

Equity / Large Cap. / Food

13/03/2026

Atakey Patates

HOLD

Price Target Revision

Upside Potential 27%

Gradual Recovery Expected but Valuation Looks Fair

We roll forward our DCF valuation to 2026, revising our macro assumptions and incorporating the company's 2026 guidance following the release of 2025 financial results. Based on our updated estimates, we revise our recommendation as **HOLD**, since our target price implies 27% upside potential. While the company faced notable headwinds in 2025, mainly due to the sharp decline in global potato prices and the effective loss of the China export channel following TFI's divestiture of Burger King China operations to RBI, we expect a gradual operational normalization in the coming years on the back of i) rebuilding export channels, ii) normalization in the potato price cycle, iii) capacity expansion, and iv) increasing contribution of higher-margin coated products. However, we believe a significant portion of this recovery story is already priced in at current valuation levels.

Operational Outlook

Export shock hit in 2025 but gradual recovery expected. Following TFI's divestiture of its Burger King China operations, Atakey effectively lost its primary export channel. As a result, exports declined sharply and the share of export volumes dropped significantly in 2025. This shift increased TAB Gıda's share in total volumes, raising customer concentration risk in the near term. In our forecasts, export volumes gradually recover through alternative markets, growing at around ~3% annually in real terms over the medium term. While exports remain an important growth lever, rebuilding international channels is likely to take time given the competitive structure of the global frozen potato market.

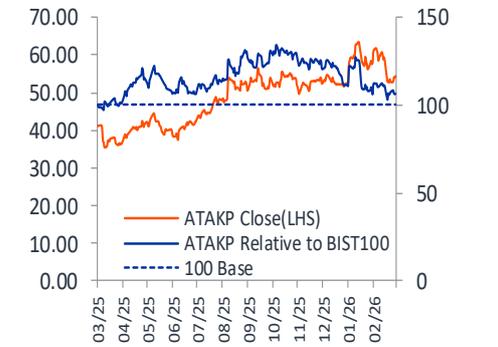
Stable Demand from QSR Channel. Despite the export shock, Atakey benefits from relatively strong demand visibility due to its position within the quick-service restaurant (QSR) supply chain. A significant portion of domestic volumes is linked to TAB Gıda's restaurant network and the broader expansion of the QSR segment in Türkiye. Compared with traditional frozen food producers, this structure provides more predictable demand patterns through long-term relationships with large restaurant chains. As QSR penetration and delivery platform usage continue to increase in Türkiye, this structural demand driver should support steady baseline volume growth over the medium term.

Stock Data	TL
Price	54.30
Target Price*	69.05
Prev.TP	-
Mcap (mn)	7,535
Float Mcap (mn)	1,532
Avg.Daily Volume (3M, mn)	40.3
No. of Shares Outstanding (mn)	139
Free Float (%)	20
Foreign Share (%)	9

Price Perf. (%)	1 Mn	Ytd	12 Mn
TL	-5.7	3.9	31.4
US\$	-6.8	1.1	9.0
Rel.to BIST-100	-1.8	-11.9	4.6

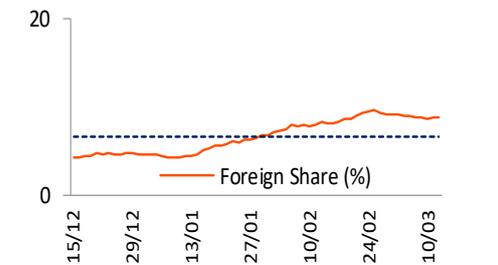
Multiples (\$)	2025	2026	2027
P/E	n.m.	9.2	8.3
P/BV	1.1	1.0	0.9
EV/EBITDA	13.9	14.0	10.4

Price / Relative Price



3M Range (Close TL)	51.60	63.40
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Foreign Share (%)	Cur.(%) :	8.88
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Atakey Patates

