

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI A.Ş.
CONSOLIDATED FINANCIAL STATEMENTS
AND NOTES FOR THE FINANCIAL STATEMENTS
1 JANUARY – 30 SEPTEMBER 2025

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BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2025 (BALANCE SHEET)**

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

	Notes	Current Period 30.09.2025 TRY	Prior Period 31.12.2024 TRY
ASSETS		12.737.760.148	12.710.341.128
Current Assets		2.285.416.574	1.945.122.851
Cash and Cash Equivalents	52	290.397.698	75.361.256
Financial Investments	46	13.894.043	17.534.156
Trade Receivables	7	311.027.112	27.624.359
- Trade Receivables from Related Parties	6	1.162.929	426.398
- Other Trade Receivables	7	309.864.183	27.197.961
Other Receivables	9	90.652.536	88.732.178
- Other Receivables from Related Parties	6	13.212.324	--
- Other Receivables	9	77.440.212	88.732.178
Inventories	10	833.510.054	1.179.275.537
Prepaid Expenses	12	578.938.246	355.546.213
- Prepaid Expenses to Related Parties	6	1.021.785	--
- Other Prepaid Expenses	12	577.916.461	355.546.213
Current Tax Assets	39	1.023.961	721.590
Other Current Assets	29	165.972.924	200.327.562
SUBTOTAL		2.285.416.574	1.945.122.851
TOTAL CURRENT ASSETS		2.285.416.574	1.945.122.851
NON-CURRENT ASSETS		10.452.343.574	10.765.218.277
Financial Investments	4	2.104.751	7.557.616
Other Receivables	9	60.897	76.383
- Other Receivables from Non-Related Parties	9	60.897	76.383
Tangible Assets	14	8.549.987.167	9.099.518.984
Right of Use Assets	20	426.007.376	437.176.866
Intangible Assets	17	2.451.210	2.812.598
- Other Intangible Assets	17	2.451.210	2.812.598
Prepaid Expenses	12	9.671.890	--
- Prepaid Expenses to Non- Related Parties	12	9.671.890	--
Deferred Tax Asset	39	1.462.060.283	1.218.075.831
TOTAL NON-CURRENT ASSETS		10.452.343.574	10.765.218.277
TOTAL ASSETS		12.737.760.148	12.710.341.128

The accompanying accounting policies and notes from an integral part of these financial statements.

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2025 (BALANCE SHEET)**

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

	Notes	Current Period 30.09.2025 TRY	Current Period 31.12.2024 TRY
LIABILITIES		12.737.760.148	12.710.341.128
Short- Term Liabilities		4.461.001.139	3.525.753.083
Short- Term Debts	46	2.035.375.774	1.164.031.637
- Other Short- Term Debts	46	2.035.375.774	1.164.031.637
Short- Term Portion of Long- Term Debts	46	1.849.397.887	1.786.463.691
- Other Short- Term Portion of Long- Term Debts	46	1.849.397.887	1.786.463.691
Trade Payables	7	117.127.416	181.050.160
- Trade Payables to Related Parties	6	8.158.384	22.945.256
- Other Trade Payables	7	108.969.032	158.104.904
Liabilities Under Employee Benefits	27	24.664.382	14.395.011
Other Payables	9	28.131.491	36.653.614
- Other Payables	9	28.131.491	36.653.614
Deferred Income	12	395.430.502	335.788.535
- Other Deferred Income	12	395.430.502	335.788.535
Short- Term Provisions	25	10.873.687	7.370.436
- Short- Term Provisions for Employee Benefits	25	7.397.599	4.075.288
- Other Short- Term Provisions	25	3.476.088	3.295.148
SUBTOTAL		4.461.001.139	3.525.753.083
TOTAL SHORT- TERM LIABILITIES		4.461.001.139	3.525.753.083
LONG- TERM LIABILITIES		1.368.999.039	2.310.202.147
Long- Term Debts	46	1.344.264.736	2.294.830.303
- Other Long- Term Debts	46	1.344.264.736	2.294.830.303
Other Debts	9	243.096	304.914
- Other Payables to Non- Related Parties	9	243.096	304.914
Long- Term Provisions	25	24.491.207	15.066.929
- Long- Term Provisions Related to Employee Benefits	25	24.491.207	15.066.929
Total Long- Term Liabilities		1.368.999.039	2.310.202.147
EQUITY		6.907.759.970	6.874.385.898
Equity Attributable to Owners of the Parent		6.907.759.970	6.874.385.898
Paid- in Capital	30	135.000.000	135.000.000
Capital Adjustment Differences	30	2.747.981.252	2.747.981.252
Share Premiums/ Discounts	30	42.352.498	42.606.157
Accumulated Other Comprehensive Income (Loss) That Will Not Be Reclassified to Profit or Loss	30	(11.228.626)	(11.228.626)
- Revaluation and Remeasurement Gains (Losses)	30	(11.228.626)	(11.228.626)
- Remeasurement Gains (Losses) on Defined Benefit Plans	30	(11.228.626)	(11.228.626)
Accumulated Other Comprehensive Income (Loss) That Will Be Reclassified to Profit or Loss	30	10.449.415	10.534.654
- Revaluation and Remeasurement Gains (Losses)	30	10.449.415	10.534.654
- Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	30	10.449.415	10.534.654
Restricted Reserves Appropriated from Profit	30	381.508.045	380.754.607
Retained Earnings/ Accumulated Losses	30	3.575.785.308	5.213.659.171
Net Profit/ Loss for the Period		25.912.078	(1.644.921.318)
Non- Controlling Interests		6.907.759.970	6.874.385.898
Total Equity		12.737.760.148	12.710.341.128

The accompanying accounting policies and notes from an integral part of these financial statements.

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ**CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2025**

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

		Current Period 01.01.2025 30.09.2025 TRY	Prior Period 01.01.2024 30.09.2024 TRY	Current Period 01.07.2025 30.09.2025 TRY	Prior Period 01.07.2024 30.09.2024 TRY
	Notes				
Revenue	31	4.067.446.571	1.488.356.061	920.084.523	203.905.341
Cost of Sales (-)	31	(3.478.782.995)	(1.248.321.060)	(793.761.777)	(145.592.592)
GROSS PROFIT/LOSS FROM COMMERCIAL ACTIVITIES		588.663.576	240.035.001	126.322.747	58.312.749
GROSS PROFIT/LOSS		588.663.576	240.035.001	126.322.747	58.312.749
General Administrative Expenses (-)	33	(245.199.687)	(112.835.445)	(79.690.996)	(33.916.165)
Marketing Expenses (-)	33	(18.439.385)	(16.021.702)	(6.124.416)	(2.681.333)
Other Income from Operations	34	114.316.984	397.030.138	13.514.430	208.832.814
Other Expenses from Operations (-)	34	(237.398.122)	(1.734.137.702)	(66.715.017)	(670.156.523)
OPERATING PROFIT/LOSS		201.943.366	(1.225.929.709)	(12.693.253)	(439.608.459)
Income from Investing Activities	35	2.234.067	--	2.228.230	--
Shares of Profits (Loss) of Investments Valued by Equity Method	35	1.576.514	(2.502.602)	72.254	(372.611)
OPERATING PROFIT/LOSS BEFORE FINANCIAL INCOME/EXPENSES		205.753.947	(1.228.432.311)	(10.392.770)	(439.981.070)
Financial Income	36	51.256.676	49.901.283	15.423.510	(4.114.134)
Financial Expenses (-)	36	(1.194.824.172)	(1.109.872.329)	(301.177.197)	(335.692.858)
Net Monetary Position Gains (Losses)	50	472.788.547	755.342.820	226.981.282	351.320.039
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		(465.025.002)	(1.533.060.538)	(69.165.176)	(428.468.023)
Continuing Operations Tax Income/(Expense)		490.937.080	(233.834.992)	(136.027.464)	(169.513.052)
- Deferred Tax Income /(Expense)	39	490.937.080	(233.834.992)	(136.027.464)	(169.513.052)
PROFIT/(LOSS) CONTINUING OPERATIONS FOR THE PERIOD		25.912.078	(1.766.895.529)	(205.192.640)	(597.981.076)
PROFIT/(LOSS) FOR THE PERIOD		25.912.078	(1.766.895.529)	(205.192.640)	(597.981.076)
PROFIT/(LOSS) FOR THE PERIOD		25.912.078	(1.766.895.529)	(205.192.640)	(597.981.076)
-Parent Company	40	25.912.078	(1.766.895.529)	(205.192.640)	(597.981.076)
Earnings (Loss) Per Share		0,0019	(0,1309)	0,0002	(0,1222)
-Earnings (Loss) Per Share from Continuing Operations	40	0,0019	(0,1309)	(0,0152)	(0,0443)
PROFIT/(LOSS) FOR THE PERIOD		25.912.078	(1.766.895.529)	(205.192.640)	(597.981.076)
OTHER COMPREHENSIVE INCOME		(85.239)	3.291.709	2.988.501	4.253.452
Items that will not be reclassified subsequently to profit or loss		(85.239)	3.291.709	2.988.501	4.253.452
Other Comprehensive Income (Expense) Related to Financial Assets at Fair Value Through Other Comprehensive Income	37	(85.239)	3.291.709	2.988.501	4.253.452
-Gains (Losses) from Financial Assets at Fair Value Through Other Comprehensive Income	37	(85.239)	3.291.709	2.988.501	4.253.452
OTHER COMPREHENSIVE INCOME		(85.239)	3.291.709	2.988.501	4.253.452
TOTAL COMPREHENSIVE INCOME (EXPENSES)		25.826.839	(1.763.603.820)	(202.204.138)	(593.727.624)
-Parent Company		25.826.839	(1.763.603.820)	(202.204.138)	(593.727.624)

The accompanying accounting policies and notes from an integral part of these financial statements.

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2025**

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

						Accumulated Other Comprehensive Income or Expenses to be Reclassified to Profit or Loss						
						Re- Measurement / Gains (Losses)						
						Gains (Losses) on Financial Assets at Fair Value Reflected in Other Comprehensive Income		Restricted Reserves Appropriated from Profit	Accumulated Profits		Equity Attributable to Owners of the Parent	Total Equity
Notes	Paid in Capital	Capital Adjustment Differences	Share Issuance Premiums/ Discounts	Defined Benefit Plans Re- Measurement Gains (Losses)				Earnings/Accumulated Losses	Retained Losses	Net Profit/Loss for the Period		
CURRENT PERIOD												
January 1, 2025 (Beginning of The Period)	135.000.000	2.747.981.252	42.606.157	(11.228.626)			10.534.654	380.754.607	5.213.659.171	(1.644.921.318)	6.874.385.898	6.874.385.898
Amount After Adjustments	135.000.000	2.747.981.252	42.606.157	(11.228.626)			10.534.654	380.754.607	5.213.659.171	(1.644.921.318)	6.874.385.898	6.874.385.898
Transfers	30	--	--	--	--	--	753.438	(1.645.674.755)	1.644.921.318	--	--	--
Total Comprehensive Income (Expense)	30	--	--	--	--	(85.239)	--	--	25.912.078	25.826.839	25.826.839	25.826.839
- Profit/(Loss) For the Period	30	--	--	--	--	--	--	--	25.912.078	25.912.078	25.912.078	25.912.078
- Other Comprehensive Income (Expense)	30	--	--	--	--	(85.239)	--	--	--	(85.239)	(85.239)	(85.239)
Dividends	30	--	--	(253.659)	--	--	--	--	--	(253.659)	(253.659)	(253.659)
Acquisition or Disposal of a Subsidiary	30	--	--	--	--	--	--	7.800.892	--	7.800.892	7.800.892	7.800.892
September 30, 2025 (End of The Period)	135.000.000	2.747.981.252	42.352.498	(11.228.626)			10.449.415	381.508.045	3.575.785.308	25.912.078	6.907.759.970	6.907.759.970
PRIOR PERIOD												
January 1, 2024 (Beginning of The Period)	135.000.000	2.747.981.252	43.161.403	(11.285.547)			2.396.851	380.199.361	7.943.769.785	(2.729.555.366)	8.511.667.738	8.511.667.738
Amount After Adjustments	135.000.000	2.747.981.252	43.161.403	(11.285.547)			2.396.851	380.199.361	7.943.769.785	(2.729.555.366)	8.511.667.738	8.511.667.738
Transfers	30	--	--	--	--	--	476.799	(2.730.032.166)	2.729.555.366	--	--	--
Total Comprehensive Income (Expense))	30	--	--	--	--	3.291.709	--	--	(1.766.895.529)	(1.763.603.820)	(1.763.603.820)	(1.763.603.820)
- Profit/(Loss) For the Period	30	--	--	--	--	--	--	--	(1.766.895.529)	(1.766.895.529)	(1.766.895.529)	(1.766.895.529)
- Other Comprehensive Income (Expense)	30	--	--	--	--	3.291.709	--	--	--	3.291.709	3.291.709	3.291.709
Increase (Decrease) Due to Share Based Transactions	30	--	--	(476.799)	--	--	--	--	--	(476.799)	(476.799)	(476.799)
September 30, 2024 (End of The Period)	135.000.000	2.747.981.252	42.684.604	(11.285.547)			5.688.561	380.676.160	5.213.737.619	(1.766.895.529)	6.747.587.119	6.747.587.119

The accompanying accounting and notes from an integral part of these financial statements.

