cashier-less systems, which enhance convenience for customers. Digital sales, which include sales generated through self-order screens, Tıkla Gelsin's "Click and Collect" feature, and food aggregator platforms, account for more than 30% of our total sales. We expect digital ordering will continue to be a major driver of growth for the next several years. Additionally, our efforts to introduce table-service restaurants have been supported by technological developments. Ongoing renovations across our restaurant network have further enhanced

the customer experience, ensuring our locations remain both inviting and operationally efficient, while driving momentum for growth.

As we expand our market presence, our strategic priorities remain focused on improving the use of technology, optimizing operational efficiency, enhancing customer engagement, and driving sustainable, profitable growth. These initiatives are essential in reinforcing our leadership position in the sector and creating long-term value for our shareholders. Our strong liquidity position provides us comfort to continue our restaurant openings at a rapid pace and to increase use of technology in our restaurants.

In conclusion, we extend our heartfelt appreciation to all stakeholders—franchisees, employees, and investors—for their continued trust and support. Our collective efforts enable us to build on our vision and achieve success together.

Outlook for YE 2024

For FY 2024, as per our projections, we continue to focus on maintaining our profitable growth momentum while navigating a challenging macroeconomic environment. Despite a slowing economy and reduced consumer purchasing power, we have successfully implemented measures aimed at sustaining growth and profitability. These initiatives have not only improved customer satisfaction but also enabled us to expand our market share, within a contracting market—a testament to the strength of our business model and brands.

In 3Q 2024, we sustained our strategic focus on driving profitability, achieving positive results across key performance metrics. As of the end of September, we have opened a total of 187 new restaurants, positioning us well to exceeding our annual target of more than 200 new openings. This steady expansion underscores our commitment to broadening our market presence and accessibility to our customers.

As we evaluate the challenges impacting the third quarter and the beginning of the fourth quarter, we recognize that our flexible business model, strong market position, and effective execution capabilities have minimized the effects of these challenges. In this regard, we are confident in our ability to maintain our projected EBITDA margin and continue pursuing our long-term sustainable growth objectives.

Given the effective measures we have implemented, we are confident that our top line will remain strong, and we are targeting a year-end revenue range of 27.5 billion to 28 billion TL. We expect our yearly Adjusted EBITDA margin to be higher than 21%, better than our initial projections.

The positive results we have achieved to date reinforce our long-term strategy of sustainable growth, driven by the resilience of our robust brand portfolio and customer-centric innovations. As we continue to monitor macroeconomic developments closely, we remain optimistic about our outlook for the remainder of 2024 and beyond. We believe our ongoing initiatives will not only enhance shareholder value but also ensure sustained growth for the company in the long term.

Key Operational and Financial Figures

Based on the CMB's decision dated 28 December 2023 and numbered 81/1820 and the "Implementation Guide on Financial Reporting in High Inflation Economies" published by the POA with the announcement made on 23 November 2023, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of IAS 29, starting from their annual financial reports for the accounting periods ending as of December 31, 2023.

As of March 31, 2024, an adjustment has been made in accordance with the requirements of IAS 29 ("Financial Reporting in High Inflation Economies") regarding the changes in the general purchasing power of the Turkish Lira. IAS 29 requirements require that financial statements prepared in the currency in circulation in the economy with high inflation be presented at the purchasing power of this currency at the balance sheet date and that the amounts in previous periods are rearranged in the same way. The indexing process was carried out using the coefficient obtained from the Consumer Price Index in Turkey published by the Turkish Statistical Institute ("TUIK").

The relevant figures for the previous reporting period are rearranged by applying the general price index so that comparative financial statements are presented in the unit of measurement valid at the end of the reporting period. Information disclosed for previous periods is also presented in the measurement unit valid at the end of the reporting period.

However, certain items from our financials are also presented without inflation adjustment for information purposes in order to give an idea of our performance relative to the Price Determination Report, which was prepared on 4 September 2023 and published on Public Disclosure Platform on 13 October 2023 and relative to our 2024 forecasts, which we announced on 25 December 2023 and which were based on the financials without inflation adjustment. Below analysis is based on unaudited financial statements without the application of IAS 29.

