

**ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş.
AND ITS SUBSIDIARY**

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONSOLIDATED FINANCIAL STATEMENTS AND NOTES FOR THE YEAR ENDED
DECEMBER 31, 2024
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT
(ORIGINALLY ISSUED IN TURKISH)**



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
ORIGINALLY ISSUED IN TURKISH**

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş.

A. Audit of the consolidated financial statements

1. Our opinion

We have audited the accompanying consolidated financial statements of Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements comprising a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2. Basis for opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "SIA") that are part of Turkish Standards on Auditing adopted within the framework of the regulations of the Capital Markets Board and issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") the ethical requirements regarding independent audit in regulations issued by the POA; the regulations of the Capital Markets Board; and other relevant legislation are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key Audit Matters	How the key audit matter was addressed in the audit
Revenue recognition In the consolidated statement of profit or loss and other comprehensive for the year ended 31 December 2024, revenues amounting to 18.901.715.383 TRY were recognized by the Group. The Group's revenues mainly consist of the sales of vehicle and spare part. Revenue is measured by the amount remaining after deducting discounts and returns from the amount received or to be received in exchange for the goods or services provided. Revenue is one of the most significant indicators in the performance evaluation of the Group. Revenue has been selected as a key audit matter because it is of great importance in terms of evaluating the results of the strategies implemented during the year and monitoring performance and it has significant, decisive impact on more than one financial statement item. Disclosures regarding the Group's revenue-related accounting policies and amounts are included in Notes 2 and 20 of the attached financial statements.	During our audit, the following audit procedures were performed for the recognition of revenue: - Evaluated the understanding of the controls and processes the Group applied in recording revenue and the appropriateness of its accounting policies in terms of TFRS - Performed the revenue testing using the sampling method and supporting documents such as invoices, sales orders, contracts and dispatch notes - Evaluated performance obligations by comparing with sales contracts - Tested the revenue items belong to period ending and the beginning of the following period with the sampling method regarding the cut-off of the revenue, - Tested the completeness and accuracy of the sales discount using the sampling method - Tested the balances of trade receivables using the sampling method by sending confirmation letters - Evaluated the accuracy and adequacy of the revenue related disclosures included in footnotes 2 and 20 of the attached financial statements in terms of TFRS.

4. Responsibilities of management and those charged with governance for the consolidated financial statements

The Group management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

5. Auditor's responsibilities for the audit of the consolidated financial statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an independent audit conducted in accordance with SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B. Other responsibilities arising from regulatory requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş.'s bookkeeping activities concerning the period from 1 January to 31 December 2024 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor's report on the early risk identification system and committee was submitted to the Company's Board of Directors on 4 March 2025.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Salim Alyanak, SMMM
Independent Auditor

Istanbul, 4 March 2025

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ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
AUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF 31 DECEMBER 2024 AND 31 DECEMBER 2023

Page No: 1

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

	Notes	Audited Current Period 31 December 2024	Audited Prior Period 31 December 2023
ASSETS			
Current Assets		11.082.401.874	16.069.930.521
Cash and Cash Equivalents	4	3.096.662.825	5.291.337.828
Trade Receivables		2.916.033.289	4.251.609.164
<i>Trade Receivables from Related Parties</i>	7-28	223.038.838	149.177.889
<i>Trade Receivables from Third Parties</i>	7	2.692.994.451	4.102.431.275
Other Receivables		15.767.340	147.114.524
<i>Other Receivables from Third Parties</i>	8	15.767.340	147.114.524
Inventories	10	4.611.276.922	5.302.515.683
Derivative Instruments	9	-	125.331.837
Prepaid Expenses	18	332.193.791	866.617.537
Other Current Assets	18	110.467.707	85.403.948
Non-Current Assets		11.054.714.690	11.460.564.702
Financial Investments	5	54.305.880	21.186.124
Other Receivables		186	5.261
<i>Other Receivables from Third Parties</i>	8	186	5.261
Property, Plant and Equipment	11	8.168.863.696	9.228.336.271
Right of Use Assets	13	164.116.893	119.386.916
Intangible Assets		2.664.131.513	2.090.221.423
<i>Goodwill</i>	14	153.399.846	153.399.846
<i>Other Intangible Assets</i>	12	2.510.731.667	1.936.821.577
Prepaid Expenses	18	3.296.522	1.428.707
TOTAL ASSETS		22.137.116.564	27.530.495.223

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

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
AUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF 31 DECEMBER 2024 AND 31 DECEMBER 2023

Page No: 2

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

	Notes	Audited Current Period 31 December 2024	Audited Prior Period 31 December 2023
LIABILITIES			
Current Liabilities		9.639.490.406	13.348.403.204
Current Borrowings		3.983.672.203	5.458.240.816
<i>Current Borrowings from Third Parties</i>	6	3.983.672.203	5.458.240.816
<i>Bank Loans</i>	6	3.983.672.203	5.458.240.816
Current Portions of Non-Current Borrowings		666.768.464	1.010.662.976
<i>Current Portions of Non-Current Borrowings from Third Parties</i>	6	666.768.464	1.010.662.976
<i>Bank Loans</i>	6	610.870.662	943.068.387
<i>Lease Liabilities</i>	6	55.897.802	67.594.589
Trade Payables		3.610.547.193	5.382.028.243
<i>Trade Payables to Related Parties</i>	7-28	1.653.624.376	3.008.713.693
<i>Trade Payables to Third Parties</i>	7	1.956.922.817	2.373.314.550
Other Payables		34.454.432	58.934.019
<i>Other Payables to Related Parties</i>	28	9.109	13.151
<i>Other Payables to Third Parties</i>	8	34.445.323	58.920.868
Derivative Instruments	9	114.191.989	47.904.582
Employee Benefits Obligations		203.945.818	139.722.618
Liabilities Arising from Contracts with Customers	18	54.958.698	26.048.180
Deferred Income	18	693.051.293	719.711.603
Current Period Profit Tax Liability	26	-	381.651
Current Provisions		277.900.316	504.768.516
<i>Current Provisions for Employee Benefits</i>	17	50.484.150	170.963.767
<i>Other Current Provisions</i>	16	227.416.166	333.804.749
Non-Current Liabilities		1.673.294.797	2.264.886.167
Non-Current Borrowings		554.438.870	1.094.621.559
<i>Non-Current Borrowings from Third Parties</i>		554.438.870	1.094.621.559
<i>Bank Loans</i>	6	267.956.790	724.390.593
<i>Lease Liabilities</i>	6	286.482.080	370.230.966
Employee Benefits Obligations		19.982.806	36.791.177
Liabilities Arising from Contracts with Customers	18	236.890.865	279.356.038
Deferred Income	18	76.725.357	103.336.582
Non-Current Provisions for Employee Benefits	17	78.001.764	69.026.792
Deferred Tax Liability	26	707.255.135	681.754.019
EQUITY		10.824.331.361	11.917.205.852
Equity Attributable to Equity Holders of the Parent	19	10.824.331.361	11.917.205.852
Issued Capital		252.000.000	252.000.000
Adjustments to Share Capital		2.654.633.213	2.654.633.213
Revaluation and Remeasurement Earnings/Losses that will not be Reclassified in Profit or Loss		1.823.707.472	2.751.976.041
<i>Gain on Revaluation of Property, Plant and Equipment</i>		1.907.984.364	2.836.876.323
<i>Gain/Loss on Remeasurement of Defined Benefit Plans</i>		(84.276.892)	(84.900.282)
Restricted Reserves Appropriated from Profits		559.617.038	459.483.027
Retained Earnings		5.090.927.465	3.468.526.358
Current Period Net Profit		443.446.173	2.330.587.213
TOTAL LIABILITIES		22.137.116.564	27.530.495.223

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

AUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER

COMPREHENSIVE INCOME FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 31 DECEMBER 2023

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

	Notes	Audited 1 January- Current Period 31 December 2024	Audited 1 January- Prior Period 31 December 2023
PROFIT			
Revenue	20	18.901.715.383	21.909.106.161
Cost of Sales (-)	20	(16.475.848.055)	(18.046.634.223)
GROSS PROFIT		2.425.867.328	3.862.471.938
General Administrative Expenses (-)	21	(863.992.229)	(800.902.114)
Marketing Expenses (-)	21	(1.364.907.268)	(1.366.922.720)
Research and Development Expenses (-)	21	(186.093.454)	(167.462.937)
Other Income from Operating Activities	23	1.026.852.765	1.576.521.441
Other Expenses from Operating Activities (-)	23	(1.133.714.780)	(1.925.575.420)
PROFIT FROM OPERATING ACTIVITIES		(95.987.638)	1.178.130.188
Income from Investing Activities	24	35.906.626	68.275.094
PROFIT BEFORE FINANCE EXPENSE		(60.081.012)	1.246.405.282
Finance Income	25	1.516.378.306	1.801.771.110
Finance Expenses (-)	25	(2.653.381.269)	(2.963.396.009)
Monetary Gain/(Loss)	30	1.791.733.051	2.376.812.700
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX		594.649.076	2.461.593.083
Tax Income From Continuing Operations		(151.202.903)	(131.005.869)
Current Tax Expense	26	-	(105.455.934)
Deferred Tax Income	26	(151.202.903)	(25.549.935)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		443.446.173	2.330.587.214
PROFIT FOR THE YEAR	27	443.446.173	2.330.587.214
Profit for the Year Attributable to:		443.446.173	2.330.587.214
Owners of The Parent		443.446.173	2.330.587.214
Earnings Per 100 Share from Continuing Operations	27	1,7597	9,2484
OTHER COMPREHENSIVE INCOME		443.446.173	2.330.587.214
Items That Will Not Be Reclassified to Profit or Loss			
Gains on on Revaluation of Property, Plant and Equipment		(1.050.201.417)	1.106.709.068
Gains (Losses) on Remeasurement of Defined Benefit Plans		(3.768.939)	22.595.213
Losses on on Revaluation of Property, Plant and Equipment, Tax Effect		121.309.458	(132.587.361)
Gains (Losses) on Remeasurement of Defined Benefit Plans, Tax Effect		4.392.329	(5.648.804)
OTHER COMPREHENSIVE INCOME		(928.268.569)	991.068.116
TOTAL COMPREHENSIVE INCOME		(484.822.396)	3.321.655.330
Owners of the Parent		(484.822.396)	3.321.655.330

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

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
AUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 31 DECEMBER 2023

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(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31,2024, unless otherwise stated)

Prior Period	Notes	Issued Capital	Adjustments to Share Capital	Gain / Loss on Revaluation and Remeasurement That Will Not Be Reclassified to Profit or Loss			Retained Earnings		Total Equity of the Parent	Non Controlling Interest	Total Equity
				Gain on Revaluation of Property, Plant and Equipment	Gain/Loss on Remeasurement of Defined Benefit Plans	Restricted Reserves Appropriated from Profits	Accumulated Profit	Current Period Net Profit			
Balances as of 1 January 2023	19	84.000.000	2.580.076.877	1.862.754.616	(101.846.691)	396.380.693	3.054.805.782	1.132.374.229	9.008.545.506	-	9.008.545.506
Total Comprehensive Income		-	-	974.121.707	16.946.409	-	-	2.330.587.213	3.321.655.329	-	3.321.655.329
<i>Profit for the Period</i>		-	-	-	-	-	-	2.330.587.213	2.330.587.213	-	2.330.587.213
<i>Other Comprehensive Income/ (Loss)</i>		-	-	974.121.707	16.946.409	-	-	-	991.068.116	-	991.068.116
<i>Dividend</i>		-	-	-	-	-	(412.994.983)	-	(412.994.983)	-	(412.994.983)
<i>Transfers</i>		168.000.000	74.556.336	-	-	63.102.334	826.715.559	(1.132.374.229)	-	-	-
Balances as of 31 December 2023	19	252.000.000	2.654.633.213	2.836.876.323	(84.900.282)	459.483.027	3.468.526.358	2.330.587.213	11.917.205.852	-	11.917.205.852
Current Period											
Balances as of 1 January 2024	19	252.000.000	2.654.633.213	2.836.876.323	(84.900.282)	459.483.027	3.468.526.358	2.330.587.213	11.917.205.852	-	11.917.205.852
Total Comprehensive Income		-	-	(928.891.959)	623.390	-	-	443.446.173	(484.822.396)	-	(484.822.396)
<i>Profit for the Period</i>		-	-	-	-	-	-	443.446.173	443.446.173	-	443.446.173
<i>Other Comprehensive Income</i>		-	-	(928.891.959)	623.390	-	-	-	(928.268.569)	-	(928.268.569)
<i>Dividend</i>		-	-	-	-	-	(608.052.095)	-	(608.052.095)	-	(608.052.095)
<i>Transfers</i>		-	-	-	-	100.134.011	2.230.453.202	(2.330.587.213)	-	-	-
Balances as of 31 December 2024	19	252.000.000	2.654.633.213	1.907.984.364	(84.276.892)	559.617.038	5.090.927.465	443.446.173	10.824.331.361	-	10.824.331.361

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

GENEL / PUBLIC

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
AUDITED CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE PERIODS ENDED 31 DECEMBER 2024 AND 31 DECEMBER 2023

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(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

	Notes	Audited Current Period 31 December 2024	Audited Prior Period 31 December 2023
Cash Flows from Operating Activities		2.639.077.014	(129.265.109)
Current Period Net Profit	27	443.446.173	2.330.587.214
Adjustments to Reconcile Profit for The Year		2.175.637.118	376.335.949
Adjustments Related to Depreciation and Amortization Expenses	11-12-13	773.548.769	549.525.420
Adjustments Related to Provision for Employee Benefits (Released)	17	84.463.582	57.523.456
Adjustments Related to Tax (Income) Expense		151.202.903	131.005.869
Adjustments Related to Provisions for Litigations	16	25.899.743	39.203.630
Provision for Impairment of Receivables	7	-	(166.228)
Adjustments Related to Interest Income	25	(956.548.414)	(681.666.847)
Adjustments Related to Interest Expenses	25	1.751.631.261	1.205.837.000
Adjustments Related to Unrealized Currency Translation Differences of Financial Debts		48.717.236	515.033.264
Adjustments Related to Fair Value Losses (Gains)		187.435.558	(124.556.387)
Other Adjustments to Profit/(Loss) Reconciliation		52.247.770	197.635.594
Adjustments Related to Other Provisions (Released)	16	645.513.850	321.355.149
Adjustments Related to Loss (Gain) on Disposal of Property, Plant and Equipment	24	(31.722.940)	(60.102.568)
Monetary Gain/(Loss)		(556.752.200)	(1.774.291.403)
Changes in Working Capital		793.863.968	(2.292.587.796)
Adjustments Related to Decrease (Increase) in Trade Receivables	7	1.357.793.792	(1.688.795.371)
Adjustments Related to Decrease (Increase) in Inventories	10	691.238.761	(1.454.231.038)
Adjustments Related to Decrease (Increase) in Other Receivables from Operations		640.707.171	409.563.492
Adjustments Related to Increase (Decrease) in Trade Payables	7	(1.771.481.050)	205.485.637
Adjustments Related to Increase (Decrease) in Other Payables from Operations		339.680.896	441.808.433
Adjustments Related to Increase (Decrease) in Other Working Capital from Operations		(464.075.602)	(206.418.949)
Cash Generated from Operations		3.412.947.259	414.335.367
Income Tax Returns (Paid)		-	(105.074.283)
Payments Related to Other Provisions	16	(691.950.631)	(254.906.250)
Payments to Provision of Employee Benefits	17	(81.919.614)	(183.619.943)
Cash Flows from Investing Activities		(1.278.243.997)	(676.352.887)
Proceeds from Sale of Property, Plant and Equipment	11 - 24	38.651.333	90.388.610
Payments for Purchase of Property, Plant and Equipment	11	(373.636.339)	(463.731.242)
Payments for Purchase of Intangible Assets	12	(903.625.712)	(748.823.946)
Cash outflows for the acquisition of interests in other entities and funds	14	-	(153.399.846)
Proceeds from Other Activities		(39.633.279)	599.213.537
Cash Flows from Financing Activities		(2.373.237.386)	3.911.008.007
Dividend Payments		(608.052.095)	(412.994.983)
Interest Received		956.160.943	539.055.027
Interest Paid	6	(2.164.751.417)	(838.916.340)
Proceeds from Borrowings	6	5.293.717.296	13.887.756.094
Cash Outflows from Repayment of Borrowings	6	(5.783.967.775)	(9.205.311.301)
Cash Outflows Related to Debt Payments arising from Lease Agreements	6	(66.344.338)	(58.580.490)
Monetary Loss/Gain on Cash and Cash Equivalents		(1.076.828.151)	(1.417.884.196)
Net Increase (Decrease) in Cash and Cash Equivalents		(2.089.232.520)	1.687.505.815
Cash and Cash Equivalents at The Beginning of The Year		5.185.507.874	3.498.002.059
Cash and Cash Equivalents at The End of The Year	4	3.096.275.354	5.185.507.874

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

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP

Anadolu Isuzu Otomotiv Sanayi ve Ticaret Anonim Şirketi (the "Company") was established in 1980. Principal activities of the Company are comprised mainly of manufacturing, assembling, import and sales of commercial vehicles and also procure and sales of related spare parts regarding to after sales service. The Company is registered to Capital Markets Board of Turkey and the percentage of 15 of the Company's shares have been traded on Borsa Istanbul A.Ş. since 1997.

