# GERSAN ELEKTRİK TİCARET VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

# CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT FOR THE INTERIM PERIOD ENDED MARCH 31, 2025

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| | Footnote Number | 31.03.2025 | 31.12.2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **Current Assets** | | | |
| Cash and cash equivalents | [3] | 39.987.243 | 37.110.279 |
| Trade receivables | [5] | 593.179.744 | 495.104.901 |
| • Related parties | | 288.256 | 284.244 |
| • Unrelated parties | | 592.891.488 | 494.820.657 |
| Other receivables | [7] | 11.455.696 | 7.425.583 |
| Inventories | [8] | 945.857.982 | 973.805.635 |
| Prepayments | [9] | 281.600.931 | 330.311.303 |
| Current tax assets | [10] | 11.129.913 | 12.249.890 |
| Other current assets | [12] | 66.980.682 | 79.045.343 |
| **Sub-Total** | | **1.950.192.191** | **1.935.052.934** |
| **Total Current Assets** | | **1.950.192.191** | **1.935.052.934** |
| **Non-Current Assets** | | | |
| Other receivables | [7] | 1.850.214 | 1.381.911 |
| Property, plant and equipment | [13] | 1.535.029.911 | 1.529.394.043 |
| Intangible assets and goodwill | [14] | 9.968.443 | 10.464.645 |
| Prepayments | [9] | 141.970 | – |
| Deferred tax asset | [10] | 20.493.864 | 49.504.196 |
| Other non-current assets | [12] | 16.297.113 | 7.895.874 |
| **Total Non-Current Assets** | | **1.582.075.969** | **1.596.763.498** |
| **TOTAL ASSETS** | | **3.532.268.160** | **3.531.816.432** |

The accompanying notes are a supplementary part of these condensed consolidated financial statements.

| | Footnote Number | 31.03.2025 | 31.12.2024 |
|---|---|---|---|
| **Current Liabilities** | | | |
| Current borrowings | [4] | 195.566.845 | 132.854.454 |
| Current portion of non-current borrowings | [4] | 500.567.420 | 387.693.041 |
| Other financial liabilities | | 382.535 | 502.552 |
| Trade payables | [5] | 1.022.049.646 | 1.221.972.269 |
| Employee benefit obligations | [6] | 18.735.763 | 16.634.715 |
| Other payables | [7] | 12.654.800 | 9.300.307 |
| Deferred income | [9] | 75.577.681 | 48.923.660 |
| Current tax liabilities, current | [10] | 12.988.617 | 14.278.656 |
| Current provisions | [11] | 14.288.290 | 16.634.148 |
| Other current liabilities | [12] | 20.603.450 | 23.276.171 |
| **Sub-total** | | **1.873.415.047** | **1.872.069.973** |
| **Total Current Liabilities** | | **1.873.415.047** | **1.872.069.973** |
| Long term borrowings | [4] | 217.645.121 | 193.877.276 |
| Other payables | [9] | 342.339.562 | 376.436.702 |
| Non-current provisions | [11] | 116.622.486 | 120.287.060 |
| **Total Non-Current Liabilities** | | **676.607.169** | **690.601.038** |
| **TOTAL LIABILITIES** | | **2.550.022.216** | **2.562.671.011** |
| **Equity** | | | |
| **Equity attributable to owners of parent** | | **959.863.561** | **978.603.141** |
| Issued capital | [16] | 240.000.000 | 240.000.000 |
| Inflation adjustments on capital | [16] | 265.751.422 | 265.751.422 |
| Share premium (discount) | [18] | 218.570.736 | 218.570.736 |
| Other accumulated comprehensive income (loss) that will not be reclassified in profit or loss | | 57.391.327 | 56.539.238 |
| - Increases (decreases) on revaluation of property, plant and equipment | | 126.433.637 | 126.433.637 |
| *- Gains (losses) on remeasurements of defined benefit plans* | | -69.042.310 | -69.894.399 |
| Other accumulated comprehensive income (loss) that will be reclassified in profit or loss | | -13.485.601 | -10.827.439 |
| • Exchange differences on translation | | -13.485.601 | -10.827.439 |
| Restricted reserves appropriated from profits | | 49.460.317 | 47.718.801 |
| • Legal reserves | | 49.460.317 | 47.718.801 |
| Prior years' profits or losses | [20] | 326.070.674 | -116.748.795 |
| Current period net profit or loss | | -183.895.314 | 277.599.178 |
| **Non-controlling interests** | | 22.382.383 | **-9.457.720** |
| **TOTAL EQUITY** | | **982.245.944** | **969.145.421** |
| **TOTAL LIABILITIES AND EQUITY** | | **3.532.268.160** | **3.531.816.432** |

The accompanying notes are a supplementary part of these condensed consolidated financial statements.

| | Footnote Number | 01.01.2025 31.03.2025 | 01.01.2024 31.03.2024 |
|---|---|---|---|
| **PROFIT OR LOSS** | | | |
| Revenue | [21] | 562.204.988 | 799.789.452 |
| Cost of sales (-) | [21] | -512.510.880 | -694.325.019 |
| **GROSS PROFIT/LOSS** | | **49.694.108** | **105.464.433** |
| General administrative expenses | [22] | -44.091.173 | -26.687.720 |
| Marketing expenses | [23] | -55.660.946 | -52.612.669 |
| Other operating ıncome | [24] | 146.211.058 | 194.148.173 |
| Other operating expenses | [24] | -38.292.050 | -30.631.769 |
| **OPERATING PROFIT/LOSS** | | **57.860.997** | **189.680.448** |
| Investment activity expenses | [25] | -63.880 | – |
| **PROFIT/LOSS BEFORE FINANCING EXPENSE** | | **57.797.117** | **189.680.448** |
| Finance income | [27] | 2.585.149 | 4.018.544 |
| Finance costs | [27] | -90.074.806 | -51.562.266 |
| Gains (losses) on net monetary position | [26 ] | -104.466.489 | 38.697.830 |
| **PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS** | | **-134.159.029** | **180.834.556** |
| *Tax expense/ıncome from continuing operations* | [10] | **-27.528.852** | 108.277.475 |
| • *Current period tax expense (ıncome)* | | – | -9.394.789 |
| • Deferred tax expense (ıncome) | | -27.528.852 | 117.672.264 |
| **PROFIT/LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS** | | **-161.687.881** | **289.112.031** |
| **CURRENT YEAR PROFIT / LOSS** | | **-161.687.881** | **289.112.031** |
| **Current Year Net Profit/Lossof Attributable to:** | | **-161.687.881** | **289.112.031** |
| Minority interests | | 22.207.433 | -161.965 |
| Parent company shares | | -183.895.314 | 289.273.996 |
| **Earnings Per Share** | | -0,67 | 1,20 |
| | | -0,67 | 1,20 |
| **Components of other comprehensive income that will not be reclassified to profit or loss** | | **852.089** | **-26.059.753** |
| Gains (losses) on remeasurements of defined benefit plans | [17] | 5.925.919 | -38.398.582 |
| Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss | [10] | -5.073.830 | 12.338.829 |
| • *Deferred Tax (Expense) Income* | | -5.073.830 | 12.338.829 |
| **Components of other comprehensive income that will be reclassified to profit or loss** | | **-2.658.162** | **-52.430.585** |
| Exchange Differences on Translation | | -2.658.162 | -52.430.585 |
| • Gains (losses) on exchange differences on translation | | -2.658.162 | -52.430.585 |
| **OTHER COMPREHENSIVE INCOME** | | **-1.806.073** | **-78.490.338** |
| **TOTAL COMPREHENSIVE INCOME** | | **-163.493.954** | **210.621.693** |

The accompanying notes are a supplementary part of these condensed consolidated financial statements.

**GERSAN ELEKTRİK TİCARET VE SANAYİ A.Ş.**
01 January – 31 March 2025 Interim Period Summary Consolidated Statement of Changes in Equity
*(Unless otherwise stated, the amounts are expressed on the basis of the purchasing power of the Turkish Lira ("TL") as of March 31, 2025.)*

| | Issued capital | Inflation adjustments on capital | Revaluation surplus on property, plant and equipment | Remeasurement gains/(losses) on defined benefit plans | Restricted reserves appropriated from profits | Share premium (discount) | Foreign currency translation differences | Retained earnings (losses) from prior years | Net profit/(loss) for the period | **Equity attributable to owners of the parent** | Non-controlling interests | **TOTAL EQUİTY** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **01.01.2024** | **80.000.000** | **978.116.455** | **126.433.635** | **-10.956.731** | **47.718.801** | **400.474.074** | **125.892.383** | **-851.274.600** | **-183.342.628** | **713.061.389** | **80.065** | **713.141.454** |
| Transfers | – | – | – | – | – | – | – | -183.342.628 | 183.342.628 | **–** | – | **–** |
| Total comprehensive income/(expense) | – | – | – | -26.059.753 | – | – | -52.430.585 | – | 289.273.996 | **210.783.658** | -161.965 | **210.621.693** |
| *Profit/(loss) for the period* | – | – | – | – | – | – | – | – | *289.273.996* | **289.273.996** | *-161.965* | ***289.112.031*** |
| *Other comprehensive income/(expense)* | – | – | – | *-26.059.753* | – | – | *-52.430.585* | – | – | **-78.490.338** | – | ***-78.490.338*** |
| **31.03.2024** | **80.000.000** | **978.116.455** | **126.433.635** | **-37.016.484** | **47.718.801** | **400.474.074** | **73.461.798** | **-1.034.617.228** | **289.273.996** | **923.845.047** | **-81.900** | **923.763.147** |
| | | | | | | | | | | | | |
| **01.01.2025** | **240.000.000** | **265.751.422** | **126.433.637** | **-69.894.399** | **47.718.801** | **218.570.736** | **-10.827.439** | **-116.748.795** | **277.599.178** | **978.603.141** | **-9.457.720** | **969.145.421** |
| Transfers | – | – | – | – | 1.741.516 | – | – | 442.819.469 | -277.599.178 | **166.961.807** | – | **166.961.807** |
| Capital increase | | – | – | – | – | – | – | – | – | **–** | – | **–** |
| Total comprehensive income/(expense) | – | – | – | 852.089 | – | – | -2.658.162 | – | -183.895.314 | **-185.701.387** | 31.840.103 | **-153.861.284** |
| *Profit/(loss) for the period* | – | – | – | – | – | – | – | – | *-183.895.314* | **-183.895.314** | *31.840.103* | ***-152.055.211*** |
| *Other comprehensive income/(expense)* | – | – | – | *852.089* | – | – | *-2.658.162* | – | – | ***-1.806.073*** | – | ***-1.806.073*** |
| **31.03.2025** | **240.000.000** | **265.751.422** | **126.433.637** | **-69.042.310** | **49.460.317** | **218.570.736** | **-13.485.601** | **326.070.674** | **-183.895.314** | **959.863.561** | **22.382.383** | **982.245.944** |