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2025**

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

		Current Period 01.01.2025 30.09.2025 TRY	Prior Period 01.01.2024 30.09.2024 TRY
Notes			
A. CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		1.025.930.127	(356.436.716)
Profits (Losses) for The Period (+/-)		25.912.078	(1.766.895.529)
- Profit (Loss) from Continuing Operations		25.912.078	(1.766.895.529)
Adjustments regarding period profit/loss reconciliation		378.128.278	(869.780.720)
Adjustments for Depreciation and Amortization	24,17,20	673.612.797	670.604.998
Adjustments for Impairment (Reversal) (+/-)	7	444.161	1.758
- Adjustments for Impairment (Reversal) on Receivables	7	444.161	1.758
Adjustments for Provisions (+/-)	25	14.878.220	(2.170.430.614)
- Adjustments for Provisions for Employee Benefits (Reversal)	25	15.365.338	11.836.183
- Adjustments Related to Other Provisions (Reversals)	25	(487.118)	(2.182.266.797)
Adjustments for Interest Income and Expenses (+/-)	34,36	174.370.308	392.094.237
- Adjustments for Interest Income	36	(4.639.338)	(1.746.061)
- Adjustments for Interest Expenses	36	178.903.122	390.390.639
- Deferred Financing Costs Arising from The Term Purchase	34	2.472.215	6.799.650
- Unearned Finance Income Arising from Forward Sales	34	(2.365.691)	(3.349.991)
Adjustment for fair value losses/gains (+/-)	30	(85.239)	4.113.909
- Other Adjustments for Fair Value Losses (Gains)	30	(85.239)	4.113.909
Adjustments for Tax Revenue/Expenditure	39	(482.857.901)	233.834.992
Adjustments for Losses (Earnings) Arising from Disposal of Fixed Assets	14	(2.234.067)	--
- Adjustments for Losses (Earnings) Arising from Disposal of Intangible Assets	14	(2.234.067)	--
Changes Realized in Working Capital		233.162.658	1.598.177.893
Increase/Decrease in Financial Investments	46	19.577.230	8.202.185
Adjustments for Increase/Decrease in Trade Receivables	6,7	(280.718.566)	(17.651.423)
- Increase/Decrease in Trade Receivables from Related Parties	6	(650.081)	247.942
- Increase/Decrease in Other Trade Receivables	7	(280.068.485)	(17.899.365)
Adjustments for Increase/Decrease in Other Receivables Related with Activities	9	16.100.170	56.707.241
- Decrease (Increase) in Other Receivables from Related Parties	6	(13.212.324)	--
- Decrease (Increase) in Other Receivables from Related Parties	9	29.312.494	56.707.241
Adjustments for Increase/Decrease in Inventories	10	675.259.147	1.763.672.747
Increase/Decrease in Prepaid Expenses	12	(156.599.441)	315.314.502
Adjustments for Increase/Decrease in Trade Payables	6,7	(98.263.152)	(449.011.872)
- Increase/Decrease in Trade Payables to Related Parties	6	(19.438.792)	4.749.982
- Increase/Decrease in Trade Payables to Other Parties	7	(78.824.360)	(453.761.854)
Increase/Decrease in Payables as Part of Employee Benefits	25	7.350.928	(12.185.625)
Adjustments for Increase/Decrease in Other Payables Related with Activities	8	(16.076.911)	(15.027.218)
- Increase/Decrease in Other Payables Related with Activities to Other Parties	8	(16.076.911)	(15.027.218)
Increase (Decrease) in Deferred Income (Excluding Those Arising from Customer Contracts)	12	(8.435.783)	(34.227.601)
Adjustments on Other Increase/Decrease in Realized Working Capital	29	74.969.037	(17.615.043)
- Increase/Decrease in Other Assets Related with Activities	29	74.969.037	(17.615.043)
The Cash Flow Generated from Operations (+/-)		637.203.014	(1.038.498.357)
Payments Related to Employee Benefits	25	(6.499.641)	(7.199.052)
Tax Refunds (Payments)	39	(156.076)	1.878.075
Inflation Impact on Operating Activities	--	395.382.830	687.382.619
B. CASH FLOW FROM INVESTING ACTIVITIES		1.742.891.067	1.406.148.263
Cash Inflows for Sales Tangible and Intangible Assets	14	2.234.067	--
- Cash inflows arising from The Sale of Tangible Assets	14	2.234.067	--
Cash Outflows for Purchasing Tangible and Intangible Assets	14	(112.550.104)	(494.888.332)
- Cash Outflows for Purchasing Tangible Assets	14	(112.550.104)	(494.888.332)
Inflation Impact on Investing Activities	--	1.853.207.105	1.901.036.595
C. CASH FLOWS FROM FINANCING ACTIVITIES		(1.183.988.836)	(1.564.521.906)
Cash Inflows Resulted from Debts	46	2.230.321.370	2.912.293.619
-Cash Inflows from Bank Loans	46	2.230.321.370	2.912.293.619
Cash Outflows Related to Debt Payments	46	(3.310.045.637)	(4.161.594.947)
- Cash Outflows Related to Loan Repayments	46	(3.310.045.637)	(4.161.594.947)
Interest Paid	32,35	(178.903.122)	(390.390.639)
Interest Received	32,35	4.639.338	1.746.061
Inflation Impact on Financing Activities	--	69.999.215	73.424.000
D. Inflation Impact		(1.385.074.654)	(2.120.142.206)
BEFORE THE EFFECT OF FOREING CURRENCY TRANSLATION DIFFERENCES		199.757.705	(2.634.952.565)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		199.757.705	(2.634.952.565)
E.NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)		199.757.705	(2.634.952.565)
F. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		75.361.256	1.953.690.957
G. Inflation Impact on Cash and Cash Equivalents		15.278.737	836.169.471
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (A+B+C+D+E+F+G)		290.397.698	154.907.863

The accompanying accounting policies and notes from an integral part of these financial statements.

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS

BAGFAŞ Bandırma Fertilizer Factories Inc. ("Parent Partnership" or "Company") was established in Bandırma, Balıkesir in March 1970 and started production in July 1975. The main activity of the Group is; chemical fertilizer and acid manufacturing, import, internal and external sales.

Head office address	: Kılıçlı Paşa Mah. Susam Sokak No:22 Beyoğlu-İstanbul/ Türkiye
Foundation Year	: 1970
Trade Register Number	: 156662-104069
Tax Office	: İSTANBUL - Büyük Mükellefler Tax Office Directorate
Tax No	: 1400030568
Phone – Fax	: 0212 293 08 85 – 0212 249 97 44
Website	: http://www.bagfas.com.tr/

As of 30.09.2025, the number of employees of the Group is 225. (31.12.2024: 138) The Group's capital structure is given in Note 31.

The following subsidiaries are consolidated under the Parent Company:

Subsidiaries	Field of Activity	Subsidiaries
T Gübre Dış Ticaret Anonim Şirketi (Subsidiary)	Import-Export	Turkey
Bagfaş Servis Pazarlama Limited Şirketi (Subsidiary)	Marketing	Turkey

The activities of the companies in the Group are summarized below:

Bagfaş Bandırma Gübre Fabrikaları Anonim Şirketi (Parent Company)

Bagfaş Bandırma Gübre Fabrikaları A.Ş. ("Corporation"), was established in Bandırma, Balıkesir in March 1970 and started production in July 1975. The address where the Company is registered; Kılıçlı Paşa Mahallesi, Susam Sokak No:22 Cihangir Beyoğlu/İstanbul. The company's shares have been traded on Borsa İstanbul A.Ş. since 1986. The company operates in the production, import, internal and external sales of chemical fertilizers and acids. The company continues its production activities in its facilities in Bandırma, Balıkesir.

T Gübre Dış Ticaret Anonim Şirketi (Subsidiary)

On July 29, 2019, the Company established T Gübre Dış Ticaret A.Ş. ("T Gübre"), with a capital of 50,000 Turkish Liras in total, divided into 50,000 shares of 1.00 Turkish Liras, with a 100% partnership rate. T Gübre's headquarters is in Beyoğlu district of İstanbul province. Address; Kılıçlı Paşa Mahallesi Susam Sk. No: 22/3 Beyoğlu/İstanbul. The purpose of the company; Import, export and wholesale internal trade of all kinds of fertilizer and fertilizer raw materials, chemicals, petrochemical products and plastic raw materials, pesticides, minerals, seeds and agricultural product machinery and equipment, industrial, commercial, chemical and agricultural facilities, purchasing and sales organization Establishing and operating wholesale and retail stores, dealerships, liaison offices, carrying out all kinds of import, export and representation works, etc., engaging in commercial activities and contract manufacturing, carrying out transportation and agency work, establishing and operating storage facilities, providing provisions for domestic and foreign flagged ships. , port management, warehousing, warehousing, all kinds of fuel oil, petroleum derivatives and mineral oil trading and dealership. T Gübre was included in the consolidation as of December 31, 2019.

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONT.)**Bagfaş Servis Pazarlama Limited Şirketi (Subsidiary)**

Bagfaş Servis Pazarlama LTD. ŞTİ. ("the Company") was established in Bandırma, Balıkesir in September 1997. The registered address of the Company is Bandırma Erdek Highway, 10th KM, No.0, Erdek/Balıkesir. The Company's objective is to provide domestic and international transportation services by land, sea, and air. It also engages in the transportation of by-products and production waste generated during the production of chemical fertilizers, acids, and their derivatives, and implements rehabilitation projects to minimize environmental impact. Additionally, the Company is involved in personnel shuttle services, representation, brokerage, and agency services. Bagfaş Servis has been included in the scope of consolidation as of January 1, 2025.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS**2.1) Basis of Presentation**

- **Applied financial reporting standards**

The attached financial statements have been prepared in accordance with the Turkish Accounting Standards ("TAS") and their annexes and interpretations put into effect by the Public Oversight, Accounting and Auditing Standards Authority ("POA"). The financial statements and notes have been presented in accordance with the TAS taxonomy published by the Public Oversight, Accounting and Auditing Standards Authority (POA) on July 3, 2024.

- **Comparative Information and Adjustment Financial Statements of Previous Period**

In order to identify trends in financial position and performance, the Company's financial statements are prepared on a comparative basis with the previous period.

The Company has prepared the statement of financial position as of 30 September 2025 together with the statement of financial position as of 31 December 2024, and the statement of profit or loss and other comprehensive income, the statement of cash flows, and the statement of changes in equity for the accounting period between 1 January and 30 September 2025, on a comparative basis with the corresponding financial statements for the accounting period between 1 January and 30 September 2024.

- **Going Concern Assumption**

The consolidated financial statements have been prepared on the going concern assumption, under the premise that the Group will continue to derive benefits from its assets and fulfill its liabilities within the natural course of its operations over the next year.

- **Functional and Reporting Currency**

Financial statements of the Group are represented with currency that is valid within the basic economic framework in which it engages in activity (functional currency). Financial situation of the Group and result of the activity are mentioned in TRY which is valid currency of the Group that is also used in the presentation of financial statements.

- **Applied Consolidation Principles**

The Company's share percentages in the capital of the companies included in the consolidation are given below.

	30.09.2025	31.12.2024
T Gübre Dış Tic. A. Ş. ⁽¹⁾	100,00%	100,00%
Bagfaş Servis Pazarlama Ltd. Şti. ^{(1) (2)}	55,00%	--

1) Indicates the Company's shareholding percentage in the capital of T Gübre Dış Ticaret A.Ş. and Bagfaş Servis Pazarlama Ltd. Şti., which are included in the consolidation.

2) As of January 1, 2025, Bagfaş Servis Pazarlama Ltd. Şti. has been included in the scope of consolidation; in prior periods, it was accounted for under long-term financial investments at cost.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)**2.1) Basis of Presentation (Cont.)****• Applied Consolidation Principles (Cont.)**

Consolidated financial statements have been prepared in accordance with the consolidation method, which involves combining the assets, liabilities, equity, income and expenses included in the financial statements of the parent company and subsidiaries within the scope of consolidation as a whole and preparing consolidated financial statements by making the necessary adjustments within the framework of consolidation principles and principles.

Subsidiaries represent businesses in which the Parent Company, directly or through other subsidiaries or affiliates, has more than 50% of the shares, voting rights, or the right to elect the majority of the management or the majority of the management within the framework of capital and management relations. Control power is defined as the power of the Parent Company (investor company) to manage the financial and business policies of its subsidiaries and the power to benefit from their activities. An investor controls an investee when it is exposed to, or has rights to, variable returns from its relationship with the investee and has the ability to influence those returns through its power over the investee.

The above subsidiaries consolidated within the Parent Company have been consolidated because the controlling power belongs to the Group. Accordingly, the consolidated balance sheet and income statement are prepared according to the main principles explained below:

- a) The balance sheet and income statement items of the consolidated partnerships are consolidated by adding them to each other. The book value of the shares held by the Parent Company in its consolidated subsidiaries has been mutually offset with the equity accounts of the subsidiary.
- b) The receivables and debts of the partnerships within the scope of consolidation from each other and the income and expense items arising from the sales of goods and services between the partnerships within the scope of consolidation and their transactions with each other have been mutually offset.
- c) Current and fixed assets purchased from each other by the partnerships subject to the consolidation method are shown in the consolidated balance sheet at their amounts, by making adjustments to ensure that these assets are shown at their acquisition costs to the partnerships within the scope of consolidation.
- d) Amounts corresponding to shares other than the parent company and subsidiaries are deducted from all equity account group items, including paid/issued capital, of the subsidiaries within the scope of consolidation and are shown under the name of the "Non-Controlling Interests" account group, before the equity account group of the consolidated balance sheet.
- e) As of the date when the partnership within the scope of consolidation becomes a subsidiary and for one-time use in subsequent share purchases, the acquisition cost of the shares held by the parent company in the capital of the subsidiary, as of the date of purchase, is the representation of these shares in the equity capital of the subsidiary in the balance sheet valued at fair value. is deducted from the value.
- f) Acquisitions by the Group are accounted for using the purchase method. In this method, the acquisition is reflected in the records based on cost. The Group includes the operating results of the acquired business in its consolidated income statement as of the date of acquisition, and on this date, it includes in its balance sheet each identifiable asset and liability of the acquired entity, as well as any goodwill or negative goodwill arising from the acquisition, if any.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)**2.1) Basis of Presentation (Cont.)**

- **Adjusting consolidated financial statements during periods of high inflation**

According to the decision numbered 81/1820 dated December 28, 2023, by the Capital Markets Board of Türkiye (CMB), issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards have decided to apply inflation accounting starting from the annual financial statements for the fiscal years ending on December 31, 2024, by applying the provisions of "Turkish Accounting Standards" (TAS) 29.

In this context, inflation adjustments have been made according to TAS 29 for the consolidated financial statements dated September 30, 2025, and September 30, 2024.

Consolidated Financial statements and related figures from previous periods have been restated for changes in the general purchasing power of the functional currency, resulting in financial statements and related figures from previous periods being expressed in the measurement unit currency applicable at the end of the reporting period in accordance with the TAS 29 Financial Reporting in Hyperinflationary Economies standard.

TAS 29 is applied to the financial statements of every entity whose functional currency is the currency of a high inflationary economy, including consolidated financial statements. In the presence of high inflation in an economy, TAS 29 requires the financial statements of an entity whose functional currency is the currency of a high inflationary economy to be expressed in the measurement unit currency applicable at the end of the reporting period.

The table below contains the inflation rates for the relevant years calculated by taking into account the Consumer Price Indexes published by the Turkish Statistical Institute (TSI):

	30.09.2025	31.12.2024	30.09.2024
Index	3.367,22	2.684,55	2,526,16
Adjustment Coefficient	1,000	1,254	1,332

The main outlines of the indexation process under TAS 29 are as follows;

- Using the relevant price index coefficients, all items except those shown with current purchasing power as of the balance sheet date have been indexed. Amounts from previous years have also been indexed in the same manner.
- Monetary assets and liabilities, which are expressed with the current purchasing power as of the balance sheet date, have not been subjected to indexing. Monetary items include cash and items payable or receivable in cash.
- Fixed assets, investments, and similar assets have been indexed based on their acquisition values, ensuring they do not exceed market values. Depreciation expenses have been adjusted in a similar manner. Amounts within equity have been recalculated based on the application of general price indices at the time these amounts were contributed to or arose within the company.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

2.1) Basis of Presentation (Cont.)

- **Adjusting consolidated financial statements during periods of high inflation (Cont.)**

- All items in the income statement, except those affecting the income statement due to non-monetary items in the balance sheet, have been indexed using coefficients calculated based on the periods when income and expenses were initially reflected in the financial statements.
- The gain or loss resulting from general inflation on the net monetary position is the difference between the adjustments made to non-monetary assets, equity items, and income statement accounts. This gain or loss calculated on the net monetary position is included in the net income.

The impact of applying the TAS 29 Inflation Accounting standard is summarized as follows:

- **Reorganization of the Financial Position Statement**

Amounts in the financial position statement that are not expressed in the measurement unit currency applicable at the end of the reporting period are restated. Accordingly, monetary items are not restated as they are expressed in the currency current at the end of the reporting period. Non-monetary items need to be restated unless they are shown at their current amounts at the end of the reporting period.

The gain or loss on the net monetary position resulting from the restatement of non-monetary items is included in the net income and presented separately in the comprehensive income statement.

- **Reorganization of the Profit or Loss Statement**

All items in the income statement are expressed in the measurement unit currency applicable at the end of the reporting period. Therefore, all amounts have been restated by applying changes in the monthly general price index.

The cost of goods sold has been adjusted using the restated inventory balance.

Depreciation and amortization expenses have been adjusted using the restated balances of property, plant, and equipment, intangible assets, investment properties, and right-of-use assets.