The Company carries out its operations as a partnership formed by Isuzu Motors Ltd. Itochu Corporation and Anadolu Group Companies. The Company runs its manufacturing operations in a factory which is established in Çayırova/Kocaeli. The average number of employees as of 31 December 2024 is 1.288 (31 December 2023:1.083).

The Company has been registered in Turkey, and the address of the Company is Fatih Sultan Mehmet Mahallesi Balkan Caddesi No: 58 Buyaka E Blok Tepeüstü Ümraniye, İstanbul.

The company is controlled by AG Anadolu Grubu Holding A.Ş., the parent company. AG Anadolu Grubu Holding A.Ş. is controlled by AG Sınai Yatırım ve Yönetim A.Ş. and AG Sınai Yatırım ve Yönetim A.Ş. is a management company, which is ultimately managed by the Özilhan Family and Süleyman Kamil Yazıcı Family in accordance with equal representation and equal management principle and manages AG Anadolu Grubu Holding A.Ş.'s companies.

As of 31 December 2024 and 31 December 2023, details about the company's subsidiary, which is subject to consolidation, is below:

Company Name	Principal Activity	Capital	31 December 2024	31 December 2023
			Participation Rate (%)	Participation Rate (%)
Ant Sınai ve Ticari Ürünleri Pazarlama A.Ş.	Trade of spare parts	716.000	100	100

Approval of Financial Statements

Consolidated financial statements for the period 1 January – 31 December 2024 approved by the Board of Directors on 4 March 2025 and signed by Independent Member of the Board of Director Barış TAN Audit Committee Chairman) and Münür YAVUZ (Audit Committee Member), General Manager Yusuf Tuğrul ARIKAN and Finance Director Neşet Fatih VURAL.

The Company and its subsidiary will be referred as (the "Group") in the condensed consolidated financial statements and notes to the consolidated financial statements.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of Presentation

2.1.1 Statement of Compliance TAS

The enclosed consolidated financial statements have been prepared in line with Capital Markets Board ("CMB"), Communiqué Serial: II, No. 14.1 on "Principles on Financial Reporting in Capital Market", promulgated in Official Gazette No. 28676 dated 13 June 2013. Pursuant to Article 5 of the Communiqué, Turkish Accounting Standards / Turkish Financial Reporting Standards ("TAS/IFRS") enforced by Public Oversight Accounting and Auditing Standards Authority ("POA"), and their relevant appendices and interpretations ("TAS/IFRS") have been taken as basic.

In addition, the financial statements and disclosures are presented in accordance with the publication by CMB dated 15 October 2022.

The Company (and its Subsidiary registered in Turkey) takes the Turkish Commercial Code ("TCC"), tax legislation and Uniform Chart of Accounts introduced by Turkish Ministry of Finance as basic for book keeping and preparation of the statutory financial statements. Consolidated financial statements have been prepared in Turkish Lira based on the historical costs, as well as the financial assets and liabilities presented in their fair values. Historical costs are generally based on the fair value of the amount paid for the assets. Consolidated financial statements have been arranged by applying the required adjustments and classifications to the statutory records prepared on historical cost basis in order to provide accurate presentation in line with TAS/IFRS. The most important adjustment records are the application of consolidation accounting, deferred tax calculation, calculation of employee termination benefit and other provisions.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 2 -BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

2.1.1 Statement of Compliance TAS (cont'd)

Currency Used

The financial statements of the Group's each entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of the each entity are expressed in TRY, which is the functional currency of the Company and the currency used for presenting consolidated financial statements.

2.1.2 Consolidation principles

Subsidiaries

Subsidiaries, including structured entities, are companies in the Group's control. The Group's control is provides for exposure to variable returns from these companies, being eligible for these benefits, and the power to direct them. Subsidiaries are consolidated using the full consolidation method starting from the date when the control is transferred to the Group. They are excluded from the scope of consolidation as of the date when the control is lost.

The purchasing method is used in accounting for group business combinations. The cost of acquisition includes the fair value of the assets transferred at the acquisition date, the liabilities incurred by the former owner of the company, and costs, consisting of equity instruments issued by the Group. The acquisition cost includes the fair value of the assets and liabilities transferred as a result of the contingent acquisition agreement.

The identifiable assets, liabilities, and contingent liabilities taken over during a business combination are measured at their fair value on the acquisition date. For each purchase, non-controlling shares of the acquired company are recognised either at their fair value or according to their proportional share in the net assets of the acquired company.

The table below sets out the subsidiaries and their ownership interests as of 31 December 2024 and 31 December 2023.

Subsidiary	Voting power held by the Group (%)		Proportion of ownership interest (%)	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Ant Sınai ve Ticari Ürünleri Pazarlama A.Ş.	100	100	100	100

2.1.3 Financial Reporting in Hyperinflationary Economy

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on November 23, 2024, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after December 31, 2024. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of December 31, 2023, on the purchasing power basis as of December 31, 2024.

Pursuant to the decision of the Capital Markets Board (SPK) dated December 28, 2024 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of IAS 29 starting from their annual financial reports for the periods ending on December 31, 2023.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 2 -BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.1 Basis of presentation (cont'd)

2.1.3 Financial Reporting in Hyperinflationary Economy (cont'd)

The adjustments made in accordance with IAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index (CPI) of Turkey published by the Turkish Statistical Institute (TÜİK). As of December 31, 2024, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

Year End	Index	Conversion Factor	Three-year Inflation Rate
31 December 2024	2.684,55	1,00000	%291
31 December 2023	1.859,38	1,44379	%268
31 December 2022	1.128,45	2,37897	%156

The main elements of the Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period consolidated financial statements prepared in TRY are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of IAS 36 "Impairment of Assets" and IAS 2 "Inventories" are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.
- The impact of inflation on the Group's net monetary asset position in the current period is recorded in the net monetary gain/(loss) account in the consolidated income statement.

2.1.4 Offsetting

The financial assets and liabilities in the consolidated financial statements are shown at their net value when a legal system that allows clarification of relevant values and there is an intention to demonstrate the values clearly or the realization of the asset and the settlement of the debt are at the same time.

2.1.5 Comparatives and Adjustment of Prior Periods' Financial Statements

The Group's consolidated financial statements for the current period are prepared in comparison with the previous periods in order to be able to determine the financial position and performance trends. The comparative information is reclassified when necessary with the aim of ensuring consistency with the presentation of the current period's consolidated financial statements and significant differences are disclosed.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

2.1.6 Amendments in Standards and Interpretations

a) Standards, amendments, and interpretations applicable as of 31 December 2024

Amendment to IAS 1 – Non-current liabilities with covenants; effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

Amendment to IFRS 16 – Leases on sale and leaseback; effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements; effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

IFRS S1, 'General requirements for disclosure of sustainability-related financial information; effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.

IFRS S2, 'Climate-related disclosures'; effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

However, in the Board Decision of POA published in the Official Gazette dated December 29, 2023, it is announced that certain entities will be subject to mandatory sustainability reporting as of January 1, 2024. The January 5, 2024 dated "Board Decision on the Scope of Application of Turkish Sustainability Reporting Standards (TSRS)" lists the entities that fall within the scope of sustainability application in order to determine the entities that will be subject to sustainability reporting. On the other hand, in accordance with the "Board Decision on the Scope of Implementation of Turkish Sustainability Reporting Standards (TSRS)" dated December 16, 2024, the scope of entities subject to sustainability reporting has been changed.

b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024:

Amendments to IFRS 17, 'Insurance Contracts'; effective from annual periods beginning on or after 1 January 2023. This standard replaces IFRS 4, which permitted a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts.

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

On the other hand, due to the change of the effective date of IFRS 17 from "January 1, 2024" to "January 1, 2025" by the Insurance and Private Pension Regulatory and Supervisory Board (SEDDEK) in accordance with subparagraph (a) of the first paragraph of Article 13 of the "Regulation Amending the Regulation on Financial Reporting of Insurance, Reinsurance and Pension Companies", in the letter dated February 15, 2024 sent by POA to the Banks Association of Turkey, insurance, It is stated that the application date of IFRS 17 has been postponed to January 1, 2025 in the consolidated and separate financial statements of reinsurance companies and pension companies, banks that have partnerships/investments in these companies and other companies that also have partnerships/investments in these companies.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

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

Amendments to IAS 21 - Lack of Exchangeability; effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments; effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities setTRYed through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

Annual improvements to IFRS – Volume 11; Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

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

- The structure of the statement of profit or loss,
- Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures),
- Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 19 Subsidiaries without Public Accountability: Disclosures; effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- It does not have public accountability,
- It has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.2 Effect of Revised Accounting Policies

Accounting policy changes resulting from the first application of a new standard, if any, are applied retrospectively or prospectively in accordance with the transition terms. Changes without any transition requirement, optional significant changes in accounting policies or significant accounting errors are applied retrospectively and the previous period's consolidated financial statements are restated. Changes in accounting estimates are applied in the current period if the change is related to only one period, and if they are related to future periods, they are applied both in the period in which the change is made and prospectively.

2.3 Summary of Significant Accounting Policies

2.3.1 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. Cash and cash equivalents include cash on hand, deposits at banks and highly liquid short-term investments, with maturity periods of less than three months, which has insignificant risk of change in fair value.

2.3.2 Trade receivables and provision for allowance

Trade receivables as a result of providing goods or services by the Group directly to a debtor are carried at amortised cost using original effective interest rates.

Provision for impairment of trade receivables is established if there is objective evidence that the Group will not be able to collect all amounts due. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of all cash flows, including amounts recoverable from guarantees and collateral, discounted based on the original effective interest rate of the originated receivables at inception.

If the impairment amount decreases due to an event occurring after the write-down, the release of the provision is credited to other income in the current period.

The Group collects most of the receivables from domestic vehicles sales through the "Direct Debit System" (DDS). Within this system which is also named as Direct Collection System; the contracted banks warrant the collection of the receivables within the limits granted to the dealers. Trade receivables are transferred by the contracted banks to the Group's bank accounts at the due dates.

2.3.3 Inventories

Inventories are stated at the lower of cost or net realizable value. The inventories of the Group mainly composed of trucks, small trucks, midi buses, pickups and spare parts which belong to those vehicles. The cost of inventories is determined on the monthly weighted moving average method. Cost of the finished and work in process good include raw materials, direct labour cost, related general production expenses and exclude the cost of borrowing. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. The allocation of fixed production overheads to the costs of conversion is based on the normal capacity of the production facilities. Idle time expenses arising from the ceases in production other than planned in the factory's annual production plan are not associated with inventories and are recognised as cost of finished goods.

2.3.4 Property, plant and equipment and related depreciation

While property, plant and equipment are presented on financial statement according to the adjusted values based on the effects of inflation as of 31 December 2004 for the assets acquired before 1 January 2005, they are presented on the financial statements by deducting accumulated depreciation from cost values for the assets acquired after 2005. As of 31 December 2017, lands and buildings have been monitored by revaluation method. Depreciation is calculated using the straight-line method based on their economic lives. The following rates, determined in accordance with the economic lives of the fixed assets, are used in calculation of depreciation:

Type	Useful Lives
Land Improvements	5-15
Buildings	2-50
Machinery and Equipment	10-15
Motor Vehicles	4-10
Furnitures and Fixtures	5-10
Other Property, Plant and Equipment	10-20

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.3 Summary of Significant Accounting Policies (cont'd)

2.3.4 Property, plant and equipment and related depreciation (cont'd)

Revaluation Method

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any revaluation increase arising on the revaluation of such land and buildings is recognized in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognized in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation on revalued buildings is charged to profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings.

Cost Method

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Except for land and investments in progress, cost or valued amounts of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Expected useful life, residual value and depreciation method are reviewed every year for the possible effects of the changes in estimates and accounted for prospectively if there is a change in the estimates.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.3 Summary of Significant Accounting Policies (cont'd)

2.3.5 Intangible assets and related amortisation

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are comprised of software programme rights, brand and patent rights and development expenses.

Type	Useful Lives
Rights	5-15
Development Expenses	5
Other Intangible Assets	3-15

2.3.6 Impairment of assets

All assets are reviewed for impairment losses including property, plant and equipment and intangible assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such an indication exists, the recoverable amount of the asset is presumed. The recoverable amount is presumed in each year-end for unusable intangible assets. An impairment loss is recognised for the amount by which the carrying amount of the asset or a cash-generating unit related to the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. Impairment losses are recognised in the statement of income. Impairment losses on assets can be reversed, to the extent of previously recorded impairment losses, in cases where increases in the recoverable value of the asset can be associated with events that occur subsequent to the period when the impairment loss was recorded.

2.3.7 Bank loans and borrowing costs

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of income as financing cost over the period of the borrowings. When it comes to the assets which take long time to get ready to usage and sales, borrowing costs related to production or construction are integrated to the cost of the asset.

2.3.8 Taxes on income

Tax liability on current period's profit or loss includes current period tax and deferred tax. Current year tax liability consists of tax liability on the taxable income calculated according to current TRY enacted tax rates and to the effective tax legislation as of balance sheet date.

Deferred tax is provided, using the liability method, on the temporary differences between the carrying values of assets and liabilities and their carrying. The tax value of assets and liabilities represent the amounts that will affect the tax base in the future periods related to the assets and liabilities within the framework of tax legislation. Deferred tax is calculated over the tax rates that are expected to apply in the period when the tax asset or the liability will be realized by taking into consideration the tax rates and tax legislation in effect as of the balance sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences, where deferred tax assets resulting from deductible temporary differences are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilised. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future. Deferred tax assets and liabilities related to income taxes levied by the same taxation authority are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.3 Summary of Significant Accounting Policies (cont'd)

2.3.9 Provision for employee benefits

The Group is obliged to pay termination indemnities to employees whose employment is terminated due to retirement or due to reasons other than resignation or behavior specified in the Labor Code, in accordance with the applicable law. The retirement benefit obligation recognized in the consolidated statement of financial position represents the present value of the defined benefit obligation.

2.3.10 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. If the provision amount decreases, in the case of an event occurring after the provision is accounted for, the related amount is classified as other income in the current period.

2.3.11 Research and development expenses

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other development expenditures are recognised as expense as incurred. Subsidies received from Tübitak are accounted for as deferred income by Group and are offset with amortisation expenses in the income statements in line with the useful life of the completed projects. Development costs are directly recognised as expense. Development expenses recognised as expense in prior periods are not subject to capitalisation in subsequent periods.