Company Description							Shareholder Structure (%)						
Along with owning one of the largest potato factories in Turkey, it has a warehouse of 22.000 tons of finished goods and 70.000 tons of raw materials. Türkiye produces one-fifth of frozen French fries in its own production facility. Atakey facility meets the frozen finger fries needs of fast service restaurants (Burger King, Popeyes, Arby's, Usta Dönerci and Sbarro) under the roof of TFI.							Tfi Tab Gıda Yatırımları Anonim Şirketi						
							Diğer						
							79.66						
							20.34						
Income Statement (mn ₺)							Balance Sheet (mn ₺)						
	2023A	2024A	2025A	2026E	2027E	2028E		2023A	2024A	2025A	2026E	2027E	2028E
Net Sales	6,043	6,997	4,920	5,441	5,877	6,286	Current Assets	5,338	5,736	3,882	4,845	5,864	6,076
Gross Profit (Loss)	1,523	1,082	494	474	647	622	Cash and Cash Equivalents	2,077	1,156	770	1,529	2,332	2,331
Operating Expenses	-195	-307	-236	-259	-256	-254	Short-Term Trade Receivables	464	569	485	536	579	610
Core Operating Profit	1,328	775	258	215	391	368	Inventories	2,487	3,526	2,335	2,620	2,759	2,938
Non-operating Income (Exp.)	24	-52	-51	-23	-32	-48	Other Current Assets	571	641	128	160	193	197
Profit (Loss) from Subsidiaries	0	0	0	0	0	0	Long Term Assets	4,363	6,491	5,184	5,002	4,790	5,372
Net Investment Income (Exp.)	391	662	267	253	189	165	Tangible Fixed Assets	3,771	5,742	5,018	4,795	4,540	5,117
Net Financial Income (Exp.)	-545	-636	-323	777	809	1,121	Intangible Fixed Assets	2	5	4	5	6	6
PBT	1,198	748	150	1,222	1,357	1,606	Other Long-Term Assets	589	743	162	202	245	249
Tax Expense (Income)	245	158	251	281	312	369	Total Assets	9,701	12,226	9,066	9,847	10,655	11,448
Net Profit	953	590	-100	941	1,045	1,236	Short Term Liabilities	2,209	1,864	988	1,093	1,145	1,209
EBITDA	1,553	1,276	593	586	791	796	Short-Term Financial Loans	1,296	339	121	121	121	119
Growth & Operating Perf.							Other Short-Term Liabilities						
Growth							Long Term Liabilities						
Net Sales	-	15.8%	-29.7%	10.6%	8.0%	7.0%	Long-Term Financial Loans	206	352	190	190	190	187
EBIT	-	-42%	-67%	-16%	81%	-6%	Other Long-Term Liabilities	12	22	21	21	21	21
EBITDA	-	-18%	-54%	-1%	35%	1%	Equity	7,274	9,988	7,867	8,543	9,299	10,031
Net Profit	-	-38%	n.m	n.m	11%	18%	Parent Shareholders Capital	7,274	9,988	7,867	8,543	9,299	10,031
Operating Performance							Reserves and Other Items						
Gross Margin	25.2%	15.5%	10.0%	8.7%	11.0%	9.9%	Current Year Income (Losses)	953	590	-100	941	1,045	1,236
EBIT Margin	22.0%	11.1%	5.2%	4.0%	6.6%	5.9%	Minority Interests	0	0	0	0	0	1
EBITDA Margin	25.7%	18.2%	12.0%	10.8%	13.5%	12.7%	Total Liabilities & Equity	9,701	12,226	9,066	9,847	10,655	11,448
Effective Tax Rate	-33.6%	-34.7%	-209.0%	-23.0%	-19.3%	-16.0%	Cash Flow (mn ₺)						
Net Profit Margin	15.8%	8.4%	-2.0%	17.3%	17.8%	19.7%		2023A	2024A	2025A	2026E	2027E	2028E
ROE	-	6.8%	n.m	11.5%	11.7%	12.8%	Net Cash from Operations	693	937	520	1,316	1,450	1,670
ROA	-	5.4%	n.m	9.9%	10.2%	11.2%	Earnings Before Adjustments	701	393	-100	941	1,045	1,236
OCF / Sales	11.5%	13.4%	10.6%	24.2%	24.7%	26.6%	Depreciation & Amortisation	227	501	335	370	400	428
FCF / Sales	14.5%	-4.7%	2.0%	20.9%	21.7%	7.5%	Change in Working Capital	-1,378	-70	-92	-21	-22	-24
Ratio Analysis							Other Operating Cash Flow						
	2023A	2024A	2025A	2026E	2027E	2028E	Cash from Inv. Operations	180	-1,267	-421	-179	-172	-1,198
Adj. P / E (x)	9.1	14.6	n.m	9.2	8.3	7.0	Capital Expenditures	-158	-1,142	-347	-164	-158	-1,183
EV / EBITDA (x)	5.3	6.4	13.9	14.0	10.4	10.3	Other Inv. Cash Flow	338	-124	-73	-15	-15	-15
EV / Sales (x)	1.4	1.2	1.7	1.5	1.4	1.3	Free Cash Flow	874	-330	99	1,137	1,278	472
P / B (x)	1.2	0.9	1.1	1.0	0.9	0.9	Cash from Fin. Operations	1,401	-1,197	-343	-677	-691	-597
EPS (₺)	6.87	4.25	n.m	6.78	7.53	8.91	Change in Financial Debt	-553	-791	-189	0	0	0
DPS (₺)	n.m	2.19	0.62	1.66	2.29	3.44	Dividends Paid	0	-304	-107	-230	-267	-332
Dividend Yield	0.0%	4.2%	1.2%	2.7%	3.2%	4.0%	Other Financing Cash Flow	4229	-1,629	-290	-447	-425	-266
Net Debt (Cash) (mn ₺)	-575	-465	-458	-1,218	-2,021	-2,025	Net Change in Cash	2,275	-1,527	-243	690	853	206

