

(CONVENIENCE TRANSLATION OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

MLP SAĐLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

**CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS FOR THE PERIOD ENDED
1 JANUARY- JUNE 30, 2024**



DRT Bağımsız Denetim ve
Serbest Muhasebeci
Mali Müşavirlik A.Ş.
Maslak No1 Plaza
Eski Büyükdere Caddesi
Maslak Mahallesi No:1
Maslak, Sarıyer 34485
İstanbul, Türkiye

Tel: +90 (212) 366 60 00
Fax: +90 (212) 366 60 10
www.deloitte.com.tr

Mersis No :0291001097600016
Ticari Sicil No: 304099

**(CONVENIENCE TRANSLATION OF THE REPORT ON REVIEW OF CONDENSED INTERIM
CONSOLIDATED FINANCIAL INFORMATION ORIGINALLY ISSUED IN TURKISH)**

**REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION**

**To the General Assembly of
MLP Sağlık Hizmetleri A.Ş.**

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of MLP Sağlık Hizmetleri A.Ş. (“the Company”) and its subsidiaries (together will be referred as “the Group”) as of 30 June 2024, and the related condensed consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows and other explanatory notes for the six-month period then ended (“condensed consolidated interim financial information”). Group management is responsible for the preparation and fair presentation of this condensed consolidated interim financial information in accordance with Turkish Accounting Standards 34 “Interim Financial Reporting” (“TAS 34”). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Independent Auditing Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Deloitte; İngiltere mevzuatına göre kurulmuş olan Deloitte Touche Tohmatsu Limited (“DTTL”) şirketini, üye firma ağındaki şirketlerden ve ilişkili tüzel kişiliklerden bir veya birden fazlasını ifade etmektedir. DTTL ve üye firmalarının her biri ayrı ve bağımsız birer tüzel kişiliktir. DTTL (“Deloitte Global” olarak da anılmaktadır) müşterilere hizmet sunmamaktadır. Global üye firma ağımızla ilgili daha fazla bilgi almak için www.deloitte.com/about adresini ziyaret ediniz.

© 2024. Daha fazla bilgi için Deloitte Türkiye (Deloitte Touche Tohmatsu Limited üye şirketi) ile iletişime geçiniz.



Conclusion

Based on our review, nothing has come to our attention that causes us to conclude that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with TAS 34 “Interim Financial Reporting”.

Other Information

The Group Management is responsible for the other information, which is presented in Appendix 1. The other information comprises non-TAS measures.

Our conclusion on the condensed consolidated interim financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the condensed consolidated interim financial information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the condensed consolidated interim financial information or our knowledge obtained in the review or otherwise appears to be materially misstated. A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review audit procedures. Based on the review work we have performed, we have nothing to report in this regard.

Additional paragraph for convenience translation to English

In the accompanying interim condensed consolidated financial statements, the accounting principles described in Note 2 (defined as Turkish Accounting Standards/Turkish Financial Reporting Standards) differ from International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board with respect to the application of inflation accounting. Accordingly, the accompanying interim condensed consolidated financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Volkan Becerik
Partner

İstanbul, 21 August 2024

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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR
THE PERIOD ENDED 1 JANUARY – JUNE 30, 2024**

| INDEX | PAGE |
|---|-------------|
| CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION | 1-2 |
| CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME..... | 3 |
| CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY..... | 4 |
| CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS | 5 |
| NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS | 7-38 |
| NOTE 1 ORGANIZATION AND OPERATIONS OF THE GROUP | |
| NOTE 2 BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS | |
| NOTE 3 RELATED PARTY DISCLOSURES | |
| NOTE 4 CASH AND CASH EQUIVALENTS | |
| NOTE 5 FINANCIAL INSTRUMENTS..... | |
| NOTE 6 TRADE RECEIVABLES AND PAYABLES..... | |
| NOTE 7 OTHER RECEIVABLES AND PAYABLES..... | |
| NOTE 8 INVENTORIES | |
| NOTE 9 PREPAID EXPENSES AND DEFERRED INCOME | |
| NOTE 10 PROPERTY, EQUIPMENT AND OTHER INTANGIBLE ASSETS..... | |
| NOTE 11 RIGHT OF USE ASSETS..... | |
| NOTE 12 PAYABLES FOR EMPLOYEE BENEFITS | |
| NOTE 13 OTHER ASSETS AND LIABILITIES | |
| NOTE 14 PROVISIONS | |
| NOTE 15 COMMITMENTS..... | |
| NOTE 16 SHARE CAPITAL/OTHER RESERVES | |
| NOTE 17 REVENUE | |
| NOTE 18 OPERATING EXPENSES..... | |
| NOTE 19 OTHER INCOME AND EXPENSE FROM OPERATING ACTIVITIES..... | |
| NOTE 20 INCOME AND EXPENSES FROM INVESTING ACTIVITIES | |
| NOTE 21 FINANCE EXPENSES..... | |
| NOTE 22 TAXES ON INCOME (DEFERRED TAX ASSET AND LIABILITIES INCLUDED)..... | |
| NOTE 23 EARNINGS PER SHARE | |
| NOTE 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES..... | |
| NOTE 25 BUSINESS COMBINATIONS..... | |
| NOTE 26 EVENTS AFTER THE REPORTING PERIOD..... | |
| APPENDIX I EARNINGS BEFORE INTEREST TAXES DEPRECIATION AND AMORTISATION (“EBITDA”) | 39 |

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

| | | Unaudited | Audited |
|---|-------|-------------------|-------------------|
| | Notes | 30 June 2024 | 31 December 2023 |
| ASSETS | | | |
| Current Assets: | | 9.266.311 | 10.551.981 |
| Cash and cash equivalents | 4 | 2.370.943 | 3.508.004 |
| Trade receivables | | 4.931.762 | 4.561.791 |
| - <i>Due from related parties</i> | 3,6 | 48 | 141 |
| - <i>Trade receivables from third parties</i> | 6 | 4.931.714 | 4.561.650 |
| Other receivables | | 270.894 | 265.661 |
| - <i>Due from related parties</i> | 3,7 | 193.279 | 168.223 |
| - <i>Other receivables from third parties</i> | 7 | 77.615 | 97.438 |
| Inventories | 8 | 972.419 | 1.342.888 |
| Prepaid expenses | 9 | 482.100 | 613.255 |
| Other current assets | 13 | 238.193 | 260.382 |
| Non-current Assets: | | 26.350.484 | 24.891.482 |
| Trade receivables | 6 | 1.053 | 1.313 |
| Other receivables | 7 | 399.314 | 277.583 |
| Property plant and equipment | 10 | 4.799.787 | 4.822.040 |
| Intangible assets | | 6.436.297 | 5.603.817 |
| - <i>Goodwill</i> | | 638.989 | 638.989 |
| - <i>Other intangible assets</i> | 10 | 5.797.308 | 4.964.828 |
| Right of use assets | 11 | 9.891.393 | 9.032.591 |
| Prepaid expenses | 9 | 2.865.071 | 2.897.415 |
| Deferred tax assets | 22 | 1.957.569 | 2.256.723 |
| TOTAL ASSETS | | 35.616.795 | 35.443.463 |

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

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

| | | Unaudited | Audited |
|--|-------|-------------------|-------------------|
| | Notes | 30 June 2024 | 31 December 2023 |
| LIABILITIES AND EQUITY | | | |
| Current Liabilities: | | 10.413.878 | 11.085.119 |
| Short term borrowings | 5 | 2.497.998 | 2.702.836 |
| Short term portion of long term borrowings | 5 | 803.763 | 623.829 |
| Obligations under finance leases | 5 | 30.682 | 49.209 |
| Short term lease liabilities | 5 | 510.509 | 444.036 |
| Trade payables | | 4.681.518 | 5.091.942 |
| - Due to related parties | 3,6 | 84.313 | 74.881 |
| - Trade payables to third parties | 6 | 4.597.205 | 5.017.061 |
| Payables related to employee benefits | 12 | 541.658 | 431.451 |
| Other payables | | 288.180 | 230.737 |
| - Due to related parties | 3,7 | 57 | 76 |
| - Other payables to third parties | 7 | 288.123 | 230.661 |
| Deferred income | 9 | 708.099 | 1.069.156 |
| Short term provisions | | 186.170 | 156.499 |
| - Short term provisions for employment benefits | 12 | 121.648 | 97.803 |
| - Other short term provisions | 14 | 64.522 | 58.696 |
| Current tax liabilities | 22 | 165.301 | 285.424 |
| Non-current Liabilities: | | 7.630.981 | 8.277.158 |
| Long term borrowings | 5 | 35.454 | 1.338.345 |
| Obligations under finance leases | 5 | 5.361 | 18.608 |
| Long term lease liabilities | 5 | 2.483.906 | 2.376.682 |
| Other payables | | 330.852 | 339.566 |
| - Other payables to third parties | 7 | 330.852 | 339.566 |
| Deferred income | 9 | 12.856 | 42.012 |
| Long term provisions | | 177.130 | 140.729 |
| - Long term provisions for employee benefits | 12 | 177.130 | 140.729 |
| Deferred tax liabilities | 22 | 4.585.422 | 4.021.216 |
| EQUITY: | | 17.571.936 | 16.081.186 |
| Equity Attributable to the Owner of the Company: | | 17.036.658 | 15.810.148 |
| Share capital | 16 | 208.037 | 208.037 |
| Adjustments for paid-in capital | | 2.707.659 | 2.707.659 |
| Share premium | | 3.300.330 | 3.300.330 |
| Treasury shares | | (2.972.809) | (2.401.878) |
| Other comprehensive income or expenses that will not be reclassified | | (37.334) | (50.877) |
| - Accumulated gain/(loss) on remeasurement of defined benefit plans | | (37.334) | (50.877) |
| Restricted reserves | 16 | 81.715 | 81.715 |
| Accumulated income | | 11.957.895 | 6.503.970 |
| Net profit for the period | | 1.791.165 | 5.461.192 |
| Non-controlling interest | | 535.278 | 271.038 |
| TOTAL LIABILITIES AND EQUITY | | 35.616.795 | 35.443.463 |

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

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE SIX-MONTH PERIOD ENDED 1 JANUARY - JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

| | | Unaudited | Unaudited | Unaudited | Unaudited |
|---|-----------|---------------------------|-------------------------|---------------------------|-------------------------|
| | Notes | 1 January-30 June 2024 | 1 April-30 June 2024 | 1 January-30 June 2023 | 1 April-30 June 2023 |
| PROFIT OR LOSS | | | | | |
| Revenue | 17 | 16.330.547 | 7.701.246 | 13.010.539 | 6.495.640 |
| Cost of sales (-) | 17 | (12.161.992) | (5.782.689) | (9.672.557) | (4.779.987) |
| GROSS PROFIT | | 4.168.555 | 1.918.557 | 3.337.982 | 1.715.653 |
| General administration expenses (-) | 18 | (1.338.720) | (635.503) | (1.309.664) | (636.295) |
| Other income from operating activities | 19 | 371.192 | 59.181 | 569.383 | 480.296 |
| Other expenses from operating activities (-) | 19 | (508.015) | (208.966) | (321.217) | (227.782) |
| OPERATING PROFIT | | 2.693.012 | 1.133.269 | 2.276.484 | 1.331.872 |
| Income from investing activities | 20 | 821.020 | 820.786 | 86.162 | 67.469 |
| Expense from investing activities (-) | 20 | (5.642) | (5.642) | (5.173) | (607) |
| OPERATING PROFIT BEFORE | | | | | |
| FINANCE EXPENSE | | 3.508.390 | 1.948.413 | 2.357.473 | 1.398.734 |
| Finance expenses (-) | 21 | (1.218.276) | (571.725) | (898.411) | (393.872) |
| Monetary gain/(loss) | | 902.640 | 365.713 | 1.039.653 | 335.080 |
| NET PROFIT BEFORE TAX | | 3.192.754 | 1.742.401 | 2.498.715 | 1.339.942 |
| Tax expense from operations | | (1.137.349) | (502.122) | (791.182) | (190.934) |
| Current tax expense | 22 | (278.007) | (89.629) | (406.335) | (79.343) |
| Deferred tax gain/loss net | 22 | (859.342) | (412.493) | (384.847) | (111.591) |
| NET PROFIT | | 2.055.405 | 1.240.279 | 1.707.533 | 1.149.008 |
| Allocation of net profit | | | | | |
| Non-controlling interest | | 264.240 | 189.506 | 87.367 | 63.991 |
| Equity holders of the parent | | 1.791.165 | 1.050.773 | 1.620.166 | 1.085.017 |
| NET PROFIT FOR THE YEAR | | 2.055.405 | 1.240.279 | 1.707.533 | 1.149.008 |
| Basic gain per share | 23 | 8,61 | 5,05 | 7,79 | 6,11 |
| OTHER COMPREHENSIVE EXPENSES | | | | | |
| Items that will not be reclassified | | | | | |
| subsequently to profit or loss | | | | | |
| Remeasurement of defined benefit plans | | 18.057 | (1.518) | (38.976) | 3.276 |
| Income tax relating to items that will not be reclassified subsequently | | (4.514) | 379 | 7.796 | (655) |
| TOTAL COMPREHENSIVE INCOME | | 2.068.948 | 1.239.141 | 1.676.353 | 1.151.629 |
| Total comprehensive profit distribution | | | | | |
| Non-controlling interest | | 264.240 | 189.506 | 87.367 | 63.991 |
| Equity holders of the Parent | | 1.804.708 | 1.049.634 | 1.588.986 | 1.087.638 |