2.3.12 Warranty provision expenses

Warranty expenses are recognised on an accrual basis for amounts estimated based on prior periods' realization.

2.3.13 Related parties

For the purpose of these consolidated financial statements, shareholders, key management personnel and board members, in each case together with their families and companies controlled by/or affiliated with them and associated companies are considered and referred to as related parties. The transactions with related parties for operating activities are made with prices which are convenient with market prices.

2.3.14 Foreign currency transactions

Transactions in foreign currencies during the year have been translated at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated into TRY at the Central Bank of Turkey's exchange rates prevailing at the balance sheet dates. Foreign currency exchange gains or losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities are recognised in the statement of income.

2.3.15 Earnings per share

Earnings per share disclosed in the statement of income are determined by dividing net earnings by the weighted average number of shares that have been outstanding during the related year concerned.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("no-per shares") to existing shareholders from retained earnings and the revaluation surplus. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issues without a corresponding change in resources, by giving them retroactive effect for the year in which they were issued and for each earlier year.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.3 Summary of Significant Accounting Policies (cont'd)

2.3.16 Revenue recognition

Commercial vehicle and spare part sales

The Group recognizes income according to the accrual basis, when the Group reasonably determines the income and economic benefit is probable. Group's revenues are comprised of sales of commercial vehicles and the spare parts of those commercial vehicles. Net sales is determined by reducing customer returns and sales discounts.

Revenue from the sale of goods is recognized when all the following conditions are gratified:

- The significant risks and the ownership of the goods are transferred to the buyer,
- The Group refrains the managerial control over the goods and the effective control over the goods sold,
- The revenue can be measured reasonably,
- It is probable that the economic benefits related to transaction will flow to the entity,
- The costs incurred or will be incurred in conjunction with the transaction can be measured reliably.

Warranties given for sales cannot be purchased separately. These warranties are assured that the products sold are in compliance with the pre-determined conditions. In this respect, the Group will continue to recognize the warranty provisions in accordance with the provisions of the existing TAS 37 Provisions, Contingent Liabilities and Conditional Assets.

Revenue from extended warranty sales

For the products it sells, the Group sells extended warranty for the periods starting from the end of the legal warranty periods. The price of the additional commitments given is considered as a different service promised within the contract, apart from the products sold. Therefore, the Group accounts for the service to be provided due to extended warranty sales as a separate performance obligation.

Service rendering

When the revenue from services can be measured reliably, the revenue is recorded in accordance with its completion level. If the revenue cannot be measured reliably, revenues are recognized as much as the recoverable amount of expenses that are associated with these revenues.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

2.3.17 Reporting of Cash lows

In the statement of cash flows, cash flows during the period are classified under operating, investing or financing activities.

The cash flows raised from operating activities indicate cash flows due to the Group's operations.

The cash flows due to investing activities indicate the Group cash flows that are used for and obtained from investments (investments in property, plant and equipment and financial investments).

The cash flows due to financing activities indicate the cash obtained from financial arrangements and used in their repayment.

Cash and cash equivalents include cash and bank deposits and the investments that are readily convertible into cash and highly liquid assets with less than three months to maturity.

2.3.18 Contingent assets and liabilities

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in the consolidated financial statements and treated as contingent assets or liabilities.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.3 Summary of Significant Accounting Policies (cont'd)

2.3.19 Government Grants

Government grants are not recognized until there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received. Government grants are recognized as income over the periods necessary to match them with the related costs, which they are intended to compensate, on a systematic basis. Government grants and assistance received for R&D purposes of the Group are explained in Note 15.

2.3.20 TFRS 9 Financial Instruments

TFRS 9, Financial instruments; effective from annual periods beginning on or after 1 January 2018. This standard replaces the guidance in TAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model. Group has carried out valuation studies to determine the cumulative effect of the first transition and concluded that no changes should be made to the consolidated financial statements.

Financial assets

At initial recognition, the Group measures a financial asset at its fair value, except for trade receivables that do not contain significant financing component. The Group measures trade receivables at their transaction price (as defined in TFRS 15) if the trade receivables do not contain a significant financing component in accordance with TFRS 15 (or when the entity applies the practical expedient) at initial recognition.

In the initial measurement of financial assets except at fair value through profit or loss, transaction costs directly attributable to the acquisition or export of such assets are added to or deducted from the fair value. Financial assets that are traded in the normal course are recognized at the date of the transaction (delivery date).

The Group reclassifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both: (a) the Group's business model for managing the financial assets, and (b) the contractual cash flow characteristics of the financial asset. When, and only when, the Group changes its business model for managing financial assets, it reclassifies all affected financial assets. The Group applies the reclassification prospectively from the reclassification date. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Financial assets measured at amortized cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest revenue of financial assets measured at amortised cost is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

- (a) purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition.
- (b) financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortised cost of the financial asset in subsequent reporting periods.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset and recognises a modification gain or loss in profit or loss.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.3 Summary of Significant Accounting Policies (cont'd)

2.3.20 TFRS 9 Financial Instruments (cont'd)

Financial assets measured at amortized cost (cont'd)

The Group directly reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A gain or loss on a financial asset measured at fair value through other comprehensive income is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. If the financial asset is reclassified out of the fair value through other comprehensive income measurement category, the Company accounts for the cumulative gain or loss that was previously recognised in other comprehensive income in the financial statements. Interest calculated using the effective interest method is recognised in profit or loss.

At initial recognition, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is not held for trading.

Financial assets measured at fair value through profit or loss

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

Financial assets that are not designated as an effective hedging instrument against financial risk are also classified as financial assets at fair value through profit or loss. The related financial assets are presented with their fair values and the gains and losses arising from the valuation are recognized in profit or loss.

Impairment

The Group recognises a loss allowance for expected credit losses on financial assets that are measured at amortized cost or fair value through other comprehensive income.

The Group applies the impairment requirements for the recognition and measurement of a loss allowance for financial assets that are measured at fair value through other comprehensive income. However, the loss allowance is recognised in other comprehensive income and does not reduce the carrying amount of the financial asset in the statement of financial position.

At each reporting date, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses except for purchased or originated credit impaired financial assets. For purchased or originated credit-impaired financial assets, the Group only recognizes the cumulative changes in lifetime expected credit losses since initial recognition as a loss allowance at the reporting date.

The Group measures the loss allowance at an amount equal to lifetime expected credit losses for trade receivables, contract assets and lease receivables that do not contain a significant financing component, which is referred as simplified approach.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

2.3 Summary of Significant Accounting Policies (cont'd)

2.3.20 TFRS 9 Financial Instruments (cont'd)

Financial liabilities

Financial liabilities are initially measured at fair value. During initial recognition of financial liabilities not designated fair value through profit or loss, all direct attributable transaction costs related to underwriting of financial liabilities, added to this fair value.

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for:

(a) financial liabilities at fair value through profit or loss: Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value.

(b) financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies. If a transfer does not result in derecognition because the Company has retained substantially all the risks and rewards of ownership of the transferred asset, the Company continues to recognise the transferred asset in its entirety and recognises a financial liability for the consideration received. In subsequent periods, the Company recognises any income on the transferred asset and any expense incurred on the financial liability.

(c) contingent consideration recognised by an acquirer in a business combination to which TFRS 3 applies. Such contingent consideration is subsequently measured at fair value with changes recognised in profit or loss.

The Group does not reclassify any financial liability.

Recognition and derecognition of financial assets

The Group recognises a financial asset or a financial liability in the statement of financial position when the Group becomes party to the contractual provisions of the instrument. The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. The Group only derecognizes the obligation if the obligation defined in the contract is lifted or canceled or if it expires on time.

2.3.21 Events after the reporting period

Subsequent events and announcements related to net profit or even declared after other selective financial information has been publicly announced, include all events that take place between the balance sheet date and the date when the balance sheet is authorised for issue.

In the case that events requiring an adjustment to the consolidated financial statements occur subsequent to the balance sheet date, the Group makes the necessary corrections on the consolidated financial statements.

2.4 Changes in Accounting Estimates and Errors

Accounting estimates are made based on reliable information and using appropriate estimation methods. However, if new or additional information becomes available or the circumstances, which the initial estimates based on, change, then the estimates are reviewed and revised, if necessary. If the change in the accounting estimates is only related to a sole period, then only that period's financial statements are adjusted. If the amendments are related to the current as well as the forthcoming periods, then both current and forthcoming periods' financial statements are adjusted.

Significant accounting errors are applied retrospectively and the consolidated financial statements of the previous period are restated. There has been no significant change in the accounting estimates of the Group in the current year.

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NOTE 2 -BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Other Accounting Estimates

In instances where the accounting estimates affect both current and forthcoming periods, then description and monetary value of the estimate is disclosed in the notes to the financial statements except instances where the estimation of the effect related to upcoming periods are not possible.

a) Deferred Tax

There are previous year losses, research and development expenditures and investment incentive certificates that the Group can gain tax advantage in the future. Deferred tax assets can only be recognized if it is probable that sufficient taxable profit will be generated in future periods. In each reporting period, the Group management evaluates the taxable profit that may occur in the future periods, and during its evaluations, future profit projections and unused losses are taken into account within the scope of tax legislation. For the year ended December 31, 2023, the Group has recorded deferred tax assets up to the part that it finds sufficient indications of taxable profit in the foreseeable future.

b) Warranty Cost Provisions

The Group determined the warranty provision based on warranty costs for each vehicle model in previous years and the remaining warranty periods for each vehicle.

c) Useful lives of property, plant and equipment:

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. The Company may shorten or prolong the useful lives and related depreciation of property, plant and equipment by taking into consideration the intended use of property, plant and equipment, technological progress according to their types and other factors.

d) Revaluation of land improvements and buildings:

Land improvements, evaluation of buildings and machinery have been made by taking into consideration the current market conditions. A significant increase / (decrease) in the market value of the lands and lands where the market approach (peer comparison) method is used will cause a significant increase / (decrease) in the fair value of the immovables in the relevant region and under similar conditions. As a result of the revaluation, provision for impairment of the fixed assets with fair value lower than the cost value is made.

The Group's land improvements and buildings have been revalued at 31 December 2024 by independent appraisals accredited by the Capital Markets Board. The Group's land improvements and buildings have been revalued by TSKB Gayrimenkul Değerleme A.Ş. accredited by the Capital Markets Board. The revaluation fund which is composed of the difference between the book value and the fair value is offset with deferred tax and shown under the equity as revaluation fund. Revaluation is performed periodically.

e) Provision for Employment Termination Benefits

Provision for employment termination benefits is calculated by taking into account the severance pay ceiling and actuarial informations recognized into the consolidated financial statements. Provision for employment termination benefits represents the estimated present value of the amount of retirement pay liability that the Group is liable to pay in the future.

NOTE 3 –SEGMENT REPORTING

The field of activity of the Group established in Turkey is the manufacture, assembly, import and sale of motor vehicles and spare parts. The field of activity of the Group, the nature and economic properties of products, production processes, classification according to customer risks and methods used in the distribution of products are similar. Moreover, the Group is structured on an activity basis rather than being managed under separate divisions including different activities. Thus, the operations of the Group are considered as a single activity division, and the outputs of the Group's activities, determination of the resources to be allocated to these activities, and review of the performance of these activities are evaluated accordingly.

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NOTE 4 - CASH AND CASH EQUIVALENTS

	<u>31 December 2024</u>	<u>31 December 2023</u>
Money Market Funds (*)	2.222.425.323	-
Banks-Demand Deposits	498.557.279	190.834.462
Banks-Time Deposits	367.990.695	5.095.732.904
Other Liquid Assets (**)	7.689.528	4.770.462
Total	3.096.662.825	5.291.337.828

(*) As of 31 December 2024, the balance in the 'Money Market Funds' item consists of the Group's short-term money market funds traded on TEFAŞ.

(**) As of 31 December 2024 and 31 December 2023, the balance in the 'Other Liquid Assets' item consists of the Group's credit card POS receivables at the bank.

As of 31 December 2024 and 31 December 2023, there are no blocked deposits.

As of 31 December 2024 and 31 December 2023, the cash and cash equivalents included in the consolidated cash flow statements are as follows:

	<u>31 December 2024</u>	<u>31 December 2023</u>
Liquid Assets	3.096.662.825	5.291.337.828
Interest Accruals (-)	(387.471)	(105.829.954)
Total (Excluding interest accruals)	3.096.275.354	5.185.507.874

The details of time deposits are as follows:

	<u>31 December 2024</u>		<u>31 December 2023</u>	
	<u>Amount</u>	<u>Annual Average</u>	<u>Amount</u>	<u>Annual Average</u>
	<u>(TRY</u>	<u>Interest Rate (%)</u>	<u>(TRY Equivalent)</u>	<u>Interest Rate (%)</u>
	<u>Equivalent)</u>			
TRY	297.814.086	47,50	4.879.152.099	38,50
EUR	70.176.609	1,50	216.580.805	2,70
Total	367.990.695		5.095.732.904	

The Group does not have any time deposits with maturities longer than three months and the time deposits are composed of fixed interest rates.

NOTE 5 - FINANCIAL INVESTMENTS

The details of long term financial investments as follows:

	<u>31 December</u>	<u>31 December</u>
	<u>2024</u>	<u>2023</u>
Investment Funds	54.305.880	21.186.124
Total	54.305.880	21.186.124

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NOTE 6 - FINANCIAL LIABILITIES

The details of bank loans as of 31 December 2024 and 31 December 2023 are as follows:

a) Short-term Borrowings

Bank Loans

	<u>Average Effective Interest Rate</u>		<u>Original Currency</u>		<u>Amount in TRY Including Interest</u>	
	<u>31 December</u> <u>2024</u>	<u>31 December</u> <u>2023</u>	<u>31 December</u> <u>2024</u>	<u>31 December</u> <u>2023</u>	<u>31 December</u> <u>2024</u>	<u>31 December</u> <u>2023</u>
TRY	37,78	16,58	3.983.672.203	5.458.240.816	3.983.672.203	5.458.240.816
Total					3.983.672.203	5.458.240.816

b) Short-term Portions of Long Term Borrowings

Bank Loans

	<u>Average Effective Interest Rate %</u>		<u>Original Currency</u>		<u>Amount in TRY Including Interest</u>	
	<u>31 December</u> <u>2024</u>	<u>31 December</u> <u>2023</u>	<u>31 December</u> <u>2024</u>	<u>31 December</u> <u>2023</u>	<u>31 December</u> <u>2024</u>	<u>31 December</u> <u>2023</u>
EUR	6,85	4,38	1.958.766	4.782.233	72.087.275	224.907.455
USD	-	4,25	-	5.583.593	-	237.316.726
TRY	47,53	17,52	538.783.387	480.844.206	538.783.387	480.844.206
Total					610.870.662	943.068.387

Finance Lease Liabilities

Short-term Finance Lease Payables

	<u>Average Effective Interest Rate %</u>		<u>Original Currency</u>		<u>Amount in TRY Including Interest</u>	
	<u>31 December</u> <u>2024</u>	<u>31 December</u> <u>2023</u>	<u>31 December</u> <u>2024</u>	<u>31 December</u> <u>2023</u>	<u>31 December</u> <u>2024</u>	<u>31 December</u> <u>2023</u>
TRY	34,00	34,00	14.843.945	34.696.717	14.843.945	34.696.717
Total					14.843.945	34.696.717

Short-term Lease Payables Arising from Operating Leases

	<u>Average Effective Interest Rate %</u>		<u>Original Currency</u>		<u>Amount in TRY Including Interest</u>	
	<u>31 December</u> <u>2024</u>	<u>31 December</u> <u>2023</u>	<u>31 December</u> <u>2024</u>	<u>31 December</u> <u>2023</u>	<u>31 December</u> <u>2024</u>	<u>31 December</u> <u>2023</u>
EUR	3,20	3,20	508.035	215.526	18.696.903	10.136.161
TRY	28,05	28,05	22.356.954	22.761.711	22.356.954	22.761.711
Total					41.053.857	32.897.872