Source: Is Investment

*Ratio Analyses are expressed in dollar (USD) unless otherwise stated.

Disclosure: Estimations and historical financial results are based on the purchasing power of the Turkish Lira as of the end of 2026. Companies subject to inflation accounting disclose their financial results indexed to the purchasing power at the end of the relevant period.

Potato Cycle at Trough, Limited Pricing Power. Global processing potato prices have declined sharply from their mid-2023 peak due to widespread oversupply in European markets. At current levels, pricing power in processed potato products remains limited. Accordingly, in our model we assume that product prices broadly track inflation in the near term. While potato prices are expected to normalize over time as supply adjusts, the pass-through to processed product prices typically occurs with a lag. Therefore, any meaningful impact on Atakey's revenues may not materialize before late-2026 at the earliest. On the positive side, lower raw potato procurement costs provide temporary margin support in the near term.

Capacity Expansion and Product Mix Improvement. The company plans to increase its production capacity from 90k tons to 120k tons by 2028, creating additional headroom for volume growth. At the same time, the increasing contribution of coated products, which carry higher value-added characteristics, should support revenue growth and profitability as utilization rates gradually improve. In our projections, coated product utilization increases steadily over the forecast period, contributing positively to EBITDA margins.

Operating Leverage from Rising Capacity Utilization. Atakey's profitability is also expected to benefit from operating leverage as production volumes increase and capacity utilization improves. With the planned capacity expansion and gradual recovery in export demand, fixed production costs should be spread across a larger output base, supporting margin expansion over time. Combined with the increasing share of higher value-added coated products, this should contribute to a gradual improvement in EBITDA margins over the forecast horizon.

Valuation

We value ATAKP using a blended valuation framework, combining DCF methodology and relative valuation. In our target price calculation, we assign 70% weight to our DCF valuation, while domestic and international EV/EBITDA multiples are each given a 15% weight. We place the highest weight on the DCF method as it better captures the company's medium-term operational trajectory, including the expected recovery in export channels, capacity expansion, and gradual product mix improvement.

For the relative valuation component, we use LTM EV/EBITDA multiples based on IAS-29 adjusted financials. Within domestic comparables, we apply the median LTM EV/EBITDA multiple of 9.1x for publicly listed Turkish food companies. However, given that there is no directly comparable listed company in Türkiye with a business model closely resembling Atakey's frozen potato processing operations, we assign a relatively lower weight of 15% to domestic peers in our blended valuation.

