

**VESTEL ELEKTRONİK SANAYİ VE TİCARET
ANONİM ŞİRKETİ**

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD
1 JANUARY – 31 MARCH 2023**

(ORIGINALLY ISSUED IN TURKISH)

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY – 31 MARCH 2023

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY – 31 MARCH 2023

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VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS AS OF
31 MARCH 2023 AND 31 DECEMBER 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

		Unaudited	Audited
		31 March	31 December
	Footnotes	2023	2022
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	5	1.265.983	1.552.411
Financial Investments		170	40.153
Time Deposits		170	40.153
Trade Receivables		11.235.108	10.973.910
Trade Receivables Due from Related Parties	8	48.627	40.856
Trade Receivables Due from Third Parties	9	11.186.481	10.933.054
Other Receivables		2.467.248	2.520.423
Other Receivables Due from Related Parties	8	1.555.795	1.352.246
Other Receivables Due from Third Parties	10	911.453	1.168.177
Derivative Financial Assets		108.531	107.224
Derivative Financial Assets Held for Trading	29	91.888	97.790
Derivative Financial Assets Held for Hedging	29	16.643	9.434
Inventories	11	13.658.377	12.753.074
Prepayments		765.108	798.224
Prepayments to Related Parties	8	321.311	198.203
Prepayments to Third Parties	12	443.797	600.021
Current Tax Assets	27	56.767	34.222
Other Current Assets		479.352	157.298
Other Current Assets Due from Third Parties	20	479.352	157.298
TOTAL CURRENT ASSETS		30.036.644	28.936.939

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS AS OF
31 MARCH 2023 AND 31 DECEMBER 2022

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		Unaudited	Audited
		31 March	31 December
	Footnotes	2023	2022
NON-CURRENT ASSETS			
Financial Investments	6	99.284	126.884
Investments in subsidiaries, joint ventures and associates	13	1.874.325	1.970.620
Trade Receivables		421	67
Trade Receivables Due from Third Parties	9	421	67
Other Receivables		17.108.125	16.451.742
Other Receivables Due from Related Parties	8	17.076.112	16.418.157
Other Receivables Due from Third Parties	10	32.013	33.585
Property, Plant and Equipments		12.775.428	12.530.713
Land	14	3.193.519	3.194.525
Land Improvements	14	255.008	259.345
Buildings	14	4.847.948	4.894.959
Machinery and Equipments	14	2.523.954	2.386.387
Vehicles	14	2.342	2.591
Fixtures and Fittings	14	324.396	280.937
Leasehold Improvements	14	65.707	56.661
Construction in Progress	14	1.562.554	1.455.308
Right of Use Assets	15	496.189	464.990
Intangible Assets and Goodwill		1.740.152	1.570.349
Goodwill		196.568	196.568
Other Rights	16	20.826	21.748
Capitalized Development Costs	16	1.347.719	1.191.783
Other Intangible Assets	16	175.039	160.250
Prepayments		334.178	388.793
Prepayments to Third Parties	12	334.178	388.793
Deferred Tax Asset	27	951.698	431.877
TOTAL NON-CURRENT ASSETS		35.379.800	33.936.035
TOTAL ASSETS		65.416.444	62.872.974

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VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS AS OF
31 MARCH 2023 AND 31 DECEMBER 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

		Unaudited	Audited
		31 March	31 December
	Footnotes	2023	2022
LIABILITIES			
CURRENT LIABILITIES			
Current Borrowings		19.499.282	18.947.562
Current Borrowings from Related Parties		7.596	10.676
Lease Liabilities	7,8	7.596	10.676
Current Borrowings from Third Parties		19.491.686	18.936.886
Bank Loans	7	17.945.921	17.668.289
Lease Liabilities	7	161.212	129.393
Issued debt instruments	7	1.384.553	1.139.204
Current Portion of Non-current Borrowings		1.763.006	1.396.941
Current Portion of Non-current Borrowings from			
Third Parties		1.763.006	1.396.941
Bank Loans	7	1.763.006	1.396.941
Trade Payables		22.312.268	21.581.477
Trade Payables to Related Parties	8	52.634	44.064
Trade Payables to Third Parties	9	22.259.634	21.537.413
Employee Benefit Obligations	19	804.865	453.969
Other Payables		5.934	2.791
Other Payables to Third Parties		5.934	2.791
Derivative Financial Liabilities		528.312	595.569
Derivative Financial Liabilities Held for Trading	29	275.843	216.967
Derivative Financial Liabilities Held for Hedging	29	252.469	378.602
Deferred Revenue		1.063.339	1.252.820
Deferred Revenue from Related Parties		142.256	-
Deferred Revenue from Third Parties		921.083	1.252.820
Current Tax Liabilities	27	177.337	-
Current Provisions		1.536.296	1.560.005
Other Current Provisions	17	1.536.296	1.560.005
Other Current Liabilities		1.253.401	1.217.997
Other Current Liabilities to Third Parties	20	1.253.401	1.217.997
TOTAL CURRENT LIABILITIES		48.944.040	47.009.131

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VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS AS OF
31 MARCH 2023 AND 31 DECEMBER 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

		Unaudited	Audited
		31 March	31 December
	Footnotes	2023	2022
NON-CURRENT LIABILITIES			
Long Term Borrowings		1.436.013	1.091.203
Long Term Borrowings from Third Parties		1.436.013	1.091.203
Bank Loans	7	1.063.195	693.877
Lease Liabilities	7	372.818	397.326
Trade Payables		173.129	182.877
Trade Payables to Third Parties	9	173.129	182.877
Non-current Provisions		1.360.634	1.391.686
Non-current Provisions for Employee Benefits	19	1.233.739	1.240.006
Other Non-current Provisions	17	126.895	151.680
Other Non-current Liabilities		6.472	3.879
Other Non-current Liabilities to Third Parties		6.472	3.879
TOTAL NON-CURRENT LIABILITIES		2.976.248	2.669.645
TOTAL LIABILITIES		51.920.288	49.678.776

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VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS AS OF
31 MARCH 2023 AND 31 DECEMBER 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

		Unaudited 31 March 2023	Audited 31 December 2022
	Footnotes		
EQUITY			
Equity Attributable to Owners of Parent		12.162.665	11.969.144
Issued Capital	21	335.456	335.456
Inflation Adjustments on Capital		688.315	688.315
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		5.054.121	4.925.563
Gains (Losses) on Revaluation and Remeasurement		5.054.121	4.925.563
Increases (Decreases) on Revaluation of Property, Plant and Equipment	21	5.790.923	5.646.358
Gains (Losses) on Remeasurements of Defined Benefit Plans		(736.802)	(720.795)
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		1.649.756	1.554.516
Exchange Differences on Translation		1.659.540	1.633.856
Gains (Losses) on Hedge		(37.731)	(129.367)
Gains (Losses) on Cash Flow Hedges		(37.731)	(129.367)
Gains (Losses) on Revaluation and Reclassification		27.947	50.027
Gains (Losses) on Remeasuring Financial Assets Measured of Fair Value through Other Comprehensive Income	21	27.947	50.027
Restricted Reserves Appropriated from Profits		261.116	261.116
Legal Reserves	21	261.116	261.116
Prior Years' Profits or Losses	21	4.237.628	3.347.431
Current Period Net Profit Or Loss		(63.727)	856.747
Non-controlling Interests		1.333.491	1.225.054
TOTAL EQUITY		13.496.156	13.194.198
TOTAL LIABILITIES AND EQUITY		65.416.444	62.872.974

Consolidated financial statements for the period 1 January – 31 March 2023, were approved by the Board of Directors of Vestel Elektronik Sanayi ve Ticaret A.Ş. on 10 May 2023.

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE INTERIM PERIODS
1 JANUARY - 31 MARCH 2023 AND 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

		Unaudited 1 January - 31 March 2023	Unaudited 1 January - 31 March 2022
	Footnotes		
PROFIT OR LOSS			
Revenue	22	16.915.099	11.740.874
Cost of Sales	22	(13.316.539)	(8.952.612)
GROSS PROFIT		3.598.560	2.788.262
General Administrative Expenses	24	(545.709)	(278.040)
Marketing Expenses	24	(2.016.135)	(1.207.507)
Research and Development Expense	24	(260.600)	(144.406)
Other Income from Operating Activities	25	424.206	526.929
Other Expenses from Operating Activities	25	(933.876)	(1.746.102)
PROFIT/ (LOSS) FROM OPERATING ACTIVITIES		266.446	(60.864)
Share of Profit (Loss) from Investments Accounted for Using Equity Method		(71.933)	(15.408)
PROFIT/ (LOSS) BEFORE FINANCING INCOME		194.513	(76.272)
Finance Income	26	1.262.996	2.253.441
Finance Costs	26	(1.625.513)	(1.704.044)
PROFIT/ (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		(168.004)	473.125
Tax (Expense) Income, Continuing Operations		201.176	119.479
Current Period Tax (Expense) Income	27	(171.341)	(11.248)
Deferred Tax (Expense) Income	27	372.517	130.727
PROFIT FROM CONTINUING OPERATIONS		33.172	592.604
PROFIT FOR THE PERIOD		33.172	592.604
Profit (loss), attributable to			
Non-controlling Interests		96.899	120.447
Owners of Parent		(63.727)	472.157
Earnings per 100 share with a Kr 1 of Par Value (TL)	28	(0,19)	1,41