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NOTE 6 - FINANCIAL LIABILITIES (cont'd)

c) Long-Term Borrowings

Bank Loans

	<u>Average Effective Interest Rate %</u>		<u>Original Currency</u>		<u>Amount in TRY Including Interest</u>	
	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
EUR	6,89	5,45	6.240.672	7.729.431	229.671.720	363.513.580
TRY	29,87	15,34	38.285.070	360.877.013	38.285.070	360.877.013
Total					267.956.790	724.390.593

As of 31 December 2024 and 31 December 2023, the payment schedule of long-term loans is as follows:

	<u>31 December 2024</u>	<u>31 December 2023</u>
1 to 2 years	89.205.284	418.492.129
2 to 3 years	63.586.423	89.473.904
3 to 4 years	85.128.872	75.370.075
4 to 5 years	24.204.415	103.228.071
More than 5 years	5.831.796	37.826.414
Total	267.956.790	724.390.593

Finance Lease Liabilities

Long Term Finance Lease Payables

	<u>Average Effective Interest Rate %</u>		<u>Original Currency</u>		<u>Amount in TRY Including Interest</u>	
	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
TRY	35,51	35,46	219.724.643	359.107.918	219.724.643	359.107.918
Total					219.724.643	359.107.918

Long-term Lease Payables Arising from Operating Leases

	<u>Average Effective Interest Rate %</u>		<u>Original Currency</u>		<u>Amount in TRY Including Interest</u>	
	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
EUR	3,20	3,20	557.767	96.272	20.527.174	4.527.633
TRY	28,05	28,05	46.230.263	6.595.415	46.230.263	6.595.415
Total					66.757.437	11.123.048

Financial net debt reconciliation as of 31 December 2024 and 31 December 2024 is as follows:

	<u>31 December 2024</u>	<u>31 December 2023</u>
Opening balance	7.563.525.351	4.799.793.598
Interest expense	1.749.793.531	1.202.529.785
Cash outflows from debt payments arising from lease agreements	(66.344.338)	(58.580.490)
TFRS 16 changes in lease liabilities	(55.094.275)	471.538.996
Interest paid	(2.164.751.417)	(838.916.340)
Newly obtained credits	5.293.717.296	13.887.756.094
Loans repaid	(5.783.967.775)	(9.205.311.301)
Exchange difference	153.908.757	508.609.744
Inflation Effect	(1.485.907.593)	(3.203.894.735)
Closing balance	5.204.879.537	7.563.525.351

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NOTE 7- TRADE RECEIVABLES AND PAYABLES

Trade receivables at period ends are as follows:

a) Short-term Trade Receivables

	31 December 2024	31 December 2023
Trade Receivables from Third Parties	2.720.177.453	4.151.832.194
Trade Receivables from Related Parties	223.038.838	149.177.889
Rediscount Expenses (-)	(27.183.002)	(49.400.919)
Doubtful Receivables	189.907	274.185
Allowance for Doubtful Receivables (-)	(189.907)	(274.185)
Total	2.916.033.289	4.251.609.164

As of 31 December 2024, the average term for trade receivables is 70 days (31 December 2023: 82 days).

Movements of provision for doubtful receivables are as follows:

	31 December 2024	31 December 2023
Opening Balance	274.185	1.142.001
Provisions for Uncollectible Provisions	-	(166.228)
Collections in the Period	-	(252.663)
Inflation Effect	(84.278)	(448.925)
Closing Balance	189.907	274.185

Trade payables at period ends are as follows:

Disclosures on the nature and level of risks in trade receivables are given in Note 29.

b) Short-term Trade Payables

	31 December 2024	31 December 2023
Trade Payables to Third Parties	2.002.186.835	2.437.584.728
Trade Payables to Related Parties	1.653.624.376	3.008.713.693
Rediscount Incomes(-)	(45.264.018)	(64.270.178)
Total	3.610.547.193	5.382.028.243

As of 31 December 2024, the average term for trade payables is 90 days (31 December 2023: 113 days).

As of 31 December 2024, supplier financing transactions amounting to TRY 107.017.758 have been realised. As of 31.12.2024, there is no trade payables balance arising from supplier financing transactions.

Disclosures on the nature and level of risks in trade payables are given in Note 29.

NOTE 8- OTHER RECEIVABLES AND PAYABLES

a) Other Short-term Receivables

	31 December 2024	31 December 2023
Receivables from Tax Office (*)	4.038.876	135.500.862
Due from Personnel	11.704.288	11.535.533
Deposits and Guarantees Given	24.176	78.129
Total	15.767.340	147.114.524

(*) As of 31 December 2024, the amount of Group's receivables was TRY 3.732.628 which consists of the receivables related to the VAT refund request (31 December 2023: TRY 132.896.446).

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NOTE 8- OTHER RECEIVABLES AND PAYABLES (cont'd)

b) Other Long-term Receivables

	<u>31 December 2024</u>	<u>31 December 2023</u>
Deposits and Guarantees Given	186	5.261
Total	186	5.261

Disclosures on the nature and level of risks in other receivables are given in Note 29.

c) Other Short-term Payables

	<u>31 December 2024</u>	<u>31 December 2023</u>
Payables Under Employee Benefit	203.945.818	139.722.618
Tax and Funds Payables	33.325.259	57.793.643
Other Miscellaneous Payables	1.120.064	1.127.225
Total	238.391.141	198.643.486

d) Other Long-term Payables

	<u>31 December 2024</u>	<u>31 December 2023</u>
Payables Under Employee Benefit	19.982.806	36.791.177
Total	19.982.806	36.791.177

NOTE 9- DERIVATIVE INSTRUMENTS

Foreign Currency Forward Transactions

As at 31 December 2024 and 31 December 2023, details of derivative instruments are as follows

	<u>31 December 2024</u>		<u>31 December 2023</u>	
	Nominal Value	Fair Value Asset Liability	Nominal Value	Fair Value Asset Liability
Forward Contracts	404.098.200	- (114.191.989)	3.225.773.750	125.331.837 (47.904.582)
Total	404.098.200	- (114.191.989)	3.225.773.750	125.331.837 (47.904.582)

NOTE 10- INVENTORIES

Inventory balances as of period ends are as follows:

	<u>31 December 2024</u>	<u>31 December 2023</u>
Raw Materials	2.823.245.373	3.281.688.562
Work in Process Goods	126.662.715	154.803.594
Finished Goods	1.007.271.807	546.511.123
Trade Goods	383.082.602	421.218.921
Other Inventory	30.214.787	90.286.832
Goods in Transit	240.799.638	808.006.651
Total Inventories	4.611.276.922	5.302.515.683

As at 31 December 2024, the total cost of inventories recognised in the statement of profit or loss is TRY 14.464.850.371 (31 December 2023: 16.461.646.116 TRY).

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NOTE 11- PROPERTY, PLANT AND EQUIPMENT

31 December 2024

Cost Value	Land	Land Improvements	Buildings	Plant, Machinery and Equipment	Vehicles	Furniture and Fixtures	Other Tangible Fixed Assets	Construction in Progress	Total
Opening Balance as at 1 January 2024	6.461.395.981	230.882.892	1.790.907.655	4.233.998.875	83.113.466	71.765.144	15.441.610	176.846.370	13.064.351.993
Additions	-	581.334	6.301.829	176.798.200	13.556.860	14.515.104	-	161.883.012	373.636.339
Transfers from Construction in Progress	-	187.564	229.567.972	45.849.527	-	11.695.389	-	(287.300.452)	-
Disposals	-	-	(2.475.459)	(51.729.677)	(5.350.626)	(7.074.571)	-	-	(66.630.333)
Revaluation Increases	(941.605.981)	-	(108.595.437)	-	-	-	-	-	(1.050.201.418)
Closing Balance as at 31 December 2024	5.519.790.000	231.651.790	1.915.706.560	4.404.916.925	91.319.700	90.901.066	15.441.610	51.428.930	12.321.156.581
<u>Accumulated Depreciation</u>									
Opening Balance as at 1 January 2023	-	(187.429.316)	(315.734.298)	(3.215.442.086)	(47.450.242)	(54.535.324)	(15.424.456)	-	(3.836.015.722)
Charge for the year	-	(1.803.799)	(33.535.188)	(327.301.368)	(8.789.480)	(4.542.859)	(6.409)	-	(375.979.103)
Disposals	-	-	429.080	49.587.303	3.041.890	6.643.667	-	-	59.701.940
Closing Balance as at 31 December 2024	-	(189.233.115)	(348.840.406)	(3.493.156.151)	(53.197.832)	(52.434.516)	(15.430.865)	-	(4.152.292.885)
<u>Net Book Value</u>									
Opening Balance as at 1 January 2024	6.461.395.981	43.453.576	1.475.173.357	1.018.556.789	35.663.224	17.229.820	17.154	176.846.370	9.228.336.271
Closing Balance as at 31 December 2024	5.519.790.000	42.418.675	1.566.866.154	911.760.774	38.121.868	38.466.550	10.745	51.428.930	8.168.863.696

TRY 293.539.236 of the depreciation expenses has been charged to cost of sales and TRY 8.152.511 to research and development expenses and TRY 12.395.005 to marketing expenses, TRY 33.352.483 to general administrative expenses and TRY 28.539.868 to development capitalization as of 31 December 2024.

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
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NOTE 11- PROPERTY, PLANT AND EQUIPMENT (cont'd)

31 December 2023

<u>Cost Value</u>	Land	Land Improvements	Buildings	Plant, Machinery and Equipment	Vehicles	Furniture and Fixtures	Other Tangible Fixed Assets	Construction in Progress	Total
Opening Balance as at 1 January 2023	5.500.796.612	227.690.496	1.486.846.057	3.894.228.431	65.820.773	61.127.181	15.441.610	42.441.559	11.294.392.719
Additions	-	2.477.433	20.770.825	387.798.332	23.360.586	7.907.505	-	370.090.558	812.405.239
Transfers from Construction in Progress	-	714.963	160.432.632	71.693.635	-	2.730.458	-	(235.571.688)	-
Disposals	-	-	(5.365.651)	(119.721.523)	(6.067.893)	-	-	(114.059)	(131.269.126)
Transfers	-	-	-	-	-	-	-	-	-
Revaluation Increases	960.599.369	-	128.223.792	-	-	-	-	-	1.088.823.161
Closing Balance as at 31 December 2023	6.461.395.981	230.882.892	1.790.907.655	4.233.998.875	83.113.466	71.765.144	15.441.610	176.846.370	13.064.351.993

Accumulated Depreciation

Opening Balance as at 1 January 2023	-	(181.504.617)	(300.103.182)	(3.181.100.992)	(49.433.367)	(50.794.184)	(15.416.693)	-	(3.778.353.035)
Charge for the year	-	(5.924.699)	(17.356.673)	(128.938.152)	(2.677.344)	(3.741.140)	(7.763)	-	(158.645.771)
Disposals	-	-	1.725.557	94.597.058	4.660.469	-	-	-	100.983.084
Revaluation Increases	-	-	-	-	-	-	-	-	-
Closing Balance as at 31 December 2023	-	(187.429.316)	(315.734.298)	(3.215.442.086)	(47.450.242)	(54.535.324)	(15.424.456)	-	(3.836.015.722)

Net Book Value

Opening Balance as at 1 January 2023	5.500.796.612	46.185.879	1.186.742.875	713.127.439	16.387.406	10.332.997	24.917	42.441.559	7.516.039.684
Closing Balance as at 31 December 2023	6.461.395.981	43.453.576	1.475.173.357	1.018.556.789	35.663.224	17.229.820	17.154	176.846.370	9.228.336.271

TRY 123.750.167 of the depreciation expenses has been charged to cost of sales and TRY 3.364.578 to research and development expenses and TRY 8.031.164 to marketing expenses, TRY 15.106.848 to general administrative expenses and TRY 8.393.013 to development capitalization as of 31 December 2023.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 11- PROPERTY, PLANT AND EQUIPMENT (cont'd)

An independent valuation on the Group's land and buildings was done as at 31 December 2024. Fair values of the Group's land and buildings were estimated based on valuation techniques which take into account comparable fair market value of land and buildings that share similar characteristics to the Group's assets. The gains/(loss) on revaluation of land and buildings in the amount of TRY 1.050.201.417 (net of taxes of TRY 928.891.959 TRY) has been included as a component of other comprehensive income. The revaluation surplus net of applicable deferred income taxes was credited to other comprehensive income. There are no restrictions on the distribution of the revaluation surplus to the equity holders of the Group.

NOTE 12 – INTANGIBLE ASSETS

31 December 2024

<u>Cost Value</u>	<u>Rights</u>	<u>Development Expenses</u>	<u>Other Intangible Assets</u>	<u>Construction in Progress and Advances (*)</u>	<u>Total</u>
Opening Balance as at 1 January 2024	10.166.579	2.405.299.035	439.565.280	1.027.814.291	3.882.845.185
Additions	-	-	37.365.411	866.260.301	903.625.712
Transfer from Construction in Progress	-	185.827.821	10.956.719	(196.784.540)	-
Disposals	-	-	(238.810)	-	(238.810)
Closing balance as at 31 December 2024	10.166.579	2.591.126.856	487.648.600	1.697.290.052	4.786.232.087
<u>Accumulated Amortization</u>					
Opening Balance as at 1 January 2024	(4.962.146)	(1.591.820.671)	(349.240.791)	-	(1.946.023.608)
Charge for the period	(653.363)	(280.507.534)	(48.404.312)	-	(329.565.209)
Disposals	-	-	88.397	-	88.397
Closing balance as at 31 December 2024	(5.615.509)	(1.872.328.205)	(397.556.706)	-	(2.275.500.420)
<u>Net Book Value</u>					
Opening Balance as at 1 January 2024	5.204.433	813.478.364	90.324.489	1.027.814.291	1.936.821.577
Closing balance as at 31 December 2024	4.551.070	718.798.651	90.091.894	1.697.290.052	2.510.731.667

TRY 234.671.588 of the depreciation expenses of intangible assets has been charged to cost of sales and TRY 7.315.191 to research and development expenses and TRY 17.129.573 to marketing expenses, TRY 47.017.011 to general administrative expenses and TRY 23.431.846 to development capitalization as of 31 December 2024.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 12 – INTANGIBLE ASSETS (cont'd)

31 December 2023

Cost Value	Rights	Development Expenses	Other Intangible Assets	Construction in Progress and Advances (*)	Total
Opening Balance as at 1 January 2023	9.909.407	2.297.397.862	384.319.911	442.394.059	3.134.021.239
Additions	-	-	41.248.113	707.575.833	748.823.946
Transfer from Construction in Progress	257.172	107.901.173	13.997.256	(122.155.601)	-
Closing balance as at 31 December 2023	10.166.579	2.405.299.035	439.565.280	1.027.814.291	3.882.845.185
Accumulated Amortization					
Opening Balance as at 1 January 2023	(4.261.500)	(1.298.444.124)	(300.666.004)	-	(1.603.371.628)
Charge for the period	(700.646)	(293.376.547)	(48.574.787)	-	(342.651.980)
Closing balance as at 31 December 2023	(4.962.146)	(1.591.820.671)	(349.240.791)	-	(1.946.023.608)
Net Book Value					
Opening Balance as at 1 January 2023	5.647.907	998.953.738	83.653.907	442.394.059	1.530.649.611
Closing balance as at 31 December 2023	5.204.433	813.478.364	90.324.489	1.027.814.291	1.936.821.577

TRY 290.575.488 of the depreciation expenses of intangible assets has been charged to cost of sales and TRY 4.964.739 to research and development expenses and TRY 6.904.590 to marketing expenses, TRY 27.571.182 to general administrative expenses and TRY 12.635.985 to development capitalization as of 31 December 2023.