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

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIOD ENDED 1 JANUARY - JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

| | | | | | Other comprehensive income or expenses that will not be reclassified | Accumulated gain | | | | | |
|--|------------------|------------------|--|--------------------|--|------------------------|------------------------|------------------------------|--|---------------------------------|-------------------|
| | Share capital | Share premium | Positive distinction from share capital adjustment | Treasury shares | Accumulated gain/(loss) on remeasurement of defined benefit plans | Restricted reserves | Accumulated deficit | Net profit for the period | Equity Attributable to the Owner of the Company | Non- controlling interest | Total equity |
| Balance as at January 1, 2023 | 208.037 | 3.300.330 | 2.707.659 | (811.204) | 22.990 | 80.543 | 915.556 | 5.914.411 | 12.338.322 | 6.661 | 12.344.983 |
| Other comprehensive income for the period, net of tax | -- | -- | -- | -- | (31.180) | -- | -- | -- | (31.180) | -- | (31.180) |
| Net profit for the period | -- | -- | -- | -- | -- | -- | -- | 1.620.166 | 1.620.166 | 87.367 | 1.707.533 |
| Total comprehensive gain/(loss) for the period | -- | -- | -- | -- | (31.180) | -- | -- | 1.620.166 | 1.588.986 | 87.367 | 1.676.353 |
| Transfers | -- | -- | -- | -- | -- | 371 | 5.914.040 | (5.914.411) | -- | -- | -- |
| Increase/(decrease) due to share repurchase transactions | -- | -- | -- | (757.729) | -- | -- | -- | -- | (757.729) | -- | (757.729) |
| Dividend distribution | -- | -- | -- | -- | -- | -- | (48.038) | -- | (48.038) | -- | (48.038) |
| Balance as at June 30, 2023 | 208.037 | 3.300.330 | 2.707.659 | (1.568.933) | (8.190) | 80.914 | 6.781.558 | 1.620.166 | 13.121.541 | 94.028 | 13.215.569 |
| Balance as at January 1, 2024 | 208.037 | 3.300.330 | 2.707.659 | (2.401.878) | (50.877) | 81.715 | 6.503.970 | 5.461.192 | 15.810.148 | 271.038 | 16.081.188 |
| Other comprehensive income for the period, net of tax | -- | -- | -- | -- | 13.543 | -- | -- | -- | 13.543 | -- | 13.543 |
| Net profit for the period | -- | -- | -- | -- | -- | -- | -- | 1.791.165 | 1.791.165 | 264.240 | 2.055.405 |
| Total comprehensive gain/(loss) for the period | -- | -- | -- | -- | 13.543 | -- | -- | 1.791.165 | 1.804.708 | 264.240 | 2.068.948 |
| Transfers | -- | -- | -- | -- | -- | -- | 5.461.192 | (5.461.192) | -- | -- | -- |
| Increase/(decrease) due to share repurchase transactions | -- | -- | -- | (570.931) | -- | -- | -- | -- | (570.931) | -- | (570.931) |
| Dividend distribution | -- | -- | -- | -- | -- | -- | (7.267) | -- | (7.267) | -- | (7.267) |
| Balance as at June 30, 2024 | 208.037 | 3.300.330 | 2.707.659 | (2.972.809) | (37.334) | 81.715 | 11.957.895 | 1.791.165 | 17.036.658 | 535.278 | 17.571.936 |

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

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED CASH FLOWS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

| | Notes | Unaudited 1 January- 30 June 2024 | Unaudited 1 January- 30 June 2023 |
|---|----------|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit / (loss) for the period | | 2.716.131 | 2.828.290 |
| Profit / (loss) continuing operations | | 2.055.405 | 1.707.533 |
| - Adjustments related to depreciation and amortization expenses | 10-11 | 1.461.948 | 690.023 |
| - Adjustments related to impairment (reversal) | | 1.272.013 | 972.524 |
| <i>Adjustments related to impairment (reversal) of receivables</i> | 6 | (6.109) | (6.560) |
| - Adjustments related to provisions | | (6.109) | (6.560) |
| <i>Adjustments related to (reversal) of provision for employment benefits</i> | | 37.113 | (30.605) |
| <i>Adjustments related to lawsuit (reversal) of provision for lawsuit</i> | | 13.543 | (31.181) |
| - Adjustments related to interest (income) expense | | 23.570 | 576 |
| <i>Adjustments related to interest income</i> | | 853.866 | 379.622 |
| <i>Adjustments related to interest expense</i> | 21 | (264.099) | (130.417) |
| - Adjustments related to tax (gain) loss | 22 | 1.117.965 | 510.039 |
| - Other adjustments related to non-cash items | | 1.137.349 | 791.182 |
| - Adjustments related to (gain) loss on sale of fixed assets | | 13.453 | (19.864) |
| <i>Adjustments related to (gain) loss on sale of tangible assets</i> | | 5.416 | 4.191 |
| <i>Adjustments for losses (gains) arising from disposal of subsidiaries or joint operations</i> | 20 | 5.416 | 4.191 |
| <i>Monetary gain/ loss</i> | | (820.794) | - |
| Changes in working | | (1.030.359) | (1.400.467) |
| - Adjustments related to increase in trade receivables | | (377.328) | 671.727 |
| - Adjustments related to increase in inventories | | (1.416.158) | (1.783.645) |
| - Adjustments related to increase in trade payables | | 370.469 | 258.060 |
| - Adjustments related to increase in other payables from operations | | 616.057 | 2.146.264 |
| - Adjustments related to other (increase) decrease in working capital | | (557.369) | (377.521) |
| <i>Adjustments related to increase in other payables from other asset</i> | | 609.673 | 428.569 |
| Cash generated from operations | | 3.140.024 | 3.069.283 |
| - Payments related with provision for employee benefits | | (45.160) | (96.669) |
| - Tax paid | 22 | (392.601) | (143.332) |
| Payments for other provisions | | 13.830 | (1.582) |
| - Other cash inflows (outflows) | 6 | 37 | 590 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | (740.041) | (780.296) |
| -Proceeds from sales of property, plant, equipment and intangible assets | | (5.416) | (1.353) |
| Proceeds from sales of property, plant, equipment | | (5.416) | (1.353) |
| -Payment for purchase of property, plant and equipment, intangible assets | | (769.151) | (560.885) |
| <i>Payment for purchase of property, plant and equipment</i> | 10 | (765.958) | (480.372) |
| <i>Payment for purchase of intangible assets</i> | 10 | (3.193) | (80.513) |
| - Cash payments for capital expenditures | 9 | 34.526 | (573.128) |
| - Interest received | 20 | - | 85.180 |
| - Other cash inflows (outflows) | | - | 269.890 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | (2.417.521) | (1.461.618) |
| - Cash inflows from borrowings | | 285.052 | 793.219 |
| <i>Cash inflows from loans</i> | | 285.052 | 43.219 |
| <i>Cash inflows from debt securities issued</i> | | - | 750.000 |
| - Bank borrowings paid | | (634.068) | (866.535) |
| <i>Cash used for repayment of borrowings</i> | | (134.068) | (196.535) |
| <i>Cash used for repayment of bonds</i> | | (500.000) | (670.000) |
| - Repayment of lease liabilities | | (629.217) | (328.029) |
| - Repayment of obligations under finance leases | | (31.774) | (93.176) |
| - Interest paid | | (1.093.415) | (206.567) |
| - Interest received | | 264.099 | 45.237 |
| - Dividend paid | | (7.267) | (48.038) |
| - Cash Outflows Related to Repurchase of Own Shares or Reduced Capital (-) | | (570.931) | (757.729) |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES | | (441.431) | 586.376 |
| INFLATION EFFECT ON CASH AND CASH EQUIVALENTS | | (695.630) | (808.223) |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | | (1.137.061) | (221.847) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 4 | 3.508.004 | 1.574.101 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 4 | 2.370.943 | 1.352.254 |

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

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP

MLP Sağlık Hizmetleri A.Ş. (“MLP Sağlık”) has started its healthcare services operations in 1993, with the opening of Sultangazi Medical Center within the structure of Yükseliş Sağlık Hizmetleri Gıda Tekstil San. Ltd. Şti. in which Muharrem Usta is the majority shareholder. Following this, in 1995, it continues its operations, with the opening of Fatih Hospital under the legal entity of Saray Sağlık Hizmet Ticaret ve Sanayi A.Ş. in which Muharrem Usta was the majority shareholder. In 2005, with the establishment of MLP Sağlık, Fatih and Sultangazi Hospitals were merged under the legal entity of MLP Sağlık.

As of June 30, 2024, MLP is the holding company of 14 subsidiaries (December 31, 2023: 14) (collectively referred as the “Group”), each operating in the healthcare sector in Turkey.

The Company’s head office is located in Otakçılar Caddesi No 78 3450, Eyüp, İstanbul.

The Group has an agreement with the Social Security Institution of Turkey (the “SSI”) which includes service commitment in all branches disclosed in the Operations Approval Document. SSI is a state enterprise which pays the healthcare expenditures of the citizens of Turkey who are members of the social security system based on the law numbered 5510, and manages social security premiums and short and long term insurance expenses. According to the agreement, the Group is obliged to provide the healthcare services and to issue invoices to the SSI and patients in line with the Communiqué of Health Services published by the SSI. This transaction is performed through Medula, a web based software system, by assessing the right of the patient and obtaining provisions. As a result of the assessment the expenses relating to patients with no SSI, coverage is not charged to SSI. The healthcare expenses provided to the patients are invoiced based on the terms of the Communiqué of Health Services. In this Communiqué SSI determined a price list based on the treatments provided. Invoices are issued based on the price list announced by the Communiqué. SSI has the right not to pay the invoice or make a deduction if the treatments provided are not in compliance with the terms.

The Company is registered to the Capital Markets Board (“CMB”) and its shares have been quoted on the Borsa İstanbul A.Ş. (“BİAŞ or “Borsa” or “BİST”) since February 13, 2018. In accordance with the resolution numbered 21/655 on July 23, 2010 of CMB; according to the records of Central Registry Agency (CRA); shares representing 35.01% as of June 30 2024, of MLP Sağlık are accepted as “in circulation”. As of July 1, 2024, this ratio is 35.01% (Note 16).

The number of employees of the Group as at 30 June 2024 is 12,644 (31 December 2023: 12,677).

Approval of financial statements

Board of Directors has approved the financial statements and delegated authority for publishing it on August 21, 2024.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP (Continued)

As of June 30, 2024, the subsidiaries of the Company are:

| Name | Location and base of operation |
|---|--------------------------------|
| Temar Tokat Manyetik Rezonans Sağlık Hizmetleri ve Turizm A.Ş. (“Tokat Hastanesi”) | Tokat |
| Samsun Medikal Grup Özel Sağlık Hizmetleri A.Ş. (“Samsun Hastanesi”) | Samsun-İstanbul |
| Kuzey Medikal Pazarlama İnşaat Taşımacılık San. ve Tic. Ltd. Şti. (“Kuzey”) | Ankara |
| Artimed Medikal Sanayi ve Ticaret A.Ş. (“Artimed”) | Ankara |
| MS Sağlık Hizmetleri Ticaret A.Ş. (“MS Sağlık”) | Ankara |
| Mediplaza Sağlık Hizmetleri Ticaret A.Ş. (“Mediplaza”) | Gebze – İzmit |
| 21. Yüzyıl Anadolu Vakfı (“21.Yüzyıl Anadolu Vakfı”) | İstanbul |
| Sotte Sağlık Temizlik Yemek Medikal Turizm İnşaat San. ve Tic. A.Ş. (“Sotte Sağlık Temizlik Yemek”) | İstanbul - Ankara |
| BTR Sağlık Hizmetleri A.Ş. (“BTR Sağlık”) | İstanbul |
| İstanbul Meditime Sağlık Hizmetleri Ticaret Ltd. Şti. (“Meditime Sağlık”) | İstanbul |
| MLP Gaziantep Sağlık Hizmetleri Anonim Şirketi (“MLP Gaziantep Sağlık”) | Gaziantep |
| Kuzey Doğu Sağlık Hizmetleri ve Tic. A.Ş. (“Kuzey Doğu”) | İstanbul |
| Livist Sağlık Hizmetleri Ltd. | Kıbrıs |
| MLP İzmir Sağlık Hizmetleri A.Ş.. | İstanbul - İzmir |

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

Statement of Compliance with TFRS

The condensed consolidated financial statements of the Group have been prepared in accordance with the Turkish Financial Reporting Standards, (“TFRS”) and interpretations as adopted in line with international standards by the Public Oversight Accounting and Auditing Standards Authority of Turkey (“POA”) in line with the communiqué numbered II-14.1 “Communiqué on the Principles of Financial Reporting In Capital Markets” (“the Communiqué”) announced by the Capital Markets Board of Turkey (“CMB”) on June 13, 2013 which is published on Official Gazette numbered 28676.

