

**YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ
AND IT'S SUBSIDIARIES**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY - 31 MARCH 2024**

*(CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL
STATEMENTS ORIGINALLY ISSUED IN TURKISH)*

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YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY
INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024
(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at March 31, 2024,
unless otherwise indicated)

ASSETS	Note	Unaudited 31 March 2024	Audited 31 December 2023
CURRENT ASSETS			
Cash And Cash Equivalents		567.069.228	605.311.151
Financial Investments		--	13.404.215
Trade Receivables		1.776.394.904	1.914.679.607
<i>Due From Related Parties</i>	3-4	--	--
<i>Trade Receivables, Third Parties</i>	4	1.776.394.904	1.914.679.607
Other Receivables		1.056.612	2.413.052
<i>Due From Related Parties</i>		131.612	150.227
<i>Other Receivables, Third Parties</i>		925.000	2.262.825
Inventories	6	2.732.931.466	2.397.684.037
Prepaid Expenses		821.991.322	716.396.665
<i>Due From Related Parties</i>	3-7	33.032.367	3.323.787
<i>Prepaid Expenses, Third Parties</i>	7	788.958.955	713.072.878
Other Current Assets	5	856.941.048	828.482.444
TOTAL CURRENT ASSETS		6.756.384.580	6.478.371.171
NON-CURRENT ASSETS			
Financial Investments		1.288.310	1.288.310
Other Receivables		6.520.266	6.961.301
<i>Due From Related Parties</i>		--	--
<i>Other Receivables, Third Parties</i>		6.520.266	6.961.301
Right of Use Assets		927.345.687	986.601.524
Investment Properties		150.185.644	150.185.644
Tangible Fixed Assets	8	4.564.297.478	4.519.088.905
Intangible Fixed Assets		417.110.849	353.223.404
Prepaid Expenses	7	68.592.761	71.131.602
TOTAL NON-CURRENT ASSETS		6.135.340.995	6.088.480.690
TOTAL ASSETS		12.891.725.575	12.566.851.861

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

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY
INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024
(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at March 31, 2024,
unless otherwise indicated)

LIABILITIES	Note	Unaudited 31 March 2024	Audited 31 December 2023
CURRENT LIABILITIES			
Financial Liabilities	9	1.661.366.777	1.639.920.920
Short Term Portion Of Long Term Financial Liabilities	9	1.292.130.873	1.112.138.417
Lease Payables	9	155.075.959	188.036.545
Trade Payables		1.540.449.982	1.702.880.675
<i>Due To Related Parties</i>	3-4	--	--
<i>Trade Payables, Third Parties</i>	4	1.540.449.982	1.702.880.675
Employee Benefit Obligations	10	196.386.975	225.760.981
Other Payables		1.980.464	1.576.552
<i>Due To Related Parties</i>		--	--
<i>Other Payables, Third Parties</i>		1.980.464	1.576.552
Deferred Income	7	717.437.597	580.367.929
Current Income Tax Liabilities	18	--	78.336.036
Provisions		3.548.918	3.659.928
Other Current Liabilities	5	151.847.515	50.378.642
TOTAL CURRENT LIABILITIES		5.720.225.060	5.583.056.625
NON-CURRENT LIABILITIES			
Financial Liabilities	9	807.356.501	834.978.213
Lease Payables	9	302.597.281	389.320.334
Deferred Income	7	15.937.735	9.964.461
Provisions		63.577.699	50.117.836
<i>Provision For Employee Benefits</i>		63.577.699	50.117.836
Deferred Tax Liabilities	18	518.612.037	320.106.357
TOTAL NON-CURRENT LIABILITIES		1.708.081.253	1.604.487.201
EQUITY			
Paid-In Capital	12	149.798.932	149.798.932
Inflation Adjustment on Capital	12	1.136.505.516	1.136.505.516
Buy-Back Shares (-)	12	(190.613.550)	(190.613.550)
Other Comprehensive Income Not To Be Reclassified To Profit Or Loss		22.246.051	22.246.051
<i>Actuarial Gain/Loss Arising From Defined Benefit Plans</i>		22.246.051	22.246.051
Other Comprehensive Income To Be Reclassified To Profit Or Loss		(17.883.986)	(29.915.825)
<i>Currency Translation Differences</i>	12	(17.883.986)	(29.915.825)
Restricted Reserves		334.528.114	334.528.114
Retained Earnings		3.956.758.797	3.150.913.462
Net Income For The Period		72.079.388	805.845.335
Non-Controlling Interests		--	--
EQUITY HOLDERS OF THE PARENT		5.463.419.262	5.379.308.035
TOTAL LIABILITIES		12.891.725.575	12.566.851.861

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

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME

FOR THE PERIODS ENDED AT 1 JANUARY-31 MARCH 2024 AND 2023

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at March 31, 2024,
unless otherwise indicated)

INCOME/LOSS	Note	Unaudited 1 January – 31 March 2024	Unaudited 1 January – 31 March 2023
Revenue	13	3.368.206.793	3.528.912.696
Cost Of Sales (-)	14	(2.312.765.826)	(2.412.379.246)
Gross profit		1.055.440.967	1.116.533.450
General Administrative Expenses (-)	15	(18.767.193)	(17.393.211)
Marketing, Selling And Distribution Expenses (-)	15	(718.073.097)	(679.994.376)
Research And Development Expenses (-)	15	(117.486.273)	(123.795.360)
Other Income From Operating Activities		454.777.792	133.530.005
Other Expenses From Operating Activities (-)		(308.585.292)	(157.338.664)
Operating Profit / Loss		347.306.904	271.541.844
Income From Investment Activities		1.468.055	931.129
Expenses From Investment Activities (-)		--	--
OPERATING INCOME BEFORE FINANCIAL INCOME		348.774.959	272.472.973
Financial Expenses (-)	16	14.238.963	22.013.570
Financial Income	17	(421.990.535)	(139.056.797)
Monetary Gain / (Loss)		405.806.151	288.125.910
PROFIT BEFORE TAX		346.829.538	443.555.656
Tax income/(expense)		(274.750.150)	48.767.309
Taxes On Income		(34.337.554)	(42.542.713)
Deferred Tax Income/(Expense)	18	(240.412.596)	91.310.022
Profit/Loss for the Period from Discontinued Operations		--	--
PERIOD PROFIT / LOSS		72.079.388	492.322.965
Earnings Per Share			
Earnings Per Share		0,48	3,29
OTHER COMPREHENSIVE INCOME			
Other Comprehensive Income/Expense Not To Be Reclassified To Profit Or Loss		--	(1.470.408)
Actuarial Gain/Loss Arising From Defined Benefit Plans		--	(1.885.139)
Tax Income/(Expense)		--	414.731
Deferred Tax (Expense) Income	18	--	414.731
Other Comprehensive Income/Loss To Be Reclassified To Profit Or Loss		12.031.839	(3.451.477)
Currency Translation Differences	12	12.031.839	(3.451.477)
OTHER COMPREHENSIVE INCOME (LOSS)		12.031.839	(4.921.885)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)		84.111.227	487.401.080

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

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED AT 1 JANUARY – 31 MARCH 2024 AND 2023
(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at March 31, 2024, unless otherwise indicated)

				Other Comprehensive Income/Expense Not to Be Reclassified To Profit Or Loss	Other Comprehensive Income/Loss to Be Reclassified To Profit Or Loss				
	Paid In Capital	Inflation Adjustment on Capital	Buy-Back Shares	Actuarial Gain/Loss Arising from Defined Benefit Plans	Currency Translation Differences	Restricted Reserves	Retained Earnings	Net Income for The Period	Total Equity
	(Note 20)	(Note 20)	(Note 20)	(Note 20)	(Note 20)	(Note 20)	(Note 20)	(Note 20)	(Note 20)
Balance as of January 1, 2023	149.798.932	1.136.505.516	(190.613.550)	(14.237.855)	(15.565.168)	322.184.428	3.080.989.032	402.651.501	4.871.712.836
Transfer of Previous Period's Profit	--	--	--	--	--	--	402.651.501	(402.651.501)	--
Net Period Profit/(Loss)	--	--	--	--	--	--	--	492.322.965	492.322.965
Total Comprehensive Income	--	--	--	(1.470.408)	(3.451.477)	--	--	--	(4.921.885)
Balance as of December 31, 2023	149.798.932	1.136.505.516	(190.613.550)	(15.708.263)	(19.016.645)	322.184.428	3.483.640.533	492.322.965	5.359.113.916
Balance as of January 1, 2024	149.798.932	1.136.505.516	(190.613.550)	22.246.051	(29.915.825)	334.528.114	3.150.913.462	805.845.335	5.379.308.035
Transfer of Previous Period's Profit	--	--	--	--	--	--	805.845.335	(805.845.335)	--
Net Period Profit/(Loss)	--	--	--	--	--	--	--	72.079.388	72.079.388
Total Comprehensive Income	--	--	--	--	12.031.839	--	--	--	12.031.839
Balance as of March 31, 2024	149.798.932	1.136.505.516	(190.613.550)	22.246.051	(17.883.986)	334.528.114	3.956.758.797	72.079.388	5.463.419.262

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

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED AT 1 JANUARY - 31 MARCH 2024 AND 2023
(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at March 31, 2024, unless otherwise indicated)