The accompanying notes are a supplementary part of these condensed consolidated financial statements.

| | Footnote Number | 1.01.2025 31.03.2025 | 1.01.2024 31.03.2024 |
|---|---|---|---|
| **A. Cash Flows Arising from Operating Activities** | | **-144.511.692** | **-163.333.951** |
| **Profit (loss)** | | **-183.895.314** | **289.273.996** |
| *Profit loss from continuing operations for cash flow statement* | | -183.895.314 | 289.273.996 |
| **• Adjustments to reconcile profit (loss)** | | **57.440.574** | **-225.153.188** |
| *Adjustments for depreciation and amortisation expense* | [13,14] | 8.806.371 | 6.222.790 |
| *Adjustments for impairment loss reversal of impairment loss recognised in profit or loss* | [5] | -9.954.414 | -42.707.177 |
| *• Adjustments for impairment loss reversal of impairment loss recognised in profit or loss trade and other receivables* | | -9.238.056 | -23.055.601 |
| *• Adjustments for impairment loss reversal of impairment loss recognised in profit or loss inventories* | | -716.358 | -19.651.576 |
| *Adjustments for provisions* | [11] | 152.292 | -19.503.535 |
| *• Adjustments for reversal of provisions related with employee benefits* | | 152.292 | -19.503.535 |
| *Adjustments for interest income and expenses* | [24] | 5.317.882 | -2.718.979 |
| *• Adjustments for interest income* | | 5.317.882,00 | – |
| *• Adjustments for interest expense* | | – | -2.718.979,00 |
| *Adjustments for income tax expense* | [10] | 23.936.502 | -113.853.737 |
| *Other adjustments for which cash effects are investing or financing cash flow* | | 29.181.941 | -52.592.550 |
| *Other adjustments to reconcile profit loss* | | | |
| **Changes in Working Capital** | | **-188.479.837** | **-288.510.021** |
| *Adjustments for decrease increase in trade account receivable* | [5] | -87.141.941 | -463.819.968 |
| *• Decrease increase in trade accounts receivables from related parties* | | -4.012 | -151.760.286 |
| *• Decrease increase in trade accounts receivables from un related parties* | | -87.137.929 | -312.059.682 |
| *Adjustments for decrease increase in other receivables related with operations* | [7] | -4.498.416 | -2.690.639 |
| *• Decrease increase in other un related party receivables related with operations* | | -4.498.416 | -2.690.639 |
| *Adjustments for decrease increase in inventories* | [8] | 28.664.011 | -44.088.286 |
| *Decrease increase in pre-paid expenses* | [9] | 48.568.402 | -78.370.676 |
| *Adjustments for increase decrease in trade account payable* | [5] | -70.439.366 | -214.062 |
| *• Increase decrease in trade accounts payables to related parties* | | – | -214.062 |
| *• Increase decrease in trade accounts payables to un related parties* | | -70.439.366 | – |
| *Adjustments for increase decrease in employee benefit liabilities* | | – | 7.178.656 |
| *Adjustments for increase decrease in other operating payables* | [7] | -131.040.444 | 323.404.436 |
| *• Increase decrease in other operating payables to un related parties* | | -131.040.444 | 323.404.436 |
| *Adjustments for increase decrease in deferred income* | [9] | 26.654.021 | 9.296.269 |
| *Adjustments for other increase decrease in working capital* | | 753.896 | -39.205.751 |
| *• Decrease increase in other assets related with operations* | | 3.663.422 | -31.963.895 |
| *• Increase decrease in other payables related with operations* | | -2.909.526 | -7.241.856 |
| **Net Cash Flows From (Used in) Operations** | | **-314.934.577** | **-224.389.213** |
| Gains (losses) on net monetary position | | 170.592.947 | 48.453.858 |
| Income taxes paid refund classified as operating activities | | -170.062 | 12.601.404 |

The accompanying notes are a supplementary part of these condensed consolidated financial statements.

| | | | |
|---|---|---|---|
| **B. Cash Flows Arising from Investing Activities** | | **-13.946.037** | **-73.598.343** |
| *• Proceeds from sales of property plant equipment and intangible assets classified as investing activities* | [13,14] | *376.490* | *382.618* |
| *• Proceeds from sales of property plant and equipment classified as investing activities* | | *376.490* | *382.618* |
| *Purchase of property plant equipment and intangible assets classified as investing activities* | [13,14] | -14.322.527 | -73.980.961 |
| *• Cash inflows from the sale of property, plant and equipment and intangible assets* | | -13.664.690 | -63.668.941 |
| *• Cash outflows from the acquisition of property, plant and equipment and intangible assets* | | -657.837 | -10.312.020 |
| **C. Cash Flows Arising from Financing Activities** | | **165.137.458** | **237.288.017** |
| *Proceeds from borrowings classified as financing activities* | [4 ] | 185.774.052 | 184.048.880 |
| *• Proceeds from loans classified as financing activities* | | 185.774.052 | 184.048.880 |
| *Re payments of borrowings classified as financing activities* | [4] | -120.017 | -68.355.844 |
| *• Loan repayments classified as financing activities* | | – | -67.593.254 |
| *• Cash outflow from other financial liabilities classified as financing activities* | | -120.017 | -762.590 |
| *Increase in other payables to related parties classified as financing activities* | | – | 128.661.767 |
| *Decrease in other payables to related parties classified as financing activities* | | -34.097.140,00 | -6.545.499 |
| *Payments of finance lease liabilities classified as financing activities* | | 13.580.563 | -521.287 |
| **Net Increase /Decrease in Cash and Cash Equivalents Before Effect of Exchange Rate Changes** | | **6.679.729** | **355.723** |
| **D. Effect of Exchange Rate Changes on Cash and Cash Equivalents** | | | |
| **Net Increase /Decrease in Cash and Cash Equivalents** | | **6.679.729** | **355.723** |
| **E. Cash and Cash Equivalents at Beginning of Period** | [3] | **37.110.279** | **85.931.645** |
| **Impact of monetary loss on cash** | | **-3.802.765** | **-31.627.872** |
| **Cash and Cash Equivalents at End of Period** | | **39.987.243** | **54.659.496** |

The accompanying notes are a complementary part of these summary consolidated statements.

## 1. ORGANIZATION AND FIELD OF ACTIVITY OF THE GROUP

Gersan Elektrik Ticaret ve Sanayi Anonim Şirketi ("Company") was established in 1985 in Istanbul. The Company and its subsidiaries ("Group") are responsible for busbar duct systems, production of systems and materials that carry, combine and protect conductors, energy transmission lines, carrier systems, line, field, building, zone grounding, cable carrier systems, cable carriers, various cable joining, separating, connection and transportation, producing special carrier and steel construction joining and fixing systems that can be applied in various projects and design, project management, electrical and operates in the fields of mechanics and contracting services.

The Group's headquarters is located at Istanbul Anatolian Side Organized Industrial Zone, Gazi Boulevard, No:39 Tuzla, Istanbul. In addition, the Group has a production facility at Velioğlu Organized Industrial Zone District, 1st Street, 6 and 7 Street, Çaycuma, Zonguldak.

The Group has a subsidiary in Russia whose field of activity is the production of electrical materials.

The Group has a branch office at P6-093 SAIF Zone P.O. Box 9677 Sharjah, United Arab Emirates.

The Group opened a Branch at 189, rue 1788 Bastos-Yaunde Republic of Cameroon with the decision of the board of directors dated 06.09.2021 and numbered 2021/11. The share capital of the branch is 10,000,000 West African CFA francs (about 15,000 euros). The branch was opened to engage in construction, electrical, mechanical, contracting and other works written in the company's articles of association.

With the decision of the board of directors dated 07.10.2021 and numbered 2021/13, the Group opened a Branch at Marcory Zone 4C Bietry 26 BP28 Abidjan Ivory Coast Republic. The share capital of the branch is 10,000,000 West African CFA francs (about 15,000 euros). The branch was opened to deal with rough-fine construction works and electrical and mechanical works within the scope of hospital construction work.

As of March 31, 2025, the Group employs 663 people (December 31, 2024: 570)

The shareholding structure of the Company as of the end of the period is as follows:

| | **31.03.2025** | | **31.12.2024** | |
|---|---|---|---|---|
| | **Amount** | **%** | **Amount** | **%** |
| Erkan İzgi | 32.363.544 | 13,48% | 32.363.544 | 13,48% |
| Yüksel Kardeş | 6.000.005 | 2,50% | 6.000.005 | 2,50% |
| Gülfem Oktay | 777.657 | 0,32% | 777.657 | 0,32% |
| Halka açık kısım | 200.858.794 | 83,69% | 200.858.794 | 83,69% |
| **Total** | **240.000.000** | **100%** | **240.000.000** | **100%** |

As of the end of the period, the Group's subsidiaries within the scope of consolidation, participation ratios, countries in which it operates and main fields of activity are as follows:

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| **Company Name** | **Shareholding Ratio** | **Shareholding Ratio** |
| Gersan Şarj Sistemleri Sanayi Ticaret A.Ş. | 70% | 70% |
| Gersan-R OOO (Eski Unvan "Gersan-R Zao") | 99,38% | 99,38% |
| Gersan Elektrik Ticaret ve Sanayi A.Ş. Sharjah Branch | 100% | 100% |

## 2. PRINCIPLES REGARDING THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

### 2.1. Basic Principles Regarding Presentation

#### 2.1.1. Declaration of Conformity

The accompanying financial statements have been prepared in accordance with the provisions of the Capital Markets Board's ("CMB") "Communiqué on Principles of Financial Reporting in Capital Markets" (the "Communiqué") Serial II, No. 14.1 published in the Official Gazette dated 13 June 2013 and numbered 28676 and Article 5 of the Communiqué. The Turkish Financial Reporting Standards ("IFRS") put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA") and their annexes and interpretations are taken as basis.

In addition, the interim consolidated financial statements were presented in accordance with the formats set out in the "Announcement on IFRS Taxonomy" published by POA on 4 October 2022 and the Financial Statement Samples and Usage Guide published by the CMB.

The consolidated financial statements are prepared on a historical cost basis, with the exception of financial investments measured at their fair value. Historical cost is usually determined based on the fair value of the amount paid for the assets

The Group has prepared its consolidated financial statements for the period ended 31 March 2025 in accordance with the CMB's Communiqué Serial: II-14.1 and the announcements clarifying this communiqué. The consolidated financial statements and notes have been presented in accordance with the formats recommended by the CMB and by including the required information. The Group keeps its accounting records in accordance with the Uniform Chart of Accounts, the Turkish Commercial Code and the Turkish Tax Laws, and prepares its statutory financial statements in TL accordingly

#### 2.1.2. Approval of Consolidated Financial Statements

The accompanying consolidated financial statements of the Group were approved by the Group's board of directors on 12 May 2025. The Group's general assembly and/or statutory authorities have the authority to amend the accompanying consolidated financial statements.