For international peers, we consider global companies operating in the frozen potato and processed food segments, which trade at a median LTM EV/EBITDA multiple of 7.9x. These companies provide a more relevant operational comparison in terms of product category and industry structure. Nevertheless, differences in geography, cost structures, and macroeconomic environments lead us to assign a limited 15% weighting to international comparables as well.

Our DCF model incorporates the following key assumptions:

- ~10% real volume growth in 2026, gradually normalizing toward ~3% long-term growth.
- Product prices broadly increasing in line with inflation.
- Gradual margin improvement supported by higher capacity utilization, improving product mix and export recovery.
- Capacity expansion from 90k tons to 120k tons by 2028.
- Mid-20s WACC reflecting Türkiye's macro and inflation environment.
- Terminal growth rate of ~8%

Based on our blended valuation approach, we derive a target price of TL 69 per share, implying 27% upside potential from current levels. Despite the expected operational recovery, we revise our recommendation as HOLD, believing a significant portion of the medium-term normalization story is already priced in.

Table 1: DCF Table

DCF (TL mn)	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Revenues	2.760	3.495	4.957	6.476	8.342	10.545	12.827	15.215	17.785	20.479	23.479	26.801
growth, %	38,1%	26,6%	41,8%	30,6%	28,8%	26,4%	21,6%	18,6%	16,9%	15,2%	14,6%	14,1%
COGS	(1.875)	(2.735)	(3.752)	(4.892)	(6.443)	(8.211)	(9.826)	(11.488)	(13.259)	(15.097)	(17.112)	(19.322)
growth, %	44,9%	45,8%	37,2%	30,4%	31,7%	27,4%	19,7%	16,9%	15,4%	13,9%	13,3%	12,9%
Gross Profit	884	760	1.205	1.584	1.899	2.334	3.000	3.727	4.525	5.383	6.367	7.479
Gross Margin, %	32,0%	21,8%	24,3%	24,5%	22,8%	22,1%	23,4%	24,5%	25,45%	26,28%	27,1%	27,9%
Opex	(121)	(184)	(230)	(278)	(332)	(386)	(432)	(508)	(589)	(675)	(769)	(873)
As % of sales	-4,4%	-5,3%	-4,6%	-4,3%	-4,0%	-3,7%	-3,4%	-3,3%	-3,3%	-3,29%	-3,28%	-3,26%
EBIT	763	576	976	1.305	1.567	1.948	2.568	3.219	3.936	4.708	5.598	6.606
EBIT margin	28%	16%	20%	20%	19%	18,5%	20,0%	21,2%	22,1%	23,0%	23,8%	24,6%
Depreciation	(65)	(122)	(148)	(175)	(329)	(476)	(517)	(563)	(614)	(670)	(732)	(800)
As % of sales	-2,3%	-3,5%	-3,0%	-2,7%	-3,9%	-4,5%	-4,0%	-3,7%	-3,5%	-3,27%	-3,12%	-2,98%
EBITDA	828	699	1.123	1.480	1.896	2.424	3.085	3.782	4.550	5.378	6.330	7.406
EBITDA Margin	30,0%	20,0%	22,7%	22,9%	22,7%	23,0%	24,1%	24,9%	25,6%	26,3%	27,0%	27,6%
Taxes on EBIT	176	133	224	300	392	487	642	805	984	1.177	1.400	1.651
Tax Rate	23%	23%	23%	23%	25%	25%	25%	25%	25%	25%	25%	25%
Change in NWC	469	164	551	597	685	809	842	862	914	942	1.031	1.127
As % of sales	17,0%	4,7%	11,1%	9,2%	8,2%	7,7%	6,6%	5,7%	5,1%	4,6%	4,4%	4,2%
CapEx	(273)	(102)	(131)	(158)	(1.408)	(1.321)	(259)	(296)	(336)	(378)	(424)	(472)
As % of sales	-9,9%	-2,9%	-2,6%	-2,4%	-16,9%	-12,5%	-2,0%	-1,9%	-1,9%	-1,8%	-1,8%	-1,8%
Free Cash Flow	(90)	300	217	426	(588)	(193)	1.343	1.819	2.316	2.881	3.475	4.154
Free Cash Flow Margin	-3,3%	8,6%	4,4%	6,6%	-7,0%	-1,8%	10,5%	12,0%	13,0%	14,1%	14,8%	15,5%
Discount Rate	1,00	1,00	1,00	1,28	1,64	2,04	2,48	2,97	3,54	4,17	4,89	5,67
DCF	(90)	300	217	332	(359)	(95)	541	612	655	690	711	732