		Unaudited 1 January – 31 March 2024	Unaudited 1 January – 31 March 2023
CASH FLOWS FROM OPERATING ACTIVITIES	Note		
Net Income/(Loss)		72.079.388	492.322.965
Adjustments for Net Income/(Loss) Reconciliation			
Adjustments for Depreciation and Amortization Expense	8	166.346.796	152.382.737
Adjustments for Impairment (Reversal) Losses		10.887.202	1.403.551
<i>Adjustments for Impairment (Reversal) Losses on Receivables</i>	4	5.207.490	1.403.551
<i>Adjustments for Impairment (Reversal) Losses on Inventory</i>	6	5.679.712	--
Adjustments for Provisions		20.021.070	3.912.670
<i>Adjustments for Employee Benefits Provisions (Reversal)</i>		20.021.070	3.912.670
Adjustments for Interest (Income) and Expenses		283.824.772	69.657.429
<i>Adjustments for Interest Income</i>	16	(6.740.474)	(3.864.494)
<i>Adjustments for Interest Expenses</i>	17	276.556.165	78.440.493
<i>Deferred Financing Expenses Arising from Deferred Purchases</i>	4	122.467.735	38.401.016
<i>Unearned Finance Income Arising from Deferred Sales</i>	4	(108.458.654)	(43.319.586)
Adjustments for Tax (Income) Expense	18	274.750.150	(48.767.309)
Adjustments for Monetary (Gains)/Losses		403.356.562	(328.294.252)
Pre-change in Net Assets		1.231.265.940	342.617.791
Changes in Operating Working Capital			
Decrease (Increase) in Financial Investments		11.649.394	--
Decrease (Increase) in Trade Receivables Adjustments	4	(9.125.564)	(111.625.230)
Decrease (Increase) in Other Receivables Related to Operations Adjustments		570.226	(1.924.429)
Decreases (Increases) in Inventories Adjustments	6	(503.477.839)	(257.285.671)
Decrease (Increase) in Prepaid Expenses	7	(224.333.839)	(281.700.284)
Increase (Decrease) in Trade Payables Adjustments	4	(61.964.782)	246.848.421
Increase (Decrease) in Employee Benefits Payable Related to Operations	10	(35.935.213)	36.826.356
Increase (Decrease) in Other Payables Related to Operations Adjustments		610.307	(13.544)
Increase (Decrease) in Deferred Revenue (Other than Liabilities Arising from Customer Contracts)	7	234.650.016	44.185.411
Decrease (Increase) in Other Assets Related to Operations	5	(136.551.746)	(68.192.407)
Increase (Decrease) in Other Liabilities Related to Operations	5	108.064.223	7.592.298
Cash Flows from Operating Activities		615.421.123	(42.671.288)
Tax Refunds (Payments)	18	(154.580.506)	(58.475.847)
Other Cash Inflows (Outflows)		--	(375.049)
Changes in Operating Working Capital		460.840.617	(101.522.184)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash Inflows from Sales of Property, Plant, and Equipment	8	46.087	7.293.522
Cash Outflows from Purchases of Property, Plant, and Equipment	8	(216.233.064)	(114.832.465)
Cash Advances and Loans Given to Related Parties		--	268.909
Cash Flows Used in Investing Activities		(216.186.977)	(107.270.034)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash Inflows from Borrowings	9	1.396.162.540	1.111.152.507
Cash Outflows for Repayment of Borrowings	9	(1.284.638.644)	(669.137.891)
Cash Outflows for Lease Payments Related to Borrowings	9	(130.270.256)	(21.592.648)
Interest Paid	17	(203.676.843)	(67.099.252)
Interest Received	16	6.740.474	3.864.494
Cash Flows Used in Financing Activities		(215.682.729)	357.187.210
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECTS OF FOREIGN CURRENCY TRANSLATION		28.970.911	148.394.992
Effects of Foreign Currency Translation on Cash and Cash Equivalents	12	12.031.839	(3.451.477)
Effect of Inflation on Cash and Cash Equivalents		(79.244.673)	(306.198.583)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(38.241.923)	(161.255.068)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		605.311.151	647.962.140
CASH AND CASH EQUIVALENTS AT END OF PERIOD		567.069.228	486.707.072

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

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at March 31, 2024, unless otherwise indicated)

(CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS, ORIGINALLY ISSUED IN TURKISH)

NOTE 1 – ORGANIZATION OF THE GROUP

Yataş Yatak ve Yorgan Sanayi Ticaret Anonim Şirketi ("Parent Company") and its subsidiaries are referred to as "Group" on the notes to the condensed consolidated financial statements.

The summarized information of entities which are consolidated with "complete consolidation method" is comprised of the following;

Yataş Yatak ve Yorgan Sanayi Ticaret Anonim Şirketi

Yataş Yatak ve Yorgan Sanayi Ticaret A.Ş. ("Company") was established in 1987. The Company's engaged in the production of bed, furniture, quilt, armchair, sofa, home textile and home furniture. The Company acquired and merged with İstanbul Pazarlama Yatak ve Yorgan Sanayi Ticaret A.Ş. ("Yataş İstanbul Pazarlama A.Ş.") on 28 February 2011. The Company established 'Yatas Europe GMBH' On 10.07.2015 as owner of 100% shares. Therefore the Company begin to prepare its consolidated financial statements in complete consolidation method.

For the period ended at 31 March 2024, 3.559 personnel are employed at the Company (31 December 2023: 3.700).

Company registered on the Kayseri Chamber of Industry with the number of 14222 and its legal adres Organize Sanayi Bölgesi 18. Cadde No:6 Melikgazi / Kayseri. The Company's operating activities located on the Turkey. The Company has 101 stores located on Turkey.

The Company is registered to the Capital Markets Board ("CMB") and its shares have been quoted on the Borsa İstanbul ("BIST") since 1996.

Company's shareholding structure is mentioned in Note 12.

Yatas Europe GMBH

Yatas Europe GmbH ("Yatas Europe") was established in 10.07.2015 in Germany. The Company's engaged in export and import of Bed, Furniture, Quilt, Armchair, Sofa, Home Textile and Home Furniture.

For the period ended at 31 March 2024, 8 personnel are employed by the Company (31 December 2023: 8 Personnel). Yatas Europe's shareholding structure as of 31 March 2024 in EUR are as following;

Shareholders	31 March 2024		31 December 2023	
	Share Percentage	Share Amount (EUR)	Share Percentage	Share Amount (EUR)
Yataş Yatak ve Yorgan Sanayi Ticaret A.Ş.	%100	100.000	%100	100.000
Total	%100	100.000	%100	100.000

Yatas Rus Ltd.

Yatas Rus Limidet Şirketi ("Yatas Rus"), was established in 03.07.2019 in Russia. The Company's engaged in export and import of Bed, Furniture, Quilt, Armchair, Sofa, Home Textile and Home Furniture. For the period ended at 31 March 2024, 10 personnel are employed by the Yatas Rus. Yatas Rus's shareholding structure as of (31 December 2023: 10 Personnel).

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at March 31, 2024, unless otherwise indicated)

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31 March 2024 in RUBLE is as following;

	31 March 2024		31 December 2023	
	Share Percentage	Share Amount (RUB)	Share Percentage	Share Amount (RUB)
Shareholders				
Yataş Yatak ve Yorgan Sanayi Ticaret A.Ş.	%100	3.500.000	%100	3.500.000
Total	%100	3.500.000	%100	3.500.000

EnzaHome International Inc.

EnzaHome International Inc. ("EnzaHome"), was established in 21.02.2020 in ABD. The Company's engaged in export and import of Bed, Furniture, Quilt, Armchair, Sofa, Home Textile and Home Furniture. For the period ended at 31 March 2024, 5 personnel are employed by the EnzaHome. EnzaHome's shareholding structure as of (31 December 2023: 5 Personnel).

31 March 2024 in USD is as following;

	31 March 2024		31 December 2023	
	Share Percentage	Share Amount (USD)	Share Percentage	Share Amount (USD)
Shareholders				
Yataş Yatak ve Yorgan Sanayi Ticaret A.Ş.	%100	50.000	%100	50.000
Total	%100	50.000	%100	50.000

NOTE 2 – BASIS OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.a. Basis of Presentation

Compatibility Statement

The condensed consolidated financial statements are prepared in accordance with Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the Communiqué) published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, condensed consolidated financial statements are prepared in accordance with the Turkish Financial Reporting Standards (TFRS) issued by Public Oversight Accounting and Auditing Standards Authority (POAASA). TFRS contains Turkish Financial Reporting Standards (TFRS) and its addendum and interpretations. The condensed consolidated financial statements of the Group are prepared as per the CMB announcement of 4 October 2022 relating to financial statements presentations. Comparative figures are reclassified, where necessary, to conform to changes in the presentation of the current year's condensed consolidated financial statements.

The Company maintains its accounting records and prepares its statutory financial statements in accordance with the Turkish Commercial Code (the "TCC"), tax legislation and the uniform chart of accounts issued by the Ministry of Finance. Subsidiaries and associates operating in foreign countries have prepared their statutory financial statements in accordance with the laws and regulations of the country in which they operate. The condensed consolidated financial statements, except for the financial asset/liabilities and land, buildings presented with their fair values, are maintained under historical cost conversion in TRY. These condensed consolidated financial statements are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the TAS/TFRS.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at March 31, 2024, unless otherwise indicated)

(CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS, ORIGINALLY ISSUED IN TURKISH)

Going Concern

The condensed consolidated financial statements including the accounts of the parent company, its subsidiaries and associates have been prepared assuming that the Group will continue as a going concern on the basis that the entity will be able to realize its assets and discharge its liabilities in the normal course of business.

Approval of Condensed consolidated Financial Statements

Condensed consolidated financial statements of the Group are approved by the Board of Directors and granted authority to publish on June 21, 2024. With no intention, the Board of Directors and some regulative agencies have the right to change the financial statements that were prepared according to legal regulations after they have been published.

Financial Statements Correction in High Inflation Period

Pursuant to the Capital Markets Board's ("CMB") decision dated December 28, 2023, numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to implement inflation accounting in accordance with the provisions of IAS 29, starting with financial reports for the fiscal periods ending on or after December 31, 2023.

In accordance with the announcement and "Practice Guide on Financial Reporting in High Inflationary Economies" published by the Public Oversight Accounting and Auditing Standards Authority ("POAASA") on 23 November 2023, the Group has prepared its condensed consolidated financial statements for the year ended 31 March 2024 using the TAS 29 "Financial Reporting in High Inflationary Economies" Standard. Pursuant to this standard, financial statements prepared based on the currency of a high inflationary economy are expressed in terms of the purchasing power of that currency at the balance sheet date, and comparative information for prior periods is also expressed in the current measurement unit at the end of the reporting period for comparison purposes. Therefore, the Group has presented its condensed consolidated financial statements as of 31 December 2023 and 31 March 2023 in terms of purchasing power as of 31 March 2024.

The adjustments made in accordance with TAS 29 have been made using the adjustment coefficient obtained from the Consumer Price Index ("CPI") in Turkey published by the Turkish Statistical Institute ("TSI"). As of 31 December 2023, the indices and adjustment coefficients used in the correction of the condensed consolidated financial statements are as follows:

Date	Index	Correction Coefficient	Three-Year Compound Inflation Rate
31 March 2024	2.139,47	1,00000	%211
31 December 2023	1.859,38	1,15063	%268
31 March 2023	1.269,75	1,68495	%152

The main elements of the adjustment process undertaken by the Group for financial reporting in high inflationary economies are as follows:

- Current period consolidated financial statements prepared in Turkish Lira (TRY) are expressed in terms of the purchasing power at the reporting date, and amounts for previous reporting periods are also adjusted to reflect the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the reporting date. If the inflation-adjusted values of non-monetary items exceed their recoverable amounts or net realizable values, the provisions of TAS 36 and TAS 2 are applied, respectively.

YATAŞ YATAK VE YORGAN SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at March 31, 2024, unless otherwise indicated)

(CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS, ORIGINALLY ISSUED IN TURKISH)

- Non-monetary assets and liabilities as well as equity items not expressed in terms of the current purchasing power during the reporting period are adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except those affecting the comprehensive income statement of non-monetary items in the financial position statement, are indexed using coefficients calculated based on the periods when income and expense accounts were initially recognized in the financial statements.
- The impact of inflation on the Group's net monetary asset position in the current period is recorded in the consolidated income statement as a loss on net monetary position.