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CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE INTERIM PERIODS
1 JANUARY - 31 MARCH 2023 AND 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

	Unaudited 1 January - 31 March 2023	Unaudited 1 January - 31 March 2022
OTHER COMPREHENSIVE INCOME		
Other Comprehensive Income that will not be Reclassified to Profit or Loss	156.169	(37.594)
Gains (Losses) on Remeasurements of Defined Benefit Plans	(27.308)	(46.992)
Taxes Relating to Components of Other Comprehensive Income	183.477	9.398
Taxes Relating to Remeasurements of Defined Benefit Plans	5.462	9.398
Taxes Relating to Components of Other Comprehensive Income that will not be Reclassified to Profit or Loss	178.015	-
Other Comprehensive Income that will	112.617	300.474
Exchange Differences on Translation	25.684	279.617
Gains (Losses) on Exchange Differences on Translation	25.684	279.617
Gains (Losses) on Remeasuring or		
Reclassification Adjustments on Available-for-sale Financial Assets	(27.600)	(1.899)
Gains (Losses) on Remeasuring or Reclassification Adjustments on Available-for-sale Financial Assets	(27.600)	(1.899)
Other Comprehensive Income (Loss) Related with Cash Flow Hedges	136.266	28.986
Gains (Losses) on Cash Flow Hedges	136.266	28.986
Taxes Relating to Components of Other Comprehensive Income	(21.733)	(6.230)
Deferred Tax (Expense) Income	(21.733)	(6.230)
Taxes Relating to Gains (Losses) on Remeasuring or Reclassification Adjustments on Available-for-sale Financial Assets	5.520	437
Taxes Relating to Cash Flow Hedges	(27.253)	(6.667)
OTHER COMPREHENSIVE INCOME (LOSS)	268.786	262.880
TOTAL COMPREHENSIVE INCOME (LOSS)	301.958	855.484
Total Comprehensive Income Attributable to		
Non-controlling Interests	108.437	122.714
Owners of Parent	193.521	732.770

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE INTERIM PERIODS
1 JANUARY – 31 MARCH 2023 AND 2022
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

	Issued Capital	Inflation Adjustments on Capital	Increases (Decreases) on Revaluation of Property, Plant and Equipment	Gains (Losses) on Remeasur-ments of Defined Benefit Plans	Gains (Losses) Revaluations and Remeasurements	Other Accumulated Comprehensive Income That Will Not Be Reclassified In Profit Or Loss	Exchange Differences on Translation	Cash Flow Hedges	Reserve Of Gains or Losses on Hedge	Gains (Losses) on Remeasur-ing and/or Reclassificati-on of Financial Assets Measured of Fair Value through Other Comprehensive Income	Gains (Losses) on Revaluation and Reclassification	Other Accumulated Comprehensive Income That Will Be Reclassified In Profit Or Loss	Restricted Reserves Appropriated From Profits	Prior Years' Profits or Losses	Net Profit or Loss	Retained Earnings	Equity attribut-able to owners of parent	Non-controll-ing interests	Equity
Previous Period																			
1 January -31 March 2022																			
Beginning of Period	335.456	688.315	3.985.651	(160.070)	3.825.581	3.825.581	1.159.315	132.935	132.935	6.988	6.988	1.299.238	265.489	1.132.296	1.895.487	3.027.783	9.441.862	869.799	10.311.661
Transfers	-	-	(18.754)	-	(18.754)	(18.754)	-	-	-	-	-	-	(6.381)	1.920.622	(1.895.487)	25.135	-	-	-
Total Comprehensive																			
Income (Loss)	-	-	-	(37.594)	(37.594)	(37.594)	279.617	22.319	22.319	(1.462)	(1.462)	300.474	-	-	472.157	472.157	735.037	122.714	857.751
Profit (Loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	472.157	472.157	472.157	120.447	592.604
Other Comprehensive																			
Income (Loss)	-	-	-	(37.594)	(37.594)	(37.594)	279.617	22.319	22.319	(1.462)	(1.462)	300.474	-	-	-	-	262.880	2.267	265.147
Increase (Decrease) Due to																			
Other Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.346	9.346
End of Period	335.456	688.315	3.966.897	(197.664)	3.769.233	3.769.233	1.438.932	155.254	155.254	5.526	5.526	1.599.712	259.108	3.052.918	472.157	3.525.075	10.176.899	1.001.859	11.178.758
Current Period																			
1 January -31 March 2023																			
Opening Balance	335.456	688.315	5.646.358	(720.795)	4.925.563	4.925.563	1.633.856	(129.367)	(129.367)	50.027	50.027	1.554.516	261.116	3.347.431	856.747	4.204.178	11.969.144	1.225.054	13.194.198
Transfers	-	-	(33.450)	-	(33.450)	(33.450)	-	-	-	-	-	-	-	890.197	(856.747)	33.450	-	-	-
Total Comprehensive																			
Income (Loss)	-	-	178.015	(16.007)	162.008	162.008	25.684	91.636	91.636	(22.080)	(22.080)	95.240	-	-	(63.727)	(63.727)	193.521	108.437	301.958
Profit (Loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(63.727)	(63.727)	(63.727)	96.899	33.172
Other Comprehensive																			
Income (Loss)	-	-	178.015	(16.007)	162.008	162.008	25.684	91.636	91.636	(22.080)	(22.080)	95.240	-	-	-	-	257.248	11.538	268.786
Closing Balance	335.456	688.315	5.790.923	(736.802)	5.054.121	5.054.121	1.659.540	(37.731)	(37.731)	27.947	27.947	1.649.756	261.116	4.237.628	(63.727)	4.173.901	12.162.665	1.333.491	13.496.156

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VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE INTERIM PERIODS
1 JANUARY – 31 MARCH 2023 AND 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

	Footnotes	Unaudited 1 January - 31 March 2023	Unaudited 1 January - 31 March 2022
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		236.498	(69.520)
Profit for The Period		33.172	592.604
Profit (Loss) from Continuing Operations		33.172	592.604
Adjustments to Reconcile Profit		706.158	(480.827)
Adjustments for Depreciation and Amortisation Expense	14,15,16	377.623	332.682
Adjustments for Impairment Loss (Reversal of Impairment Loss)		(11.250)	(1.722)
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Receivables	9	(38.723)	1.827
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Inventories	11	27.473	(3.549)
Adjustments for Provisions		174.368	7.004
Adjustments for (Reversal of) Provisions Related with Employee Benefits	19	222.862	(31.642)
Adjustments for (Reversal of) Lawsuit and/or Penalty Provisions	17	768	2.741
Adjustments for (Reversal of) Warranty Provisions	17	(20.536)	69.089
Adjustments for (Reversal of) Other Provisions	17	(28.726)	(33.184)
Adjustments for Interest (Income) Expenses		320.081	80.720
Adjustments for Interest Income	26	(432.067)	(298.644)
Adjustments for Interest Expense	26	752.148	379.364
Adjustments for Unrealised Foreign Exchange Losses (Gains)		(41.675)	(461.869)
Adjustments for Fair Value Losses (Gains)		23.072	(332.627)
Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments		23.072	(332.627)
Adjustments for Undistributed Profits of Investments Accounted for Using Equity Method		71.933	15.408
Adjustments for Tax (Income) Expenses	27	(201.176)	(119.479)
Adjustments for Losses (Gains) on Disposal of Non-Current Assets		(6.818)	(917)
Adjustments for Losses (Gains) Arised from Sale of Tangible Assets		(6.818)	(917)
Other Adjustments to Reconcile Profit (Loss)	5	-	(27)

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE INTERIM PERIODS
1 JANUARY – 31 MARCH 2023 AND 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

	Footnotes	Unaudited 1 January - 31 March 2023	Unaudited 1 January - 31 March 2022
Changes in Working Capital		(444.205)	(149.596)
Decrease (Increase) in Financial Investments		39.983	(1.899)
Adjustments for Decrease (Increase) in Trade Accounts		(223.182)	(118.361)
Decrease (Increase) in Trade Accounts Receivables from Related Parties		(7.771)	(39.590)
Decrease (Increase) in Trade Accounts Receivables from Third Parties		(215.411)	(78.771)
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		258.296	(138.124)
Decrease (Increase) in Other Third Party Receivables Related with Operations		258.296	(138.124)
Adjustments for Decrease (Increase) in Inventories		(933.607)	(2.922.354)
Decrease (Increase) in Prepaid Expenses		27.120	(198.601)
Adjustments for Increase (Decrease) in Trade Accounts Payable		721.043	3.088.018
Increase (Decrease) in Trade Accounts Payables to Related Parties		8.570	(55.788)
Increase (Decrease) in Trade Accounts Payables to Third Parties		712.473	3.143.806
Increase (Decrease) in Employee Benefit Liabilities		136.537	38.688
Adjustments for Increase (Decrease) in Other Operating Payables		3.143	524
Increase (Decrease) in Other Operating Payables to Third Parties		3.143	524
Increase (Decrease) in Deferred Revenue		(189.481)	-
Other Adjustments for Other Increase (Decrease) in Working Capital		(284.057)	102.513
Decrease (Increase) in Other Assets Related with Operations		(322.054)	(206.831)
Increase (Decrease) in Other Payables Related with Operations		37.997	309.344
Cash Flows from (used in) Operations		295.125	(37.819)
Payments Related with Provisions for Employee Benefits		(42.078)	(8.561)
Income Taxes Refund (Paid)	27	(16.549)	(23.140)