- **Reorganization of the Cash Flow Statement**

All items in the cash flow statement are expressed in the measurement unit currency applicable at the end of the reporting period.

- **Consolidated Financial Statements**

The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are restated using the general price index before being included in the consolidated financial statements prepared by the parent company. If such a subsidiary is a foreign subsidiary, the restated financial statements are translated at the closing exchange rate.

In the case of consolidating financial statements with different reporting periods, all monetary and non-monetary items are restated according to the measurement unit valid at the date of the consolidated financial statements.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

2.1) Basis of Presentation (Cont.)

- **Comparative figures**

The relevant figures for the previous reporting period are restated by applying the general price index so that comparative financial statements are presented in the unit of measurement valid at the end of the reporting period. Information disclosed for previous periods is also expressed in the measurement unit valid at the end of the reporting period.

2.2) Declaration of Compliance with TAS

The accompanying financial statements have been prepared in accordance with the provisions of the Capital Markets Board ("CMB") Communiqué No. II-14.1 on "Principles of Financial Reporting in Capital Markets." Pursuant to Article 5 of this Communiqué, the Turkish Financial Reporting Standards ("TFRS") issued and enacted by the Public Oversight Accounting and Auditing Standards Authority ("POA")—including their related addenda and interpretations—have been applied as the basis. In addition, the financial statements have been presented in compliance with the Turkish Accounting Standards taxonomy published by the POA on 3 July 2024.

The Group maintains its statutory accounting records in Turkish Lira ("TRY") in accordance with the Tax Procedure Law and the Uniform Chart of Accounts (General Communiqué on Accounting System Application) issued by the Ministry of Finance of the Republic of Turkey.

The financial statements have been prepared on the historical cost basis, except for land and buildings held for use, land improvements, and investment properties, which are stated at their fair values.

2.3) Amendments to Turkish Financial Reporting Standards

The accounting policies used in the preparation of the summary consolidated financial statements for the accounting period ended September 30, 2025, have been applied consistently with those used in the previous year, except for the new and amended Turkish Accounting Standards ("TAS")/TFRS and TAS/TFRS interpretations effective as of January 1, 2025, which are summarized below. The effects of these standards and interpretations on the Group's financial position and performance are explained in the related paragraphs.

Amendments and interpretations effective from 2025:

- **TAS 21 (Amendments) Lack of Exchangeability**

These amendments provide guidance on determining when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after January 1, 2025.

The amendment has not had a significant impact on the Group's financial position or performance.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

2.3) Amendments to Turkish Financial Reporting Standards (Cont.)

Standards and amendments issued but not yet effective as of September 30:

- **TFRS 10 and TAS 28 (Amendments) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The POA has indefinitely postponed the effective date of the amendments to TFRS 10 and TAS 28 issued in December 2017, pending the outcome of the ongoing research project on the equity method. However, early application is still permitted.

The Group will assess the effects of these amendments once the mentioned standards are finalized.

- **TFRS 17 Insurance Contracts**

In February 2019, the POA issued TFRS 17, a comprehensive new accounting standard covering recognition, measurement, presentation, and disclosure for insurance contracts. TFRS 17 introduces a model that enables both the measurement of insurance contract liabilities at current balance sheet values and the recognition of profit over the period in which services are provided. Certain changes in estimates of future cash flows and the risk adjustment are also recognized over the period during which the services are provided. Entities may choose to recognize the effects of changes in discount rates either in profit or loss or in other comprehensive income. The standard includes specific guidance for the measurement and presentation of insurance contracts with participation features. Furthermore, according to the amendments issued by the POA in December 2021, when TFRS 17 is applied for the first time, entities are provided with a transition option to address potential accounting mismatches between financial assets and insurance contract liabilities presented in comparative information.

According to the announcement made by the POA, the mandatory effective date of the Standard has been deferred to accounting periods beginning on or after January 1, 2026, for the entities listed below.

- **TFRS 17 (Amendments) Insurance Contracts- Comparative Information on the Initial Application of TFRS 17 and TFRS 9**

Amendments have been made to TFRS 17 to reduce implementation costs, facilitate the explanation of results, and ease the transition process.

In addition, the amendment regarding comparative information allows companies that are applying TFRS 7 and TFRS 9 for the first time simultaneously to present comparative information for their financial assets as if the classification and measurement requirements of TFRS 9 had been applied to those financial assets previously.

The amendments are to be applied when TFRS 17 is applied for the first time.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)**2.3) Amendments to Turkish Financial Reporting Standards (Cont.)**

- **TFRS 18 New Standard for Disclosure in Financial Statements**

In May 2025, the POA issued TFRS 18, replacing TAS 1. TFRS 18 introduces new provisions for the presentation of the statement of profit or loss, including the requirement to present certain totals and subtotals. TFRS 18 requires entities to present all income and expenses included in the statement of profit or loss within one of the categories: operating activities, investing activities, financing activities, or income taxation. The standard also requires disclosure of management-determined performance measures and introduces new provisions for the aggregation or disaggregation of financial information in line with the defined functions of primary financial statements and notes. With the issuance of TFRS 18, certain amendments have also been made to other financial reporting standards, such as TAS 7, TAS 8, and TAS 34. TFRS 18 and the related amendments will be effective for reporting periods beginning on or after January 1, 2027. Early application is permitted. TFRS 18 will be applied retrospectively.

The effects of this standard on the Group's financial position and performance are being assessed.

- **Amensments issued by the International Accounting Standards Board (IASB) but not yet issued by the POA**

The following amendments to IFRS 9 and IFRS 7 and the Annual Improvements to IFRS issued by the IASB have not yet been adapted/published by the POA as TFRS. Therefore, they do not form part of TFRS. The Group will make the necessary changes in its financial statements and notes once these standards and amendments become effective in TFRS.

- **IFRS 9 and IFRS 7 (Amendments) – Classification and Measurement of Financial Instruments**

Classification and Measurement of Financial Instruments

IFRS Annual Improvements – IFRS 9 and IFRS 7 (Amendments)

Contracts for the Sale of Electricity Produced from Natural Resources – New Subsidiaries without Public Accountability

IFRS 9 and IFRS 7 (Amendments) – Classification and Measurement of Financial Instruments

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments. The amendments clarify that financial liabilities are derecognized at the settlement date. Additionally, under certain conditions, the amendments provide an accounting policy option to derecognize financial liabilities settled through an electronic payment system prior to the settlement date. The amendments also provide explanatory guidance on how to assess the contractual cash flow characteristics of financial assets with Environmental, Social, and Governance (ESG)-linked or other conditional features, as well as guidance for non-recallable assets and interlinked financial instruments. Furthermore, the amendments add disclosures to IFRS 7 for financial assets and liabilities containing contractual terms referencing a contingent event (including ESG-linked events) and for equity instruments measured at fair value through other comprehensive income.

The Group does not expect a significant impact on its financial statements.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

2.3) Amendments to Turkish Financial Reporting Standards (Cont.)

- **Annual Improvements to IFRS – 11th Amendment**

In July 2024, the IASB issued the "Annual Improvements to IFRS / 11th Amendment," including the following changes.

Hedge Accounting by an Entity Applying IFRS 1 for the First Time: The amendment was made to eliminate potential confusion arising from inconsistencies between the wording in IFRS 1 and the hedge accounting requirements in IFRS 9.

IFRS 7 Financial Instruments: Disclosures – Gains or Losses on Derecognition: The presentation of unobservable inputs has been amended, and a reference to IFRS 13 has been added.

IFRS 9 Financial Instruments – Derecognition of a Lease Liability by the Lessee and Transaction Price: The amendment clarifies that when a lease liability is extinguished for the lessee, any resulting gain or loss should be recognized in profit or loss in accordance with IFRS 9 derecognition requirements. Additionally, the reference to the transaction price has been removed.

IFRS 10 Consolidated Financial Statements – Identification of the "De Facto Agent": Paragraph inconsistencies in IFRS 10 have been addressed.

IAS 7 Statement of Cash Flows – Cost Method: Following previous amendments removing the "cost method" reference, the term has been deleted from the standard.

The Group does not expect a significant impact on its financial statements.

IFRS 9 and IFRS 7 (Amendments) – Contracts for the Sale of Electricity Produced from Natural Resources

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 regarding contracts for the sale of electricity produced from natural resources. The amendments clarify the application of the "own use" exemption and permit hedge accounting when such contracts are used as hedging instruments. They also introduce new disclosure requirements to help investors understand the effects of these contracts on the entity's financial performance and cash flows.

The Group does not expect a significant impact on its financial statements.

2.4) Changes in Accounting Estimates and Errors

The effect of a change in an accounting estimate is recognized in the current period if it affects only that period; if it affects future periods, it is recognized both in the period of the change and prospectively in future periods in determining net profit or loss. The correction of an error is recognized retrospectively. If an error relates to prior periods, comparative amounts are restated, or if the error occurred before the next reporting period, the opening balance of retained earnings for that period is adjusted. If restating prior period information would cause excessive cost, comparative information is not restated; instead, the opening balance of retained earnings for the next period is adjusted for the cumulative effect of the error before the period begins.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)**2.5) Summary of Significant Accounting Policies****Revenue Recognition**

Revenues are recognized on an accrual basis at the fair value of the consideration received or receivable from the sale of goods and services. Net sales represent the invoice value of delivered goods and rendered services, net of sales discounts and returns. If a significant financing component exists in the sales, the fair value is determined by discounting future receipts using the interest rate implicit in the financing component. The difference is recognized as financial income on an accrual basis over the relevant periods.

Sales of Goods

The Group's sales of goods include all types of vegetable and fruit drying processes, and the sale of dried or canned vegetables and fruits. Revenue from the sale of these goods is recognized when the following conditions are met:

- The Group transfers to the buyer all significant risks and rewards associated with ownership,
- The Group retains neither continuing managerial involvement nor effective control over the goods sold
- The amount of revenue can be measured reliably,
- It is probable that the economic benefits associated with the transaction will flow to the Group; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably

Interest Income

Interest income is recognized on an accrual basis using the effective interest method, which calculates the amortized cost of a financial asset and allocates the interest income over its expected life to achieve a constant rate of return on the net carrying amount.

Dividend Income

Dividend income from equity investments is recognized in the consolidated financial statements when the shareholders' right to receive the dividend is established.

Inventories

Inventories are measured at the lower of cost and net realizable value. Cost is determined using the weighted average cost method. The cost of inventories comprises materials, direct labor, and general production overheads. Borrowing costs are not included in inventory costs. Net realizable value represents the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Inventories include raw materials, work in progress, operating supplies, finished goods, and other inventories.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)**2.5) Summary of Significant Accounting Policies (Cont.)****Property, Plant and Equipment**

Tangible assets, other than land and buildings, are stated at cost less accumulated depreciation and impairment losses. Land is not depreciated. When tangible assets are sold, the cost and accumulated depreciation of the asset are derecognized, and any resulting gain or loss is included in the income statement.

The cost of a tangible asset comprises the purchase price, import duties and non-refundable taxes, and any expenditures directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent expenditures, such as repair and maintenance costs, are recognized as expenses in the period in which they are incurred. Expenditures that increase the future economic benefits of the related asset are capitalized. Tangible assets are recognized as assets and depreciated when they are ready for use at full capacity. Depreciable assets are depreciated on a straight-line basis over their estimated useful lives.

Land and buildings are carried at revalued amounts. The revalued amount is the fair value at the date of revaluation, less any subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed at regular intervals to ensure that the carrying amount does not differ materially from the fair value at the balance sheet date.

Increases arising from the revaluation of land and buildings are credited to the revaluation surplus in equity. Any revaluation increase that reverses a previously recognized impairment loss is recognized in profit or loss to the extent of the previously recognized impairment. Amounts in the revaluation surplus relating to land and buildings may be transferred to retained earnings when the asset is derecognized.

The estimated useful lives and applicable depreciation rates for existing property, plant, and equipment are as follows.

	Economic Life
Underground and Surface Installations	5-50 years
Buildings	5-50 years
Plant, Machinery and Equipment	4-40 years
Vehicles	5 years
Fixtures and Fittings	5-20 years
Leasehold Improvements	3-15 years

The useful lives and depreciation methods are reviewed regularly to ensure they are aligned with the expected economic benefits from the related assets.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

2.5) Summary of Significant Accounting Policies (Cont.)

Intangible Assets

Intangible assets consisting of software rights are recorded at their acquisition cost. Software rights are amortized on a pro rata basis using the straight-line depreciation method, over 3 to 5 years, based on their adjusted cost.

The values of intangible assets are reviewed and the necessary provision is made if changes in conditions and events indicate that the carrying value may decrease.

Mine Preparation Expenses

Expenditures related to the preparation of mine sites (including geophysical, topographical, geological and similar types of expenses) are recorded as expenses in the period in which they are incurred, unless there is an opinion that they will contribute to economically sustainable capital formation in the future. In this case, once a mine reaches commercial production capacity, the expenses in question are capitalized and amortized over the useful life of the mine (total reserve amount). Research and preparation expenses recorded as expenses before the development and construction phase of a mine, including the detection of a commercial mineral reserve as a result of these phases, are not capitalized subsequently. The expected useful life, residual value and amortization method are reviewed annually for the possible effects of changes in estimates, and if there is a change in estimates, it is accounted for prospectively. Mine preparation expenses; It consists of mine preparation and development expenses, mine exploration expenses, research and development expenses and other special assets subject to depletion.

Investment properties

Land and buildings held for rental or for capital appreciation, or both, rather than for use in the production of goods and services or for administrative purposes or for sale in the ordinary course of business, are classified as investment property.

Investment property is recognized as an asset if and only if the following conditions are:

- a) It is probable that the future economic benefits of the property will flow into the business.
- b) The cost of the investment property can be measured reliably.

The initial cost of a leased property that is classified as investment property is the lower of the fair value of the property and the present value of the minimum lease payments. Real estates classified as investment in subsequent periods are accounted for using the fair value or cost methods within the scope of the relevant TAS.

In this framework, the Group measures its investment classified as investment property using the fair method in accordance with the conditions specified in the relevant TAS, and the gain or loss arising from the change in the fair value of the investment property is recognized in the profit or loss statement in the period it occurs (Note 13).

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)**2.5) Summary of Significant Accounting Policies (Cont.)****Impairment of assets**

For assets subject to amortization, if situations or events occur where it is not possible to recover the book value, an impairment test is applied. If the book value of the asset exceeds its recoverable amount, an impairment loss provision is recorded. The recoverable amount is the greater of fair value less costs to sell or value in use. To assess impairment, assets are grouped at the lowest level at which they have separate identifiable cash flows (cash-generating units). Non-financial assets are reviewed for possible indicators of impairment at each reporting date.

Government incentives and aid

All government grants, including non-monetary government grants that are monitored at fair value, are recognized in the financial statements when there is a reasonable assurance that the conditions required for their acquisition will be met by the Group and that the incentive can be obtained by the Group, or when the incentive is obtained by the Group. Government incentives are accounted for by netting off the costs of the capitalizable intangible assets that are intended to be covered by these incentives.

Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of assets that require a significant period of time to become ready for their intended use or sale are capitalized as part of the cost of the relevant assets. Other borrowing costs are written off as expenses in the periods in which they are incurred. Borrowing costs include interest and other costs incurred in connection with borrowing.

Provisions

Provisions are recorded only if the Group has a past obligation that is still ongoing, if there is a possibility of disposing of resources that provide economic benefit to the entity due to this obligation, and if the amount of the obligation can be determined reliably.

When the depreciation of money over time becomes significant, provisions are reflected with the discounted value of possible future expenses at the balance sheet date. Provisions are reviewed at each balance sheet date and necessary adjustments are made to reflect management's best estimates (Footnote 25).

