Gersan Elektrik Ticaret ve Sanayi A.Ş. and Its Subsidiaries

Condensed Consolidated Financial Statements and Independent Auditor’s Review Report

for the Interim Period Ended June 30, 2025

ABACUS
WORLDWIDE

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INTERIM PERIOD ACTIVITY REPORT LIMITED REVIEW REPORT

GERSAN ELEKTRİK TİCARET VE SANAYİ A.Ş

To the Board of Directors

Introduction

We have been engaged to perform a limited review of whether the financial information included in the interim activity report of **GERSAN ELEKTRİK TİCARET VE SANAYİ A.Ş.** ("the Company") as of June 30, 2025 is consistent with the condensed interim financial information that has been subject to a limited review. The interim activity report is the responsibility of the Company's management. Our responsibility, as the entity performing the limited review, is to express a conclusion as to whether the financial information presented in the interim activity report is consistent with the condensed interim financial statements and explanatory notes that have been subject to a limited review and addressed in our limited review report dated August 19, 2025.

Scope of Limited Review

The limited review has been conducted in accordance with Limited Review Standard ("LRS") 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity's Annual Financial Statements." Our limited review covers an assessment of whether the financial information included in the interim activity report is consistent with the condensed interim financial statements and explanatory notes that have been subject to a limited review.

The scope of a limited review of interim financial information is substantially narrower than that of an independent audit conducted in accordance with the Independent Auditing Standards, the objective of which is to express an opinion on the financial statements. Consequently, a limited review of interim financial information does not provide assurance that the audit firm will become aware of all significant matters that might be identified in an independent audit. Therefore, we do not express an independent audit opinion.

Conclusion

As a result of our limited review, nothing has come to our attention that causes us to believe that the financial information included in the accompanying interim activity report is not consistent, in all material respects, with the information presented in the condensed interim financial statements and explanatory notes that have been subject to a limited review.

August 19, 2025, Ankara

Karar Bağımsız Denetim ve Danışmanlık A.Ş.
MEMBER FIRM OF ABACUS WORLDWIDE

ALİ OSMAN EFLATUN
Responsible Auditor

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GERSAN ELEKTRİK TİCARET VE SANAYİ A.Ş.
Condensed Consolidated Statement of Financial Position as of June 30, 2025
(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

	Notes Number	30.06.2025	31.12.2024
ASSETS			
Current Assets			
Cash and cash equivalents	[3]	88.862.468	39.339.391
Trade receivables	[5]	571.233.158	524.844.473
• Related parties		288.256	301.317
• Unrelated parties		570.944.902	524.543.156
Other receivables	[7]	11.608.846	7.871.616
Inventories	[8]	745.356.561	1.032.299.428
Prepayments	[9]	282.955.971	350.152.183
Current tax assets	[10]	–	12.985.707
Other current assets	[12]	65.915.146	83.793.376
Sub-Total		**1.765.932.150**	**2.051.286.174**
Total Current Assets		**1.765.932.150**	**2.051.286.174**
Non-Current Assets			
Other receivables	[7]	1.543.961	1.464.918
Property, plant and equipment	[13]	1.619.290.632	1.621.260.486
Intangible assets and goodwill	[14]	9.707.506	11.093.227
Prepayments	[9]	2.419.105	–
Deferred tax asset	[10]	–	52.477.775
Other non-current assets	[12]	20.408.650	8.370.157
Total Non-Current Assets		**1.653.369.854**	**1.692.676.635**
TOTAL ASSETS		**3.419.302.004**	**3.743.962.809**

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

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

LİABİLİTİES	Notes Number	30.06.2025	31.12.2024
Current Liabilities			
Current borrowings	[4]	663.039.472	140.834.651
Current portion of non-current borrowings	[4]	242.150.252	410.980.683
Other financial liabilities		1.249.476	532.739
Trade payables	[5]	1.086.687.686	1.295.372.741
Employee benefit obligations	[6]	34.985.633	26.449.047
Other payables	[7]	9.949.424	9.858.950
Deferred income	[9]	117.629.957	51.862.369
Current tax liabilities, current	[10]	1.047.569	15.136.335
Current provisions	[11]	15.347.736	17.633.315
Other current liabilities	[12]	8.830.805	15.859.175
Sub-total		**2.180.918.010**	**1.984.520.005**
Total Current Liabilities		**2.180.918.010**	**1.984.520.005**
Long term borrowings	[4]	176.352.411	205.522.945
Other payables	[9]	340.119.486	399.048.206
Non-current provisions	[11]	97.636.925	127.512.369
Deferred tax liabilities	[10]	1.952.695	–
Total Non-Current Liabilities		**616.061.517**	**732.083.520**
TOTAL LIABILITIES		**2.796.979.527**	**2.716.603.525**
Equity			
Equity attributable to owners of parent		**632.223.645**	**1.037.385.103**
Issued capital	[16]	240.000.000	240.000.000
Inflation adjustments on capital	[16]	296.130.501	296.130.501
Share premium (discount)	[18]	231.699.671	231.699.671
Other accumulated comprehensive income (loss) that will not be reclassified in profit or loss		89.672.286	59.935.392
Other accumulated comprehensive income (loss) that will be reclassified in profit or loss		-15.068.711	-11.477.813
Restricted reserves appropriated from profits		52.431.259	50.585.136
Prior years' profits or losses	[20]	198.013.894	-123.761.570
Current period net profit or loss		-460.655.255	294.273.786
Non-controlling interests		**-9.901.168**	**-10.025.819**
TOTAL EQUITY		**622.322.477**	**1.027.359.284**
TOTAL LIABILITIES AND EQUITY		**3.419.302.004**	**3.743.962.809**

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

GERSAN ELEKTRİK TİCARET VE SANAYİ A.Ş.

Condensed Consolidated Statement of Financial Position as of June 30, 2025

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

	Notes Number	01.01.2025 30.06.2025	01.01.2024 30.06.2024	1.04.2025 30.06.2025	1.04.2024 30.06.2024
PROFIT OR LOSS					
Revenue	[21]	1.094.698.907	1.750.667.831	498.723.832	902.837.253
Cost of sales (-)	[21]	-1.344.848.188	-1.377.184.914	-801.552.207	-641.153.724
GROSS PROFIT/LOSS		**-250.149.281**	**373.482.917**	**-302.828.375**	**261.683.529**
General administrative expenses	[22]	-86.964.205	-75.390.397	-40.224.598	-47.099.620
Marketing expenses	[23]	-140.026.168	-95.412.681	-81.021.824	-39.639.716
Other operating ıncome	[24]	226.546.972	129.388.597	71.553.423	-76.421.516
Other operating expenses	[24]	-65.880.844	-57.163.452	-25.288.697	-24.691.719
OPERATING PROFIT/LOSS		**-316.473.526**	**274.904.984**	**-377.810.071**	**73.830.958**
Investment activity income	[25]	–	11.899	–	11.899
Investment activity expenses	[25]	-63.880	–	3.837	–
PROFIT/LOSS BEFORE FINANCING EXPENSE		**-316.537.406**	**274.916.883**	**-377.806.234**	**73.842.857**
				–	–
Finance income	[27]	5.155.056	6.161.872	2.414.624	1.901.945
Finance costs	[27]	-206.122.337	-85.990.842	-110.636.989	-31.331.374
Gains (losses) on net monetary position	[26]	102.315.494	32.512.031	213.056.994	-8.510.263
PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS		**-415.189.193**	**227.599.944**	**-272.971.605**	**35.903.165**
Tax expense/ıncome from continuing operations	[10]	**-45.319.007**	**45.997.891**	**-16.136.574**	**-68.783.510**
• *Current period tax expense (ıncome)*		-800.835	-11.088.562	-800.835	-1.129.454
• Deferred tax expense (ıncome)		-44.518.172	57.086.453	-15.335.739	-67.654.056
PROFIT/LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS		**-460.508.200**	**273.597.835**	**-289.108.179**	**-32.880.345**
CURRENT YEAR PROFIT / LOSS		**-460.508.200**	**273.597.835**	**-289.108.179**	**-32.880.345**
Current Year Net Profit/Lossof Attributable to:		**-460.508.200**	**273.597.835**	**-289.108.179**	**-32.880.345**
Minority interests		147.055	530.183	-23.394.317	701.877
Parent company shares		-460.655.255	273.067.652	-265.713.862	-33.582.222
Earnings Per Share		**-1,92**	**3,42**	**-1,20**	**2,14**
		-1,92	**3,42**	**-1,20**	**2,14**
Components of other comprehensive income that will not be reclassified to profit or loss		**29.736.894**	**-43.557.554**	**28.884.805**	**-17.497.801**
Gains (losses) on remeasurements of defined benefit plans	[17]	39.649.192	-59.612.207	33.723.273	-21.213.625
Taxes Relating To Components Of Other Comprehensive Income That Will Not Be	[10]	-9.912.298	16.054.653	-4.838.468	3.715.824
• *Deferred Tax (Expense) Income*		-9.912.298	16.054.653	*-4.838.468*	*3.715.824*
Components of other comprehensive income that will be reclassified to profit or loss		**-3.590.898**	**-87.670.018**	**-932.736**	**-35.239.433**
Exchange Differences on Translation		-3.590.898	-87.670.018	-932.736	-35.239.433
• Gains (losses) on exchange differences on translation		-3.590.898	-87.670.018	-932.736	-35.239.433
OTHER COMPREHENSIVE INCOME		**26.145.996**	**-131.227.572**	**27.952.069**	**-52.737.234**
TOTAL COMPREHENSIVE INCOME		**-434.362.204**	**142.370.263**	**-261.156.110**	**-85.617.579**
Minority interests		124.651	530.181	-23.416.721	701.875
Parent company shares		-434.486.855	141.840.082	-237.739.389	-86.319.454