#### 2.1.3. Currency Measurement Unit and Reporting Unit

The currency used in the consolidated financial statements and footnotes is "TL" (Turkish Lira).

#### 2.1.4. Netting/Offsetting

Financial assets and liabilities are clearly shown in cases where there are necessary legal rights, there is an intention to evaluate the assets and liabilities in question, or the acquisition of assets and the fulfillment of obligations follow each other.

### 2.1.5. Preparation of Consolidated Financial Statements in an Inflationary Environment

With the announcement made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, businesses applying IFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting Standard in Hyperinflationary Economies (TAS 29) as of their financial statements for the periods ending on or after 31 December 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of enterprises whose current currency is the currency of a high-inflation economy.

The accompanying consolidated financial statements are prepared on a historical cost basis, with the exception of non-performing assets, which were measured at fair value prior to inflation adjustment.

These consolidated financial statements and all comparative amounts for previous periods have been adjusted for changes in the general purchasing power of the Turkish lira in accordance with TAS 29 and are finally expressed in terms of the purchasing power of the Turkish lira as of 31 March 2025.

Adjustments made according to inflation were calculated on the basis of the coefficients found using the Consumer Price Index in Turkiye published by TurkStat. Since January 1, 2005, when the definition of the Turkish lira as the currency of a high-inflation economy was terminated, the corresponding adjustment coefficients with the CPI for the current and past periods are as follows:

| Date | CPI | Restatement Coefficient |
|---|---|---|
| 2022 | 1128,45 | 2,62 |
| 2023 | 1859,38 | 1,52 |
| 31.03.2024 | 2.139,47 | 1,38 |
| 2024 | 2.684,55 | 1,10 |
| 31.03.2025 | 2.954,69 | 1,00 |

The correction made by the Group in accordance with TAS 29 is essentially as follows;

- Monetary assets and liabilities are not adjusted because they are expressed in terms of current purchasing power on the date of the statement of financial position. Comparative amounts for previous periods are expressed according to the current measurement unit at the end of the reporting period.
- Non-monetary assets and liabilities and equity items are adjusted using the relevant adjustment coefficients.
- The impact of inflation on the Group's net monetary asset position in the current period is recorded in the net monetary position loss account in the income statement.
- Income and expense accounts are indexed and corrected as of the date they occurred.
- The impact of inflation on the Group's net monetary asset position in the current period is recorded in the net monetary position win-loss account in the income statement.

### 2.1.6. Comparative Information and Preparation of Consolidated Financial Statements for the Previous Period

Comparative information is reclassified when deemed necessary in order to ensure compatibility with the presentation of the consolidated financial statements for the current period.

### 2.1.7. Business Continuity

The Group has prepared its condensed consolidated financial statements in accordance with the going concern principle.

### 2.1.8. Financial Statements of Subsidiaries Operating in Foreign Countries

The financial statements of subsidiaries, affiliates and undertakings subject to joint management operating in foreign countries have been prepared in accordance with the legislation applicable in the countries in which they operate and have been prepared by reflecting the necessary corrections and classifications in terms of compliance with the Company's accounting policies. If the functional currency of the Company's companies is different from the reporting currency, it is converted into the reporting currency as follows;

- All assets and liabilities in the statement of financial position are translated using the exchange rate on the balance sheet date.
- Income and expenses in the comprehensive income statement are converted using the exchange rate on the transaction date, and the resulting exchange rate differences are shown as a separate item (foreign currency translation differences) in the equity and comprehensive income statement.

### 2.1.9. Changes in Turkish Accounting/Financial Reporting Standards

The accounting policies used as a basis for the preparation of the financial statements for the year ended 31 March 2025 have been consistent with those used in the previous year, except for the new and amended IFRS standards and TFRYK interpretations as of 1 January 2024, which are summarized below. The effects of these standards and interpretations on the Group's financial position and performance are described in the relevant paragraphs.

**The new standards in force as of March 31, 2025, and the amendments and interpretations to the existing previous standards:**

- **TAS 1, Amendment to long-term liabilities with contractual conditions:** Effective for annual reporting periods commencing on or after 1 January 2024. These changes clarify how the conditions that the entity must comply with within twelve months of the reporting period affect the classification of a liability. The amendments are also intended to improve the information provided by the business regarding the obligations subject to these conditions.

- **IFRS 16, Sale and leaseback transactions;** Effective in annual reporting periods beginning on or after January 1, 2024. These amendments include the sale and leaseback provisions in IFRS 16, which describe how the entity accounts for a sale and leaseback transaction after the transaction date. Sale and leaseback transactions, which consist of variable lease payments that are not tied to an index or rate, in some or all of the lease payments, are likely to be affected.

- **Amendments to TAS 7 and IFRS 7 regarding supplier financing agreements:** Effective in annual reporting periods commencing on or after 1 January 2024. These changes require disclosure to increase transparency about the impact of supplier financing agreements and business liabilities, cash flows and liquidity risks. The disclosure requirements are a response from the IASB (International Accounting Standards Authority) to investors' concerns that some companies' supplier financing agreements are not clear enough and hinder investors' analysis.

- **TSRS 1 "General Provisions on the Disclosure of Sustainability-related Financial Information":** Applicable to annual reporting periods commencing on or after 1 January 2024. This standard contains the basic framework for disclosing the significant risks and opportunities that a company is exposed to regarding sustainability within the value chain.

Standards and amendments that have been published as of March 31, 2025, but have not yet entered into force:

IFRS terminology has been preserved in the standards newly published by the International Accounting Standards Board but not yet introduced into legislation by the Public Oversight Accounting and Auditing Standards Authority.

**IFRS 17, 'Insurance Contracts'**; Effective in annual reporting periods beginning on or after January 1, 2023. This standard replaces IFRS 4, which already allows for a wide range of applications. IFRS 17 will fundamentally change the accounting of all businesses that issue insurance contracts and investment contracts with optional participation feature.

However, in the letter dated 6 April 2023 sent by the Public Oversight Authority (POA) to the Association of Insurance, Reinsurance and Pension Companies of Türkiye, it was stated that it was concluded that it would be appropriate to apply IFRS 17 as of 1 January 2024 in the consolidated and individual financial statements of insurance, reinsurance companies and pension companies, banks with partnerships/investments in these companies, and other companies with partnerships/investments in these companies.

On the other hand, in the letter dated February 15, 2024, sent by the POA to the Banks Association of Turkiye, due to the change of the effective date of IFRS 17 from "January 1, 2024" to "January 1, 2025" in accordance with subparagraph (a) of the first paragraph of Article 13 of the "Regulation on the Amendment of the Regulation on Financial Reporting of Insurance and Reinsurance Companies and Pension Companies" by the Insurance and Private Pension Regulation and Supervision Agency

(SEDDK), It has been stated that the implementation date of IFRS 17 has been postponed to 1 January 2025 in the consolidated and individual financial statements of reinsurance companies and pension companies, banks with partnerships/investments in these companies, and other companies with partnerships/investments in these companies.

However, in the letter dated January 14, 2025, sent by the POA to the Banks Association of Turkiye, due to the change of the effective date of IFRS 17 from "January 1, 2025" to "January 1, 2026" according to subparagraph (a) of the first paragraph of Article 13 of the "Regulation on the Amendment of the Regulation on Financial Reporting of Insurance and Reinsurance Companies and Pension Companies" by SEDDK, insurance, reinsurance companies and pension companies, it has been stated in the consolidated and individual financial statements of banks that have partnerships/investments in these companies and other companies that have partnerships/investments in these companies, that the implementation date of IFRS 17 has been postponed to January 1, 2026.

**TAS 21 No Tradeability:** Applicable for annual reporting periods commencing on or after January 1, 2025. A business is affected by these changes when it has a transaction or activity done in a foreign currency that cannot be converted into another currency on a specific measurement date for a specific purpose. A currency can be exchanged when the possibility of acquiring another currency is available (with a normal administrative delay), and the transaction takes place through a market or exchange mechanism that creates enforceable rights and obligations.

**Changes to IFRS 9 and IFRS 7 regarding the classification and measurement of Financial Instruments:** Applicable to annual reporting periods commencing on or after 1 January 2026 (early application permitted). These changes are:

- Clarifying the timing requirements for the recognition and exclusion of certain financial assets and liabilities, with a new exception for certain financial liabilities paid through the electronic cash transfer system;
- Providing further guidance and clarification on assessing whether a financial asset satisfies the criterion of principal and interest payments only;
- Adding new descriptions for certain instruments with contractual terms that could alter cash flows (such as some vehicles with features linked to the achievement of environmental, social, and governance (ESG) goals); and
- Fair value difference is an update to the disclosures regarding equity instruments reflected in other comprehensive income.

**Annual Improvements to IFRSs – 11. Change;** Annual improvements are limited to changes that clarify wording in an Accounting Standard or correct relatively minor unexpected results, missed points, or inconsistencies between provisions in the Accounting Standards. The 2024 changes have been made to the following standards:

- First Application of IFRS 1 Turkish Financial Reporting Standards;
- IFRS 7 Financial Instruments: Explanations and Guidelines for the implementation of IFRS 7 attached to the Standard;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements and
- TAS 7 Statement of Cash Flows.

### 2.1.10. Consolidation Essentials

**Subsidiaries;**

Control is considered to exist when the parent directly or indirectly controls more than half of the voting rights in a partnership and has the authority to deal with the financial and operating policies of the enterprise.

In the consolidation of financial statements, all profits and losses, including intercompany balances, transactions and unrealized profits and losses, are eliminated. Consolidated financial statements are prepared by applying consistent accounting policies for similar transactions and accounts.

The financial statements of the subsidiaries are prepared for the same accounting period as the parent company.

Information on the companies of the company included in full consolidation is as follows;

During the preparation of the consolidated financial statements, intra-group transactions, intra-group balances and unrealized revenues and expenses arising from intra-group transactions are mutually written off. Profits and losses arising from the transactions between the parent company and the subsidiary of the parent company subject to consolidation are netted in proportion to the share of the parent company in the participation. Unrealized losses are erased in the same way as unrealized gains unless there is evidence of impairment.

## 2.2. Changes and Errors in Accounting Policies, Accounting Estimates

### 2.2.1. Changes in Accounting Policies

A business can only manage its accounting policies; may change it in the following cases:

a) If required by a TAS/IFRS, or

b) If it is of a nature that will enable the effects of transactions and events on the financial position, performance or cash flows of the business to be presented in a more appropriate and reliable way in the financial statements.

When an accounting policy is changed, the total amount of adjustments for periods earlier than that presented in the consolidated financial statements is taken to the retained earnings for the next period. Other information about previous periods is also rearranged. When changes in accounting policies have an impact on the current period, previous periods or the operating results of successive periods; the reasons for the change, the adjustment amount for the current period and previous periods, the adjustment amounts for the periods earlier than the one presented, and the fact that this application was not made because the comparative information was rearranged or required an excessive cost is disclosed.