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

2.5) Summary of Significant Accounting Policies (Cont.)

Provisions, Contingent Assets and Liabilities

Contingent liabilities and assets

Contingent liabilities are not reflected in the financial statements but are disclosed in the footnotes unless the situation requiring the transfer of resources is highly probable. Contingent assets are not reflected in the financial statements but are disclosed in footnotes if they are likely to generate economic returns (Note 25).

Business combinations and goodwill

Business combinations are considered as the combination of two separate legal entities or businesses into a single reporting entity.

The difference between the acquisition cost incurred in purchasing a business and the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired business is recognized as goodwill in the consolidated financial statements.

The cash-generating unit to which goodwill is allocated is subjected to impairment testing every year. If there are signs that the unit is impaired, the impairment test is performed more frequently. If the recoverable amount of the cash-generating unit is less than its book value, the impairment provision is first set aside from the goodwill allocated to the unit, and then the book value of the assets within the unit is reduced. The impairment provision for goodwill is recognized directly in profit/loss in the consolidated income statement. The goodwill impairment provision is not canceled in subsequent periods. If the acquirer's share in the fair value of the acquired identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the difference is associated with the consolidated income statement. During the sale of the relevant cash-generating unit, the amount determined for goodwill is included in the calculation of profit/loss in the sale transaction.

Lease Transactions

The Group has applied accounting policy changes resulting from the new standard, amendments and interpretations effective as of January 1, 2019 and the first application of the "IFRS 16 Leases" standard, in accordance with the transitional provisions of the relevant standard.

The Group – As a Lessee

If a contract regulates the right to control the use of the asset defined in the contract for a specified period of time and for a certain price, it is considered to be a lease or to include a lease. At the beginning of a contract, the Group evaluates whether the contract is a lease or not. The Group considers the following conditions when evaluating whether a contract delegates its right to control the use of a defined asset for a specified period of time:

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

2.5) Summary of Significant Accounting Policies (Cont.)

Lease Transactions (Cont.)

Grup - Kiracı olarak (Devamı)

- The existence of an explicit or implicitly identifiable asset that is the subject of the lease agreement,
- The lessee has the right to obtain nearly all of the economic benefits to be derived from the use of the defined asset that is the subject of the lease contract,
- The lessor has the right to manage the use of the defined asset that is the subject of the lease contract. In the cases listed below, the lessee is considered to have the right to manage the defined asset that is the subject of the lease contract;
- The lessee is entitled to operate the asset for the duration of its use (or to direct others to operate the asset in its own way) and the lessor does not have the right to change these operating instructions, or,
- The lessee has designed the asset (or specific features of the asset) to predetermine how and for what purpose the asset will be used throughout its lifetime.

If the agreement meets these conditions, the Group reflects a right of use and a lease obligation in the financial statements at the date when the lease actually begins

Right-of-use assets,

The right to use asset is first accounted for using the cost method and includes:

- The first measurement amount of the lease obligation to be recorded as a right of use asset,
- All lease incentive discounts related to leasing from the first measurement of the lease obligation recorded as the right of use
- Regarding the lease, all direct costs incurred by the Group, which will be recorded as the right of use and added to the initial measurement amount of the lease obligation and
- Estimated costs to be incurred by the Group in relation to the tenant's removal and transportation of the defined asset that constitutes the subject of the lease contract, the restoration of the area where it is located or the restoration of the defined asset to the condition required by the lease terms and conditions are added to the initial measurement amount.

While applying the cost method, the Group has the right to use:

- Accumulated depreciation and accumulated impairment losses are deducted and
- It measures over the corrected cost according to the reassessment of the lease obligation. The Group applies depreciation provisions in the "TAS 16 Property, Plant and Equipment" standard while depreciating its right of use asset. It applies the "TAS 36 Impairment on Assets" standard to determine whether the right of use asset has been impaired and to recognize any impairment loss.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

2.5) Summary of Significant Accounting Policies (Cont.)

Lease Transactions (Cont.)

Lease obligation

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments, if the implicit interest rate in the lease can be easily determined, using this rate; If the implied interest rate cannot be determined easily, the lessee is discounted using the alternative borrowing interest rate.

The lease payments included in the measurement of the lease obligation of the Group and not realized on the date when the lease started consists of:

- The amount obtained by deducting all types of rental incentive receivables from fixed payments,
- Rent payments made by using an index or rate on the date when the first measurement is actually started, depending on an index or rate,
- Penal payments for termination of the lease if the tenant indicates that the tenant will use an option to terminate the lease.

After the actual commencement date of the lease, the Group measures the lease liability as follows:

- Increases its registered value to reflect the interest on the lease obligation,
- Decreases its registered value to reflect the rent payments made and
- If there is any re-evaluations and reconstructions, it measures the recorded value in order to reflect it. The Company reflects the re-measurement amount of the lease obligation to its financial statements as a correction in the presence of the right to use.

Extension and early termination options

The lease obligation is determined by considering the extension and early termination options in the contracts. Most of the extension and early termination options in the contracts consist of options that can be applied jointly by the Group and the lessor. However, if these extension and early termination options are at the discretion of the Group according to the contract and the usage of the options is reasonably certain, the rental period is determined by taking this into consideration. If the conditions change significantly, the assessment is reviewed by the Group.

Facilitating applications

Short term lease contracts with a lease period of 12 months or less and contracts for leases that are determined to be of low value by the Group have been evaluated within the scope of the exemption recognized by IFRS 16 Leases, and payments related to these agreements continue to be recognized as expense in the period they occur.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)**2.5) Summary of Significant Accounting Policies (Cont.)****Taxes Calculated over Corporate Earnings**

Tax expense or income is the sum of current and deferred taxes calculated in relation to gains or losses arising during the period. In calculating current and deferred taxes, tax rates valid as of the balance sheet date are used in accordance with the tax legislation in force in the country in which the Group operates.

Deferred tax assets and liabilities are recorded using substantially enacted tax rates for the effect of temporary differences between book and tax bases of assets and liabilities. The subsidiaries of the Group have deferred tax assets resulting from tax loss carry-forwards and deductible temporary differences, all of which could reduce taxable income in the future. Deferred tax assets and liability are not recognized in which case arising from initial recognition of goodwill or an asset/liability (except business combinations) which, at the time of the transaction, does not affect either the accounting or the taxable profit.

Provided that they are subject to the tax legislation of the same country and there is a legally enforceable right to offset current tax assets from current tax liabilities, deferred tax assets and liabilities are mutually offset from each other. If deferred tax is related to transactions directly associated with equity capital in the same or a different period, it is directly associated with the equity account group.

The Group recognizes deferred tax assets for deductible temporary differences only in the following cases and only if both situations are probable:

- a) Temporary differences will reverse within the foreseeable future; And
- b) There will be sufficient taxable income to use the temporary differences.

Financial assets**Classification and measurement**

The Group accounts for its financial assets in three classes: financial assets recognized at amortized cost, financial assets at fair value reflected in profit or loss, and financial assets at fair value reflected in the other comprehensive income statement. Classification is made based on the business model and expected cash flows determined according to the purposes of utilizing financial assets. Management classifies financial assets on the date they are purchased.

Financial assets recognized at amortized cost

Financial assets where the management has adopted the business model of collecting contractual cash flows and the contractual terms include only principal and interest payments arising from the principal balance on certain dates, have fixed or determinate payments, are not traded in an active market and are not derivative instruments are classified as assets recognized at amortized cost. . If their maturity is less than 12 months from the balance sheet date, they are classified as current assets, and if their maturity is longer than 12 months, they are classified as non-current assets. Assets recognized at amortized cost include "trade receivables" and "cash and cash equivalents" items in the statement of financial position.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)**2.5) Summary of Significant Accounting Policies (Cont.)****Financial assets (Cont.)****Fair value through profit / loss assets**

Assets for which management adopts a business model of collecting contractual cash flows and/or selling are classified as assets recognized at fair value. If the management does not intend to dispose of the relevant assets within 12 months from the balance sheet date, the assets in question are classified as non-current assets. For investments in equity-based financial assets, the Group makes a permanent selection during initial recognition as an equity investment with the fair value difference of the investment reflected in other comprehensive income or in the statement of profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash held in cash, bank deposits and short-term, highly liquid investments that can be easily converted into cash, have an insignificant risk of change in value, and have a maturity of less than three months (Note 53). Turkish Lira deposits are shown at their cost values, and foreign currency deposit accounts are shown at their values converted to Turkish Lira using the foreign exchange buying rate of the Central Bank of the Republic of Turkey on the balance sheet date. Time deposit accounts also include accrued interest as of the balance sheet date. The Group calculates impairment using the expected credit loss model in cases where cash and cash equivalents are not impaired for a specific reason. In the calculation of expected credit loss, the Group's future estimates are taken into account along with past credit loss experiences.

Trade payables

Trade payables refer to payments that must be made for goods and services provided from suppliers in normal activities. Trade payables are initially measured at fair value and subsequently at amortized cost calculated using the effective interest method (Note 7).

Recognition and write off of financial assets

All purchases and sales of financial assets are recorded on the transaction date, that is, the date on which the Group undertakes to buy or sell the asset. These purchases and sales are generally purchases and sales that require the delivery of financial assets within the time period determined by the general practices and regulations in the market.

A financial asset (or part of a financial asset or group of similar financial assets);

- If the period for the right to obtain cash flow from the asset has expired,
- Although the Group has the right to obtain cash flow from the asset, it is obliged to pay it in full without delay within the scope of an agreement that has the obligation to transfer it directly to third parties,
- It is derecognized if the Group has transferred the right to receive cash flows from the financial asset and (a) all risks or rewards associated with the asset have been transferred, or (b) it has transferred all control over the asset, although not all rights or rewards have been transferred.

If the Group transfers the right to receive cash flow from the asset, but does not transfer all risks or benefits or does not transfer control over it, the asset is carried in the financial statements depending on the Group's ongoing relationship with the asset.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)**2.5) Summary of Significant Accounting Policies (Cont.)****Financial assets (Cont.)**

Financial liabilities are removed from the records when the debts arising from these liabilities are eliminated, canceled or expired.

Offsetting

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a basis or realize the asset and settle the liability simultaneously.

Foreign Exchange Transactions and Balances

Foreign currency transactions are accounted for at the exchange rate current at the transaction date. Asset and liability accounts recorded in foreign currencies are subject to revaluation based on the exchange rates at the end of the period. Exchange differences arising from revaluation are shown under financial income and expenses in the income statement.

The exchange rates valid at the balance sheet date are as follows;

	30.09.2025	31.12.2024
USD/ TRY	41,4984	35,2233
EUR / TRY	48,6479	36,7429
GBP / TRY	55,6700	44,2458

Related Party

A related party is a person or entity that is related to the entity that prepares its financial statements (the 'reporting entity') (Note 6).

A person or a close member of that person's family is considered to be related to the reporting entity if any of the following conditions apply:

If that person:

- has control or joint control over the reporting entity,
- has significant influence over the reporting entity; or
- is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)

2.5) Summary of Significant Accounting Policies (Cont.)

Related Party (Cont.)

An entity is considered related to a reporting entity if any of the following conditions are present:

- a) The entity and the reporting entity are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member).
- c) Both entities are joint ventures of the same third party.
- d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- e) The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- f) The entity is controlled or jointly controlled by a person identified in (a).
- g) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- h) A related party transaction is the transfer of resources, services or obligations between related parties, regardless of whether there is a fee or not.

Employee Benefits

Severance indemnity

The Group is obliged to pay a certain amount of severance pay to employees who leave their jobs due to retirement or whose employment is terminated for reasons other than resignation or misconduct, in accordance with the labor law in Turkey, provided that they have served for at least one year.

The Group has calculated the severance pay provision included in the financial statements using the "Projection Method", taking into account its past experience regarding employees' completion of service periods and entitlement to severance pay. The provision has been discounted using the government bond yield rate as of the balance sheet date. All actuarial gains and losses have been recognized in the consolidated other comprehensive income statement.

Events occurring after the balance sheet date

Events after the balance sheet date that provide additional information about the Group's position at the balance sheet date (events requiring adjustment) are reflected in the accompanying financial statements. Events that do not require correction are explained in footnotes if they are of particular importance.

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)**2.5) Summary of Significant Accounting Policies (Cont.)****Earning Per Share**

Earnings per share stated in the statement of comprehensive income are calculated by dividing the net profit by the weighted average number of shares outstanding during the reporting period.

In Turkey, Groups can increase their capital by distributing "bonus shares" to their existing shareholders from their previous year's earnings. Such "bonus share" distributions are treated as issued shares in earnings per share calculations. Accordingly, the weighted average number of shares used in these calculations is determined by taking into account the retrospective effects of the share distributions in question.

Cash flow statement

In the cash flow statement, cash flows for the period are classified and reported based on operating, investment and financing activities. Cash flows arising from operating activities represent the cash flows arising from the Group's dried tomato and other food sales activities. Cash flows related to investing activities show the cash flows used and obtained in the Group's investment activities (tangible and intangible investments and financial investments). Cash flows related to financing activities show the resources used by the Group in financing activities and the repayments of these resources.

Liquid assets are cash, demand deposits and other short-term investments with high liquidity that have maturities of 3 months or less from the date of purchase, can be converted into cash immediately and do not carry the risk of significant value change.

2.6) Significant accounting estimates and assumptions

In the preparation of financial statements, the Group management is required to make evaluations, assumptions and estimates that will affect the reported asset and liability amounts, determine the liabilities and commitments that are likely to occur as of the balance sheet date and the income and expense amounts as of the reporting period. Actual results may differ from predictions. Estimates are reviewed regularly, necessary adjustments are made and reflected in the statement of comprehensive income in the period in which they are realized. Significant assumptions made, taking into account the main sources of estimates that exist at the balance sheet date or may occur in the future, which may have a significant impact on the amounts reflected in the financial statements, are as follows:

- Group management made significant assumptions in determining the useful economic lives of tangible fixed assets. The physical and economic usability of the currently used machinery and equipment is constantly reviewed by the Group, and the physical and economic lifespan of the main production lines has been determined as a result of the evaluations made during the privatization process and in the following years, assuming that they do not suffer from excessive wear and tear due to production below normal production capacity. (Note 14)
- The fair value of the Group's investment properties as of the balance sheet date was obtained according to the valuation carried out by a real estate valuation company that is not affiliated with the Group. Various estimates and assumptions are used in fair value calculations in valuation reports prepared in accordance with International Valuation Standards. Future changes in these estimates and assumptions could have a significant impact on the Group's consolidated financial statements. (Note 13)

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (CONT.)**2.6) Significant accounting estimates and assumptions (Cont.)**

- Group management made estimates to determine doubtful trade receivables in the commercial and non-commercial receivables portfolio, taking into account past collection data and the current situations of its customers. (Note 7)
- Group severance pay provision is determined by actuarial calculations based on a number of assumptions including discount rates, future salary increases and employee turnover rates. Since these plans are long-term, these assumptions involve significant uncertainties. (Note 25)
- Regarding stock impairment, stocks are examined physically and how old they are, their usability is determined in line with the opinions of technical personnel, and provisions are made for items that are estimated to be unusable. In determining the net realizable value of stocks, data regarding list sales prices and average discount rates given during the year are used and estimates are made regarding the sales expenses to be incurred. (Note 10)
- Deferred tax assets are calculated on the condition that it is highly probable to benefit from the tax advantage by obtaining taxable profit in the future. Deferred tax assets are calculated on unused tax credits and other temporary differences if a tax advantage is probable. (Note 40)

NOTE 3 –BUSINESS COMBINATIONS

None. (December 31, 2024: None.)

