

**Anadolu Isuzu Otomotiv
Sanayi ve Ticaret A.Ş. and
Its Subsidiary**

**Interim Condensed Consolidated Financial Statements
As of March 31, 2025**

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

INDEX	PAGE
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	1-2
CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME.....	3
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	4
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	5
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	6-37

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF 31 MARCH 2025 AND 31 DECEMBER 2024

Page No: 1

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

	Notes	Unaudited Current Period 31 March 2025	Audited Prior Period 31 December 2024
ASSETS			
Current Assets		11.803.316.990	12.197.599.141
Cash and Cash Equivalents	4	1.163.868.660	3.408.273.065
Trade Receivables		4.528.972.716	3.209.467.182
<i>Trade Receivables from Related Parties</i>	7-25	147.844.901	245.482.736
<i>Trade Receivables from Third Parties</i>	7	4.381.127.815	2.963.984.446
Other Receivables		41.393.961	17.353.972
<i>Other Receivables from Third Parties</i>	8	41.393.961	17.353.972
Inventories	10	5.406.208.123	5.075.299.392
Prepaid Expenses	18	574.344.341	365.621.707
Other Current Assets	18	88.529.189	121.583.823
Non-Current Assets		12.272.644.158	12.167.125.855
Financial Investments	5	59.760.224	59.770.559
Other Receivables		186	205
<i>Other Receivables from Third Parties</i>	8	186	205
Property, Plant and Equipment	11	8.886.918.802	8.990.878.142
Right of Use Assets	13	261.671.898	180.631.608
Intangible Assets		3.061.741.758	2.932.217.097
<i>Goodwill</i>	14	168.836.129	168.836.129
<i>Other Intangible Assets</i>	12	2.892.905.629	2.763.380.968
Prepaid Expenses	18	2.551.290	3.628.244
TOTAL ASSETS		24.075.961.148	24.364.724.996

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

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF 31 MARCH 2025 AND 31 DECEMBER 2024

Page No: 2

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

	Notes	Unaudited Current Period 31 March 2025	Audited Prior Period 31 December 2024
LIABILITIES			
Current Liabilities		10.356.088.888	10.609.490.724
Current Borrowings		4.369.479.007	4.384.540.209
<i>Current Borrowings from Third Parties</i>	6	4.369.479.007	4.384.540.209
Bank Loans	6	4.369.479.007	4.384.540.209
Current Portions of Non-Current Borrowings		410.270.020	733.863.881
<i>Current Portions of Non-Current Borrowings from</i>			
Third Parties	6	410.270.020	733.863.881
Bank Loans	6	184.160.177	672.341.208
Lease Liabilities	6	226.109.843	61.522.673
Trade Payables		4.060.844.584	3.973.868.465
<i>Trade Payables to Related Parties</i>	7-25	1.859.475.792	1.820.024.891
<i>Trade Payables to Third Parties</i>	7	2.201.368.792	2.153.843.574
Other Payables		18.680.852	37.921.506
<i>Other Payables to Related Parties</i>	25	9.109	10.026
<i>Other Payables to Third Parties</i>	8	18.671.743	37.911.480
Derivative Instruments	9	5.111.435	125.682.873
Employee Benefits Obligations	8	164.505.590	224.468.429
Liabilities Arising from Contracts with Customers	18	55.779.917	60.489.069
Deferred Income	18	797.231.762	762.791.490
Current Provisions		474.185.721	305.864.802
<i>Current Provisions for Employee Benefits</i>	17	85.160.811	55.564.257
<i>Other Current Provisions</i>	16	389.024.910	250.300.545
Non-Current Liabilities		1.567.419.384	1.841.674.705
Non-Current Borrowings		469.390.830	610.230.811
<i>Non-Current Borrowings from Third Parties</i>		469.390.830	610.230.811
Bank Loans	6	262.154.598	294.920.681
Lease Liabilities	6	207.236.232	315.310.130
Non-Current Employee Benefits Obligations	8	19.179.574	21.993.631
Liabilities Arising from Contracts with Customers	18	237.537.206	260.728.662
Deferred Income	18	68.620.211	84.446.058
Non-Current Provisions for Employee Benefits	17	83.761.600	85.850.907
Deferred Tax Liabilities	23	688.929.963	778.424.636
EQUITY		12.152.452.876	11.913.559.567
Equity Attributable to Equity Holders of the Parent	19	12.152.452.876	11.913.559.567
Issued Capital		252.000.000	252.000.000
Adjustments to Share Capital		2.947.121.199	2.947.121.199
Revaluation and Remeasurement Earnings/Losses that will not be			
Reclassified in Profit or Loss		2.007.223.067	2.007.223.067
<i>Gain on Revaluation of Property, Plant and Equipment</i>		2.099.980.554	2.099.980.554
<i>Gain/Loss on Remeasurement of Defined Benefit Plans</i>		(92.757.487)	(92.757.487)
Restricted Reserves Appropriated from Profits		615.930.047	615.930.047
Prior Years' Profit/Losses		6.091.285.254	5.603.216.086
Current Period Net Profit or Losses		238.893.309	488.069.168
TOTAL LIABILITIES		24.075.961.148	24.364.724.996

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

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE PERIODS ENDED 31 MARCH 2025 AND 31 MARCH 2024

Page No: 3

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

	Notes	Unaudited 1 January- 31 March 2025	Unaudited 1 January- 31 March 2024
PROFIT OR LOSS			
Revenue	20	4.284.054.494	6.214.267.697
Cost of Sales (-)	20	(3.718.560.472)	(5.295.536.369)
GROSS PROFIT (LOSS)		565.494.022	918.731.328
General Administrative Expenses (-)		(236.161.008)	(203.657.504)
Marketing Expenses (-)		(322.446.930)	(391.917.788)
Research and Development Expenses (-)		(49.870.871)	(49.518.451)
Other Income from Operating Activities	21	343.381.501	175.179.675
Other Expenses from Operating Activities (-)	21	(314.459.105)	(361.269.423)
PROFIT (LOSS) FROM OPERATING ACTIVITIES		(14.062.391)	87.547.837
Income from Investing Activities		6.004.003	10.723.904
PROFIT/LOSS BEFORE FINANCE EXPENSE		(8.058.388)	98.271.741
Finance Income	22	264.183.041	530.486.054
Finance Expenses (-)	22	(566.311.785)	(616.074.816)
Monetary Gain/(Loss)	27	459.585.768	608.819.954
PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE TAX		149.398.636	621.502.933
Tax Income/(Expense) From Continuing Operations		89.494.673	(72.675.733)
Current Tax (Expense) Income		-	(36.900.942)
Deferred Tax (Expense) Income		89.494.673	(35.774.791)
PROFIT (LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS		238.893.309	548.827.200
PROFIT (LOSS) FOR THE YEAR	24	238.893.309	548.827.200
Profit (Loss) for the Year Attributable to:		238.893.309	548.827.200
Owners of The Parent		238.893.309	548.827.200
Earnings/(Losses) Per 100 Share from Continuing Operations	24	0,9480	2,1779
OTHER COMPREHENSIVE INCOME (EXPENSE)		238.893.309	548.827.200
TOTAL COMPREHENSIVE INCOME (EXPENSE)		238.893.309	548.827.200
Owners of The Parent		238.893.309	548.827.200

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

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIODS ENDED 31 MARCH 2025 AND 31 MARCH 2024

Page No: 4

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, 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		Restricted Reserves Appropriated from Profits	Retained Earnings		Total Equity
				Gain on Revaluation of Property, Plant and Equipment	Gain/Loss on Remeasurement of Defined Benefit Plans		Prior Years' Profits/Losses	Current Period Net Profit or Losses	
Balances as of 1 January 2024 (Beginning of the Period)	19	252.000.000	2.947.121.199	3.122.344.830	(93.443.607)	505.719.775	3.817.556.391	2.565.108.980	13.116.407.568
Total Comprehensive Income (Expense)		-	-	-	-	-	-	548.827.200	548.827.200
Profit for the Period		-	-	-	-	-	-	548.827.200	548.827.200
Transfers		-	-	-	-	-	2.565.108.980	(2.565.108.980)	-
Balances as of 31 March 2024 (End of the Period)	19	252.000.000	2.947.121.199	3.122.344.830	(93.443.607)	505.719.775	6.382.665.371	548.827.200	13.665.234.768
Current Period									
Balances as of 1 January 2025 (Beginning of the Period)	19	252.000.000	2.947.121.199	2.099.980.554	(92.757.487)	615.930.047	5.603.216.086	488.069.168	11.913.559.567
Total Comprehensive Income (Expense)		-	-	-	-	-	-	238.893.309	238.893.309
Profit for the Period		-	-	-	-	-	-	238.893.309	238.893.309
Transfers		-	-	-	-	-	488.069.168	(488.069.168)	-
Balances as of 31 March 2025 (End of the Period)	19	252.000.000	2.947.121.199	2.099.980.554	(92.757.487)	615.930.047	6.091.285.254	238.893.309	12.152.452.876