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

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 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**	**1.041.674.564**	**134.028.151**	**-11.614.871**	**50.585.138**	**424.529.436**	**133.454.388**	**-902.408.295**	**-194.355.507**	**755.893.004**	**84.875**	**755.977.879**
Transfers	–	–	–	–	–	–	–	-194.355.507	194.355.507	**–**	–	**–**
Total comprehensive income/(expe	–	–	–	-43.557.554	–	–	-87.670.018	–	273.067.652	**141.840.080**	530.181	**142.370.261**
Profit/(loss) for the period	–	–	–	–	–	–	–	–	*273.067.652*	**273.067.652**	*530.181*	***273.597.833***
Other comprehensive income/(ex	–	–	–	*-43.557.554*	–	–	*-87.670.018*	–	–	**-131.227.572**	–	***-131.227.572***
30.06.2024	**80.000.000**	**1.041.674.564**	**134.028.151**	**-55.172.425**	**50.585.138**	**424.529.436**	**45.784.370**	**-1.096.763.802**	**273.067.652**	**897.733.084**	**615.056**	**898.348.140**
01.01.2025	**240.000.000**	**296.130.501**	**134.028.153**	**-74.092.761**	**50.585.136**	**231.699.671**	**-11.477.813**	**-123.761.570**	**294.273.786**	**1.037.385.103**	**-10.025.819**	**1.027.359.284**
Transfers	–	–	–	–	1.846.123	–	–	321.775.464	-294.273.786	**29.347.801**	–	**29.347.801**
Capital increase	–	–	–	–	–	–	–	–	–	**–**	–	**–**
Total comprehensive income/(expe	–	–	–	29.736.894	–	–	-3.590.898	–	-460.655.255	**-434.509.259**	124.651	**-434.384.608**
Profit/(loss) for the period	–	–	–	–	–	–	–	–	*-460.655.255*	**-460.655.255**	*124.651*	***-460.530.604***
Other comprehensive income/(ex	–	–	–	*29.736.894*	–	–	*-3.590.898*	–	–	***26.145.996***	–	***26.145.996***
30.06.2025	**240.000.000**	**296.130.501**	**134.028.153**	**-44.355.867**	**52.431.259**	**231.699.671**	**-15.068.711**	**198.013.894**	**-460.655.255**	**632.223.645**	**-9.901.168**	**622.322.477**

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

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

	Notes Number	1.01.2025 30.06.2025	1.01.2024 30.06.2024
A. Cash Flows Arising from Operating Activities		**-185.145.994**	**-520.975.854**
Profit (loss)		**-460.655.255**	**273.067.652**
Profit loss from continuing operations for cash flow statement		-460.655.255	273.067.652
• Adjustments to reconcile profit (loss)		**59.617.791**	**-183.638.492**
Adjustments for depreciation and amortisation expense	[13,14]	18.681.681	13.774.178
Adjustments for impairment loss reversal of impairment loss recognised in profit	[5]	-15.275.608	-33.938.808
• Adjustments for impairment loss reversal of impairment loss recognised in		-14.088.609	-31.019.170
• Adjustments for impairment loss reversal of impairment loss recognised in		-1.186.999	-2.919.638
Adjustments for provisions	[11]	7.488.169	16.713.200
• Adjustments for reversal of provisions related with employee benefits		7.596.796	15.073.011
• Adjustments for reversal of lawsuit and or penalty provisions		-108.627	1.640.189
Adjustments for interest income and expenses	[24]	7.671.624	-10.743.709
• Adjustments for interest income		7.671.624,00	–
• Adjustments for interest expense		–	-10.743.709,00
Adjustments for income tax expense	[10]	44.518.172	-82.303.516
Other adjustments for which cash effects are investing or financing cash flow		-3.466.247	-87.139.837
Other adjustments to reconcile profit loss			
Changes in Working Capital		**173.639.960**	**-689.301.294**
Adjustments for decrease increase in trade account receivable	[5]	-34.655.143	-269.156.158
• Decrease increase in trade accounts receivables from related parties		13.061	35.870
• Decrease increase in trade accounts receivables from un related parties		-34.668.204	-269.192.028
Adjustments for decrease increase in other receivables related with operations	[7]	-3.816.273	-9.397.545
• Decrease increase in other un related party receivables related with operations		-3.816.273	-9.397.545
Adjustments for decrease increase in inventories	[8]	288.129.866	-420.737.601
Decrease increase in pre-paid expenses	[9]	64.777.107	-24.001.185
Adjustments for increase decrease in trade account payable	[5]	-116.717.513	-226.921
• Increase decrease in trade accounts payables to related parties		–	-226.921
• Increase decrease in trade accounts payables to un related parties		-116.717.513	–
Adjustments for increase decrease in other operating payables	[7]	-89.194.162	46.702.542
• Increase decrease in other operating payables to un related parties		-89.194.162	46.702.542
Adjustments for increase decrease in deferred income	[9]	65.767.588	-5.918.444
Adjustments for other increase decrease in working capital		-651.510	-6.565.982
• Decrease increase in other assets related with operations		5.839.737	-41.802.888
• Increase decrease in other payables related with operations		-6.491.247	35.236.906
Net Cash Flows From (Used in) Operations		**-227.397.504**	**-599.872.134**
Gains (losses) on net monetary position		43.354.569	48.516.928
Income taxes paid refund classified as operating activities		-1.103.059	30.379.352

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

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

B. Cash Flows Arising from Investing Activities		**-22.360.092**	**-23.834.423**
• Proceeds from sales of property plant equipment and intangible assets classified as investing activities	[13,14]	*399.104*	–
• Proceeds from sales of property plant and equipment classified as investing activities		*399.104*	–
Purchase of property plant equipment and intangible assets classified as investing activities	[13,14]	-22.759.196	-23.834.423
• Purchase of property plant and equipment classified as investing activities		-21.663.445	-12.902.989
• Purchase of intangible assets classified as investing activities		-1.095.751	-10.931.434
C. Cash Flows Arising from Financing Activities		**265.991.873**	**607.574.732**
Proceeds from borrowings classified as financing activities	[4]	522.921.558	245.821.860
• Proceeds from loans classified as financing activities		522.204.821	245.821.860
• Proceeds from other financial borrowings classified as financing activities		716.737,00	–
Re payments of borrowings classified as financing activities	[4]	-211.522.505	-39.534.154
• Loan repayments classified as financing activities		-211.522.505,00	-38.353.358
• Cash outflow from other financial liabilities classified as financing activities		–	-1.180.796
Increase in other payables to related parties classified as financing activities		–	395.776.576
Decrease in other payables to related parties classified as financing activities		-58.928.720	–
Payments of finance lease liabilities classified as financing activities		13.521.540	5.510.450
Net Increase /Decrease in Cash and Cash Equivalents Before Effect of Exchange Rate Changes		**58.485.787**	**62.764.455**
D. Effect of Exchange Rate Changes on Cash and Cash Equivalents			
Net Increase /Decrease in Cash and Cash Equivalents		**58.485.787**	**62.764.455**
E. Cash and Cash Equivalents at Beginning of Period	**[3]**	**39.339.391**	**91.093.320**
Impact of monetary loss on cash		**-8.962.710**	**-25.161.751**
Cash and Cash Equivalents at End of Period		**88.862.468**	**128.696.024**

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

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

1. ORGANIZATION AND NATURE OF OPERATIONS OF THE GROUP

Gersan Elektrik Ticaret ve Sanayi Anonim Şirketi (the "Company") was established in Istanbul in 1985. The Company and its subsidiaries (the "Group") operate in the production of busbar trunking systems, systems and materials that carry, connect, and protect conductors, power transmission lines, supporting systems, grounding systems for lines, sites, buildings, and regions, cable management systems, cable trays, various cable jointing, separation, connection, and transportation systems, special carrier and steel construction assembly and fastening systems applicable in various projects, as well as design, project management, electrical and mechanical 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 in Velioğlu Organized Industrial Zone, Mahallesi, 1st Avenue, 6th and 7th Streets, Çaycuma, Zonguldak.

The Group has a subsidiary in Russia engaged in the production of electrical materials.

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

With the decision of the Board of Directors dated 06.09.2021 and numbered 2021/11, the Group established a branch at 189, rue 1788 Bastos-Yaunde, Republic of Cameroon. The capital of the branch is 10,000,000 West African CFA Francs (approximately EUR 15,000). The branch was established to operate in construction, electrical and mechanical contracting, and other activities set forth 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 established a branch at Marcory Zone 4C Bietry, 26 BP28 Abidjan, Republic of Côte d'Ivoire. The capital of the branch is 10,000,000 West African CFA Francs (approximately EUR 15,000). The branch was established to engage in rough and fine construction works as well as electrical and mechanical works within the scope of a hospital construction project.

As of June 30, 2025, the Group employs 680 personnel (December 31, 2024: 570).