NOTE 13 – RIGHT OF USE ASSETS

As of 31 December 2024 and 31 December 2023, the right of use assets' balances of depreciation assets and depreciation expenses in the relevant period are as follows:

Cost Value	Total
Opening Balance as at 1 January 2024	192.661.358
Additions	112.734.437
Disposals	(15.687.974)
Closing balance as at 31 December 2024	289.707.821
Accumulated Amortization	
Opening Balance as at 1 January 2024	(73.274.445)
Charge for the Period	(68.004.457)
Disposals	15.687.974
Closing balance as at 31 December 2024	(125.590.928)
Net Book Value	
Opening Balance as at 1 January 2024	119.386.913
Closing balance as at 31 December 2024	164.116.893

TRY 29.889.433 of depreciation expenses has been charged to cost of sales, and TRY 38.115.025 to general administration expenses as of 31 December 2024.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 13 – RIGHT OF USE ASSETS

<u>Cost Value</u>	<u>Total</u>
Opening Balance as at 1 January 2023	76.758.851
Additions	121.266.812
Disposals	(5.364.305)
Closing balance as at 31 December 2023	192.661.358

<u>Accumulated Amortization</u>	
Opening Balance as at 1 January 2023	(30.411.081)
Charge for the Period	(48.227.666)
Disposals	5.364.305
Closing balance as at 31 December 2023	(73.274.442)

<u>Net Book Value</u>	
Opening Balance as at 1 January 2023	46.347.770
Closing balance as at 31 December 2023	119.386.916

TRY 24.736.706 of depreciation expenses has been charged to cost of sales, and TRY 23.490.960 to general administration expenses as of 31 December 2023.

NOTE 14 - GOODWILL

As of 31 December 2024, there is goodwill amounting to TRY 153.399.846 related to the FZK acquisition (31 December 2023: TRY 153.399.846). The Group has calculated the recoverable amount of the goodwill, and no impairment has occurred on the goodwill balance. In this calculation, 5-year cash flows prepared based on the management-approved budgets and a discount rate of 20% per annum (2021: 20% per annum) have been used

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 15- GOVERNMENT GRANTS AND INCENTIVES

As of 31 December 2024, the amount of R&D tax credit that the Group can use in its tax calculation is TRY 6.033.260. (December 31, 2023: TRY None). In accordance with the amendment made in Article 35 of the Law No. 5746 on Supporting R&D Activities, which entered into force on April 1, 2008, the R&D discount rate to be used for R&D expenditures has been increased from 40% to 100%.

In order to benefit from the incentives and exemptions provided in line with the Law No. 5746, the Group applied to the Ministry of Industry and Commerce to become an R&D centre. On 3 June 2009, the Group was entiTRYed to become an R&D centre.

The Group realizes fixed asset investments with incentives within the scope of the "Council of Ministers Decisions on State Aids in Investments" numbered 2009/15199 and 2012/3305, which regulates the investment legislation.

The investment projects in which the Group has completed the investment process and continue to benefit from the deserved investment contribution amounts are as follows;

Within the scope of the incentive certificate numbered 5487, total TRY 51.670.512 was spent.(31 December 2023: TRY 51.670.512) The contribution rate to the investment is 20%.

The investment projects that the Group continues to invest in and continue to benefit from the investment contribution amounts are as follows;

Within the scope of the incentive certificate numbered 129788, total TRY 87.538.897 was spent. (31 December 2023: TRY 87.538.897) The contribution rate to the investment is 45%.

Within the scope of the incentive certificate numbered 535509, total TRY 56.662.570 was spent. (31 December 2023: 56.662.570) The contribution rate to the investment is 30%.

Within the scope of the incentive certificate numbered 541650, total TRY 387.657.020 was spent. (31 December 2023: TRY 284.144.979) The contribution rate to the investment is 55%.

Within the scope of the incentive certificate numbered 55760, total TRY 19.160.475 was spent. (31 December 2023: TRY 19.160.375) The contribution rate to the investment is 30%.

NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a) Other Short-term Provisions

	<u>31 December 2024</u>	<u>31 December 2023</u>
Warranty Provisions	119.990.574	132.754.409
Provision for Lawsuits	89.788.804	92.242.241
Provision for Premium and Commission	17.636.788	108.808.099
Total	227.416.166	333.804.749

Movements of provisions during the period are as follows:

	<u>Warranty Provisions</u>	<u>Provision for Lawsuits</u>	<u>Provision for Premium and Commission</u>	<u>Total</u>
Opening Balance as at 1 January 2024	132.754.409	92.242.241	108.808.098	333.804.748
Additions During The Period	179.373.464	25.899.743	466.140.386	671.413.593
Paid During The Period (-)	(168.084.064)	-	(523.866.567)	(691.950.631)
Inflation Effect	(24.053.235)	(28.353.180)	(33.445.129)	(85.851.544)
Closing Balance as at 31 December 2024	119.990.574	89.788.804	17.636.788	227.416.166

	<u>Warranty Provisions</u>	<u>Provision for Lawsuits</u>	<u>Provision for Premium and Commission</u>	<u>Total</u>
Opening Balance as at 1 January 2023	107.005.532	87.393.312	139.243.146	333.641.990
Additions During The Period	190.578.010	39.203.630	130.777.139	360.558.779
Paid During The Period (-)	(150.372.731)	-	(104.533.519)	(254.906.250)
Inflation Effect	(14.456.402)	(34.354.701)	(56.678.667)	(105.489.770)
Closing Balance as at 31 December 2023	132.754.409	92.242.241	108.808.099	333.804.749

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

Mortgages and guarantees on assets:

There are not any mortgages and guarantees on assets.

Contingent liabilities which are not shown in liabilities listed are as follows:

		31 Aralık 2024		
	<u>Total TRY</u>	<u>Original</u>	<u>Original</u>	<u>Original</u>
	<u>Provisions</u>	<u>Currency</u>	<u>Currency</u>	<u>Currency</u>
		<u>TRY</u>	<u>EUR</u>	<u>USD</u>
A. CPMs given in the name of its own legal personality	5.635.891.412	4.746.721.209	11.624.240	13.053.783
i. Letter of Guarantee	5.635.891.412	4.746.721.209	11.624.240	13.053.783
B. CPMs given on behalf of fully consolidated companies				
total amount of given CPMs	-	-	-	-
C. CPMs given in the normal course of business activities				
on behalf of third parties	-	-	-	-
D. Total amount of other CPMs	-	-	-	-
Total	5.635.891.412	4.746.721.209	11.624.240	13.053.783

		31 Aralık 2023		
	<u>Total TRY</u>	<u>Original</u>	<u>Original</u>	<u>Original</u>
	<u>Provisions</u>	<u>Currency</u>	<u>Currency</u>	<u>Currency</u>
		<u>TRY</u>	<u>EUR</u>	<u>USD</u>
A. CPMs given in the name of its own legal personality	3.269.124.556	1.830.675.020	11.485.100	1.994.007
i. Letter of Guarantee	3.269.124.556	1.830.675.020	11.485.100	1.994.007
B. CPMs given on behalf of fully consolidated companies				
total amount of given CPMs	-	-	-	-
C. CPMs given in the normal course of business activities				
on behalf of third parties	-	-	-	-
D. Total amount of other CPMs	-	-	-	-
Total	3.269.124.556	1.830.675.020	11.485.100	1.994.007

The ratio of other CPM is given by the Group to the Group's equity is 0% as of 31 December 2024 (0% as of 31 December 2023).

The Group is exposed to foreign currency risk since its foreign currency denominated assets and liabilities are formed of different currencies. In order to hedge its foreign currency position due to the fluctuations in the foreign exchange parities, the Group enters into forward contracts.

NOTE 17 – EMPLOYEE BENEFITS

a) Short-Term Provisions for Employee Benefits

	<u>31 December 2024</u>	<u>31 December 2023</u>
Provision for Employee Rights and Salaries	25.643.630	154.736.216
Provision for Unused Vacation	24.840.520	16.227.551
Total	50.484.150	170.963.767

Short-term provisions for employee benefits consist of provisions that were calculated and unpaid as of the end of period.

Movements of the provision for unused vacation during the period are as follows:

	<u>31 December 2024</u>	<u>31 December 2023</u>
Opening Balance	16.227.551	12.273.735
Recognized provision during the period	18.396.259	37.855.558
Paid During The Period	(49.624.669)	(30.427.178)
Inflation Effect	39.841.379	(3.474.564)
Total	24.840.520	16.227.551

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 17 – EMPLOYEE BENEFITS (cont'd)

b) Long-Term Provisions for Employee Benefits

	31 December 2024	31 December 2023
Provision for Severance Payments to Employees	78.001.764	69.026.792
Total	78.001.764	69.026.792

Within the framework of current laws in Turkey, it is obligatory to make the severance pay of each employee who has completed one year service period, has been paid off regardless of any related reason, has been called-up for military service along with men who have completed 25-year service period, women who have completed 20-year service period or those who have completed age of retirement (58 for women, 60 for men). Because there is not any funding obligation for the severance pay provision in Turkey, any special fund is not allocated in the financial statements.

The severance payments are calculated over 30-days gross salary for each service year. Primary assumption is that ceiling liability set for each service year increases in proportion to inflation. In parallel with this, real discount rate which is cleared of the potential inflation impacts is considered at the implementation stage. The severance pay cap is revised in every six months, the ceiling amount of TRY 46.655,43 (1 January 2024: TRY 35.058,58) applicable as of 1 January 2025 has been regarded for the calculation of the Group's provision of severance pay.

Moreover, the severance payments are not made for those who leave the job with his/her wish; estimated rate related to these severance pay amounts that will remain in the Group's account is considered.

Considering the Liability of Severance Pay are related to the next periods as per TAS 19, current values of the severance payments which will be made as of the balance sheet date are calculated to determine an approximate inflation expectation whose net difference refers a real discount rate and find an appropriate discount rate.

The actuarial assumptions considered in the calculation of the provision for employment termination benefits are as follows:

	31 December 2024	31 December 2023
Annual Net Discount Rate (%)	2,58	1,72
Turnover Rate to Estimate the Probability of Retirement (%)	18,24	11,92

The provision calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees is recognised to the consolidated financial statements.

Movements of the provision for employee termination benefit during the period are as follows:

	31 December 2024	31 December 2023
Opening Balance	69.026.792	299.202.001
Interest Cost	1.837.730	3.307.215
Gain/(Loss) on Remeasurement of Defined Benefit Plans	3.768.939	(22.595.213)
Paid Within the Period	(32.294.945)	(153.192.765)
Service Cost	64.229.593	16.360.683
Inflation Effect	(28.566.345)	(74.055.129)
Closing Balance	78.001.764	69.026.792

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 18- OTHER ASSETS AND LIABILITIES

a) Prepaid Expenses

	31 December 2024	31 December 2023
Advances Given For Inventory Purchase	313.207.596	856.785.232
Prepaid Insurance Expenses	10.197.109	1.364.709
Prepaid Subscription Expenses	152.511	842.772
Prepaid Maintenance Expenses	1.317.146	2.728.031
Prepaid Other Expenses	7.319.429	4.896.793
Total	332.193.791	866.617.537

b) Other Current Assets

	31 December 2024	31 December 2023
Deferred VAT	92.265.339	36.793.830
Other Current Assets	18.202.368	48.610.118
Total	110.467.707	85.403.948

c) Prepaid Expenses (Long-Term)

	31 December 2024	31 December 2023
Expenses Relating to Future Years	3.296.522	1.428.707
Total	3.296.522	1.428.707

d) Deferred Income (Short-Term)

	31 December 2024	31 December 2023
Order Advances Received	651.070.986	668.038.525
Deferred Income (*)	41.980.307	51.673.078
Total	693.051.293	719.711.603

e) Liabilities Arising from Contracts with Customers (Short-Term)

	31 December 2024	31 December 2023
Deferred Maintenance and Repair Income	54.958.698	26.048.180
Total	54.958.698	26.048.180

f) Deferred Income (Long-Term)

	31 December 2024	31 December 2023
Income Relating to Future Years	76.725.357	103.336.582
Total	76.725.357	103.336.582

g) Liabilities Arising from Customer Contracts (Long-Term)

	31 December 2024	31 December 2023
Deferred Maintenance and Repair Income	236.890.865	279.356.038
Total	236.890.865	279.356.038

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 19- SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Capital / Elimination Adjustments

As of 31 December 2024, the share capital of the Company is TRY 252.000.000 (31 December 2023: TRY 252.000.000).

This share capital is divided into 25.200.000.000 in total, including 13.545.943.533 A Group registered shares, 7.494.613.119 B Group registered shares, 4.159.443.348 C Group bearer's shares, each with nominal value of 1 (one) Kr. The distribution of this share capital on the basis of share group is as follows:

31 December 2024

Shareholders	Group A	Group B	Group C	Total Share Amount	Share (%)
AG Anadolu Grubu Holding A.Ş.	134.534.317	-	5.071.886	139.606.203	55,40
Isuzu Motors Ltd.	-	42.826.526	-	42.826.526	16,99
Itochu Corporation Tokyo	-	23.844.967	-	23.844.967	9,46
Itochu Corporation İstanbul	-	8.274.638	-	8.274.638	3,28
Other	925.118	-	36.522.548	37.447.666	14,87
Total	135.459.435	74.946.131	41.594.434	252.000.000	100

31 December 2023

Shareholders	Group A	Group B	Group C	Total Share Amount	Share (%)
AG Anadolu Grubu Holding A.Ş.	134.534.317	-	5.071.886	139.606.203	55,40
Isuzu Motors Ltd.	-	42.826.526	-	42.826.526	16,99
Itochu Corporation Tokyo	-	23.844.967	-	23.844.967	9,46
Itochu Corporation İstanbul	-	8.274.638	-	8.274.638	3,28
Other	925.118	-	36.522.548	37.447.666	14,87
Total	135.459.435	74.946.131	41.594.434	252.000.000	100

b) Privileges Granted to the Share Groups

The Company is directed by the 15 members of the Board of Directors elected among shareholders by General Assembly in accordance with the regulations of Turkish Commercial Code.

2 members of the Board of Directors are elected from the candidates nominated by the shareholders of Group B, the eight members of the Board of Directors are elected from the candidates nominated by the shareholders of Group A and 5 members are elected by the General Assembly from among the candidates to be nominated as independent board members.

Equity	31 December 2024	31 December 2023
Paid-in Capital	252.000.000	252.000.000
Capital Inflation Adjustment Difference	2.654.633.213	2.654.633.213
Restricted Reserves Appropriated from profit	559.617.038	459.483.027
Previous Year Profits	5.090.927.465	3.468.526.358
Gain / (Loss) on Revaluation and Measurement	1.907.984.364	2.836.876.323
(Losses) on Remeasurement of Defined Benefit Plans	(84.276.892)	(84.900.282)
Net Profit / (Loss) for The Period	443.446.173	2.330.587.213
Shareholders' Equity Attributable to Equity Holders of the Group	10.824.331.361	11.917.205.852
Total Shareholders' Equity	10.824.331.361	11.917.205.852

c) Restricted Reserves Appropriated from Profit

Restricted reserves appropriated from profit are comprised of legal reserves and other reserves.

Restricted Reserves Appropriated from Profit	31 December 2024	31 December 2023
Legal Reserves	559.617.038	459.483.027
Total	559.617.038	459.483.027

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 19- SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS (cont'd)

According to the provisions of the Turkish Commercial Code, legal reserves consist of primary and secondary legal reserves. The first legal reserves are allocated at the rate of 5% of the legal period profit until it reaches 20% of the historical or registered Company capital. Secondary legal reserves are allocated at the rate of 10% of all dividend distributions exceeding 5% of the Company's capital. According to the Turkish Commercial Code, first and second legal reserves cannot be distributed unless they exceed 50% of the total capital. They can only be used to compensate the losses in case the voluntary reserves are exhausted.