### 2.2.2. Changes in Accounting Estimates

Many consolidated financial statement items cannot be precisely measured due to current uncertainties in operating operations, but they can be estimated. Estimates are made based on the most up-to-date and reliable information.

Changes to an accounting estimates are applied prospectively in the current period in which the change is made and in the future period.

### 2.2.3. Bugs

Errors that occur during the recognition, measurement, presentation and disclosure of consolidated financial statement items are retrospectively corrected in the first set of financial statements to be approved after they are noticed. Correction process:

a) By rearranging the comparative amounts for the period in which the error was made, or

b) If the error occurred earlier than the oldest consolidated financial statement period presented, it should be corrected by restating the asset, foreign resource and equity opening amounts for the previous period in question.

In cases where the cumulative effect of all past periods on the error cannot be calculated for the beginning of the current period, the entity reorganizes prospectively from the beginning of the nearest period in which it is possible to apply its comparative information.

## 2.3. Summary of Key Accounting Policies

### 2.3.1. Revenue

The Group records the proceeds in its consolidated financial statements when or as it fulfills its performance obligation by transferring a committed good or service to its customer. When (or has) customer control of an asset, the asset is transferred. The Company records revenue in its consolidated financial statements in line with the following basic principles:

a) Determination of contracts with customers
b) Determination of performance obligations in the contract
c) Determination of the transaction price in the contract
d) Allocation of the transaction price to the performance obligations in the contract
e) Accounting for revenue every time a performance obligation is met

Accordingly, first of all, the goods or services committed in each contract with customers are evaluated and each commitment to transfer the goods or services in question is determined as a separate performance obligation. Afterwards, it is determined whether the performance obligations will be fulfilled over time or at a certain moment. If the Company transfers control of a good or service over time and therefore fulfills its performance obligations for the relevant sales over time, it measures the progress towards the full fulfillment of such performance obligations and includes the revenue in the consolidated financial statements over time. Revenue related to performance obligations in the form of a commitment to transfer goods or services is recognized when the control of the goods or services is in the hands of customers.

The Group recognises a contract with its customer as revenue if all of the following conditions are met:

a) The parties to the contract have approved the contract (in writing, verbally or in accordance with other commercial practices) and undertake to perform their own obligations,
b) The company can define the rights related to the goods or services to be transferred by each party,
c) The company can define payment terms for the goods or services to be transferred,
d) The contract is commercial in essence,
e) It is likely that the Company will collect a price for the goods or services to be transferred to the customer. When assessing whether a consideration is likely to be collectible, the business only considers the customer's ability to pay it on due date and their intention to do so

### 2.3.2. Stocks

Inventories are valued at the lower of the net realizable value or cost to acquire. The cost of obtaining inventories includes all acquisition costs, conversion costs, and other costs incurred to bring inventories to their current state and location. The cost is calculated by the weighted average method. Net realizable value is the amount obtained by deducting the sum of the estimated cost of completion and the estimated cost of sales required to realize the sale from the estimated sales price incurred in ordinary business activity.

### 2.3.3. Ready Values

Cash and cash equivalents include cash in the vault and deposits in banks. It is shown by the sum of the costs of obtaining cash and cash equivalents and accrued interest.

The money in the safe consists of Turkish Lira and foreign currency balances. Turkish Lira balances are valued at their recorded value, and foreign currency balances are valued at the foreign exchange buying rate of the Central Bank of the Republic of Turkiye on the balance sheet date.

Bank deposits consist of time and demand deposits and the interest on these deposits. Turkish Lira deposits are shown in the records with their cost values, and foreign currency deposit accounts are shown in the records with their values converted into Turkish Lira by using the Central Bank's foreign exchange buying rate on the balance sheet date.

Since the ready values in foreign currency have been converted into Turkish Lira at the prevailing exchange rates on the balance sheet date, the fair value of these assets is considered to be equivalent to their carrying values.

Bank deposits are assumed to be at their fair value because these assets are disposed of in short terms and there is no risk of impairment.

Fair value; It is the amount that should arise in the event that an asset changes hands or the debt is paid between knowledgeable and willing companies in a mutual market environment.

### 2.3.4. Receivables and Payables

Trade receivables and trade payables incurred as a result of the provision of products or services by the Group to a buyer or the purchase of products or services from a seller are shown as netted from deferred financing income and expenses. Trade receivables and trade payables after the netting of deferred financing revenues and expenses are calculated by discounting the amounts of receivables and payables recorded from the original invoice value to be obtained in the following periods with the effective interest method. Short-term receivables without a set interest rate are shown at their invoice values if the effect of the original effective interest rate is not very large.

Even if the period taken for the conversion of trade receivables/payables into money is longer than 12 months, it is considered within the normal operating cycle of the enterprise and such receivables are classified in current assets.

### 2.3.5. Provision for Doubtful Receivables

If there is an objective finding that there is no possibility of collection, the Group sets aside provisions for doubtful receivables for the relevant trade receivables. The amount of this provision is the amount remaining after deducting the guarantees and guarantees received from the registered value of the receivable.

Following the provision for doubtful receivables, if all or part of the doubtful receivables amount is collected, the collected amount is deducted from the provision for doubtful receivables and recorded in other revenues.

### 2.3.6. Tangible Fixed Assets

Tangible assets that are estimated to be used in the enterprise for more than one year are recorded for the first time with their cost prices. Non-current assets are valued on the basis of the cost model. Assets are adjusted according to TAS 29 using the month index of the date they were purchased.

In determining the fair value of fixed assets, the Group is based on the "revaluation" model for land, lands and buildings, while it is based on the "cost model" for other tangible fixed assets. Tangible assets are shown by deducting accumulated depreciation from the revalued amounts. The group calculates the depreciation of its fixed assets using the normal depreciation method, taking into account the partial period. Plots and plots are not subject to depreciation due to the fact that their useful life is considered unlimited.

The depreciation rates of tangible assets are stated as follows, based on their estimated useful years:

| Assets | Useful years |
|---|---|
| Buildings | 50 years |
| Underground and aboveground layouts | 5-20 years |
| Machinery, plant and devices | 2- 50 years |
| Vehicles | 4- 8 years |
| Flooring and fixtures | 2- 50 years |
| Rights | 3- 15 years |

### 2.3.7. Impairment of Assets

In the face of various events and situations, tangible and intangible assets are tested for loss of value if it is determined that the carried values of fixed assets fall below their realizable/future values that can be obtained from that asset. If the book value of tangible and intangible fixed assets remains above the realizable or future value of that asset, the fixed asset impairment provision is set aside.

### 2.3.8. Borrowing Costs

Bank loans taken against interest are reflected in the records on the basis of the net amount received after deducting the purchase cost. Income or expenses incurred during the redemption process or recording of liabilities are associated with the income statement. Borrowing costs are also recognized on an accrual basis if they do not mature in the period in which they arise and are classified in loans.

### 2.3.9. Taxation

The general Corporate Tax rate in Turkiye is 25%. This rate, which was 20% as of the balance sheet date, was increased to 25% with the "Law on the Imposition of Additional Motor Vehicles Tax and Amendments to Certain Laws and Decree Law No. 375 for the Compensation of Economic Losses Caused by the Earthquakes Occurring on 6/2/2023" dated July 14, 2023.

Taxable profit is the profit calculated after adding expenses that are not legally accepted to the profit in the legal records and deducting tax exemptions (investment income exemption) and tax deductions (investment incentive discounts). No other taxes are paid unless there is a profit distribution.

Advance tax is calculated for income obtained in quarterly periods. The calculated and paid amounts can be offset against the final tax amount at the end of the year, or the Corporate Tax paid before accrual can also be offset against other debts to the state.

25% of the profits from the sale of fixed assets and financial assets held for two years or more are exempt from this corporate tax.

With the Law No. 7316 dated April 22, 2021, temporary articles were added to the Corporate Tax Law No. 5520 dated 13.06.2006. According to this; The 20% tax rate in the Corporate Tax Law will be applied as 25% for the corporate income of corporations for the 2021 taxation period and 23% for the corporate income for the 2022 taxation period. These rates will be applied to the corporate earnings of the accounting periods starting in the relevant year for the institutions for which a special accounting period is assigned.

According to the Turkish tax legislation, the financial losses shown on the declaration can be deducted from the corporate income for the period, provided that they do not exceed 5 years. However, financial losses cannot be deducted from previous years' profits.

### 2.3.10. Deferred Taxes

Deferred taxes are calculated on the basis of temporary differences between the deductible tax base of assets and liabilities and their recorded amounts in the consolidated financial statements. Temporary differences arise from the recognition of income and expenses in different consolidated financial statement periods according to tax laws. While the deferred tax liability is calculated for all taxable temporary differences, deferred tax receivables consisting of temporary differences to be deducted are calculated on the assumption that they will have taxable gains in future periods.

The Group based its deferred tax application on the 25% rate.

### 2.3.11. Financial Leasing Transactions

The Group reflects the fixed assets acquired through financial leasing at their fair value on the balance sheet at their fair value on the lease commencement date or, if lower, at the present value of the minimum lease payments on the balance sheet date (included in the relevant tangible assets in the consolidated financial statements). When calculating the present value of the minimum lease payments, if the rate applicable in the financial leasing transaction can be determined practically, that value is used, otherwise, the borrowing interest rate is used as the discount factor. The costs incurred during the acquisition phase of the fixed asset subject to the financial leasing transaction are included in the cost. The liability arising from the financial leasing transaction is separated into interest payable and principal debt.

### 2.3.12. Employee Benefits / Severance Pay

**Benefit plan defined:**

According to the applicable laws, the Group is obliged to pay severance pay to employees whose employment is terminated due to retirement or for reasons other than resignation and behaviors specified in the Labor Law. The provision for severance pay has been calculated according to the net present value of the liabilities expected to arise in the future due to the retirement of all employees and reflected in the consolidated financial statements. Actuarial gain/loss determined in relation to the defined benefit plans is recognized in the other comprehensive income statement within the scope of the amendments made to TAS 19 "Employee benefits" standard.

**Contribution plans defined:**

The group compulsorily pays social security premiums to the Social Security Institution. As long as the Group pays these premiums, it has no other obligations. These premiums are reflected in personnel expenses during the period they are accrued.

### 2.3.13. Earnings Per Share / (Loss)

It is calculated by dividing the earnings / (loss) and net profit / (loss) per share stated in the income statement by the weighted average number of stocks in the market during the period.

The weighted average number of shares of stock refers to the number of ordinary shares at the beginning of the period, adjusted for the number of common shares issued during the period and multiplied by the time weighting factor (the ratio of the number of days in which the shares are available divided by the total number of days of the period).

In Turkiye, companies can increase their capital through "bonus shares" that they distribute to their shareholders from the previous year's profits. Such "bonus share" distributions are considered as issued shares in earnings per share calculations. Accordingly, the weighted average number of shares used in these calculations was determined by taking into account the historical effects of the stock distributions in question.

### 2.3.14. Other Balance Sheet Items

Other balance sheet items are mainly reflected in their recorded values.