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

**ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED 31 MARCH 2025 AND 31 MARCH 2024**

Page No: 5

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

	Notes	Unaudited 1 January- 31 March 2025	Unaudited 1 January- 31 March 2024
Cash Flows from Operating Activities		(1.650.414.830)	(226.941.311)
Current Period Net Profit or Losses	24	238.893.309	548.827.200
Adjustments to Reconcile Profit (Loss) for The Year		(289.026.753)	(29.790.269)
Adjustments Related to Depreciation and Amortization Expenses	11-12-13	270.176.546	176.783.304
Adjustments Related to Provision for Employee Benefits (Released)	17	68.424.323	35.269.627
Adjustments Related to Tax (Income) Expense		(89.494.673)	72.675.732
Adjustments Related to Provisions for Litigations	16	47.764.675	16.422.162
Adjustments Related to Interest Income	21-22	(151.221.460)	(403.705.175)
Adjustments Related to Interest Expenses	21-22	396.746.765	469.610.921
Adjustments Related to Unrealized Currency Translation Differences		29.901.249	34.029.644
Adjustments Related to Fair Value Losses (Gains)		(126.232.921)	63.643.381
Other Adjustments to Profit/(Loss) Reconciliation		(134.230.311)	51.013.475
Adjustments Related to Other Provisions (Released)	16	156.294.628	118.128.502
Adjustments Related to Loss (Gain) on Disposal of Property, Plant and Equipment	24	(342.520)	(10.723.904)
Monetary Gain/(Loss)		(756.813.054)	(652.937.938)
Changes in Working Capital		(1.523.161.417)	(580.224.859)
Adjustments Related to Decrease (Increase) in Trade Receivables	7	(1.316.974.781)	(217.568.820)
Adjustments Related to Decrease (Increase) in Inventories	10	(330.908.731)	(705.240.905)
Adjustments Related to Decrease (Increase) in Other Receivables from Operations		(199.707.989)	(575.958.511)
Adjustments Related to Increase (Decrease) in Trade Payables	7	86.976.119	1.177.742.178
Adjustments Related to Increase (Decrease) in Other Payables from Operations		182.282.045	(290.463.717)
Adjustments Related to Increase (Decrease) in Other Working Capital from Operations		55.171.920	31.264.916
Cash Flows from Operating Activities		(1.573.294.861)	(61.187.928)
Income Tax Returns (Paid)		-	(19.580.979)
Payments Related to Other Provisions	16	(40.661.783)	(117.505.433)
Payments to Provision of Employee Benefits	17	(36.458.186)	(28.666.971)
Cash Flows from Investing Activities		(251.765.448)	(303.317.539)
Proceeds from Sale of Property, Plant and Equipment	11 - 24	347.938	40.281.427
Payments for Purchase of Property, Plant and Equipment	11	(26.270.917)	(89.935.240)
Payments for Purchase of Intangible Assets	12	(225.842.469)	(256.383.738)
Other Cashoutflows		-	2.720.012
Cash Flows from Financing Activities		(776.563.092)	(1.832.153.915)
Interest Received		148.611.286	451.062.480
Interest Paid	6	(906.720.259)	(499.488.549)
Proceeds from Loans	6	1.192.311.330	1.224.698.305
Cash Outflows from Repayment of Loans	6	(1.072.647.954)	(2.970.439.372)
Cash Outflows Related to Debt Payments Arising from Lease Agreements	6	(138.117.495)	(37.986.779)
Effect of Monetary Loss/Gain on Cash and Cash Equivalents		432.155.252	(667.042.571)
Net Increase (Decrease) in Cash and Cash Equivalents		(2.246.588.118)	(3.029.455.336)
Cash and Cash Equivalents at The Beginning of The Year		3.407.846.604	5.707.313.909
Cash and Cash Equivalents at The End of The Year	4	1.161.258.486	2.677.858.573

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

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY **Page No:6**
NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2025

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, 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 March 2025 is 1.480 (31 December 2024: 1.288).

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 March 2025 and 31 December 2024, details about the company's subsidiary, which is subject to consolidation, is below:

Company Name	Principal Activity	Capital	31 March 2025	31 December 2024
			Participation Rate (%)	Participation Rate (%)
Ant Sınai ve Ticari Ürünleri Pazarlama A.Ş.	Trade of spare parts	716.000	100	100

Approval of Financial Statements

Condensed consolidated financial statements for the period 1 January – 31 March 2025 approved by the Board of Directors on 6 May 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 Basis of Preparation and Presentation of Interim Condensed Consolidated Interim Financial Statements

The Group companies, that operate in Turkey, keep their accounting books and their statutory financial statements in Turkish Lira in accordance with the Generally Accepted Accounting Principles in Turkey accepted by the Capital Markets Board (CMB), Turkish Commercial Code, Tax Legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The foreign subsidiaries and joint ventures keep their accounting books and statutory financial statements in their local currencies and in accordance with the rules and regulations of the countries in which they operate

Consolidated financial statements are based on the statutory financial statements of the Group's subsidiaries and joint ventures and presented in TRL in accordance with CMB Financial Reporting Standards with certain adjustments and reclassifications for the purpose of fair presentation. Such adjustments are primarily related to application of consolidation accounting, accounting for business combinations, accounting for deferred taxes on temporary differences, accounting for employment termination benefits on an actuarial basis and accruals for various expenses. Except for the financial assets and liabilities, derivative instruments carried from their fair values and assets and liabilities included in business combinations application, financial statements are prepared on historical cost basis

In accordance with the CMB's "Communiqué on Financial Reporting in Capital Market" Numbered II-14.1 (Communiqué), promulgated in the Official Gazette numbered 28676 dated June 13, 2013, effective from interim periods beginning after September 30, 2013, listed companies are required to prepare their financial statements in conformity with Turkey Accounting/Financial Reporting Standards (TAS/IFRS) as prescribed in the CMB Communiqué. The financial statements and explanatory notes are presented using the compulsory standard formats as published by the Communiqué.

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2025

Page No:7

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

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

2.1 Basis of Presentation (cont'd)

2.1.1 Basis of Preparation and Presentation of Interim Condensed Consolidated Financial Statements (cont'd)

In accordance with the TAS, the entities are allowed to prepare a complete or condensed set of interim financial statements in accordance with TAS 34, "Interim Financial Reporting". In this respect, the Group has preferred to prepare condensed consolidated financial statements in the interim periods and prepared the aforementioned interim condensed consolidated financial statements in compliance with CMB Financial Reporting Standards. Furthermore, in accordance with the Communiqué and announcements regarding the explanations of the Communiqué, guarantee pledge mortgage table, foreign currency position table, total export and total import amounts and hedging amount of total foreign currency liabilities are presented in the interim condensed consolidated financial statement disclosures.

The Group's condensed consolidated financial statements does not include all necessary disclosures and notes which are shown in the year-ended consolidated financial statements, the accompanying summary financial statements should be read together with the 31 December 2024 financial statements and attached notes.

Functional and Reporting Currency

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 TL, 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 March 2024 and 31 December 2023

Subsidiary	Voting power held by the Group (%)		Proportion of ownership interest (%)	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Ant Sınai ve Ticari Ürünleri Pazarlama A.Ş.	100	100	100	100

2.1.3 Adjustment of Financial Statements during High Inflation Periods

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 March 31, 2025, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY **Page No:8**
NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2025

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

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

2.1.3 Adjustment of Financial Statements during High Inflation Periods (cont'd)

Year End	Index	Conversion Factor	Three-year Inflation Rate
31 March 2025	2,954.69	1.00000	250%
31 December 2024	2,684.55	1.10063	291%
31 March 2024	2,139.47	1.38104	309%

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.

2.1.6 Amendments in Standards and Interpretations

a) Standards, amendments, and interpretations applicable as of 31 March 2025

- **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.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2025

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

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

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

- **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 settled 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;** effective from annual periods beginning on or after 1 January 2026 (earlier application permitted). 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.
- **Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity;** effective from annual periods beginning on or after 1 January 2026 but can be early adopted subject to local endorsement where required. These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as 'contracts referencing nature-dependent electricity'.
- **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); and
 - 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. 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; and
 - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2025

Page No:10

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31,2025, unless otherwise stated)

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

2.2 Effects 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

Interim condensed consolidated financial statements for the period ending on March 31, 2023 prepared in accordance with the TMS 34 standard for the preparation of the tables. The interim condensed consolidated financial statements for the period ending on 31 March 2025 have been prepared by applying accounting policies consistent with the accounting policies applied during the preparation of the consolidated financial statements for the year ended 31 December 2024. Therefore, these interim condensed consolidated financial statements should be evaluated together with the consolidated financial statements for the year ended 31 December 2024.

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.

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.

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.

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2025

Page No:11

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31,2025, unless otherwise stated)

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

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. 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 5 February 2018 by independent appraisals accredited by the Capital Markets Board. The Group's land improvements and buildings have been revalued by independent appraisals 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.

NOTE 4 - CASH AND CASH EQUIVALENTS

Cash and equivalent values as of the end of the period are presented below:

	<u>31 March 2025</u>	<u>31 December 2024</u>
Money Market Funds (*)	-	2.446.063.002
Banks-Demand Deposits	302.137.109	548.725.981
Banks-Time Deposits (up to 3 months)	855.159.917	405.020.774
Other Liquid Assets (*)	6.571.634	8.463.308
Total	1.163.868.660	3.408.273.065

(*) As of 31 March 2025, the balance in the 'Money Market Funds' item consists of the Group's short-term money market funds traded on TEFAS.

(*) As of 31 March 2025 and 31 December 2024, the balance in "Other Liquid Assets" is consist of credit card receivables in bank of group.

There are no restricted deposits as of 31 March 2025 and 31 December 2024.