Currency

The financial statements and the prior period financial statements for comparison purpose, in the accompanying statements are prepared in terms of Turkish Lira (TRY).

Subsidiaries Operating in Countries Other Than Turkey's Financial Statements

The financial statements of subsidiaries operating in countries other than Turkey are prepared in accordance with the laws and regulations applicable in the country where they operate, and necessary adjustments and classifications have been reflected for the correct presentation in accordance with the Turkish Accounting Standards and Turkish Financial Reporting Standards and their related appendices and interpretations published by the Public Oversight Accounting and Auditing Standards Authority.

The assets and liabilities of the related subsidiaries are converted into Turkish Lira using the exchange rate at the date of the condensed consolidated financial position table, and income and expenses are converted using the average exchange rate for the accounting period ending on the same date. The exchange differences arising from the use of the exchange rate at the date of the financial position table and the average rate are shown under the "Foreign Currency Conversion Differences" item in the financial position table.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Basis of Consolidation

The companies are subject to "Complete Consolidation Method" if directly or indirectly 50% or more than 50% of their shares or over 50% of their voting rights or the controlling rights regarding companies' operations are belonging to the Parent Company. Parent Company has controlling rights if it is able to govern the financial and operating policies of an enterprise so as to benefit from its activities. The companies which have continuous relationship on management and power to govern Parent Company's policies and/or which have direct or indirect capital and management relationship or which have voting share of Parent Company between the rates 20-50% are accounted by using equity pick-up method.

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Complete Consolidation Method

The principles of consolidation followed in the preparation of the accompanying financial statements are as follows:

- The financial statements of the condensed consolidated subsidiaries have been equipped according to the accounting principles of the Parent Company.
- The share of the Parent Company in the shareholders equity of subsidiaries is eliminated from the financial of subsidiaries these are adjusted according to the accounting principles of financials of the Parent Company.
- The income statements of the Parent Company and the subsidiaries are condensed consolidated a line by line basis and the transaction between companies are eliminated mutually. Consolidation of income statements of subsidiaries held in an audit period are based on the investment date and the items after the holding date are included.
- The minority part of shareholders' equity including paid capital of the companies subject to consolidation is classified as "Minority Interest" in accompanying financial statement.

The portion of the third parties other than condensed consolidated companies in the net profit or losses of the subsidiaries are classified as "Minority Interest" in the income statements. The 100% shares of the subsidiary is owned by the Parent Company therefore minority interest is not occurred.

As of 31 March 2024 the Company that are subject to "Complete Consolidation Method" if directly or indirectly 50% or more than 50% of their shares or over 50% of their voting rights or the controlling rights regarding companies' operations are belonging to the Parent Company are as below;

Subsidiaries	Ownership of the Parent Company		Minority Interest
	(Direct)	(Direct+ Indirect)	
Yatas Europe Gmbh	%100	%100	-
Yatas Rus Limidet	%100	%100	-
EnzaHome International Inc.	%100	%100	-

2.b. New and Revised Turkish Financial Reporting Standards

a) Amendments that are mandatorily effective from 2023

Amendments to TAS 1	<i>Disclosure of Accounting Policies</i>
Amendments to TAS 8	<i>Definition of Accounting Estimates</i>
Amendments to TAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to TAS 12	<i>International tax reform - pillar two model rules</i>

Amendments to TAS 1 *Disclosure of Accounting Policies*

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

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Amendments to TAS 8 *Definition of Accounting Estimates*

With this amendment, the definition of "a change in accounting estimates" has been replaced with the definition of "an accounting estimate", sample and explanatory paragraphs regarding estimates have been added, and the differences between application of an estimate prospectively and correction of errors retrospectively have been clarified.

Amendments to TAS 8 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

Amendments to TAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

Amendments to TAS 12 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

Amendments to TAS 12 *International Tax Reform - Pillar two model rules*

These amendments provide a temporary exception to the requirements for deferred tax assets and liabilities related to Pillar two model income tax.

Amendments to TAS 12 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

New and Amended Turkish Financial Reporting Standards (cont'd)

b) New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	<i>Insurance Contracts</i>
Amendments to TFRS 17	<i>Insurance Contracts and First-time Adoption of TFRS 17 and TFRS 9 - Comparative Information</i>
Amendments to TFRS 4	<i>Extension of the Temporary Exemption from Applying TFRS 9</i>
Amendments to TAS 1	<i>Classification of Liabilities as Current or Non-Current</i>
Amendments to TFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to TAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to TAS 7 and TFRS 7	<i>Supplier Finance Agreements</i>
IFRS S1	<i>General Requirements for Disclosure of Sustainability-Related Financial Information</i>
IFRS S2	<i>Climate-related Disclosures</i>

TFRS 17 *Insurance Contracts*

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 supersedes TFRS 4 *Insurance Contracts* as of 1 January 2024 for insurance and reinsurance and pension companies.

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Amendments to TFRS 17 *Insurance Contracts* and First-time Adoption of TFRS 17 and TFRS 9 - Comparative Information

Amendments have been made to TFRS 17 to reduce implementation costs, improve disclosure of results and ease transition.

The amendment also permits entities that are first-time adopters of TFRS 7 and TFRS 9 to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had previously been applied to that financial asset.

These amendments will be applied when TFRS 17 is first adopted.

Amendments to TFRS 4 *Extension of the Temporary Exemption from Applying TFRS 9*

The amendment changes the fixed expiry date for the temporary exemption in TFRS 4 *Insurance Contracts* from applying TFRS 9, so that insurance and reinsurance and pension companies would be required to apply TFRS 9 for annual periods beginning on or after 1 January 2024 with the deferral of the effective date of TFRS 17.

Amendments to TAS 1 *Classification of Liabilities as Current or Non-Current*

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2024 and earlier application is permitted.

Amendments to TFRS 16 *Lease Liability in a Sale and Leaseback*

Amendments to TFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in TFRS 15 to be accounted for as a sale.

Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

Amendments to TAS 1 *Non-current Liabilities with Covenants*

Amendments to TAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

Amendments to IAS 7 and IFRS 7 on Supplier Finance Arrangements

Amendments to IAS 7 and IFRS 7 on Supplier Finance Arrangements; effective from annual periods beginning on or after 1 January 2024.

These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk.

The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

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The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

IFRS 1, 'General requirements for disclosure of sustainability-related financial information;

IFRS 1, 'General requirements for disclosure of sustainability-related financial information; effective from annual periods beginning on or after 1 January 2024. This is subject to endorsement of the standards by local jurisdictions.

This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

IFRS 2, 'Climate-related disclosures';

IFRS 2, 'Climate-related disclosures'; effective from annual periods beginning on or after 1 January 2024.

This is subject to endorsement of the standards by local jurisdictions. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

2.c. Changes in Accounting Policies

The Group changes accounting policies when it is believed that the change will lead to better presentation of transactions and events in the financial statements. When the intentional change can affect the prior period results, the change is applied retrospectively as though it was already applied before. Accounting policy changes arising from the application of a new standard are applied considering the transition principles of the related standard, if any, retrospectively or forward. If no transition principle for the standard exists, the changes are applied retrospectively.

2.d. Changes in Accounting Estimates and Errors

The accompanying condensed consolidated financial statements necessitate that some predictions about income and expenses regarding possible assets and liabilities in the financial statements prepared by the Group management to be compatible with statements required by Capital Market Board. Realized amounts can differ from the predictions. These predictions are observed regularly and reported periodically in income statements. Changes in accounting estimates and errors explained in title of "Comparative Information and Previous Periods Financial Statements Adjustments".

Comparative Information and Previous Periods Adjustments

For the purpose of conducting a comparison of financial position and performance trend, Group's current financial statements are prepared comparative with previous periods. Comparative information is reclassified to be compatible with the presentation of current financial statements, when necessary.

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2.e. Summary of Significant Accounting Policies**Cash and Cash Equivalents**

Cash and cash equivalent values contain cash on hand, bank deposits and high liquidity investments. Cash and cash equivalents are showed with obtaining costs and the total of accrued interests.

Financial Instruments*Classification and Measurement*

Group classifies its financial assets in three categories of financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit or loss. The classification of financial assets is determined considering the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The appropriate classification of financial assets is determined at the time of the purchase.

"Financial assets measured at amortised cost", are non-derivative assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Group's financial assets measured at amortised cost comprise "cash and cash equivalents" and "trade receivables". Financial assets carried at amortised cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets measured at amortised cost are accounted for under the condensed consolidated statement of income.

"Financial assets measured at fair value through other comprehensive income", are non-derivative assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Gains or losses on a financial asset measured at fair value through other comprehensive income is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified to retained earnings.

Group may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, to present subsequent changes in fair value in other comprehensive income. In such cases, dividends from those investments are accounted for under condensed consolidated statement of income.

"Financial assets measured at fair value through profit or loss", are assets that are not measured at amortised cost or at fair value through other comprehensive income. Gains and losses on valuation of these financial assets are accounted for under the condensed consolidated statement of income.

Changes regarding the classification of financial assets and liabilities in terms of TFRS 9 are summarised below. Related changes in classification do not result in changes in measurement of the financial assets and liabilities.

Financial assets	Classification under TAS 39	Classification under TFRS 9
Cash and cash equivalents	Loans and receivables	Amortised cost
Trade receivables	Loans and receivables	Amortised cost
Financial investments	Fair value through profit or loss	Fair value through profit or loss
Financial liabilities	Classification under TAS 39	Classification under TFRS 9
Borrowings	Amortised cost	Amortised cost
Trade payables	Amortised cost	Amortised cost

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Impairment

"Expected credit loss model" defined in TFRS 9 "Financial Instruments" superseded the "incurred credit loss model" in TAS 39 "Financial Instruments: Recognition and Measurement" which was effective prior to 1 January 2019. Expected credit losses are a probability weighted estimate of credit losses over the expected life of the financial instrument. The calculation of expected credit loss is performed based on the past experiences and future expectations of the Group.

Trade Receivables

Group has preferred to apply "simplified approach" defined in TFRS 9 for the recognition of impairment losses on trade receivables, carried at amortised cost and that do not comprise of any significant finance component (those with maturity less than 12 months). In accordance with the simplified approach, Group measures the loss allowances regarding its trade receivables at an amount equal to "lifetime expected credit losses" except incurred credit losses in which trade receivables are already impaired for a specific reason.

Buy-Back Shares

The buy back shares are reflected in the "Buy-Back Shares disclosure" account under shareholders' equity in the Condensed consolidated Financial Statements in accordance with the II-22.1 of the CMB's Communiqué on "Acquisition of Buy Back Shares". In addition, the shares are classified in "Restricted reserves" in accordance with the related communiqué.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All of the other borrowing costs are recorded in the income statement in the period in which they are incurred. For the periods ended there is no capitalized borrowing cost.