The Company prepared its condensed interim financial statements for the period ended 30 June 2024 in accordance with (“IAS”) 34 “Interim Financial Reporting”. The condensed interim financial statements and its accompanying notes are presented in compliance with the format recommended by CMB including its mandatory information. In compliance with the IAS 34, entities have preference in presenting their interim financial statements whether full set or condensed. In this framework, the Company preferred to present its interim financial statements in condensed.

Interim condensed financial statements of the Group do not include all the information and disclosures required in the annual financial statements, therefore should be read in conjunction with the Company’s annual financial statements as of 31 December 2023.

Currency Used

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. For the purpose of the consolidated financial statements, the results and financial position of each entity consolidated are expressed in Turkish Lira (“TL”), which is the functional currency of the Company and all its subsidiaries and the presentation currency of the Group.

Restatement and errors in the accounting policies and estimates

The Group’s consolidated financial statements have been prepared in comparison with the previous period in order to give accurate trend analysis regarding the financial position and performance. Where necessary, comparative figures have been reclassified to conform to the presentation of the current period consolidated financial statements and significant changes are explained.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

Basis of Consolidation

The details of the Company and its subsidiaries as at June 30, 2024 and December 31, 2023 are as follows:

| Subsidiaries | Place of incorporation and operation | 30 June 2024 | 31 Aralık 2023 | Principal activity |
|-------------------------------|---|-----------------|-------------------|-----------------------|
| Tokat Hastanesi | Tokat | 58,84% | 58,84% | Hospital services |
| Samsun Hastanesi | Samsun | 80,00% | 80,00% | Hospital services |
| Samsun Tıp Merkezi (1) | Samsun | 100,00% | 100,00% | Hospital services |
| MS Sağlık | Ankara | 100,00% | 100,00% | Hospital services |
| Mediplaza | Gebze-İzmit | 75,00% | 75,00% | Hospital services |
| MA Group (3) | İstanbul | 51,00% | 51,00% | Hospital services |
| BTR Sağlık Hizmetleri | İstanbul | 100,00% | 100,00% | Hospital services |
| Meditime Sağlık | İstanbul | 100,00% | 100,00% | Hospital services |
| MLP Gaziantep Sağlık | Gaziantep | 100,00% | 100,00% | Hospital services |
| Sotte Sağlık Temizlik Yemek | İstanbul - Ankara | 100,00% | 100,00% | Hospital services |
| Livist Sağlık Hizmetleri Ltd. | Kıbrıs | 99,99% | - | Hospital services |
| MLP İzmir | İstanbul - İzmir | 65,00% | - | Hospital services |
| Kuzey | Ankara | 100,00% | 100,00% | Ancillary services |
| Artimed | Ankara | 100,00% | 100,00% | Ancillary services |
| 21. Yüzyıl Anadolu Vakfı (2) | İstanbul | 100,00% | 100,00% | Ancillary services |
| Kuzey Doğu | İstanbul | 100,00% | 100,00% | Ancillary services |

(1) Represents voting power held. In 2024, the liquidation process was started.

(2) Represents voting power held. In 2011, the Group with the help of its real person shareholders decided to establish a medical university. Based on current legislation, foundations have to be owned by real persons rather than companies and since MLP Sağlık could not be the shareholder of an association, Muharrem Usta, one of the shareholders in the company, was assigned as the chairman of the board of the foundation. The purpose of the foundation is to establish a medical university in order to align one of the hospitals of the Group to that university. Although, MLP Sağlık has no shareholder interest in the foundation, the financial statements of the foundation are consolidated to the financial statements in accordance with TFRS 10 as the Company achieved the control by having power and the ability to use its power on the future benefit and cost of the foundation. In addition, the Company has rights to the financial and operating policies of the university from its involvement with the investee.

(3) The company decided to liquidate on 2024.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- Has power over the investee,
- Is exposed, or has rights, to variable returns from its involvement with the investee and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

In cases where the Company has no majority voting rights on the company/asset invested, it still has the control power over that company/asset if the Company alone has sufficient voting rights to manage the investment operations of that company/asset. The Company considers all events and requirements including the items listed below to evaluate if its voting power is sufficient to get control power in an investment:

- The comparison of the Company’s voting right and other shareholders’ voting rights;
- Potential voting rights of the Company and other shareholders;
- Rights emerging from other agreements upon contracts;
- Other events and requirements showing the potential power of the Company in managing operation decisions (including the voting held on prior period general assemblies).

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group assets and liabilities, equities, income and expenses and cash flows resulting from of Group companies’ transactions are eliminated on consolidation.

Changes in the Group’s ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Restatement of financial statements during periods of high inflation

In accordance with the CMB's decision dated 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 to their annual financial statements for the accounting periods ending on 31 December 2023.

POA made an announcement on 23 November 2023 regarding the scope and application of TAS 29. It stated that the financial statements of the entities applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be presented in accordance with the related accounting principles in TAS 29, adjusted for the effects of inflation.

In this framework, while preparing the consolidated financial statements dated 30 June 2024, 31 December 2023 and 30 June 2023 inflation adjustment has been made in accordance with TAS 29.

The financial statements and related figures for previous periods have been restated for changes in the general purchasing power of the functional currency and, consequently, the financial statements and related figures for previous periods are expressed in terms of the measuring unit current at the end of the reporting period in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies.

TAS 29 applies to the financial statements, including the consolidated financial statements, of each entity whose functional currency is the currency of a hyperinflationary economy. If an economy is subject to hyperinflation, TAS 29 requires an entity whose functional currency is the currency of a hyperinflationary economy to present its financial statements in terms of the measuring unit current at the end of the reporting period.

As at the reporting date, entities operating in Turkey are required to apply TAS 29 "Financial Reporting in Hyperinflationary Economies" for the reporting periods ending on or after 31 December 2023, as the cumulative change in the general purchasing power of the last three years based on the Consumer Price Index ("CPI") is more than 100%.

The table below shows the inflation rates for the relevant years calculated by taking into account the Consumer Price Indices published by the Turkish Statistical Institute (TURKSTAT):

| Date | Index | Adjustment Coefficient |
|------------|----------|------------------------|
| 30.06.2024 | 2.319,29 | 1,00000 |
| 31.12.2023 | 1.859,38 | 1,24735 |
| 30.06.2023 | 1.351,59 | 1,71597 |
| 31.12.2022 | 1.128,45 | 2,05529 |

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

Restatement of financial statements during periods of high inflation (Continued)

The main lines of TAS 29 indexation transactions are as follows:

- As of the balance sheet date, all items other than those stated in terms of current purchasing power are restated by using the relevant price index coefficients. Prior year amounts are also restated in the same way.
- Monetary assets and liabilities are expressed in terms of the purchasing power at the balance sheet date and are therefore not subject to restatement. Monetary items are cash and items to be received or paid in cash.

2.2 Changes in Accounting Policies

Significant changes made in accounting policies are applied retrospectively and prior year financial statements are restated. In current period, the Group has no changes in its accounting policies other than the change disclosed in Note 2.1.

2.3 Changes in the Accounting Estimates and Errors

If changes in accounting estimates are for only one period, changes are applied on the current year but if the changes in accounting estimates are for the following periods, changes are applied both on the current and the following years prospectively. In the current period, the Group has no changes in the accounting estimates and errors.

2.4 Significant Accounting Estimates and Decisions

Preparation of consolidated financial statements requires management to make estimations and assumptions which may affect the reported amounts of assets and liabilities as of the statement of financial position date, the disclosure of contingent assets and liabilities and the reported amounts of income and expenses during the financial period. The accounting assessments, estimates and assumptions are reviewed considering past experiences, other factors and reasonable expectations about future events under current conditions. Although the estimations and assumptions are based on the best estimates of the management’s existing incidents and operations, they may differ from the actual results.

2.5 New and Amended Turkish Financial Reporting Standards

a) Amendments that are mandatorily effective from 2024

| | |
|--------------------------------|--|
| 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 Arrangements</i> |
| TSRS 1 | <i>General Requirements for Disclosure of Sustainability-related Financial Information</i> |
| TSRS 2 | <i>Climate-related Disclosures</i> |

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.5 New and Amended Turkish Financial Reporting Standards (Continued)

a) Amendments that are mandatorily effective from 2024 (Continued)

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 TAS 7 and TFRS 7 *Supplier Finance Arrangements*

The amendments add disclosure requirements, and ‘signposts’ within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

TSRS 1 *General Requirements for Disclosure of Sustainability-related Financial Information*

TSRS 1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

TSRS 2 *Climate-related Disclosures*

TSRS 2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

2.5 New and Amended Turkish Financial Reporting Standards (Continued)

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>Initial Application of TFRS 17 and TFRS 9 — Comparative Information (Amendment to TFRS 17)</i> |
| Amendments to TAS 21 | <i>Lack of Exchangeability</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 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 *Insurance Contracts* on 1 January 2025.

Amendments to TFRS 17 Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 — Comparative Information

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before. Amendments are effective with the first application of TFRS 17.

Amendments to TAS 21 Lack of Exchangeability

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

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

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

NOTE 3 - RELATED PARTY DISCLOSURES

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

The details of short-term receivables and payables as of 30 June 2024 are as follows:

| | 30 June 2024 | | | |
|--|--------------|----------------|---------------|-----------|
| | Receivables | | Payables | |
| | Short-term | | Short-term | |
| Shareholders | Trade | Non-trade | Trade | Non-trade |
| Muharrem Usta (*) | -- | 186.625 | -- | 50 |
| Adem Elbaşı | -- | 6.629 | -- | -- |
| Other companies controlled by the shareholders | | | | |
| A ve A Sağlık A.Ş. (1) | -- | -- | 39.407 | -- |
| Fom Grup Mimarlık İnşaat ve Tic. A.Ş. (2) | 23 | -- | 18.709 | -- |
| Cotyora Med. Özel Sağ. Taah. Hz. İnş. Tr. Loj. Ltd. Şti. (4) | -- | -- | 11.694 | -- |
| Pozitif Medikal Sistemler San. ve Tic. Ltd. Şti. | 2 | -- | 509 | -- |
| Saray Eczanesi | -- | -- | 272 | -- |
| Samsunpark Özel Sağ. Tıb. Malz. İnş. Tur.Tem. Tic. A.Ş. (3) | -- | -- | 13.502 | -- |
| Tokat Emar Sağlık Hiz. Ltd. Şti. | -- | -- | 220 | -- |
| Özel Gebze Sentez Sağlık Hizmetleri Ve Tic. A.Ş. | -- | -- | -- | 7 |
| Other | 23 | 25 | -- | -- |
| | 48 | 193.279 | 84.313 | 57 |

(*) Non-trade receivables from Muharrem Usta is short term due date and interest charge from the current value of internal debt ratio of Group.

- (1) A ve A Özel Sağ. Hiz. ve Cih. Teks. San. Tic. Ltd. Şti. provides cleaning materials for the hospitals.
- (2) Fom Grup Mimarlık İnşaat ve Tic. A.Ş. provides turn key project management services for the furniture & fixture and leasehold improvements of the hospitals and audit of construction of the Group hospitals.
- (3) Samsunpark Özel Sağlık Tıbbi Malz. İnş. Tur. Tem. Tic. A.Ş. provides cleaning, catering and laundry services for the Group.
- (4) Cotyora Med. Özel Sağ. Taah. Hz. İnş. Tr. Loj. Ltd. Şti. provides cleaning and catering services for the Group.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 3 - RELATED PARTY DISCLOSURES (Continued)

| | 31 December 2023 | | | |
|--|------------------|----------------|---------------|-----------|
| | Receivables | | Payables | |
| | Short-term | | Short-term | |
| Shareholders | Trade | Non-trade | Trade | Non-trade |
| Muharrem Usta (*) | -- | 162.341 | -- | 62 |
| Adem Elbaşı | -- | 5.737 | -- | - |
| Other companies controlled by the shareholders | | | | |
| A ve A Sağlık A.Ş. (2) | -- | -- | 21.635 | -- |
| Fom Grup Mimarlık İnşaat ve Tic. A.Ş. (1) | 7 | -- | 23.552 | -- |
| Cotyora Med. Özel Sağ. Taah. Hz. İnş. Tr. Loj. Ltd. Şti. (4) | -- | -- | 9.918 | -- |
| Pozitif Medikal Sistemler San. ve Tic. Ltd. Şti. | 1 | -- | 635 | -- |
| Saray Eczanesi | -- | -- | 1.229 | -- |
| Samsunpark Özel Sağ. Tıb. Malz. İnş. Tur.Tem. Tic. A.Ş. (3) | -- | -- | 17.191 | -- |
| Tokat Emar Sağlık Hiz. Ltd. Şti. | -- | -- | 721 | -- |
| Özel Gebze Sentez Sağlık Hizmetleri Ve Tic. A.Ş. | -- | -- | -- | 9 |
| Other | 133 | 146 | -- | 5 |
| | 141 | 168.223 | 74.881 | 76 |

(*) Non-trade receivables from Muharrem Usta is short term due date and interest charge from the current value of internal debt ratio of Group.