Consolidated (million TL)	3Q 2023	3Q 2024	YoY change	9M 2023	9M 2024	YoY change
Number of tickets ('000)	57.999	54.237	-6%	156.562	156.339	0%
Average ticket size (TL)	137	215	57%	117	193	65%
System-wide ² sales	7.951	11.670	47%	18.328	30.143	64%
Revenues	5.079	7.671	51%	12.158	20.311	67%
Gross profit	1.128	1.727	53%	2.602	4.288	65%
Adj. EBITDA	1.060	1.740	64%	2.516	4.261	69%
Profit before tax	514	1.336	160%	1.165	3.404	192%
Net income	536	1.152	115%	1.501	3.157	110%
Gross margin	22,2%	22,5%	0,3 pp	21,4%	21,1%	-0,3 pp
Adj. EBITDA margin	20,9%	22,7%	1,8 pp	20,7%	21,0%	0,3 pp
Net income margin	10,5%	15,1%	4,6 pp	12,3%	15,5%	3,2 pp

In 3Q 2024:

Our **system-wide sales** saw a 47% year-on-year increase, reaching 11.7 billion TL. Similarly, our **revenues** grew by 51% compared to the previous year, totaling 7.7 billion TL. We generated a total of 54.2 million **tickets**. The trend towards delivery orders continued this quarter as well. Also, our increased promotional campaigns towards multi-meal offers continued in this quarter. Moreover, our successful up-sell efforts supported by deployment of self-order screens and new side-product launches helped us achieve strong average ticket size growth. Although we saw a shift towards economy segment, where prices are lower, we achieved an average ticket size increase of 57%, significantly outpacing the 49% food inflation in 3Q 2024.

Gross profit increased by 53% YoY and reached 1.7 billion TL. Gross margin materialized at 22.5%, corresponding to a 0.3 pp improvement compared to the same period last year. Despite higher depreciation expenses, strategic initiatives for more favorable procurement coupled with more efficient labor expenses, TAB Gıda was able to improve its gross margin.

TAB Gıda reported **Adjusted EBITDA** of 1.7 billion TL, corresponding to 64% YoY growth. Accordingly, the Adjusted EBITDA margin was posted at 22.7% representing a strong 1.8 pp improvement compared to the same period last year. Strategic execution in procurement front and the absence of minimum wage hike have helped us achieving this margin improvement.

²System-wide sales refer to the total sales of TAB-operated and Franchisee-operated restaurants.

Profit before tax jumped by 160% YoY to 1.3 billion TL. Strong operational performance along with net financial income of 232 million TL booked in 3Q 2024 versus net financial expense of 147 million TL in 3Q 2023 helped our company to post a strong improvement in profit before tax. Accordingly, at the bottom line, TAB Gıda recorded 1.2 billion TL **net income** in 3Q 2024, marking a 115% year-on-year increase. Cumulatively, our 9-month profit before tax increased by 192% to 3.4 billion TL, while our net profit rose by 110% to 3.2 billion TL.

On the balance sheet front, we were able to grow our **total assets** by 10% in real terms as of 9M 2024 versus 2023 year end. Similarly, our **equity** grew by 11% in real terms, providing a solid foundation for our future growth and profitability.

As of the end of 3Q 2024, **total cash** stands at 5.5 billion TL with a mere 42 million TL of financial debt. Moreover, our company distributed cash dividends of 146.5 million TL in July. Our balance sheet and operations have virtually no foreign currency risk with no FX denominated debt and procurements taking place locally.

As a result, in Q3 2024, we delivered strong results in key metrics, operating strongly despite challenging macroeconomic conditions. As we often emphasize, our primary objective is to ensure profitability and create value for our investors. This approach paves the way for sustainable and healthy growth, reinforcing our leading position in the industry. Our success is evident in our realized EBITDA growth and solid cash generation, which we believe adds significant value.