Inventories

Inventories are valued at the lower of cost or net realizable value. The cost of inventories is determined on the "weighted average" method. Cost elements included in inventories are materials, labor and factory overheads. The cost of borrowings is not included in the costs of inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and estimated costs to make the sale.

Tangible Fixed Assets and Amortisations

Tangible fixed assets except lands, buildings are carried at cost, restated by deduction of the yearly accumulated depreciation. Land and buildings are valued with their fair values. Borrowing costs are recognized in accordance with TAS-23 as an element of the book value of assets that are manufactured by the entity. Entities may subject their tangible assets to revaluation. Depreciation is calculated on a straight-line basis over the adjusted amounts and at the rates that reflect the economic useful lives of the following assets Land is considered as limitless useful life, so it is not subject to depreciation. Expected useful life, residual value and amortization method are reviewed for possible effects of changes in estimates and are accounted for prospectively if there is a change in estimates.

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The depreciation rates for property, plant and equipment, which approximate the useful economic lives of these assets, are as follows:

	<u>Useful Life</u>
Buildings	25-50 years
Land improvements	8-25 years
Property, plant and equipment	5-14 years
Motor vehicles	4-10 years
Furniture, fixtures and office equipment	5-25 years
Leasehold improvements	Rental Period - 5-10 years

Property, plant and equipment are reviewed for possible impairment and the carrying value of the tangible asset is reduced to its recoverable amount if the recoverable amount is greater than its recoverable amount. The recoverable amount is recognized as the higher of net cash flows from the current use of the property, plant and equipment and net selling price.

Appraisal reports containing fair value of property, plant and equipment held for sale is not obtained, Therefore method of deducting selling prices from fair value has not been applied. Property, plant and equipment held for sale are stated at cost in the financial statements.

Intangible Fixed Assets

Intangible fixed assets comprise of rights and they are recorded at acquisition cost. Intangible fixed assets are amortized on a straight-line method with prorated basis over period of between 3-10 years from the date of acquisition.

Investment Property

Investment properties, which are properties, held to earn rentals and/or for capital appreciation are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the year in which they arise.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the year of retirement or disposal.

TFRS 16 Leases

The Group – as a lessee

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, The Group assess whether:

- a) the contract involved the use of an identified asset – this may be specified explicitly or implicitly.
- b) the asset should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, the asset is not identified.
- c) the Group has the right to obtain substantially all of the economic benefits from the use of an asset throughout the period of use; and

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d) the Group has the right to direct use of the asset. The Group concludes to have the right of use, when it is predetermined how and for what purpose the Group will use the asset. The Group has the right to direct use of asset if either:

- i. the Group has the right to operate (or to have the right to direct others to operate) the asset over its useful life and the lessor does not have the rights to change the terms to operate or;
- ii. the Group designed the asset (or the specific features) in a way that predetermines how and for what purpose it is used

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Right of use asset

The right of use asset is initially recognized at cost comprising of:

- a) amount of the initial measurement of the lease liability;
- b) any lease payments made at or before the commencement date, less any lease incentives received;
- c) any initial direct costs incurred by the Group; and

To apply a cost model, the Group measure the right-of-use asset at cost:

- a) less any accumulated depreciation and any accumulated impairment losses; and
- b) adjusted for any remeasurement of the lease liability.

The Group applies the straight-line method to depreciate the right of use. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the Group depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, The Group depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group apply IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Lease Liability

At the commencement date, The Group measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group use the lessee's incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- a) fixed payments, less any lease incentives receivable;
- b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- c) the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- d) payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

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After the commencement date, the Group measure the lease liability by:

- a) increasing the carrying amount to reflect interest on the lease liability;
- b) reducing the carrying amount to reflect the lease payments made; and
- c) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised insubstance fixed lease payments.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. The Group determine the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined. After the commencement date, The Group remeasure the lease liability to reflect changes to the lease payments. The Group recognise the amount of the remeasurement of the lease liability as an adjustment to the rightof- use asset.

The Group shall remeasure the lease liability by discounting the revised lease payments using a revised discount rate, if either:

- a) There is a change in the lease term. The Group determine the revised lease payments on the basis of the revised lease term; or
- b) There is a change in the assessment of an option to purchase the underlying asset. The Group determine the revised lease payments to reflect the change in amounts payable under the purchase option..

The Group determine the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined.

The Group remeasure the lease liability by discounting the revised lease payments, if either:

- a) There is a change in the amounts expected to be payable under a residual value guarantee. The Group determine the revised lease payments to reflect the change in amounts expected to be payable under the residual value guarantee.
- b) There is a change in future lease payments resulting from a change in an index or a rate used to determine those payments. The Group remeasure the lease liability to reflect those revised lease payments only when there is a change in the cash flows.

The Group determine the revised lease payments for the remainder of the lease term based on the revised contractual payments. In that case, the Group use an unchanged discount rate.

The Group account for a lease modification as a separate lease if both:

- a) The restructuring extends the scope of the leasing by including the right of use of one or more underlying assets, and
- b) The lease payment amount increases as much as the appropriate adjustments to the price mentioned individually so that the increase in scope reflects the individual price and the terms of the relevant agreement.

Leases with a lease term of 12 months or less and leases of low-value assets determined by the Group are evaluated in scope of the exemption of TFRS 16 and payments associated with those leases are recognised on a straight-line basis as an expense in profit or loss.

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Impairment of Assets

The Group evaluates whether there is an indicator for the decrease in value related to the asset for the rest of every assets of financial assets which are shown with the deferred tax and fair value, or not, at the every financial statement date. If there is an indicator, the regain amount of this asset is estimated. Impairment occurred if the topic assets or the net book value of unit which is belong to assets that produce cash is higher than the regain amount which was gained with the help of using or sale. In the related period, impairment lost is accounted in the income statement. Impairment loss of assets is reversed in the manner of not passing the amount of impairment which was saved before, in the situation of association an amount which was occur at the period which is following registration of impairment with the following increase in regain amount of this assets.

Severance Pay Provision / Employee Benefits

• **Severance Pay**

Under Turkish Labor Law, Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who retires in accordance with social insurance regulations or is called up for military service or dies.

The Group has reflected the severance pay liability calculated on the balance sheet date on the financial statements using the expected inflation rate and the real discount rate based on the principles stated above for the financial statements as of 31 March 2024.

The Group has calculated severance pay liability on the financial statements in the accompanying condensed consolidated financial statements using the "Projection Method" based on the experience gained over the past years by the Group in completing the personnel service period and entitlement to termination indemnity and discounting it with the government treasury rate at the balance sheet date. All calculated gains and losses are reflected in the income table.

• **Social Insurance Premium**

Group pays social security contribution to social security organization compulsorily. So long as Group pays these premiums, it has no liability. These premiums are reflected as personnel expenses in the period in which they are paid.

Fair value estimation:

The Group's various accounting policies and footnote disclosures require fair value for both financial and non-financial assets and liabilities. The fair values are determined by the following methods for valuation and / or disclosure purposes. Where feasible, the assumptions used in the determination of fair value are presented in the footnotes related to the asset or liability as additional information. Level-by-level valuation methods are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

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Tax

In the accompanying Condensed consolidated Financial Statements, the tax consists of corporate tax provision and deferred tax. The corporation tax that will be arise from the results of the period's operations have set aside a provision for the income tax liabilities at the statutory tax rates that are valid at the balance sheet date.

The Group recognizes deferred tax on the temporary timing differences between the carrying amounts of assets and liabilities in the financial statements prepared in accordance with TFRS and statutory financial statements which is used in the computation of taxable profit. The related differences are generally due to the timing difference of the tax base of some income and expense items between statutory and TFRS financial statements. The Group has deferred tax assets resulting from tax loss carry-forwards and deductible temporary differences, which could reduce taxable income in the future periods. All or partial amounts of the realizable deferred tax assets are estimated in current circumstances. The main factors which are considered include future earnings potential; cumulative losses in recent years; history of loss carry-forwards and other tax assets expiring, the carry-forward period associated with the deferred tax assets, future reversals of existing taxable temporary differences that would, if necessary, be implemented, and the nature of the income that can be used to realize the deferred tax asset.

Revenue recognition

Group recognises revenue based on the following five principles in accordance with the TFRS 15 - "Revenue from Contracts with Customers Standard" effective from 1 January 2019:

- Identification of customer contracts
- Identification of performance obligations
- Determination of the transaction price in the contracts
- Allocation of transaction price to the performance obligations
- Recognition of revenue when the performance obligations are satisfied

Group evaluates each contracted obligation separately and respective obligations, committed to deliver the goods or perform services, are determined as separate performance obligations

Group determines at contract inception whether the performance obligation is satisfied over time or at a point in time. When the Group transfers control of a good or service over time, and therefore satisfies a performance obligation over time, then the revenue is recognised over time by measuring the progress towards complete satisfaction of that performance obligation.

When a performance obligation is satisfied by transferring promised goods or services to a customer, the Group recognises the revenue as the amount of the transaction price that is allocated to that performance obligation. The goods or services are transferred when the control of the goods or services is delivered to the customers.

Following indicators are considered while evaluating the transfer of control of the goods and services:

- a) presence of Group's collection right of the consideration for the goods or services,
- b) customer's ownership of the legal title on goods or services,
- c) physical transfer of the goods or services,
- d) customer's ownership of significant risks and rewards related to the goods or services,
- e) customer's acceptance of goods or services.

If Group expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less, the promised amount of consideration for the effects of a significant financing component is not adjusted. On the other hand, when the contract effectively constitutes a financing component, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of the consideration is recognised on an accrual basis as other operating income.

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Interest income

Interest income is accrued in proportion as effective interest rate which reduces estimated cash addition to recorded value of the asset in corresponding period.

Dividend and other incomes

Dividend income which obtained from share investments, is recorded when shareholders' have the right to get dividend.

Other incomes are recorded with the possibility of having the worth giving service or accrual of the facts related with income, making the transfer of risk and benefit, determination of income amount and enrollment of economic benefits related with the procedure.

Accounting Estimates

The accompanying condensed consolidated financial statements necessitate that some predictions about income and expenses regarding possible assets and liabilities in the financial statements prepared by the Group management to be compatible with statements required by Public Oversight Accounting and Auditing Standards Authority. Realized amounts can differ from the predictions. These predictions are observed regularly and reported periodically in income statements. Comments those would have significant effect on balances reflected in the financial statements and important expectations and valuations considering present or future expectation as of report date, are as following.

Provision for inventories

Inventories are valued at the lower of cost or net realizable value. The Group management has determined that some of its inventories cost value are higher than the their net realizable value as of the balance sheet date. Management of the company has estimated the future cash flow amounts, replacement costs and the sales prices may be generated in the ordinary business activity from the sale of inventories in the calculation of the impairment.