### 2.3.1. Events After the Balance Sheet Date

In the event of an event that requires correction in the financial statements between the balance sheet date and the authorization date of the balance sheet, necessary adjustments are made to the consolidated financial statements, and in cases that do not require correction, the relevant event is explained in the balance sheet footnotes.

### 2.3.2. Foreign Currency Assets and Liabilities

Foreign currency transactions are recognized at the current exchange rates on the date of the transaction. Active and passive accounts recorded in foreign currency are subject to evaluation based on the exchange rates at the end of the period. Exchange differences arising from the evaluation process are reflected in the income statement as foreign exchange profit or loss.

The rates used at the end of the period for USD, EURO and GBP are as follows:

| | 31.03.2025 | | 31.12.2024 | |
|---|---|---|---|---|
| Setup | Buying | Sales | Buying | Sales |
| USD | 37,7656 | 37,8337 | 35,2803 | 35,3438 |
| EUR | 40,7019 | 40,7753 | 36,7362 | 36,8024 |
| GBP | 48,7963 | 49,0507 | 44,2073 | 44,4378 |

### 2.3.3. Accounting Estimates

The preparation of consolidated financial statements requires management to make decisions, forecasts and assumptions that affect the implementation of policies and the amount of assets, liabilities, income and expenses reported. Actual results may differ from these estimates.

Estimates and assumptions that form the basis of estimates are constantly reviewed.

The important estimates and assumptions used by the Company in preparing its financial statements are as follows;

- Useful life of tangible and intangible assets, scrap values
- Discount rates applied for receivables and payables
- Provision amounts allocated for receivables
- Regarding the benefits provided to employees; retirement period, raise rate, discount rate, rate of not receiving severance pay
- Rates used in the calculation of deferred tax

### 2.3.4. Reporting of Cash Flow

In the cash flow statement, cash flows for the period are classified and reported based on operation, investment and financing activities.

Cash flows from operating activities indicate cash flows from the Group's core operations.

Cash flows related to investment activities indicate the cash flows used and obtained by the Group in its investment activities (asset investments and financial investments).

Cash flows relating to financing activities show the resources used by the Group in financing activities and the repayments of these resources.

Cash and cash equivalents include cash and bank deposits and short-term investments with a certain amount, easily convertible into cash, highly liquidity, and maturities of three months or less.

### 2.3.5. Related Parties

a) A person or a member of such person's immediate family is deemed to be associated with the Institution in the following cases: The person in question,

i. In case it has control or joint control over the institution,

ii. In case it has a significant impact on the organization,

iii. If the Corporation or a parent of the Corporation is a member of key management personnel.

b) If any of the following conditions are present, the business is considered to be associated with the Institution:

i. If the Enterprise and the Institution are members of the same group,

ii. If the Institution is a subsidiary or business partnership of the other Institution (or a member of a group of which the other Institution is a member),

iii. If both Institutions are business partnerships of the same third party,

iv. If one of the enterprises is a business partnership of a third Institution and the other Institution is a subsidiary of the third Institution in question,

v. In the event that the Agency, the Agency or an Agency associated with the Agency has benefits plans for its employees after leaving the job (if the Agency itself has such a plan, the sponsoring employers are also related to the Agency),

vi. In the event that it is controlled or jointly controlled by a person defined in Article (a) of the Authority,

vii. A person identified in subparagraph (i) of section (a) has significant influence over the business or is a member of the key management staff of such Corporation (or its parent).

For the purposes of the above disclosures, the following companies are identified as related parties in the attached consolidated financial statements;

### 2.3.6. Provisions, Contingent Liabilities and Contingent Assets

**Provisions:**

Provisions are accrued when there is a possible liability arising from past events (legal or structural obligation), there is likely to be a decrease in the assets required to fulfill this obligation in the future, and the amount of the liability can be reliably determined. These accrued provisions are reviewed in each balance sheet period and revised to reflect current estimates.

**Contingent liabilities and contingent assets:**

Transactions that give rise to commitment and conditional obligation refer to situations whose realization depends on the outcome of one or more events in the future. Therefore, some transactions are recognized as off-balance sheet items in terms of carrying possible losses, risks or uncertainties that may arise in the future. In the event that an estimate is made for possible future liabilities or losses to be incurred, these liabilities are considered as expenses and debts for the Company. However, revenues and profits that seem likely to occur in the future are reflected in the financial statements.

**Warranties**

Provisions relating to warranty costs are recognised on the date of sale of the relevant products, according to the most appropriate expenditure estimated by management to meet the Group's liabilities.

## 3. CASH AND CASH EQUIVALENTS

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Cash | 3.168.602 | 2.454.296 |
| Banks | 36.708.978 | 33.855.911 |
| Other liquid assets | 109.663 | 800.072 |
| **Total** | **39.987.243** | **37.110.279** |

The deposit structure of cash and cash equivalents is as follows;

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Non-interest bearing demand deposits | 36.708.978 | 33.855.911 |
| **Total** | **36.708.978** | **33.855.911** |

There are no blocked deposit accounts.

The foreign exchange position of cash and cash equivalents is as follows;

| (Equivalent in TL) | 31.03.2025 | 31.12.2024 |
|---|---|---|
| USD | 14.737.884 | 22.667.728 |
| EUR | 2.328.618 | 3.407.989 |
| RUB | 276.357 | 222.777 |
| AED | 8.771.423 | 7.156.274 |
| **Total** | **26.114.282** | **33.454.768** |

## 4. FINANCIAL LIABILITIES

The details of short-term borrowings are as follows;

| Current borrowings | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Bank loans | 195.566.845 | 132.854.454 |
| **Total** | **195.566.845** | **132.854.454** |

The details of the short-term parts of long-term borrowings are as follows;

| Current portion of non-current borrowings | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Current maturities of long term credits and accrued interes | 492.290.058 | 382.489.332 |
| Leasing payables | 9.578.705 | 5.888.851 |
| Interest payables of deferred lease costs | -1.301.343 | -685.142 |
| **Total** | **500.567.420** | **387.693.041** |

The details of long-term borrowings are as follows;

| Long term borrowings | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Bank loans | 202.981.961 | 189.721.026 |
| Leasing payables | 16.648.682 | 4.471.775 |
| Interest payables of deferred lease costs | -1.985.522 | -315.525 |
| **Total** | **217.645.121** | **193.877.276** |

The short-term parts of other financial liabilities are as follows;

| Other financial liabilities | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Other financial liabilities [Short-term] | 382.535 | 502.552 |
| **Total** | **382.535** | **502.552** |

The short-term currency denomination of financial liabilities is as follows;

| (Equivalent in TL) | 31.03.2025 | 31.12.2024 |
|---|---|---|
| TL | 200.418.695 | 122.229.772 |
| USD | 545.685.085 | 549.534.249 |
| EUR | 168.058.141 | 43.163.302 |
| **Total** | **914.161.921** | **714.927.323** |

The expected maturities of financial debts are as follows;

| | **31.03.2025** | **31.12.2024** |
|---|---:|---:|
| Loans | 996.527.595 | 263.544.134 |
| 0-3 months | 215.510.416 | 89.559.011 |
| 3-12 months | 538.694.393 | 136.985.202 |
| 1-5 years | 242.322.786 | 36.999.921 |
| Leases | 25.573.538 | – |
| 0-3 months | 2.549.482 | – |
| 3-12 months | 6.989.223 | – |
| 1-5 years | 16.034.833 | – |
| **Total** | **1.022.101.132** | **263.544.134** |

## 5. TRADE RECEIVABLES / TRADE PAYABLES

| | **31.03.2025** | **31.12.2024** |
|---|---:|---:|
| Customers | 473.615.647 | 380.172.309 |
| Customers [Related parties] | 288.256 | 284.244 |
| Notes receivables | 127.049.905 | 124.256.812 |
| Rediscount of notes receivables | -6.387.231 | -8.082.077 |
| Other trade receivables | -1.386.833 | -1.526.387 |
| Doubtful trade receivables | 104.971.603 | 114.209.659 |
| Provisions for doubtful trade receivables (-)[Long-term] | -104.971.603 | -114.209.659 |
| **Total** | **593.179.744** | **495.104.901** |

The calculation of the rediscount on receivables is based on the interest rate of 51.74%. (31.12.2024: 52,58)
(*For details of receivables from related parties, see.* Footnote 26 Related Parties)

The maturities of trade receivables are as follows;

| | **31.03.2025** | **31.12.2024** |
|---|---:|---:|
| Trade receivables | 458.568.670 | 344.443.201 |
| 0-3 months | 436.554.963 | 310.493.416 |
| 3-12 months | 22.013.707 | 33.949.785 |
| **Total** | **458.568.670** | **344.443.201** |

The changes in doubtful receivables during the period are as follows;

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Beginning of the period | 103.767.752 | 145.288.426 |
| Additions | 1.203.851 | 415.266 |
| Collections, Cancellations | – | -1.585.218 |
| Foreign exchange valuation | – | 607.917 |
| **Total** | **104.971.603** | **144.726.391** |
| Impact of IAS 29 presentation | – | -40.958.639 |
| **Total** | **104.971.603** | **103.767.752** |

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Suppliers | 119.323.412 | 221.933.268 |
| Notes payable | 172.165.284 | 177.506.500 |
| Other trade payables | 39.648.908 | 68.193.821 |
| Rediscount on notes payables | -9.087.958 | -16.100.686 |
| Other trade payables[Long-term] | 700.000.000 | 770.439.366 |
| **Total** | **1.022.049.646** | **1.221.972.269** |

The calculation of the rediscount on receivables is based on the interest rate of 51.74%. (31.12.2024: 52,58)
(For details of receivables from related parties, see Footnote 26 Related Parties)

The maturities of commercial payables are as follows:

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Trade payables | 1.124.879.006 | 274.068.775 |
| 0-3 months | 285.544.037 | 151.271.989 |
| 3-12 months | 139.334.969 | 122.796.787 |
| 1-5 years | 700.000.000 | – |
| **Total** | **1.124.879.006** | **274.068.775** |

## 6. EMPLOYEE BENEFIT OBLIGATIONS

Debts within the scope of employee benefits are as follows;

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Due to personnel | 18.735.763 | 16.634.715 |
| **Total** | **18.735.763** | **16.634.715** |

## 7. OTHER RECEIVABLES / OTHER PAYABLES

The details of other short-term receivables are as follows;

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Deposits and guarantees given [Short-term] | 1.462.572 | 1.355.620 |
| Other receivables | 9.993.124 | 6.069.963 |
| Deposits and guarantees given [Long-term] | 1.850.214 | 1.381.911 |
| **Total** | **13.305.910** | **8.807.494** |

The details of other short-term debts are as follows;

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Deposits and guarantees taken [Short-term] | 6.333.770 | 6.971.122 |
| Other liabilities | 6.321.030 | 2.329.185 |
| Due to shareholders | 342.339.562 | 376.436.702 |
| **Total** | **354.994.362** | **385.737.009** |

## 8. INVENTORIES

The detail of the stocks is as follows;

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Raw materials and supplies | 375.474.895 | 532.257.284 |
| Semi-finished goods in production | 21.089.282 | 32.153.693 |
| Finished goods | 489.694.607 | 337.586.251 |
| Trade goods | 59.599.198 | 71.813.645 |
| Other inventories | 7.118.893 | 7.830.013 |
| Provision for inventories | -7.118.893 | -7.835.251 |
| **Total** | **945.857.982** | **973.805.635** |

There is no collateral, pledge, mortgage on stocks.