NOTE 4 – SHARES IN OTHER BUSINESS

- **Long-Term Financial Investments**

The details of the Group's long-term financial investments are as follows:

		30.09.2025		31.12.2024
	Share ratio	Share amount	Share ratio	Share amount
Badetaş Bandırma Deniz Taş. A.Ş.	47%	81.505.897	47%	84.358.414
Bagasan Bagfaş Ambalaj San. A.Ş.	3%	19.028.584	3%	19.694.541
Bagfaş Servis Pazarlama Ltd. Şti. ⁽¹⁾	--	--	55%	7.171.889
Bagfaş Teknik Müt. Ltd. Şti.	40%	2.104.751	40%	385.726
Book value		102.639.233		111.610.569
Badetaş Bandırma Deniz Taş. A.Ş.		(81.505.897)		(84.358.413)
Bagasan Bagfaş Ambalaj San. A.Ş.		(19.028.584)		(19.694.540)
Impairment		(100.534.482)		(104.052.953)
Total		2.104.751		7.557.616

1) Bagfaş Servis Pazarlama Ltd. Şti. has been included in the scope of consolidation as of January 1, 2025.

With the decision of the board of directors dated 8 December 2023, the company has participated as a 100% (one hundred percent) founding and legal owner of the company titled BFertilizer International Trading FZCO, which will be established in the Dubai Silicon Oasis Free Zone for its foreign business development target, Fertilizer, Acid trade and all kinds of import-export transactions. It was decided unanimously.

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 5 – SEGMENT REPORTING

None. (December 31, 2024: None.)

NOTE 6 – RELATED PARTY DISCLOSURES

- **Short-Term Trade Receivables from Related Parties**

The details of the Group's short-term trade receivables from related parties are as follows:

	30.09.2025	31.12.2024
Bagfaş Teknik Müteahhitlik Ltd. Şti.	762.837	--
Ege Gübre Sanayi A.Ş.	400.091	449.471
Receivables rediscount (-)	--	(23.073)
Total	1.162.929	426.398

- **Trade Payables to Related Parties**

The details of the Group's trade payables to related parties are as follows:

	30.09.2025	31.12.2024
Bagfaş Teknik Müteahhitlik Ltd. Şti.	7.556.424	10.596.178
Badetaş Sigorta Aracılık Hizmetleri Ltd. Şti.	898.919	466.018
Bagfaş Servis Pazarlama Ltd. Şti.	--	12.622.418
Rediscounted trade payables (-)	(296.959)	(739.357)
Total	8.158.384	22.945.256

- **Other receivables from related parties**

The details of the Group's short-term other receivables from related parties are as follows:

	30.09.2025	31.12.2024
Marmara Gübre San. ve Tic. A.Ş.	13.100.855	--
Bagfaş Housing Management	111.470	--
Total	13.212.324	--

- **Short- Term Prepaid Expenses to Related Parties**

The details of the Group's short-term prepaid expenses to related parties are as follows:

	30.09.2025	31.12.2024
Badetaş Sigorta Aracılık Hizmetleri Ltd. Şti.	1.021.785	--
Total	1.021.785	--

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 6 – RELATED PARTY DISCLOSURES (CONT.)

- Purchases from Related Parties**

The details of the Group's purchases from related parties are as follows:

30.09.2025	Good and service	Total
Bagfaş Teknik Müt. Ltd. Şti.	53.882.931	53.882.931
Badetaş Sigorta Aracılık Hizmetleri Ltd. Şti.	7.414.825	7.414.825
Total	61.297.756	61.297.756

30.09.2024	Good and service	Total
Bagfaş Servis Pazarlama Ltd. Şti.	43.968.624	43.968.624
Bagfaş Teknik Müt. Ltd. Şti.	49.748.195	49.748.195
Badetaş Sigorta Aracılık Hizmetleri Ltd. Şti.	2.769.524	2.769.524
Total	96.486.343	96.486.343

- Sales to Related Parties**

The details of the Group's sales to related parties are as follows:

30.09.2025	Goods and Services	Total
Bagfaş Teknik Müt. Ltd. Şti.	36.226	36.226
Total	36.226	36.226

30.09.2024	Goods and Services	Total
Bagfaş Servis Pazarlama Ltd. Şti.	32.514	32.514
Bagfaş Teknik Müt. Ltd. Şti.	32.514	32.514
Total	65.028	65.028

- Key Management Compensation and Benefits**

The details of the Company's key management compensation and benefits are as follows:

	30.09.2025	30.09.2024
Fees and other benefits	11.875.735	12.087.798
Total	11.875.735	12.087.798

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 7 –TRADE RECEIVABLES AND PAYABLES

- Short- Term Trade Receivables**

The details of the Company's short-term trade receivables are as follows:

	30.09.2025	31.12.2024
Trade receivables	309.867.546	27.199.371
Receivables from related parties (Note 6)	1.162.929	426.398
Doubtful trade receivables	1.156.592	893.599
Provisions for doubtful trade receivables (-)	(1.156.592)	(893.599)
Receivables rediscount (-)	(3.363)	(1.410)
Total	311.027.112	27.624.359

The maturity of the Group's trade receivables is less than 3 month (31 December 2024: less than 3 month). The guarantee amounts received by the Group from its customers against its trade receivables are included in Note 25.

The movements of the provision for doubtful receivables are as follows:

	30.09.2025	31.12.2024
Opening balance	(893.599)	(1.288.933)
The provision in the current period	(444.161)	(855)
Inflation effect	181.168	396.189
Ending balance	(1.156.592)	(893.599)

- Short- Term Trade Payables**

The details of the Company's trade payables are as follows:

	30.09.2025	31.12.2024
Trade payables	111.613.776	160.081.681
Payables to related parties (Note 6)	7.556.424	22.945.256
Notes payable	303.387	380.536
Rediscounted trade payables (-)	(2.346.171)	(2.357.314)
Total	117.127.416	181.050.160

The maturity of the Group's commercial payables is less than 3 months. (December 31, 2023: It is less than 3 months.)

NOTE 8 – RECEIVABLES AND PAYABLES FROM FINANCE SECTOR ACTIVITIES

None. (December 31, 2024: None).

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 9 – OTHER RECEIVABLES AND PAYABLES

- **Other Short-Term Receivables**

The details of the Company's short-term other receivables are as follows:

	30.09.2025	31.12.2024
Receivables from the tax Office ⁽¹⁾	69.264.417	85.823.491
Other receivables from related parties (Note 6)	13.212.324	--
Deposits and guarantees given	5.882.890	1.096.316
Receivables from staff	340.972	427.680
Other receivables	1.951.933	1.384.691
Total	90.652.536	88.732.178

1) An amount of TRY 67.571.540 relates to the refund of additional tax previously paid, which is currently subject to an ongoing lawsuit. The case has not yet been concluded. (December 31, 2024: The related amount was TRY 84.754.510.)

- **Other Long-Term Receivables**

The details of the Company's long-term other receivables are as follows:

	30.09.2025	31.12.2024
Deposits and guarantees given	60.897	76.383
Total	60.897	76.383

- **Short- Term Other Payables**

The details of the Company's other short-term payables are as follows:

	30.09.2025	31.12.2024
Other debts ⁽¹⁾	14.331.857	14.179.953
Taxes and funds payable	4.312.603	4.279.893
Deposits and guarantees received	9.487.031	18.193.767
Total	28.131.491	36.653.614

1) The related amount consists of cash guarantees received against liabilities.

- **Long- Term Other Payables**

The details of other long-term payables are as follows:

	30.09.2025	31.12.2024
Deposits and guarantees received	243.096	304.914
Total	243.096	304.914

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 10 – INVENTORIES

The details of inventories are as follows:

	30.09.2025	31.12.2024
Semi-finished products	386.115.674	377.761.163
Finished goods	226.426.412	177.203.559
Raw materials and supplies	87.955.827	529.644.183
Other inventories	149.497.141	115.343.701
Allowance for Inventory Value Decline (-) ⁽¹⁾	(16.485.000)	(20.677.068)
Total	833.510.054	1.179.275.537

1) The related amount consists of the impairment of Can Gübre stocks designated for scrap.

There is an insurance coverage of USD 15.000.000 on the stocks. (December 31, 2024: There is an insurance coverage of USD 19.029.447 on the stocks.)

NOTE 11 – BIOLOGICAL ASSETS

None. (December 31, 2024: None).

NOTE 12 – PREPAID EXPENSES AND DEFERRED INCOME

- Short-Term Prepaid Expenses**

The details of the Company's short-term prepaid expenses are as follows:

	30.09.2025	31.12.2024
Advances given ⁽¹⁾	402.431.672	279.804.493
Expences related to following months ⁽²⁾	155.575.000	56.162.453
Business advances given	19.132.873	19.579.268
Expenses for future months to related parties	1.021.785	--
Employee Advances	776.916	--
Total	578.938.246	355.546.213

1)The advances given consist of domestic order advances, which are given for stock purchases.

2) The related amount consists of easement rights, insurance expenses, and other miscellaneous expenses.

- Long- Term Prepaid Expenses**

The details of the Group's long-term prepaid expenses are as follows:

	30.09.2025	31.12.2024
Expenses for future years ⁽¹⁾	9.671.890	--
Total	9.671.890	--

1) The related amount consists of loan utilization commission expenses.

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 12 – PREPAID EXPENSES AND DEFERRED INCOME (CONT.)

- **Short-Term Deferred Income**

The details of the Company's short-term deferred income are as follows:

	30.09.2025	31.12.2024
Advances received ⁽¹⁾	395.430.502	335.788.535
Total	395.430.502	335.788.535

1) The related amount consists of the prepayments made by the Company as advance payments prior to delivery.

NOTE 13 – INVESTMENT PROPERTIES

None. (December 31, 2024: None).

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BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 14 – TANGIBLE ASSETS

The tangible assets movements of the company are as follows:

	01.01.2024	Addition	Outputs	31.12.2024	Addition	Outputs	Consolidation Effect	30.09.2025
Lands	223.450.397	--	--	223.450.397	--	--	--	223.450.397
Buildings	2.002.500.534	--	--	2.002.500.534	3.145.530	--	--	2.005.646.063
Machinery, plant and equipment	18.079.324.982	486.506.458	--	18.565.831.440	34.408.654	--	--	18.600.240.094
Vehicles	267.230.300	5.079.313	--	272.309.613	13.335.432	(3.768.534)	20.212.477	302.088.987
Furniture and fixture	211.869.093	1.455.230	--	213.324.322	3.644.742	(56.777)	126.728	217.010.336
Land improvements	609.302.524	--	--	609.302.523	--	--	--	609.302.523
Constructionin-Progress	985.488.675	99.988.392	--	1.085.477.066	58.015.747	--	--	1.143.492.813
Other tangible assets	58.913.016	--	--	58.913.015	--	--	--	58.913.015
	22.438.079.520	593.029.392	--	23.031.108.909	112.550.104	(3.825.312)	20.339.205	23.160.144.228
Buildings	(1.096.232.394)	(42.432.750)	--	(1.138.665.145)	(29.094.435)	--	--	(1.167.759.580)
Machinery, plant and equipment	(11.008.998.375)	(808.027.861)	--	(11.817.026.236)	(609.321.884)	--	--	(12.426.348.120)
Vehicles	(224.600.658)	(14.808.095)	--	(239.408.753)	(11.459.195)	3.768.535	(20.212.477)	(267.311.889)
Furniture and fixture	(182.883.834)	(7.294.637)	--	(190.178.470)	(4.976.181)	56.778	(126.728)	(195.195.926)
Land improvements	(479.266.914)	(9.895.144)	--	(489.162.059)	(7.051.393)	--	--	(496.213.451)
Other tangible assets	(56.794.699)	(354.564)	--	(57.149.263)	(178.831)	--	--	(57.328.094)
Accumulated Depreciation (-)	(13.048.776.874)	(882.813.051)	--	(13.931.589.925)	(662.081.919)	3.825.313	(20.339.205)	(14.610.157.061)
Net book value	9.389.302.646			9.099.518.984				8.549.987.167

As of September 30, 2025, the total insurance coverage amount of property, plant and equipment is USD 268.537.000 and TRY 129.750.000. (December 31, 2024: USD 336,824,853 and TRY 7.342.253.)

The distribution of the Group's depreciation expenses is stated in Note 28.

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 15 – DECOMMISSIONING OF SERVICE, RIGHTS ON FUNDS FROM RESTORATION AND ENVIRONMENT REHABILITATION

None. (December 31, 2024: None).

NOTE 16 – SHARES OF MEMBERS in COOPERATIVE BUSINESS AND RELATED FINANCIAL INSTRUMENTS

None. (December 31, 2024: None).

NOTE 17 – INTANGIBLE ASSETS

Movements in the Group's intangible assets and accumulated amortization are as follows:

	01.01.2024	Addition	Outputs	31.12.2024	Addition	Outputs	30.09.2025
Cost							
Rights	15.993.208	--	--	15.993.208	--	--	15.993.208
Total	15.993.208	--	--	15.993.208	--	--	15.993.208
Accumulated Depreciation (-)							
Rights	(12.670.948)	(509.662)	--	(13.180.610)	(361.388)	--	(13.541.998)
Total	(12.670.948)	(509.662)	--	(13.180.610)	(361.388)	--	(13.541.998)
Net book value	3.322.260			2.812.598			2.451.210

NOTE 18 – GOODWILL

None. (December 31, 2024: None).

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 19 – INVESTIGATION AND EVALUATION OF MINERAL RESOURCES

None. (December 31, 2024: None).

NOTE 20 – RENT OPERATIONS

- **Right of Use Assets**

Movements of right-of-use assets over the periods are as follows;

	01.01.2024	Addition	Outputs	31.12.2024	Addition	Outputs	30.09.2025
Lands	516.086.349	--	--	516.086.349	--	--	516.086.349
Total	516.086.349	--	--	516.086.349	--	--	516.086.349
Lands	(64.016.828)	(14.892.654)	--	(78.909.483)	(11.169.490)	--	(90.078.973)
Accumulated Depreciation (-)	(64.016.828)	(14.892.654)	--	(78.909.483)	(11.169.490)	--	(90.078.973)
Net book value	452.069.520			437.176.866			426.007.376

NOTE 21 – PRIVILEGE SERVICE ARRANGEMENTS

None. (December 31, 2024: None).

NOTE 22 – IMPAIRMENT ON ASSETS

The details of the impairment of doubtful assets are as follows:

	30.09.2025	31.12.2024
Provision for doubtful trade receivables (Note 7)	(1.156.592)	(893.599)
Inventory Impairment (Note 10)	(16.485.000)	(20.677.068)
Total	(17.641.592)	(21.570.667)

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 23 – GOVERNMENT INCENTIVES

The company shall provide monthly premium and service documents in accordance with Law No. 5510 within the legal period, due to the fact that SSI does not have any premium, administrative fine, delay penalty and no delayed payment, 5 percent of the employer's share is covered by the Treasury.

Regarding SSK incentives, the minimum wage incentive no. 6661 and the incentive arising from the law no. 7252 (incentive for re-employment of employees on short-time working allowance) are benefited from.