Provision for doubtful receivables

Provision for doubtful receivables reflects the future loss that the Group anticipates to incur from the trade receivables as of the balance sheet date which is subject to collection risk considering the current economical conditions. During the impairment test for the receivables, the debtors are assessed with their prior year performances, their credit risk in the current market, their performance after the balance sheet date up to the issuing date of the financial statements; and also the renegotiation conditions with these debtors are considered. The provision for doubtful receivables is presented in Note 4.

Useful lifetime of tangible and intangible assets

Group reserves provision for depreciation regarding to footnote 2.e that refers to useful lifetime on fixed assets. Information about useful lifetime is described in footnote 2.e.

Provision for lawsuits

While setting provision for lawsuits, it has considered probability to lose lawsuit, then the consequences of loosing case by the legal advisor of the Group.

Severance pay provision

Severance pay provision is calculated with actuarial expectation based on assumptions like discount rates, salary increase in the future and probability to quit the job.

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Deferred Tax

The Group recognizes deferred tax on the temporary timing differences between the carrying amounts of assets and liabilities in the financial statements prepared in accordance with IFRS and statutory financial statements which is used in the computation of taxable profit. The related differences are generally due to the timing difference of the tax base of some income and expense items between statutory and IFRS financial statements. The Group has deferred tax assets resulting from tax loss carry-forwards and deductible temporary differences, which could reduce taxable income in the future periods. All or partial amounts of the realizable deferred tax assets are estimated in current circumstances.

The main factors which are considered include future earnings potential; cumulative losses in recent years; history of loss carry-forwards and other tax assets expiring, the carry-forward period associated with the deferred tax assets, future reversals of existing taxable temporary differences that would, if necessary, be implemented, and the nature of the income that can be used to realize the deferred tax asset. As a result of the revaluation, as of 31 March 2024, temporary differences due to tax incentives can be foreseen and the fraction falls in continuity of tax incentives within the context of tax legislations, can be benefited from and is to be tax assets and accounted. As of balance sheet date, the details regarding deferred tax calculations are stated in Note 18.

Provisions, Contingent Liabilities and Assets

Provisions

Provisions are recognized when an enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent Liabilities and Assets

Transactions that may give rise to contingencies and commitments are those where the outcome and the performance of which will be ultimately confirmed only on the occurrence or non occurrence of certain future events, unless the expected performance is not very likely. Accordingly, contingent losses are recognized in the financial statements of the Group if a reasonable estimate of the amount of the resulting loss can be made. Contingent gains are reflected only if it is probable that the gain will be realized.

Foreign Currency Assets and Liabilities

Foreign currency transactions are entered in the accounts with current rates in transaction date. Foreign currency assets and liabilities in the balance sheet are converted to the TRY as the rates in the balance sheet date. Foreign exchange profit and loss are reflected to the income statements.

	31 March 2024	31 December 2023	31 March 2023
USD	32,2854	29,4382	19,1460
EUR	34,8023	32,5739	20,8021
GBP	40,6665	37,4417	23,5943
CHF	35,7269	34,9666	20,8521
RUBLE	0,3475	0,3261	0,2469
CNY	4,4454	4,1212	2.7674

Effects of Change in Currency Rate

Assets and liabilities in foreign currency and purchase and sale commitments create exchange risk. Foreign exchange risk stemming from depreciation or appreciation of Turkish Lira managed by top management by following the currency position of Group and taking position according to approved limits.

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Earnings Per Share

Earnings per share in the consolidated income statements are calculated by dividing the net profit for the year by the weighted average number of ordinary shares outstanding during the year.

In Turkey, companies can increase their share capital by making distribution of "bonus shares" to existing shareholders from inflation adjustment difference in shareholder's equity. For the purpose of the earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of "bonus shares" issued without corresponding change in resources by giving them retroactive effect for the period in which they were issued and each earlier period.

Other Balance Sheet Items

Other balance sheet items are mainly reflected at book value.

Cash Flow Statement

The Group prepares statement of cash flows to inform users of financial statements about changes in net assets and ability to direct financial structure, amounts and timing of cash flows according to changing situations. In the statement of cash flows, current period cash flows are grouped according to operating, financing, and investing activities. Operating cash flows resulting from activities in scope of Group's main operating scope. Cash flows related to investing activities are cash flows resulting from investing activities (fixed investments and financial investments) of the company. Cash flows related to financing activities comprise of funds used in financing activities of the Group and their repayments. Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant change in value.

Post Balance Sheet Events

In the case that events requiring a correction to be made occur subsequent, the Group makes the necessary corrections to the condensed consolidated financial statements. In the case that events not requiring a correction to be made occur subsequent, those events are disclosed in the notes of condensed consolidated financial statements (Note 22).

Reporting of Financial Information by Segments

The Group does not have an activity area to report activity according to the departments.

Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making the financial and operating decisions. For the purpose of these financial statements shareholders are referred to as related parties. Related parties also include individuals that are principle owners, management and members of the Group's Board of Directors and their families.

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NOTE 3– RELATED PARTY TRANSACTIONS

	31 March 2024		31 December 2023	
	Trading	Non-Trading	Trading	Non-Trading
Other Receivables (Note 6)				
Receivables from Shareholders	--	131.612	--	150.227
Prepaid Expenses (Note 9)				
Bostancı Otelcilik ve Turizm İşletmesi A.Ş.	--	33.032.367	--	3.323.787
Total	--	33.163.979	--	3.474.014

Due To Related Parties Payables

None (31 December 2023: None).

Purchases and / or expenses from related parties:

	1 January – 31 March 2024	
	Goods and Services Purchases	Rent Expenses
Bostancı Otelcilik ve Turizm İşletmesi A.Ş.	950.964	--
Yavuz Altop	--	721.453
Yılmaz Öztaşkın	--	721.453
Other Shareholders	--	1.442.906
Total	950.964	2.885.813

	1 January – 31 March 2023	
	Goods and Services Purchases	Rent Expenses
Bostancı Otelcilik ve Turizm İşletmesi A.Ş.	--	--
Yavuz Altop	--	759.998
Yılmaz Öztaşkın	--	759.998
Other Shareholders	--	1.519.997
Total	--	3.039.993

The total amount of benefits provided to the senior management such as the chairman and members of the board of directors, general manager, general coordinator and general manager of the Group for the period ended 31 March 2024 is TRY 43.480.780 (31 December 2023: TRY 24.331.903).

NOTE 4 - TRADE RECEIVABLES AND PAYABLES**Trade Receivables***Short Term Trade Receivables*

	31 March 2024	31 December 2023
Trade Receivables	1.166.089.440	1.531.684.657
Notes Receivables	718.764.118	470.160.888
Unearned Interest (-)	(108.458.654)	(87.165.938)
Doubtful trade receivables	26.711.799	24.743.637
Provision for doubtful trade receivables (-)	(26.711.799)	(24.743.637)
Total	1.776.394.904	1.914.679.607

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The maturity schedule of receivables are as follows:

	31 March 2024	31 December 2023
Up to 3 months	1.197.578.885	1.292.706.545
3 to 12 months	687.274.673	709.139.000
Total	1.884.853.558	2.001.845.545

The movement schedule of provision for doubtful trade receivables is as follows:

	31 March 2024	31 December 2023
Opening balance	24.743.637	41.040.374
Additional provisions in the period	5.207.490	3.442.862
Cancellation of provision in period (-)	--	(3.606.458)
Monetary Loss/Gain	(3.239.328)	(16.133.142)
Total (End of the period)	26.711.799	24.743.637

Trade Payables**Short Term Trade Payables**

	31 March 2024	31 December 2023
Trade payables	1.589.897.216	1.636.001.097
Notes payables	73.020.501	166.199.101
Unearned interest (-)	(122.467.735)	(99.319.523)
Total	1.540.449.982	1.702.880.675

Long Term Trade Payables

None (31 December 2023: None).

As of 31 March 2024 and 31 December 2023 maturity schedule of payables are as follows:

	31 March 2024	31 December 2023
Up to 3 months	1.628.974.062	1.630.278.261
3 to 12 months	33.943.655	171.921.937
Total	1.662.917.717	1.802.200.198

NOTE 5 - OTHER ASSETS AND LIABILITIES**Other Current Assets**

	31 March 2024	31 December 2023
Deferred VAT	819.909.449	806.205.988
Business Advances	2.850.681	1.899.937
Advances Given to Personnel	16.539.191	16.254.814
Other VAT	17.641.727	4.121.705
Total	856.941.048	828.482.444

Other Current Liabilities

	31 March 2024	31 December 2023
Taxes and dues payable	147.248.334	42.109.255
Other liabilities	4.599.181	8.269.387
Total	151.847.515	50.378.642

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NOTE 6 – INVENTORIES

	31 March 2024	31 December 2023
Raw materials	882.211.816	980.662.856
Work in process	78.038.211	76.810.204
Finished goods	993.371.336	608.763.255
Merchandises	751.334.633	719.247.347
Other inventories	49.002.723	29.859.812
Provision for Stock Value Decrease (-)	(21.027.253)	(17.659.437)
Total	2.732.931.466	2.397.684.037

The related inventory items are reported net by deducting the their provisions for impairment. As of 31 March 2024, there is insurance coverage amounting to 1.842.762.500 TRY on inventories (31 December 2023: 2.120.349.302 TRY)

The movements in the provision for stock value decrease are as follows:

	31 March 2024	31 December 2023
Beginning of period provision amount	17.659.437	9.999.495
Additional provisions allocated during the period	5.679.712	11.590.785
Monetary loss/gain	(2.311.896)	(3.930.843)
End of period total provision amount	21.027.253	17.659.437

NOTE 7 – PREPAID EXPENSESShort-Term Prepaid Expenses

	31 March 2024	31 December 2023
Advances Given for Orders	628.068.155	646.430.549
- Order Advances Given to Related Parties (Note 3)	33.032.367	3.323.787
- Order Advances Given to Other Parties	595.035.788	643.106.762
Expenses for Future Months	193.923.167	69.966.116
Total	821.991.322	716.396.665

Long-Term Prepaid Expenses

	31 March 2024	31 December 2023
Advances Given for Orders	10.190.882	4.180.475
Expenses for Future Years	38.401.879	43.938.402
Advances Given for Fixed Asset Orders	20.000.000	23.012.725
Total	68.592.761	71.131.602

Short-Term Deferred Income

	31 March 2024	31 December 2023
Revenues for the following months	3.638.889	--
Advances received	713.798.708	580.367.929
Total	717.437.597	580.367.929

Long-Term Deferred Income

	31 March 2024	31 December 2023
Revenues for future years	15.937.735	9.964.461
Total	15.937.735	9.964.461

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NOTE 8 TANGIBLE FIXED ASSETS