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE INTERIM PERIODS
1 JANUARY – 31 MARCH 2023 AND 2022

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

		Unaudited 1 January - 31 March 2023	Unaudited 1 January - 31 March 2022
	Footnotes		
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		(1.247.495)	(1.521.197)
Proceeds from Sales of Property, Plant, Equipment and Intangible Assets		15.753	21.832
Proceeds from Sales of Property, Plant and Equipment		15.753	21.832
Purchase of Property, Plant, Equipment and Intangible Assets		(771.198)	(572.746)
Purchase of Property, Plant and Equipment	14	(524.942)	(409.705)
Purchase of Intangible Assets	16	(246.256)	(163.041)
Cash Advances and Loans		(492.050)	(970.283)
Cash Advances and Loans Made to Related Parties		(546.665)	(977.748)
Other Cash Advances and Loans		54.615	7.465
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		662.787	1.146.064
Proceeds from Borrowings		5.216.016	6.884.423
Proceeds from Loans	7	4.816.016	6.613.993
Proceeds from Issued Bonds	7	400.000	270.430
Repayments of Borrowings		(4.500.710)	(5.661.558)
Loan Repayments	7	(4.286.710)	(5.261.558)
Issued Bonds Repayments	7	(214.000)	(400.000)
Payments of Lease Liabilities		(63.573)	8.051
Interest Paid		(421.013)	(383.496)
Interest Received		432.067	298.644
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		(348.210)	(444.653)
Effect of Exchange Rate Changes on Cash and Cash Equivalents		61.782	46.727
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(286.428)	(397.926)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	1.552.389	2.089.121
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	1.265.961	1.691.195

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY – 31 MARCH 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 1 – GROUP'S ORGANISATION AND NATURE OF OPERATIONS

Vestel Elektronik Sanayi ve Ticaret Anonim Şirketi ("Vestel Elektronik" or "the Company") and its subsidiaries (together "the Group"), mainly produce and sell a range of brown goods and white goods.

The Company's head office is located at Levent 199, Büyükdere Caddesi No: 199, 34394 Şişli / İstanbul. The Group's production facilities are located in Manisa Organized Industrial Zone, İzmir Aegean Free Zone and Russia.

The ultimate controller of the Company is Zorlu Holding.

Vestel Elektronik is registered to Capital Market Board ("CMB") and its shares have been quoted to Borsa İstanbul ("BİST") since 1990. As of 31 March 2023, 39,05 % of the Group's shares are publicly traded (31 December 2022: 39,05%).

As of 31 March 2023 the number of personnel employed at Group is 19.945 (31 December 2022: 20.438).

The Company's subsidiaries and associates are as follows:

Subsidiaries	Country	Nature of operations
Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş.	Turkey	Production
Vestel Komünikasyon Sanayi ve Ticaret A.Ş.	Turkey	Production
Vestel Ticaret A.Ş.	Turkey	Sales
Vestel CIS Ltd.	Russia	Sales
Vestel Electronica SRL	Romania	Sales
Vestel Iberia SL	Spain	Sales
Vestel France SA	France	Sales
Vestel Holland BV	Holland	Sales
Vestel Holland B.V. Germany Branch Office	Germany	Sales
Cabot Communications Ltd.	UK	Software
Vestel UK Ltd.	UK	Sales
Vestel Holland B.V. UK Branch Office	UK	Sales
Vestek Elektronik Araştırma Geliştirme A.Ş.	Turkey	Software
Vestel Trade Ltd.	Russia	Sales
Vestel Electronics Shanghai Trading Co. Ltd	China	Service
Intertechnika LLC	Russia	Service
Vestel Central Asia LLP	Kazakhstan	Sales
Vestel Ventures Ar-ge A.Ş.	Turkey	Service
Vestel Holland B.V. Poland Branch Office	Polonya	Sales
Vestel Electronics Gulf DMC	UAE	Sales
Vestel U.S.A.	United States	Sales

Investments accounted for using equity method	Country	Nature of operations
Lentatek Uzay Havacılık ve Teknoloji A.Ş.	Turkey	Production/ Sales
Aydın Yazılım Elektronik ve Sanayi A.Ş.	Turkey	Software
Meta Nikel Kobalt Madencilik San. ve Tic. A.Ş	Turkey	Mining
Türkiye'nin Otomobili Girişim Grubu Sanayi ve Ticaret A.Ş	Turkey	Automotive

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY – 31 MARCH 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Statement of compliance

The accompanying consolidated financial statements are prepared in accordance with the Communiqué Serial II, No: 14.1, "Principals of Financial Reporting in Capital Markets" published in the Official Gazette numbered 28676 on 13 June 2013. According to the article 5 of the Communiqué, consolidated financial statements are prepared in accordance with Turkish Accounting Standards ("TAS") and its addendum and interpretations ("TFRS Interpretations") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA") Turkish Accounting Standards Board.

The Group and its subsidiaries operating in Turkey maintains its accounting records and prepares its statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), tax legislation and the uniform chart of accounts issued by the Ministry of Finance. The consolidated financial statements, except for land, buildings and land improvements and the financial assets and liabilities presented with their fair values, are maintained under historical cost conversion in TL.

The Group prepared its condensed interim financial statements for the period ended 31 March 2023 in accordance with ("TAS") 34 "Interim Financial Reporting" in the framework of the Communiqué Serial II, No: 14.1, and its related announcement. The condensed interim financial statements and its accompanying notes are presented in compliance with the format recommended by CMB including its mandatory information.

In compliance with the TAS 34, entities have preference in presenting their interim financial statements whether full set or condensed. In this framework, the Company preferred to present its condensed financial statements.

The Company's condensed interim financial statements do not include all disclosure and notes that should be included at year-end financial statements. Therefore the condensed interim financial statements should be read in conjunction with the financial statements as at 31 December 2022.

Consolidated subsidiaries operating in foreign countries have prepared their financial statements in accordance with the laws and regulations of the countries in which they operate with the required adjustments and reclassifications reflected in accordance with CMB Financial Reporting Standards. These financial statements are based on the statutory records which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the TFRS.

With the decision taken on 17 March 2005, the CMB announced that, effective from 1 January 2005, the application of inflation accounting is no longer required for the companies operating in Turkey and preparing their financial statements in accordance with CMB Financial Reporting Standards. Accordingly, TAS 29, "Financial Reporting in Hyperinflationary Economies" issued by the IASB, has not been applied in the financial statements for the accounting year commencing from 1 January 2005.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY – 31 MARCH 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2.1.1 Statement of compliance (Cont'd)

In accordance with the announcement of POA on 20 January 2022, companies that apply TFRS should not adjust financial statements for TAS 29 for the year ended 31 December 2022. As of the preparation date of the financial statements, POA did not make an additional announcement and no adjustment was made to the financial statements for 31 March 2023 in accordance with TAS 29.

2.1.2 Currency used

i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are prepared and presented in Turkish Lira ("TL"), which is the functional currency of the parent company.

ii) Transactions and balances

Transactions in foreign currencies have been translated into functional currency at the exchange rates prevailing at the date of the transaction. Exchange gains or losses arising from the settlement and translation of monetary assets and liabilities denominated in foreign currency at the exchange rates prevailing at the balance sheet dates are included in consolidated comprehensive income, except for the effective portion of foreign currency hedge of cash flow and net investment which are included under shareholders' equity.

iii) Translation of financial statements of subsidiaries operating in foreign countries

Assets and liabilities of subsidiaries operating in foreign countries are translated into TL at the exchange rates prevailing at the balance sheet dates. Comprehensive income items of those subsidiaries are translated into TL using average exchange rates for the period (if the average exchange rates for the period do not reasonably reflect the exchange rate fluctuations, transactions are translated using the exchange rates prevailing at the date of the transaction).

Exchange differences arising from using average and balance sheet date rates are included in "currency translation differences" under the shareholders' equity.

2.1.3 Basis of consolidation

The consolidated financial statements include the accounts of the Company, and its subsidiaries from the date on which the control is transferred to the Group until the date that the control ceases. The financial statements of the companies included in the scope of consolidation have been prepared as of the date of the consolidated financial statements and have been prepared in accordance with CMB Financial Reporting Standards by applying uniform accounting policies and presentation.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY – 31 MARCH 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2.1.3 Basis of consolidation (Cont'd)

a) Subsidiaries

The Group has power over an entity when it has existing rights that give it the current ability to direct the relevant activities, i.e. the activities that significantly affect the entity's returns. On the other hand, the Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In order to be consistent with accounting policies accepted by the Group, accounting policies of the subsidiaries are modified where necessary.