Cash and cash equivalents presented in the consolidated cash flow statements as of 31 March 2025 and 31 December 2024 are as follows:

	<u>31 March 2025</u>	<u>31 December 2024</u>
Liquid Assets	1.163.868.660	3.408.273.065
Interest Accruals (-)	(2.610.174)	(426.461)
Total (Excluding interest accruals)	1.161.258.486	3.407.846.604

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2025

Page No:12

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31,2025, unless otherwise stated)

NOTE 4 - CASH AND CASH EQUIVALENTS (cont'd)

The details of time deposits are as follows:

	<u>31 March 2025</u>		<u>31 December 2024</u>	
	<u>Amount</u> <u>(TL Equivalent)</u>	<u>Annual Average</u> <u>Interest Rate (%)</u>	<u>Amount</u> <u>(TL Equivalent)</u>	<u>Annual Average</u> <u>Interest Rate (%)</u>
TL	575.239.233	45,03	327.782.450	47,50
EUR	279.920.684	2,00	77.238.324	1,50
Total	855.159.917		405.020.774	

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

NOTE 5- FINANCIAL INVESTMENTS

Financial investments as of the end of the period are presented below:

	<u>31 March 2025</u>	<u>31 December 2024</u>
Investment Funds	59.760.224	59.760.224
Total	59.760.224	59.760.224

NOTES 6- FINANCIAL LIABILITIES

The details of bank loans as of 31 March 2025 and 31 December 2024 are as follows:

a) Short-term Borrowings

Bank Loans

	<u>Average Effective Interest Rate %</u>		<u>Original Currency</u>		<u>Amount in TL Including Interest</u>	
	<u>31 March 2025</u>	<u>31 December 2024</u>	<u>31 March 2025</u>	<u>31 December 2024</u>	<u>31 March 2025</u>	<u>31 December 2024</u>
TL	35,50	37,78	4.369.479.007	4.384.540.209	4.369.479.007	4.384.540.209
Total					4.369.479.007	4.384.540.209

b) Short-term Portions of Long-term Borrowings

Bank Loans

	<u>Average Effective Interest Rate %</u>		<u>Original Currency</u>		<u>Amount in TL Including Interest</u>	
	<u>31 March 2025</u>	<u>31 December 2024</u>	<u>31 March 2025</u>	<u>31 December 2024</u>	<u>31 March 2025</u>	<u>31 December 2024</u>
EUR	6,82	6,85	1.912.332	1.958.766	77.975.914	79.341.256
TL	48,73	47,53	106.184.263	592.999.952	106.184.263	592.999.952
Total					184.160.177	672.341.208

NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2025

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31,2025, unless otherwise stated)

NOTES 6- FINANCIAL LIABILITIES (cont'd)

Finance Lease Liabilities

Short-term Finance Lease Payables

	<u>Average Effective Interest Rate %</u>		<u>Original Currency</u>		<u>Amount in TL Including Interest</u>	
	<u>31 March 2025</u>	<u>31 December 2024</u>	<u>31 March 2025</u>	<u>31 December 2024</u>	<u>31 March 2025</u>	<u>31 December 2024</u>
TL	34,00	34,00	79.123.775	16.337.658	79.123.775	16.337.658
Total					79.123.775	16.337.658

Short-term Lease Payables Arising from Operating Leases

	<u>Average Effective Interest Rate %</u>		<u>Original Currency</u>		<u>Amount in TL Including Interest</u>	
	<u>31 March 2025</u>	<u>31 December 2024</u>	<u>31 March 2025</u>	<u>31 December 2024</u>	<u>31 March 2025</u>	<u>31 December 2024</u>
Avro	6,72	3,20	1.870.602	508.035	76.137.047	20.578.330
TL	28,15	28,05	70.884.136	24.606.685	70.849.021	24.606.685
Total					146.986.068	45.185.015

c) Long-term Borrowings

Bank Loans

	<u>Average Effective Interest Rate %</u>		<u>Original Currency</u>		<u>Amount in TL Including Interest</u>	
	<u>31 March 2025</u>	<u>31 December 2024</u>	<u>31 March 2025</u>	<u>31 December 2024</u>	<u>31 March 2025</u>	<u>31 December 2024</u>
Avro	6,82	6,89	5.804.336	6.240.672	236.673.545	252.783.070
TL	19,13	29,87	25.481.053	42.137.611	25.481.053	42.137.611
Total					262.154.598	294.920.681

As of 31 March 2025 and 31 December 2024, the payment schedule of long-term loans is as follows:

	<u>31 March 2025</u>	<u>31 December 2024</u>
1 to 2 years	59.197.216	98.181.812
2 to 3 years	66.826.465	69.984.982
3 to 4 years	104.648.135	93.695.200
4 to 5 years	26.744.755	26.640.051
More than 5 years	4.738.027	6.418.636
Total	262.154.598	294.920.681

Finance Lease Liabilities

Long Term Finance Lease Payables

	<u>Average Effective Interest Rate %</u>		<u>Original Currency</u>		<u>Amount in TL Including Interest</u>	
	<u>31 March 2025</u>	<u>31 December 2024</u>	<u>31 March 2025</u>	<u>31 December 2024</u>	<u>31 March 2025</u>	<u>31 December 2024</u>
TL	35,51	35,51	149.031.859	241.835.041	149.031.859	241.835.041
Total					149.031.859	241.835.041

NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2025

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTES 6- FINANCIAL LIABILITIES (cont'd)

Long-term Lease Payables Arising from Operating Leases

	<u>Average Effective Interest Rate %</u>		<u>Original Currency</u>		<u>Amount in TL Including Interest</u>	
	<u>31 March</u>	<u>31 December</u>	<u>31 March</u>	<u>31 December</u>	<u>31 March</u>	<u>31 December</u>
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
EUR	6,72	3,20	384.882	557.767	15.665.448	22.592.778
TL	28,15	28,05	42.538.926	50.882.311	42.538.925	50.882.311
Total					58.204.373	73.475.089

Financial net debt reconciliation as of 31 March 2025 and 31 March 2024 is as follows:

	<u>31 March 2025</u>	<u>31 March 2024</u>
Opening balance	5.728.634.901	8.324.625.956
Interest expense	395.058.708	1.925.871.332
Cash outflows from debt payments arising from lease agreements	(138.117.495)	(73.020.420)
TFRS 16 changes in lease liabilities	177.085.528	(60.638.288)
Interest paid	(906.720.259)	(2.382.585.500)
Newly obtained credits	1.192.311.330	5.826.412.203
Loans repaid	(1.072.647.954)	(6.365.995.489)
Exchange difference	36.849.964	169.396.250
Inflation effect	(163.314.866)	(1.635.431.143)
Closing balance	5.249.139.857	5.728.634.901

NOTE 7- TRADE RECEIVABLES AND PAYABLES

Trade receivables at period ends are as follows:

a) Short-term Trade Receivables

	<u>31 March 2025</u>	<u>31 December 2024</u>
Trade Receivables from Third Parties	4.408.515.429	2.993.902.813
Trade Receivables from Related Parties	147.844.901	245.482.736
Rediscount Expenses (-)	(27.387.614)	(29.918.367)
Doubtful Receivables	189.907	209.017
Allowance for Doubtful Receivables (-)	(189.907)	(209.017)
Total	4.528.972.716	3.209.467.182

As of 31 March 2025, the average term for trade receivables is 82 days (31 December 2024: 70 days).

Movements of provision for doubtful receivables are as follows:

	<u>31 March 2025</u>	<u>31 December 2024</u>
Opening Balance	209.017	301.776
Provisions in the Period	-	-
Collections in the Period	-	-
Inflation Effect	(19.110)	(92.759)
Closing Balance	189.907	209.017

**ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED 31 MARCH 2025 AND 31 MARCH 2024**

Page No: 15

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTE 7- TRADE RECEIVABLES AND PAYABLES (cont'd)

Trade payables at period ends are as follows:

b) Short-term Trade Payables

	31 March 2025	31 December 2024
Trade Payables to Third Parties	2.247.201.309	2.203.662.408
Trade Payables to Related Parties	1.859.475.792	1.820.024.891
Rediscount Incomes(-)	(45.832.517)	(49.818.834)
Total	4.060.844.584	3.973.868.465

As of 31 March 2025, the average term for trade payables is 90 days (31 December 2024: 90 days).

As of March 31, 2025, supplier financing transactions amounted to TL 30,563,717. As of March 31, 2025, the trade payables balance arising from supplier financing transactions is TL 16,453,906.

NOTE 8- OTHER RECEIVABLES AND PAYABLES

Short Term Other Receivables

	31 March 2025	31 December 2024
Official Receivables (*)	34.402.715	4.445.299
Receivables from Employees	6.991.185	12.882.064
Deposits and Collaterals Given	61	26.609
Total	41.393.961	17.353.972

(*) As of March 31, 2025, TL 33,593,015 of the Group's official receivables consists of VAT refund receivables (As of December 31, 2024, there is a VAT refund receivable of TL 4,108,234).

Other Long Term Receivables

	31 March 2025	31 December 2024
Deposits and Guarantees Given	186	205
Total	186	205

Explanations regarding the nature and level of risks related to other receivables are provided in Note 26.