Cost	Lands	Land improvements	Buildings	Plants, machinery and equipment	Vehicles	Fixtures and fittings	Leasehold improvements	Construction in progress	Total
1 January 2023	549.112.886	3.970.881	2.397.787.556	1.405.399.680	56.877.071	1.066.541.136	809.098.413	72.569.762	6.361.357.385
Addition	--	--	27.019.849	50.629.977	21.443.763	142.814.988	72.120.312	581.040.219	895.069.108
Transfer	(813.203)	--	(4.347.980)	--	--	--	--	--	(5.161.183)
Disposals	--	(169.967)	(33.053.373)	(1.504.212)	(1.492.648)	(20.020.064)	(6.977.735)	--	(63.217.999)
31 December 2023	548.299.683	3.800.914	2.387.406.052	1.454.525.445	76.828.186	1.189.336.060	874.240.990	653.609.981	7.188.047.311
Addition	--	--	2.173.262	2.321.099	--	23.804.257	18.915.909	83.289.298	130.503.825
Disposals	--	--	--	--	--	(102.115)	--	--	(102.115)
31 March 2024	548.299.683	3.800.914	2.389.579.314	1.456.846.544	76.828.186	1.213.038.202	893.156.899	736.899.279	7.318.449.021
Accumulated depreciation (-)									
1 January 2023	--	1.443.550	320.110.994	720.925.005	47.760.171	670.429.304	612.911.746	--	2.373.580.770
Charge for the period	--	137.446	48.737.852	90.093.745	5.738.325	106.885.834	76.469.350	--	328.062.552
Disposals	--	--	(6.964.959)	(1.283.856)	(1.162.774)	(18.531.140)	(4.742.187)	--	(32.684.916)
31 December 2023	--	1.580.996	361.883.887	809.734.894	52.335.722	758.783.998	684.638.909	--	2.668.958.406
Charge for the period	--	34.361	12.082.166	22.716.602	1.854.723	28.746.572	19.814.741	--	85.249.165
Disposals	--	--	--	--	--	(56.028)	--	--	(56.028)
31 March 2024	--	1.615.357	373.966.053	832.451.496	54.190.445	787.474.542	704.453.650	--	2.754.151.543
Net book value, 31 December 2023	548.299.683	2.219.918	2.025.522.165	644.790.551	24.492.464	430.552.062	189.602.081	653.609.981	4.519.088.905
Net book value, 31 March 2024	548.299.683	2.185.557	2.015.613.261	624.395.048	22.637.741	425.563.660	188.703.249	736.899.279	4.564.297.478

As of 31 March 2024, there is insurance amounting to TRY 3.701.414.300 on property, plant and equipment. The liability amounts for fixed assets are mentioned in Note 11 (31 December 2023: TRY 4.258.981.409).

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The distribution of depreciation expenses is as follows:

	31 March 2024	31 March 2023
Tangible fixed assets	85.249.165	93.492.172
Intangible fixed assets	21.841.794	22.861.354
Right of use assets	59.255.836	36.029.211
Total	166.346.795	152.382.737

NOTE 9 - FINANCIAL BORROWINGS

As March 31, 2024 and December 31, 2023, the details of the financial debts are as follows;

Short Term Financial Borrowings

	31 March 2024	31 December 2023
Bank Loans	1.602.472.379	1.614.326.172
Debts from Leasing Transactions	155.075.959	188.036.545
Financial Leasing Debts	7.695.150	9.138.229
Deferred Financial Leasing Borrowing Costs (-)	(871.813)	(1.118.447)
Other Financial Debts	52.071.061	17.574.966
Total	1.816.442.736	1.827.957.465

Current Instalments of Long-Term Financial Liabilities

	31 March 2024	31 December 2023
Current Instalments of Long-Term Financial Liabilities	1.292.130.873	1.112.138.417
Total	1.292.130.873	1.112.138.417

Long Term Financial Borrowings

	31 March 2024	31 December 2023
Bank Loans	801.419.782	826.757.876
Debts from Leasing Transactions	302.597.281	389.320.334
Financial Leasing Debts	6.194.907	8.669.799
Deferred Financial Leasing Borrowing Costs (-)	(258.188)	(449.462)
Total	1.109.953.782	1.224.298.547

Liabilities given for bank borrowings are mentioned in Note 11.

The details of the bank loans are as follows:

31 March 2024

Currency Type	Maturity Range	Weighted Average Effective Interest Rate	Short Term	Long Term
TRY	April 2024 - February 2033	42,75%	1.962.078.177	623.180.461
USD	June 2024 - February 2026	7,77%	141.504.681	32.285.400
EUR	April 2024 - November 2026	6,70%	603.796.065	145.953.921
CNY	May 2024 - March 2025	7,10%	187.224.329	--
Total			2.894.603.252	801.419.782

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31 December 2023

Currency Type	Maturity Range	Weighted Average Effective Interest Rate	Short Term	Long Term
TRY	January 2024-February 2033	38,62%	2.067.950.877	713.515.572
USD	February 2024-September 2024	8,02%	123.635.207	--
EUR	April 2024-November 2026	6,70%	469.156.912	113.242.304
CNY	May 2024-October 2024	6,85%	65.721.593	--
Total			2.726.464.589	826.757.876

The details of the financial leases are as follows;

31 March 2024

	Currency	Amount	TRY Value
Short-term financial lease liabilities			
Financial lease debts (principal + interest)	EUR	114.489	7.461.598
Minus: Interest expense for future months	EUR	(14.823)	(638.261)
Total			6.823.337

Long-term financial lease liabilities			
Financial lease debts (principal + interest)	EUR	284.624	6.194.907
Minus: Interest expense for future months	EUR	(17.646)	(258.188)
Total			5.936.719

The principal amount of financial lease liabilities shown in the financial statements	12.760.056
--	-------------------

31 December 2023

	Currency	Amount	TRY Value
Short-term financial lease liabilities			
Financial lease debts (principal + interest)	EUR	190.501	8.834.163
Minus: Interest expense for future months	EUR	(24.187)	(814.381)
Total			8.019.782

Long-term financial lease liabilities			
Financial lease debts (principal + interest)	EUR	284.624	8.669.799
Minus: Interest expense for future months	EUR	(17.646)	(449.462)
Total			8.220.337

The principal amount of financial lease liabilities shown in the financial statements	16.240.119
--	-------------------

Maturity schedule of banks borrowings are as follows:

	31 March 2024	31 December 2023
Up to 3 months	850.411.179	933.725.640
3 to 12 months	2.258.162.430	2.006.370.242
1 to 5 years	872.073.216	932.438.505
Over 5 years	237.880.566	291.860.042
Total	4.218.527.391	4.164.394.429

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NOTE 10 – EMPLOYEE BENEFIT LIABILITIES

	31 March 2024	31 December 2023
Due to personnel	100.885.900	113.945.940
Taxes and funds payable for personnel	16.823.687	26.407.538
Social security and Taxes and dues payable	78.677.388	85.407.503
Total	196.386.975	225.760.981

NOTE 11 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**Contingent Liabilities**

Given GSM (Guarantee-Security-Mortgage) by Group	31 March 2024	31 December 2023
A. Total Amount of GSM Given on Behalf of Legal Entity	1.043.917.931	963.931.689
B. Total Amount of GSM Given for Partnerships which are Included in Full Consolidation	--	--
C. Total Amount of GSM Given for the Purpose of Guaranteeing Third Party Loans to Carry the Regular Trade Activities	--	--
D. Total Amount of Other GSM Given	--	--
i. Total Amount of GSM Given for the Parent Company	--	--
ii. Total Amount of GSM Given for Other Group Companies not Included in B and C Clauses	--	--
iii. Total Amount of GSM Given for Third Parties not Included in C Clause	--	--
Total	1.043.917.931	963.931.689

Letters of guarantee - As of 31 March 2024, the Group has given letters of guarantee amounting to TRY 810.431.951 to the suppliers and other corporations. The details of the letters of guarantee are as below:

31 March 2024	Foreign currency	Amount	TRY equivalent
Electricity Distribution Companies	TRY	2.061.660	2.061.660
Executive Directorate	TRY	9.435.594	9.435.594
Customs Directorate	TRY	3.191.478	3.191.478
Gas Distribution Companies	TRY	172.245	172.245
Private sector	TRY	116.131.756	116.131.756
Private sector	EUR	97.280	3.385.568
Private sector	USD	572.000	18.467.249
Turkey Export Credit Bank	EUR	6.502.879	226.315.146
Turkey Export Credit Bank	CNY	46.657.600	207.411.695
Turkey Export Credit Bank	USD	2.930.000	94.596.222
Turkey Export Credit Bank	TRY	129.068.000	129.068.000
State Supply Office	TRY	195.339	195.339
Total			810.431.951

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31 December 2023	Foreign currency	Amount	TRY equivalent
Electricity Distribution Companies	TRY	5.165.965	5.165.965
Executive Directorate	TRY	10.567.549	10.567.549
Customs Directorate	TRY	3.614.396	3.614.396
Gas Distribution Companies	TRY	198.191	198.191
Private sector	TRY	34.297.922	34.297.922
Private sector	EUR	97.280	3.646.123
Private sector	USD	572.000	19.375.161
Turkey Export Credit Bank	EUR	7.934.001	297.371.987
Turkey Export Credit Bank	CNY	15.407.600	73.062.871
Turkey Export Credit Bank	USD	2.240.000	75.874.757
Turkey Export Credit Bank	RUB	85.000.000	31.894.888
Turkey Export Credit Bank	TRY	146.646.287	146.646.287
State Supply Office	TRY	224.764	224.764
Total			701.940.863

As at 31 March 2024, mortgages on various tangible assets of the Group amounting to TRY 233.485.980 (31 December 2023: TRY 261.990.826).

	31 March 2024	31 December 2023	31 March 2024	31 December 2023
	Foreign currency		TRY equivalent	
Bills given (TRY)	158.000.000	181.800.525	158.000.000	181.800.525
Total	158.000.000	181.800.525	158.000.000	181.800.525

Contingent Asset

	31 March 2024	31 December 2023	31 March 2024	31 December 2023
	Foreign currency		TRY equivalent	
Letters of Guarantee (TRY)	760.677.000	1.077.670.363	760.677.000	1.077.670.363
Letters of Guarantee (USD)	2.772.500	4.117.500	89.511.272	139.470.676
Letters of Guarantee (EUR)	405.000	405.000	14.094.932	15.179.688
Mortgages (TRY)	417.987.501	480.951.564	417.987.501	480.951.564
Mortgages (Abroad) (USD)	3.775.000	3.775.000	121.877.385	127.869.290
Checks Received (TRY)	2.650.000	3.049.186	2.650.000	3.049.186
Total			1.406.798.089	1.844.190.767

NOTE 12 – SHARE CAPITAL

Paid in Capital

The registered capital of the parent company is TRY 150.000.000 (31 December 2023: TRY 150.000.000).