Legal Reserves appropriated in accordance with the relevant article of the Turkish Commercial Code are carried at their statutory amounts. In this context, differences arising from inflation adjustments in the valuations made within the framework of TAS 29 and TFRS principles and not subject to profit distribution or capital increase as of the report date are associated with retained earnings / losses.

Retained Earnings from Previous Years; It consists of extraordinary reserves, various inflation differences, and other retained earnings from previous years.

d) Retained Earnings/Losses

The Group's prior years' income details as of period ends are as follows:

Retained Earnings/Losses	31 December 2024	31 December 2023
Extraordinary Reserves	123.738.603	186.644.549
Legal Reserves Inflation Difference	96.996.689	96.996.689
Retained Earnings / (Losses)	4.870.192.173	3.184.885.120
Total	5.090.927.465	3.468.526.358

Quoted companies make profit distributions as follows:

According to the CMB regulations, if the profit distribution amount calculated based on the net distributable profit does not exceed the statutory net distributable profit, the entire amount may be distributed as dividends. However, if there is a period loss in any of the financial statements prepared in accordance with the CMB or statutory accounts, no profit distribution will be made. In its decision dated 27 January 2010, the CMB decided not to impose any minimum profit distribution obligation for dividend payments of publicly traded joint-stock companies.

Equity inflation adjustment differences and the carrying values of extraordinary reserves can be used for bonus share issuance, cash dividend distribution, or offsetting accumulated losses. However, if the equity inflation adjustment differences are used in cash dividend distribution, they will be subject to corporate tax.

The Group's retained earnings amount to TRY 5.090.927.465 as of 31 December 2024, based on the financial statements prepared in accordance with TMS/TFRS (31 December 2023: TRY 3.468.526.358).

According to Communiqué No: XI-29 and related announcements of the CMB, effective from 1 January 2008, "Paid-in Capital," "Restricted Reserves," and "Share Premium" must be reported at their statutory amounts in financial statements. The valuation differences arising from this (such as inflation adjustment differences) should be classified as follows:

- If the difference arises from "Paid-in Capital" and has not yet been added to the capital, it should be classified under "Capital Adjustment Differences" immediately following the "Paid-in Capital" item;
- If the difference arises from the inflation adjustment of "Restricted Reserves" or "Share Premiums" and has not yet been distributed as dividends or used for capital increases, it should be classified under "Retained Earnings." Other equity items are reported at the amounts calculated in accordance with the CMB Financial Reporting Standards.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 20- REVENUE AND COST OF SALES

	1 January- 31 December 2024	1 January- 31 December 2023
Domestic Sales	14.745.831.610	16.563.012.699
Foreign Sales	6.570.972.870	6.949.497.692
Other Income	83.146.181	69.007.305
Sales Total (Gross)	21.399.950.661	23.581.517.696
Sales Discounts (-)	(2.498.235.278)	(1.672.411.535)
Sales (Net)	18.901.715.383	21.909.106.161
Cost of Sales	(16.475.848.055)	(18.046.634.223)
Gross Operating Profit	2.425.867.328	3.862.471.938

Cost of Sales	1 January- 31 December 2024	1 January- 31 December 2023
Raw Materials and Supplies Expenses	(11.618.087.068)	(13.180.240.240)
Direct Labor Expenses	(1.164.428.911)	(897.053.156)
Depreciation and Amortization Expenses	(558.100.257)	(439.062.361)
Other Production Costs	(288.468.516)	(248.872.590)
Total Cost of Production	(13.629.084.752)	(14.765.228.347)
Change in Goods Inventory	432.619.805	34.676.937
Cost of Trade Goods Sold	(3.270.054.934)	(3.305.607.546)
Cost of Other Sales	(9.328.174)	(10.475.267)
Cost of Sales	(16.475.848.055)	(18.046.634.223)

NOTE 21- ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES

a) Research and Development Expenses

	1 January- 31 December 2024	1 January- 31 December 2023
Personnel Expenses	(145.374.271)	(128.590.762)
Outsourced Benefits and Services	(15.467.702)	(8.329.317)
Depreciation Expenses	(7.534.849)	(11.917.310)
Other	(17.716.632)	(18.625.548)
Total Research and Development Expenses	(186.093.454)	(167.462.937)

b)Marketing Expenses

	1 January- 31 December 2024	1 January- 31 December 2023
Personnel Expenses	(331.802.789)	(301.808.233)
Royalty Expenses	(195.633.359)	(250.635.544)
Transportation, Freight Expenses	(194.085.677)	(164.958.568)
Export Expense	(180.775.735)	(256.147.826)
Business and Service Expenses	(105.668.183)	(101.459.717)
Domestic Sales Expense	(104.199.463)	(18.436.566)
Travel Expenses	(39.195.912)	(36.857.765)
Depreciation Expenses	(29.524.578)	(14.935.754)
Warranty Expense Provision	(28.041.870)	(67.813.228)
Insurance Expenses	(25.610.554)	(30.281.433)
Advertisement Expenses	(17.975.605)	(18.318.146)
Representation-Hospitality Expenses	(9.343.876)	(5.540.130)
Maintenance and Repair Expenses	(8.208.090)	(11.989.467)
Tax, Duties and Fee Expenses	(1.518.642)	(1.219.228)
Consulting, Audit Expenses	(1.100.978)	(1.377.082)
Other	(92.221.957)	(85.144.033)
Total Marketing Expenses	(1.364.907.268)	(1.366.922.720)

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 21- ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (cont'd)

c) General Administrative Expenses	1 January- 31 December 2024	1 January- 31 December 2023
Personnel Expenses	(351.293.467)	(383.952.947)
Business and Service Expenses	(136.930.254)	(133.945.247)
Depreciation Expenses	(118.484.518)	(66.168.990)
Consulting, Audit Expenses	(111.965.852)	(80.279.741)
Insurance Expenses	(51.146.485)	(33.260.204)
Tax, Duties and Fee Expenses	(29.754.606)	(29.124.884)
Travel Expenses	(12.020.700)	(4.711.320)
Representation-Hospitality Expenses	(10.839.168)	(5.556.979)
Maintenance and Repair Expenses	(3.011.390)	(2.767.127)
Other	(38.545.789)	(61.134.675)
Total General Administrative Expenses	(863.992.229)	(800.902.114)

NOTE 22- EXPENSES BY NATURE

	1 January- 31 December 2024	1 January- 31 December 2023
Direct Raw Material and Supplies Costs	(11.618.087.068)	(13.180.240.240)
Cost of Trade Goods Sold	(3.270.054.934)	(3.305.607.546)
Personnel Expenses	(1.992.899.438)	(1.711.405.098)
Depreciation And Amortisation Expenses	(721.577.055)	(528.496.422)
Change in Finished Goods and Semi-Finished Goods	432.619.805	34.676.937
Other	(1.720.842.316)	(1.690.849.625)
Total Expenses	(18.890.841.006)	(20.381.921.994)

Expenses by nature include cost of goods sold, marketing, selling and distribution expenses, general administration expenses and research and development expenses.

Fees for Services Obtained from an Independent Auditor/Independent Audit Firm

The Group's explanation regarding the fees for the services rendered by the independent audit firms, which is based on the KGK's letter dated August 19, 2021, the preparation principles of which are based on the Board Decision published in the Official Gazette on March 30, 2021, are as follows:

	2024	2023
Independent audit fee for the reporting period	2.015.203	1.346.712
Fees for tax advisory services	-	-
Fees for other assurance services	1.211.727	1.189.050
Fees for other non-audit services	-	-
Total	3.226.930	2.535.762

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 23- OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

Other Income from Operating Activities:	1 January- 31 December 2024	1 January- 31 December 2023
Foreign Exchange Income on Trade Receivables and Payables	726.788.023	1.443.482.386
Sale Support Income	148.018.086	8.128.048
Service Income	1.994.798	6.023.133
Export D.F.I.F Support	8.381.927	8.874.992
Delay Interest Income	33.194.661	1.088.280
Discount Income on Trade Payables	7.782.231	8.931.736
Rent Income	4.433.030	1.062.612
Tubitak R&D Incentive	6.055.810	8.771.599
Other Income	90.204.199	90.158.655
Total	1.026.852.765	1.576.521.441

Other Expense from Operating Activities:	1 January- 31 December 2024	1 January- 31 December 2023
Foreign Exchange Expense on Trade Receivables and Payables	(1.071.711.319)	(1.811.517.794)
Donations and Contributions	(22.287.831)	(56.222.841)
Lawsuit Provisions	(25.899.743)	(39.712.470)
Other Expenses	(13.815.887)	(18.122.315)
Total	(1.133.714.780)	(1.925.575.420)

NOTE 24- INCOME AND EXPENSES FROM INVESTING ACTIVITIES

Income From Investing Activities	1 January- 31 December 2024	1 January- 31 December 2023
Gain on Sale of Machinery and Equipment	31.722.940	60.102.568
Currency Protected Deposit Fair Value Changes	4.183.686	8.172.526
Total	35.906.626	68.275.094

NOTE 25- FINANCE INCOME AND EXPENSES

Finance Income:	1 January- 31 December 2024	1 January- 31 December 2023
Interest Income	923.353.753	635.250.848
Foreign Exchange Gain	593.024.553	1.166.520.262
Total	1.516.378.306	1.801.771.110

Finance Expenses:	1 January- 31 December 2024	1 January- 31 December 2023
Interest Expenses	(1.751.631.261)	(1.205.837.000)
Foreign Exchange Expenses	(619.995.140)	(1.468.220.775)
Forward Purchase Expense	(184.868.529)	(8.570.462)
Letter of Guarantee Expenses	(23.836.380)	(11.297.171)
Expense from Derivative Transactions	(22.807.104)	(35.502.413)
Other Finance Expenses	(50.242.855)	(233.968.188)
Total	(2.653.381.269)	(2.963.396.009)

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 26- TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

	1 January- 31 December 2024	1 January- 31 December 2023
Current Income Tax Provision (-)	-	(105.455.934)
Deferred Tax Income / (Expense) (Income Statement)	(151.202.903)	(25.549.935)
Tax Income / (Expense) - Income Statement	(151.202.903)	(131.005.869)
Tax Income / (Expense) (Comprehensive Income Statement)	125.701.787	(138.236.165)
Total Tax Income / (Expense)	(25.501.116)	(269.242.034)

	31 December 2024	31 December 2023
Current Corporate Tax Provision	-	105.455.934
Less: Prepaid Taxes	-	(105.074.283)
Tax Payable	-	381.651

As of 31 December 2024, there is no amount of prepaid corporate tax exceeding the amount of corporate tax payable. (31 December 2023: TRY 381,651).

i) Provision for Current Period Tax

The Group is subject to corporate tax in Turkey. The necessary provisions for the estimated tax liabilities regarding the Group's operations in the current period have been made in the attached financial statements.

Corporate tax, to be accrued on taxable profit, is calculated by adding expenses that were deducted in the commercial profit determination but not deductible from the tax base, and then subtracting domestic dividends received, tax-exempt income, and Research and Development (R&D) incentives. The taxable base, calculated after these adjustments, is subject to corporate tax at the reduced rate applicable for investment incentives.

Consolidation principles are not applied when preparing financial statements for tax purposes in Turkey.

The corporate tax rate for 2024 is 25% (2023: 25%).

Tax losses can be carried forward to offset future taxable profits for a maximum of 5 years. However, the losses cannot be carried back to offset prior year's profits.

In accordance with Article 24 of the Corporate Tax Law, corporate tax is assessed based on the taxpayer's tax return. There is no formal mutual agreement procedure for tax evaluation in Turkey. Companies submit their corporate tax returns by April 25th of the following year. The tax office has the right to review the tax returns and accounting records within 5 years and may amend them if necessary.

Income Withholding Tax:

Income withholding tax must be calculated on dividends distributed from net profit after corporate tax. The income withholding tax rate is 15%.

ii) Deferred Tax

The Group recognizes deferred tax assets and liabilities arising from temporary differences between the financial statements prepared under TMS/IFRS and the statutory tax financial statements. These differences are typically due to timing differences in the recognition of income and expenses in different periods under TMS/IFRS and tax regulations.

Timing differences arise from the discrepancy between accounting and tax treatments for income and expense items. These differences are calculated based on tangible fixed assets, intangible fixed assets, stock revaluation, receivable discounts, provisions for severance pay and other provisions, accumulated losses, R&D incentives, and investment incentives.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 26- TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Each balance sheet date, the Group reviews its deferred tax assets and liabilities and withdraws any deferred tax assets determined to be non-recoverable from future taxable income.

The Group has applied for an R&D center certification in accordance with Law No. 5746, to benefit from the provided incentives and exemptions. After the inspection by the Ministry of Industry and Trade, the Group was granted an R&D center certificate effective from 3 June 2009.

The Group continues to undertake fixed asset investments under the investment incentive legislation, specifically under the "Decrees on State Aids in Investments" numbered 2009/15199 and 2012/3305.

The investment projects from which the Group continues to benefit from investment contribution amounts are explained in Note 15.

	31 December 2024		31 December 2023	
	<u>Cumulative Temporary Differences</u>	<u>Deferred Tax Assets/(Liabilities)</u>	<u>Cumulative Temporary Differences</u>	<u>Deferred Tax Assets/(Liabilities)</u>
Inventories	(160.805.109)	(40.201.277)	(370.969.151)	(92.742.289)
Fixed Assets (Net)	(7.423.923.051)	(1.028.206.099)	(8.066.934.437)	(1.047.804.477)
Provision for Employment Termination Benefits	97.984.570	24.496.143	93.545.774	23.386.443
Guarantee Provisions	119.990.574	29.997.644	132.754.409	33.188.602
R&D Discount and Investment Incentive	626.822.516	395.433.548	720.706.246	423.706.441
Derivative Instruments	(114.191.989)	(28.547.997)	(77.427.256)	(19.356.814)
Rediscount Expenses/Income (Net)	(18.081.016)	(4.520.254)	(14.869.259)	(3.717.314)
TFRS 15 Revenue from Contracts with Customers	(113.859.184)	(28.464.796)	(484.890.332)	(121.222.583)
Employee Benefits	68.722.150	17.180.538	66.760.091	16.690.023
Extended Warranty Income	293.916.099	73.479.025	305.404.218	76.351.055
Dealer Premium Provisions	9.963.208	2.490.802	66.064.225	16.516.057
Lawsuit Provisions	89.788.804	22.447.201	92.242.241	23.060.560
Adjustments Related to Borrowings	(697.401.698)	(174.350.425)	(376.238.529)	(94.059.632)
Adjustments Related to Leases	100.210.879	25.052.720	197.057.711	49.264.428
Other (Net)	25.832.375	6.458.092	139.941.923	34.985.481
Total		(707.255.135)		(681.754.019)

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 26- TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

ii) Deferred Tax(cont'd)

	1 January- 31 December 2024	1 January- 31 December 2023
Movement of Deferred Tax Assets / (Liabilities):		
Opening Balance	(681.754.019)	(517.967.919)
Deferred Tax (Expense) / Income Charged to Profit or Loss	(151.202.903)	(25.549.935)
Deferred Tax Income Charged to Comprehensive Income	125.701.787	(138.236.165)
Closing Balance	(707.255.135)	(681.754.019)

The reconciliation of the current tax expense with the period profit/loss is as follows:

Reconciliation of Tax Provision:	1 January- 31 December 2024	1 January- 31 December 2023
Income / (Loss) from Continuing Operations	594.649.076	2.461.593.082
Corporate Tax Rate %25	(148.662.269)	(615.398.271)
-R&D Incentive	265.595.641	281.929.856
-R&D Support Income	963.159	1.802.804
-Incentive Support	95.931.631	258.597.716
-Non-deductible expenses	(43.434.203)	(132.027.992)
-Income Not Subject to Tax	81.092	41.952.747
-Earthquake Tax	-	(101.814.199)
-Donations and Aids	22.078.500	(12.683.629)
-Other	35.066.386	(44.232.286)
-Monetary Gain (Loss)	(378.822.840)	190.867.385
Income/(Expense) on Tax Provision Recognised in Profit or Loss	(151.202.903)	(131.005.869)

NOTE 27 - EARNINGS / (LOSS) PER SHARE

	1 January- 31 December 2024	1 January- 31 December 2023
Net Profit / (Loss) for The Period	443.446.173	2.330.587.213
Weighted Average Number of Shares with Nominal Value of 1 Piaster	25.200.000.000	25.200.000.000
Income Per 100 Share with Nominal Value of TRY 1 Each	1,7597	9,2484

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31,2024, unless otherwise stated)

NOTE 28- RELATED PARTY DISCLOSURES

a) Related Party Payable and Receivable Balances:

Group's receivables from related parties are mainly due to trade goods, service sales and rent income. Group's payables to related parties are mainly due to raw material, service purchases and rent expenses.