- (1) Fom Grup Mimarlık İnşaat ve Tic. A.Ş. provides turnkey project management services for the furniture & fixture and leasehold improvements of the hospitals and audit of ongoing construction of the Group hospitals.
- (2) A ve A Özel Sağ. Hiz. ve Cih. Teks. San. Tic. Ltd. Şti. provides cleaning materials for the hospitals.
- (3) Samsunpark Özel Sağlık Tıbbi Malz. İnş. Tur. Tem. Tic. A.Ş. provides cleaning, catering and laundry services for the Group.
- (4) Cotyora Med. Özel Sağ. Taah. Hz. İnş. Tr. Loj. Ltd. Şti. provides cleaning and catering services for the Group.

| Advances given to related parties and prepaid expenses | 30 June 2024 | 31 December 2023 |
|--|---------------|------------------|
| Fom Grup Mimarlık İnşaat ve Tic. A.Ş. (1) | 13.850 | 17.276 |
| Sanport Gayrimenkul Geliştirme İnş.Ve Tic.A.Ş | 279 | 347 |
| | 14.129 | 17.623 |

| Fixed asset advances given to related parties | 30 June 2024 | 31 December 2023 |
|---|------------------|------------------|
| Fom Grup Mimarlık İnşaat ve Tic. A.Ş. (1) | 1.213.813 | 1.238.315 |
| | 1.213.813 | 1.238.315 |

- (1) Fom Grup Mimarlık İnşaat ve Tic. A.Ş. provides turn key project management services for the furniture & fixture and leasehold improvements of the hospitals and audit of ongoing construction of the Group hospitals.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

NOTE 3 - RELATED PARTY DISCLOSURES (Continued)

| Related parties (sale and leaseback transactions) | 30 June 2024 | 31 December 2023 |
|---|---------------------|-------------------------|
| Sancak Grup Mimarlık İnşaat ve Tic. A.Ş. (within the prepaid expenses item) | 277 | 458 |
| Sancak Grup Mimarlık İnşaat ve Tic. A.Ş. (within the long-term prepaid expenses item) | -- | 41 |
| | 277 | 499 |

The balances above are resulting from sale and leaseback transactions of Efes Hospital's (branch of Sentez Hospital) land, Bahçelievler Hospital's buildings and are deferred under prepaid expenses and amortised in proportion to the lease payments over the period for which the asset is expected to be used since such losses are compensated for by future lease payments at below market price. Land of Efes Hospital was sold to Sancak Grup Mimarlık İnşaat ve Tic. A.Ş in 2010, resulting in a loss of TRY 6,211, which was totally booked under the other current and non-current assets as of December 31, 2010 since the operational leasing agreement would become effective in 2011 and will be effective for 15 years. The building of Bahçelievler Hospital has been sold to Sancak Grup Mimarlık İnşaat ve Tic. A.Ş. in 2009, resulting in a loss of TRY5,591. The duration of leasing agreement of the building is 15 years starting from December 2009. As of June 30, 2024, the Group has incurred rent expense amounting to TRY 123 due to amortization of prepaid rent (December 31, 2023: 400 TRY).

| | 30 June 2024 | | 31 December 2023 | |
|--|---------------------|------------------|-------------------------|------------------|
| | Short-term | Long-term | Short-term | Long-term |
| Lease liabilities from related parties | | | | |
| Sanport Gayrimenkul Geliştirme İnş. ve Tic. A.Ş | 133.803 | -- | 127.379 | -- |
| Fom Grup Mimarlık İnşaat Ve Tic. A.Ş. | 33.748 | 92.900 | 36.232 | 127.697 |
| Atakum Özel Sağlık Hizmetleri İnş.Tur. ve San. Tic. A.Ş. | 9.519 | 232.715 | 10.474 | 296.584 |
| Özel Gebze Sentez Sağlık Hizmetleri ve Tic. A.Ş. | 15.140 | -- | 10.333 | -- |
| Tokat Medikal Grup Sağlık Turizm İnş. San. Tic. A.Ş. | 4.435 | -- | 7.314 | -- |
| | 196.645 | 325.615 | 191.732 | 424.281 |

| | 1 January-30 June 2024 | 1 January-30 June 2023 |
|---|-----------------------------------|-----------------------------------|
| Purchases from related parties | | |
| A ve A Sağlık A.Ş. (1) | 45.184 | 17.284 |
| Fom Grup Mimarlık İnşaat ve Tic. A.Ş. (2) | 25.759 | 28.248 |
| | 70.942 | 45.532 |

- (1) Cleaning material purchases
(2) Hospital rent expenses

| | 1 January-30 June 2024 | 1 January-30 June 2023 |
|---|-----------------------------------|-----------------------------------|
| Operating expenses (including purchase of services) | | |
| Sanport Gayrimenkul Geliştirme İnş. ve Tic.A.Ş (1)(5) | 151.184 | 166.434 |
| Samsunpark Özel Sağ. Tıbbi Malz. İnş. Tur. Tem. Tic. A.Ş. (3) | 56.261 | 56.482 |
| Atakum Özel Sağlık Hiz. İnş. Turizm ve San. Tic. A.Ş. (1) | 39.274 | 39.259 |
| Cotyora Med. Özel Sağ. Taah. Hz. İnş. Tr. Loj. Ltd. Şti. (3) | 25.409 | 20.543 |
| Livart Tüp Bebek Özel Sağlık Hizm. A.Ş. (2) | 32.999 | 20.471 |
| Atk Sağlık Hizmetleri Ve Danışmanlık A.Ş. | 7.175 | -- |
| Tokat Medikal Grup Sağlık Turizm İnş. San. Tic. A.Ş. (1) | 11.296 | 8.131 |
| Tokat Emar Sağlık Hiz. Ltd. Şti. (2) (4) | 5.635 | 3.634 |
| Özdenler Sağ. Hiz. Dan. Turz. Gıd. San. Tic. Ltd. Şti. (2) | 1.040 | 1.146 |
| | 331.290 | 318.584 |

- (1) Hospital rent expenses
(2) Doctor expenses
(3) Cleaning, catering and laundry services
(4) Medical equipment rent expenses
(5) Drug purchase expenses

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 3 - RELATED PARTY DISCLOSURES (Continued)

| | 1 January-30 June 2024 | 1 January-30 June 2023 |
|--|---------------------------|---------------------------|
| Sales to related parties | | |
| A ve A Sağlık A.Ş. (1) | 102 | 747 |
| Cotyora Med.Özel Sağ.Taah. Hz. İnş. Tr. Loj. Ltd. Şti. | 624 | 274 |
| Samsunpark Özel Sağlık Tıbbi Malz. İnş. Turizm. Tem. Tic. A.Ş. | 916 | 791 |
| Fom Grup Mimarlık İnşaat ve Tic. A.Ş. | 568 | 36 |
| Adem Elbaşı | 1.408 | 602 |
| Tokat Medikal Grup Sağlık Turizm İnş. San. Tic. A.Ş. | 98 | 173 |
| DM Group Sağlık İnşaat San.Ve Tic.Ltd.Şti. | -- | 407 |
| Miniso Mağazacılık A.Ş. | -- | 327 |
| | 3.716 | 3.357 |

(1) Outsourcing laboratory services

| | 1 January-30 June 2024 | 1 January-30 June 2023 |
|---|---------------------------|---------------------------|
| Interest income from related parties | | |
| Muharrem Usta | 39.682 | 16.863 |
| | 39.682 | 16.863 |

Compensation of key management personnel:

Key management personnel comprise general managers, deputy general managers and chief physicians of hospitals and head office management team.

The remuneration of directors and other members of key management during the year were as follows:

| | 1 January- 30 June 2024 | 1 April- 30 June 2024 | 1 January- 30 June 2023 | 1 April- 30 June 2023 |
|--|-------------------------------|-----------------------------|-------------------------------|-----------------------------|
| Salaries and other short term benefits | 66.601 | 31.636 | 63.620 | 30.430 |
| | 66.601 | 31.636 | 63.620 | 30.430 |

NOTE 4 - CASH AND CASH EQUIVALENTS

| | 30 June 2024 | 31 December 2023 |
|----------------------------|------------------|------------------|
| Cash on hand | 85.968 | 29.465 |
| Cash at banks | 2.275.138 | 3.468.742 |
| - Demand deposit | 389.561 | 877.316 |
| - Time deposit | 1.885.577 | 2.591.426 |
| Other cash equivalents (*) | 9.837 | 9.797 |
| | 2.370.943 | 3.508.004 |

(*) Other cash equivalents consist of credit card receivables from banks.

As of 30 June 2024, the interest rates of the Group's time deposits in TRY, is respectively 30%-51% and their terms are less than 3 months. (31 December 2023: 10%-46%)

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

NOTE 5 - FINANCIAL INSTRUMENTS

Bank Loans and Bonds

| | 30 June 2024 | 31 December 2023 |
|---|------------------|------------------|
| Short Term Bank Borrowings | 497.998 | 831.817 |
| Short Term Bonds Issued | 2.000.000 | 1.871.019 |
| Current Portion of Long Term Borrowings | 530.971 | 216.558 |
| - Current portion of long-term bank loans | 530.971 | 216.558 |
| Interest Expense Accruals | 272.792 | 407.271 |
| | 3.301.761 | 3.326.665 |
| Long Term Bank Borrowings | 35.454 | 90.999 |
| Long Term Bonds Issued | -- | 1.247.346 |
| | 35.454 | 1.338.345 |
| Total Borrowings | 3.337.215 | 4.665.010 |

The Group issued bonds amounting to TRY 1,000,000 with a maturity of 12 months, to be sold to qualified investors on October 2, 2023. The principal payment will be made on the maturity date of 1 October 2024 and the interest rate is 48.5%.

The Group issued sukuk amounting to TRY 1,000,000 with a maturity of 18 months, to be sold to qualified investors on 12 December 2023. The principal payment will be paid on 12 June 2025, which is the maturity date, and the interest rate is 50%.

The reconciliation of the liabilities arising from financing activities as of 1 January- 30 June 2024 and 1 January- 31 December 2023 are as follows:

| | 1 January 2024 | Financing cash flows | Foreign exchange effect (Note21) | Other (*) | Effect of Inflation | 30 June 2024 |
|---------------------------|----------------------|-------------------------|--|------------------|------------------------|------------------|
| Bank Loans | 4.665.011 | (402.734) | -- | -- | (925.062) | 3.337.215 |
| Finance lease obligations | 67.816 | (18.814) | 488 | -- | (13.447) | 36.043 |
| Lease obligations | 2.866.258 | (629.217) | 9.967 | 1.352.289 | (604.882) | 2.994.415 |
| | 7.599.085 | (1.050.765) | 10.455 | 1.352.289 | (1.543.391) | 6.367.673 |

| | 1 January 2023 | Financing cash flows | Foreign exchange effect (Note 21) | Other (*) | Effect of Inflation | 31 December 2023 |
|---------------------------|----------------------|-------------------------|--|------------------|------------------------|------------------------|
| Bank Loans | 3.394.067 | 2.605.165 | -- | -- | (1.334.221) | 4.665.010 |
| Finance lease obligations | 238.314 | (92.165) | 82.541 | -- | (160.874) | 67.817 |
| Lease obligations | 2.600.418 | (896.282) | 65.005 | 2.068.752 | (1.017.175) | 2.820.718 |
| | 6.232.799 | 1.616.718 | 147.546 | 2.068.752 | (2.512.270) | 7.553.545 |

(*) Some of the lease obligations within the scope of TFRS 16 are due to the re-measurement of the reduced lease obligations and interest expenses due to the change in the lease payments realized within the period.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

NOTE 5 - FINANCIAL INSTRUMENTS (Continued)

As of June 30, 2024 and December 31, 2023 the repayment schedule of the total borrowings as follows:

| <u>30 June 2024</u> | | | | |
|---------------------|--|------------------|---------------|------------------|
| Currency Type | Weighted Average Effective Interest Rate | Current | Non-Current | Total |
| TL | 47,42% | 2.455.972 | - | 2.455.972 |
| TL | TlRef+13,55-TRLibor-5,80 | 845.789 | 35.454 | 881.243 |
| | | 3.301.761 | 35.454 | 3.337.215 |

| <u>31 December 2023</u> | | | | |
|-------------------------|--|------------------|------------------|------------------|
| Currency Type | Weighted Average Effective Interest Rate | Current | Non-Current | Total |
| TL | 47,50% | 1.873.645 | 1.247.346 | 3.120.991 |
| TL | TlRef+4,+13,55-TRLibor+4,00,5,80 | 1.453.020 | 90.999 | 1.544.019 |
| | | 3.326.665 | 1.338.345 | 4.665.010 |

As of June 30, 2024, there are no blocked cash accounts related to the group's loans (December 31, 2023: None).