The balance sheet and statement of income of the subsidiaries are consolidated on a line-by-line basis and all material intercompany payable /receivable balances and sales / purchase transactions are eliminated. The carrying value of the investment held by Vestel Elektronik and its subsidiaries is eliminated against the related shareholders' equity.

The non-controlling share in the net assets and results of subsidiaries for the period are separately classified as "non-controlling interest" in the consolidated statements of comprehensive income and the consolidated statements of changes in shareholders' equity.

As of the balance sheet date, consolidated companies and the proportion of ownership interest of Vestel Elektronik in these subsidiaries are disclosed in note 3.

Financial assets in which the Group has direct or indirect voting rights equal to or above 50% which are immaterial to the Group financial results or over which a significant influence is not exercised by the Group are carried at cost less any provisions for impairment.

b) Investments in associates

Investments in associates are accounted for by the equity method and are initially recognized at cost. These are entities in which the Group has an interest which is more than 20% and less than 50% of the voting rights or over which a significant influence is exercised. Unrealized gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associates, whereas unrealized losses are eliminated unless they do not address any impairment of the asset transferred. Net increase or decrease in the net asset of associates is included in the consolidated statements of comprehensive income in regards with the Group's share.

The Group ceases to account the associate using the equity method if it loses the significant influence or the net investment in the associate becomes nil, unless it has entered to a liability or a commitment. After the Group's interest in the associates becomes nil, additional losses are provided for, and a liability recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes including its share of those profits only after its share of the profits equals the share of net losses not recognized.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY – 31 MARCH 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

b) Investments in associates (Cont'd)

Since Lentatek Uzay Havacılık ve Teknoloji A.Ş. has net liability position and Aydın Yazılım has no material net asset position as of 31 March 2023, carrying value of those investment in associates accounted for by equity method is resulted as nil in the consolidated balance sheets.

The Group's voting rights and effective ownership rates in Lentatek Uzay Havacılık ve Teknoloji A.Ş. and Aydın Yazılım are 35% and 21% respectively (31 December 2022: 35%, 21%).

The carrying amounts of the investments accounted for using the equity method are reviewed whether there is any indication of impairment at each reporting date. If such an indicator exists, the recoverable amount of the asset is estimated.

The recoverable amount of the investments accounted for using the equity method refers to the higher of value-in-use or fair value less cost to sell. Value-in-use is the present value of future cash flows expected to be generated from an asset or cash generating unit.

If the carrying amount of the investments accounted for using the equity method exceeds the recoverable amount, the impairment is accounted for. Impairments are recognized in profit and loss accounts. Impairments are recorded in the statement of profit or loss and other comprehensive income.

In investments accounted for using the equity method, impairments allocated in previous periods are re-evaluated in each reporting period in the event that impairment decreases or there are indicators that impairment is not valid. Impairment is reversed in case of changes in the estimates used when determining recoverable amount. The increase in the carrying amount of the investments due to the reversal of the impairment loss is accounted in such a way that it does not exceed the carrying amount determined if the impairment loss has not been included in the consolidated financial statements in the previous years.

2.2 Comparatives

Consolidated financial statements of the Group have been prepared comparatively with the preceding financial period, in order to enable determination of trends in financial position and performance. Comparative figures are reclassified, where necessary, to conform to changes in presentation in the consolidated financial statements.

2.3 Restatement and errors in the accounting estimates

Major changes in accounting policies are applied retrospectively and any major accounting errors that have been detected are corrected and the financial statements of the previous period are restated. Changes in accounting policies resulting from the initial implementation of a new standard, if any, are implemented retrospectively or prospectively in accordance with the transition provisions. If the changes in accounting estimates only apply to one period, then they are applied in the current period in which the change occurred; if the changes also apply to future periods, they are applied in both the period of change and in the future periods, prospectively.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY – 31 MARCH 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.4 Amendments in International Financial Reporting Standards

Standards, amendments, and interpretations applicable as of 31 March 2023

- **Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8;** effective from annual periods beginning on or after 1 January 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.
- **Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction;** effective from annual periods beginning on or after 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.

Standards, amendments, and interpretations that are issued but not effective as of 31 March 2023

- **Amendment to IAS 1 – Non current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.
- **Amendment to IFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

2.5 Going Concern

The Group prepared consolidated financial statements in accordance with the going concern assumption.

2.6 Summary of significant accounting policies

The condensed interim financial statements for the period ended 31 March 2023 have been prepared in accordance with TAS 34. The accounting policies used in the preparation of the condensed interim financial statements for the period ended 31 March 2023 are consistent with those used in the preparation of annual financial statements for the year ended December 31, 2022. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2022.

2.7 Critical accounting estimates and judgments

Preparation of consolidated financial statements requires the use of estimates and assumptions that may affect the amount of assets and liabilities recognized as of the balance sheet date, disclosures of contingent assets and liabilities and the amount of revenue and expenses reported. Although these estimates and assumptions rely on the Group management's best knowledge about current events and transactions, actual outcomes may differ from those estimates and assumptions.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY – 31 MARCH 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2.7 Critical accounting estimates and judgments (Cont'd)

Significant estimates of the Group management are as follows:

i. Revaluation of land, buildings and land improvements:

Revaluations are performed with the sufficient regularity to ensure that the carrying amounts of the revalued property, plant and equipment do not differ materially from that which would be determined using fair value at the end of the reporting periods. The frequency of the revaluation depends upon the changes in the fair values of the items of property, plant and equipment. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required, and revaluation is performed for entire class of revalued item simultaneously. Besides, for items of property, plant and equipment with only insignificant changes in fair value frequent revaluations and fair value measurements are considered unnecessary. In this context, as a result of the evaluations made by the Company management, it is assumed that the fair values of the lands, buildings and land improvements determined in the valuation studies carried out as of 31 December 2022 will converge to their relevant fair values as of 31 March 2023, after deducting the current period depreciation.

The details of the methods and assumptions used within the scope of the valuation studies are as follows.

- Revaluations of land were based on the method of reference comparison whereas revaluations of buildings and land improvements were based on the method of cost approach, considering existing utilization of the aforementioned property, plant and equipments are consistent to the highest and best use approach.
- In the market reference comparison method, current market information was utilized, taking into consideration the comparable property in the market in recent past in the region, price adjustment was made within the framework of criteria that could affect market conditions, and accordingly an average m2 sale value was determined for the lands subject to the valuation. The similar pieces of land found were compared in terms of location, size, settlement status, physical conditions, real estate marketing firms were consulted for up-to-date valuation of the estate market, also, current information and experience of the professional valuation company was utilized.
- In the cost approach method, fair value of the buildings and land improvements was calculated by considering depreciation on the re-construction costs. In the cost approach method, above explained market reference comparison method was used in calculation of the land value, one of the components.

The carrying values of land, land improvements and buildings do not necessarily reflect the amounts that would result from the outcome of a sales transaction between independent parties.

As of initial recognition and as of balance sheet date, the Group performs impairment assessment for buildings and land improvements of which valuations are based on cost approach, accordance with the TAS 36 "Impairment of Assets", and no impairment indicator is identified.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY – 31 MARCH 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 3 – INTERESTS IN OTHER ENTITIES

Subsidiaries:

As of 31 March 2023 and 31 December 2022 the Group's major subsidiaries are as follows:

Consolidated subsidiaries	31 March 2023		31 December 2022	
	Voting rights	Effective ownership	Voting rights	Effective ownership
Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş.	80,66	80,66	80,66	80,66
Vestel Komünikasyon Sanayi ve Ticaret A.Ş.	100	100	100	100
Vestel Ticaret A.Ş.	100	100	100	100
Vestel CIS Ltd.	100	100	100	100
Vestel Iberia SL	100	100	100	100
Vestel France SA	100	100	100	100
Vestel Holland B.V.	100	100	100	100
Vestel Holland B.V. Germany Branch Office (*)	100	100	100	100
Cabot Communications Ltd.	90,80	90,80	90,80	90,80
Vestel UK Ltd.	100	100	100	100
Vestel Holland B.V. UK Branch Office	100	100	100	100
Vestek Elektronik Araştırma Geliştirme A.Ş.	100	100	100	100
Vestel Trade Ltd.	100	100	100	100
Intertechnika LLC	99,90	99,90	99,90	99,90
Vestel Central Asia LLP	100	100	100	100
Vestel Holland B.V. Poland Branch Office (**)	100	100	100	100
Vestel Electronics Gulf DMC	100	100	100	100
Vestel Electronics Shanghai Trading Co. Ltd.	100	100	100	100
Vestel Electronica SRL	100	100	100	100
Vestel USA	100	100	100	100

(*) Within the scope of the restructuring of sales and marketing companies abroad, Vestel Germany GmbH, which is based in Germany and wholly owned by Vestel Ticaret AŞ (Vestel Ticaret), a fully owned subsidiary of Vestel Elektronik Sanayi ve Ticaret AŞ (Vestel Elektronik), has been merged into Vestel Holland B.V., another wholly owned subsidiary of Vestel Ticaret. With the merger, all assets, liabilities and operations of Vestel Germany GmbH have been transferred to Vestel Holland B.V. Germany Branch Office, which is established in Germany by Vestel Holland B.V. The merger took place as of 31 December 2022.