The Group does not charge interest on its trade receivables from related parties.

31 December 2024	Receivables		Payables	
	Trade	Non-Trade	Trade	Non-Trade
Balances with Related Parties				
Itochu Corporation Tokyo (2)	-	-	1.582.905.104	-
Oyex-Handels Gmbh (1)	178.860.389	-	-	-
Isuzu Motors Ltd. Tokyo (2)	10.656.729	-	56.723.956	-
AG Anadolu Grubu Holding A.Ş. (2)	-	-	12.142.592	-
Çelik Motor Ticaret A.Ş. (1)	11.796.766	-	-	-
Anadolu Motor Üretim ve Paz. A.Ş. (1)	11.832.140	-	-	-
Itochu France (2)	8.836.893	-	-	-
AEH Sigorta Acenteliği A.Ş. (1)	-	-	1.669.626	-
Isuzu Motors International Operation Thailand (1)	1.055.921	-	-	-
Isuzu Motors Co. Thailand Ltd. (1)	-	-	97.278	-
Adel Kalemcilik Tic. ve San. A.Ş. (1)	-	-	80.154	-
Migros Ticaret A.Ş. (1)	-	-	4.581	-
Anadolu Efes Biracılık ve Malt Sanayi A.Ş. (2)	-	-	1.057	-
Garenta Ulaşım Çözümleri A.Ş. (2)	-	-	28	-
Ortaklara Borçlar (*)	-	-	-	9.109
Total	223.038.838	-	1.653.624.376	9.109

(*) Non-Trade Payables to Shareholders balance is classified under other payables in balance sheet.

(1) Related Parties of Shareholders

(2) Shareholders

31 December 2023	Receivables		Payables	
	Trade	Non-Trade	Trade	Non-Trade
Balances with Related Parties				
Itochu Corporation Tokyo (2)	-	-	2.897.859.066	-
Isuzu Motors Ltd. Tokyo (2)	10.031	-	91.072.587	-
Çelik Motor Ticaret A.Ş. (1)	14.875.109	-	-	-
Anadolu Motor Üretim ve Paz. A.Ş. (1)	12.706.673	-	-	-
Oyex-Handels Gmbh (1)	120.169.032	-	-	-
AG Anadolu Grubu Holding A.Ş. (2)	-	-	18.068.319	-
Isuzu Motors International Operation Thailand (1)	1.174.077	-	-	-
AEH Sigorta Acenteliği A.Ş. (1)	-	-	1.101.611	-
Adel Kalemcilik Tic. ve San. A.Ş. (1)	-	-	580.466	-
Isuzu Motors Europe NV (1)	242.967	-	-	-
Anadolu Efes Biracılık ve Malt Sanayi A.Ş.	-	-	31.290	-
Garenta Ulaşım Çözümleri A.Ş.	-	-	354	-
Ortaklara Borçlar (*)	-	-	-	13.151
	149.177.889	-	3.008.713.693	13.151

(*) Non-Trade Payables to Shareholders balance is classified under other payables in balance sheet.

(1) Related Parties of Shareholders

(2) Shareholders

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 28- RELATED PARTY DISCLOSURES (cont'd)

b) Purchases from Related Parties and Sales to Related Parties

1 January-31 December 2024

<u>Sales to Related Parties</u>	<u>Goods and Services</u>	<u>Fixed Assets</u>	<u>Other</u>	<u>Total Income/</u>
	<u>Sales</u>	<u>Sales</u>	<u>Income</u>	<u>Sales</u>
Oyex-Handels Gmbh (1)	416.743.298	-	-	416.743.298
Isuzu Motors Ltd. Tokyo (2)	138.407.411	-	-	138.407.411
Çelik Motor Ticaret A.Ş. (1)	27.860.601	-	-	27.860.601
Isuzu Motors International Operation Thailand (1)	25.856.675	-	-	25.856.675
Anadolu Motor Üretim ve Paz. A.Ş. (1)	23.557.432	-	-	23.557.432
Itochu Corporation Tokyo (2)	14.499.611	-	-	14.499.611
Itochu France	8.922.909	-	-	8.922.909
Garenta Ulaşım Çözümleri A.Ş (1)	1.755.523	-	-	1.755.523
Isuzu Motors Europe NV (1)	1.287.604	-	-	1.287.604
Türkiye'nin Otomobil Girişimi Grubu	970.245	-	-	970.245
Anadolu Efes Spor Kulübü	772.465	-	-	772.465
AG Anadolu Grubu Holding A.Ş.	22.756	-	-	22.756
Total	660.656.530	-	-	660.656.530

(1) Related Parties of Shareholders

(2) Shareholders

1 January-31 December 2023

<u>Sales to Related Parties</u>	<u>Goods and Services</u>	<u>Fixed Assets</u>	<u>Other</u>	<u>Total Income/</u>
	<u>Sales</u>	<u>Sales</u>	<u>Income</u>	<u>Sales</u>
Isuzu Motors Ltd. Tokyo (2)	186.082.034	-	-	186.082.034
Oyex-Handels Gmbh (1)	78.116.004	-	-	78.116.004
Çelik Motor Ticaret A.Ş. (1)	25.438.109	-	-	25.438.109
Anadolu Motor Üretim ve Paz. A.Ş. (1)	23.274.672	-	-	23.274.672
Isuzu Motors International Operation Thailand (1)	13.080.750	-	-	13.080.750
Isuzu Motors Europe NV (1)	4.546.726	-	-	4.546.726
Garenta Ulaşım Çözümleri A.Ş (1)	2.126.256	-	-	2.126.256
AEH Sigorta Acenteliği A.Ş. (1)	1.057.118	-	-	1.057.118
Anadolu Efes Spor Kulübü (1)	535.354	-	-	535.354
Türkiye'nin Otomobil Girişimi Grubu (1)	404.102	-	-	404.102
AG Anadolu Grubu Holding A.Ş. (1)	46.452	-	-	46.452
Total	334.707.577	-	-	334.707.577

(1) Related Parties of Shareholders

(2) Shareholders

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 28- RELATED PARTY DISCLOSURES
(cont'd)

b) Related Party Transactions: (cont'd)

1 January-31 December 2024

<u>Purchases from Related Parties</u>	<u>Goods and Services Sales</u>	<u>Fixed Assets Sales</u>	<u>Other Income</u>	<u>Total Income / Sales</u>
Itochu Corporation Tokyo (2)	2.825.823.397	-	-	2.825.823.397
Isuzu Motors International Operation Thailand (1)	1.105.052.860	-	-	1.105.052.860
Isuzu Motors Ltd. Tokyo (2)	237.335.502	-	-	237.335.502
AG Anadolu Grubu Holding A.Ş. (2)	109.895.857	-	-	109.895.857
Oyex Handels Gmbh	53.255.018	-	-	53.255.018
Anadolu Eğitim Sosyal Yardım Vakfı (1)	22.044.471	-	-	22.044.471
Anadolu Efes Spor Kulübü	20.680.639	-	-	20.680.639
Migros Ticaret A.Ş. (1)	6.373.793	-	-	6.373.793
Çelik Motor Ticaret A.Ş. (1)	3.837.840	-	-	3.837.840
Itochu France	1.432.440	-	-	1.432.440
Garenta Ulaşım Çözümleri A.Ş (1)	712.740	-	-	712.740
Adel Kalemcilik Tic. ve San. A.Ş. (1)	693.358	-	-	693.358
Anadolu Sağlık Merkezi İktisadi İşletmesi	146.512	-	-	146.512
Anadolu Efes Biracılık ve Malt Sanayi A.Ş.	91.683	-	-	91.683
Anadolu Bilişim Hizmetleri A.Ş. (1)	48.071	-	-	48.071
Isuzu Motors Europe NV (1)	23.663	-	-	23.663
Total	4.387.447.844	-	-	4.387.447.844

(1) Related Parties of Shareholders

(2) Shareholders

1 January-31 December 2023

<u>Purchases from Related Parties</u>	<u>Goods and Services Purchases</u>	<u>Fixed Assets Purchases</u>	<u>Other Expenses</u>	<u>Total Expense/ Purchases</u>
Itochu Corporation Tokyo (2)	4.059.516.159	-	-	4.059.516.159
Isuzu Motors International Operation Thailand (1)	2.075.964.491	-	-	2.075.964.491
Isuzu Motors Ltd. Tokyo (2)	302.004.814	-	-	302.004.814
Anadolu Efes Spor Kulübü	85.356.656	-	-	85.356.656
AG Anadolu Grubu Holding A.Ş. (2)	82.386.563	-	-	82.386.563
Oyex-Handels Gmbh (1)	51.440.316	-	-	51.440.316
Anadolu Eğitim Sosyal Yardım Vakfı (1)	45.815.646	-	-	45.815.646
Migros Ticaret A.Ş. (1)	5.084.019	-	-	5.084.019
Çelik Motor Ticaret A.Ş. (1)	1.877.186	-	-	1.877.186
Garenta Ulaşım Çözümleri A.Ş (1)	1.204.627	-	-	1.204.627
Adel Kalemcilik Tic. ve San. A.Ş. (1)	1.002.130	-	-	1.002.130
Isuzu Motors Europe NV (1)	299.811	-	-	299.811
Anadolu Motor Üretim ve Paz. A.Ş. (1)	129.631	-	-	129.631
Anadolu Bilişim Hizmetleri A.Ş. (1)	111.509	-	-	111.509
Anadolu Efes Biracılık ve Malt Sanayi A.Ş.	96.807	-	-	96.807
Total	6.712.290.365	-	-	6.712.290.365

(1) Related Parties of Shareholders

(2) Shareholders

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 28- RELATED PARTY DISCLOSURES (cont'd)

c) Donations to Anadolu Eğitim ve Sosyal Yardım Vakfı:

As per the Main Articles of Association of the Group, at least 2% - 5% of the Group's profit before tax following the distribution of 1st dividend shall be donated to Anadolu Eğitim ve Sosyal Yardım Vakfı as long as it is subject to tax exemption. 22.044.471 TRY of donation made to Anadolu Eğitim ve Sosyal Yardım Vakfı by the Group in 2024 (31.12.2023: TRY 45.815.646).

d) Dividend Expense

Dividend Expense	1 January-31 December 2024	1 January-31 December 2023
AG Anadolu Grubu Holding A.Ş. (1)	336.856.525	399.924.049
Isuzu Motors Ltd. Tokyo (1)	103.336.345	122.683.357
Itochu Corporation Tokyo (1)	57.535.643	68.307.679
Itochu Corporation İstanbul (1)	19.965.917	23.704.009
Total	517.694.430	614.619.094

(1) Shareholders

e) Benefits to Top Management:

	1 January- 31 December 2024	1 January- 31 December 2023
Salaries and Other Short-Term Liabilities	242.220.115	211.747.181
Total	242.220.115	211.747.181

The benefits provided to top management (General managers and Directors) include salaries, bonuses, premiums, and the employer's share of social security. As of 31 December 2024, the Group has not provided any post-employment benefits to top management due to leaving the job. (December 31, 2023: Not available.)

NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

(a) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing its profit and market value through the optimization of the debt and equity balance.

The Group's equity comprised of cash and cash equivalents in Note 4 and equity items in Note 19.

Risks, associated with each capital class, and the capital cost are evaluated by the top management. It is aimed that the capital structure will be set in balance by means of new borrowings or repaying the existing debts as well as dividend payments and new share issuances based on the top management evaluations.

The Group monitors capital by using debt to total capital ratio. This ratio is calculated by dividing the net debt by total capital. The net debt is calculated by excluding the cash and cash equivalent amounts from the total debt amount (including credits, leasing and commercial debts as indicated in the balance sheet).

	31 December 2024	31 December 2023
Net Debt	5.718.763.905	7.654.215.766
Total Equity	10.824.331.361	11.917.205.852
Net Debt/Total Equity	0,53	0,64

General strategy of the Group based on shareholders' equity is not different from previous periods.

The Group conducts hedging contracts (including derivative financial instruments) for the purpose of diversifying foreign currency fluctuation risks.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

(b) Price risk

The Group has no financial assets that will expose it to price risk.

(c) Market risk

The Group is subject to the financial risks related to the changes in the exchange rate (Please see (d) below) and interest rate (Please see (e) below) due to its operations and other (Please see (f) below). Also due to having financial instruments, the Group also bears the risk of other parties not meeting the requirements of agreements (Please see (g) below).

Market risks seen at the level of the Group are measured in accordance with sensitivity analyses.

The market risk of the Group incurred during the current year or the method of handling the encountered risks or the method of measuring those risks are not different from the previous year.

(d) Foreign exchange risk management

Foreign currency transactions may result in foreign currency risk.

The Group maintains foreign currency time deposit accounts in banks as the Group has receivables and payables in foreign currencies. As a consequence, the Group is exposed to foreign currency exchange risk due to the changes in exchange rates used for converting assets and liabilities into TRY. Foreign exchange risk arises from future trade operations and the differences between assets and liabilities.