TAB Gıda Consolidated Income Statement

(TL)	1 Jan - 30 Sep 2024	1 Jan - 30 Sep 2023	Change (%)	1 Jul - 30 Sep 2024	1 Jul - 30 Sep 2023	Change (%)
Revenue	22,911,897,022	22,487,807,080	2%	8,015,085,867	8,345,402,086	-4%
Cost of revenue	(18,933,805,872)	(18,474,984,112)	2%	(6,536,384,197)	(6,757,256,398)	-3%
Gross profit	3,978,091,150	4,012,822,968	-1%	1,478,701,669	1,588,145,688	-7%
General administrative expenses	(784,756,352)	(753,928,364)	4%	(247,419,525)	(253,163,704)	-2%
Marketing, selling and distribution expenses	(1,064,454,420)	(1,136,117,998)	-6%	(361,597,472)	(428,744,044)	-16%
Other income	344,528,803	450,391,987	-24%	96,408,392	42,160,452	129%
Other expense	(391,697,640)	(452,067,820)	-13%	(158,496,705)	(123,156,534)	29%
Operating income / loss	2,081,711,541	2,121,100,773	-2%	807,596,360	825,241,858	-2%
Income related to investing activities	1,252,754,748	336,792,677	272%	354,693,602	77,348,273	359%
Expense related to investing activities	(59,522,492)	(138,264,100)	-57%	(31,831,168)	(72,400,706)	-56%
Operating profit before financial income	3,274,943,797	2,319,629,350	41%	1,130,458,794	830,189,425	36%
Financial income	293,009,342	232,770,756	26%	129,089,124	105,916,609	22%
Financial expenses	(616,857,650)	(1,273,338,291)	-52%	(197,697,431)	(398,306,774)	-50%
Monetary gain / (loss)	(702,710,104)	1,606,487,038	-144%	(204,308,384)	497,685,686	-141%
Profit before tax	2,248,385,385	2,885,548,853	-22%	857,542,103	1,035,484,946	-17%
Tax expenses	(400,086,216)	(212,225,311)	89%	(192,207,049)	(195,934,275)	-2%
Deferred tax income / (expense)	(314,358,482)	442,000,205	-171%	(125,831,268)	(42,639,136)	195%
Profit for the period	1,533,940,687	3,115,323,747	-51%	539,503,786	796,911,536	-32%

Adjusted EBITDA calculation (TL)	1 Jan - 30 Sep 2024	1 Jan - 30 Sep 2023	Change (%)	1 Jul - 30 Sep 2024	1 Jul - 30 Sep 2023	Change (%)
Gross profit	3,978,091,150	4,012,822,968	(1%)	1,478,701,669	1,588,145,688	(7%)
- Operating expenses	(1,849,210,772)	(1,890,046,362)	(2%)	(609,016,997)	(681,907,748)	(11%)
+ Waste oil income	40,728,956	57,744,505	(29%)	14,937,035	13,133,475	14%
+ Salary protocol revenues	12,662,566	6,806,476	86%	834,517	2,268,825	(63%)
+ Insurance income related to profit losses	-	38,191,520	n.m.	-	-	n.m.
+ Depreciation and amortization	1,153,701,221	1,046,237,947	10%	417,759,805	361,748,752	15%
+ Depreciation related to lease obligations	1,569,144,286	1,467,409,489	7%	544,898,873	534,168,011	2%
Adjusted EBITDA	4,905,117,407	4,739,166,542	4%	1,848,114,902	1,817,557,003	2%

TAB Gıda Consolidated Balance Sheet

(TL)	as of 30 September 2024	as of 31 December 2023
Current Assets		
Cash and cash equivalents	5,472,378,383	5,359,790,098
Trade receivables	1,254,405,534	882,935,708
- Trade receivables from related parties	599,829,246	359,977,270
- Trade receivables from third parties	654,576,288	522,958,438
Other receivables	6,336,054	3,880,431
- Other receivables from related parties	-	-
- Other receivables from third parties	6,336,054	3,880,431
Inventories	381,803,790	383,224,472
Prepayments	1,034,771,213	1,133,600,482
Other current assets	33,942,976	25,469,455
Total current assets	8,183,637,950	7,788,900,646
Non-Current Assets		
Trade receivables		
Other receivables	30,095,164	36,435,235
- Other receivables from related parties	-	-
- Other receivables from third parties	30,095,164	36,435,235
Property, plant and equipment	7,937,482,007	7,100,824,715
Intangible assets	881,727,276	794,158,509
Right of use assets	5,446,217,589	4,793,896,716
Prepayments	40,595,393	45,965,342
Other non-current assets	6,543,436	8,138,997
Total non-current assets	14,342,660,865	12,779,419,515
TOTAL ASSETS	22,526,298,815	20,568,320,161