Short Term Other Payables

	31 March 2025	31 December 2024
Liabilities under Employee Benefits	164.505.590	224.468.429
Taxes and Funds Payable	18.240.147	36.678.705
Other Miscellaneous Payables	431.596	1.232.775
Total	183.177.333	262.379.909

Other Long Term Payables

	31 March 2025	31 December 2024
Liabilities under Employee Benefits	19.179.574	21.993.631
Total	19.179.574	21.993.631

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

**ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED 31 MARCH 2025 AND 31 MARCH 2024**

Page No: 16

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTE 9- DERIVATIVE INSTRUMENTS

Foreign Currency Forward Transactions

The details of derivative instruments as of 31 March 2025 and 31 December 2024 are as follows:

	<u>31 March 2025</u>			<u>31 December 2024</u>		
	Nominal Value	<u>Fair Value</u>		Nominal Value	<u>Fair Value</u>	
		Assest	Liability		Assest	Liability
Forward Contracts	847.808.115	-	(5.111.435)	444.761.696	-	(125.682.873)
Total	847.808.115	-	(5.111.435)	444.761.696	-	(125.682.873)

NOTE 10- INVENTORIES

Inventory balances as of period ends are as follows:

	<u>31 March 2025</u>	<u>31 December 2024</u>
Raw Materials	3.174.921.075	3.107.342.228
Work in Process Goods	98.567.833	139.408.500
Finished Goods	1.152.927.521	1.108.631.311
Trade Goods	469.747.692	421.631.346
Other Inventory	31.956.156	33.255.233
Goods in Transit	478.087.846	265.030.774
Total Inventories	5.406.208.123	5.075.299.392

As of 31 March 2025, total cost of sales which recognized in statement of profit or loss is TL 3,142,871,623 (31 March 2024: TL 4,773,516,604).

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

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2025

Page No:17

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31,2025, unless otherwise stated)

NOTE 11- PROPERTY, PLANT AND EQUIPMENT

31 March 2025

<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 2025	6.075.234.097	254.962.390	2.108.479.818	4.848.173.843	100.508.997	100.048.237	16.995.465	56.604.108	13.561.006.955
Additions	-	-	-	24.718.722	-	293.897	-	1.258.298	26.270.917
Disposals	-	-	-	(26.890)	-	-	-	-	(26.890)
Closing Balance as at 31 March 2025	6.075.234.097	254.962.390	2.108.479.818	4.872.865.675	100.508.997	100.342.134	16.995.465	57.862.406	13.587.250.982

Accumulated Depreciation

Opening Balance as at 1 January 2025	-	(208.275.219)	(383.943.434)	(3.844.664.627)	(58.551.011)	(57.710.884)	(16.983.638)	-	(4.570.128.813)
Charge for the year	-	(1.683.734)	(9.765.457)	(104.844.606)	(5.420.096)	(8.509.784)	(1.162)	-	(130.224.839)
Disposals	-	-	-	21.472	-	-	-	-	21.472
Closing Balance as at 31 March 2025	-	(209.958.953)	(393.708.891)	(3.949.487.761)	(63.971.107)	(66.220.668)	(16.984.800)	-	(4.700.332.180)

Net Book Value

Opening Balance as at 1 January 2025	6.075.234.097	46.687.171	1.724.536.384	1.003.509.216	41.957.986	42.337.353	11.827	56.604.108	8.990.878.142
Closing Balance as at 31 March 2025	6.075.234.097	45.003.437	1.714.770.927	923.377.914	36.537.890	34.121.466	10.665	57.862.406	8.886.918.802

As of 31 March 2025 , TL 103,219,021 of the depreciation expenses has been charged to cost of sales and TL 1,655,323 to research and development expenses and TL 4,680,220 to marketing expenses, TL 10,872,068 to general administrative expenses and TL 9,798,207 to development capitalization.

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2025

Page No: 18

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

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

31 March 2024

<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 2024	7.111.591.777	254.116.120	1.971.122.679	4.660.056.692	91.476.988	78.986.710	16.995.465	244.314.056	14.428.660.486
Additions	-	-	-	25.661.591	9.317.673	672.305	-	54.283.672	89.935.240
Disposals	-	-	-	(953.468)	-	-	-	(29.124.820)	(30.078.287)
Closing Balance as at 31 March 2024	7.111.591.777	254.116.120	1.971.122.679	4.684.764.815	100.794.661	79.659.015	16.995.465	269.472.908	14.488.517.439

Accumulated Depreciation

Opening Balance as at 1 January 2024	-	(206.289.907)	(347.505.932)	(3.539.004.818)	(52.225.053)	(60.023.092)	(16.976.585)	-	(4.222.025.387)
Charge for the year	-	(1.673.116)	(8.469.148)	(54.841.576)	(2.763.567)	(1.303.872)	(2.163)	-	(69.053.441)
Disposals	-	-	-	520.765	-	-	-	-	520.765
Closing Balance as at 31 March 2024	-	(207.963.023)	(355.975.080)	(3.593.325.630)	(54.988.620)	(61.326.963)	(16.978.747)	-	(4.290.558.063)

Net Book Value

Opening Balance as at 1 January 2024	7.111.591.777	47.826.213	1.623.616.747	1.121.051.874	39.251.935	18.963.618	18.880	244.314.056	10.206.635.099
Closing Balance as at 31 March 2024	7.111.591.777	46.153.097	1.615.147.599	1.091.439.185	45.806.041	18.332.052	16.718	269.472.908	10.197.959.376

As of March 31, 2024, depreciation expenses amounting to TL 55,243,532 has been included in cost of sales, TL 1,265,220 in research and development expenses, TL 2,003,713 in marketing expenses, TL 6,187,871 in general administrative expenses and TL 4,355,105 in development capitalization.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTE 12 – INTANGIBLE ASSETS

31 March 2025

Cost Value	Rights	Development Expenses	Other Intangible Assets	Construction in Progress and Advances (*)	Total
Opening Balance as at 1 January 2025	11.189.620	2.851.866.144	536.719.586	1.868.084.549	5.267.859.899
Additions	-	-	4.961.038	220.881.431	225.842.469
Closing balance as at 31 March 2025	11.189.620	2.851.866.144	541.680.624	2.088.965.980	5.493.702.368

Accumulated Amortization

Opening Balance as at 1 January 2025	(6.180.586)	(2.060.736.398)	(437.561.947)	-	(2.504.478.931)
Charge for the period	(324.223)	(82.367.555)	(13.626.029)	-	(96.317.808)
Closing balance as at 31 March 2025	(6.504.809)	(2.143.103.953)	(451.187.976)	-	(2.600.796.739)

Net Book Value

Opening Balance as at 1 January 2025	5.009.034	791.129.746	99.157.639	1.868.084.549	2.763.380.968
Closing balance as at 31 March 2025	4.684.811	708.762.191	90.492.648	2.088.965.980	2.892.905.629

As of March 31, 2025, amortization of intangible assets amounting to TL 63,212,853 has been included in cost of sales, TL 2,591,222 in research and development expenses, TL 6,818,514 in marketing expenses, TL 17,183,712 in general administrative expenses and TL 6,511,507 in development capitalization.

31 March 2024

Cost Value	Rights	Development Expenses	Other Intangible Assets	Construction in Progress and Advances (*)	Total
Opening Balance as at 1 January 2024	11.189.618	2.647.338.887	483.797.750	1.131.240.936	4.273.567.190
Additions	-	-	5.474.965	250.908.772	256.383.738
Closing balance as at 31 March 2024	11.189.618	2.647.338.887	489.272.715	1.382.149.708	4.529.950.928

Accumulated Amortization

Opening Balance as at 1 January 2024	(5.461.475)	(1.752.002.019)	(384.384.108)	-	(1.764.714.448)
Charge for the period	(187.649)	(77.415.168)	(14.641.011)	-	(92.243.830)
Closing balance as at 31 March 2024	(5.649.124)	(1.829.417.187)	(399.025.119)	-	(1.856.958.278)

Net Book Value

Opening Balance as at 1 January 2024	5.728.143	895.336.868	99.413.642	1.131.240.936	2.508.852.742
Closing balance as at 31 March 2024	5.540.494	817.921.700	90.247.596	1.382.149.708	2.672.992.650

As of March 31, 2024, amortization of intangible assets amounting to TL 74,018,114 has been included in cost of sales, TL 1,690,122 in research and development expenses, TL 2,676,625 in marketing expenses, TL 6,780,675 in general administrative expenses and TL 7,078,294 in development capitalization.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTE 13 – RIGHT OF USE ASSETS

As of 31 March 2025 and 31 March 2024, the right of use assets' balances of depreciation assets and depreciation expenses in the relevant period are as follows:

<u>Cost Value</u>	<u>Total</u>
Opening Balance as at 1 January 2025	318.860.470
Additions	4.566.069
Kira yükümlülüklerinde oluşan değişiklikler	120.108.120
Disposals	(1.469.478)
Closing balance as at 31 March 2025	442.065.181

<u>Accumulated Amortization</u>	
Opening Balance as at 1 January 2025	(138.228.862)
Charge for the Period	(43.633.899)
Disposals	1.469.478
Closing balance as at 31 March 2025	(180.393.283)

<u>Net Book Value</u>	
Opening Balance as at 1 January 2025	180.631.608
Closing balance as at 31 March 2025	261.671.898

TL 21,653,521 of depreciation expenses has been charged to cost of sales, and TL 21,980,378 to general administration expenses as of 31 March 2025.