The shareholding structure of the Company as of the period-ends is as follows:

	30.06.2025		**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 subsidiaries of the Group within the scope of consolidation, their shareholding ratios, the countries in which they operate, and their principal activities as of the period-ends are as follows:

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

	30.06.2025	31.12.2024
Company Name	**Shareholding Ratio**	**Shareholding Ratio**
Gersan Şarj Sistemleri Sanayi Ticaret A.Ş.	70%	70%
Gersan-R OOO (Formerly "Gersan-R Zao")	99,38%	99,38%
Gersan Elektrik Ticaret ve Sanayi A.Ş. Sharjah Branch	100%	100%

2. CONSOLIDATION PRINCIPLES RELATING TO THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1. Basis of Presentation

2.1.1. Statement of Compliance

The accompanying financial statements have been prepared in accordance with the provisions of the Capital Markets Board ("CMB") Communiqué No. II-14.1 on "Principles of Financial Reporting in Capital Markets," published in the Official Gazette dated June 13, 2013 and numbered 28676, and in line with the Turkish Financial Reporting Standards ("TFRS") and related addenda and interpretations promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") pursuant to Article 5 of the Communiqué.

In addition, the interim consolidated financial statements have been presented in accordance with the formats set forth in the "Announcement on TFRS Taxonomy" published by the POA on October 4, 2022, and the Financial Statement Examples and User Guide published by the CMB.

Except for financial investments measured at fair value, the consolidated financial statements are prepared on the historical cost basis. In determining historical cost, the fair value of the consideration paid for assets is generally taken as a basis.

The Group has prepared its consolidated financial statements for the period ended June 30, 2025 in accordance with the CMB Communiqué No. II-14.1 and the related announcements issued thereunder. The consolidated financial statements and notes have been presented in accordance with the formats recommended by the CMB, including all mandatory information. The Group maintains its accounting records in accordance with the Uniform Chart of Accounts, the Turkish Commercial Code, and Turkish Tax Legislation, 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 Board of Directors of the Group on August 19, 2025. The authority to amend the accompanying consolidated financial statements rests with the General Assembly of the Group and/or legal authorities.

2.1.3. Functional and Presentation Currency

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

2.1.4. Offsetting

inancial assets and liabilities are presented on a net basis when there is a legally enforceable right to set off the recognized amounts, when there is an intention to settle on a net basis, or when the realization of the asset and the settlement of the liability occur simultaneously.

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

2.1.5. Preparation of Consolidated Financial Statements in an Inflationary Environment

As announced by the Public Oversight Accounting and Auditing Standards Authority (POA) on November 23, 2023, entities applying TFRS have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies (TAS 29) for financial statements for periods ending on or after December 31, 2023. TAS 29 is applied in the financial statements, including the consolidated financial statements, of entities whose functional currency is that of a hyperinflationary economy.

The accompanying consolidated financial statements, except for biological assets measured at fair value before inflation adjustments, have been prepared on the historical cost basis.

These consolidated financial statements and all comparative amounts relating to prior periods have been restated in accordance with TAS 29 to reflect the changes in the general purchasing power of the Turkish Lira, and are expressed in terms of the purchasing power of the Turkish Lira as of June 30, 2025.

Adjustments for inflation have been calculated using the coefficients determined based on the Consumer Price Index (CPI) published by the Turkish Statistical Institute (TurkStat). The CPI and the related restatement coefficients corresponding to the current and prior periods since January 1, 2005, the date on which the Turkish Lira ceased to be defined as the currency of a hyperinflationary economy, are as follows:

Date	CPI	Restatement Coefficient
2022	1128,45	2,62
2023	1859,38	1,68
30.06.2024	2.319,29	1,35
2024	2.684,55	1,17
30.06.2025	3.132,17	1,00

The Group's adjustments made in accordance with TAS 29 are principally as follows;

- Monetary assets and liabilities are not restated since they are already expressed in terms of the current purchasing power as of the balance sheet date. Comparative amounts relating to prior periods are expressed in terms of the current measurement unit at the end of the reporting period.
- Non-monetary assets and liabilities and equity items are restated by applying the relevant restatement coefficients.
- The effect of inflation on the Group's net monetary asset position in the current period has been recognized in the income statement under the account of net monetary position loss.
- Income and expense items are indexed and restated as of the dates they are incurred.
- The effect of inflation on the Group's net monetary asset position in the current period has been recognized in the income statement under the account of net monetary position gain/loss.

2.1.6. Comparative Information and Preparation of Prior Period Consolidated Financial Statements

Comparative figures are reclassified when deemed necessary in order to ensure consistency with the presentation of the current period consolidated financial statements.

2.1.7. Going Concern

The Group has prepared its condensed consolidated financial statements on a going concern basis.

2.1.8. Financial Statements of Subsidiaries Operating in Foreign Countries

The financial statements of subsidiaries, associates, and joint ventures operating in foreign countries are prepared in accordance with the legislation prevailing in the respective countries, and are adjusted and reclassified to conform with the Company's accounting policies. Where the functional currency of these entities differs from the reporting currency of the Company, their financial statements are translated into the reporting currency as follows;

- All assets and liabilities in the statement of financial position are translated at the exchange rates prevailing at the balance sheet date.
- Income and expense items in the statement of comprehensive income are translated at the exchange rates at the transaction dates, and the resulting exchange differences are presented as a separate item (foreign currency translation differences) within equity and in the statement of comprehensive income.

2.1.9. Değişiklikler Changes in Turkish Accounting / Financial Reporting Standards

The accounting policies adopted in the preparation of the financial statements for the period ended June 30, 2025 are consistent with those applied in the previous year, except for the new and amended TFRS standards and TFRYK interpretations that became effective as of January 1, 2025 and are summarized below. The effects of these standards and interpretations on the Group's financial position and performance are disclosed in the relevant paragraphs.

New standards effective as of June 30, 2025 and amendments and interpretations to the existing standards

IAS 21 Lack of Exchangeability; effective for annual reporting periods beginning on or after January 1, 2025. An entity is affected by these amendments when it has a transaction or activity in a foreign currency that cannot be exchanged into another currency for a particular purpose at a specified measurement date. A currency is considered exchangeable when another currency can be obtained (subject to normal administrative delay) and the exchange takes place through a market or exchange mechanism that creates enforceable rights and obligations. The amendments had no significant impact on the Group's consolidated financial statements.

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

- The structure of the statement of profit or loss
- Required disclosures in the financial statements for certain profit or loss performance measures reported outside the financial statements by the entity
- Enhanced aggregation and disaggregation principles generally applicable to the primary financial statements and the notes.

IFRS 19 Subsidiaries without Public Accountability

Effective for annual reporting periods beginning on or after January 1, 2027. Early application is permitted. This new standard is applied together with other IFRS Accounting Standards. A qualifying subsidiary applies the requirements of other IFRS Accounting Standards except for the disclosure requirements, and instead applies the reduced disclosure requirements in IFRS 19. The reduced disclosure requirements of IFRS 19 balance the information needs of users of the financial statements of eligible subsidiaries with cost savings for preparers. IFRS 19 is a voluntary standard that can be applied by subsidiaries that meet the eligibility criteria.

A subsidiary qualifies if both of the following conditions are met.

- It is not publicly traded or listed on a stock exchange, and,
- It has a parent or intermediate parent that produces consolidated financial statements in compliance with IFRS that are available for public use.

2.1.10. Principles of Consolidation

Subsidiaries;

Control is presumed to exist when the parent directly or indirectly holds more than half of the voting rights of an entity and has the power to govern the financial and operating policies of that entity.

In the consolidation of financial statements, all intra-group balances, transactions, and unrealized profits and losses, including those arising from intercompany transactions, are eliminated. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of the subsidiaries have been prepared for the same reporting period as that of the parent company.

The information regarding the subsidiaries included in full consolidation is as follows;

	30.06.2025	31.12.2024
Company Name	**Shareholding Ratio**	**Shareholding Ratio**
Gersan Şarj Sistemleri Sanayi Ticaret A.Ş.	70%	70%
Gersan-R OOO (Formerly "Gersan-R Zao")	99,38%	99,38%
Gersan Elektrik Ticaret ve Sanayi A.Ş. Sharjah Branch	100%	100%

During the preparation of consolidated financial statements, intra-group transactions, intra-group balances, and unrealized income and expenses arising from intra-group transactions are offset against each other. Profits and losses arising from transactions between the parent company and its consolidated subsidiaries are netted in proportion to the parent company's shareholding in the subsidiary. Unrealized losses are eliminated in the same manner as unrealized gains, unless there is evidence of impairment..

2.2. Changes in Accounting Policies, Estimates and Errors

2.2.1. Changes in Accounting Policies

An entity may change its accounting policies only if:

a) required by a TAS/TFRS, or

b) the change results in the financial statements providing more reliable and relevant information about the effects of transactions and events on the entity's financial position, performance, or cash flows.

When an accounting policy is changed, the total adjustment amount relating to prior periods presented in the consolidated financial statements is transferred to retained earnings in the subsequent period. Other prior period information is also restated. If changes in accounting policies affect the current period, prior periods, or the results of operations of consecutive periods, the reasons for the change, the adjustment amount for the current and prior periods, the adjustment amounts relating to periods earlier than those presented, and whether comparative information has been restated or not (or whether restatement could not be made due to excessive cost) are publicly disclosed.

2.2.2. Changes in Accounting Estimates

Many items in the consolidated financial statements cannot be measured with certainty but can only be estimated due to uncertainties inherent in business activities. Estimates are made based on the most reliable and up-to-date information available.

Changes in accounting estimates are applied prospectively in the period of the change and in future periods.

2.2.3. Errors

Errors in the recognition, measurement, presentation, or disclosure of items in the consolidated financial statements are corrected retrospectively in the first set of financial statements authorized for issue after their discovery. Correction is made by:

a) restating the comparative amounts for the period in which the error occurred, or

b) if the error occurred before the earliest period presented, restating the opening balances of assets, liabilities, and equity for that prior period.

c)

If it is impracticable to determine the cumulative effect of an error on all prior periods, the entity restates its comparative information prospectively from the earliest period practicable.