As at June 30, 2024 and December 31, 2023 the repayment schedule of the borrowings in TRY are as follows:

| | <u>30 June 2024</u> | <u>31 December 2023</u> |
|------------------------------|---------------------|-------------------------|
| Interest expense accruals | 272.792 | 407.271 |
| To be paid within 1 year (*) | 3.028.969 | 2.919.394 |
| To be paid between 1-2 years | 35.454 | 1.338.345 |
| | 3.337.215 | 4.665.010 |

(*) TRY 497,997 of the loans to be paid within one year consists of revolving loans and TRY 2,000,000 part consists of bond payments which will be redeemed within 1 year.

Covenants:

The Group has seven banks consisting of Türkiye İş Bankası A.Ş., Türkiye Garanti Bankası A.Ş., Denizbank A.Ş., Denizbank AG, Odeabank A.Ş., ING European Financial Services PLC and ING Bank A.Ş. Syndication loan was signed on December 31, 2015. The use of the syndicated loan took place in February 2016. Regarding the loan in question, the share pledge on 25% of the Group's non-public shares has been removed. The commercial enterprise pledge and the Group's bank account pledge regarding the Company's shares in companies that are subsidiaries of the Group and all fixed assets owned by the Company continue. In addition, the Group's receivables arising from medical tourism contracts and insurance policies have also been assigned.

The syndicate loan includes a number of financial covenants stated below:

The Debt Service Coverage Ratio ("DSCR") cannot be below 1.1 during the term of the agreement (2016-2024). DSCR is tested every six months starting from December 31, 2016.

Net debt to EBITDA Ratio cannot be above x4.0 for the year ended December 31, 2016 and for the six months period ended June 30, 2017, x3.5 for the year ended December 31, 2017 and for the six months period ended June 30, 2018, x3.0 for the year ended December 31, 2018 and for the six months period ended June 30, 2019 and x2.5 for the remaining period of the syndicate loan.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 5 - FINANCIAL INSTRUMENTS (Continued)

Lease Obligations

The Group has the following finance lease obligations which arose mainly due to lease of medical machinery and equipment:

| | Minimum lease payments | | Present value of minimum lease payments | |
|--|------------------------|------------------|---|------------------|
| | 30 June 2024 | 31 December 2023 | 30 June 2024 | 31 December 2023 |
| Within one year | 35.546 | 69.892 | 30.682 | 49.209 |
| In second to sixth years inclusive | 8.039 | 13.042 | 5.361 | 18.608 |
| | 43.585 | 82.933 | 36.043 | 67.817 |
| Less: Future finance charges | (7.542) | (15.117) | -- | -- |
| Present value of finance lease obligations | 36.043 | 67.817 | 36.043 | 67.817 |
| Less: Amounts due to settlement within twelve months (shown under current liabilities) | -- | -- | 30.682 | 49.209 |
| Present value of finance lease obligations | 36.043 | 67.817 | 5.361 | 18.608 |

NOTE 6 - TRADE RECEIVABLES AND PAYABLES

Trade Receivables

| | 30 June 2024 | 31 December 2023 |
|---|------------------|------------------|
| Current trade receivables | | |
| Trade receivables | 3.509.797 | 3.415.823 |
| Notes receivables | 1.024 | 1.143 |
| Trade receivables from related parties (Note 5) | 48 | 141 |
| Income accruals from continuing treatments | 1.468.010 | 1.249.626 |
| Other trade income accruals | 98.814 | 70.476 |
| Allowance for doubtful receivables (-) | (145.931) | (175.418) |
| | 4.931.762 | 4.561.791 |
| Non-current trade receivables | | |
| Income accruals | 1.053 | 1.313 |
| | 1.053 | 1.313 |

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 6 - TRADE RECEIVABLES AND PAYABLES (Continued)

Allowance for doubtful receivables for the trade receivables is determined depending on past experiences of irrecoverable amounts.

As of June 30, 2024, trade receivables of an initial value of TRY 145,931 (December 31, 2023: TRY 175,418) were fully impaired and fully provided for. No collaterals are received in relation to these trade receivables.

| | 1 January-30 June 2024 | 1 January-31 December 2023 |
|---|---------------------------|-------------------------------|
| Movement of allowance for doubtful receivables | | |
| Opening balance | 175.418 | 127.484 |
| Charge for the period (Note 21) | (6.109) | (6.560) |
| Collections | (37) | (590) |
| Inflation effect | (23.341) | 55.084 |
| Ending balance | 145.931 | 175.418 |

Trade Payables

| | 30 June 2024 | 31 December 2023 |
|--|------------------|------------------|
| Current trade payables | | |
| Trade payables | 3.488.441 | 3.756.220 |
| Trade payables due to related parties (Note 3) | 84.313 | 74.881 |
| Other expense accruals | 1.085.079 | 1.242.903 |
| Other trade payables | 23.685 | 17.938 |
| | 4.681.518 | 5.091.942 |

NOTE 7 - OTHER RECEIVABLES AND PAYABLES

Other Receivables

| | 30 June 2024 | 31 December 2023 |
|---|----------------|------------------|
| Other current receivables | | |
| Receivables from tax office | 43.982 | 63.313 |
| Non-trading receivables due from related parties (Note 3) | 193.279 | 168.223 |
| Deposits given | 690 | 26 |
| Other miscellaneous receivables | 32.943 | 34.099 |
| | 270.894 | 265.661 |

| | 30 June 2024 | 31 December 2023 |
|--------------------------------------|----------------|------------------|
| Other non-current receivables | | |
| Deposits and guarantees given | 399.314 | 277.583 |
| | 399.314 | 277.583 |

Other Payables

| | 30 June 2024 | 31 December 2023 |
|--|----------------|------------------|
| Other current payables | | |
| Other taxes and funds payable | 128.176 | 159.799 |
| Payables relating to business combinations (*) | 148.180 | 60.196 |
| Non-trading payables due to related parties (Note 3) | 57 | 76 |
| Other miscellaneous payables | 11.767 | 10.666 |
| | 288.180 | 230.737 |

| | 30 June 2024 | 31 December 2023 |
|--|----------------|------------------|
| Other non-current payables | | |
| Payables relating to business combinations (*) | 330.852 | 339.566 |
| | 330.852 | 339.566 |

(*) The Group has committed a payment schedule that will continue in the upcoming years as a result of some business combination contracts signed in 2014, 2020, 2022 and 2024. This liability represents the net present value of forthcoming payments.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 8 – INVENTORIES

| | 30 June 2024 | 31 December 2023 |
|-------------------------------|----------------|------------------|
| Medical consumables inventory | 210.038 | 264.560 |
| Pharmaceutical inventory | 761.812 | 1.077.838 |
| Other inventories | 569 | 490 |
| | 972.419 | 1.342.888 |

NOTE 9 - PREPAID EXPENSES AND DEFERRED INCOME

Prepaid Expenses

| Short term prepaid expenses | 30 June 2024 | 31 December 2023 |
|------------------------------|----------------|------------------|
| Advances given | 355.805 | 461.099 |
| Prepaid insurance expenses | 66.510 | 99.952 |
| Prepaid rent expenses | 11.054 | 13.164 |
| Prepaid sponsorship expenses | 5.104 | 2.797 |
| Other | 43.627 | 36.243 |
| | 482.100 | 613.255 |

| Long term prepaid expenses | 30 June 2024 | 31 December 2023 |
|--------------------------------|------------------|------------------|
| Fixed asset advances given (*) | 2.855.717 | 2.890.243 |
| Prepaid rent expenses | 69 | 69 |
| Other | 9.285 | 7.103 |
| | 2.865.071 | 2.897.415 |

(*) Advances consist of mainly the turnkey hospital projects regarding new and renovated hospitals and the order advances given for the construction services for the hospitals under construction.

Deferred Income

| Short term accrued income | 30 June 2024 | 31 December 2023 |
|---------------------------|----------------|------------------|
| Advances received (*) | 664.048 | 1.008.807 |
| Deferred revenue | 44.051 | 60.349 |
| | 708.099 | 1.069.156 |

(*) Advances are received from mainly local and medical tourism related patients with regards to cost of their treatments. After treatments are completed, realized remunerations are netted with advances.

| Long term accrued income | 30 June 2024 | 31 December 2023 |
|--------------------------|---------------|------------------|
| Deferred revenue | 12.856 | 42.012 |
| | 12.856 | 42.012 |

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 10 - PROPERTY, EQUIPMENT AND OTHER INTANGIBLE ASSETS

| | Land | Buildings | Machinery and equipments | Vehicles | Furniture and fixtures | Leased assets | Leasehold improvements | Construction in progress | Total |
|---|----------------|----------------|--------------------------------|-----------------|---------------------------|--------------------|---------------------------|-----------------------------|---------------------|
| <u>Cost</u> | | | | | | | | | |
| Opening balance as of 1 January 2024 | 180.380 | 12.056 | 6.981.743 | 19.788 | 2.554.815 | 4.347.533 | 6.951.941 | 81.508 | 21.129.764 |
| Additions | 97.975 | -- | 137.959 | -- | 124.775 | -- | 247.735 | 157.514 | 765.958 |
| Acquired through business combinations | -- | -- | 61.155 | -- | -- | -- | -- | -- | 61.155 |
| Disposals | -- | -- | (698) | -- | (180) | -- | -- | -- | (878) |
| Closing balance as of 30 June 2024 | 278.355 | 12.056 | 7.180.159 | 19.788 | 2.679.410 | 4.347.533 | 7.199.676 | 239.022 | 21.955.999 |
| <u>Accumulated depreciations</u> | | | | | | | | | |
| Opening balance as of 1 January 2024 | -- | (4.159) | (5.428.525) | (18.120) | (2.225.727) | (4.246.795) | (4.598.120) | -- | (16.521.446) |
| Charge for the period (*) | -- | (114) | (242.415) | (247) | (88.079) | (48.615) | (256.174) | -- | (635.644) |
| Disposals | -- | -- | 698 | -- | 180 | -- | -- | -- | 878 |
| Closing balance as of 30 June 2024 | -- | (4.273) | (5.670.242) | (18.367) | (2.313.626) | (4.295.410) | (4.854.294) | -- | (17.156.212) |
| Carrying value as of 30 June 2024 | 278.355 | 7.783 | 1.509.917 | 1.421 | 365.784 | 52.123 | 2.345.382 | 239.022 | 4.799.787 |

(*) Depreciation and amortization expense of TRY 589,957 (January 1 - June 30, 2023: TRY 523,880) has been charged in ‘cost of service’, TRY 84,843 (January 1-June 30, 2023: TRY 80,119) has been charged in ‘operating expenses’ for the period ended between January 1- June 30, 2024.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2024**

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 10 - PROPERTY, EQUIPMENT AND OTHER INTANGIBLE ASSETS (Continued)

| | Land | Buildings | Machinery and equipments | Vehicles | Furniture and fixtures | Leased assets | Leasehold improvements | Construction in progress | Total |
|---|-------------|------------------|---|-----------------|-----------------------------------|----------------------|-----------------------------------|-------------------------------------|---------------------|
| <u>Cost</u> | | | | | | | | | |
| Opening balance as of 1 January 2023 | -- | 12.056 | 6.085.946 | 19.783 | 3.015.028 | 4.694.170 | 6.518.600 | -- | 20.345.583 |
| Additions | -- | -- | 78.620 | 913 | 233.828 | -- | 42.243 | 124.768 | 480.372 |
| Disposals | -- | -- | (15.661) | (472) | (7.428) | -- | (299) | -- | (23.860) |
| Closing balance as of 30 June 2023 | -- | 12.056 | 6.148.905 | 20.224 | 3.241.428 | 4.694.170 | 6.560.544 | 124.768 | 20.802.095 |
| <u>Accumulated depreciations</u> | | | | | | | | | |
| Opening balance as of 1 January 2023 | -- | (2.291) | (5.174.785) | (18.521) | (2.677.253) | (4.258.980) | (4.190.260) | -- | (16.322.090) |
| Charge for the period | -- | (66) | (218.060) | (226) | (82.197) | (26.434) | (240.002) | -- | (566.985) |
| Disposals | -- | -- | 13.509 | 472 | 7.428 | -- | 299 | -- | 21.708 |
| Closing balance as of 30 June 2023 | -- | (2.357) | (5.379.336) | (18.275) | (2.752.022) | (4.285.414) | (4.429.963) | -- | (16.867.367) |
| Carrying value as of 30 June 2023 | -- | 9.699 | 769.569 | 1.949 | 489.406 | 408.756 | 2.130.581 | 124.768 | 3.934.728 |