(**) Within the scope of the restructuring of sales and marketing companies abroad, Vestel Poland sp. z.o.o., which is based in Poland and wholly owned by Vestel Ticaret AŞ (Vestel Ticaret), a fully owned subsidiary of Vestel Elektronik Sanayi ve Ticaret AŞ (Vestel Elektronik), has been merged into Vestel Holland B.V., another wholly owned subsidiary of Vestel Ticaret. With the merger, all assets, liabilities and operations of Vestel Poland sp. z.o.o. have been transferred to Vestel Holland B.V. Poland Branch Office, which is established in Poland by Vestel Holland B.V. the merger took place as of 1 January 2023.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY – 31 MARCH 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 3 – INTERESTS IN OTHER ENTITIES (Cont'd)

Financial information of Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. which is not wholly owned by the Group and has significant non-controlling interests is as follows.

	31 March 2023	31 December 2022
Accumulated non-controlling interests	1.338.650	1.230.213
Comprehensive income attributable to non-controlling interests	108.437	404.660

The financial statements of the subsidiary is adjusted to include the effects of revaluation of land, buildings and land improvements in accordance with the Group's accounting policies applied in preparation of the consolidated financial statements.

Condensed balance sheet:

	31 March 2023	31 December 2022
Current assets	18.312.421	17.009.204
Non-current assets	9.038.817	8.521.158
Current liabilities	(19.408.653)	(18.428.441)
Non-current liabilities	(1.114.354)	(782.505)
Net assets	6.828.231	6.319.416

Condensed statement of comprehensive income:

	1 January - 31 March 2023	1 January - 31 March 2022
Net sales	9.787.691	5.417.752
Income before tax	365.066	565.195
Tax benefit	49.706	7.556
Net income for the period	414.772	572.751
Total comprehensive income	508.815	584.780

Operating activities:

Changes in working capital	16.125	521.602
Net cash provided by operating activities	1.010.353	1.093.346

Investing activities:

Net cash used in investing activities	(884.948)	(1.837.616)
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Financing activities:

Proceeds from bank borrowings	805.759	1.854.927
Repayment of bank borrowings	(553.334)	(566.332)
Net cash (used in) / provided by financing activities	(677.728)	671.917

Cash and cash equivalents at the beginning of the period	578.753	112.815
Cash and cash equivalents at the end of the period	26.430	40.462

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY – 31 MARCH 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 3 – INTERESTS IN OTHER ENTITIES (Cont'd)

The financial information of Group's 50% associate META which is accounted for using the equity method, is disclosed in note 13.

Other financial information of Company's subsidiaries are not presented on the grounds of materiality.

NOTE 4 - SEGMENT REPORTING

Operating segments are identified on the same basis as financial information is reported internally to the Group's chief operating decision maker. The Group Board of Directors has been identified as the Group's chief operating decision maker who is responsible for allocating resources between segments and assessing their performances. The Group management determines operating segments by reference to the reports reviewed by the Board of Directors to make strategical decisions.

Considering the fact that the Group's risks and rate of returns are dissimilar between product types and between geographical areas, The Group management uses industrial segments as primary reporting format and geographical segments as secondary reporting format.

Industrial segments

	Television and electronic devices	White goods	Total
1 January -31 March 2023			
Revenue	5.192.307	11.722.792	16.915.099
Cost of sales	(4.231.101)	(9.085.438)	(13.316.539)
Gross profit	961.206	2.637.354	3.598.560
Depreciation and amortization	198.705	178.918	377.623
1 January -31 March 2022			
Revenue	4.264.516	7.476.358	11.740.874
Cost of sales	(3.505.550)	(5.447.062)	(8.952.612)
Gross profit	758.966	2.029.296	2.788.262
Depreciation and amortization	173.251	159.431	332.682

Capital expenditure

	Television and electronic devices	White goods	Total
1 January -31 March 2023	273.262	497.936	771.198
1 January -31 March 2022	210.809	361.937	572.746

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM
PERIOD 1 JANUARY – 31 MARCH 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Cont'd)

	1 January - 31 March 2023	1 January - 31 March 2022
Segment revenue		
Turkey	6.447.648	3.145.340
Europe	9.269.318	7.564.645
Other	2.546.673	1.565.809
Gross segment sales	18.263.639	12.275.794
Discounts (-)	(1.348.540)	(534.920)
Net sales	16.915.099	11.740.874

The amount of export for the period 1 January - 31 March 2023 is TL 11.815.991 (1 January - 31 March 2022: TL 9.130.454). Export sales are denominated in EUR, USD and other currencies as 76,1%, 17,4%, and 6,5% of total exports respectively. (1 January – 31 March 2022: 70% EUR, 22,4 % USD, 7,6 % other)

The carrying value of segment assets and costs incurred in order to obtain these assets are not separately disclosed since significant portion of assets of the Group are located in Turkey.

NOTE 5 - CASH AND CASH EQUIVALENTS

	31 March 2023	31 December 2022
Cash	8.946	3.148
Bank deposits		
- Demand deposits	1.121.130	1.217.107
- Time deposits	-	214.747
Cheques and notes	85.899	45.029
Other	49.986	72.358
	1.265.961	1.552.389
Blocked deposits	22	22
Cash and cash equivalents	1.265.983	1.552.411

The Group does not have time deposits as of 31 March 2023 (31 December 2022: USD 1.003 thousand, EUR 4.200 thousand, RUB 60.000 thousand and TL 96.696 thousand). As of 31 December 2022 the Group's time deposits have an average maturity of less than 3 months.

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NOTE 6 – FINANCIAL ASSETS

		Ownership		Amount	
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
	Country				
Financial assets measured at fair value through other comprehensive income:					
Zorlu Enerji Elektrik Üretim A.Ş.	Turkey	< 1%	< 1%	42.800	70.400
İzmir Teknoloji Geliştirme A.Ş.	Turkey	5%	5%	11	11
Other	Turkey			200	200
				43.011	70.611

Non-consolidated subsidiaries on the grounds of materiality:	Country	Ownership		Amount	
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
Vestel Ventures Ar-ge A.Ş.	Turkey	100%	100%	56.273	56.273
				56.273	56.273

NOTE 7 – FINANCIAL LIABILITIES

	31 March 2023	31 December 2022
Short term financial liabilities		
Short term bank loans	17.945.921	17.668.289
Short term portion of long term bank loans	1.763.006	1.396.941
Short term portion of long term lease liabilities	168.808	140.069
Issued debt instruments	1.384.553	1.139.204
	21.262.288	20.344.503
Long term financial liabilities		
Long term bank loans	1.063.195	693.877
Long term lease liabilities	372.818	397.326
	1.436.013	1.091.203

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NOTE 7 – FINANCIAL LIABILITIES (Cont'd)

Details of the Group's bank loans are given below:

31 March 2023				31 December 2022		
	Weighted average of effective interest rates per annum	Original currency	TL Equivalent	Weighted average of effective interest rates per annum	Original currency	TL Equivalent
Currency						
- USD	9,16%	257.486	4.940.590	8,27%	235.849	4.417.923
- EUR	8,67%	61.702	1.288.492	8,75%	64.505	1.288.216
- TL	17,75%	11.629.005	11.629.005	16,75%	11.778.618	11.778.618
- CNY	4,52%	31.722	87.834	4,55%	68.467	183.532
			17.945.921			
				17.668.289		
	Weighted average of effective interest rates per annum	Original currency	TL Equivalent	Weighted average of effective interest rates per annum	Original currency	TL Equivalent
Currency						
- USD	10,85%	12.971	248.885	6,74%	13.104	245.464
- EUR	6,14%	24.283	507.090	5,37%	20.097	401.353
- TL	12,53%	1.007.031	1.007.031	14,82%	750.124	750.124
Short term portion			1.763.006	1.396.941		
- USD	10,89%	34.051	653.364	8,18%	36.142	677.012
- EUR	10,77%	6.175	128.949	-	-	-
- TL	9,52%	280.882	280.882	15,00%	16.865	16.865
Long term portion			1.063.195	693.877		
			2.826.201	2.090.818		

(*) A significant portion of the long-term loans originated from the Central Bank of the Republic of Turkey, the term of the loan is 10 years with a 2-year grace period. 1.5 billion TL Investment Committed Advance Loan has been approved and the first tranche of the loan has been used. The remaining part are expected to be used during the year.

Total amount of Group's floating bank loans is 9.450.784 TL (31 December 2022: TL 10.401.240).