Terminal Growth	8%
Terminal Value	4.420
Firm value	8.456
Net Cash as of 4Q25	383
Equity Value	8.839
Target Equity Value DCF	11.845
Target Equity Value - Multiple	4.302
Weighted Equity Value	9.582
# of shares	139
Target share price	69,0
Current share price	54,3
Upside Potential	27%

	4Q24	1Q25	2Q25	3Q25	4Q25
Net Cash (Debt)	223	99	256	427	383
Cash	224	117	231	233	30
Marketable Securities	314	254	297	464	584
Short Term Liabilities	154	102	102	106	90
Long Term Liabilities	161	169	169	164	140

Source: Is Investment

Table 2: Weighted Average Cost of Capital (WACC)

WACC	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Risk free rate	29.5%	28.9%	27.0%	25.0%	24.0%	21.0%	18.0%	16.0%	15.0%	14.0%	13.0%	12.0%
Equity risk premium	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Levered Beta	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Cost of Equity	35.5%	34.9%	33.0%	31.0%	30.0%	27.0%	24.0%	22.0%	21.0%	20.0%	19.0%	18.0%
Cost of Debt	32.5%	31.9%	29.0%	27.0%	26.0%	23.0%	20.0%	18.0%	17.0%	16.0%	15.0%	14.0%
After tax cost of debt	25.0%	24.6%	22.3%	20.8%	19.5%	17.3%	15.0%	13.5%	12.8%	12.0%	11.3%	10.5%
Debt / (Debt + Equity)	40.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
WACC - TL	31%	32%	30%	28%	27%	25%	22%	20%	19%	18%	17%	16%

Source: Is Investment

Table 3: Domestic Peers

Ticker	Name	EV/EBITDA	P/B	P/E	EV/Sales
AKHAN	Akhan Un	22.0x	1.9x	27.1x	1.4x
ARMGD	Armada Gıda	20.9x	3.5x	19.6x	2.6x
AVOD	Avod Kurutulmuş Gıda	18.9x	0.9x	-5.5x	1.1x
BALSU	Balsu Gıda	17.1x	4.3x	-34.7x	1.6x
BORSK	Bor Şeker	8.3x	0.8x	-50.7x	1.0x
DARDL	Dardanel	9.3x	0.7x	-5.5x	0.7x
ELITE	Elite Organik Gıda	7.2x	1.8x	18.2x	1.9x
GOKNR	Göknur Gıda	4.4x	0.8x	7.1x	0.6x
KAYSE	Kayseri Şeker	9.1x	0.4x	-23.3x	0.9x
KRVGD	Kervan Gıda	7.8x	1.0x	-26.9x	0.8x
MEYSU	Meysu Gıda	12.5x	3.5x	26.8x	3.2x
OYLUM	Oylum Sınai Yatırımlar	13.2x	0.6x	-6.7x	0.8x
PETUN	Pınar Et ve Un	5.8x	0.4x	19.0x	0.7x
SELVA	Selva Gıda	27.1x	1.0x	-5.2x	1.4x
SOKE	Söke Değirmencilik	22.0x	1.4x	-15.9x	0.7x
TATGD	Tat Gıda	11.3x	0.9x	30.7x	0.9x
TUKAS	Tukaş	6.8x	0.6x	20.5x	1.9x
ULKER	Ülker Bisküvi	4.2x	1.1x	5.4x	0.8x
YYLGD	Yayla Agro Gıda	11.4x	0.9x	13.3x	1.0x
Median		9.1x	0.9x	19.3x	1.0x
Average		9.8x	1.4x	18.8x	1.3x