(TL)	as of 30 September 2024	as of 31 December 2023
Short-Term Liabilities		
Short term financial liabilities	32,788,921	77,037,720
Current portion of long-term financial liabilities	9,177,051	49,015,085
Short term lease liabilities	1,228,713,419	943,069,504
Trade payables	1,896,257,303	2,034,470,503
- Trade payables to related parties	1,331,948,379	1,441,357,628
- Trade payables to third parties	564,308,924	593,112,875
Other payables	744,702	1,102,584
- Other payables to related parties	-	-
- Other payables to third parties	744,702	1,102,584
Employee benefit obligations	437,463,004	434,145,376
Current provisions	204,013,195	172,028,803
- Current provisions for employee benefits	165,107,435	137,903,528
- Other current provisions	38,905,760	34,125,275
Deferred revenues	220,048,256	234,159,931
Current tax liabilities	178,275,584	202,921,965
Other current liabilities	118,469,166	102,202,338
Total current liabilities	4,325,950,601	4,250,153,809
Long-Term Liabilities		
Long term lease liabilities	2,032,627,519	1,824,276,644
Long term trade payables	141,777,997	190,493,531
- Long term trade payables to unrelated parties	141,777,997	190,493,531
Non-current portion of employee benefit obligations	156,831,841	136,209,339
Non-current portion of unearned revenues	1,079,809,704	767,666,080
Deferred tax liabilities	159,056,069	248,379,452
Total non-current liabilities	3,570,103,130	3,167,025,046
Shareholders' Equity		
Share capital	261,292,000	261,292,000
Share capital adjustment differences	2,454,806,019	2,454,806,019
Share premium	4,999,866,161	4,999,866,161
Income reserves	184,713,881	-
Currency translation adjustment	122,899,218	16,720,169
Losses on remeasurements of defined benefit plans	3,597,207	5,046,043
Revaluation of property, plant and equipment	680,656,355	680,656,355
Profit for the year	1,533,940,687	3,339,160,001
Retained earnings	4,388,473,556	1,393,594,558
SHAREHOLDERS' EQUITY	14,630,245,084	13,151,141,306
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	22,526,298,815	20,568,320,161

About TAB Gıda

TAB Gıda's activities in the quick service restaurant sector started in 1995 when it acquired the master franchise rights of Burger King® and brought it to Türkiye.

Never compromising on the principles of quality and health in the quick service restaurant sector, TAB Gıda introduced Sbarro®, which offers the most delicious slice of life, to the Turkish public in 2007.

Launched in 2007 under TAB Gıda, Popeyes® is Türkiye's largest chicken restaurant chain in terms of number of restaurants. Combining unique flavor formulas developed by renowned chefs from Louisiana and the traditional flavors of New Orleans with authentic tastes, Popeyes® offers hearty and delicious options.

Arby's®, which distinguishes itself from its peers with its unique products, has been serving in Türkiye with the assurance of TAB Gıda since 2010.

In 2013, TAB Gıda created the Usta Dönerci® brand, to which it transferred its quarter-century of experience in the sector. After Usta Dönerci®, Usta Pideci® is the second brand created by TAB Gıda in 2019. Usta Pideci®, which offers delicious pita varieties prepared with carefully selected ingredients, charcuterie, and veal from reliable sources and loyal to classical methods, invites pita lovers to taste the flavors of Türkiye with the slogan "Pita is eaten from the master!".

Subway®, which TAB Gıda added to its global brands in 2022, is one of the world's largest quick service restaurant brands.

Special Note Regarding Forward-Looking Statements

This document includes forward-looking statements including, but not limited to, statements regarding TAB Gıda Sanayi ve Ticaret A.Ş.'s ("TAB Gıda") plans, objectives, expectations and intentions and other statements that are not historical facts. Forward-looking statements can generally be identified by the use of words such as "may," "will," "expect," "intend," "estimate," "anticipate," "plan," "target," "believe" or other words of similar meaning. These forward-looking statements reflect the current views and assumptions of management and are inherently subject to significant business, economic and other risks and uncertainties. Although management believes the expectations reflected in the forward-looking statements are reasonable, at this time, you should not place undue reliance on such forward-looking statements. These forward-looking statements include statements about TAB Gıda's expectations and beliefs regarding: (1) the sales, revenue and restaurant growth and expansion opportunities for TAB Gıda's brands and the drivers and pace of such growth, (2) TAB Gıda's restaurant pipeline and its long-term restaurant growth goal, (3) TAB Gıda's approach and goals concerning digital and technology initiatives, (4) TAB Gıda's business strategies, strategic initiatives and growth prospects, (5) capital allocation, (6) TAB Gıda's ability to create value for its shareholders, (7) competition in its markets and its relative position, and (8) sources of revenue and the drivers of TAB Gıda's financial and operational performance.

Should any of these risks and uncertainties materialize, or should any of management's underlying assumptions prove to be incorrect, TAB Gıda's actual results from operations or financial conditions could differ materially from those described herein as anticipated, believed, estimated or expected. Forward-looking statements speak only as of this date and TAB Gıda has no obligation to update those statements to reflect changes that may occur after that date.