In accordance with the decision of the Board of Directors dated 27.03.2019 the Company increased TRY 95.988.292 to TRY 149.798.932 in order to be covered by the paid capital ceiling.

Paid-in capital of the parent company each 1 TRY. of the total shares of the Company with a nominall amount of TRY 149.798.932 (31 December 2023: TRY 149.798.932).

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The shareholding structure of the parent company as of 31 March 2024 and 31 December 2023 is as follows;

	31 March 2024		31 December 2023	
	Amount TRY	Share (%)	Amount TRY	Share (%)
Hacı Nuri Öztaşkın	12.427.403	8,30%	12.427.403	8,30%
Yılmaz Öztaşkın	10.940.192	7,30%	10.940.192	7,30%
Bostancı Otelcilik ve Turizm İşletmesi A.Ş	8.467.847	5,65%	8.467.847	5,65%
Other ⁽¹⁾	117.963.490	78,75%	117.963.490	78,75%
Total	149.798.932	100,00%	149.798.932	100,00%
Inflation Adjustment on Capital ⁽²⁾	1.136.505.516		1.136.505.516	
Total	1.136.505.516		1.136.505.516	

⁽¹⁾ Includes nominal repurchase shares amounting to 6.035.734 at the rate of 4,03% stated.

⁽²⁾ Capital adjustment differences represent the discrepancy between the total amounts of cash and cash equivalents added to the capital, adjusted for inflation accounting, and their pre-adjustment amounts. The capital adjustment differences have no other use than to be added to the capital.

Foreign currency conversion differences

Currency conversion differences as of 31 March 2024 and 31 December 2023 are as follows;

	31 March 2024	31 December 2023
1 January	(29.915.825)	(15.565.168)
Addition	12.031.839	(14.350.657)
Total	(17.883.986)	(29.915.825)

Foreign currency translation differences consist of foreign currency exchange differences arising from the translation of foreign currency financial statements from the current currency to the reporting currency.

Buy back shares

As 31 March 2024 and 31 December 2023 buy back shares as following;

	31 March 2024	31 December 2023
Beginning of the period	(190.613.550)	(190.613.550)
Buy back shares	--	--
Total	(190.613.550)	(190.613.550)

In accordance with II-22.1 "Communiqué on Buy Back Shares" issued by the CMB, the Group has purchased the shares quoted in the Exchange Market.

As of 31 March 2024, the Group has Purchased 6.035.734 shares amounting to TRY 190.613.550 that is 4,03 % of its total capital and reflected it in the accompanying financial statements under "Buy back shares in Equity".

In addition, in accordance with the related communiqué, the amount of buy back shares is reclassified in "restricted reserves".

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NOTE 13 – REVENUE

For the periods ended at 31 March 2024 and 2023, the details of sales are as following;

	1 January – 31 March 2024	1 January – 31 March 2023
Domestic sales	3.543.291.255	3.815.224.723
Export sales	297.784.600	282.203.866
Other sales	20.072.116	14.171.167
Gross Sales	3.861.147.971	4.111.599.756
Sales returns (-)	(64.249.788)	(134.229.777)
Sales discounts (-)	(427.528.507)	(446.131.225)
Other discounts (-)	(1.162.883)	(2.326.058)
Sales returns and Discounts (-)	(492.941.178)	(582.687.060)
Net Sales	3.368.206.793	3.528.912.696

NOTE 14 – COST OF SALES (-)

For the periods ended at 31 March 2024 and 2023, the details of cost of sales are as following;

	1 January – 31 March 2024	1 January – 31 March 2023
Cost of finished goods sold	(1.453.712.050)	(2.352.612.451)
Cost of merchandise	(804.318.317)	(8.493.645)
Cost of services sold	(54.735.459)	(51.273.150)
Total	(2.312.765.826)	(2.412.379.246)

NOTE 15 – RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES (-)

	1 January – 31 March 2024	1 January – 31 March 2023
Research and development expenses	18.767.193	17.393.211
Marketing, sales and distribution expenses	718.073.097	679.994.376
General administrative expenses	117.486.273	123.795.360
Total	854.326.563	821.182.947

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EXPENSES BY NATURE (-)

	1 January – 31 March 2024	1 January – 31 March 2023
Personnel Expenses	318.373.568	264.190.708
Depreciation Expense	121.578.371	92.449.789
Transportation Expenses	99.088.894	80.559.038
Advertising Expenses	72.513.867	136.659.723
Sales Channel Setup and Logistics Expenses	44.691.570	45.016.084
E-commerce Commission Expenses	25.290.381	19.365.815
Rent Expenses	18.341.638	24.967.207
Export Expenses	17.023.012	20.303.177
Provision for Severance Pay Expenses	14.014.749	5.342.444
Turnover Bonus Expenses	12.302.752	4.651.471
Electricity, Water, and Heating Expenses	11.505.796	17.602.185
Consulting Expense	10.870.358	18.877.907
Taxes, Duties, and Fees Expenses	9.889.826	7.250.632
Material Expense	9.808.761	6.520.295
Travel, Transportation, and Accommodation Expenses	9.338.521	9.919.774
Exhibition Expenses	9.032.078	28.546.521
Store Common Area Expenses	6.167.171	8.801.940
Maintenance and Repair Expenses	5.425.689	5.517.709
Communication Expenses	5.010.779	1.098.732
Decoration Expense	2.478.482	6.326.396
Dealer Opening Support	2.451.377	3.429.546
Insurance Expenses	2.015.539	3.733.117
Other Expenses	27.113.384	10.052.737
Total	854.326.563	821.182.947

NOTE 16 – FINANCIAL INCOME

	1 January – 31 March 2024	1 January – 31 March 2023
Foreign exchange income	7.498.489	18.149.076
Interest income	6.740.474	3.864.494
Total	14.238.963	22.013.570

NOTE 17 – FINANCIAL EXPENSES (-)

	1 January – 31 March 2024	1 January – 31 March 2023
Foreign exchange losses	67.638.818	36.001.077
Interest expenses	265.969.548	72.380.429
Bank commission	68.984.564	22.458.669
Lease payables interest accruals	10.586.617	6.060.064
Guarantee letter commison expenses	1.918.532	1.259.338
Other financial expenses	6.892.456	897.220
Total	421.990.535	139.056.797

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NOTE 18 – TAX ASSETS AND LIABILITIES

In Turkey, as of March 31, 2024 the corporate tax rate is 25% (2023: 25%). However, with the 91st article of the Law No. 7061 "Amending Some Tax Laws and Other Laws" published in the Official Gazette No. 30261 dated December 5, 2017, and the temporary 10th article added to the Corporate Tax Law No. 5520, it is envisaged that the corporate tax to be paid on the earnings of corporations for the tax periods of 2018, 2019, and 2020 will be calculated at a rate of 23% and then continue to be taxed at a rate of 20%. During this period, the Council of Ministers has been given the authority to reduce the rate of 22% to 20%.

As of the period ending on March 31, 2024, in accordance with tax legislation, provisional tax is calculated and paid at a rate of 25% (2023: 25%) on the earnings formed every three months, and the amounts paid in this way are offset from the tax calculated on the annual income.

According to the Corporate Tax Law, financial losses shown on the declaration can be deducted from the corporate tax base of the period, provided that they do not exceed 5 years. Declarations and related accounting records can be examined by the tax office within five years, and tax accounts can be revised. Dividend payments made to real persons who are resident and non-resident in Turkey and to legal persons who are not resident in Turkey by joint-stock companies resident in Turkey, except those who are not liable for corporate tax and income tax and those who are exempt, are subject to 15% income tax.

Dividend payments made by joint-stock companies resident in Turkey to other joint-stock companies resident in Turkey are not subject to income tax. Also, if the profit is not distributed or added to the capital, income tax is not calculated.

Exemption for Real Estate and Subsidiary Share Sales Gains

Dividend earnings obtained by corporations from their participation in the capital of another corporation subject to full liability (excluding dividend earnings from investment fund participation certificates and investment partnership shares) are exempt from corporate tax. In addition, 75% of the earnings from the sale of participation shares and real estate (immovables) founder's certificates, usufruct certificates, and pre-emption rights, which corporations have held in their assets for at least two full years, are exempt from corporate tax as of March 31, 2024.

However, with the amendment made by Law No. 7061, this rate has been reduced from 75% to 50% for immovables and this rate will be used as 50% in tax declarations to be prepared from 2019 onwards. To benefit from the exemption, the relevant earnings must be kept in a fund account in the passive and must not be withdrawn from the business for 5 years. The sales price must be collected by the end of the second calendar year following the year in which the sale was made. There are many exemptions for corporations in the Corporate Tax Law. The ones related to the Company are explained below:

Since 75% of the earnings from the sale of real estate (immovables) in the Group's assets for at least two full years were exempt from corporate tax as of March 31, 2024, the taxable temporary differences arising on the real estate owned by the Group were accepted as 5% by applying a 75% exemption on the corporate tax at the rate of 20% used in previous periods. As of March 31, 2024, since the forward-looking exemption rate was determined as 50%, the exemption was applied and the new deferred tax rate was accepted as 10%.

Taxes in balance sheet

	31 March 2024	31 December 2023
Corporation tax	34.357.890	214.721.634
Prepaid taxes and funds (-)	(34.357.890)	(136.385.598)
Total	--	78.336.036

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	31 March 2024	31 Dec. 2023	31 March 2024	31 Dec. 2023
	Cumulative temporary difference	Deferred tax assets / (liabilities)	Cumulative temporary difference	Deferred tax assets / (liabilities)
Deferred tax assets / (liabilities), net				
Receivable Rediscount Adjustments	108.458.654	87.165.938	27.114.664	21.791.484
Advances Received Adjustments	(1.200.044)	15.100.157	(300.011)	3.775.040
Debt Rediscount Adjustments	(122.467.735)	(99.319.523)	(30.616.934)	(24.829.881)
Lawsuit Provisions Adjustments	405.529	466.616	101.382	116.654
Other Accounts Adjustments	13.251.152	10.995.184	3.312.788	2.748.797
Other Provisions Adjustments	6.816.910	7.843.784	1.704.228	1.960.946
Severance Pay Provisions Adjustments	61.605.360	47.848.391	15.401.340	11.962.098
Credit Interest Accruals Adjustments	62.292.705	15.449.612	15.573.176	3.862.403
Usage Rights Adjustments	(469.672.447)	(409.244.644)	(117.418.112)	(102.311.161)
Tangible and Intangible Fixed Assets Adjustments	(1.525.077.557)	(983.504.779)	(327.708.695)	(184.247.319)
Prepaid Expenses Adjustments	9.909.144	42.850.074	2.477.286	10.712.519
Stock Value Decrease Adjustments	21.027.253	13.723.854	5.256.813	3.430.964
Forward Purchase and Valuation Differences on Stocks	(333.106.715)	(123.697.488)	(83.276.679)	(30.924.372)
Doubtful Receivables Provisions Adjustments	17.264.797	13.873.574	4.316.199	3.468.394
Term Deposit Interest Accruals Adjustments	--	--	--	--
Advances Given Adjustments	6.609.922	(22.493.906)	1.652.481	(5.623.477)
Investment Property Adjustments	(144.807.870)	(143.997.782)	(36.201.963)	(35.999.446)
Deferred Tax Liabilities	(2.288.690.942)	(1.526.940.938)	(518.612.037)	(320.106.357)