Foreign Currency Position Sensitivity Analysis

31 December 2023

	<u>Profit / Loss</u>	
	<u>Appreciation of Foreign Currency</u>	<u>Depreciation of Foreign Currency</u>
In case of US Dollar increases / decreases in 10% against TRY;		
1 - USD denominated net asset / (liability)	(17.551.081)	17.551.081
2- USD denominated hedging instruments (-)	-	-
3- Net Effect of US Dollar (1 +2)	(17.551.081)	17.551.081
In case of Euro increases / decreases in 10% against TRY;		
4- EURO denominated net asset / (liability)	85.075.319	(85.075.319)
5- EURO denominated hedging instruments (-)	-	-
6- Net Effect of Euro (4+5)	85.075.319	(85.075.319)
Increase / decrease in other foreign currencies by 10%:		
7- Other foreign currency denominated net asset / (liability)	(91.297.372)	91.297.372
8- Other foreign currency hedging instruments (-)	-	-
9- Net Effect of Other Exchange Rates (4+5)	(91.297.372)	91.297.372
TOTAL (3+6+9)	(23.773.134)	23.773.134

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31,2024, unless otherwise stated)

NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

(d) Foreign exchange risk management (cont'd)

Statement of Foreign Exchange Rate Sensitivity Analysis

31 December 2023

	<u>Profit / Loss</u>	
	<u>Appreciation of Foreign Currency</u>	<u>Depreciation of Foreign Currency</u>
In case of US Dollar increases / decreases in 10% against TRY;		
1 - USD denominated net asset / (liability)	(17.465.934)	17.465.934
2- USD denominated hedging instruments (-)	-	-
3- Net Effect of US Dollar (1 +2)	(17.465.934)	17.465.934
In case of Euro increases / decreases in 10% against TRY;		
4- EURO denominated net asset / (liability)	57.175.682	(57.175.682)
5- EURO denominated hedging instruments (-)	-	-
6- Net Effect of Euro (4+5)	57.175.682	(57.175.682)
Increase / decrease in other foreign currencies by 10%:		
7- Other foreign currency denominated net asset / (liability)	(3.904.426)	3.904.426
8- Other foreign currency hedging instruments (-)	-	-
9- Net Effect of Other Exchange Rates (4+5)	(3.904.426)	3.904.426
TOTAL (3+6+9)	35.805.322	(35.805.322)

NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

(d) Foreign exchange risk management (cont'd)

	Statement of Foreign Currency Position										
	31 December 2024						31 December 2023				
	TRY Amount	US Dollar	Euro	Yen	Other		TRY Amount	US Dollar	Euro	Yen	Other
1. Trade Receivables	2.011.660.724	45.145	54.440.799	45.000.000	-		2.449.901.278	39.137	51.938.616	-	593.059
2a. Monetary Financial Assets	565.758.921	5.108.000	10.144.000	53.409.000	20.000		364.270.088	104.120	7.548.557	9.833.799	35.000
2b. Non-monetary Financial Assets	-	-	-	-	-		-	-	-	-	-
3. Other	-	-	-	-	-		-	-	-	-	-
4. Current Assets (1+2+3)	2.577.419.645	5.153.145	64.584.799	98.409.000	20.000		2.814.171.365	143.257	59.487.173	9.833.799	628.059
5. Trade Receivables	-	-	-	-	-		-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-		-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-		-	-	-	-	-
7. Other	-	-	-	-	-		-	-	-	-	-
8. Non-current Assets (5+6+7)	-	-	-	-	-		-	-	-	-	-
9. Total Assets (4+8)	2.577.419.645	5.153.145	64.584.799	98.409.000	20.000		2.814.171.365	143.257	59.487.173	9.833.799	628.059
10. Trade Payables	2.008.373.614	2.632.965	26.606.376	4.134.609.786	3.594		2.990.451.490	492.749	61.046.589	309.391.144	-
11. Financial Liabilities	72.087.290	-	1.958.766	-	-		463.057.534	5.583.593	4.782.233	-	-
12a. Monetary Other Liabilities	327.892.529	-	8.909.542	-	-		1.022.259.120	-	21.697.314	-	-
12b. Non-Monetary Other Liabilities	585.485.154	7.494.934	8.711.000	-	-		719.392.017	-	15.269.000	-	-
13. Current Liabilities (10+11+12)	2.993.838.587	10.127.899	46.185.684	4.134.609.786	3.594		5.195.160.160	6.076.342	102.795.136	309.391.144	-
14. Trade Payable	-	-	-	-	-		-	-	-	-	-
15. Financial Liabilities	229.671.707	-	6.240.672	-	-		364.168.653	-	7.729.431	-	-
16a. Monetary Other Liabilities	-	-	-	-	-		-	-	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-	-	-		-	-	-	-	-
17. Non-current Liabilities (14+15+16)	229.671.707	-	6.240.672	-	-		364.168.653	-	7.729.431	-	-
18. Total Liabilities (13+17)	3.223.510.294	10.127.899	52.426.356	4.134.609.786	3.594		5.559.328.813	6.076.342	110.524.567	309.391.144	-
19. Off-balance Sheet Derivative Instruments Net Asset / (Liability) Position (19a-19b)	404.826.400	-	11.000.000	-	-		3.231.586.776	-	68.590.000	-	-
19.a. Total Amount of Hedged Assets	-	-	-	-	-		-	-	-	-	-
19.b. Total Amount of Hedged Liabilities	(404.826.400)	-	(11.000.000)	-	-		(3.231.586.776)	-	(68.590.000)	-	-
20. Net Foreign Currency Assets/(Liabilities) Position (9-18+19)	(241.264.249)	(4.974.754)	23.158.443	(4.036.200.786)	16.406		486.429.328	(5.933.085)	17.552.606	(299.557.345)	628.059
21. Monetary Items Net Foreign Currency Assets / (Liabilities) (1+2a+5+6a-10-11-12a-14-15-16a)	(60.605.495)	2.520.180	20.869.443	(4.036.200.786)	16.406		(2.025.765.431)	(5.933.085)	(35.768.394)	(299.557.345)	628.059
22. Fair Value of Financial Instruments Used for Currency Hedge	-	-	-	-	-		77.427.255	-	1.646.345	-	-
23. Hedged Foreign Currency Assets	(404.826.400)	-	(11.000.000)	-	-		(3.231.586.776)	-	(68.590.000)	-	-
24. Hedged Foreign Currency Liabilities	-	-	-	-	-		-	-	-	-	-
25. Export	6.570.972.870	-	-	-	-		6.949.497.692	-	-	-	-
26. Import	5.786.747.574	-	-	-	-		8.172.044.796	-	-	-	-

Derivative contracts that explained in Note 9 .

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NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

(e) Interest rate risk management

The Group is exposed to interest rate risk through floating and fixed interest rate financial instruments. The Group's fixed and floating interest rate financial liabilities are disclosed in Note 6 and fixed and floating interest rate assets (deposits etc.) are disclosed in Note 4.

	31 December 2024	31 December 2023
Financial Assets with Fixed Rates		
Financial Assets	367.990.695	5.095.732.904
Financial Liabilities	(4.446.663.701)	(6.220.798.552)
Financial Liabilities With Variable Rates		
Financial Liabilities	(415.835.954)	(904.901.244)

As of 31 December 2024, if the market interest rate had increased/decreased by 100 basis point with all other variables held constant, period income before tax and consolidated equity of participations of the Group would have been higher/lower by TRY 4.158.360 (31 December 2023: higher/lower by TRY 9.049.012).

(f) Funding risk

The ability to fund the existing and prospective debt requirements is managed as necessary by obtaining adequate committed funding lines from high quality lenders.

(g) Credit risk management

Holding financial instruments also carries the risk of the other party's not meeting the requirements of the agreement. The Group's collection risk is mainly derived from trade receivables. Trade receivables are evaluated by the management of the Group depending on their past experiences and current economic conditions and are presented in financial statements when necessary allowances for doubtful receivables are provided.

Most of trade receivables are comprised of receivables from costumers who has given an adequate amount of guarantees. An effective control system was established to collect the receivables. Credit risk arising from transactions is followed and these risks are taken into account when assessing each debtor. Because there are so many costumers. The Group's credit risk is dispersed and there is no important credit risk concentration. Receivables from foreign customers as of 31 December 2024 are TRY 1.549.820.637 and there is no geographical concentration (31 December 2023: TRY 860.792.798).

CURRENT PERIOD	Receivables				Note	Deposit	Note
	Trade Receivables		Other Receivables				
	Related Parties	Other Parties	Related Parties	Other Parties			
Maximum credit risk exposed as of balance sheet date (A+B+C+D+E)	223.038.838	2.692.994.451	-	15.767.526	7-8	866.547.974	
- Secured portion of the maximum credit risk by guarantees etc.	-	2.616.525.330	-	-		-	
A. Net book value of financial assets which are undue or which is not impaired	223.038.838	2.519.982.096	-	15.767.526	7-8	866.547.974	4
B. Book value of financial assets which conditions are renegotiated, and which otherwise would be counted as overdue or impaired	-	-	-	-		-	
C. Net book value of assets, overdue but not impaired	-	173.012.355	-	-		-	
- Secured by Guarantee, etc.	-	76.469.121	-	-		-	
D. Net book value of assets decrease in value	-	-	-	-		-	
- Overdue (gross book value)	-	(189.907)	-	-	7	-	
- Impairment (-)	-	189.907	-	-	7	-	
E. Elements containing credit risk off the balance sheet	-	-	-	-		-	

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NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

(g) Credit risk management (cont'd)

	Receivables						
	Trade Receivables		Other Receivables				
PRIOR PERIOD	Related Parties	Other Parties	Related Parties	Other Parties	Note	Deposit	Note
Maximum credit risk exposed as of balance sheet date (A+B+C+D+E)	149.177.889	4.102.431.275	-	147.119.785	7-8	5.286.567.366	
- Secured portion of the maximum credit risk by guarantees etc.	-	4.094.250.794	-	-		-	
A. Net book value of financial assets which are undue or which is not impaired	149.177.889	4.056.305.238	-	147.119.785	7-8	5.286.567.366	4
B. Book value of financial assets which conditions are renegotiated, and which otherwise would be counted as overdue or impaired	-	-	-	-		-	
C. Net book value of assets, overdue but not impaired	-	46.126.037	-	-		-	
- Secured by Guarantee, etc.	-	8.180.481	-	-		-	
D. Net book value of assets decrease in value	-	-	-	-		-	
- Overdue (gross book value)	-	(274.185)	-	-	7	-	
- Impairment (-)	-	274.185	-	-	7	-	
- The part of net value secured by guarantee etc.	-	-	-	-		-	
- Undue (gross book value)	-	-	-	-		-	
- Impairment (-)	-	-	-	-		-	
- The part of net value secured by guarantee etc.	-	-	-	-		-	
E. Elements containing credit risk off the balance sheet	-	-	-	-		-	

The aging of trade receivables, overdue but not impaired, is as follows:

Receivables	Trade Receivables	Other Receivables	Deposits at Banks	Derivatives	Other
31 December 2024					
Past due up to 30 days	76.150.475	-	-	-	-
Past due 1 - 3 months	318.646	-	-	-	-
Past due 3 - 12 months	-	-	-	-	-
Past due 1 - 5 year	-	-	-	-	-
Past due over 5 years	-	-	-	-	-
Assets covered portion with guarantee letter etc.	76.469.121	-	-	-	-

	Receivables		Deposits at Banks	Derivatives	Other
	Trade Receivables	Other Receivables			
31 December 2023					
Past due up to 30 days	7.066.422	-	-	-	-
Past due 1 - 3 months	343.316	-	-	-	-
Past due 3 - 12 months	770.743	-	-	-	-
Past due 1 - 5 year	-	-	-	-	-
Past due over 5 years	-	-	-	-	-
Assets covered portion with guarantee letter etc.	8.180.481	-	-	-	-

Liquidity risk tables

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and having the availability and flexibility of funding through an adequate amount of (committed) credit facilities.

The risk of meeting existing and probable future liabilities is managed only by means of having access to sufficient number of trustable creditors.

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NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Liquidity risk tables (cont'd)

Non-Derivative Financial Liabilities

The table below indicates derivative and non-derivative financial liabilities of the Group in terms of TRY and maturity term.

31 December 2024

<u>Contract Terms</u>	<u>Carrying Value</u>	<u>Total Contracted Cash Outflows</u>	<u>Less than 3 Months</u>	<u>3 to 12 Months</u>	<u>1 to 5 Years</u>	<u>5 Years +</u>
Bank Loans	4.862.499.655	4.969.643.720	1.314.865.936	3.594.400.140	60.377.644	-
Other Financial Liabilities	342.379.882	387.480.596	13.877.138	171.692.174	197.819.625	4.091.659
Trade Payables	3.610.547.193	3.655.811.211	3.056.041.806	599.769.405	-	-
Other Payables	34.445.323	34.445.323	34.445.323	-	-	-
Total	8.849.872.053	9.047.380.850	4.419.230.203	4.365.861.719	258.197.269	4.091.659

31 December 2023

<u>Contract Terms</u>	<u>Carrying Value</u>	<u>Total Contracted Cash Outflows</u>	<u>Less than 3 Months</u>	<u>3 to 12 Months</u>	<u>1 to 5 Years</u>	<u>5 Years +</u>
Bank Loans	7.125.699.796	8.137.208.507	3.558.175.024	3.661.701.170	875.895.663	41.436.650
Other Financial Liabilities	437.825.555	655.457.967	14.171.250	48.922.764	585.615.462	6.748.490
Trade Payables	5.382.028.243	5.446.298.421	4.746.094.653	700.203.768	-	-
Other Payables	58.920.868	58.920.867	58.920.867	-	-	-
Total	13.004.474.462	14.297.885.761	8.377.361.794	4.410.827.702	1.461.511.125	48.185.140

Derivative Financial Liabilities

31 December 2024

<u>Contract Terms</u>	<u>Carrying Value</u>	<u>Total Contracted Cash Outflows</u>	<u>Less than 3 Months</u>	<u>3 to 12 Months</u>	<u>1 to 5 Years</u>	<u>5 Years +</u>
Derivative Cash Inflows	-	-	-	-	-	-
Derivative Cash Outflow	114.191.989	114.191.989	114.191.989	-	-	-
Total	114.191.989	114.191.989	114.191.989	-	-	-

31 December 2023

<u>Contract Terms</u>	<u>Carrying Value</u>	<u>Total Contracted Cash Outflows</u>	<u>Less than 3 Months</u>	<u>3 to 12 Months</u>	<u>1 to 5 Years</u>	<u>5 Years +</u>
Derivative Cash Inflows	125.331.837	125.331.837	125.331.837	-	-	-
Derivative Cash Outflow	47.904.582	47.904.582	47.904.582	-	-	-
Total	173.236.419	173.236.419	173.236.419	-	-	-

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 29- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Fair Value and Hedging Disclosures

Determination of the fair value of financial assets and liabilities are explained below:

The Group considers that the carrying amounts of financial instruments approximate their fair values.

Level 1: Valuation of the financial assets and liabilities over the stock exchange prices of similar assets and liabilities resulting from the transactions in active markets.

Level 2: Valuation of the financial assets and liabilities over the price calculated on the basis of the data that is direct or indirect observable in the market other than the stock exchange price of the relevant asset or liability determined on the first level.

Level 3: Valuation of the financial assets and liabilities carried out in the absence of observable data in the market for determining the fair value of the relevant asset or liability.

Derivative Financial Instruments

In order to hedge these risks, the Group enters into forward foreign currency transaction agreements as a financial instrument where necessary.

As of 31 December 2024, the Group's foreign currency transaction agreement, which is a derivative financial instrument, is as follows:

31 December 2024

Financial assets carried at fair value	Level 1	Level 2	Level 3	Total
Derivative assets (Note 9)	-	-	-	-
Buildings (Note 11)	-	1.915.706.560	-	1.915.706.560
Land (Note 11)	-	5.519.790.000	-	5.519.790.000
Total	-	7.435.496.560	-	7.435.496.560

Financial liabilities carried at fair value	Level 1	Level 2	Level 3	Total
Derivative liabilities (Note 9)	-	114.191.989	-	114.191.989
Total	-	114.191.989	-	114.191.989

As of 31 December 2023, the Group's foreign currency transaction agreement, which is a derivative financial instrument, is as follows:

31 December 2023

Financial assets carried at fair value	Level 1	Level 2	Level 3	Total
Derivative assets (Note 9)	-	125.331.837	-	125.331.837
Buildings (Note 11)	-	1.790.907.655	-	1.790.907.655
Land (Note 11)	-	6.461.395.981	-	6.461.395.981
Total	-	8.377.635.473	-	8.377.635.473

Financial liabilities carried at fair value	Level 1	Level 2	Level 3	Total
Derivative liabilities (Note 9)	-	47.904.582	-	47.904.582
Total	-	47.904.582	-	47.904.582

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of December 31, 2024, unless otherwise stated)

NOTE 30- EXPLANATIONS ON NET MONETARY POSITION GAINS/(LOSSES)

Non-Monetary Items	31 December 2024
Statement of Financial Position Items	
Stocks	69.894.921
Tangible Fixed Assets	446.757.238
Intangible Assets	214.504.188
Paid-in capital	(893.434.272)
Restricted Reserves Appropriated from Profit	(159.028.716)
Other Comprehensive Expenses not to be Reclassified to Profit or Loss	26.096.463
Retained earnings/losses	(390.306.050)
Other	25.565.826
Statement of Profit or Loss Items	
Revenue	(2.298.941.962)
Cost of Sales	4.227.569.034
General Administrative Expenses	157.687.351
Marketing Expenses	161.424.796
Research and Development Expenses	29.534.768
Other Operating Income/Expenses	(1.336.959)
Income from Investing Activities	60.502
Financial Income/Expenses	175.685.923
Net Monetary Position Gains/(Losses)	1.791.733.051

NOTE 31- EVENTS AFTER REPORTING PERIOD

None.