<u>Cost Value</u>	<u>Total</u>
Opening Balance as at 1 January 2024	212.048.442
Additions	6.167.179
Closing balance as at 31 March 2024	218.215.621

<u>Accumulated Amortization</u>	
Opening Balance as at 1 January 2024	(80.647.888)
Charge for the Period	(15.486.033)
Closing balance as at 31 March 2024	(96.133.921)

<u>Net Book Value</u>	
Opening Balance as at 1 January 2024	131.400.554
Closing balance as at 31 March 2024	122.081.700

TL 6,144,134 of depreciation expenses has been charged to cost of sales, and TL 9,341,899 to general administration expenses as of 31 March 2024.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTES 14- GOODWILL

As of March 31, 2025, there is a goodwill amounting to TL 168,836,129 related to the FZK acquisition (December 31, 2024: TL 168,836,129). The Group has calculated the recoverable amount of goodwill, and no impairment has been recognized for the goodwill. In this calculation, 5-year cash flows prepared based on management-approved budgets and a discount rate of 20% per annum (2021: 20% per annum) have been used.

NOTES 15- GOVERNMENT GRANTS AND INCENTIVES

As of March 31, 2025, the amount of R&D deduction that can be used in tax calculation for the Group's R&D expenses is TL 35,258,694 (December 31, 2024: TL 6,033,260). As per amendment made in Article 35 of the Law on Supporting Research and Development No. 5746 which became effective on 1 April 2008. R&D deduction rate from which will be benefited for the expenses of R&D 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 entitled to become an R&D center.

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, TL 51,670,512 was spent.(31 December 2024 : TL 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, 87,538,897 was spent (31 December 2024: 87,538,897 TL). The contribution rate to the investment is 45%.

Within the scope of the incentive certificate numbered 535509, TL 56,662,570 TL was spent (31 December 2024: 56,662,570 TL). The contribution rate to the investment is 30%.

Within the scope of the incentive certificate numbered 541650, TL 411,309,517 was spent (31 December 2024: TL 387,657,020). The contribution rate to the investment is 55%.

Within the scope of the incentive certificate numbered 55760, TL 19,160,475 was spent (31 December 2024: TL 19,160,475). The contribution rate to the investment is 30%.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTES 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a) Other Short-term Provisions

	31 March 2025	31 December 2024
Warranty Provisions	115.288.613	132.064.957
Provision for Lawsuits	137.553.479	98.824.050
Provision for Premium and Commission	136.182.818	19.411.538
Total	389.024.910	250.300.545

Movements of provisions during the period are as follows:

	Warranty Provisions	Provision for Lawsuits	Provision for Premium and Commission	Total
Opening Balance as at 1 January 2025	132.064.957	98.824.050	19.411.538	250.300.545
Additions During The Period	26.032.033	47.764.675	130.262.595	204.059.303
Paid During The Period (-)	(29.758.552)	(7.708.539)	(3.194.692)	(40.661.783)
Inflation Effect	(13.049.825)	(1.326.707)	(10.296.623)	(24.673.155)
Closing Balance as at 31 March 2025	115.288.613	137.553.479	136.182.818	389.024.910

	Warranty Provisions	Provision for Lawsuits	Provision for Premium and Commission	Total
Opening Balance as at 1 January 2024	146.113.187	101.524.372	119.757.214	367.394.773
Additions During The Period	53.671.989	16.422.162	64.456.512	134.550.663
Paid During The Period (-)	(34.160.923)	-	(83.344.510)	(117.505.433)
Inflation Effect	(16.022.956)	(13.291.125)	(8.101.314)	(37.415.395)
Closing Balance as at 31 March 2024	149.601.297	104.655.409	92.767.902	347.024.608

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 March 2025			
	Total TRY Provisions	Original Currency TRY	Original Currency EUR	Original Currency USD	
A. CPMs given in the name of its own legal personality	6.888.108.232	5.908.183.985	11.920.240	13.053.783	
i. Letter of Guarantee	6.888.108.232	5.908.183.985	11.920.240	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	6.888.108.232	5.908.183.985	11.920.240	13.053.783	

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTES 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

	<u>31 December 2024</u>			
	<u>Total TRY</u> <u>Provisions</u>	<u>Original</u> <u>Currency</u> <u>TRY</u>	<u>Original</u> <u>Currency</u> <u>EUR</u>	<u>Original</u> <u>Currency</u> <u>USD</u>
A. CPMs given in the name of its own legal personality	6.203.018.534	5.224.373.126	12.793.961	14.367.356
i. Letter of Guarantee	6.203.018.534	5.224.373.126	12.793.961	14.367.356
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	6.203.018.534	4.746.721.209	11.624.240	13.053.783

The ratio of other CPM is given by the Group to the Group's equity is 0% as of 31 March 2025 (0% as of 31 December 2024).

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 March 2025</u>	<u>31 December 2024</u>
Provision for Employee Rights and Salaries	46.428.392	28.224.091
Provision for Unused Vacation	38.732.419	27.340.166
Total	85.160.811	55.564.257

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 March 2025</u>	<u>31 December 2024</u>
Opening Balance	27.340.166	17.860.493
Recognized provision during the period	13.891.899	20.247.433
Paid During The Period	(9.755.083)	(54.618.288)
Inflation Effect	7.255.437	43.850.528
Total	38.732.419	27.340.166

b) Long-Term Provisions for Employee Benefits

	<u>31 March 2025</u>	<u>31 December 2024</u>
Provision for Severance Payments to Employees	83.761.600	85.850.907
Total	83.761.600	85.850.907

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTE 17 – EMPLOYEE BENEFITS (cont'd)

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 TL 46,655.43 (1 January 2025:TL 46,655.43) applicable as of 1 April 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:

	<u>31 March 2025</u>	<u>31 December 2024</u>
Annual Net Discount Rate (%)	2,58	2,58
Turnover Rate to Estimate the Probability of Retirement (%)	17,53	18,24

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:

	<u>31 March 2025</u>	<u>31 March 2024</u>
Opening Balance	85.850.907	75.972.803
Interest Cost	1.688.057	2.022.657
Gain/(Loss) on Remeasurement of Defined Benefit Plans	-	4.148.199
Paid Within the Period	(26.703.103)	(35.544.713)
Service Cost	52.844.367	70.692.873
Inflation Effect	(29.918.628)	(31.440.912)
Closing Balance	83.761.600	85.850.907

NOTE 18- OTHER ASSETS AND LIABILITIES

a) Prepaid Expenses

	<u>31 March 2025</u>	<u>31 December 2024</u>
Advances Given For Inventory Purchase	542.215.105	344.724.974
Prepaid Insurance Expenses	17.569.828	11.223.221
Prepaid Advertisement Expenses	1.517.594	167.858
Prepaid Maintenance Expenses	545.261	1.449.687
Prepaid Other Expenses	12.496.553	8.055.967
Total	574.344.341	365.621.707

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTE 18- OTHER ASSETS AND LIABILITIES (cont'd)

b) Other Current Assets

	<u>31 March 2025</u>	<u>31 December 2024</u>
Deferred VAT	64.178.003	101.549.793
Other Current Assets	24.351.186	20.034.030
Total	88.529.189	121.583.823

c) Prepaid Expenses (Long-Term)

	<u>31 March 2025</u>	<u>31 December 2024</u>
Prepaid Expenses	2.551.290	3.628.244
Total	2.551.290	3.628.244

d) Deferred Income (Short-Term)

	<u>31 March 2025</u>	<u>31 December 2024</u>
Order Advances Received	751.457.521	716.586.799
Deferred Income	45.774.241	46.204.691
Total	797.231.762	762.791.490

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

	<u>31 March 2025</u>	<u>31 December 2024</u>
Deferred Maintenance and Repair Income	55.779.917	60.489.069
Total	55.779.917	60.489.069

f) Deferred Income (Long-Term)

	<u>31 March 2025</u>	<u>31 December 2024</u>
Order Advances Received	68.620.211	84.446.058
Total	68.620.211	84.446.058

g) Liabilities Arising from Contracts with Customers (Long-Term)

	<u>31 March 2025</u>	<u>31 December 2024</u>
Deferred Maintenance and Repair Income	237.537.206	260.728.662
Total	237.537.206	260.728.662

NOTE 19- SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Capital / Elimination Adjustments

As of 31 March 2025, the share capital of the Company is TRY 252,000,000 (31 December 2024: 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:

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

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

a) Capital / Elimination Adjustments (cont'd)

31 March 2025

<u>Shareholders</u>	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>	<u>Total Share Amount</u>	<u>Share (%)</u>
AG ANADOLU GRUBU HOLDİNG 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 2024

<u>Shareholders</u>	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>	<u>Total Share Amount</u>	<u>Share (%)</u>
AG ANADOLU GRUBU HOLDİNG 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.

<u>Equity</u>	<u>31 March 2025</u>	<u>31 December 2024</u>
Paid-in Capital	252.000.000	252.000.000
Capital Inflation Adjustment Difference	2.947.121.199	2.947.121.199
Restricted Reserves Appropriated from profit	615.930.047	615.930.047
Previous Year Profits	6.091.285.254	5.603.216.086
Gain / (Loss) on Revaluation and Measurement	2.099.980.554	2.099.980.554
(Losses) on Remeasurement of Defined Benefit Plans	(92.757.487)	(92.757.487)
Net Profit / (Loss) for The Period	238.893.309	488.069.168
Shareholders' Equity Attributable to Equity Holders of the Group	12.152.452.876	11.913.559.567
Total Shareholders' Equity	12.152.452.876	11.913.559.567

c) Restricted Reserves Appropriated from Profit

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

<u>Restricted Reserves Appropriated from Profit</u>	<u>31 March 2025</u>	<u>31 December 2024</u>
Legal Reserves	615.930.047	615.930.047
Total	615.930.047	615.930.047

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.