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NOTE 19 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial Instruments

Foreign currency risk

The carrying amounts of foreign currency assets and liabilities held by the Group as of 31 March 2024 and 31 December 2023 are as follows:

	31 March 2024					
	TRY equivalent functional currency	USD	EUR	GBP	RUBLE	CNY
1. Trade Receivables	656.573.740	14.382.203	3.278.447	18.000	222.734.276	--
2a. Monetary Financial Assets (including cash, banks)	137.463.438	1.072.562	2.932.300	4	2.257.000	--
2b. Non-monetary financial assets	--	--	--	--	--	--
3. Other	332.886.049	582.913	5.287.459	6.011	--	29.200.137
4. Current Assets (1+2+3)	1.126.923.227	16.037.678	11.498.206	24.015	224.991.276	29.200.137
5. Trade Receivables	--	--	--	--	--	--
6a. Monetary financial assets	--	--	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--	--	--
7. Other	5.332.967	165.182	--	--	--	--
8. Non-Current Assets (5+6+7)	5.332.967	165.182	--	--	--	--
9. Total Assets (4+8)	1.132.256.194	16.202.860	11.498.206	24.015	224.991.276	29.200.137
10. Trade Payables	343.164.468	5.841.671	4.428.341	11.000	--	--
11. Financial Liabilities	936.509.556	4.382.931	17.463.804	--	--	42.116.419
12a. Other monetary financial liabilities	68.142.360	1.741.946	250.493	--	9.165.000	--
12b. Other non-monetary financial liabilities	--	--	--	--	--	--
13. Current Liabilities (10+11+12)	1.347.816.384	11.966.548	22.142.638	11.000	9.165.000	42.116.419
14. Trade Payables	--	--	--	--	--	--
15. Financial Liabilities	187.530.768	1.000.000	4.460.779	--	--	--
16a. Other monetary financial liabilities	--	--	--	--	--	--
16b. Other non-monetary financial liabilities	--	--	--	--	--	--
17. Non-Current Liabilities (14+15+16)	187.530.768	1.000.000	4.460.779	--	--	--
18. Total Liabilities (13+17)	1.535.347.152	12.966.548	26.603.417	11.000	9.165.000	42.116.419
19. Net asset / liability position of off- balance sheet derivative instruments (19a-19b)	--	--	--	--	--	--
19a. Hedged amount of assets	--	--	--	--	--	--
19b. Hedged amount of liabilities position	--	--	--	--	--	--
20. Net foreign currency position asset / liabilities (9-18+19)	(403.090.958)	3.236.312	(15.105.211)	13.015	215.826.276	(12.916.282)
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(741.309.974)	2.488.217	(20.392.670)	7.004	215.826.276	(42.116.419)

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	31 December 2023					
	TRY equivalent functional currency	USD	EUR	GBP	RUBLE	CNY
1. Trade Receivables	699.701.123	13.280.295	1.748.210	18.000	489.195.000	--
2a. Monetary Financial Assets (including cash, banks)	121.153.783	1.764.594	911.645	23	72.201.000	25.291
2b. Non-monetary financial assets	--	--	--	--	--	--
3. Other	253.708.521	796.941	4.799.335	7.141	--	9.811.021
4. Current Assets (1+2+3)	1.074.563.427	15.841.830	7.459.190	25.164	561.396.000	9.836.312
5. Trade Receivables	--	--	--	--	--	--
6a. Monetary financial assets	--	--	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--	--	--
7. Other	5.595.154	165.182	--	--	--	--
8. Non-Current Assets (5+6+7)	5.595.154	165.182	--	--	--	--
9. Total Assets (4+8)	1.080.158.581	16.007.012	7.459.190	25.164	561.396.000	9.836.312
10. Trade Payables	274.967.590	3.422.076	4.229.709	11.780	34.050	--
11. Financial Liabilities	658.513.711	3.650.000	12.517.290	--	--	13.859.461
12a. Other monetary financial liabilities	15.749.359	377.897	78.680	--	--	--
12b. Other non-monetary financial liabilities	--	--	--	--	--	--
13. Current Liabilities (10+11+12)	949.230.660	7.449.973	16.825.679	11.780	34.050	13.859.461
14. Trade Payables	--	--	--	--	--	--
15. Financial Liabilities	113.242.304	--	3.021.349	--	--	--
16a. Other monetary financial liabilities	--	--	--	--	--	--
16b. Other non-monetary financial liabilities	--	--	--	--	--	--
17. Non-Current Liabilities (14+15+16)	113.242.304	--	3.021.349	--	--	--
18. Total Liabilities (13+17)	1.062.472.964	7.449.973	19.847.028	11.780	34.050	13.859.461
19. Net asset / liability position of off- balance sheet derivative instruments (19a-19b)	--	--	--	--	--	--
19a. Hedged amount of assets	--	--	--	--	--	--
19b. Hedged amount of liabilities position	--	--	--	--	--	--
20. Net foreign currency position asset / liabilities (9-18+19)	17.685.617	8.557.039	(12.387.838)	13.384	561.361.950	(4.023.149)
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(241.618.058)	7.594.916	(17.187.173)	6.243	561.361.950	(13.834.170)

Details of the import and export amounts of the Group as of 31 March 2024 and 2023 are as follows;

	1 January – 31 March 2024		1 January – 31 March 2023	
	Import	Export	Import	Export
USD	3.754.475	6.184.236	4.011.810	4.179.434
EUR	2.503.121	2.263.854	2.874.103	2.315.578
TRY	--	2.403.633	--	2.631.899
GBP	17.948	--	--	--
CNY	9.806.938	--	--	--
TRY equivalent	241.116.479	269.746.727	225.609.717	216.555.475

Foreign Currency Risk Sensitivity Analysis

As of 31 March 2024, if TRY evaluates / devaluates against foreign currency by 10% and all other variables remains the same, profit before tax which occurs as a result of the foreign exchange loss / gain arising from net foreign exchange exposure is as below:

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at March 31, 2024, unless otherwise indicated)

(CONVENIENCE TRANSLATION INTO ENGLISH OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS, ORIGINALLY ISSUED IN TURKISH)

Foreign Currency Risk Sensitivity Analysis Table		
31 March 2024		
	Profit / (Loss)	
	Appreciation of foreign currency	Depreciation of foreign currency
In case of appreciation / depreciation of USD against TRY at 10%		
1- USD net asset / liability	10.448.563	(10.448.563)
2- Part of hedged from USD risk (-)	--	--
3- USD net effect (1+2)	10.448.563	(10.448.563)
In case of appreciation / depreciation of EUR against TRY at 10%		
4- EUR net asset / liability	(52.569.608)	52.569.608
5- Part of hedged from EUR risk (-)	--	--
6- EUR net effect (4+5)	(52.569.608)	52.569.608
In case of appreciation / depreciation of GBP against TRY at 10%		
7-GBP net asset/liability	52.927	(52.927)
8-Part of hedged from GBP risk (-)	--	--
9-GBP net effect (7+8)	52.927	(52.927)
In case of appreciation / depreciation of RUB against TRY at 10%		
10-RUB net asset/liability	7.500.826	(7.500.826)
11-Part of hedged from RUB risk (-)	--	--
12-RUB net effect (10+11)	7.500.826	(7.500.826)
In case of appreciation / depreciation of CNY against TRY at 10%		
13-CNY net asset/liability	(5.741.804)	5.741.804
14-Part of hedged from CNY risk (-)	--	--
15-CNY net effect (10+11)	(5.741.804)	5.741.804
Total (3+6+9+12+15)	(40.309.096)	40.309.096

Foreign Currency Risk Sensitivity Analysis Table		
31 December 2023		
	Profit / (Loss)	
	Appreciation of foreign currency	Depreciation of foreign currency
In case of appreciation / depreciation of USD against TRY at 10%		
1- USD net asset / liability	25.190.383	(25.190.383)
2- Part of hedged from USD risk (-)	--	--
3- USD net effect (1+2)	25.190.383	(25.190.383)
In case of appreciation / depreciation of EUR against TRY at 10%		
4- EUR net asset / liability	(40.352.020)	40.352.020
5- Part of hedged from EUR risk (-)	--	--
6- EUR net effect (4+5)	(40.352.020)	40.352.020
In case of appreciation / depreciation of GBP against TRY at 10%		
7-GBP net asset/liability	50.112	(50.112)
8-Part of hedged from GBP risk (-)	--	--
9-GBP net effect (7+8)	50.112	(50.112)
In case of appreciation / depreciation of RUB against TRY at 10%		
10-RUB net asset/liability	18.306.575	(18.306.575)
11-Part of hedged from RUB risk (-)	--	--
12-RUB net effect (10+11)	18.306.575	(18.306.575)
In case of appreciation / depreciation of CNY against TRY at 10%		
13-CNY net asset/liability	(1.658.020)	1.658.020
14-Part of hedged from CNY risk (-)	--	--
15-CNY net effect (10+11)	(1.658.020)	1.658.020
Total (3+6+9+12+15)	1.537.030	(1.537.030)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2024

(Amounts expressed in Turkish Lira ("TRL") in terms of the purchasing power of the TRL at March 31, 2024, unless otherwise indicated)

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NOTE 20 – FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING DISCLOSURES)

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists. The estimated fair values of financial instruments have been determined by the Company using available markets information in Turkey and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange.

Financial Assets

Balances denominated in foreign currencies are converted at period exchange rates. The fair value of certain financial assets carried at cost, including cash and cash equivalents are considered to approximate their respective carrying amounts in the financial statements. The carrying value of trade receivables, net of allowances for possible non-recovery of uncollectible are considered to approximate their fair values

Financial Liabilities

The fair value of short-term bank loans and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The fair values of long-term bank borrowings, which are denominated in foreign currencies and translated at period/year-end exchange rates, are considered to approximate their carrying values. The carrying amount of accounts payable and accrued expenses reported in the financial statements for estimated third party payer settlements approximates its fair values.

NOTE 21 – OTHER ISSUES AFFECTING THE CONDENSED CONSOLIDATED FINANCIAL STATESMENTS SIGNIFICANTLY OR REQUIRED TO BE DISCLOSURE FOR CLEAR, UNDERSTANDABLE AND INTERPRETABLE PRESENTATION

None. (31 December 2023: None).

NOTE 22 – POST BALANCE SHEET EVENTS

None. (31 December 2023: None).