2.3. Summary of Significant Accounting Policies

2.3.1. Revenue

The Group recognizes revenue in its consolidated financial statements when or as it satisfies a performance obligation by transferring a promised good or service to a customer. Control of an asset is deemed to be transferred when (or as) the customer obtains control of that asset. The Company recognizes revenue in its consolidated financial statements in line with the following core principles:

a) Identifying the contracts with customers
b) Identifying the performance obligations in the contract
c) Determining the transaction price
d) İşlem fiyatının sözleşmedeki performans yükümlülüklerine bölüştürülmes Allocating the transaction price to the performance obligations in the contract
e) Recognizing revenue when (or as) each performance obligation is satisfied

Accordingly, the goods or services promised in each contract with customers are assessed, and each promise to transfer such goods or services is identified as a separate performance obligation. Then, it is determined whether performance obligations will be satisfied over time or at a point in time. If the Company transfers control of a good or service over time and thus satisfies the performance obligations related to the relevant sales over time, revenue is recognized in the consolidated financial statements over time by measuring progress toward complete satisfaction of the performance obligations. Revenue relating to performance obligations involving the transfer of goods or services is recognized when control of the goods or services passes to the customers.

The Group recognizes a contract with a customer as revenue if all of the following criteria are met:

a) The parties to the contract have approved the contract (in writing, orally, or in accordance with customary business practices) and are committed to performing their respective obligations,
b) The Company can identify the rights of each party regarding the goods or services to be transferred,
c) The Company can identify the payment terms for the goods or services to be transferred,
d) The contract has commercial substance, and
e) It is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services to be transferred to the customer. In assessing whether collectability of an amount of consideration is probable, the entity shall consider only the customer's ability and intention to pay that amount when it is due.

2.3.2. Inventories

Inventories are valued at the lower of net realizable value and acquisition cost. The acquisition cost of inventories includes all purchase costs, conversion costs, and other costs incurred to bring the inventories to their present condition and location. Cost is calculated using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.3.3. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and bank deposits. Cash and cash equivalents are presented at the sum of their acquisition costs and accrued interest.

Cash on hand comprises balances in Turkish Lira and foreign currencies. Turkish Lira balances are carried at their recorded amounts, while foreign currency balances are translated into the records using the Central Bank of the Republic of Türkiye's foreign exchange buying rates prevailing at the balance sheet date.

Bank deposits consist of time and demand deposits together with the accrued interest thereon. Turkish Lira deposits are carried at cost, while foreign currency deposits are translated into Turkish Lira using the Central Bank's foreign exchange buying rates at the balance sheet date.

Since cash and cash equivalents denominated in foreign currencies are translated into Turkish Lira at the prevailing exchange rates at the balance sheet date, their recorded values are considered to approximate their fair values.

Bank deposits are assumed to approximate their fair values due to their short-term maturities and the absence of significant impairment risk.

Fair value is the amount at which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

2.3.4. Receivables and Payables

Trade receivables arising from the delivery of goods or services to customers, and trade payables arising from the purchase of goods or services from suppliers, are presented net of deferred finance income and expenses. After offsetting deferred finance income and expenses, trade receivables and trade payables are measured at amortized cost using the effective interest method, based on the original invoice amount and the discounted value of the amounts to be collected or settled in subsequent periods.

Short-term receivables without a specified interest rate are carried at their invoice amounts if the effect of using the original effective interest rate is insignificant.

Even when the collection period of trade receivables/payables exceeds 12 months, they are considered as part of the entity's normal operating cycle and classified as current assets.

2.3.5. Provision for Doubtful Receivables

The Group provides an allowance for doubtful receivables when there is objective evidence that the receivables cannot be collected. The amount of the allowance is the difference between the carrying amount of the receivable and the recoverable amount after deducting the value of guarantees and collaterals received.

If any portion or all of a doubtful receivable is subsequently collected after an allowance has been recognized, the collected amount is deducted from the doubtful receivable provision and recognized as other income.

2.3.6. Property, Plant and Equipment

Tangible assets that are expected to be used in the business for more than one year are initially recognized at cost. Property, plant and equipment are measured using the cost model. Assets are restated in accordance with TAS 29 by applying the index of the month in which they were acquired.

In determining the fair value of property, plant and equipment, the Group applies the "revaluation model" for land, land improvements, and buildings, while the "cost model" is applied for other tangible assets. Property, plant and equipment are presented at revalued amounts less accumulated depreciation. The Group calculates depreciation using the straight-line method, taking into account the prorated period. Land is not depreciated, as it is assumed to have an indefinite useful life.

The depreciation rates of property, plant and equipment are based on their estimated useful lives and are as follows:

Asset	Useful Life
Buildings	50 Years
Land improvements	5-20 Years
Machinery, plant and equipment	2- 50 Years
Motor vehicles	4- 8 Years
Furniture and fixtures	2- 50 Years
Rights	3- 15 Years

2.3.7. Impairment of Assets

Property, plant and equipment and intangible assets are tested for impairment when events or circumstances indicate that their carrying amounts may not be recoverable, i.e., when their carrying values fall below their recoverable amounts or the future economic benefits expected to be derived from the asset. If the carrying amount of a tangible or intangible asset exceeds its recoverable amount or the value expected to be obtained from its use, an impairment loss is recognized.

2.3.8. Borrowing Costs

Bank loans obtained in exchange for interest are initially recognized at the net proceeds received, after deducting transaction costs. Any income or expenses arising during amortization or at the time of recognition of the liabilities are recognized in the statement of profit or loss. Borrowing costs are accounted for on an accrual basis in the period in which they are incurred, even if their maturities have not yet occurred, and are classified under borrowings.

2.3.9. Taxation

The general Corporate Tax rate in Türkiye is 25%. As of the balance sheet date, this rate, which had previously been 20%, was increased to 25% pursuant to the Law on the Introduction of Additional Motor Vehicle Tax to Compensate for the Economic Losses Caused by the Earthquakes Occurring on 6/2/2023 and Amendments to Certain Laws and Decree Law No. 375, enacted on July 14, 2023.

Taxable profit is calculated by adding non-deductible expenses to the profit per statutory records and deducting tax exemptions (such as investment income exemptions) and tax incentives (such as investment incentive deductions). Unless profit distribution is made, no other tax is payable.

Provisional tax is calculated on income earned on a quarterly basis. The amounts calculated and paid can be offset against the final tax liability at year-end or offset against other liabilities to the state before accrual of the Corporate Tax.

Twenty-five percent (25%) of the gains from the sale of property, plant and equipment and financial assets held for at least two years are exempt from corporate tax.

With the enactment of Law No. 7316 dated April 22, 2021, provisional articles were added to the Corporate Tax Law No. 5520 dated June 13, 2006. Accordingly, the 20% corporate tax rate stipulated in the Corporate Tax Law was applied as 25% for corporate income for the 2021 taxation period, and 23% for corporate income for the 2022 taxation period. These rates are applied to corporate income pertaining to fiscal periods beginning in the relevant years for entities assigned a special accounting period.

According to Turkish tax legislation, financial losses reported on the tax return may be deducted from corporate income for up to 5 years, provided they are not offset against prior year profits.

2.3.10. Deferred Taxes

Deferred taxes are calculated on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Temporary differences arise from the recognition of income and expenses in different periods according to tax laws and consolidated financial reporting. While deferred tax liabilities are recognized for all taxable temporary differences, deferred tax assets arising from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

The Group has applied a corporate tax rate of 25% in the calculation of deferred taxes.

2.3.11. Finance Lease Transactions

The Group reflects fixed assets acquired through finance leases in the balance sheet at the fair value of the leased asset at the inception of the lease, or, if lower, at the present value of the minimum lease payments at the balance sheet date (included in the relevant property, plant and equipment items in the consolidated financial statements). In calculating the present value of minimum lease payments, the interest rate implicit in the lease is used as the discount factor if it can be determined practically; otherwise, the borrowing interest rate is used. Costs incurred in connection with the acquisition of the fixed asset subject to the finance lease are included in the cost of the asset. Liabilities arising from finance lease transactions are separated into principal and interest obligations.

2.3.12. Employee Benefits / Provision for Employment Termination Benefits

Defined benefit plans:

In accordance with applicable laws, the Group is obliged to pay employment termination benefits to employees whose employment is terminated due to retirement or reasons other than those specified in the Labor Law. The provision for employment termination benefits has been calculated based on the present value of the estimated future liability of all employees and is reflected in the consolidated financial statements. Actuarial gains and losses identified in connection with defined benefit plans are recognized in other comprehensive income in accordance with the amendments to TAS 19 "Employee Benefits.

Defined contribution plans:

The Group is legally required to pay social security contributions to the Social Security Institution. The Group has no further obligation once these contributions are paid. These contributions are recognized as personnel expenses in the period in which they accrue.

2.3.13. Earnings / (Loss) Per Share

Earnings / (loss) per share disclosed in the statement of profit or loss are calculated by dividing net profit / (loss) by the weighted average number of ordinary shares outstanding during the period.

The weighted average number of shares is calculated by adjusting the number of ordinary shares outstanding at the beginning of the period for the number of ordinary shares issued during the period, multiplied by a time-weighting factor (the number of days the shares are outstanding divided by the total number of days in the period).

In Türkiye, companies can increase their share capital by issuing "bonus shares" to shareholders from retained earnings. Such "bonus share" distributions are treated as issued shares in the calculation of earnings per share. Accordingly, the weighted average number of shares used in these calculations is adjusted retrospectively for the effects of such share distributions.

2.3.14. Other Balance Sheet Items

Other balance sheet items are generally reflected at their carrying amounts.