30.09.2025

Nature of the investment	Total Amount	Incentive Certificate Date	Incentive Certificate No
S.Asit-F.Asit Modernizasyonu	115.181.771	08.06.2018	C 137818
DAP/NPK/AS Gübre Modernizasyonu	33.150.958	26.02.2021	520688
Can Yatırım Teşvik	1.717.772.516	31.07.2012	107787
S.Asit-F.Asit Modernizasyonu	56.195.955	13.04.2016	108580

Starting date	End date	Expenditure in the Current Period	Incentives Benefited from	Degree of completion (%)
30.05.2018	31.11.2024	--	%100 Customs Exemption VAT Exemption Interest Support	92,50%
28.01.2021	28.01.2024	--	%100 Customs Exemption VAT Exemption Interest Support	72,00%
07.06.2018	07.06.2021	--	%100 Customs Exemption VAT Exemption Interest Support	86,23%

31.12.2024

Nature of the investment	Total Amount	Incentive Certificate Date	Incentive Certificate No
S.Asit-F.Asit Modernizasyonu	115.181.771	08.06.2018	C 137818
DAP/NPK/AS Gübre Modernizasyonu	33.150.958	26.02.2021	520688
Can Yatırım Teşvik	1.717.772.516	31.07.2012	107787
S.Asit-F.Asit Modernizasyonu	56.195.955	13.04.2016	108580

Starting date	End date	Expenditure in the Current Period	Incentives Benefited from	Degree of completion (%)
30.05.2018	31.11.2024	--	%100 Customs Exemption VAT Exemption Interest Support	92,50%
28.01.2021	28.01.2024	--	%100 Customs Exemption VAT Exemption Interest Support	72,00%
07.06.2018	07.06.2021	--	%100 Customs Exemption VAT Exemption Interest Support	86,23%

The Group has initiated the extension process for expired incentives.

NOTE 24 – BORROWING COSTS

For the period ended at 30 September 2025 there is no borrowing cost added to the cost of assets directly related to the assets. (December 31, 2024: None.) Borrowing costs are included in the statement of profit or loss.

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 25 –CONTINGENT ASSETS AND LIABILITIES

- **Short-Term Provision**

The details of the Company's short-term provisions are as follows:

	30.09.2025	31.12.2024
Provision for unused leave	7.397.599	4.075.288
Total short-term provisions for benefits provided to employees	7.397.599	4.075.288
Provision for lawsuit	3.476.088	3.295.148
Total other short-term provisions	3.476.088	3.295.148
Total short-term provisions	10.873.687	7.370.436

The unused leave liability amount is calculated by multiplying the remaining leave days by the daily wage. Current period provision expenses are shown in the financial statements as other expenses from main activities, and provision expenses that are no longer included in the other income from main activities accounts.

There are 41 lawsuits filed against the Group domestically and a provision TRY 3.627.090 of has been allocated for these (31 December 2024: 63 lawsuits, TRY 3.295.148).

- **Long-Term Provisions**

The details of long-term provisions are as follows:

	30.09.2025	31.12.2024
Provision for severance payment	24.491.207	15.066.929
Long-term provisions for total employee benefits	24.491.207	15.066.929
Total long-term provisions	24.491.207	15.066.929

According to the Turkish Labor Law, the company is obliged to pay severance pay to each employee who completes at least one year of service and retires after 25 years of working life (58 for women, 60 for men), whose employment relationship is terminated, who is called up for military service, or who dies. Severance pay to be paid as of 30 September 2025 is subject to a monthly ceiling of TRY 53.920 (31 December 2024: TRY 41.828).

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 25 –CONTINGENT ASSETS AND LIABILITIES (CONT.)

- **Long-Term Provisions (Cont.)**

Severance pay liability is not legally subject to any funding. The provision for severance pay is calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. TAS 19 Employee Benefits requires the Company's obligations to be developed using actuarial valuation methods within the scope of defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

	30.09.2025	31.12.2024
Interest rate	28,84%	28,84%
Inflation rate	25,77%	25,77%
Real discount rates	2,44%	2,44%

The main assumption is that the maximum liability amount for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. Therefore, as of September 30, 2025, provisions in the attached financial statements are calculated by estimating the present value of the possible future liability arising from the retirement of employees.

The movement in provision for severance payment is as follows:

	30.09.2025	31.12.2024
Opening balance	15.066.929	11.355.258
Service costs	13.447.239	16.711.308
Interest cost	314.552	198.818
Actuarial difference	(6.499.641)	(9.784.000)
In-term payments	--	75.895
Inflation difference	2.162.128	(3.490.350)
Ending balance	24.491.207	15.066.929

NOTE 26 – COMMITMENTS

- **Guarantees and Mortgage Given**

Information on the Company's given collateral position is as follows;

	30.09.2025	31.12.2024
A. Total amount of GMP that Issued on behalf of the legal entity	262.068.945	3.036.715.505
B. Total Amount of GSM given for partnerships which are included in full consolidation	--	--
C. Total Amount of GSM given for the purpose of guaranteeing third party loans to carry the regular trade activities	--	--
D. Total Amount of another GSM given	--	--
Total	262.068.945	3.036.715.505
Ratio of other CPMs to the Group's equity	0,00%	0,00%

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 26 – COMMITMENTS (CONT.)

- Guarantees and Mortgage Given (Cont.)**

The movement in guarantees and mortgage given is as follows:

	30.09.2025			31.12.2024		
	Amount	Exchange Rate	TRY Equivalent	Amount	Exchange Rate	TRY Equivalent
Bank letters of guarantee in TRY	67.477.345	1,0000	67.477.345	820.069.392	1,0000	820.069.392
Guarantees Given USD	--	--	--	57.697.610	35,2233	2.032.300.240
Guarantees Given EUR	4.000.000	48,6479	194.591.600	5.017.184	36,7429	184.345.872
Total			262.068.945			3.036.715.505

- Guarantees and Mortgage Received**

Information on the Company's given guarantees and mortgage received is as follows:

	30.09.2025			31.12.2024		
	Amount	Exchange Rate	TRY Equivalent	Amount	Exchange Rate	TRY Equivalent
Bank letters of guarantee TRY	46.655.328	1,0000	46.655.328	45.394.364	1,0000	45.394.364
Bank letters of guarantee EURO	183.623	48,6479	8.932.849	13.484.063	36,7429	495.443.595
Bank letters of guarantee USD	234.498	41,4984	9.731.301	424.316	35,2233	14.945.820
Checks and notes received TRY	--	--	--	1.929.666	1,0000	1.929.666
Checks and notes received EURO	--	--	--	39.197	36,7429	1.440.202
Total			65.319.478			559.153.648

NOTE 27 – PAYABLES AND PROVISIONS FOR EMPLOYEE BENEFITS

Payables for employee benefits of company are as follows:

	30.09.2025	31.12.2024
Taxes, duties and other deductions payable	14.220.949	9.041.619
Payables to personnel	10.443.433	5.353.391
Total	24.664.382	14.395.011

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 28 – CLASSIFIED EXPENSES BY FUNCTION

- Depreciation and Amortization Expenses

The classification of depreciation expenses of company are as follows:

	01.01.2025- 30.09.2025	01.01.2024- 30.09.2024	01.07.2025- 30.09.2025	01.07.2024- 30.09.2024
Cost of sales (-)	(535.623.021)	(664.451.176)	(176.466.202)	(226.914.157)
General and administrative expenses (-)	(137.628.388)	(5.764.622)	(46.293.688)	(1.907.212)
Marketing expenses (-)	(361.388)	(389.200)	(120.467)	(124.438)
Total	(673.612.797)	(670.604.998)	(222.880.358)	(228.945.807)

NOTE 29 – OTHER ASSETS AND LIABILITIES

- Other Current Assets

The details of the Company's other current assets are as follows:

	30.09.2025	31.12.2024
Deferred VAT	153.045.670	172.804.960
Other VAT	12.926.842	27.420.130
Other	412	102.472
Total	165.972.924	200.327.562

NOTE 30 – CAPITAL, RESERVES, AND OTHER EQUITY ITEMS

- Paid-in Capital

As of 30 September 2025, the paid-in capital amount is TRY 135.000.000 (31 December 2024: TRY 135.000.000) and there are 600 units of Group A (31 December 2024: 600 units) TRY 0.01 of each and 13.499.999.400 units (31 December 2024: 13 499.999.400 units) consists of Group B shares. Group A shares are privileged in terms of participation in voting; Holders of Group A shares have an additional 10 voting rights for each Group A share at General Assembly meetings. Thus, each privileged Group A share has 11 votes.

The details of the company's capital structure are as follows;

	30.09.2025		31.12.2024	
Shareholders	Share Ratio (%)	Total	Share Ratio (%)	Total
Recep Gençer	38,22%	51.592.338	38,22%	51.592.338
Gençer Holding A.Ş.	5,67%	7.655.453	5,67%	7.655.453
Other real and legal persons	56,11%	75.752.209	56,11%	75.752.209
Paid capital	100%	135.000.000	100%	135.000.000

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 30 – CAPITAL, RESERVES, AND OTHER EQUITY ITEMS (CONT.)

- Additional Information Regarding Capital Reserves, and Other Equity Items**

The comparison of the relevant equity items, which are presented on an inflation-adjusted basis in the Company's financial statements as of September 30, 2025, with the inflation-adjusted amounts in the financial statements prepared in accordance with the Turkish Commercial Code (Law No. 6762) and other applicable legislation is as follows:

30.09.2025	Inflation-adjusted amounts presented in the financial statements prepared in accordance with Law No. 6762 and other regulations	Inflation-adjusted amounts presented in the financial statements prepared in accordance with TAS/IFRS	Difference in retained earnings of previous years
Capital	3.246.042.342	2.747.981.252	498.061.090
Retained Earnings	434.986.127	381.508.045	53.478.082

- Capital Adjustment Differences**

The details of the Company's capital adjustment differences are as follows:

	30.09.2025	31.12.2024
Capital Adjustment Differences	2.747.981.252	2.747.981.252
Total	2.747.981.252	2.747.981.252

- Premiums/(Discounts) Related to Shares**

The details of the company's premium/(discounts) account for shares are as follows:

	30.09.2025	31.12.2024
Type B share issue premiums	42.352.498	42.606.157
Total	42.352.498	42.606.157

- Accumulated Other Comprehensive Income/(Expenses) That Will Not Be Reclassified in Profit or Loss Statement**

The details of the company's accumulated other comprehensive income/(expense) that will not be reclassified to profit or loss are as follows:

	30.09.2025	31.12.2024
Defined Benefit Plans Re-Measurement Gains (Losses)	(11.228.626)	(11.228.626)
Total	(11.228.626)	(11.228.626)

NOTE 30 – CAPITAL, RESERVES, AND OTHER EQUITY ITEMS (CONT.)

- **Accumulated Other Comprehensive Income/(Expenses) That Will Be Reclassified In Profit Or Loss Statement**

The details of the company's accumulated other comprehensive income/(expense) to be reclassified to profit or loss are as follows:

	30.09.2025	31.12.2024
Gains/losses on financial assets at fair value through other comprehensive income	10.449.415	10.534.654
Total	10.449.415	10.534.654

- **Reserves on Retained Earnings**

The details of the Group's reserves on retained earnings are as follows:

	30.09.2025	31.12.2024
Retained Earnings	381.508.045	380.754.607
Total	381.508.045	380.754.607

According to the Turkish Commercial Code, legal reserves are divided into two: first and second legal reserves. According to the Turkish Commercial Code, the first legal reserves are allocated as 5% of the legal net profit until 20% of the company's paid capital is reached. The second set of legal reserves is 10% of the distributed profit exceeding 5% of the paid capital. According to the Turkish Commercial Code, as long as legal reserves do not exceed 50% of the paid-in capital, they can only be used to offset losses and cannot be used in any other way.

- **Accumulated Profit/ (Losses)**

The details of the Company's previous year's profit/loss account are as follows:

	30.09.2025	31.12.2024
Accumulated Profit/ (Losses)	3.575.785.308	5.213.659.171
Total	3.575.785.308	5.213.659.171

Public companies make dividend distributions in accordance with CMB's Dividend Communiqué No. II-19.1, which came into force as of February 1, 2015. Partnerships distribute their profits by the decision of the general assembly, within the framework of the profit distribution policies to be determined by the general assembly and in accordance with the relevant legislation. Within the scope of the said communiqué, a minimum distribution rate has not been determined. Companies pay dividends as determined in their articles of association or profit distribution policies. In addition, dividends can be paid in installments of equal or different amounts and advance dividends can be distributed in cash based on the profit included in the interim financial statements.

Unless the reserve funds required to be set aside in accordance with the Turkish Commercial Code and the dividend determined for the shareholders in the articles of association or profit distribution policy are set aside; It cannot be decided to allocate other reserve funds, to transfer profits to the following year, or to distribute shares of profit to holders of dividend shares, members of the board of directors, partnership employees and persons other than shareholders. Unless the dividend determined for shareholders is paid in cash, no share of profit can be distributed to these people.

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 30 – CAPITAL, RESERVES, AND OTHER EQUITY ITEMS (CONT.)• **Accumulated Profit/ (Losses) (Cont.)**

Losses of previous years of partnerships; The portion exceeding the sum of the amounts resulting from the adjustment of previous years' profits, general legal reserves including share premiums, and equity items excluding capital according to inflation accounting, is taken into account as a deduction item in the calculation of the net distributable profit for the period.

NOTE 31 – REVENUE AND COST OF SALES

The details of the Company's revenue and cost of sales are as follows:

	01.01.2025- 30.09.2025	01.01.2024- 30.09.2024	01.07.2025- 30.09.2025	01.07.2024- 30.09.2024
Domestic sales	1.496.834.193	817.957.707	348.016.339	82.838.384
Export sales	2.570.612.378	670.398.354	572.068.185	121.066.957
Gross Sales	4.067.446.571	1.488.356.061	920.084.523	203.905.341
Cost of sales (-)	(3.413.420.430)	(1.248.321.060)	(773.001.997)	(145.592.592)
Cost of merchandise sold (-)	(2.140.639)	--	--	--
Cost of services rendered (-)	(63.221.926)	--	(20.759.780)	--
Cost of sales (-)	(3.478.782.995)	(1.248.321.060)	(793.761.777)	(145.592.592)
Gross profit/loss	588.663.576	240.035.001	126.322.747	58.312.749

NOTE 32 – CONSTRUCTION CONTRACTS

None. (December 31, 2024: None).

NOTE 33 – GENERAL AND ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, AND RESEARCH AND DEVELOPMENT EXPENSES

The Group's general and administrative expenses, marketing expenses, and research and development expenses are as follows:

	01.01.2025- 30.09.2025	01.01.2024- 30.09.2024	01.07.2025- 30.09.2025	01.07.2024- 30.09.2024
General and administrative expenses (-)	(245.199.687)	(112.835.445)	(79.690.996)	(33.916.165)
Marketing expenses (-)	(18.439.385)	(16.021.702)	(6.124.416)	(2.681.333)
Total	(263.639.072)	(128.857.147)	(85.815.413)	(36.597.498)

BAGFAŞ BANDIRMA GÜBRE FABRİKALARI ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(Amounts are expressed in Turkish Lira ("TRY") at purchasing power as of 30 September 2025, unless otherwise stated.)