Retained earnings is comprised of extraordinary reserves, miscellaneous inflation differences and other prior years' income.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31,2025, unless otherwise stated)

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

d) Retained Earnings/Losses

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

Retained Earnings/Losses	31 March 2025	31 December 2024
Extraordinary Reserves	123.738.603	136.190.141
Legal Reserves Inflation Difference	106.757.248	106.757.248
Retained Earnings / (Losses)	5.860.789.403	5.360.268.697
Total	6.091.285.254	5.603.216.086

Quoted companies make profit distributions as follows:

If the amount of profit distributions calculated in accordance with the net distributable profit requirements of the CMB does not exceed the statutory net distributable profit, the total amount of distributable profit should be distributed. However, no profit distribution would be made if any financial statements prepared in accordance with the CMB or any statutory accounts carrying net loss for the period. In accordance with the CMB's decision dated 27 January 2010, it is decided not to bring any obligation for any minimum profit distribution about dividend distribution which will be made for publicly owned companies.

Inflation adjustment on Equity; the carrying amount of extraordinary reserves could have been utilised in issuing bonus shares, cash dividend distribution and offsetting accumulated losses. However, equity inflation adjustment differences will be liable to corporate tax if it is used in cash profit distribution.

Group's retained earnings is TL 6,091,285,254 based on the financial statements prepared in according with TAS/IFRS Financial Reporting Standard for the period ended 31 March 2025 (31 December 2024: TL 5,603,216,086).

In accordance with the Communiqué No:XI-29 and related announcements of TAS/IFRS, effective from 1 January 2008, "Share Capital", "Restricted Reserves" and "Share Premiums" shall be carried at their statutory amount. The valuation differences (such as differences from inflation adjustment) shall be classified as follows:

- "the difference arising from the "Paid-in Capital" and not been transferred to capital yet, shall be classified under the "Capital Adjustment to Share Capital";
- the difference due to the inflation adjustment of "Restricted Reserves" and "Share Premium" and the amount has not been utilised in dividend distribution or capital increase yet, shall be classified under "Retained Earnings". Other equity items shall be carried at the amounts calculated based on CMB Financial Reporting Standards.

NOTE 20- REVENUE AND COST OF SALES

	1 January- 31 March 2025	1 January- 31 March 2024
Domestic Sales	3.554.983.727	4.831.240.882
Foreign Sales	1.215.300.578	2.011.675.868
Other Income	9.236.493	21.603.634
Sales Total (Gross)	4.779.520.798	6.864.520.385
Sales Discounts (-)	(495.466.304)	(650.252.687)
Sales (Net)	4.284.054.494	6.214.267.697
Cost of Sales	(3.718.560.472)	(5.295.536.369)
Gross Operating Profit	565.494.022	918.731.328

Cost of sales are summarised as follows;

Cost of Sales	1 January- 31 March 2025	1 January- 31 March 2024
Raw Materials and Supplies Expenses	(2.337.168.231)	(4.098.020.572)
Direct Labor Expenses	(283.476.585)	(296.248.022)
Depreciation and Amortization Expenses	(188.085.395)	(135.405.780)
Other Production Costs	(104.126.869)	(90.365.963)
Total Cost of Production	(2.912.857.080)	(4.620.040.337)
Change in Goods Inventory	3.455.543	199.096.190
Cost of Trade Goods Sold	(808.403.894)	(869.415.785)
Cost of Other Sales	(755.041)	(5.176.437)
Cost of Sales	(3.718.560.472)	(5.295.536.369)

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTE 21- OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

Other Income from Operating Activities:	1 January- 31 March 2025	1 January- 31 March 2024
Foreign Exchange Income on Trade Receivables and Payables	260.066.135	121.962.168
Sale Support Income	55.410.898	3.227.451
Delay Interest Income	9.405.736	231.503
Tubitak R&D Incentive	1.308.914	6.419.120
Export D.F.I.F Support	1.131.670	2.604.896
Rent Income	996.698	1.259.833
Service Income	773.325	301.478
Rediscount Income on Trade Payables	363.887	-
Other Income	13.924.238	39.173.226
Total	343.381.501	175.179.675

Other Expense from Operating Activities:	1 January- 31 March 2025	1 January- 31 March 2024
Foreign Exchange Expense on Trade Receivables and Payables	(259.085.088)	(321.090.137)
Lawsuit Provisions	(47.764.675)	(16.422.163)
Donations and Contributions	(4.007.300)	(14.283.767)
Discount Income on Trade Receivables	-	(4.892.474)
Other Expenses	(3.602.042)	(4.580.882)
Total	(314.459.105)	(361.269.423)

NOTE 22- FINANCE INCOME AND EXPENSES

Foreign Exchange Gain

Finance Income:	1 January- 31 March 2025	1 January- 31 March 2024
Interest Income	141.815.724	403.473.671
Foreign Exchange Gain	122.367.317	127.012.383
Total	264.183.041	530.486.054

Letter of Guarantee Expenses

Finance Expenses:	1 January- 31 March 2025	1 January- 31 March 2024
Interest Expense	(396.746.765)	(469.610.921)
Foreign Exchange Losses	(142.680.219)	(96.501.179)
Letter of Guarantee Expenses	(11.592.703)	(7.659.885)
Forward Purchase Expense	(9.903.536)	(6.176.777)
Expense from Derivative Transactions	(1.511.742)	(11.911.176)
Other Finance Expenses	(3.876.820)	(24.214.878)
Total	(566.311.785)	(616.074.816)

NOTE 23- TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

i) Provision for Current Period Tax

The Group is subjected to Corporate Tax in Turkey. Necessary provisions in supplementary financial statements have been made for estimated tax liabilities regarding Group's operations in the current period.

The corporate tax to be accrued over the taxable profit is calculated by adding non-deductible expenses to the accounting profit; deducting investment and research and development allowances, income that is not subjected to taxation and the dividends received, from companies located in Turkey, from the accounting profit.

Consolidation principle is not utilized to prepare financial statements related to tax that is effective in Turkey.

The effective tax rate in 2025 is 25% (2024: 25%).

Tax losses can be carried forward to offset against future taxable income for up to five years. However, tax losses cannot be carried back to offset profits from previous periods.

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTE 23- TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

i) Provision for Current Period Tax (cont'd)

According to Corporate Tax Law's 24th article, the corporate tax is imposed by the taxpayer's tax returns. There is not an exact mutual agreement procedure with Tax Authorities in Turkey. Annual corporate tax returns are submitted to the relating tax offices until the 25th of April in the following year. Tax authorities have the right to audit tax declarations and accounting records for 5 years and may issue re-assessment based on their findings.

Income Withholding Tax:

In addition to corporate tax, companies should also calculate income withholding tax on any dividends and income distributed. The rate of income tax withholding is 15%.

ii) Deferred Tax

The deferred tax asset and tax liability are based on the temporary differences, which arise between the financial statements prepared according to TAS/TFRS's accounting standards and statutory tax financial statements. These differences are usually due to the recognition of revenue and expenses in different reporting periods for the TAS/TFRS standards and tax purposes.

Timing differences are result of recognizing certain income and expense items differently for accounting and tax purposes. Timing differences are calculated off of the tangible fixed assets (except land and buildings), intangible fixed assets, stocks, the revaluation of prepaid expenses, discount of receivables, provision for termination indemnities, and previous years' loss. Every accounting year, the Group reviews the deferred tax asset and liabilities, where the deferred tax assets cannot be used against the future taxable income, the Group writes-off the recorded deferred tax asset.

The Group applied for an R&D center in order to benefit from the incentives and exemptions provided within the framework of Law No. 5746 and as a result of the examination made by the Ministry of Industry and Trade, the Group was granted an R&D center certificate effective from June 3, 2009.

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

The investment projects that the Group continues to benefit from the investment contribution amounts are explained in Note 13.

	31 March 2025		31 December 2024	
	<u>Cumulative Temporary Differences</u>	<u>Deferred Tax Assets/(Liabilities)</u>	<u>Cumulative Temporary Differences</u>	<u>Deferred Tax Assets/(Liabilities)</u>
Inventories	(260.782.008)	(65.195.502)	(176.986.567)	(44.246.642)
Fixed Assets (Net)	(8.255.177.614)	(1.152.703.125)	(8.170.975.790)	(1.131.672.175)
Provision for Employment Termination Benefits	102.941.174	25.735.294	107.844.538	26.961.135
Guarantee Provisions	115.288.613	28.822.153	132.064.957	33.016.240
R&D Discount and Investment Incentive	767.376.747	466.134.980	689.898.261	435.225.140
Derivative Instruments	(5.111.435)	(1.277.859)	(125.682.873)	(31.420.718)
Rediscount Expenses/Income (Net)	(18.444.903)	(4.611.226)	(19.900.468)	(4.975.117)
TFRS 15 Revenue from Contracts with Customers	(70.122.502)	(17.530.626)	(125.316.579)	(31.329.146)
Employee Benefits	103.398.811	25.849.703	75.637.506	18.909.377
Extended Warranty Income	291.965.463	72.991.366	323.492.218	80.873.055
Dealer Premium Provisions	70.076.227	17.519.057	10.965.783	2.741.446
Lawsuit Provisions	137.553.479	34.388.370	98.824.050	24.706.013
Adjustments Related to Borrowings	(641.713.492)	(160.428.373)	(767.579.668)	(191.894.917)
Adjustments Related to Leases	92.954.620	23.238.655	110.294.875	27.573.719
Other (Net)	72.548.682	18.137.170	28.431.829	7.107.954
Total		(688.929.963)		(778.424.636)