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 10 - PROPERTY, EQUIPMENT AND OTHER INTANGIBLE ASSETS (Continued)

| | Licenses | Rights | Other | Total |
|---|------------------|--------------------|--------------|--------------------|
| Cost | | | | |
| Opening balance as of 1 January 2024 | 4.587.548 | 1.522.385 | 384 | 6.110.317 |
| Additions | -- | 3.193 | -- | 3.193 |
| Acquired through business combinations | 868.424 | -- | -- | 868.424 |
| Disposals | -- | -- | -- | -- |
| Closing balance as of 30 June 2024 | 5.455.972 | 1.525.578 | 384 | 6.981.934 |
| Accumulated amortization | | | | |
| Opening balance as of 1 January 2024 | -- | (1.145.086) | (384) | (1.145.470) |
| Charge for the period | -- | (39.156) | -- | (39.156) |
| Disposals | -- | -- | -- | -- |
| Closing balance as of 30 June 2024 | -- | (1.184.242) | (384) | (1.184.626) |
| Carrying value as of 30 June 2024 | 5.455.972 | 341.336 | -- | 5.797.308 |
| Cost | | | | |
| Opening balance as of 1 January 2023 | 4.587.548 | 1.420.178 | 384 | 6.008.110 |
| Additions | -- | 80.513 | -- | 80.513 |
| Disposals | -- | -- | -- | -- |
| Closing balance as of 30 June 2023 | 4.587.548 | 1.500.691 | 384 | 6.088.623 |
| Accumulated amortization | | | | |
| Opening balance as of 1 January 2023 | -- | (1.085.302) | (384) | (1.085.686) |
| Charge for the period | -- | (37.014) | -- | (37.014) |
| Disposals | -- | -- | -- | -- |
| Closing balance as of 30 June 2023 | -- | (1.122.316) | (384) | (1.122.700) |
| Carrying value as of 30 June 2023 | 4.587.548 | 378.374 | -- | 4.965.923 |

NOTE 11- RIGHT OF USED ASSETS

| | Hospital Buildings | Total |
|----------------------|--------------------|------------------|
| Cost | | |
| 1 January 2024 | 9.032.591 | 9.032.591 |
| Additions | 1.456.015 | 1.456.015 |
| Charge of the period | (597.213) | (597.213) |
| 30 June 2024 | 9.891.393 | 9.891.393 |

(*) For the period ended June 30, 2024, right of use assets depreciation expenses of TRY 592,472 has been charged to 'cost of service' (1 January – 30 June 2023: TRY 365,599), TRY 4,741 to 'general administrative and marketing expenses (1 January – 30 June 2023: TRY 2,926).

| | Hospital Buildings | Total |
|----------------------|--------------------|------------------|
| Cost | | |
| 1 January 2023 | 5.595.428 | 5.595.428 |
| Additions | 2.012.813 | 2.012.813 |
| Charge of the period | (368.525) | (368.525) |
| 30 June 2023 | 7.239.716 | 7.239.716 |

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 12- PAYABLES FOR EMPLOYEE BENEFITS

| | 30 June 2024 | 31 December 2023 |
|---|----------------|------------------|
| Fees payable to doctors and other personnel | 323.177 | 257.399 |
| Social security premiums payable | 218.481 | 174.052 |
| | 541.658 | 431.451 |

| | 30 June 2024 | 31 December 2023 |
|---------------------------|----------------|------------------|
| Unused vacation provision | 121.648 | 97.803 |
| | 121.648 | 97.803 |

| | 30 June 2024 | 31 December 2023 |
|---------------------------|----------------|------------------|
| Unused vacation provision | 84.867 | 63.714 |
| Retirement pay provision | 92.263 | 77.015 |
| | 177.130 | 140.729 |

NOTE 13 - OTHER ASSETS AND LIABILITIES

Other Current Asset

| | 30 June 2024 | 31 December 2023 |
|------------------------------------|----------------|------------------|
| VAT carried forward | 211.868 | 246.407 |
| Other miscellaneous current assets | 26.325 | 13.975 |
| | 238.193 | 260.382 |

NOTE 14 - PROVISIONS

| Other short term provisions | 30 June 2024 | 31 December 2023 |
|--------------------------------------|---------------|------------------|
| Litigation provisions | 30.149 | 38.153 |
| Social Security discounts provisions | 34.373 | 20.543 |
| | 64.522 | 58.696 |

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 15 - COMMITMENTS

| 30 June 2024 | Total TRY Equivalent | TRY | USD | EUR |
|--|---------------------------------|------------------|------------|--------------|
| A.CPM given on behalf of its own legal entity | | | | |
| - Collateral | 1.456.066 | 1.340.041 | 156 | 3.157 |
| - Pledge | -- | -- | -- | -- |
| - Mortgage | -- | -- | -- | -- |
| B. CPM given on behalf of the subsidiaries included in full consolidation | -- | -- | -- | -- |
| - Collateral | 159.067 | 159.067 | -- | -- |
| - Pledge | -- | -- | -- | -- |
| - Mortgage | -- | -- | -- | -- |
| C. CPM given for execution of ordinary commercial activities to collect third parties debt | -- | -- | -- | -- |
| - Collateral | -- | -- | -- | -- |
| - Pledge | -- | -- | -- | -- |
| - Mortgage | -- | -- | -- | -- |
| D. Total amount of other CPM given | -- | -- | -- | -- |
| i. Total Amount of CPM on behalf of the main partner | -- | -- | -- | -- |
| - Collateral | -- | -- | -- | -- |
| - Pledge | -- | -- | -- | -- |
| - Mortgage | -- | -- | -- | -- |
| ii. Total amount of CPM given on behalf of other Company companies that do not cover B and C | -- | -- | -- | -- |
| - Collateral | -- | -- | -- | -- |
| - Pledge | -- | -- | -- | -- |
| - Mortgage | -- | -- | -- | -- |
| iii. Total amount of CPM on behalf of third parties that do not cover C | -- | -- | -- | -- |
| - Collateral | -- | -- | -- | -- |
| - Pledge | -- | -- | -- | -- |
| - Mortgage | -- | -- | -- | -- |
| Total | 1.615.134 | 1.499.108 | 156 | 3.157 |

The Group has given guarantees amounting to TRY 151,580 related to the loans in Note 5 for the companies under full consolidation.

Guarantees given generally include letters of guarantee received from banks to be given to institutions and suppliers in order to participate in government tenders.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 15 - COMMITMENTS (Continued)

| 31 December 2023 | Total TRY Equivalent | TRY | ABD Doları | Avro |
|--|---------------------------------|----------------|-----------------------|--------------|
| A.CPM given on behalf of its own legal entity | | | | |
| - Collateral | 672.200 | 538.195 | 156 | 3.157 |
| - Pledge | -- | -- | -- | -- |
| - Mortgage | -- | -- | -- | -- |
| B. CPM given on behalf of the subsidiaries included in full consolidation | | | | |
| - Collateral | 178.423 | 178.423 | -- | -- |
| - Pledge | -- | -- | -- | -- |
| - Mortgage | -- | -- | -- | -- |
| C. CPM given for execution of ordinary commercial activities to collect third parties debt | | | | |
| - Collateral | -- | -- | -- | -- |
| - Pledge | -- | -- | -- | -- |
| - Mortgage | -- | -- | -- | -- |
| D. Total amount of other CPM given | -- | -- | -- | -- |
| i. Total Amount of CPM on behalf of the main partner | | | | |
| - Collateral | -- | -- | -- | -- |
| - Pledge | -- | -- | -- | -- |
| - Mortgage | -- | -- | -- | -- |
| ii. Total amount of CPM given on behalf of other Company companies that do not cover B and C | | | | |
| - Collateral | -- | -- | -- | -- |
| - Pledge | -- | -- | -- | -- |
| - Mortgage | -- | -- | -- | -- |
| iii. Total amount of CPM on behalf of third parties that do not cover C | | | | |
| - Collateral | -- | -- | -- | -- |
| - Pledge | -- | -- | -- | -- |
| - Mortgage | -- | -- | -- | -- |
| Total | 850.623 | 716.618 | 156 | 3.157 |

The Group has given guarantees amounting to TRY 83,206 related to the loans in Note 5 for the companies under full consolidation.

Guarantees given generally include letters of guarantee received from banks to be given to institutions and suppliers in order to participate in government tenders.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 16 - SHARE CAPITAL/OTHER RESERVES

| Shareholders | % | 30 June 2024 | % | 31 December 2023 |
|--|-------------|------------------|-------------|------------------|
| Lightyear Healthcare B.V. | 34,67% | 72.131 | 34,67% | 72.131 |
| Sancak Yatırım İç ve Dış Ticaret A.Ş.* | 15,35% | 31.943 | 15,35% | 31.943 |
| Muharrem Usta | 8,98% | 18.678 | 8,98% | 18.678 |
| Adem Elbaşı | 2,99% | 6.226 | 2,99% | 6.226 |
| İzzet Usta | 1,20% | 2.490 | 1,20% | 2.490 |
| Saliha Usta | 0,90% | 1.868 | 0,90% | 1.868 |
| Nurgül Dürüstkan Elbaşı | 0,90% | 1.868 | 0,90% | 1.868 |
| Publicly Traded (**) | 35,01% | 72.833 | 35,01% | 72.833 |
| | 100% | 208.037 | 100% | 208.037 |
| Capital adjustment differences | | 2.707.659 | | 2.707.659 |
| Share capital | | 2.915.696 | | 2.915.696 |

(*) As of March 9, 2023, the title of Sancak İnşaat Turizm Nakliyat ve Dış Ticaret A.Ş. has been registered as Sancak Yatırım İç ve Dış Ticaret A.Ş..

(**) The shareholders of the Company purchased 6,827 thousand shares from the publicly traded portion of the capital. Distribution of the shares purchased is as follows; 3,642 thousand shares representing 5% of the publicly traded portion were purchased by Lightyear (“Lightyear Healthcare B.V.” ve “Hujori Financieringen B.V.”), 1,613 thousand shares representing 2.21% of the publicly traded portion of the capital were purchased by Sancak Yatırım, 943 thousand shares representing 1.29% of the publicly traded portion of the capital were purchased by Muharrem Usta, 314 thousand shares representing 0.43% of the publicly traded portion of the capital were purchased by Adem Elbaşı and lastly other shareholders purchased 314 shares representing 0.43% of the publicly traded portion. 1,613 thousand shares purchased by Sancak İnşaat from the publicly traded portion were sold on September 24, 2018. 126 thousand shares purchased by İzzet Usta and 18 thousand shares purchased by Adem Elbaşı from the publicly traded portion were sold.

As of June 30, 2024 the total number of ordinary shares is 208,037 thousand shares (2023: 208,037 thousand shares) with a par value of TRY 1 per share (2023: TRY 1 per share).

The share capital is divided into 208,037 thousand shares (December 31, 2023: 208,037 thousand shares), with 88,229 thousand A type shares and 119,808 thousand B type shares.

In accordance with the Capital Markets Board's (the “CMB”) Resolution No: 21/655 issued on July 23, 2010, it is regarded that 35,01% of the shares are in circulation in accordance with CSD as of June 30, 2024 (Note 1). Shares in circulation rate is 35,01% as of July 1, 2024.

On February 7, 2018, the Group launched initial public offering (“IPO”) of 72,834 thousand B type bearer shares corresponding to 35.01% of total shares. From the initial public offering, TRY600,000 was generated to the Group. After the IPO related expenses amounting to TRY12,259 were deducted from proceeds, out of TRY556,162, share capital increase was made with the amount of TRY31,579 and the remaining amount was used in the share premium increase by TRY556,162.

The related amount became TRY3,300,330 after applying inflation accounting.

| | 30 June 2024 | 31 December 2023 |
|----------------|------------------|------------------|
| Share premiums | 3.300.330 | 3.300.330 |
| | 3.300.330 | 3.300.330 |

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

NOTE 16- SHARE CAPITAL/OTHER RESERVES (Continued)

Legal reserves

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all cash dividend distributions.

| | 30 June 2024 | 31 December 2023 |
|--|---------------|------------------|
| Legal reserves | 4.663 | 4.663 |
| Restricted reserves appropriated from profit | 77.052 | 77.052 |
| | 81.715 | 81.715 |

NOTE 17 - REVENUE AND COST OF SERVICES

| | 1 January-30 June 2024 | 1 April-30 June 2024 | 1 January-30 June 2023 | 1 April-30 June 2023 |
|-----------------------|---------------------------|-------------------------|---------------------------|-------------------------|
| Revenue | | | | |
| Hospital services (*) | 16.330.547 | 7.701.246 | 13.010.539 | 6.495.640 |
| | 16.330.547 | 7.701.246 | 13.010.539 | 6.495.640 |

(*) Hospital services includes foreign medical revenue and other income.

| | 1 January-30 June 2024 | 1 April-30 June 2024 | 1 January-30 June 2023 | 1 April-30 June 2023 |
|---|---------------------------|-------------------------|---------------------------|-------------------------|
| Cost of services | | | | |
| Material consumption | (2.252.394) | (1.024.555) | (1.857.433) | (951.099) |
| Doctor expenses | (4.052.388) | (1.969.311) | (3.065.968) | (1.563.585) |
| Personnel expenses | (2.765.263) | (1.294.290) | (2.132.759) | (1.009.603) |
| Depreciation and amortization expenses (Note 12,13) | (1.182.429) | (570.612) | (889.479) | (436.947) |
| Services rendered by third parties | (922.253) | (455.506) | (786.705) | (377.873) |
| Other (*) | (987.265) | (468.415) | (940.213) | (440.880) |
| | (12.161.992) | (5.782.689) | (9.672.557) | (4.779.987) |

(*) Other expenses mainly comprise expenses incurred for rent, electricity, water and natural gas.