## 9. PREPAID EXPENSES / DEFERRED INCOME

The details of prepaid expenses are as follows;

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Advances given to suppliers [Short-term] | 252.055.057 | 287.758.091 |
| Prepaid expense for the following months | 29.545.874 | 42.553.212 |
| **Total** | **281.742.901** | **330.311.303** |

| **Deferred income** | **31.03.2025** | **31.12.2024** |
|---|---|---|
| Advances received [Short-term] | 75.547.008 | 25.981.064 |
| **Total** | **75.577.681** | **48.923.660** |

## 10. TAXATION

| **Current tax assets** | **31.03.2025** | **31.12.2024** |
|---|---|---|
| Prepaid taxes and funds | 11.129.913 | 12.249.890 |
| **Total** | **11.129.913** | **12.249.890** |

| **Current tax liabilities, current** | **31.03.2025** | **31.12.2024** |
|---|---|---|
| Provision for income taxes and other legal liabilities | 12.988.617 | 14.278.656 |
| **Total** | **12.988.617** | **14.278.656** |

Tax revenue expense details are as follows;

| **Tax expense/ıncome from continuing operations** | **01.01.2025<br>31.03.2025** | **01.01.2024<br>31.03.2024** |
|---|---|---|
| Provisions taxes statutory obligation | – | -14.278.656 |
| Deferred tax income/expense | -27.528.852 | 122.556.131 |
| *Beginning of period deferred tax* | *-49.504.196* | *33.829.808* |
| *Deferred tax at period-end* | *20.493.864* | *49.504.196* |
| *Recognized in other comprehensive income* | *1.481.480* | *39.222.127* |
| **Total** | **-27.528.852** | **108.277.475** |

Deferred Tax;

| 31.03.2025 | Temporary Difference | Presence | Obligation |
|---|---|---|---|
| Doubtful trade receivables | -50.235.572 | 12.558.893 | – |
| Discounts on receivables | -6.387.231 | 1.596.808 | – |
| Differences in fixed assets | 486.641.368 | – | 121.660.342 |
| Provisions for employee benefits | 10.875.567 | 2.718.892 | – |
| Financial debt adjustments | -10.942.164 | 2.735.541 | – |
| Kıdem tazminatı karşılığı | 106.430.390 | 26.607.598 | – |
| Investment deductions (*) | 80.685.416 | 20.171.354 | – |
| Adjustments for prepaid expenses | -799.457 | 199.864 | – |
| Provisions for lawsuits | 2.881.846 | 720.462 | – |
| Discounts on liabilities | -9.087.958 | – | 2.271.990 |
| Financial asset adjustments | -347.082.056 | 86.770.514 | – |
| Inventory adjustments | 39.145.795 | – | 9.786.449 |
| Exchange rate adjustments | 530.877 | 132.719 | – |
| | **Total** | **154.212.645** | **133.718.781** |
| | **NET** | **20.493.864** | **0** |

The rate of 25% was used in the calculation of the deferred tax.

| 31.12.2024 | Temporary Difference | Presence | Obligation |
|---|---|---|---|
| Doubtful trade receivables | -55.546.757 | 13.886.690 | – |
| Discounts on receivables | -8.082.077 | 2.020.519 | – |
| Differences in fixed assets | 376.493.691 | – | 94.123.423 |
| Provisions for employee benefits | 12.984.620 | 3.246.155 | – |
| Financial debt adjustments | -1.627.824 | 406.956 | – |
| Severance pay provisions | – | 27.538.704 | – |
| Mali Zarar | 88.804.601 | 22.201.150 | – |
| Investment deductions | -1.029.622 | 257.406 | – |
| Adjustments for prepaid expenses | 3.171.839 | 792.960 | – |
| Provisions for lawsuits | -16.100.686 | – | 4.025.171 |
| Discounts on liabilities | -398.575.422 | 99.643.855 | – |
| Financial asset adjustments | 89.844.108 | – | 22.461.027 |
| Inventory adjustments | 477.689 | 119.423 | – |
| | **Total** | **170.113.818** | **120.609.622** |
| | **NET** | **49.504.196** | **0** |

## 11. PROVISIONS

| **Current provisions** | **31.03.2025** | **31.12.2024** |
|---|---|---|
| Provision for other liabilities and expenses [Short-term] | 3.412.723 | 3.649.528 |
| Current provisions for employee benefits (İzin Karşılığı) | 10.875.567 | 12.984.620 |
| **Total** | **14.288.290** | **16.634.148** |

| **Non-current provisions for employee benefits** | **31.03.2025** | **31.12.2024** |
|---|---|---|
| Provisions for employee termination benefits | 116.622.486 | 120.287.060 |
| **Total** | **116.622.486** | **120.287.060** |

The assumptions used in calculating severance pay are as follows;

| | **31.03.2025** | **31.12.2024** |
|---|---|---|
| Length of service | Retirement | Retirement |
| Salary increase rate | 51,74% | 54,00% |
| Discount rate | 54,74% | 57,00% |
| Percentage of employees leaving without severance pay | 6,00% | 6,00% |
| Severance pay ceiling | 46.655 | 41.828 |

The changes in severance pay provisions during the period are as follows;

| | **31.03.2025** | **31.12.2024** |
|---|---|---|
| Beginning of the period | 100.083.632 | 15.497.283 |
| Payments | -3.556.762 | -8.601.281 |
| Current service cost | 4.305.380 | 14.900.209 |
| Interest cost | 11.524.059 | 6.888.563 |
| Actuarial gains and losses | -5.925.919 | 71.398.858 |
| | **106.430.390** | **100.083.632** |
| Impact of IAS 29 presentation | – | 20.203.428 |
| Dubai Sharjah | 10.192.096 | – |
| **Total** | **116.622.486** | **120.287.060** |

## 12. OTHER CURRENT ASSETS / OTHER LIABILITIES

| Other current assets | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Deferred vat | 33.754.689 | 46.706.817 |
| Other vat | 20.091.607 | 18.042.222 |
| Work advance | 13.134.386 | 14.296.304 |
| **Total** | **66.980.682** | **79.045.343** |

| Other current liabilities | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Taxes and funds payables [Short-term] | 11.308.004 | 14.960.537 |
| Social security premiums payable [Short-term] | 9.295.446 | 8.315.634 |
| **Total** | **20.603.450** | **23.276.171** |

## 13. PROPERTY, PLANT AND EQUIPMENT

| | 1.01.2025 | Additions | Disposals | Translation differences | 31.03.2025 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Land | 4.394.577 | – | – | 175.725 | 4.570.302 |
| Land improvements | 13.029.262 | – | – | | 13.029.262 |
| Buildings | 595.260.197 | – | – | 12.976.465 | 608.236.662 |
| Machinery equipment and installation | 484.651.953 | 67.911 | – | 6.584.239 | 491.304.103 |
| Motor vehicles | 35.926.131 | 14.022.933 | -2.172.232 | 1.025.922 | 48.802.754 |
| Furniture and fixtures | 53.225.029 | 2.351.178 | – | -85.794 | 55.490.413 |
| Other tangible fix assets | 239.975 | – | – | 70.086 | 310.061 |
| Construction in progress | 923.697.238 | 518.104 | – | – | 924.215.342 |
| **Total** | **2.110.424.362** | **16.960.126** | **-2.172.232** | **20.746.643** | **2.145.958.899** |
| **Depreciation** | | | | | |
| Accumulated depreciation | -581.030.319 | -8.806.371 | 1.795.742 | -22.888.040 | -610.928.988 |
| **Total** | **-581.030.319** | **-8.806.371** | **1.795.742** | **-22.888.040** | **-610.928.988** |
| **NET** | **1.529.394.043** | **8.153.755** | **-376.490** | **-2.141.397** | **1.535.029.911** |

.

| | 1.01.2024 | Additions | Disposals | Translation differences | 31.12.2024 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Land | 6.337.772 | – | – | -1.943.195 | 4.394.577 |
| Land improvements | 13.029.293 | – | – | -31 | 13.029.262 |
| Buildings | 634.878.544 | 4.761.687 | – | -44.380.034 | 595.260.197 |
| Machinery equipment and installation | 473.238.754 | 41.693.914 | -719.020 | -29.561.695 | 484.651.953 |
| Motor vehicles | 20.787.044 | 13.586.163 | -382.618 | 1.935.542 | 35.926.131 |
| Furniture and fixtures | 47.471.782 | 5.916.267 | – | -163.020 | 53.225.029 |
| Other tangible fix assets | 345.373 | – | – | -105.398 | 239.975 |
| Construction in progress | 45.716.294 | 920.625.230 | -42.644.286 | – | 923.697.238 |
| **Total** | **1.241.804.856** | **986.583.261** | **-43.745.924** | **-74.217.831** | **2.110.424.362** |
| | | | | | |
| **Depreciation** | | | | | |
| Accumulated depreciation | -590.094.906 | -25.999.549 | 1.101.638 | 33.962.498 | -581.030.319 |
| **Total** | **-590.094.906** | **-25.999.549** | **1.101.638** | **33.962.498** | **-581.030.319** |
| | | | | | |
| **NET** | **651.709.950** | **960.583.712** | **-42.644.286** | **-40.255.333** | **1.529.394.043** |

## 14. INTANGIBLE ASSETS

| | 01.01.2025 | Additions | Disposals | 31.03.2025 |
|---|---|---|---|---|
| Rights | 25.214.756 | 657.836 | – | 25.872.592 |
| Other intangible fixed assets | 10.867.117 | – | – | 10.867.117 |
| **Total** | **36.081.873** | **657.836** | **–** | **36.739.709** |
| | | | | |
| **Amortization** | | | | |
| Accumulated amortization | -25.617.228 | -1.154.038 | – | -26.771.266 |
| **Total** | **-25.617.228** | **-1.154.038** | **–** | **-26.771.266** |
| | | | | |
| **NET** | **10.464.645** | **-496.202** | **–** | **9.968.443** |

| | 01.01.2024 | Additions | Disposals | 31.12.2024 |
|---|---|---|---|---|
| Rights | 12.987.737 | 12.227.019 | – | 25.214.756 |
| Other intangible fixed assets | 10.867.117 | – | – | 10.867.117 |
| **Total** | **23.854.854** | **12.227.019** | **–** | **36.081.873** |
| | | | | |
| **Amortization** | | | | |
| Accumulated amortization | -22.064.402 | -3.552.826 | – | -25.617.228 |
| **Total** | **-22.064.402** | **-3.552.826** | **–** | **-25.617.228** |
| | | | | |
| **NET** | **1.790.452** | **8.674.193** | **–** | **10.464.645** |