2.3.1. Events After the Balance Sheet Date

In the event of an occurrence between the balance sheet date and the date of authorization of the financial statements that requires adjustment, the necessary adjustments are made in the consolidated financial statements. Events that do not require adjustment are disclosed in the notes to the financial statements.

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

2.3.2. Foreign Currency Denominated Assets and Liabilities

Foreign currency transactions are accounted for at the exchange rates prevailing at the transaction dates. Assets and liabilities denominated in foreign currencies that are recorded in the books are remeasured using the period-end exchange rates. Foreign exchange differences arising from such remeasurement are recognized in the statement of profit or loss as foreign exchange gains or losses.

The exchange rates used at period-end for USD, EUR and GBP are as follows:

	30.06.2025		31.12.2024	
Rate	Buying	Selling	Buying	Selling
USD	39,7408	39,8124	35,2803	35,3438
EUR	46,6074	46,6913	36,7362	36,8024
GBP	54,3777	54,6612	44,2073	44,4378

2.3.3. Accounting Estimates

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

Estimates and the underlying assumptions are reviewed on an ongoing basis.

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

- Useful lives and residual values of property, plant and equipment and intangible assets
- Discount rates applied to receivables and payables
- Allowance amounts provided for receivables
- For employee benefits: retirement age, salary increase rate, discount rate, rate of employees leaving without entitlement to severance pay
- Rates used in the calculation of deferred tax

2.3.4. Reporting of Cash Flows

In the statement of cash flows, cash flows for the period are reported classified by operating, investing and financing activities.

Cash flows from operating activities present the cash flows arising from the Group's principal revenue-producing activities.

Cash flows from investing activities present the cash flows used in and provided by the Group's investing activities (capital expenditures and financial investments).

Cash flows from financing activities present the sources used in the Group's financing activities and the repayments thereof.

Cash and cash equivalents comprise cash on hand and bank deposits together with short-term, highly liquid investments that are readily convertible to known amounts of cash and which have original maturities of three months or less.

2.3.5. Related Parties

a) A person or a close member of that person's family is related to the Group if that person,

i. Has control or joint control over the Group,

ii. Has significant influence over the Group, or,

iii. İs a member of the key management personnel of the Group or of a parent of the Group.

b) An entity is related to the Group if any of the following conditions applies:

i. the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others),

ii. one entity is an associate or a joint venture of the Group (or of a member of a group of which the Group is a member),

iii. both the Group and the entity are joint ventures of the same third party,

iv. one entity is a joint venture of a third entity and the other is an associate of the third entity,

v. the entity is a post-employment benefit plan for the benefit of employees of the Group or of an entity related to the Group (if the Group itself has such a plan, the sponsoring employers are also related to the Group),

vi. the entity is controlled or jointly controlled by a person identified in (a),

vii. (a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

In line with the explanations above, the following companies have been identified as related parties in the accompanying consolidated financial statements;

2.3.6. Provisions, Contingent Liabilities and Contingent Assets

Provisions:

Provisions are recognized when, as a result of past events, there is a present obligation (legal or constructive), it is probable that an outflow of resources will be required to settle the obligation in the future, and the amount of the obligation can be measured reliably. Provisions recognized are reviewed at each balance sheet date and revised to reflect current estimates.

Contingent liabilities and contingent assets:

Transactions giving rise to commitments and contingencies represent situations whose occurrence depends on the outcome of one or more future events. Accordingly, certain transactions are recognized as off-balance sheet items insofar as they involve possible losses, risks or uncertainties that may arise in the future. Where an estimate can be made for obligations that are likely to arise or losses to be incurred in the future, such obligations are recognized as an expense and a liability for the Company. However, revenues and profits that appear likely to occur in the future are reflected in the financial statements.

Warranties

Provisions for warranty costs are recognized at the date of sale of the related products, based on management's best estimate of the expenditure required to settle the Group's obligations.

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

3. CASH AND CASH EQUIVALENTS

	30.06.2025	**31.12.2024**
Cash	3.182.756	2.601.719
Banks	85.540.539	35.889.542
Other liquid assets	139.173	848.130
Total	**88.862.468**	**39.339.391**

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

	30.06.2025	**31.12.2024**
Non-interest bearing demand deposits	85.540.539	35.889.542
Total	**85.540.539**	**35.889.542**

There are no restricted deposit accounts.

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

(Equivalent in TL)	**30.06.2025**	**31.12.2024**
USD	35.005.367	24.029.315
EUR	24.118.108	3.612.697
RUB	317.584	236.158
AED	22.870.598	7.586.132
Total	**82.311.657**	**35.464.302**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

4. BORROWINGS

The details of short-term borrowings are as follows;

Current borrowings	**30.06.2025**	**31.12.2024**
Bank loans	663.039.472	140.834.651
Total	**663.039.472**	**140.834.651**

The details of current portions of long-term borrowings are as follows;

Current portion of non-current borrowings	**30.06.2025**	**31.12.2024**
Current maturities of long term credits and accrued inte	233.438.781	405.464.401
Leasing payables	10.180.335	6.242.578
Interest payables of deferred lease costs	-1.468.864	-726.296
Total	**242.150.252**	**410.980.683**

The details of long-term borrowings are as follows;

Long term borrowings	**30.06.2025**	**31.12.2024**
Bank loans	161.620.155	201.117.040
Leasing payables	16.003.546	4.740.382
Interest payables of deferred lease costs	-1.271.290	-334.477
Total	**176.352.411**	**205.522.945**

The details of current portions of other financial liabilities are as follows;

Other financial liabilities	**30.06.2025**	**31.12.2024**
Other financial liabilities [Kısa vadeli]	1.249.476	532.739
Total	**1.249.476**	**532.739**

The foreign currency composition of short-term financial borrowings is as follows;

(Equivalent in TL)	**30.06.2025**	**31.12.2024**
TL	283.124.844	129.571.774
USD	555.614.312	582.543.243
EUR	243.035.327	45.756.001
AED	1.017.128	–
Total	**1.082.791.611**	**757.871.018**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

The expected maturities of financial borrowings are as follows;

	30.06.2025	**31.12.2024**
Loans	1.147.500.792	825.324.749
0-3 months	206.707.615	152.097.726
3-12 months	749.771.536	440.271.470
1-5 years	191.021.641	232.955.553
Leases	26.183.881	6.770.658
0-3 months	2.908.726	1.625.183
3-12 months	7.271.609	4.614.382
1-5 years	16.003.546	531.093
Total	**1.173.684.673**	**832.095.407**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

5. TRADE RECEIVABLES / TRADE PAYABLES

	30.06.2025	31.12.2024
Customers	438.165.603	403.008.201
Customers [Related parties]	288.256	301.317
Notes receivables	143.701.911	131.720.573
Rediscount of notes receivables	-10.922.612	-8.567.545
Other trade receivables	–	-1.618.073
Doubtful trade receivables	106.981.306	121.069.915
Provisions for doubtful trade receivables (-)[Uzu	-106.981.306	-121.069.915
Total	**571.233.158**	**524.844.473**

A discount rate of 57.86% was used in the calculation of notes receivable discount (December 31, 2024: 52.58). (For details of receivables from related parties, see Note 26 Related Parties)

The maturities of trade receivables are as follows;

	30.06.2025	31.12.2024
Trade receivables	582.155.771	535.030.091
0-3 months	536.196.265	509.345.834
3-12 months	45.959.506	25.684.257
Total	**582.155.771**	**535.030.091**

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

	30.06.2025	31.12.2024
Beginning of the period	121.069.915	145.288.426
Additions	2.224.136	415.266
Collections, Cancellations	–	-1.585.218
Foreign exchange valuation	989.418	607.917
Total	**124.283.469**	**144.726.391**
Impact of IAS 29 presentation	-17.302.163	-23.656.476
Total	**106.981.306**	**121.069.915**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

	30.06.2025	31.12.2024
Suppliers	157.844.787	235.264.181
Notes payable	190.599.278	188.168.822
Other trade payables	49.994.873	72.290.034
Rediscount on notes payables	-11.751.252	-17.067.809
Other trade payables [Non-current]	700.000.000	816.717.513
Total	**1.086.687.686**	**1.295.372.741**

A discount rate of 57.86% was used in the calculation of notes receivable discount (December 31, 2024: 52.58). (For details of receivables from related parties, see Note 26 Related Parties)

The maturities of trade payables are as follows,

	30.06.2025	31.12.2024
Trade payables	1.098.438.938	1.312.440.549
0-3 months	1.067.464.359	333.155.451
3-12 months	30.974.579	162.567.585
1-5 years	–	816.717.513
Total	**1.098.438.938**	**1.312.440.549**

6. EMPLOYEE BENEFIT OBLIGATIONS

The details of employee benefit obligations are as follows;

	30.06.2025	31.12.2024
Due to personnel	25.633.379	17.633.916
Social security premiums payable	9.352.254	8.815.131
Total	**34.985.633**	**26.449.047**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

7. OTHER RECEIVABLES / OTHER PAYABLES

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

Other receivables	**30.06.2025**	**31.12.2024**
Deposits and guarantees given [Kısa vadeli]	1.542.489	1.437.048
Other receivables	10.066.357	6.434.568
Total	**11.608.846**	**7.871.616**

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

Other receivables	**30.06.2025**	**31.12.2024**
Deposits and guarantees given	1.543.961	1.464.918
Total	**1.543.961**	**1.464.918**

The details of other payables are as follows;

	30.06.2025	**31.12.2024**
Deposits and guarantees taken [Kısa vadeli]	6.333.770	7.389.858
Other liabilities	3.615.654	2.469.092
Due to shareholders	340.119.486	399.048.206
Total	**350.068.910**	**408.907.156**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

8. INVENTORIES

The details of inventories are as follows;

	30.06.2025	31.12.2024
Raw materials and supplies	328.682.674	564.228.497
Semi-finished goods in production	46.750.927	34.085.075
Finished goods	291.311.393	357.864.117
Trade goods	78.611.567	76.127.291
Other inventories	7.118.893	8.300.340
Provision for inventories	-7.118.893	-8.305.892
Total	**745.356.561**	**1.032.299.428**

There are no pledges, mortgages, or liens on inventories.