NOTE 18 - OPERATING EXPENSES

| | 1 January-30 June 2024 | 1 April-30 June 2024 | 1 January-30 June 2023 | 1 April-30 June 2023 |
|---|---------------------------|-------------------------|---------------------------|-------------------------|
| General administrative expenses | | | | |
| Personnel expenses | (656.174) | (314.073) | (560.831) | (258.146) |
| Sponsorship and advertising expenses (*) | (427.111) | (198.920) | (479.469) | (244.918) |
| Depreciation and amortization expenses (Note 10,11) | (89.584) | (43.432) | (83.045) | (43.199) |
| Outsourcing expenses | (66.178) | (33.444) | (39.700) | (21.365) |
| Taxes and duties | (4.812) | (2.181) | (4.354) | (2.325) |
| Bad debt allowance (Note 8) | (6.109) | 4.584 | (6.560) | (4.131) |
| Representation and entertainment expenses | (1.373) | (555) | (1.084) | (668) |
| Maintenance expenses | (3.346) | (1.625) | (6.032) | (2.547) |
| Service expenses | (1.929) | (1.036) | (3.087) | (1.225) |
| Communication expenses | (9.339) | (4.670) | (10.969) | (6.101) |
| Lawsuit provision (Note 17) | (24.586) | (11.461) | (1.113) | 2.702 |
| Other | (48.179) | (28.690) | (113.420) | (54.372) |
| | (1.338.720) | (635.503) | (1.309.664) | (636.295) |

(*) Sponsorship and advertising expenses includes marketing expenses related to the income of domestic and foreign medical tourism.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

NOTE 19 - OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

| | 1 January-30 June 2024 | 1 April-30 June 2024 | 1 January-30 June 2023 | 1 April-30 June 2023 |
|---|---------------------------|-------------------------|---------------------------|-------------------------|
| Other income from operating activities | | | | |
| Foreign exchange gains from operations | 291.757 | 62.876 | 445.688 | 417.581 |
| Trade payables discount | 16.760 | (33.577) | 41.103 | 34.760 |
| Other income | 62.675 | 29.882 | 82.592 | 27.955 |
| | 371.192 | 59.181 | 569.383 | 480.296 |

| | 1 January-30 June 2024 | 1 April-30 June 2024 | 1 January-30 June 2023 | 1 April-30 June 2023 |
|---|---------------------------|-------------------------|---------------------------|-------------------------|
| Other expenses from operating activities | | | | |
| Foreign exchange losses from operations | (235.549) | (59.674) | (163.525) | (136.010) |
| SSI return expenses | (37.472) | (24.943) | (15.172) | (6.066) |
| Non-operational hospital expenses | (30.682) | (15.085) | (24.478) | (13.761) |
| Trade receivables discount | (44.043) | (19.678) | (19.657) | (19.427) |
| Other expenses | (160.269) | (89.586) | (98.385) | (52.518) |
| | (508.015) | (208.966) | (321.217) | (227.782) |

NOTE 20 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES

| | 1 January-30 June 2024 | 1 April-30 June 2024 | 1 January-30 June 2023 | 1 April-30 June 2023 |
|--|---------------------------|-------------------------|---------------------------|-------------------------|
| Income from investment activities | | | | |
| Exchange rate-protected time deposits | -- | -- | 85.180 | 67.450 |
| Gains from bargain purchases (Note 25) | 821.020 | 821.020 | -- | -- |
| Gain on sale of fixed assets | -- | (234) | 982 | 19 |
| | 821.020 | 820.786 | 86.162 | 67.469 |

| | 1 January-30 June 2024 | 1 April-30 June 2024 | 1 January-30 June 2023 | 1 April-30 June 2023 |
|--|---------------------------|-------------------------|---------------------------|-------------------------|
| Expenses from investment activities | | | | |
| Loss on sale of fixed assets | (5.642) | (5.642) | (5.173) | (607) |
| | (5.642) | (5.642) | (5.173) | (607) |

NOTE 21 - FINANCE EXPENSES

| | 1 January-30 June 2024 | 1 April-30 June 2024 | 1 January-30 June 2023 | 1 April-30 June 2023 |
|--|---------------------------|-------------------------|---------------------------|-------------------------|
| Interest expenses from bonds issued | (416.827) | (247.696) | (110.252) | (89.276) |
| Interest expenses from lease liabilities | (353.161) | (168.927) | (351.068) | (145.431) |
| Bank commissions | (205.219) | (98.890) | (101.169) | (58.920) |
| Interest expenses from bank borrowings | (388.474) | (127.230) | (217.799) | (50.524) |
| Other interest expenses | (102.511) | (54.448) | (66.100) | (19.323) |
| Interest expenses from financial lease obligations | (4.934) | (2.179) | (14.719) | (9.481) |
| Total interest expenses | (1.471.126) | (699.370) | (861.107) | (372.955) |
| Interest expenses from lease liabilities | (10.724) | (1.134) | (65.005) | (43.904) |
| Net foreign exchange loss (Note 7) | (525) | (2) | (17.536) | (9.277) |
| Total financial expenses | (1.482.375) | (700.506) | (943.648) | (426.136) |
| Interest income | 264.099 | 128.781 | 45.237 | 32.264 |
| Finance expenses, net | (1.218.276) | (571.725) | (898.411) | (393.872) |

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 22 - TAXES ON INCOME (DEFERRED TAX ASSET AND LIABILITIES INCLUDED)

| Short term payables due to current tax | 30 June 2024 | 31 December 2023 |
|---|---------------------|-------------------------|
| Current period tax liabilities | 165.301 | 285.424 |
| | 165.301 | 285.424 |

| Current tax liabilities | 30 June 2024 | 31 December 2023 |
|---------------------------------|---------------------|-------------------------|
| Current corporate tax provision | 329.077 | 670.351 |
| Less: Prepaid taxes and funds | (163.776) | (384.927) |
| | 165.301 | 285.424 |

| Tax (expense)/income | 1 January -30 June 2024 | 1 January -31 June 2023 |
|-------------------------------|------------------------------------|------------------------------------|
| Current tax expense | (278.007) | (406.335) |
| Deferred tax income/(expense) | (859.342) | (384.847) |
| | (1.137.349) | (791.182) |

Corporate Tax

The Group is subject to Turkish corporate taxes in force. The necessary provisions are allocated in the consolidated financial statements for the estimated liabilities based on the Group’s results for the year. Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the consolidated financial statements, have been calculated on a separate-entity basis.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

In Turkey, provisional tax is calculated and accrued on a quarterly basis. The provisional tax rate to be calculated on corporate earnings during the taxation phase of 2024 corporate earnings as of temporary tax periods is 25% (2023: 20%). Losses can be carried forward for a maximum of 5 years, to be deducted from the taxable profits that will arise in future years. However, the losses incurred cannot be deducted retrospectively from the profits of previous years.

Deferred Tax

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for TFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for TFRS and tax purposes and they are given below. As of 30 June 2024, tax rate used in the calculation of deferred tax assets and liabilities was 25% over temporary timing differences (30 June 2023: 20%) for the part that will create tax effect in 2024, 25% for the part that will generate tax in 2024 and beyond.(30 June 2023 20%)

In Turkey, the companies cannot declare a consolidated tax return, therefore subsidiaries that have deferred tax assets position were not netted off against subsidiaries that have deferred tax liabilities position and disclosed separately.

Investment Incentive Certificate

The Group has various investment incentive certificates that were signed by the Turkish Ministry of Economy and approved by General Directorate of Incentive Implementation and Foreign Capital. With those incentives, the Group is eligible for a corporate tax deduction rate ranging between 40%- 80% for an unlimited time, which amounts to a total deferred tax asset of TRY 763,467 (December 31, 2023: TRY 789,328). Respective deferred tax asset was calculated to be 15%- 40% of total investment contribution with regards to the respective investment incentive certificates.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

NOTE 22 - TAXES ON INCOME (DEFERRED TAX ASSET AND LIABILITIES INCLUDED) (Continued)

Investment Incentive Certificate (Continued)

Additionally, the Group is entitled to social security premium support from the Turkish Ministry of Economy, related to the hospitals that have completed their greenfield investments. Such investment income of TRY 3,546 will be netted off against personnel expenses over the period of 2020-2026.

As of June 30, 2024, the Group has tax loss amounting to TRY 39,085 (December 31, 2023: TRY 81,005). TRY 9,771 (December 31, 2023: TRY 20,251) deferred tax assets have been recorded concerning this loss.

| Deffered tax assets/ (liabilities) | 30 June 2024 | 31 December 2023 |
|--|---------------------|-------------------------|
| Tax losses carried forward | 9.771 | 21.953 |
| Depreciation differences of tangible and intangible assets | (2.200.708) | (1.201.364) |
| Provision for employment termination benefits | 31.011 | 27.256 |
| Vacation pay liability | 51.620 | 40.379 |
| Temporary difference between the tax base and carrying amount of financial liabilities | (4.096) | (4.966) |
| Prepaid building expenses | 1.347 | 232 |
| Tax advantage from investment incentive | 763.467 | 789.328 |
| Right of use asset | (1.724.242) | (1.552.966) |
| Other | 443.977 | 115.655 |
| | (2.627.853) | (1.764.493) |
| Deferred tax asset | 1.957.569 | 2.256.723 |
| Deferred tax liability | (4.585.422) | (4.021.216) |
| | (2.627.853) | (1.764.493) |

Tax losses carried forward and their expiry dates are as follows:

| | 30 June 2024 | 31 December 2023 |
|---|--|--|
| | Losses carried forward for wich deffered tax assests recognized | Losses carried forward for wich deffered tax assests recognized |
| Expiration schedule of carryforward tax losses | | |
| Expiring in 2024 | -- | 4.558 |
| Expiring in 2025 | 3.048 | 15.109 |
| Expiring in 2026 | 731 | 8.958 |
| Expiring in 2027 | -- | 15.493 |
| Expiring in 2028 | 16.021 | 43.695 |
| Expiring in 2029 | 19.285 | -- |
| | 39.085 | 87.813 |

Movement of deferred tax (assets)/liabilities for the period ended June 30, 2024 and June 30, 2023 are as follows:

| | 1 January-30 June 2024 | 1 January-30 June 2023 |
|---|-------------------------------|-------------------------------|
| Movement of deffered tax liabilities | | |
| Opening balance as of January 1 | (1.764.493) | (492.161) |
| Charged to profit or loss | (859.342) | (384.847) |
| Charged to equity | (4.514) | 7.796 |
| Closing balance as at year end | 496 | -- |
| | (2.627.853) | (869.212) |

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 22 - TAXES ON INCOME (DEFERRED TAX ASSET AND LIABILITIES INCLUDED) (Continued)

The reconciliation of the current tax expense and net income for the period is as follows:

| | 1 January-30 June 2024 | 1 January-30 June 2023 |
|--|---------------------------|---------------------------|
| Reconciliation of tax provision: | | |
| Loss before tax | 3.192.753 | 2.498.715 |
| Tax at the domestic income tax rate of 25% (2023: 20%) | (798.188) | (499.743) |
| Tax effects of | | |
| - Expenses that are not deductible in | (40.921) | (45.187) |
| - Effect of tax advantage from investment incentive | 130.661 | 139.023 |
| - Reduced corporate tax effect | 134.339 | 148.196 |
| - Revaluation of assets for tax purposes | -- | 182.957 |
| - Other | (563.241) | (716.427) |
| Income tax income recognised in profit or loss | (1.137.349) | (791.182) |

NOTE 23 - EARNINGS PER SHARE

The weighted average number of shares and earnings per share is as follows:

| | 1 January- 30 June 2024 | 1 April- 30 June 2024 | 1 January- 30 June 2023 | 1 April-30 June 2023 |
|---|-------------------------------|-----------------------------|-------------------------------|-------------------------|
| Weighted average number of shares | 208.037 | 208.037 | 208.037 | 208.037 |
| Net gain/(loss) for the period for the equity holders of the parent | 1.791.165 | 1.050.773 | 1.620.166 | 1.271.522 |
| Earnings/(loss) per share for equity holder of the parent | 8,61 | 5,05 | 7,79 | 6,11 |