NOTE 34 – OTHER INCOME / (EXPENSES) FROM OPERATING

- **Other Income from Operations**

Other income from the main activities of the Group is as follows:

	01.01.2025- 30.09.2025	01.01.2024- 30.09.2024	01.07.2025- 30.09.2025	01.07.2024- 30.09.2024
Foreign exchange gains	88.145.693	209.538.895	12.736.095	64.395.213
Tax, duty, fee, and incentive revenues	10.038.200	4.288.747	2.744.484	1.833.337
Scrap sales, damage compensation and insurance revenues	7.098.074	--	1.450.336	--
Provision no longer required	2.363.157	12.520.911	2.363.157	(8.439.807)
Rediscount income	2.365.691	3.349.991	(7.573.151)	(1.796.891)
Price difference and service revenues	--	7.625.240	--	928.940
Other	4.306.169	159.706.354	1.793.509	151.912.022
Total	114.316.984	397.030.138	13.514.430	208.832.814

- **Other Expenses from Operations**

Other expenses from main operations of the company are as follows:

	01.01.2025- 30.09.2025	01.01.2024- 30.09.2024	01.07.2025- 30.09.2025	01.07.2024- 30.09.2024
Currency difference expenses	(82.022.008)	(100.457.561)	(5.664.454)	(85.981.586)
Idle capacity expenses losses	(121.910.716)	(1.111.898.478)	(46.873.901)	(478.963.609)
Rediscount interest expenses	(2.472.215)	(6.799.650)	185.028	604.977
Provision expenses	(2.177.797)	(423.516.112)	84.207	(55.388.652)
Other ⁽¹⁾	(28.815.386)	(91.465.901)	(14.445.897)	(50.427.655)
Total	(237.398.122)	(1.734.137.702)	(66.715.017)	(670.156.523)

1) The related amount consists of tax delay penalties, shrinkage expenses and non-deductible expenses.

NOTE 35 – INCOME / (EXPENSES) FROM INVESTMENT OPERATIONS

- **Income from Investment Activity**

The details of the Group's income from investment activities are as follows:

	01.01.2025- 30.09.2025	01.01.2024- 30.09.2024	01.07.2025- 30.09.2025	01.07.2024- 30.09.2024
Profit on sales of tangible and intangible assets	2.234.067	--	2.228.230	--
Total	2.234.067	--	2.228.230	--

- **Shares from Profits (Losses) Investments Revaluated by Equity Method**

	01.01.2025- 30.09.2025	01.01.2024- 30.09.2024	01.07.2025- 30.09.2025	01.07.2024- 30.09.2024
Shares from profits (losses) investments revaluated by Equity Method	1.576.514	(2.502.602)	72.254	(372.611)
Total	1.576.514	(2.502.602)	72.254	(372.611)

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NOTE 36 – FINANCE EXPENSES / INCOME

- Financial Income**

The financial income of the group is as follows:

	01.01.2025- 30.09.2025	01.01.2024- 30.09.2024	01.07.2025- 30.09.2025	01.07.2024- 30.09.2024
Foreign exchange gains from financing activities	46.617.338	48.155.222	14.213.094	(4.246.692)
Interest income	4.639.338	1.746.061	1.210.416	132.558
Total	51.256.676	49.901.283	15.423.510	(4.114.134)

- Financial Expenses**

The financial expenses of the Group are as follows:

	01.01.2025- 30.09.2025	01.01.2024- 30.09.2024	01.07.2025- 30.09.2025	01.07.2024- 30.09.2024
Foreign exchange expenses from financing activities (-)	(1.009.101.002)	(694.032.960)	(219.900.164)	(139.253.258)
Interest expenses (-)	(173.346.067)	(390.390.639)	(91.011.154)	(192.719.026)
Other ⁽¹⁾	(12.377.103)	(25.448.731)	9.734.121	(3.720.573)
Total	(1.194.824.172)	(1.109.872.329)	(301.177.197)	(335.692.858)

1) The relevant amount consists of bank and letter of guarantee commission expenses.

NOTE 37 – ANALYSIS OF OTHER COMPREHENSIVE INCOME ITEMS

The details of the group analysis of other comprehensive income items are as follows:

	01.01.2025- 30.09.2025	01.01.2024- 30.09.2024	01.07.2025- 30.09.2025	01.07.2024- 30.09.2024
Other Comprehensive Income (Expense) Related to Financial Assets Measured at Fair Value Through Other Comprehensive Income	(85.239)	3.291.710	2.988.501	4.253.452
- Gains (Losses) from Financial Assets Measured at Fair Value Through Other Comprehensive Income	(85.239)	3.291.710	2.988.501	4.253.452
To Be Reclassified to Profit or Loss	85.239	3.291.710	2.988.501	4.253.452

NOTE 38 – ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

None. (December 31, 2024: None).

NOTE 39 – TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

- Corporation Tax**

The Group is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Group's results for the years and periods. Turkish tax legislation does not permit a parent Group and its subsidiary to file a tax return. Therefore, provisions for taxes, as reflected in the accompanying financial statements, have been calculated on a separate-entity basis. Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized. The effective tax rate applied for the accounting period ending 30.09.2025 is 25%. (31.12.2024: 25%).

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NOTE 39 – TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (CONT.)

- Corporation Tax (Cont.)**

The Group's Corporate Tax liabilities are as follows:

	30.09.2025	31.12.2024
Prepaid corporate tax (-)	1.023.961	721.590
Corporate tax to be paid/refunded	1.023.961	721.590

	01.01.2025- 30.09.2025	01.01.2024- 30.09.2024	01.07.2025- 30.09.2025	01.07.2024- 30.09.2024
Deferred tax income/(expense), net	490.937.080	(233.834.992)	(136.027.464)	(169.513.052)
Total tax revenue / (expense), net	490.937.080	(233.834.992)	(136.027.464)	(169.513.052)

- Deferred Tax**

The Company recognizes deferred tax assets and liabilities for temporary timing differences arising from differences between its statutory tax financial statements and its financial statements prepared in accordance with TAS. These differences generally arise from the fact that some income and expense items are included in different periods in the tax-based financial statements and the financial statements prepared in accordance with TAS, and the differences in question are stated below. Within the scope of the "Law on the Law on the Collection Procedure of Public Receivables and Amendments to Certain Laws" numbered 7316, which came into force after being published in the Official Gazette dated April 22, 2021, the corporate tax rate for the years 2024 and 2025 will be applied as 25%, respectively. Within the scope of the said law, deferred tax assets and liabilities in the financial statements dated 30.09.2025 were calculated with a 25% tax rate for the part of the temporary differences that will have a tax effect in 2024 and 2025.

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NOTE 39 – TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (CONT.)

- **Deferred Tax (Cont.)**

Movement table of the Company's deferred tax assets/(liabilities) is as follows:

	30.09.2025		31.12.2024	
	Total Temporary Differences	Deferred Tax Assets/ (liabilities)	Total Temporary Differences	Deferred Tax Assets/ (liabilities)
Deferred Tax Assets				
Tax-deductible financial losses	3.589.708.651	897.427.163	3.455.794.265	863.948.566
Investment discount	1.922.301.199	1.922.301.199	1.539.968.393	1.539.968.393
Credit IRR	50.073.186	12.518.296	66.047.773	16.511.943
Severance pay provisions	24.491.207	6.122.802	15.066.929	3.766.732
Inventory write-down	16.485.000	4.121.250	20.677.068	5.169.267
Unused leave provisions	7.397.598	1.849.400	4.075.288	1.018.822
Provisions for lawsuits	3.476.088	869.022	3.295.148	823.787
Provisions for doubtful receivables	457.285	114.321	16.461	4.115
Financial Investments	368.407	92.102	462.091	115.523
Receivables are reconsidered	3.363	841	24.483	6.121
Foring currency valuation	--	--	14.403.818	3.600.954
Deferred tax assets	5.614.761.983	2.845.416.396	5.119.831.716	2.434.934.224
Deferred tax liability:				
Tangible and intangible assets	(4.997.372.982)	(1.249.343.246)	(4.375.561.836)	(1.093.890.459)
Right of use assets	(364.001.955)	(91.000.489)	(361.394.980)	(90.348.744)
Prepaid expenses	(98.582.089)	(24.645.522)	(9.226.010)	(2.306.502)
Inventory adjustment	(53.099.973)	(13.274.993)	(100.646.304)	(25.161.577)
Stock valuation	(13.873.012)	(3.468.253)	(17.507.776)	(4.376.944)
Foring currency valuation	(4.095.021)	(1.023.755)	--	--
Debt rediscount	(2.346.172)	(586.543)	(3.096.671)	(774.168)
Lease adjustments	(53.248)	(13.312)	--	--
Deferred tax liabilities	(5.533.424.451)	(1.383.356.113)	(4.867.433.577)	(1.216.858.394)
Deferred tax assets / (liabilities), net		1.462.060.283		1.218.075.831

NOTE 40 – EARNING PER SHARE

The amount of earnings per payment is calculated by dividing the profit for the period into the periodic weighted average number of payments of the Company's shares. The company's earnings per payout programming is as follows.

	01.01.2025- 30.09.2025	01.01.2024- 30.09.2024	01.07.2025- 30.09.2025	01.07.2024- 30.09.2024
Net Profit/Loss to Shareholders	(25.912.078)	(1.766.895.529)	(205.192.640)	(597.981.076)
Net profit for the period attributable to the parent company	(25.912.078)	(1.766.895.529)	(205.192.640)	(597.981.076)
Number of shares issued	13.500.000.000	13.500.000.000	13.500.000.000	13.500.000.000
Earnings/(Loss) Per Share (EPS)	(0,0019)	(0,1309)	(0,0152)	(0,0443)

NOTE 41 – SHARE-BASED PAYMENTS

None. (December 31, 2024: None.)

NOTE 42 – INSURANCE CONTRACTS

None. (December 31, 2024: None.)

NOTE 43 – EFFECTS OF EXCHANGE RATE

As of September 30, 2025, the Group's foreign exchange rate risk is presented in the table in Note 48. The foreign exchange gains and losses incurred for the accounting period ended September 30, 2025, are disclosed in the accompanying financial statements under other operating income/expenses and finance income/expenses accounts.

NOTE 44 – HYPERINFLATIONARY ECONOMY REPORTING

According to TAS 29 Financial Reporting Standard in Hyperinflationary Economies, enterprises whose functional currency is the currency of a hyperinflationary economy report their financial statements according to the purchasing power of money at the end of the reporting period. TAS 29 identifies features that may indicate an hyperinflationary economy, and it is recommended for businesses to start implementing the Standard at the same time.

The Public Oversight, Accounting, and Auditing Standards Authority announced on November 23, 2023, that entities applying the Turkish Financial Reporting Standards (TFRS) must present their financial statements for annual reporting periods ending on or after December 31, 2024, adjusted for inflation in accordance with the relevant accounting principles set out in 'Turkish Accounting Standard 29 Financial Reporting in Hyperinflationary Economies.' Accordingly, inflation adjustment has been applied to the financial statements as of September 30, 2025, in compliance with TAS 29.

NOTE 45 – DERIVATIVE FINANCIAL INSTRUMENTS

None. (December 31, 2024: None.)

NOTE 46 – FINANCIAL INSTRUMENTS

- **Short-Term Financial Investments**

The details of the Group's short financial investments are as follows:

	30.09.2025	31.12.2024
Shares ⁽¹⁾	13.894.043	17.534.156
Total	13.894.043	17.534.156

1) Group's shares; GUBRF consists of shares (31.12.2024: GUBRF)

The fair value of the group's share investments are valued with the weighted average prices or rates of the last session of the stock exchange on the valuation day. In the valuation of assets traded in markets with a closing session, the prices formed in the closing session are used, and if the price is not formed in the closing session, the weighted average prices of the last session in the stock market are used. The fair value of the shares was measured based on the prices formed at the closing session on 30.09.2025.

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NOTE 46 – FINANCIAL INSTRUMENTS (CONT.)

- Long-Term Financial Investments

The details of the Group's long-term financial investments are as follows:

	30.09.2025	31.12.2024
Financial assets available for sale (Note 4)	2.104.751	7.557.616
Total	2.104.751	7.557.616

- Financial Debts

The details of the Group's financial borrowings are as follows:

	30.09.2025	31.12.2024
Bank loans	2.035.259.216	1.163.944.460
Credit cards	116.558	87.177
Total short term payables	2.035.375.774	1.164.031.637
Bank loans	1.840.034.998	1.778.357.188
Right-of-use liabilities	9.205.359	6.836.259
Payables from financial leasing transactions	157.530	1.270.244
Short-term portions of total long-term payables	1.849.397.887	1.786.463.691
Bank loans	1.291.464.674	2.225.884.674
Right-of-use liabilities	52.800.062	68.945.629
Total Long-Term Payables	1.344.264.736	2.294.830.303
Total financial payables	5.229.038.397	5.245.325.631

The interest rates on the Group's foreign currency bank borrowings range between 7% and 12.30%, while the interest rates on its TL-denominated bank borrowings range between 8.50% and 53.35%.

Principal payment terms of the company's bank loans are as follows:

	30.09.2025	31.12.2024
Payable within a year	3.884.773.661	2.950.495.328
To be paid within 1 - 5 years	1.344.264.736	2.294.830.303
Total	5.229.038.397	5.245.325.631

NOTE 47 – EXPOSURE TO FINANCIAL RISKS DUE TO FINANCIAL INSTRUMENTS

The company's main financial instruments consist of bank loans, cash and short-term deposits. The main purpose of these financial instruments is to finance the Company's business activities. The company also has other financial instruments such as trade payables and trade receivables arising directly from its business activities.

- **Capital risk management**

The Company's objectives when managing capital are to maintain the optimal capital structure and ensure the continuity of the Company's activities in order to benefit its partners and reduce the cost of capital.

The company's debt capital ratio, calculated by subtracting cash and cash equivalents and short-term financial investments from financial debts, is calculated by dividing the net debt by the total capital as follows:

	30.09.2025	31.12.2024
Financial debt	5.229.038.397	5.245.325.631
Less: Cash and cash equivalents	(290.397.698)	(75.361.256)
Less: Short- term financial investments	(13.894.043)	(17.534.156)
Net debt	4.924.746.656	4.792.762.979
Total equity	6.907.759.970	6.874.385.898
Debt/Equity Ratio	0,71	0,70

The Group's significant accounting policies regarding financial instruments are explained in Note 2 (Principles of Presentation of Financial Statements).

- **Financial Risk Factors**

The main risks posed by the company's financial instruments are interest risk, liquidity risk, foreign currency risk and credit risk. Company management and the board of directors review and accept the policies regarding the management of the risks listed below. The Company also considers the market value risk of all its financial instruments.

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NOTE 47 – EXPOSURE TO FINANCIAL RISKS DUE TO FINANCIAL INSTRUMENTS (CONT.)

- Credit Risk Management**

	Receivables					
	Trade receivables		Other receivables		Banks	Total
	Related Parties	Other	Related Parties	Related Parties	Other	
30.09.2025						
Maximum net credit risk as of balance sheet date	1.162.929	309.864.183	13.212.324	77.501.109	290.397.639	692.138.184
- The part of maximum risk under guarantee with collateral	--	--	--	--	--	--
A- Net book value of financial assets that are neither overdue nor impaired	1.162.929	309.864.183	13.212.324	77.501.109	290.397.639	692.138.184
B- Net book values of financial assets that are renegotiated, if not that will be accepted as overdue or impaired	--	--	--	--	--	--
C- Book value of financial assets that are overdue but not impaired	--	--	--	--	--	--
D- Net book value of impaired assets	--	--	--	--	--	--
- Overdue (gross book value amount)	--	1.156.592	--	--	--	1.156.592
- Impairment (-)	--	(1.156.592)	--	--	--	(1.156.592)
E- Factors Including Off-Balance Sheet Risk	--	--	--	--	--	--

	Receivables					
	Trade receivables		Other receivables		Banks	Total
	Related Parties	Other	Related Parties	Related Parties	Other	
31.12.2024						
Maximum net credit risk as of balance sheet date	426.398	27.197.961		88.808.561	75.361.256	191.794.176
- The part of maximum risk under guarantee with collateral	--	--	--	--	--	--
A- Net book value of financial assets that are neither overdue nor impaired	426.398	27.197.961	--	88.808.561	75.361.256	191.794.176
B- Net book values of financial assets that are renegotiated, if not that will be accepted as overdue or impaired	--	--	--	--	--	--
C- Book value of financial assets that are overdue but not impaired	--	--	--	--	--	--
D- Net book value of impaired assets	--	--	--	--	--	--
- Overdue (gross book value amount)	--	893.599	--	--	--	893.599
- Impairment (-)	--	(893.599)	--	--	--	(893.599)
E- Factors Including Off-Balance Sheet Risk	--	--	--	--	--	--

The risk that one of the parties to a financial instrument will incur a financial loss to the Company due to its failure to fulfill its contractual obligations is defined as credit risk. The company's financial instruments, which may cause significant credit risk concentration, mainly consist of cash and cash equivalents and trade receivables. The maximum credit risk that the company can be exposed to is the amount reflected in the financial statements.