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTE 24 - EARNINGS / (LOSS) PER SHARE

	1 January- 31 March 2025	1 January- 31 March 2024
Net Profit / (Loss) for The Period	238.893.309	548.827.200
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 TL 1 Each	0,9480	2,1779

NOTE 25- 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 March 2025	Receivables		Payables	
<u>Related Parties</u>	<u>Trade</u>	<u>Non-Trade</u>	<u>Trade</u>	<u>Non-Trade</u>
Itochu Corporation Tokyo (2)	-	-	1.816.030.118	-
Isuzu Motors Ltd. Tokyo (2)	11.609.544	-	100.185	-
Çelik Motor Ticaret A.Ş. (1)	3.495.501	-	-	-
Anadolu Motor Üretim ve Paz. A.Ş. (1)	6.037.791	-	-	-
Isuzu Motors Europe NV (1)	52.797	-	-	-
AEH Sigorta Acenteliği A.Ş. (1)	-	-	39.850.689	-
Oyex-Handels Gmbh (1)	123.854.513	-	-	-
Anadolu Efes Spor Kulübü	-	-	2.989	-
AG Anadolu Grubu Holding A.Ş. (2)	-	-	1.703.434	-
Migros Ticaret A.Ş. (1)	-	-	1.752.405	-
Adel Kalemcilik Tic. ve San. A.Ş. (1)	-	-	9.525	-
Anadolu Efes Biracılık ve Malt Sanayi A.Ş.	-	-	26.447	-
Garenta Ulaşım Çözümleri A.Ş.	656.795	-	-	-
Ortaklara Borçlar (*)	-	-	-	9.109
Isuzu Motors International Operation Thailand (1)	2137960	-	-	-
Toplam	147.844.901	-	1.859.475.792	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 2024	Receivables		Payables	
<u>Related Parties</u>	<u>Trade</u>	<u>Non-Trade</u>	<u>Trade</u>	<u>Non-Trade</u>
Itochu Corporation Tokyo (2)	-	-	1.742.189.297	-
Oyex-Handels Gmbh (1)	196.858.708	-	-	-
Isuzu Motors Ltd. Tokyo (2)	11.729.092	-	62.431.960	-
AG Anadolu Grubu Holding A.Ş. (2)	-	-	13.364.474	-
Çelik Motor Ticaret A.Ş. (1)	12.983.848	-	-	-
Anadolu Motor Üretim ve Paz. A.Ş. (1)	13.022.782	-	-	-
Itochu France (1)	9.726.130	-	-	-
AEH Sigorta Acenteliği A.Ş. (1)	-	-	1.837.637	-
Isuzu Motors International Operation Thailand (1)	1.162.176	-	-	-
Isuzu Motors Co. Thailand Ltd. (1)	-	-	107.067	-
Adel Kalemcilik Tic. ve San. A.Ş. (1)	-	-	88.220	-
Migros Ticaret A.Ş. (1)	-	-	5.042	-
Anadolu Efes Biracılık ve Malt Sanayi A.Ş. (1)	-	-	1.163	-
Garenta Ulaşım Çözümleri A.Ş. (1)	-	-	31	-
Ortaklara Borçlar (*)	-	-	-	10.026
Toplam	245.482.736	-	1.820.024.891	10.026

(*) 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 March 31,2025, unless otherwise stated)

NOTE 25- RELATED PARTY DISCLOSURES (cont'd)

b) Related Party Transactions:

1 January-31 March 2025

<u>Sales to Related Parties</u>	<u>Goods and Services Sales</u>	<u>Fixed Assets Sales</u>	<u>Other Income</u>	<u>Total Income/ Sales</u>
Isuzu Motors International Operation Thailand (1)	42.439.411	-	-	42.439.411
Oyex-Handels Gmbh (1)	36.708.010	-	-	36.708.010
Isuzu Motors Ltd. Tokyo (2)	18.969.501	-	-	18.969.501
Çelik Motor Ticaret A.Ş. (1)	5.823.366	-	-	5.823.366
Anadolu Motor Üretim ve Paz. A.Ş. (1)	4.825.309	-	-	4.825.309
Garenta Ulaşım Çözümleri A.Ş (1)	656.210	-	-	656.210
Isuzu Motors Europe NV (1)	99.993	-	-	99.993
Anadolu Efes Spor Kulübü	961	-	-	961
Total	109.522.761	-	-	109.522.761

1) Related Parties of Shareholders

2) Shareholders

1 January-31 March 2024

<u>Sales to Related Parties</u>	<u>Goods and Services Sales</u>	<u>Fixed Assets Sales</u>	<u>Other Income</u>	<u>Total Income/ Sales</u>
Oyex-Handels Gmbh (1)	94.633.510	-	-	94.633.510
Itochu Corporation Tokyo (2)	9.377.831	-	-	9.377.831
Anadolu Motor Üretim ve Paz. A.Ş. (1)	5.334.323	-	-	5.334.323
Isuzu Motors International Operation Thailand (1)	5.240.657	-	-	5.240.657
Çelik Motor Ticaret A.Ş. (1)	5.171.026	-	-	5.171.026
Isuzu Motors Ltd. Tokyo (2)	3.905.943	-	-	3.905.943
Total	123.663.290	-	-	123.663.290

1) Related Parties of Shareholders

2) Shareholders

1 January-31 March 2025

<u>Purchases from Related Parties</u>	<u>Goods and Services Purchases</u>	<u>Fixed Assets Purchases</u>	<u>Other Expense</u>	<u>Total Expense/ Purchases</u>
Itochu Corporation Tokyo (2)	955.675.500	-	-	955.675.500
Isuzu Motors International Operation Thailand (1)	275.033.072	-	-	275.033.072
Isuzu Motors Ltd. Tokyo (2)	56.448.889	-	-	56.448.889
AG Anadolu Grubu Holding A.Ş. (2)	33.613.579	-	-	33.613.579
Adel Kalemcilik Tic. ve San. A.Ş. (1)	20.050.598	-	-	20.050.598
Anadolu Efes Spor Kulübü	20.000.000	-	-	20.000.000
Oyex Handels Gmbh	13.217.861	-	-	13.217.861
Migros Ticaret A.Ş. (1)	5.443.143	-	-	5.443.143
Çelik Motor Ticaret A.Ş. (1)	1.159.967	-	-	1.159.967
Itochu France	592.716	-	-	592.716
Anadolu Sağlık Merkezi İktisadi İşletmesi	111.136	-	-	111.136
Anadolu Efes Biracılık ve Malt Sanayi A.Ş.	22.039	-	-	22.039
Anadolu Bilişim Hizmetleri A.Ş. (1)	10.558	-	-	10.558
Total	1.381.379.058	-	-	1.381.379.058

1) Related Parties of Shareholders

2) Shareholders

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31,2025, unless otherwise stated)

NOTE 25- RELATED PARTY DISCLOSURES (cont'd)

b) Related Party Transactions: (cont'd)

1 January-31 March 2024

<u>Purchases from Related Parties</u>	<u>Goods and Services Purchases</u>	<u>Fixed Assets Purchases</u>	<u>Other Expense</u>	<u>Total Expense/ Purchases</u>
Itochu Corporation Tokyo (2)	1.535.119.559	-	-	1.535.119.559
Isuzu Motors International Operation Thailand (1)	642.763.798	-	-	642.763.798
Isuzu Motors Ltd. Tokyo (2)	86.574.577	-	-	86.574.577
AG Anadolu Grubu Holding A.Ş. (2)	26.610.755	-	-	26.610.755
Oyex-Handels Gmbh (1)	15.593.277	-	-	15.593.277
Migros Ticaret A.Ş. (1)	4.245.504	-	-	4.245.504
Çelik Motor Ticaret A.Ş. (1)	606.294	-	-	606.294
Anadolu Efes Spor Kulübü (1)	198.671	-	-	198.671
Garenta Ulaşım Çözümleri A.Ş (1)	97.580	-	-	97.580
Isuzu Motors Europe NV (1)	26.044	-	-	26.044
Adel Kalemçilik Tic. ve San. A.Ş. (1)	14.982	-	-	14.982
Anadolu Bilişim Hizmetleri A.Ş. (1)	10.191	-	-	10.191
Total	2.311.861.232	-	-	2.311.861.232

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. Donation was not made to Anadolu Eğitim ve Sosyal Yardım Vakfı by the Group in 2025 (31.12.2024: TL 24,262,757).

d) Benefits to Top Management:

	<u>1 January-31 March 2025</u>	<u>1 January-31 March 2024</u>
Salaries and Other Short-Term Liabilities	41.846.205	30.998.082
Total	41.846.205	30.998.082

The benefits provided to top management (General managers and Directors) include salaries, bonuses, premiums, and the employer's share of social security..

NOTE 26- 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).

	<u>31 March 2025</u>	<u>31 December 2024</u>
Net Debt	8.146.115.781	6.294.230.300
Total Equity	12.152.452.876	11.913.559.567
Net Debt/Total Equity	0,67	0,53

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

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTE 26- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

(a) Capital risk management (cont'd)

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

(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 TL. Foreign exchange risk arises from future trade operations and the differences between assets and liabilities.