## 15. CONTINGENT ASSETS AND LIABILITIES

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| A. Total Amount of Guarantees, Pledges, Mortgages and Sureties ("GPMs") Given on Behalf of Its Own Legal Entity | 684.867.002 | 2.647.056.113 |
| B. Total Amount of GPMs Given on Behalf of Fully Consolidated Subsidiaries | – | – |
| C. Total Amount of GPMs Given on Behalf of Third Parties for the | – | – |
| D. Total Amount of Other GPMs Given | – | – |
| *i. Total Amount of GPMs Given on Behalf of the Parent Company* | – | – |
| *ii. Total Amount of GPMs Given on Behalf of Group Companies Not* | – | – |
| *iii. Total Amount of GPMs Given on Behalf of Third Parties Not Included in Clause C* | – | – |
| **Total** | **684.867.002** | **2.647.056.113** |

| **Given Collaterals** | **31.03.2025** | **31.12.2024** |
|---|---|---|
| Letters of guarantee | 494.867.002 | 583.379.240 |
| Mortgages | 190.000.000 | 2.063.676.873 |
| Total | **684.867.002** | **2.647.056.113** |

## 16. PAID-IN CAPITAL

| | 31.03.2025 | | 31.12.2024 | |
|---|---|---|---|---|
| | **Amount** | **%** | **Amount** | **%** |
| Erkan İzgi | 32.363.544 | 13,48% | 32.363.544 | 13,48% |
| Yüksel Kardeş | 6.000.005 | 2,50% | 6.000.005 | 2,50% |
| Gülfem Oktay | 777.657 | 0,32% | 777.657 | 0,32% |
| Publicly Traded Portion | 200.858.794 | 83,69% | 200.858.794 | 83,69% |
| **Total** | **240.000.000** | **100%** | **240.000.000** | **100%** |

The details of the Company's capital inflation adjustment positive differences are as above;

| | | |
|---|---|---|
| Positive distinction from share capital adjustment | 265.751.422 | 265.751.422 |
| **Total equity** | **505.751.422** | **505.751.422** |

## 17. OTHER ACCUMULATED COMPREHENSIVE INCOME (EXPENSES) THAT WILL NOT BE RECLASSIFIED IN PROFIT OR LOSS

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Increases (decreases) on revaluation of property, plant and equipment [Short-term] | 126.433.637 | 126.433.637 |
| Gains (losses) on remeasurements of defined benefit plans | -83.614.370 | -89.540.289 |
| **Total** | **57.391.327** | **56.539.238** |

## 18. SHARE PREMIUM (DISCOUNT)

The details of the premiums for the shares are as follows;

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Share premium | 218.570.736 | 218.570.736 |
| **Total** | **218.570.736** | **218.570.736** |

## 19. RESTRICTED RESERVES APPROPRIATED FROM PROFITS

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Statutory reserves | 53.981.098 | 52.319.177 |
| IFRS/TAS adjustment differences | -4.520.781 | -4.600.376 |
| **Total** | **49.460.317** | **47.718.801** |

## 20. PRIOR YEARS' PROFITS OR LOSSES

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| Prior years' losses (Carrying amount) | -218.720.372 | -250.698.487 |
| IFRS/TAS differences | 544.791.046 | 133.949.692 |
| **Total** | **326.070.674** | **-116.748.795** |

## 21. REVENUE / COST OF SALES

The details of the cost of sales are as follows;

| Revenue | 01.01.2025<br>**31.03.2025** | 01.01.2024<br>**31.03.2024** |
|---|---|---|
| Domestic sales | 218.722.577 | 446.260.907 |
| Export sales | 344.108.686 | 358.764.465 |
| Sales returns | -536.645 | -4.989.360 |
| Other discounts | -89.630 | -246.560 |
| **Total** | **562.204.988** | **799.789.452** |

| Cost of sales | 01.01.2025<br>**31.03.2025** | 01.01.2024<br>**31.03.2024** |
|---|---|---|
| Cost of goods sold (product) | -401.538.864 | -430.632.459 |
| Cost of trade goods sold | -110.972.016 | -263.692.560 |
| **Total** | **-512.510.880** | **-694.325.019** |

## 22. GENERAL ADMINISTRATIVE EXPENSES

General administrative expenses details are as follows;

| General administrative expenses | **01.01.2025<br>31.03.2025** | **01.01.2024<br>31.03.2024** |
|---|---|---|
| Personnel Expenses | -21.429.270 | -17.424.026 |
| Employer's Social Security Contribution Expenses | -2.956.939 | – |
| Bank Charges | -205.152 | -263.726 |
| Insurance Expenses | -385.927 | -123.771 |
| Stationery Expenses | -430.245 | -509.425 |
| Consultancy Expenses | -7.138.310 | -308.208 |
| Communication Expenses | -198.658 | -140.065 |
| Cargo Expenses / Freight Expenses | -147.109 | -113.940 |
| Maintenance and Repair Expenses | -185.541 | -129.957 |
| Rent Expenses | -103.233 | -37.470 |
| Depreciation Expenses | -5.913.935 | -4.202.747 |
| Tax Expenses | -255.530 | -93.795 |
| Legal Expenses | -15.681 | -881.797 |
| Donations and Contributions | -11.527 | -524.734 |
| Electricity, Water and Heating Expenses | -138.289 | – |
| Non-Deductible Expenses | -1.222.849 | – |
| Membership Fee Expenses / Dues Expenses | -77.031 | – |
| Miscellaneous Expenses | -3.275.947 | -1.934.059 |
| **Total** | **-44.091.173** | **-26.687.720** |

## 23. MARKETING, SALES AND DISTRIBUTION EXPENSES

Marketing expenses details are as follows;

| Marketing expenses | 01.01.2025<br>31.03.2025 | 01.01.2024<br>31.03.2024 |
|---|---|---|
| Depreciation expenses | -192.032 | -1.746.211 |
| Taxes and fees expenses | -923.463 | -322.147 |
| Personnel expenses | -12.547.411 | -7.617.086 |
| Insurance expenses | -234.193 | -211.822 |
| Rent expense | -895.682 | -79.197 |
| Communication expenses | -89.906 | -5.415 |
| Shipping expenses | -4.632 | -11.269 |
| Maintenance and repair expenses | -665.660 | -422.203 |
| Electricity, water, and natural gas expenses | -358.835 | -190.467 |
| Transportation and logistics expenses | -3.748.555 | -3.612.447 |
| Export expenses | -7.534.331 | -8.607.191 |
| Representation and hospitality expenses | -1.106.480 | -825.658 |
| Intermediary commission expenses | -24.588.824 | -12.605.243 |
| Travel and accommodation expenses | -1.647.587 | -897.113 |
| Vehicle expenses | -933.640 | -301.232 |
| TSE expenses | -61.861 | -1.229.112 |
| Sales and marketing expenses | -64.297 | -604.884 |
| Miscellaneous expenses | -63.557 | -13.323.972 |
| **Total** | **-55.660.946** | **-52.612.669** |

## 24. OTHER OPERATING INCOME / OTHER OPERATING EXPENSES

The details of other revenues from the main activities are as follows;

| Other operating ıncome | 01.01.2025<br>31.03.2025 | 01.01.2024<br>31.03.2024 |
|---|---|---|
| Other income and profit from operations | 8.321.488 | 5.853.753 |
| Other extraordinary expenses and losses | 377.417 | 14.888.941 |
| Rediscount on interest gain | 16.431.111 | 10.553.240 |
| Foreign exchange gain | 119.331.357 | 162.852.239 |
| Income and profit relating to previous periods | 1.749.685 | – |
| **Total** | **146.211.058** | **194.148.173** |

The details of other expenses from the main activities are as follows;

| **Other operating expenses** | **01.01.2025<br>31.03.2025** | **01.01.2024<br>31.03.2024** |
|---|---:|---:|
| Interest expenses on discounted notes | -21.015.871 | -8.390.831 |
| Foreign exchange losses | -16.693.643 | -22.196.233 |
| Provision expenses | -582.512 | -36.209 |
| Other extraordinary expense and losses | -24 | -8.496 |
| **Total** | **-38.292.050** | **-30.631.769** |

## 25. INVESTMENT ACTIVITY INCOME / INVESTMENT ACTIVITY EXPENSES

The details of expenses from investment activities are as follows;

| **Investment activity expenses** | **01.01.2025<br>31.03.2025** | **01.01.2024<br>31.03.2024** |
|---|---:|---:|
| Investment activity expenses (-) | -63.880 | – |
| **Total** | **-63.880** | **–** |

## 26. NET MONETARY POSITION GAINS/LOSSES

| **Net monetary position gains/losses** | **31.03.2025** | **31.03.2024** |
|---|---:|---:|
| Inflation adjustments on inventories | -42.484.088 | 27.105.234 |
| Inflation adjustments on property, plant and equipment | 132.613.019 | 68.997.593 |
| Inflation adjustments on equity | -225.987.050 | -103.860.892 |
| Inflation adjustments on deferred tax | 4.526.046 | 4.262.566 |
| Income statement inflation difference classifications | 78.107.557 | 19.365.699 |
| Elimination | -51.420.861 | 17.712.975 |
| Other inflation adjustments | 178.888 | 5.114.655 |
| **Total** | **-104.466.489** | **38.697.830** |

## 27. FINANCE INCOME / FINANCE COSTS

Details of income from financial activities are as follows;

| Finance income | 01.01.2025<br>31.03.2025 | 01.01.2024<br>31.03.2024 |
|---|---|---|
| Foreign exchange gains [on cash and cash equivalents] | 2.585.149 | 4.018.544 |
| **Total** | **2.585.149** | **4.018.544** |

The details of expenses from financial activities are as follows;

| Finance costs | 01.01.2025<br>31.03.2025 | 01.01.2024<br>31.03.2024 |
|---|---|---|
| Short-term borrowing costs | -19.912.383 | -16.470.285 |
| Long-term borrowing costs | -19.340.282 | -6.456.285 |
| Foreign exchange losses [on loans and leases] | -50.822.141 | -28.635.696 |
| **Total** | **-90.074.806** | **-51.562.266** |

## 28. EARNINGS PER SHARE

| Earnings Per Share | 01.01.2025<br>31.03.2025 | 01.01.2024<br>31.03.2024 |
|---|---|---|
| Profit (loss) for the period | -161.687.881 | 289.112.031 |
| Number of shares | 240.000.000 | 240.000.000 |
| **Profit (loss) per share** | **-0,67** | **1,20** |

Earnings / (loss) per share is calculated by dividing the net profit or loss for the period by the weighted average of the number of ordinary shares belonging to ordinary stock holders in the current period.