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NOTE 7 – FINANCIAL LIABILITIES (Cont'd)

The analysis of Group's bank loans in terms of periods remaining to contractual re-pricing dates is as follows:

	31 March 2023	31 December 2022
Less than 3 months	2.959.885	3.740.153
Between 3-6 months	3.196.837	2.690.124
Between 6-12 months	3.241.062	3.174.415
1 year and more	53.000	796.548
	9.450.784	10.401.240

The maturity schedule of Group's long term bank loans is given below:

	31 March 2023	31 December 2022
One to two years	572.194	454.791
Two to three years	299.889	239.086
Three to four years	42.632	-
Four years and over	148.480	-
	1.063.195	693.877

Fair values of short term bank borrowings are considered to approximate their carrying values due to immateriality of discounting. Fair values are determined using average effective annual interest rates. Long term bank borrowings are stated at amortized cost using effective interest rate method and their fair values are considered to approximate their carrying values since loans usually have a re-pricing period of six months.

Guarantees given for the bank loans obtained are presented in note 17.

As of 31 March 2023 and 2022, the Group's net financial debt reconciliation is shown below:

	31 March 2023	31 March 2022
Net financial debt as of 1 January	19.883.317	10.028.005
Cash inflows from loans	5.216.016	6.884.423
Cash outflows from loan payments	(4.500.710)	(5.742.057)
Cash outflows from financial leasing payments	(22.527)	8.051
Unrealized Fx gain/loss	193.627	426.896
Accrued interest	376.189	52.503
Change in cash and cash equivalents	286.428	397.926
Net financial debt at the end of the period	21.432.340	12.055.747

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NOTE 8 – RELATED PARTY DISCLOSURES

a) Short term trade receivables from related parties

	31 March 2023	31 December 2022
Korteks Mensucat Sanayi ve Ticaret A.Ş. ⁽¹⁾	9.575	8.790
Other related parties	39.052	32.066
	48.627	40.856

b) Short term trade payables to related parties

	31 March 2023	31 December 2022
Zorlu Holding A.Ş. ⁽²⁾	14.823	13.790
ABH Turizm Temsilcilik ve Ticaret A.Ş. ⁽¹⁾	8.320	11.377
Zorlu Air Havacılık A.Ş. ⁽¹⁾	3.676	963
Other related parties	25.815	17.934
	52.634	44.064

c) Other short term receivables from related parties

	31 March 2023	31 December 2022
Vestel Ventures A.Ş. ⁽³⁾	781.370	744.432
Lentatek Uzay Havacılık ve Teknoloji A.Ş. ⁽³⁾	774.425	607.814
	1.555.795	1.352.246

As of 31 March 2023 and 31 December 2022, the interest rate of short term other receivables in TL is 25%, and in USD is 7%.

d) Other long term receivables from related parties

	31 March 2023	31 December 2022
Zorlu Holding A.Ş. ⁽²⁾	6.644.148	6.461.918
Lentatek Uzay Havacılık ve Teknoloji A.Ş. ⁽³⁾	5.835.924	5.674.420
Meta Nikel Kobalt Madencilik Sanayi Ve Ticaret A. Ş. ⁽³⁾	4.596.040	4.281.819
	17.076.112	16.418.157

As of 31 March 2023 and 31 December 2022, the interest rate of long term other receivables in TL is 25%, and in USD is 7%.

(1) Zorlu Holding Group Company, (2) Parent (3) Subsidiary

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NOTE 8 – RELATED PARTY DISCLOSURES (Cont'd)

e) Prepaid expenses to related parties

	31 March 2023	31 December 2022
Zorlu Elektrik Enerjisi İthalat İhracat ve Toptan Ticaret A.Ş. ⁽¹⁾	321.311	198.203
	321.311	198.203

f) Lease liabilities to related parties

	31 March 2023	31 December 2022
Zorlu Yapı Yatırım A.Ş. ⁽¹⁾	874	1.229
Other	6.722	9.447
	7.596	10.676

g) Transactions with related parties

	1 January - 31 March 2023	1 January - 31 March 2022
Sales		
ZES Dijital Ticaret A.Ş. (1)	407	53.114
Rotor Elektrik Üretim A.Ş. (1)	-	23.274
Linens Tekstil Ürünleri Pazarlama A.Ş. (1)	2.116	2.180
Other related parties	8.791	979
	11.314	79.547

Operating expenses

ABH Turizm Temsilcilik ve Ticaret A.Ş. (1)	16.782	6.172
Zorlu Holding A.Ş. (2)	66.079	29.225
Zorlu Air Havacılık A.Ş. (1)	2.928	1.922
Other related parties	25.103	11.965
	110.892	49.284

(1) Zorlu Holding Group Company, (2) Parent (3) Subsidiary

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NOTE 8 – RELATED PARTY DISCLOSURES (Cont'd)

g) Transactions with related parties (Cont'd)

	1 January - 31 March 2023	1 January - 31 March 2022
Financial income		
Zorlu Holding A.Ş. (2)	273.180	661.266
Lentatek Uzay Havacılık ve Teknoloji A.Ş. (3)	295.891	578.476
Meta Nikel Kobalt Madencilik Sanayi ve Ticaret A. Ş. (3)	198.433	301.930
Diğer ilişkili kuruluşlar	59.665	56.981
	827.169	1.598.653
Financial expense		
Other related parties	44	458
	44	458

(1) Zorlu Holding Group Company, (2) Parent (3) Subsidiary

	1 January - 31 March 2023	1 January - 31 March 2022
Other income from operating activities		
Other related parties	6.178	7.244
Other expense from operating activities		
Other related parties	695	9.389

h) Guarantees received from and given to related parties are disclosed in note 17.

i) Compensation paid to key management including directors, the Chairman and members of Board of Directors, general managers and assistant general managers

Compensation paid to key management for the three months period ended 31 March 2023 is TL 22.447 (1 January - 31 March 2022: TL 12.999).

j) Financial income from related parties result from interest income from financial liabilities.

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NOTE 9 – TRADE RECEIVABLES AND PAYABLES

	31 March 2023	31 December 2022
Short term trade receivables		
Trade receivables		
- Related parties (note 8)	48.627	40.856
- Other parties	10.293.455	9.766.217
Cheques and notes receivables	1.037.731	1.304.931
Other	111.928	117.122
	11.491.741	11.229.126
Unearned interest expense (-)		
- Other parties	(140.405)	(100.618)
Allowance for doubtful receivables (-)	(116.228)	(154.598)
Total short term trade receivables	11.235.108	10.973.910
Long term trade receivables		
Cheques and notes receivables	421	67
Total long term trade receivables	421	67

	1 January - 31 March 2023	1 January - 31 March 2022
Opening balance, 1 January	154.598	174.147
Current year additions	10.528	1.827
Provisions no longer required	(49.251)	(21.926)
Currency translation differences	353	1.120
Balance at 31 March	116.228	155.168

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
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NOTE 9 – TRADE RECEIVABLES AND PAYABLES (Cont'd)

	31 March 2023	31 December 2022
Short term trade payables		
Trade payables		
- Related parties (note 8)	52.634	44.064
- Other parties	22.325.981	21.595.766
Other	4.888	4.925
	22.383.503	21.644.755
Unearned interest income (-)		
- Other parties	(71.235)	(63.278)
Total short term trade payables	22.312.268	21.581.477
Long term trade payables		
Trade payables		
- Other parties	173.129	182.877
Total long term trade payables	173.129	182.877

NOTE 10 – OTHER RECEIVABLES

	31 March 2023	31 December 2022
Short term other receivables		
Receivables from official institutions	753.477	1.001.378
Receivables from related parties (note 8)	1.555.795	1.352.246
Deposits and guarantees given	138.311	165.120
Other	109.288	91.302
	2.556.871	2.610.046
Allowance for doubtful receivables (-)	(89.623)	(89.623)
	2.467.248	2.520.423
Long term other receivables		
Deposits and guarantees given	26.441	33.447
Receivables from related parties (note 8)	17.076.112	16.418.157
Other	13.850	8.416
	17.116.403	16.460.020
Allowance for doubtful receivables (-)	(8.278)	(8.278)
	17.108.125	16.451.742

The Group provides allowance for doubtful receivables.

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NOTE 11 – INVENTORIES

	31 March 2023	31 December 2022
Raw materials	7.007.406	6.128.682
Work in process	375.549	374.961
Finished goods	6.001.616	5.732.317
Merchandise	433.005	652.625
Other	41.713	37.097
	13.859.289	12.925.682
Provision for impairment on inventories (-)	(200.912)	(172.608)
	13.658.377	12.753.074

Cost of the inventory included in the consolidated statement of comprehensive income in the period 1 January – 31 March 2023 is TL 11.404.426 (1 January – 31 March 2022: TL 7.894.006).