Source: Is Investment

Table 3: Foreign Peers

Ticker	Name	Country	EV/EBITDA
BWPT IJ Equity	Eagle High Plantations	INDONESIA	5,3x
CGC AU Equity	Costa Group Holdings Limited	AUSTRALIA	10,1x
FDP US Equity	Del Monte Fresh Produce Company	UNITED STATES	9,7x
HARN MK Equity	Harn Len Corporation Bhd	MALAYSIA	4,1x
LW US Equity	Lamb Weston Holdings, Inc.	UNITED STATES	10,6x
MOLA AR Equity	Molinos Agro S.A.	ARGENTINA	6,3x
ORS IM Equity	Orsero SpA	ITALY	5,4x
PKTP IN Equity	The Peria Karamalai Tea & Produce Company Ltd	INDIA	41,0x
SBECs IB Equity	SBEC Sugar Ltd	INDIA	9,5x
SHL MK Equity	Sin Heng Chan (Malaya) Berhad	MALAYSIA	23,4x
TGG NZ Equity	T&G Global Limited	NEW ZEALAND	5,9x
Median			7,9x
Average			9,0x

Source: Bloomberg, Is Investment

Table 4: Valuation Summary Table

mn TL	Target Equity Value	%	Weighted Equity Value
DCF	11.845	70%	8.291
Peer Domestic	3.474	15%	521
Peer Foreign	5.130	15%	769
Target Value			9.582
Target Price TL / share			69,0
Current Price			54,3
Upside Potential			27%

Source: Is Investment

Key Risks

Slower Export Recovery: Rebuilding export channels may take longer than expected due to intense competition in the global frozen potato market.

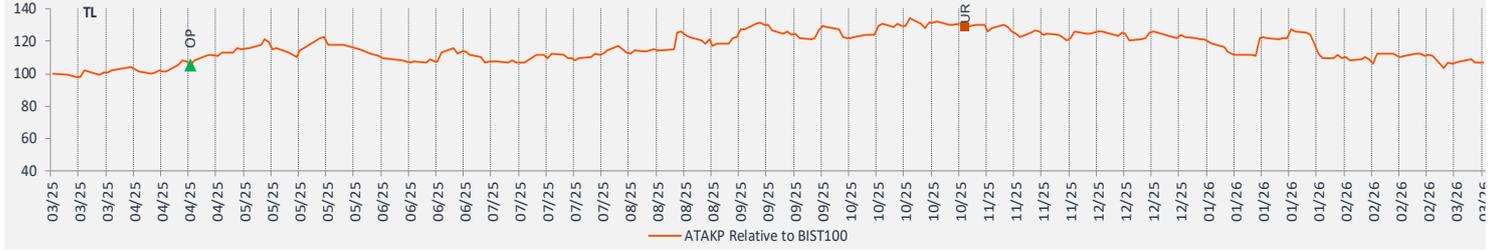
Customer Concentration: TAB Gıda represents a large share of the company's sales, creating dependency on a limited number of customers.

Potato Price Volatility: Raw potato costs are inherently cyclical and subject to weather conditions and agricultural supply dynamics.

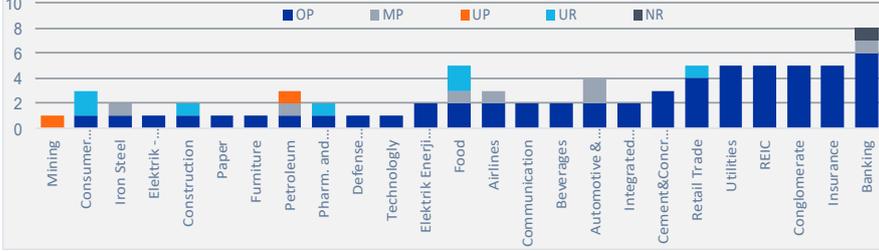
Execution Risk: Delays in capacity expansion or weaker-than-expected demand could limit utilization rates and margin improvement.

Atakey Patates

Relative to BIST 100 / Recommendations



Number of Companies



Rec. Breakdown for Coverage



Estimated Forward P/E & 12M Trailing P/E



Estimated Forward EV/EBITDA & 12M Trailing EV/EBITDA



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