9. PREPAYMENTS / DEFERRED INCOME

The details of short-term prepayments are as follows;

Prepayments	**30.06.2025**	**31.12.2024**
Advances given to suppliers [Kısa vadeli]	259.328.815	305.042.918
Prepaid expense for the following months	23.627.156	45.109.265
Total	**282.955.971**	**350.152.183**

The details of long-term prepayments are as follows;

Prepayments	**30.06.2025**	**31.12.2024**
Prepaid expenses for the following years	2.419.105	–
Total	**2.419.105**	**–**

The details of deferred income are as follows;

Deferred income	**30.06.2025**	**31.12.2024**
Advances received [Current]	117.597.676	27.541.675
Total	**117.629.957**	**51.862.369**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

10. TAXATION

Current tax assets	**30.06.2025**	**31.12.2024**
Prepaid taxes and funds	–	12.985.707
Total	**–**	**12.985.707**

Current tax liabilities, current	**30.06.2025**	**31.12.2024**
Provision for income taxes and other legal liabilities	1.047.569	15.136.335
Total	**1.047.569**	**15.136.335**

The details of tax income/expense are as follows;

Tax expense/ıncome from continuing operations	**01.01.2025 30.06.2025**	**01.01.2024 30.06.2024**
Provisions taxes statutory obligation	-800.835	-15.136.335
Deferred tax income/expense	-44.518.172	57.086.453
Beginning of period deferred tax	*-52.477.775*	*-35.861.871*
Deferred tax at period-end	*-1.952.695*	*109.080.826*
Recognized in other comprehensive income	*9.912.298*	*-16.132.502*
Impact of IAS 29 presentation	–	4.047.773
Total	**-45.319.007**	**45.997.891**

Deferred Tax;

30.06.2025	**Temporary difference**	**Asset**	**Liability**
Doubtful trade receivables	51.877.196	12.969.299	–
Discounts on receivables	10.922.612	2.730.653	–
Differences in fixed assets	586.090.734	–	146.522.684
Provisions for employee benefits	11.587.618	2.896.905	–
Financial debt adjustments	12.364.149	3.091.037	–
Severance pay provisions	86.540.237	21.635.059	–
Investment deductions	80.685.416	20.171.354	–
Adjustments for prepaid expenses	799.224	199.806	–
Provisions for lawsuits	2.881.846	720.462	–
Discounts on liabilities	11.751.252	–	2.937.813
Financial asset adjustments	337.192.607	84.298.152	–
Inventory adjustments	5.697.973	–	1.424.493
Exchange rate adjustments	878.272	219.568	–
	Total	**148.932.295**	**150.884.990**
	NET	**0**	**1.952.695**

A rate of 25% has been used in the calculation of deferred tax.

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

31.12.2024	**Temporary difference**	**Asset**	**Liability**
Doubtful trade receivables	-58.883.296	14.720.825	–
Discounts on receivables	-8.567.545	2.141.886	–
Differences in fixed assets	399.108.619	–	99.777.155
Provisions for employee benefits	13.764.570	3.441.142	–
Financial debt adjustments	-1.725.603	431.401	–
Provisions for severance pay	–	29.192.877	–
Investment deductions	94.138.846	23.534.712	–
Adjustments for prepaid expenses	-1.091.468	272.868	–
Provisions for lawsuits	3.362.363	840.591	–
Discounts on liabilities	-17.067.809	–	4.266.952
Financial asset adjustment	422.516.738	105.629.184	–
Inventory adjustments	95.240.793	–	23.810.199
Exchange rate adjustments	506.382	126.596	–
	Total	**180.332.082**	**127.854.307**
	NET	**52.477.775**	**0**

11. PROVISIONS

Current provisions	**30.06.2025**	**31.12.2024**
Provision for other liabilities and expenses [Kısa vadeli]	3.760.118	3.868.745
Current provisions for employee benefits (İzin Karşılığı)	11.587.618	13.764.570
Total	**15.347.736**	**17.633.315**

• **Non-current provisions for employee benefits**	**30.06.2025**	**31.12.2024**
Provisions for employee termination benefits	97.636.925	127.512.369
Total	**97.636.925**	**127.512.369**

The assumptions used in calculating severance pay are as follows;

	30.06.2025	**31.12.2024**
Length of service	Retirement	Retirement
Salary increase rate	54,86%	52,58%
Discount rate	57,86%	55,58%
Percentage of employees leaving without severance pay	6,00%	6,00%
Severance pay ceiling	46.655	41.828

Changes in severance pay provisions during the period are as follows;

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

	30.06.2025	31.12.2024
Beginning of the period	100.083.632	15.497.283
Payments	-5.203.753	-8.601.281
Current service cost	6.783.700	14.900.209
Interest cost	24.525.850	6.888.563
Actuarial gains and losses	-39.649.192	71.398.858
	86.540.237	**100.083.632**
Impact of IAS 29 presentation	–	18.222.857
Dubai Sharjah	11.096.688	9.205.880
Total	**97.636.925**	**127.512.369**

12. OTHER CURRENT ASSETS / OTHER LIABILITIES

Other current assets	**30.06.2025**	**31.12.2024**
Deferred vat	39.669.891	49.512.365
Other vat	12.493.269	19.125.968
Work advance	13.751.986	15.155.043
Total	**65.915.146**	**83.793.376**

Other current liabilities	**30.06.2025**	**31.12.2024**
Taxes and funds payables [Kısa vadeli]	8.830.805	15.859.175
Total	**8.830.805**	**15.859.175**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

13. PROPERTY, PLANT AND EQUIPMENT

	1.01.2025	Additions	Disposals	Translation differences	30.06.2025
Assets					
Land	4.658.547	–	–	172.032	4.830.579
Land improvements	13.811.894	–	–	–	13.811.894
Buildings	631.015.819	–	–	16.926.595	647.942.414
Machinery equipment and installatic	513.763.646	1.627.381	–	8.288.401	523.679.428
Motor vehicles	38.084.114	14.865.251	-2.302.712	1.057.972	51.704.625
Furniture and fixtures	56.422.108	3.592.052	–	-139.482	59.874.678
Other tangible fix assets	254.390	–	–	97.118	351.508
Construction in progress	979.181.159	1.578.761	–	–	980.759.920
Total	**2.237.191.677**	**21.663.445**	**-2.302.712**	**26.402.636**	**2.282.955.046**
Depreciation					
Accumulated depreciation	-615.931.191	-16.200.209	1.903.608	-33.436.622	-663.664.414
Total	**-615.931.191**	**-16.200.209**	**1.903.608**	**-33.436.622**	**-663.664.414**
NET	**1.621.260.486**	**5.463.236**	**-399.104**	**-7.033.986**	**1.619.290.632**

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	1.01.2024	Additions	Disposals	Translation differences	31.12.2024
Assets					
Land	6.718.464	–	–	-2.059.917	4.658.547
Land improvements	13.811.927	–	–	-33	13.811.894
Buildings	673.013.930	5.047.708	–	-47.045.819	631.015.819
Machinery equipment and installatic	501.664.888	44.198.351	-762.210	-31.337.383	513.763.646
Motor vehicles	22.035.664	14.402.246	-405.601	2.051.805	38.084.114
Furniture and fixtures	50.323.279	6.271.641	–	-172.812	56.422.108
Other tangible fix assets	366.118	–	–	-111.728	254.390
Construction in progress	48.462.344	975.924.624	-45.205.809	–	979.181.159
Total	**1.316.396.614**	**1.045.844.570**	**-46.373.620**	**-78.675.887**	**2.237.191.677**
Depreciation					
Accumulated depreciation	-625.540.264	-27.561.270	1.167.810	36.002.533	-615.931.191
Total	**-625.540.264**	**-27.561.270**	**1.167.810**	**36.002.533**	**-615.931.191**
NET	**690.856.350**	**1.018.283.300**	**-45.205.810**	**-42.673.354**	**1.621.260.486**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

14. INTANGIBLE ASSETS

	01.01.2025	Additions	Disposals	30.06.2025
Rights	26.729.336	1.095.751	–	27.825.087
Other intangible fixed assets	11.519.875	–	–	11.519.875
Total	**38.249.211**	**1.095.751**	**–**	**39.344.962**
Amortization and Depletion				
Accumulated amortization	-27.155.984	-2.481.472	–	-29.637.456
Total	**-27.155.984**	**-2.481.472**	**–**	**-29.637.456**
NET	**11.093.227**	**-1.385.721**	**–**	**9.707.506**

	01.01.2024	Additions	Disposals	31.12.2024
Rights	13.767.875	12.961.461	–	26.729.336
Other intangible fixed assets	11.519.875	–	–	11.519.875
Total	**25.287.750**	**12.961.461**	**–**	**38.249.211**
Amortization and Depletion				
Accumulated amortization	-23.389.749	-3.766.235	–	-27.155.984
Total	**-23.389.749**	**-3.766.235**	**–**	**-27.155.984**
NET	**1.898.001**	**9.195.226**	**–**	**11.093.227**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

15. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

	30.06.2025	31.12.2024
A. Total Amount of Guarantees, Pledges, Mortgages and Sureties ("GPMs") Given on Behalf of Its Own Legal Entity	2.582.876.315	2.813.899.513
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 Included in Clauses B and C	–	–
iii. Total Amount of GPMs Given on Behalf of Third Parties Not Included in Clause C	–	–
Total	**2.582.876.315**	**2.813.899.513**

Given Collaterals	**30.06.2025**	**31.12.2024**
Letters of guarantee	490.226.315	620.149.513
Mortgages	2.092.650.000	2.193.750.000
Total	2.582.876.315	2.813.899.513

16. PAID-IN CAPITAL

	30.06.2025		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 held portion	200.858.794	83,69%	200.858.794	83,69%
Total	**240.000.000**	**100%**	**240.000.000**	**100%**

Details of the Company's positive capital inflation adjustments are as follows;

Positive distinction from share capital adjustmer	296.130.501	296.130.501
Total equity	**536.130.501**	**536.130.501**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

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

	30.06.2025	31.12.2024
Revaluation increases (decreases) of property, plant and equipment [short-term]	134.028.153	134.028.153
Gains (losses) on remeasurements of defined benefit plans	-55.269.533	-94.918.725
Total	**89.672.286**	**59.935.392**

18. SHARE PREMIUMS (DISCOUNTS)

The details of share premiums are as follows;

	30.06.2025	31.12.2024
Share premium	231.699.671	231.699.671
Total	**231.699.671**	**231.699.671**

19. RESTRICTED RESERVES APPROPRIATED FROM PROFITS

	30.06.2025	31.12.2024
Statutory reserves	53.981.098	61.042.840
IFRS/TAS adjustment differences	-1.549.839	-10.457.704
Total	**52.431.259**	**50.585.136**

20. RETAINED EARNINGS (ACCUMULATED LOSSES)

	30.06.2025	31.12.2024
Prior years' losses (Carrying amount)	-218.720.372	-293.317.230
IFRS/TAS differences	416.734.266	169.555.660
Total	**198.013.894**	**-123.761.570**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

21. REVENUE / COST OF SALES

The details of cost of sales are as follows;

Revenue	01.01.2025 30.06.2025	01.01.2024 30.06.2024
Domestic sales	449.052.733	1.017.316.864
Export sales	647.267.039	722.115.155
Other income	–	21.006.022
Sales returns	-1.377.400	-6.286.348
Other discounts	-243.465	-3.483.862
Total	**1.094.698.907**	**1.750.667.831**

Cost of sales	01.01.2025 30.06.2025	01.01.2024 30.06.2024
Cost of manufactured goods sold	-1.194.415.314	-743.753.660
Cost of merchandise sold	-150.432.874	-633.431.254
Total	**-1.344.848.188**	**-1.377.184.914**

22. GENERAL ADMINISTRATIVE EXPENSES

The details of general administrative expenses are as follows;

General administrative expenses	01.01.2025 30.06.2025	01.01.2024 30.06.2024
Personnel expenses	-53.287.540	-55.360.538
Outsourced benefits and services	-1.318.488	-330.856
Subscription expenses	-255.873	-263.928
Insurance expenses	-746.929	-298.047
Stationery expenses	-776.024	-772.638
Consulting expenses	-1.481.946	-545.760
Communication expenses	-439.174	-307.838
Depreciation expense	-13.371.528	-1.329.572
Taxes, duties and fees expenses	-423.269	-6.675.887
Membership fees	-269.212	-671.758
Rent expenses	-426.668	–
Representation and hospitality expenses	-876.200	–
Miscellaneous expenses	-13.291.354	-8.833.575
Total	**-86.964.205**	**-75.390.397**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

23. MARKETING EXPENSES

The details of marketing expenses are as follows;

Marketing expenses	01.01.2025 30.06.2025	01.01.2024 30.06.2024
Depreciation expense	-504.310	-1.706.233
Taxes and duties expenses	-344.849	-947.585
Personnel expenses	-26.512.325	-20.014.744
Insurance expenses	-1.739.552	-1.126.415
Marketing, selling and distribution expenses	-6.629.938	-11.198.205
Vehicle expenses	-3.234.679	-1.317.221
Electricity, water and natural gas expenses	-636.541	-237.661
Outsourced services	-11.023.758	-21.173.231
Export expenses	-18.814.063	-21.331.219
Intermediary commission expenses	-48.133.595	-10.904.037
Travel and accommodation expenses	-3.402.692	-2.042.123
Dubai marketing expenses	-12.363.509	–
Miscellaneous expenses	-6.686.357	-3.414.007
Total	**-140.026.168**	**-95.412.681**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

24. OTHER OPERATING INCOME / OTHER OPERATING EXPENSES

The details of other operating income are as follows;

Other operating income	01.01.2025 30.06.2025	01.01.2024 30.06.2024
Government grants and incentives	12.640.295	14.087.851
Receivable discount income	19.094.405	20.579.338
Dubai commission income	15.637.288	–
Reversal of provisions	1.386.833	1.907.502
Foreign exchange gains	172.778.064	71.622.688
Insurance, freight and transportation income	508.430	–
Insurance compensation income	–	14.029.040
Miscellaneous income	4.501.657	7.162.178
Total	**226.546.972**	**129.388.597**

The details of other operating expenses are as follows;

Other Operating Expenses	01.01.2025 30.06.2025	01.01.2024 30.06.2024
Interest expenses on discounted notes	-25.551.252	-10.729.305
Commission expenses	–	-10.441.544
Provision expenses	-2.257.789	-2.602.833
Foreign exchange losses	-38.071.760	-33.389.403
Other extraordinary expense and losses	-43	-367
Total	**-65.880.844**	**-57.163.452**

25. INCOME / EXPENSES FROM INVESTING ACTIVITIES

The details of income from investing activities are as follows;

Investment activity income	01.01.2025 30.06.2025	01.01.2024 30.06.2024
Interest income	–	11.899
Total	**–**	**11.899**

Interest income consists of bank interest and commission income.

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

The details of expenses from investing activities are as follows;

Investment activity expenses	01.01.2025 30.06.2025	01.01.2024 30.06.2024
Investment activity expenses	-63.880	–
Total	**-63.880**	**–**

26. GAINS / (LOSSES) ON NET MONETARY POSITION

Net monetary position gains/losses	1.01.2025 30.06.2025	1.01.2024 30.06.2024
Inflation adjustments on inventories	-75.931.910	69.781.382
Inflation adjustments on property, plant and equipment	220.728.238	118.494.275
Inflation adjustments on equity	-180.051.314	-158.567.158
Inflation adjustments on deferred tax	7.499.625	7.189.178
Income statement inflation difference classifications	178.909.550	-44.731.735
Elimination	-73.790.504	8.319.475
Other inflation adjustments	24.951.809	32.026.614
Total	**102.315.494**	**32.512.031**

27. FINANCE INCOME / FINANCE COSTS

The details of finance income are as follows;

Finance income	01.01.2025 30.06.2025	01.01.2024 30.06.2024
Foreign exchange gains [on cash and cash equivalents	5.155.056	6.161.872
Total	**5.155.056**	**6.161.872**

The details of finance costs are as follows;

Finance costs	01.01.2025 30.06.2025	01.01.2024 30.06.2024
Short-term borrowing costs	-59.430.282	-34.009.378
Long-term borrowing costs	-38.865.256	-12.892.199
Foreign exchange losses [on loans and leases]	-107.826.799	-39.089.265
Total	**-206.122.337**	**-85.990.842**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

28. EARNINGS PER SHARE

Earnings Per Share	01.01.2025 30.06.2025	01.01.2024 30.06.2024
Profit (loss) for the period	-460.655.255	273.597.834
Number of shares	240.000.000	80.000.000
Profit (loss) per share	**-1,92**	**3,42**

Earnings / (loss) per share are calculated by dividing the net profit or loss for the period by the weighted average number of ordinary shares outstanding during the period.

29. FEES FOR INDEPENDENT AUDIT SERVICES

	01.01.2025 30.06.2025	01.01.2024 30.06.2024
Independent audit services	250.000	249.671
Total	**250.000**	**249.671**

30. RELATED PARTIES

	30.06.2025	31.12.2024
Trade receivables;	**288.256**	**336.320**
Gersan-Alan Adi Partnership	288.256	336.320
Other payables	**-340.119.486**	**-399.048.206**
Erkan İzgi (non-current)	-340.119.486	-399.048.206
Total	**-339.831.230**	**-398.711.886**

The Group entered into a hybrid financing agreement secured by shares with an international investment fund, Silo Equity Partners SPC ("Silo"), on February 7, 2019. On the same date, Yüksel Kardeş executed a share pledge agreement ("Pledge Agreement") under which his shares in Gersan were pledged to Silo as collateral for the Credit Agreement. However, the Credit Agreement was subsequently amended by an Amendment Agreement dated June 26, 2020 ("Amendment Agreement").

Under the Credit Agreement, the Group utilized a loan amounting to TL 19,051,500, and 7,673,737 GEREL.IS shares were pledged by Yüksel Kardeş to Silo as collateral under the Pledge Agreement.

Accordingly, under the Amendment Agreement, 6,500,000 shares were sold on the Stock Exchange by Silo without the knowledge of Yüksel Kardeş in order to close the loan, and 1,173,737 shares held as collateral margin were also sold by Silo on the Stock Exchange. Furthermore, by way of a notice dated September 24, 2020, Silo informed the Group that the Credit Agreement had been accelerated. The pledged shares were sold on the market and the loan was closed. In this context, Silo Equity Partners SPC unjustly accelerated the Credit Agreement on September 24, 2020, and failed to return the shares pledged by Yüksel Kardeş as collateral.