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

NOTE 24 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial Risk Factors

Foreign currency risk management

Foreign currency risk

Transactions in foreign currencies expose the Company to foreign currency risk. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

| | TRY Equivalents (Functional currency) | USD | EUR | GBP | Other |
|---|---|----------------|----------------|-------------|--------------|
| 30 June 2024 | | | | | |
| Trade receivables | 329.611 | 6.253 | 3.540 | -- | -- |
| 2a. Monetary financial assets | 1.076.221 | 28.092 | 3.599 | 667 | -- |
| 2b. Non monetary financial assets | 30.773 | 820 | 107 | 3 | -- |
| 3. Other | 2.393 | 38 | 32 | 1 | -- |
| 4. Current Assets | 1.438.998 | 35.203 | 7.276 | 671 | -- |
| 5. Trade receivables | -- | -- | -- | -- | -- |
| 6a. Monetary financial assets | -- | -- | -- | -- | -- |
| 6b. Non monetary financial assets | -- | -- | -- | -- | -- |
| 7. Other | 333.222 | 3.210 | 5.940 | -- | 1.000 |
| 8. Non-current assets | 333.222 | 3.210 | 5.940 | -- | 1.000 |
| 9. Total assets | 1.772.220 | 38.413 | 13.216 | 671 | 1.000 |
| 10. Trade Payables | (83.558) | (2.148) | (371) | (1) | -- |
| 11a. Financial liabilities (leasing) | -- | -- | -- | -- | -- |
| 11b. Financial liabilities (leasing) | (297) | -- | (8) | -- | -- |
| 11c. Lease Liabilities | (33.748) | -- | (961) | -- | -- |
| 12a. Other monetary liabilities | (359.529) | (5.485) | (5.006) | (88) | -- |
| 13. CURRENT LIABILITIES | (477.132) | (7.632) | (6.346) | (89) | -- |
| 14. Trade Payables | -- | -- | -- | -- | -- |
| 15a. Financial liabilities (leasing) | -- | -- | -- | -- | -- |
| 15b. Financial liabilities (leasing) | -- | -- | -- | -- | -- |
| 15c. Kira Yükümlülükleri | (92.900) | -- | (2.645) | -- | -- |
| 16a. Other monetary liabilities | -- | -- | -- | -- | -- |
| 16b. Other non-monetary liabilities | -- | -- | -- | -- | -- |
| 17. LONG TERM LIABILITIES | (92.900) | -- | (2.645) | -- | -- |
| 18. TOTAL LIABILITIES | (570.032) | (7.632) | (8.990) | (89) | -- |
| 19. Net assets / liability position of off-balance sheet derivatives (19a-19b) | | | | | |
| 19a. Off balance sheet foreign currency derivative assets | | | | | |
| 19b. Off balance sheet foreign currency derivative liabilities | | | | | |
| 20. NET FOREIGN CURRENCY ASSET LIABILITY (9+8+19) | 1.202.188 | 30.780 | 4.226 | 583 | 1.000 |
| 21. MONETARY ITEMS NET FOREIGN CURRENCY ASSET/LIABILITY POSITION (1+2a+10+11a+11b+12a+14+15+16a) | 835.800 | 26.713 | (1.852) | 579 | -- |

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 24 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

| 31 December 2023 | TRY Equivalents | | | | |
|--|-----------------------|----------------|----------------|-------------|-----------|
| | (Functional currency) | USD | EUR | GBP | Other |
| 1. Trade receivables | 239.983 | 3.061 | 460 | (2) | -- |
| 2a. Monetary financial assets | 1.209.071 | 26.834 | 1.737 | 134 | -- |
| 2b. Non monetary financial assets | 8.884 | 37 | 1.677 | 3 | -- |
| 3. Other | 2.812 | -- | 449 | -- | -- |
| 4. Current Assets | 1.460.749 | 29.932 | 4.323 | 135 | -- |
| 5. Trade receivables | -- | -- | -- | -- | -- |
| 6a. Monetary financial assets | -- | -- | -- | -- | -- |
| 6b. Non monetary financial assets | 153.266 | 3.335 | -- | -- | -- |
| 7. Other | 173.157 | -- | (9) | -- | -- |
| 8. Non-current assets | 326.423 | 3.335 | (9) | -- | -- |
| 9. Total assets | 1.787.172 | 33.267 | 4.314 | 135 | -- |
| 10. Trade payables | (319.560) | (332) | (187) | -- | -- |
| 11a. Financial liabilities (loans) | -- | -- | -- | -- | -- |
| 11b. Financial liabilities (leasing) | (11.706) | (280) | (2.050) | -- | -- |
| 11c. Lease liabilities | (36.243) | -- | (768) | -- | -- |
| 12a. Other monetary liabilities | (275.277) | (4.026) | (2.653) | (46) | -- |
| 13. Current liabilities | (642.786) | (4.638) | (5.658) | (46) | -- |
| 14. Trade payables | -- | -- | -- | -- | -- |
| 15a. Financial liabilities (loans) | -- | -- | -- | -- | -- |
| 15b. Financial liabilities (leasing) | -- | -- | (288) | -- | -- |
| 15c. Lease liabilities | (127.703) | -- | (4.035) | -- | -- |
| 16a. Other monetary liabilities | -- | -- | -- | -- | -- |
| 16b. Other non-monetary liabilities | -- | -- | -- | -- | -- |
| 17. Non-current liabilities | (127.703) | -- | (4.323) | -- | -- |
| 18. Total liabilities | (770.489) | (4.638) | (9.981) | (46) | -- |
| 19. Net assets / liability position of off-balance sheet derivatives (19a-19b) | -- | -- | -- | -- | -- |
| 19a. Off balance sheet foreign currency derivative assets | -- | -- | -- | -- | -- |
| 19b. Off balance sheet foreign currency derivative liabilities | -- | -- | -- | -- | -- |
| 20. Net foreign currency asset liability position (9-18+19) | 1.016.683 | 28.629 | (5.667) | 89 | - |
| 21. . Monetary Items Net Foreign Currency Asset/Liability Position (1+2a+10+11+12a+14+15+16a) | 678.565 | 25.257 | (7.784) | 86 | - |

Foreign currency sensitivity

The Group is exposed to foreign exchange risk arising primarily from USD and EUR.

The following table details the Group’s sensitivity to a 20% increase and decrease against the relevant foreign currencies. 20% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 20% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A positive number below indicates an increase in profit before tax.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira (“TRY”) unless otherwise stated.)

NOTE 24 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

| | 30 June 2024 | |
|--|----------------------------------|------------------------------------|
| | Profit / (Loss) | |
| | Valuation of foreign currency | Devaluation of foreign currency |
| In the case of US dollar gaining 20% value against TRY | | |
| 1- USD net asset/liability | 202.081 | (202.081) |
| 2- Portion hedged against USD risk (-) | - | - |
| 3- USD net effect (1 +2) | 202.081 | (202.081) |
| In the case of EUR gaining 20% value against TRY | | |
| 4 -EUR net asset/liability | 29.688 | (29.688) |
| 5 - Portion hedged against EUR risk (-) | - | - |
| 6- EUR net effect (4+5) | 29.688 | (29.688) |
| In the case of GBP gaining 10% value against TRY | | |
| 7- Other currency net asset/liability | 4.829 | (4.829) |
| 8 - Portion hedged against other currency risk (-) | - | - |
| 9- Other currency net effect (7+8) | 4.829 | (4.829) |
| TOTAL (3+6) | 236.598 | (236.598) |
| 31 December 2023 | | |
| Profit / (Loss) | | |
| | Valuation of foreign currency | Devaluation of foreign currency |
| In the case of US dollar gaining 20% value against TRY | | |
| 1- USD net asset/liability | 154.488 | (154.488) |
| 2- Portion hedged against USD risk (-) | - | - |
| 3- USD net effect (1 +2) | 154.488 | (154.488) |
| In the case of EUR gaining 20% value against TRY | | |
| 4 -EUR net asset/liability | 6.742 | (6.742) |
| 5 - Portion hedged against EUR risk (-) | - | - |
| 6- EUR net effect (4+5) | 6.742 | (6.742) |
| In the case of GBP gaining 10% value against TRY | | |
| 7- Other currency net asset/liability | - | - |
| 8 - Portion hedged against other currency risk (-) | - | - |
| 9- Other currency net effect (7+8) | - | - |
| TOTAL (3+6) | 161.230 | (161.230) |

NOTE 25 – BUSINESS COMBINATIONS

The Group acquired Medicalpark Izmir Hospital located in Izmir as of June 01, 2024; Medicalpark Incek Hospital located in Ankara as of April 17, 2024. TFRS 3 defines the concept of “business” as “the totality of activities and assets that can be conducted or managed in order to provide a return in the form of profit shares, low costs or other economic benefits directly to investors or other owners, members or participants”. According to the “Hospital Operation Agreements” signed with third parties, the Company has taken over the license and fixed assets of the hospital. In addition, the hospital building has been rented by the Company with the “Building Lease Agreements” signed on the same dates. As the agreement price, the Company will pay a total of TRY 474,000 equipment rental fee for 10 years. Since the transactions in question include the “Input - Process and Output” concepts specified in TFRS 3, they have been reflected in the records as a business combination. It has been provisionally accounted for in the consolidated financial statements as of June 30, 2024, within the framework of the provisions of TFRS 3 “Business Combinations Standard”. Within the scope of TFRS 3, the differences that will arise in the amounts provisionally accounted due to the results of the valuation studies in the subsequent period will be evaluated in the consolidated financial statements of the next period. Considering the total acquisition cost amounting to TRY 108,557 after the related transactions and the acquired assets amounting to TRY 929,577, a gain of TRY 821,020 has been recognized following the bargain purchase.

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

NOTE 25 – BUSINESS COMBINATIONS (Continued)

The profit/loss calculation resulting from the acquisition, the total acquisition amount and the information regarding the acquired net assets are as follows:

| | |
|--------------------------------------|----------------|
| Total acquisition amount | (108.557) |
| Net assets acquired | 929.577 |
| Gain from bargain purchase(*) | 821.020 |

(*) Deferred tax expense and negative goodwill balance are shown gross.

| Assets/Liabilities | Fair value |
|------------------------------|-------------------|
| Fixed Assets | |
| Tangible Fixed Assets | 61.154 |
| Intangible Fixed Assets | 868.423 |
| | 929.577 |
| Long-Term Liabilities | |
| Deferred Tax Liability | 205.255 |
| | 205.255 |
| Net Asset Purchase | 724.322 |
| Bargain Purchase Gain | 587.356 |
| Non-Controlling Interests | 233.664 |

NOTE 26 - EVENTS AFTER THE REPORTING PERIOD

Law No. 7524 on Amendments to Tax Laws, Certain Laws and Decree Law No. 375" was published in the Official Gazette dated 2 August 2024 and numbered 32620. With this Law, regulations and amendments have been made on domestic minimum corporate tax application, global minimum tax application and many other tax-related issues. The Company is in the process of assessing the impact of the amendments on the financial statements.

On June 24, 2024, MLP Sağlık Hizmetleri A.Ş.'s ("MLP Care") board has taken the following decisions:

- To obtain the licence of Özel Gebze Medar Hospital (in Kocaeli) and Özel Medar Ataşehir Hospital (in İstanbul) through our Company by signing a lease agreement,
- To change Özel Gebze Medar Hospital's name to Özel VM Medical Park Gebze Hospital, Özel Medar Ataşehir Hospitals's name to Özel Medical Park Ataşehir Hospita

On July 25, 2024 MLP Sağlık Hizmetleri A.Ş.'s 80% owned subsidiary Samsun Medikal Grup Özel Sağlık Hizmetleri A.Ş. have signed hospital building acceptance agreement for Medical Park Hospital in Pristina.

Kosova Medical Park Hospital, which has a total closed area of approximately 10,000 m2, 80 bed capacity, and 4 operating rooms, will play a major role in promoting Medical Park's strong brand and quality healthcare services abroad. The hospital is planned to start its operations on August. .

MLP SAĞLIK HİZMETLERİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2024

(Amounts expressed in thousands Turkish Lira ("TRY") unless otherwise stated.)

APPENDIX I EARNINGS BEFORE INTEREST TAXES DEPRECIATION AND AMORTISATION ("EBITDA")

Interest, Tax, Depreciation and Amortization ("EBITDA") is calculated by the Group Management with the addition of the period's depreciation and amortization, financial income and expenses, other adjustments and tax deductions to net loss before tax.

The EBITDA calculation movements for the period ended June 30, 2024 and June 30, 2023 are as follow:

| EBITDA CALCULATION | 30 June 2024 | 30 June 2023 |
|--|---------------------|---------------------|
| i. Net profit before tax | 3.192.753 | 2.498.715 |
| ii. Depreciation and amortization of tangible and intangible fixed assets including non-cash provisions related to assets such as goodwill | 1.272.013 | 972.524 |
| iii. Total net finance expenses, net of interest income | 1.207.028 | 730.690 |
| iv. Fx gains/losses, net under finance expenses | 11.249 | 82.541 |
| v. Fair value differences of derivative instruments | - | - |
| vi. Extraordinary (income) /expense | 187.240 | 64.834 |
| vii. Rediscount income/expense (net imputed interest) | 27.283 | (21.446) |
| viii. Gain on bargain purchase price | (821.020) | - |
| ix. Legal case provision expenditures which are reflected to financial statements by general accounting principles | (24.586) | (1.113) |
| x. Unused vacation pay provision expenses which are reflected to financial statements by the general accounting principles | 44.998 | 129.489 |
| xi. Retirement pay provision expenses which are reflected to financial statements by the general accounting principles | 13.589 | 15.879 |
| xii. Doubtful receivables provision expenses which are reflected to financial statements by the general accounting principles | (6.146) | (7.150) |
| xiii. Non-cash sale and lease back expenses which are reflected to financial statements by the general accounting principles (Note 3) | 423 | 417 |
| xiiii. Non-cash profit added to non-cash losses from the disposal of property, plant and equipment | 5.642 | 4.191 |
| XV. Monetary gain/(loss) | (902.640) | (1.039.653) |
| EBIDTA | 4.207.826 | 3.429.918 |
| TFRS 16 Lease payment effect | (629.217) | (562.888) |
| Adjusted EBITDA | 3.578.609 | 2.867.030 |