As of 31 March 2023 the Group does not have inventories pledged as security for liabilities (31 December 2022: None)

Allocation of provision for impairment on inventories in terms of inventory type is as follows:

	31 March 2023	31 December 2022
Raw materials	124.966	124.884
Finished goods and merchandise	75.946	47.724
	200.912	172.608

Movement of provision for impairment on inventories is as follows:

	1 January - 31 March 2023	1 January - 31 March 2022
Opening balance, 1 January	172.608	99.413
Current year additions	27.523	14.345
Realised due to sale of inventory	(50)	(17.894)
Currency translation differences	831	4.394
Balance at 31 March	200.912	100.258

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NOTE 12 – PREPAID EXPENSES

	31 March 2023	31 December 2022
Prepaid expenses in current assets		
Order advances given	204.117	380.694
Prepaid expenses	233.428	214.539
Business advances given	6.252	4.788
	443.797	600.021
Prepaid expenses in non-current assets		
Advances given for fixed asset purchases	330.769	375.631
Prepaid expenses	3.409	13.162
	334.178	388.793

NOTE 13 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	31 March 2023		31 December 2022	
	%	Amount	%	Amount
Investment in associates				
Meta Nikel Kobalt Madencilik San. ve Tic. A.Ş.	50%	729.248	50%	817.503
Türkiyenin Otomobil Girişim Grubu Sanayi ve Ticaret A.Ş.	23%	1.145.077	23%	1.153.117
		1.874.325		1.970.620

Pursuant to the Group's goal to diversify its lines of business and achieve profitable growth by investing in new-generation technologies, the Group has purchased 916.335.000 shares (each with a nominal value of TL 1 and representing 50% of the Group's share capital) of Meta Nikel Kobalt Madencilik Sanayi ve Ticaret A.Ş. ("META"), which is a Zorlu Holding A.Ş. subsidiary and is involved in nickel-cobalt mining, from Ahmet Nazif Zorlu, Olgun Zorlu, Mehmet Emre Zorlu, Selen Zorlu Melik, Meta Madencilik Enerji Turizm Danışmanlık Sanayi ve Ticaret A.Ş. and Zorlu Holding AŞ, for a total consideration of US\$250 mn (TL 1.152.075) in order to secure the supply of nickel sulphate and cobalt sulphate compounds, which are critical raw materials for the production of EV batteries. The acquisition value is in accordance with the valuation range of US\$447,2 million and US\$572 million stated in the independent appraisal report dated 29 June 2018 and prepared by Advisory Services Company, which is licensed by the Capital Markets Board.

META was founded in 2000 to undertake nickel mining in Turkey, has been operating under Zorlu Group since 2007. The Group's nickel cobalt mining facility in Gördes, Manisa was commissioned at the end of 2014. The facility has a production capacity of 10.000 tons of nickel content and 550 tons of cobalt content per annum. Besides Gördes, META also has a licensed field in Eskişehir and undertakes surveying activities in various regions of Turkey. Currently, META produces nickel-cobalt hydroxide (MHP), which is an intermediate product, and plans to undertake an investment for the production of nickel sulfate and cobalt carbonate compounds, which are critical for Li-ion battery production in the upcoming period.

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NOTE 13 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Cont'd)

Within the framework of Turkey's Automobile Project, following the work undertaken by the Joint Initiative Group, to which Group's controlling shareholder, Zorlu Holding AŞ was a party, Vestel Elektronik Sanayi ve Ticaret AŞ decided has participated with a 19% share in "Türkiye'nin Otomobili Girişim Grubu Sanayi ve Ticaret A.Ş.", which is planned to be established to produce mainly electric passenger cars and carry out supporting activities. In this respect, the Shareholders Agreement and Articles of Association have been signed on 31 May 2018. Establishment of the new Group is completed on 28 June 2018.

Within the scope of the decision taken at the Annual General Meeting of TOGG which was held on 31 May 2021, the Group's stake in TOGG has reached to 23%.

The Group's voting rights and effective ownership rates in Lentatek and Aydın Yazılım are 35% and 21% respectively (31 December 2022: 35%, 21%).

The movements of META, which is an investment accounted for using the equity method during the period 1 January – 31 March 2023 and 2022 is as follows:

	1 January - 31 March 2023	1 January - 31 March 2022
Balance at 1 January	817.503	740.287
Shares from profit / loss	(70.809)	8.694
Shares from other comprehensive income / expense	(17.446)	41
Balance at 31 December	729.248	749.022

Summary financial statement information of META is as follows:

	31 March 2023	31 December 2022
Total Assets	12.874.713	12.312.082
Total Liabilities	(12.763.773)	(12.020.507)
Net assets	110.940	291.575

	1 January - 31 March 2023	1 January - 31 March 2022
Net sales	716.245	620.544
Income / (loss) before tax	(261.047)	35.232
Tax benefit / (expense)	119.428	(17.844)
Net income / (loss) for the period	(141.619)	17.388
Total comprehensive loss	(176.511)	202.963

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD 1 JANUARY – 31 MARCH 2023**

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NOTE 14 – PROPERTY, PLANT AND EQUIPMENT

	1 January 2023	Additions	Disposals	Currency translation differences	Transfers	31 March 2023
Cost or revaluation						
Land	3.194.525	-	-	(1.006)	-	3.193.519
Land improvements	277.893	-	-	(1.962)	-	275.931
Buildings	5.153.189	19.394	(169)	(38.788)	11.622	5.145.248
Leasehold improvements	255.693	15.642	(10.678)	11.374	303	272.334
Plant and machinery	5.867.290	265.724	(16.812)	(17.038)	39.383	6.138.547
Motor vehicles	12.588	73	-	(5)	-	12.656
Furniture and fixtures	806.084	53.924	(852)	1.315	11.631	872.102
Other tangible assets	849	-	-	-	-	849
Construction in progress (*)	1.455.308	170.185	-	-	(62.939)	1.562.554
	17.023.419	524.942	(28.511)	(46.110)	-	17.473.740
Accumulated depreciation						
Land improvements	18.548	3.135	-	(760)	-	20.923
Buildings	258.230	48.958	(169)	(9.719)	-	297.300
Leasehold improvements	199.032	17.734	(10.678)	539	-	206.627
Plant and machinery	3.480.903	162.450	(16.566)	(12.194)	-	3.614.593
Motor vehicles	9.997	381	-	(64)	-	10.314
Furniture and fixtures	525.147	22.243	(645)	961	-	547.706
Other tangible assets	849	-	-	-	-	849
	4.492.706	254.901	(28.058)	(21.237)	-	4.698.312
Net book value	12.530.713					12.775.428

(*) Substantial part of construction in progress consists of new dish washer factory investment.
Mortgages given for the property, plant and equipment obtained are disclosed in note 17.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD 1 JANUARY – 31 MARCH 2023**

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NOTE 14 – PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	1 January 2022	Additions	Disposals	Currency translation differences	Transfers	31 March 2022
Cost or revaluation						
Land	1.724.691	-	-	222	-	1.724.913
Land improvements	213.477	-	-	(187)	-	213.290
Buildings	3.667.374	5.796	-	3.230	3.610	3.680.010
Leasehold improvements	191.722	5.694	(2)	1.168	360	198.942
Plant and machinery	4.589.149	219.759	(1.682)	736	32.392	4.840.354
Motor vehicles	9.541	1.165	(892)	7	-	9.821
Furniture and fixtures	566.821	29.394	(91)	6.276	2.165	604.565
Other tangible assets	849	-	-	-	-	849
Construction in progress	82.132	147.897	-	-	(38.532)	191.497
	11.045.756	409.705	(2.667)	11.452	(5)	11.464.241
Accumulated depreciation						
Land improvements	2.585	5.347	-	(6.915)	-	1.017
Buildings	169.092	74.661	-	(28.664)	-	215.089
Leasehold improvements	187.612	3.851	(2)	974	-	192.435
Plant and machinery	2.760.215	129.447	(1.651)	529	-	2.888.540
Motor vehicles	2.604	475	(218)	169	-	3.030
Furniture and fixtures	495.809	14.644	(78)	3.877	-	514.252
Other tangible assets	849	-	-	-	-	849
	3.618.766	228.425	(1.949)	(30.030)	-	3.815.212
Net book value	7.426.990					7.649.029

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NOTE 14 – PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Allocation of current year depreciation and amortization expenses is as follows:

	1 January - 31 March 2023	1 January - 31 March 2022
Cost of sales	210.030	221.897
Research and development expenses	84.820	62.758
Marketing, selling and distribution expenses	18.884	29.198
General administrative expenses	59.952	16.498
Other operating expense	3.937	2.331
	377.623	332.682

31 March 2023	Level 1	Level 2	Level 3
Tangible Assets			
Lands	-	3.193.519	-
Buildings and land improvements	-	5.102.956	-
31 December 2022	Level 1	Level 2	Level 3
Tangible Assets			
Lands	-	3.194.525	-
Buildings and land improvements	-	5.154.304	-

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NOTE 15 – RIGHT OF USE ASSETS

	1 January			31 March
	2023	Additions	Disposals	2023
Cost				
Land and buildings	714.611	78.195	-	792.806
Motor Vehicles and Machinery	157.133	7.905	-	165.038
	871.744	86.100	-	957.844
Accumulated amortization				
Land and buildings	299.616	48.741	-	348.357
Motor Vehicles and Machinery	107.138	6.160	-	113.298
	406.754	54.901	-	461.655
Net book value	464.990			496.189