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

As a result, the Group and Yüksel Kardeş executed a recourse agreement on July 31, 2021, under which Gersan became indebted to Yüksel Kardeş in the amount of TL 19,051,500. The remaining TL 12,412,040 of the debt consisted of cash deposited by Yüksel Kardeş into the Group's bank accounts.

The amount reported as of June 30, 2025, represents Gersan's debt to Yüksel Kardeş adjusted by the inflation index.

The details of related party income and expenses are as follows;

30.06.2025	**Sales of goods and services**	**Purchases of goods and services**
Gersan-Alan Adi Partnership	10.500	–
Total	**10.500**	**–**

30.06.2024	**Sales of goods and services**	**Purchases of goods and services**
Gersan-Alan Adi Partnership	11.344	-771
Total	**11.344**	**-771**

31. BENEFITS PROVIDED TO KEY MANAGEMENT PERSONNEL

The benefits provided to key management personnel are as follows;

	1.01.2025 30.06.2025	**1.01.2024 30.06.2024**
Benefits provided to key management personnel	-4.833.581	-4.617.143
Total	**-4.833.581**	**-4.617.143**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

32. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Credit Risk: The Company's credit risk primarily arises from its trade receivables. The Company's management evaluates trade receivables considering past experience and the current economic environment. Management does not foresee any additional risk related to trade receivables.

30.06.2025	Receivables				Deposits in banks	Other
	Trade receivables		Other receivables			
Credit risk exposure by types of financial instruments	Related party	Third party	Related party	Diğer Taraf		
Maximum credit risk exposure as of reporting date (*) (A+B+C+D+E)	288.256	463.963.596	–	11.608.846	85.540.539	3.321.929
A. Net carrying amount of financial assets that are neither past due nor impaired	288.256	570.944.902	–	11.608.846	85.540.539	3.321.929
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	–	-106.981.306	–	–	–	–
– Past due (gross carrying amount)	–	106.981.306	–	–	–	–
– Impairment (-)	–	–	–	–	–	–
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	Diğer Taraf		
Maximum credit risk exposure as of reporting date (*) (A+B+C+D+E)	301.317	524.543.156	–	7.871.616	35.889.542	3.449.849
A. Net carrying amount of financial assets that are neither past due nor impaired	301.317	524.543.156	–	7.871.616	35.889.542	3.449.849
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)	–	-121.069.915	–	–	–	–
– Impairment (-)	–	121.069.915	–	–	–	–
E. Off-balance sheet items bearing credit risk	–	–	–	–	–	–

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

Nature and Extent of Risks Arising from Financial Instruments – Foreign Currency Sensitivity Analysis

30.06.2025	**June 30, 2025 Purchasing power**	**Equivalent in TL**	**USD**	**EUR**	**RUB**	**AED**
Trade Receivables	**541.993.433**	541.993.433	506.892.354	27.561.892	7.539.187	82.895.285
Monetary Financial Assets	**56.732.249**	56.732.249	32.295.321	24.118.118	318.809	22.870.598
Other	**383.056**	383.056	14.626.919	699.018	–	–
Current Assets	**599.108.738**	**599.108.738**	**553.814.595**	**52.379.027**	**7.857.996**	**105.765.883**
Non-Current Assets	**–**	**–**	**–**	**–**	**–**	**–**
Total Assets	**599.108.738**	**599.108.738**	**553.814.595**	**52.379.027**	**7.857.996**	**105.765.883**
Trade Payables	**-8.146.141**	-8.146.141	-319.095.694	-5.439.923	–	-19.325.477
Financial Liabilities	**-633.021.311**	-633.021.311	-410.884.383	-222.136.927	–	-245.378
Short-Term Liabilities	**-641.167.452**	**-641.167.452**	**-729.980.077**	**-227.576.850**	**–**	**-19.570.855**
Financial Liabilities	**-165.628.338**	-165.628.338	-144.729.953	-20.898.385	–	-771.750
Other Monetary Liabilities	**-1.348.873**	-1.348.873	-37.997.848	-18.304.171	–	–
Long-Term Liabilities	**-166.977.211**	**-166.977.211**	**-182.727.801**	**-39.202.556**	**–**	**-771.750**
Total Liabilities	**-808.144.663**	**-808.144.663**	**-912.707.878**	**-266.779.406**	**–**	**-20.342.605**
Net Foreign Currency Asset / (Liability) Position	-209.035.926	-209.035.926	-358.893.283	-214.400.379	7.857.996	85.423.278
Monetary Items Net Foreign Currency Asset / (Liability) Position	**-209.035.926**	**-209.035.926**	**-358.893.283**	**-214.400.379**	**7.857.996**	**85.423.278**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

31.12.2024	**June 30, 2025 Purchasing power**	**Equivalent in TL**	**USD**	**EUR**	**RUB**	**RUB**
Trade Receivables	**624.681.626**	535.408.058	514.877.290	20.530.769	–	–
Monetary Financial Assets	**29.568.584**	25.342.922	22.046.084	3.096.405	200.433	–
Current Assets	654.250.209	**560.750.981**	**536.923.374**	**23.627.174**	**200.433**	**–**
Parasal Olmayan Finansal Varlıklar	893.100	765.467	17.968	2.365	–	–
Non-Current Assets	893.100	**765.467**	**17.968**	**2.365**	**–**	**–**
Total Assets	655.143.309	**561.516.447**	**536.941.342**	**23.629.539**	**200.433**	**–**
Trade Payables	**231.667.172**	198.559.499	198.223.448	336.052	–	20.743
Financial Liabilities	**435.360.868**	373.143.226	373.116.386	26.840	–	–
Parasal Olmayan Diğer Yükümlükler	**82.355.611**	70.586.129	63.329.701	7.256.428	–	–
Short-Term Liabilities	749.383.652	**642.288.855**	**634.669.535**	**7.619.320**	**–**	**20.743**
Financial Liabilities	**188.253.172**	161.349.816	161.347.597	2.219	–	–
Long-Term Liabilities	188.253.172	**161.349.816**	**161.347.597**	**2.219**	**–**	**–**
Total Liabilities	937.636.824	**803.638.671**	**796.017.132**	**7.621.539**	**–**	**20.743**
Net Foreign Currency Asset / (Liability) Position	**-282.493.515**	-242.122.223	-259.075.789	16.008.000	200.433	-20.743
Monetary Items Net Foreign Currency Asset / (Liability) Position	-283.386.615	**-242.887.690**	**-259.093.757**	**16.005.634**	**200.433**	**-20.743**

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") and presented in terms of the purchasing power of TL as of June 30, 2025.)

	Profit/Loss	
30.06.2025	Increase in value	Decrease in value
If the USD exchange rate changes by 10%:		
USD Net assets/liabilities	-35.889.328	35.889.328
Part hedged against USD risk (-)		–
USD net impact	**-35.889.328**	**35.889.328**
If the Euro exchange rate changes by 10%:		
EURO Net assets/liabilities	683.281	-683.281
Part hedged against EURO risk (-)	–	–
EURO net impact	**683.281**	**-683.281**
Total	**-35.206.047**	**35.206.047**

	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 REPORTING PERIOD

Pursuant to the decision of our Board of Directors dated 30.12.2024 and numbered 2024/27, which was publicly announced on 30.12.2024 (revised by the decision dated 09.05.2025 and numbered 2025), within the registered capital ceiling of TRY 2,000,000,000, it was resolved to increase the Company's issued capital of TRY 240,000,000 by restricting the pre-emptive rights of the existing shareholders in full, by an amount corresponding to TRY 1,407,979,975.32 in cash to be subscribed by the Chairman of the Board of Directors, Mr. Erkan İZGİ, and/or qualified investors who may apply, and TRY 342,020,024.68 to be subscribed by way of offsetting the receivables of Mr. Erkan İZGİ against cash, amounting in total to TRY 1,750,000,000, in accordance with the share sale price to be determined within the framework of the Procedures Regarding Wholesale Transactions of Borsa İstanbul A.Ş. Our application to the Capital Markets Board on 21.01.2025 regarding this private placement capital increase was favorably concluded, as notified to us by the Capital Markets Board through its letter dated 07.07.2025 and numbered E-29833736-105.01.01.01-74927.

Based on the share sale price determined as TRY 13.21 within the framework of the Procedures Regarding Wholesale Transactions of Borsa İstanbul A.Ş., it has been calculated that, within the registered capital ceiling of TRY 2,000,000,000, the issued capital of our Company amounting to TRY 240,000,000 was increased by TRY 132,475,397, reaching TRY 372,475,397, through the cash sale of shares with a nominal value of TRY 106,584,404 to qualified investors with full restriction of the pre-emptive rights of the existing shareholders, and the allocation of shares with a nominal value of TRY 25,890,993 to the Chairman of the Board of Directors, Mr. Erkan İZGİ, on a private placement basis.

In addition, an agreement amounting to TRY 700,000,000 (SevenHundredMillionTurkish Lira) had been signed between our Company and Agartha Teknoloji A.Ş. regarding the development of Electric Vehicle Charging Stations in terms of both software and hardware, with the aim of increasing the local and national content ratio, to be used in domestic and international electric vehicle charging station projects, and for the development and delivery to our Company of all software required for the operation and management of Charging Stations, together with all Intellectual Property rights and source codes. Within the scope of this agreement, a payment of TRY 700,000,000 was made on 21.07.2025.