## 29. FEES FOR INDEPENDENT AUDIT

| | 01.01.2025<br>31.03.2025 | 01.01.2024<br>31.03.2024 |
|---|---|---|
| Independent audit services | 184.875 | 258.699 |
| **Total** | **184.875** | **258.699** |

## 30. RELATED PARTIES RECEIVABLES AND PAYABLES

| | 31.03.2025 | 31.12.2024 |
|---|---|---|
| **Trade receivables;** | **288.256** | **284.244** |
| Gersan-Alan Adi Partnership | 288.256 | 284.244 |
| | | |
| **Other payables** | **-342.339.562** | **-376.436.702** |
| Erkan İzgi (Long-term) | -342.339.562 | -376.436.702 |
| **Total** | **-342.051.306** | **-376.152.458** |

(*) On February 7, 2019, the Group signed a share-secured hybrid financing agreement with Silo Equity Partners SPC ("Silo"), an international investment fund, and on the same date, Yüksel Kardeş concluded a share pledge agreement ("Pledge Agreement") in which its shares in Gersan were provided as collateral in favor of Silo under the Loan Agreement. However, the Loan Agreement was subsequently amended by the Amendment Agreement dated 26 June 2020 (the "Amendment Agreement").

Within the scope of the Loan Agreement, a loan of TL 19,051,500 was disbursed by the Group, and within this scope, 7,673,737 GEREL.IS shares were given to Silo as collateral by Yüksel Kardeş under the Pledge Agreement.

Therefore, within the scope of the Amendment Agreement, 6,500,000 shares were sold by Silo on the Stock Exchange without the knowledge of Yuksle Kardeş and the loan was closed, and 1,173,737 shares held as loan collateral margin were sold by Silo from the Stock Exchange. And with the warning letter dated 24 September 2020 sent by Silo to the Group, it was reported that the Loan Agreement was terminated. These shares, which were given as collateral, were sold from the market and the loan was closed. In this context, Silo Equity Partners SPC did not return the shares given as collateral by Yüksel Kardeş by wrongfully breaking the Loan Agreement on September 24, 2020.

In this context, with the recourse agreement dated 31.07.2021, the Group and Yüksel Kardeş have incurred a debt of 19,051,500 TL to Yüksel Kardeş. The remaining debt of TL 12,412,040 consists of the cash amount deposited by Yüksel brother into the Group's bank accounts.

The amount above in 31.03.2025 is Gersan's debt to Yüksel Kardeş multiplied by the inflation carrying index.

Relationship party income-expense details are as follows;

| **31.03.2025** | **Sales of goods and services** | **Purchases of goods and services** |
|---|---|---|
| Gersan-Alan Ordinary Partnership | 5.250 | – |
| **Total** | **5.250** | **–** |

## 31. BENEFITS AND BENEFITS PROVIDED TO SENIOR MANAGEMENT

The benefits provided to the senior management are as follows;

| | **1.01.2025<br>31.03.2025** | **1.01.2024<br>31.03.2024** |
|---|---|---|
| Benefits provided to key management personnel | -2.079.493 | -733.939 |
| **Total** | **-2.079.493** | **-733.939** |

## 32. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

**Credit Risk:** The Company's credit risk may arise mainly from its trade receivables. The Company's management evaluates its trade receivables by taking into account past experiences and the current economic situation. The Company's management does not foresee additional risks related to its trade receivables.

| 31.03.2025 | Receivables | | | | Deposits in banks | Other |
|---|---|---|---|---|---|---|
| | Trade receivables | | Other receivables | | | |
| Credit risk exposure by types of financial instruments | Related party | Third party | Related party | Third party | | |
| Maximum credit risk exposure as of reporting date (*) (A+B+C+D+E) | 288.256 | 489.306.718 | – | 13.305.910 | 36.708.978 | 3.278.265 |
| A. Net carrying amount of financial assets that are neither past due nor impaired | 288.256 | 592.891.488 | – | 13.305.910 | 36.708.978 | 3.278.265 |
| B. Carrying amount of financial assets whose terms have been renegotiated, otherwise past due or impaired | – | – | – | – | – | – |
| C. Net carrying amount of financial assets that are past due but not impaired | – | – | – | – | – | – |
| D. Net carrying amount of impaired assets | – | -103.584.770 | – | – | – | – |
| – Past due (gross carrying amount) | – | -1.386.833 | – | – | – | – |
| – Impairment (-) | – | 104.971.603 | – | – | – | – |
| E. Off-balance sheet items bearing credit risk | – | – | – | – | – | – |

| 31.12.2024 | Receivables | | | | Deposits in banks | Other |
|---|---|---|---|---|---|---|
| | Trade receivables | | Other receivables | | | |
| Credit risk exposure by types of financial instruments | Related party | Third party | Related party | Third party | | |
| Maximum credit risk exposure as of reporting date (*) (A+B+C+D+E) | 284.244 | 494.820.657 | – | 1.381.911 | 33.855.911 | 3.254.368 |
| A. Net carrying amount of financial assets that are neither past due nor impaired | 284.244 | 494.820.657 | – | 1.381.911 | 33.855.911 | 3.254.368 |
| B. Carrying amount of financial assets whose terms have been renegotiated, otherwise past due or impaired | – | – | – | – | – | – |
| C. Net carrying amount of financial assets that are past due but not impaired | – | – | – | – | – | – |
| D. Net carrying amount of impaired assets | – | – | – | – | – | – |
| – Past due (gross carrying amount) | – | -114.209.659 | – | – | – | – |
| – Impairment (-) | – | 114.209.659 | – | – | – | – |
| E. Off-balance sheet items bearing credit risk | – | – | – | – | – | – |

## Nature and Level of Risks Arising from Financial Instruments - Foreign Exchange Sensitivity Analysis

| **31.03.2025** | **31.03.2025 Satınalma gücü** | **TL Karşılığı** | **USD** | **EUR** | **RUB** | **AED** |
|---|---|---|---|---|---|---|
| Trade Receivables | **610.126.912** | 610.126.912 | 575.881.025 | 34.245.887 | – | – |
| Monetary Financial Assets | **17.341.509** | 17.341.509 | 14.737.874 | 2.328.637 | 274.997 | – |
| Other | **732.878** | 732.878 | 26.631.130 | 1.127.809 | – | – |
| **Current Assets** | **628.201.299** | **628.201.299** | **617.250.030** | **37.702.333** | **274.997** | **–** |
| **Total Assets** | **628.201.299** | **628.201.299** | **617.250.030** | **37.702.333** | **274.997** | **–** |
| Trade Payables | **5.656.467** | 5.656.467 | 210.459.040 | 3.406.586 | – | 253.624 |
| Financial Liabilities | **696.867.031** | 696.867.031 | 528.808.886 | 168.058.145 | – | – |
| Other Non-Monetary Liabilities | **35.637.152** | 35.637.152 | 33.774.267 | 1.862.885 | – | – |
| **Short-Term Liabilities** | **738.160.651** | **738.160.651** | **773.042.194** | **173.327.617** | **–** | **253.624** |
| **Total Liabilities** | **738.160.651** | **738.160.651** | **773.042.194** | **173.327.617** | **–** | **253.624** |
| Net Foreign Currency Asset / (Liability) Position | -109.959.352 | -109.959.352 | -155.792.164 | -135.625.284 | 274.997 | -253.624 |
| **Net Foreign Currency Asset / (Liability) Position of Monetary Items** | **-109.959.352** | **-109.959.352** | **-155.792.164** | **-135.625.284** | **274.997** | **-253.624** |

| 31.12.2024 | 31.03.2025 Satınalma gücü | TL Karşılığı | USD | EUR | RUB | RUB |
|---|---|---|---|---|---|---|
| Trade Receivables | 551.991.984 | 501.524.722 | 480.993.953 | 20.530.769 | – | – |
| Monetary Financial Assets | 26.296.307 | 23.892.101 | 20.595.263 | 3.096.405 | 200.433 | – |
| **Current Assets** | 578.288.292 | **525.416.823** | **501.589.217** | **23.627.174** | **200.433** | **–** |
| Non-Monetary Financial Assets | 842.494 | 765.467 | 19.234 | 2.365 | – | – |
| **Non-Current Assets** | 842.494 | **765.467** | **19.234** | **2.365** | **–** | **–** |
| **Total Assets** | 579.130.785 | **526.182.290** | **501.608.451** | **23.629.539** | **200.433** | **–** |
| Trade Payables | 204.182.609 | 185.514.698 | 185.178.647 | 336.052 | – | 20.743 |
| Financial Liabilities | 383.666.666 | 348.588.972 | 348.562.132 | 26.840 | – | – |
| Other Non-Monetary Liabilities | 73.102.030 | 66.418.492 | 59.162.064 | 7.256.428 | – | – |
| **Short-Term Liabilities** | 660.951.306 | **600.522.162** | **592.902.842** | **7.619.320** | **–** | **20.743** |
| Financial Liabilities | 165.899.547 | 150.731.762 | 150.729.543 | 2.219 | – | – |
| **Long-Term Liabilities** | 165.899.547 | **150.731.762** | **150.729.543** | **2.219** | **–** | **–** |
| **Total Liabilities** | 826.850.853 | **751.253.924** | **743.632.385** | **7.621.539** | **–** | **20.743** |
| Net Foreign Currency Asset / (Liability) Position | -247.720.068 | -225.071.635 | -242.023.935 | 16.008.000 | 200.433 | -20.743 |
| **Net Foreign Currency Asset / (Liability) Position of Monetary Items** | -248.562.562 | **-225.837.101** | **-242.043.169** | **16.005.634** | **200.433** | **-20.743** |

| | **Profit/Loss** | |
|---|---|---|
| **31.03.2025** | Increase in value | Decrease in value |
| **If the USD exchange rate changes by 10%:** | | |
| USD Net assets/liabilities | -15.579.216 | 15.579.216 |
| Part hedged against USD risk (-) | | – |
| **USD net impact** | **-15.579.216** | **15.579.216** |
| **If the Euro exchange rate changes by 10%:** | | |
| EURO Net assets/liabilities | -331.410 | 331.410 |
| Part hedged against EURO risk (-) | – | – |
| **EURO net impact** | **-331.410** | **331.410** |
| **Total** | **-15.910.626** | **15.910.626** |

| | **Profit/Loss** | |
|---|---|---|
| **31.12.2024** | Increase in value | Decrease in value |
| **If the USD exchange rate changes by 10%:** | | |
| USD Net assets/liabilities | -518.366 | 518.366 |
| Part hedged against USD risk (-) | | – |
| **USD net impact** | **-518.366** | **518.366** |
| **If the Euro exchange rate changes by 10%:** | | |
| EURO Net assets/liabilities | -43.352 | 43.352 |
| Part hedged against EURO risk (-) | | – |
| **EURO net impact** | **-43.352** | **43.352** |
| **Total** | **-561.718** | **561.718** |

## 33. EVENTS AFTER THE BALANCE SHEET DATE

There is none.