Foreign Currency Position Sensitivity Analysis

31 March 2025

	<u>Appreciation of Foreign Currency</u>	<u>Profit / Loss Depreciation of Foreign Currency</u>
In case of US Dollar increases / decreases in 10% against TL;		
1 - USD denominated net asset / (liability)	(34.120.766)	34.120.766
2- USD denominated hedging instruments (-)	-	-
3- Net Effect of US Dollar (1 +2)	(34.120.766)	34.120.766
In case of Euro increases / decreases in 10% against TL;		
4- EURO denominated net asset / (liability)	162.405.595	(162.405.595)
5- EURO denominated hedging instruments (-)	-	-
6- Net Effect of Euro (4+5)	162.405.595	(162.405.595)
Increase / decrease in other foreign currencies by 10%:		
7- Other foreign currency denominated net asset / (liability)	(160.365.241)	160.365.241
8- Other foreign currency hedging instruments (-)	-	-
9- Net Effect of Other Exchange Rates (4+5)	(160.365.241)	160.365.241
TOTAL (3+6+9)	(32.080.412)	32.080.412

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31,2025, unless otherwise stated)

NOTE 26- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

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

Foreign Currency Position Sensitivity Analysis

31 December 2024

	<u>Profit / Loss</u>	
	<u>Appreciation of</u>	<u>Depreciation of</u>
	<u>Foreign Currency</u>	<u>Foreign Currency</u>
In case of US Dollar increases / decreases in 10% against TL;		
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 TL;		
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

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARY
NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2025

Page No:35

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira (“TRY”) as of March 31,2025, unless otherwise stated)

NOTE 26- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)

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

	31 March 2025					Statement of Foreign Currency Position					31 December 2024				
	TL Amount	US Dollars	Euro	Yen	Other	TL Amount	US Dollars	Euro	Yen	Other	TL Amount	US Dollars	Euro	Yen	Other
1. Trade Receivables	2.655.183.532	22.529	64.866.257	56.577.500	-	2.214.089.634	45.145	54.440.799	45.000.000	-	2.214.089.634	45.145	54.440.799	45.000.000	-
2a. Monetary Financial Assets	541.448.708	756.000	12.561.000	5.196.000	7.000	622.689.973	5.108.000	10.144.000	53.409.000	20.000	622.689.973	5.108.000	10.144.000	53.409.000	20.000
2b. Non-monetary Financial Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Current Assets (1+2+3)	3.196.632.240	778.529	77.427.257	61.773.500	7.000	2.836.779.607	5.153.145	64.584.799	98.409.000	20.000	2.836.779.607	5.153.145	64.584.799	98.409.000	20.000
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)	3.196.632.240	778.529	77.427.257	61.773.500	7.000	2.836.779.607	5.153.145	64.584.799	98.409.000	20.000	2.836.779.607	5.153.145	64.584.799	98.409.000	20.000
10. Trade Payables	2.166.394.631	2.323.688	11.255.137	6.431.397.881	1.859	2.210.471.750	2.632.965	26.606.376	4.134.609.786	3.594	2.210.471.750	2.632.965	26.606.376	4.134.609.786	3.594
11. Financial Liabilities	77.975.911	-	1.912.332	-	-	79.341.272	-	1.958.766	-	-	79.341.272	-	1.958.766	-	-
12a. Monetary Other Liabilities	955.826.325	-	23.441.307	-	-	360.887.619	-	8.909.542	-	-	360.887.619	-	8.909.542	-	-
12b. Non-Monetary Other Liabilities	733.237.742	7.489.721	11.033.000	-	-	644.401.213	7.494.934	8.711.000	-	-	644.401.213	7.494.934	8.711.000	-	-
13. Current Liabilities (10+11+12)	3.933.434.609	9.813.409	47.641.776	6.431.397.881	1.859	3.295.101.854	10.127.899	46.185.684	4.134.609.786	3.594	3.295.101.854	10.127.899	46.185.684	4.134.609.786	3.594
14. Trade Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15. Financial Liabilities	236.673.542	-	5.804.336	-	-	252.783.056	-	6.240.672	-	-	252.783.056	-	6.240.672	-	-
16a. Monetary Other Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17. Non-current Liabilities (14+15+16)	236.673.542	-	5.804.336	-	-	252.783.056	-	6.240.672	-	-	252.783.056	-	6.240.672	-	-
18. Total Liabilities (13+17)	4.170.108.151	9.813.409	53.446.112	6.431.397.881	1.859	3.547.884.910	10.127.899	52.426.356	4.134.609.786	3.594	3.547.884.910	10.127.899	52.426.356	4.134.609.786	3.594
19. Off-balance Sheet Derivative Instruments Net Asset / (Liability) Position (19a-19b)	649.146.323	-	15.920.087	-	-	445.563.173	-	11.000.000	-	-	445.563.173	-	11.000.000	-	-
19a. Total Amount of Hedged Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19b. Total Amount of Hedged Liabilities	(649.146.323)	-	(15.920.087)	-	-	(445.563.173)	-	(11.000.000)	-	-	(445.563.173)	-	(11.000.000)	-	-
20.Net Foreign Currency Assets/(Liabilities) Position (9-18+19)	(324.329.588)	(9.034.880)	39.901.232	(6.369.624.381)	5.141	(265.542.130)	(4.974.754)	23.158.443	(4.036.200.786)	16.406	(265.542.130)	(4.974.754)	23.158.443	(4.036.200.786)	16.406
21.Monetary Items Net Foreign Currency Assets / (Liabilities) (1+2a+5+6a-10-11-12a-14-15-16a)	(240.238.169)	(1.545.159)	35.014.145	(6.369.624.381)	5.141	(66.704.090)	2.520.180	20.869.443	(4.036.200.786)	16.406	(66.704.090)	2.520.180	20.869.443	(4.036.200.786)	16.406
22. Fair Value of Financial Instruments Used for Currency Hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23. Hedged Foreign Currency Assets	(649.146.323)	-	(15.920.087)	-	-	(445.563.173)	-	(11.000.000)	-	-	(445.563.173)	-	(11.000.000)	-	-
24. Hedged Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25. Export	1.215.300.578	-	-	-	-	7.232.195.143	-	-	-	-	7.232.195.143	-	-	-	-
26. Import	1.294.734.818	-	-	-	-	6.369.055.013	-	-	-	-	6.369.055.013	-	-	-	-

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31,2025, unless otherwise stated)

NOTE 26- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

(e) Interest rate risk management

The Group is exposed to interest rate risk due to variable and fixed interest rates. Group's financial liabilities and assets with fixed and variable interest rates (guarantee etc.) are respectively shown at Note 6, fixed and floating interest rate assets (deposits, etc.) are disclosed in Note 4.

As of 31 March 2025, 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 TL 2,458,937 (31 December 2024: higher/lower by TL 4,476,806 TL).

(f) 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.

Fair Value and Hedging Disclosures

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

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 directly or indirectly 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 March 2025, the Group's foreign currency transaction agreement, which is a derivative financial instrument, is as follows

<u>Financial assets carried at fair value</u>	Level 1	Level 2	Level 3	Total
Derivative assets (Note 9)	-	-	-	-
Buildings (Note 11)	-	2.108.479.818	-	2.108.479.818
Lands (Note 11)	-	6.075.234.097	-	6.075.234.097
Total	-	8.183.713.915	-	8.183.713.915
<u>Financial liabilities carried at fair value</u>	Level 1	Level 2	Level 3	Total
Derivative liabilities (Note 8)	-	5.111.435	-	5.111.435
Total	-	5.111.435	-	5.111.435

(Currency expressed in Turkish Lira based on the purchasing power of Turkish Lira ("TRY") as of March 31, 2025, unless otherwise stated)

NOTE 26- NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Derivative Financial Instruments (cont'd)

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:

<u>Financial assets carried at fair value</u>	Level 1	Level 2	Level 3	Total
Derivative assets (Note 8)	-	-	-	-
Buildings (Note 10)	-	2.108.479.818	-	2.108.479.818
Lands (Note 10)	-	6.075.234.097	-	6.075.234.097
Total	-	8.183.713.915	-	8.183.713.915

<u>Financial liabilities carried at fair value</u>	Level 1	Level 2	Level 3	Total
Derivative liabilities (Note 8)	-	125.682.873	-	125.682.873
Total	-	125.682.873	-	125.682.873

NOTE 27- EXPLANATIONS ON NET MONETARY POSITION GAINS/(LOSSES)

Non-Monetary Items	31 March 2025
Statement of Financial Position Items	
Stocks	154.594.230
Tangible Fixed Assets	179.430.522
Intangible Assets	109.113.439
Paid-in capital	(292.487.986)
Restricted Reserves Appropriated from Profit	(56.313.009)
Other Comprehensive Expenses not to be Reclassified to Profit or Loss	8.480.594
Retained earnings/losses	(35.793.476)
Other	(125.059.288)
Statement of Profit or Loss Items	
Revenue	(80.961.458)
Cost of Sales	538.171.411
General Administrative Expenses	23.450.523
Marketing Expenses	15.626.940
Research and Development Expenses	4.293.322
Other Operating Income/Expenses	8.901.116
Income from Investing Activities	(207.201)
Financial Income/Expenses	8.346.088
Net Monetary Position Gains/(Losses)	459.585.767

NOTE 28- EVENTS AFTER REPORTING PERIOD

None.