The company has cash and cash equivalents in various financial institutions. The company manages this risk by constantly evaluating the reliability of the financial institutions it has relationships with. The credit risk that may arise from trade receivables is limited due to the high customer volume and the Company management's limitation of the loan amount applied to customers. The doubtful receivables provision for financial assets has been determined based on past non-collection experience. As of the balance sheet date, there are no guarantees received for overdue trade receivables for which provisions have been made.

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NOTE 47 – EXPOSURE TO FINANCIAL RISKS DUE TO FINANCIAL INSTRUMENTS (CONT.)

- **Liquidity Risk**

Liquidity risk represents the risk that the Company may not be able to meet its funding obligations as they fall due. The table below discloses the maturity analysis of the Company's derivative and non-derivative financial liabilities. Non-derivative financial liabilities are presented on an undiscounted basis and based on the earliest contractual payment dates. Estimated interest payments related to these liabilities are also included in the table.

Derivative financial liabilities are presented based on undiscounted net cash inflows and outflows. Futures contracts are settled on a net basis for gross futures payable amounts and are realized on the basis of undiscounted gross cash inflows and outflows. When receivables or payables are not fixed, the disclosed amounts are determined using the interest rates derived from the yield curves as of the reporting date.

30.09.2025	Book Value	Cash outflow according to agreement	0-1 Year	1-5 Year
Non-Derivative Financial Liabilities:	5.399.204.782	5.399.204.782	(4.054.696.950)	(1.344.507.832)
Financial liabilities	5.229.038.397	5.229.038.397	(3.884.773.661)	(1.344.264.736)
Payables for employee benefits	24.664.382	24.664.382	(24.664.382)	--
Trade and other payables	145.502.003	145.502.003	(145.258.907)	(243.096)
Derivative Financial Liabilities	--	--	--	--
Total	5.399.204.782	5.399.204.782	(4.054.696.950)	(1.344.507.832)

31.12.2024	Book Value	Cash outflow according to agreement	0-1 Year	1-5 Year
Non-Derivative Financial Liabilities:	5.477.729.329	5.477.729.329	(3.182.594.111)	(2.295.135.218)
Financial liabilities	5.245.325.631	5.245.325.631	(2.950.495.328)	(2.294.830.304)
Payables for employee benefits	14.395.011	14.395.011	(14.395.011)	--
Trade and other payables	218.008.687	218.008.687	(217.703.773)	(304.914)
Derivative Financial Liabilities	--	--	--	--
Total	5.477.729.329	5.477.729.329	(3.182.594.111)	(2.295.135.218)

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NOTE 47 – EXPOSURE TO FINANCIAL RISKS DUE TO FINANCIAL INSTRUMENTS (CONT.)

- Market Risk Management**

The Group's activities are primarily exposed to financial risks related to changes in foreign exchange rates and interest rates, as detailed below. In order to control the risks associated with foreign exchange rates and interest rates, the Company uses various non-derivative financial instruments. Market risks are also evaluated through sensitivity analysis

- Foreign Currency Risk**

Transactions in foreign currencies give rise to exchange rate risk. The distribution of the company's foreign currency-denominated monetary and non-monetary assets and monetary and non-monetary liabilities as of the balance sheet date is as follows:

	30.09.2025			31.12.2024		
	TRY Equivalent	US Dollar	Avro	TRY Equivalent	US Dollar	Avro
1. Trade Receivables	757.413	18.252	--	27.369.891	775.784	--
2a. Monetary Financial Assets (including cash, banks)	289.191.578	6.968.739	1	35.568.183	1.008.075	81
2b. Non-monetary financial assets	--	--	--	--	--	--
3. Other	187.419.284	274.577	3.618.342	216.201.685	--	5.885.249
4. Current Assets (1+2+3)	477.368.275	7.261.568	3.618.344	279.139.759	1.783.859	5.885.330
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)	477.368.275	7.261.568	3.618.344	279.139.759	1.783.859	5.885.330
10. Trade Payables	83.032.326	914.147	927.002	95.367.168	1.604.515	1.050.407
11. Financial Liabilities	3.807.039.248	69.472.950	18.994.098	2.748.172.873	61.252.970	15.848.427
12a. Other monetary financial liabilities	398.238.431	9.592.057	3.770	8.389.484	237.368	--
12b. Other non-monetary financial liabilities	--	--	--	--	--	--
13. Current Liabilities (10+11+12)	4.288.310.005	79.979.154	19.924.870	2.851.929.525	63.094.853	16.898.834
14. Trade Payables	--	--	--	--	--	--
15. Financial Liabilities	1.278.121.910	15.688.452	12.890.099	2.197.079.472	36.389.049	24.752.522
16a. Other monetary financial liabilities	--	--	--	--	--	--
16b. Other non-monetary financial liabilities	--	--	--	--	--	--
17. Non-Current Liabilities (14+15+16)	1.278.121.910	15.688.452	12.890.099	2.197.079.472	36.389.049	24.752.522
18. Total Liabilities (13+17)	5.566.431.915	95.667.606	32.814.969	5.049.008.997	99.483.902	41.651.356
19. Net asset / liability position of off- balance sheet derivative instruments (19a-19b)	--	--	--	--	--	--
19a. Hedged amount of assets	--	--	--	--	--	--
19b. Hedged amount of liabilities position	--	--	--	--	--	--
20. Net foreign currency position asset / liabilities (9-18+19)	(5.089.063.641)	(88.406.038)	(29.196.625)	(4.769.869.238)	(97.700.042)	(35.766.026)
21. Net foreign currency asset/liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(5.089.063.641)	(88.406.038)	(29.196.625)	(4.769.869.238)	(97.700.042)	(35.766.026)
22. Fair value of derivative instruments used in foreign currency hedge	--	--	--	--	--	--

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NOTE 47 – EXPOSURE TO FINANCIAL RISKS DUE TO FINANCIAL INSTRUMENTS (CONT.)

- Foreign Currency Risk (Cont.)**

The table below shows the Group's sensitivity to a 10% increase or decrease in US Dollar and Euro exchange rates. The 10% rate is the rate used when reporting the exchange rate risk within the Company to senior managers, and the rate in question expresses the possible change that the management expects in foreign exchange rates. Sensitivity analysis only covers open foreign currency denominated monetary items at the end of the year and shows the effects of a 10% exchange rate change on these items at the end of the year. A positive value indicates an increase in profit/loss and other equity items.

	Profit/(Loss)			Equity
	The appreciation of foreign currency	The depreciation of foreign currency	The appreciation of foreign currency	The depreciation of foreign currency
30.09.2025				
In case of appreciation/depreciation of USD against TRY at 10%				
1- USD net asset/liabilities	(366.870.913)	366.870.913	(366.870.913)	366.870.913
2- Part of hedged (-)	--	--	--	--
3- USD net effect (1+2)	(366.870.913)	366.870.913	(366.870.913)	366.870.913
In case of appreciation/depreciation of EURO against TRY at 10%				
4- EUR net asset/liabilities	(142.035.451)	142.035.451	(142.035.451)	142.035.451
5- Part of hedged (-)	--	--	--	--
6- EUR USD net effect (4+5)	(142.035.451)	142.035.451	(142.035.451)	142.035.451
In case of appreciation/depreciation of other currency against TRY at 10%:				
4- Other currency net asset/liabilities	--	--	--	--
5- Part of hedged (-)	--	--	--	--
6- Other currency net effect (4+5)	--	--	--	--
TOTAL (3+6+9)	(508.906.364)	508.906.364	(508.906.364)	508.906.364

	Profit/(Loss)			Equity
	The appreciation of foreign currency	The depreciation of foreign currency	The appreciation of foreign currency	The depreciation of foreign currency
31.12.2024				
In case of appreciation/depreciation of USD against TRY at 10%				
1- USD net asset/liabilities	(344.131.790)	344.131.790	(344.131.790)	344.131.790
2- Part of hedged (-)	--	--	--	--
3- USD net effect (1+2)	(344.131.790)	344.131.790	(344.131.790)	344.131.790
In case of appreciation/depreciation of EURO against TRY at 10%				
4- EUR net asset/liabilities	(131.414.752)	131.414.752	(131.414.752)	131.414.752
5- Part of hedged (-)	--	--	--	--
6- EUR USD net effect (4+5)	(131.414.752)	131.414.752	(131.414.752)	131.414.752
In case of appreciation/depreciation of other currency against TRY at 10%:				
4- Other currency net asset/liabilities	--	--	--	--
5- Part of hedged (-)	--	--	--	--
6- Other currency net effect (4+5)	--	--	--	--
TOTAL (3+6+9)	(475.546.542)	475.546.542	(475.546.542)	475.546.542

As of 30 September 2025, based on the foreign currency position in the statement of financial position, if the Turkish Lira had appreciated/depreciated by 10% against foreign currencies and all other variables had remained constant, the net loss arising from foreign exchange gains/losses on foreign currency-denominated assets and liabilities for the period then ended would have been TRY 366.870.913 higher/lower for the USD and TRY 142.035.451 higher/lower for the EUR (31 December 2024: TRY 344.131.790 for the USD and TRY 131.414.752 for the EUR).

NOTE 47 – EXPOSURE TO FINANCIAL RISKS DUE TO FINANCIAL INSTRUMENTS (CONT.)

- Interest Rate Risk Management**

The Company's borrowing at fixed interest rates exposes the Company to interest rate risk. These risks are managed using natural methods that arise as a result of netting interest rate-dependent assets and liabilities. Interest rates of financial assets and liabilities are stated in the relevant notes. The distribution of the company's interest rate sensitive financial instruments is as follows:

	Book Value	
	30.09.2025	31.12.2024
Fixed rate instruments		
Financial assets	15.998.794	25.091.771
Financial liabilities	(5.088.589.694)	(4.883.016.533)
Variable rate instruments		
Financial assets	--	--
Financial liabilities	(140.448.703)	(362.309.098)

NOTE 48 – FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING DISCLOSURES)

- Fair value financial instruments**

Fair value is defined as the price to be obtained from the sale of an asset or to be paid in the transfer of a debt in the usual transaction between market participants on the measurement date. Estimated fair values of financial instruments have been determined by the Group using available market information and appropriate valuation methods. However, estimates are required in the interpretation of market data to determine fair value. Accordingly, the estimates presented here may not show the amounts that the Group can obtain in a current market transaction.

The following methods and assumptions are used to estimate the fair value of financial instruments:

Financial Assets

It is anticipated that the registered values of financial assets, which are shown at cost value including cash and cash equivalents, are equal to their fair values because they are short term.

It is foreseen that the registered values of trade receivables reflect the fair value together with the relevant impairment provisions.

Financial Liabilities

The fair values of short-term bank loans and other monetary instruments are expected to be close to their recorded values due to their short-term nature.

NOTE 48 – FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING DISCLOSURES) (CONT.)

- **Fair value hierarchy table**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The hierarchy table of fair value measurements as of 30 September 2025 is as follows;

	30.09.2025		
Fair Value of Financial Instruments	Level 1	Level 2	Level 3
Financial assets available for sale	13.894.043	--	2.104.751
Total	13.894.043	--	2.104.751

	31.12.2024		
Fair Value of Financial Instruments	Level 1	Level 2	Level 3
Financial assets available for sale	17.534.156	--	7.557.616
Total	17.534.156	--	7.557.616

During the period ending 30 September 2025, the Group did not make any transfers between the second level and the first level and to or from the third level.

NOTE 49 – EVENTS AFTER THE REPORTING PERIOD

None. (December 31, 2024: None.)

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NOTE 50 – EXPLANATIONS REGARDING NET MONETARY POSITION GAINS/ (LOSSES)

NON - MONETARY ITEMS	30.09.2025
A) Financial Position Statement Items	451.691.712
Inventories ¹	(90.407.405)
Prepaid Expenses (Short-Term) ²	(4.381.062)
Investments accounted for using the equity method	(5.397.147)
Right-of-use assets ³	88.633.214
Tangible and Intangible Assets ⁽³⁾	1.856.703.078
Paid-in capital	(584.495.462)
Re-measurement Gains (Losses) on Defined Benefit Plans	4.012.615
Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	(3.652.260)
Premiums/Discounts on Shares	(8.384.311)
Restricted Reserves Allocated from Profit	(815.259.272)
Profits/Losses from Previous Years	14.319.724
B) Items of The Income Statement	21.096.835
Revenue	(352.578.059)
Cost of Sales	248.318.513
Operating Expenses	108.627.919
Finance Income / Expenses	16.728.462
NET MONETARY POSITION GAINS (LOSSES) (A+B)	472.788.547

1) The effect of net monetary position gains/losses related to inventories includes part of the amount related to the cost of sales. Since the amount related to the cost of sales is not separated, it is presented together.

2) The effect of net monetary position gains/losses related to prepaid expenses includes part of the amount related to general administrative expenses. Since the amount related to general administrative expenses is not separated, it is presented together.

3) The effect of net monetary position gains/losses related to property, plant, and equipment includes part of the amount related to general administrative expenses. Since the amount related to general administrative expenses is not separated, it is presented together.

NOTE 51 – OTHER MATTERS THAT MAY HAVE A MATERIAL EFFECT ON, OR PREVENT THE CLEAR UNDERSTANDING OF THE FINANCIAL STATEMENTS

None.

NOTE 52 – FIRST TIME ADOPTION OF TURKISH FINANCIAL REPORTING STANDARDS

None. (December 31, 2024: None.)

NOTE 53 – DISCLOSURES OF STATEMENT OF CASH FLOW

The details of the Company's cash and cash equivalents are as follows:

	30.09.2025	31.12.2024
Cash	59	--
Cash Banks	290.397.639	75.361.256
- Demand deposit	167.673.605	66.209.231
- Time deposit	122.724.034	9.152.025
Total	290.397.698	75.361.256

There are no blockages on the group's bank deposits. (December 31, 2024: No restrictions are placed on bank deposits.)
 Explanations regarding the nature and level of risks in cash and cash equivalents are disclosed in Note 48.

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NOTE 53 – DISCLOSURES OF STATEMENT OF CASH FLOW (CONT.)

The maturity breakdown of cash and cash equivalents is as follows:

	30.09.2025	31.12.2024
1-90 days	122.724.034	9.152.025
Cash and cash equivalents	122.724.034	9.152.025

NOTE 54 – DISCLOSURES OF CHANGES IN EQUITY

The effects of the changes in accounting policies explained in Note 2 and the accumulated other comprehensive income/expenses that will not be reclassified as profit or loss shown in the accumulated profit/loss account and other comprehensive income are shown in the statement of changes in equity.