	1 January			31 March
	2022	Additions	Disposals	2022
Cost				
Land and buildings	315.286	43.832	-	359.118
Machinery	123.509	8.230	(1.063)	130.676
	438.795	52.062	(1.063)	489.794
Accumulated amortization				
Land and buildings	178.707	24.479	-	203.186
Machinery	80.470	8.337	(16)	88.791
	259.177	32.816	-	291.977
Net book value	179.618			197.817

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NOTE 16 – INTANGIBLE ASSETS

	1 January 2023	Additions	Disposals	Currency translation differences	Transfers	31 March 2023
Cost						
Rights	94.660	56	-	671	-	95.387
Development cost	2.299.125	227.465	(10.831)	-	-	2.515.759
Other intangible assets	292.090	18.735	-	923	-	311.748
	2.685.875	246.256	(10.831)	1.594	-	2.922.894
Accumulated amortization						
Rights	72.912	982	-	667	-	74.561
Development cost	1.107.342	63.047	(2.349)	-	-	1.168.040
Other intangible assets	131.840	3.792	-	1.077	-	136.709
	1.312.094	67.821	(2.349)	1.744	-	1.379.310
Net book value	1.373.781					1.543.584

	1 January 2022	Additions	Disposals	Currency translation differences	Transfers	31 March 2022
Cost						
Rights	89.530	32.100	-	1.249	-	122.879
Development cost	1.717.843	118.634	(20.067)	-	-	1.816.410
Other intangible assets	212.385	12.307	(606)	2.700	5	226.791
	2.019.758	163.041	(20.673)	3.949	5	2.166.080
Accumulated amortization						
Rights	64.629	24.268	-	1.179	-	90.076
Development cost	928.105	43.689	(473)	-	-	971.321
Other intangible assets	116.581	3.484	(3)	1.833	-	121.895
	1.109.315	71.441	(476)	3.012	-	1.183.292
Net book value	910.443					982.788

Development costs, incurred by the Group on development projects relating to television and electronic devices, refrigerators, split air conditioners, washing machines, cookers, drying machines and dish washers are capitalized as intangible assets.

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NOTE 17 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a) Provisions

	31 March 2023	31 December 2022
Short term provisions		
Warranty and assembly provision	684.264	680.015
Other provisions	790.754	819.480
Provision for lawsuit risks	61.278	60.510
	1.536.296	1.560.005
Long term provisions		
Warranty and assembly provision	126.895	151.680
	126.895	151.680

With reference to Group management's and legal advisors' assessments, no provision is provided for those cases that are expected to be finalized in favor of the Group. As of 31 March 2023, the amount of provision provided for the cases for which the probability of losing the case is assessed to be high by the Group management and legal advisors is TL 61.278 (31 December 2022: TL 60.510).

As of 31 March 2023 and 2021 movements of warranty and assembly provisions are as follows:

	1 January - 31 March 2023	1 January - 31 March 2022
Opening balance, 1 January	831.695	570.469
Current year additions	307.939	202.149
Provisions no longer required	(328.475)	(133.060)
Balance at 31 March	811.159	639.558

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NOTE 17 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont'd)

b) Guarantees received by the Group

Guarantee letters, collaterals, cheques and notes received

	31 March 2023	31 December 2022
Guarantee letters	2.468.287	2.198.770
Cheques and notes	2.305.494	2.083.544
Collaterals and pledges	3.120.415	2.625.958
	7.894.196	6.908.272

Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. and Vestel Ticaret A.Ş. has given collaterals to various banks on behalf of the Company for its forward contracts and loans utilized.

c) Collaterals, pledges and mortgages ("CPM's") given by the Group

CPM's given by the Group	USD (‘000)	EUR (‘000)	GBP (‘000)	TL	TL Equivalent
31 March 2023					
A. CPM's given on behalf of its own legal entity	23.857	21.461	450	420.355	1.336.980
B. CPM's given on behalf of fully consolidated subsidiaries (*)	2.222.813	63.146	-	5.627.848	49.597.385
C. CPM's given on behalf of third parties for ordinary course of business	-	-	-	-	-
D. Total amount of other CPM's given	34.908	-	-	19.423	689.231
i. Total amount of CPM's given on behalf of the parent company	-	-	-	-	-
ii. Total amount of CPM's given to on behalf of other group companies which are not in scope of B and C.	34.908	-	-	19.423	689.231
iii. Total amount of CPM's given on behalf of third parties which are not in scope of C.	-	-	-	-	-
Total	2.281.578	84.607	450	6.067.626	51.623.596

(*)Fully consolidated subsidiaries have given collaterals to various financial institutions on behalf of each other for their forward contracts and for the total amount of loans utilized.

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NOTE 17 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont'd)

CPM's given by the Group	USD (‘000)	EUR (‘000)	GBP (‘000)	TL	TL Equivalent
31 December 2022					
A. CPM's given on behalf of its own legal entity	30.342	24.000	450	96.791	1.154.629
B. CPM's given on behalf of fully consolidated subsidiaries	2.199.937	63.343	-	4.127.624	46.601.837
C. CPM's given on behalf of third parties for ordinary course of business	-	-	-	-	-
D. Total amount of other CPM's given	34.991	-	-	19.383	674.834
i. Total amount of CPM's given on behalf of the parent company	-	-	-	-	-
ii. Total amount of CPM's given to on behalf of other group companies which are not in scope of B and C.	34.991	-	-	19.383	674.834
iii. Total amount of CPM's given on behalf of third parties which are not in scope of C.	-	-	-	-	-
Total	2.265.270	87.343	450	4.243.798	48.431.300

Proportion of other CPM's given by the Company to its equity 5% as of 31 March 2023 (31 December 2022: 5%).

NOTE 18 – COMMITMENTS

As of the balance sheet date the Group has committed to realize exports amounting to USD 5.302.143 thousand (31 December 2022: USD 5.331.164 thousand) due to the export and investment incentive certificates obtained.

As of 31 March 2023 the Group has forward foreign currency purchase contract that amounts to USD 656.155 thousand, EUR 247.005 thousand, GBP 84.144 thousand, PLN 14.704 thousand, CNY 33.540 thousand, TL 5.011.180 thousand against forward foreign currency sales contract that amounts to USD 619.544 thousand, EUR 496.662 thousand, GBP 71.327 thousand, PLN 54.404 thousand, CNY 2.724 thousand, CHF 40 thousand and TL 1.103.745 thousand. (31 December 2022: purchase contract that amounts to USD 813.078 thousand, EUR 173.310 thousand, GBP 79.849 thousand, PLN 23.186 thousand, CNY 66.896 thousand, TL 5.563.115 thousand against forward foreign currency sales contract that amounts to USD 559.982 thousand, EUR 540.395 thousand, GBP 84.901 thousand, PLN 87.098 thousand, TL 3.178.893 thousand).

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NOTE 19 – EMPLOYEE BENEFITS

Liabilities for employee benefits:

	31 March 2023	31 December 2022
Due to personnel	597.428	273.856
Social security payables	207.437	180.113
	804.865	453.969

Long term provisions for employee benefits:

	31 March 2023	31 December 2022
Provision for employment termination benefits	1.233.739	1.240.006

Under Turkish law, the Group is required to pay employment termination benefits to each employee whose employment is terminated without due cause. In addition, under the existing Social Security Law No.506, clause No. 60, amended by the Labor Laws dated 6 March 1981, No.2422 and 25 August 1999, No.4447, the Group is also required to pay termination benefits to each employee who has earned the right to retire by receiving termination indemnities.

Provision for employment termination is calculated over 30 days' gross salary for the year of service. The amount payable is the equivalent of one month's salary for each year of service and is limited to a maximum of 19.982,83 TL/year as of 31 March 2023 (31 December 2022: 15.371,40 TL/year).

Provision for employment termination benefits is not subject to any funding.

The provision is calculated by estimating the present value of the future obligation of the Group arising from retirement of employees. TAS 19 ("Employee Benefits") requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined employee plans. Accordingly actuarial assumptions were used in the calculation of the total liability which are described below:

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. An expected inflation rate and appropriate discount rate should both be determined, the net of these being real discount rate. Consequently in the accompanying financial statements as of 31 March 2023, the provision is calculated by estimating the present value of the future obligation of the Group arising from retirement of employees. As of 31 March 2023 provision is calculated based on real discount rate of 2% (31 December 2022: 2%) assuming 7,02% annual inflation rate and 9,16% discount rate.

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NOTE 19 – EMPLOYEE BENEFITS (Cont'd)

The movement of the provision for employment termination benefit is as follows:

	1 January - 31 March 2023	1 January - 31 March 2022
Balance at 1 January	1.240.006	387.222
Increase during the year	188.825	(31.642)
Decrease during the year	(256.437)	(8.561)
Actuarial (gain) /loss	27.308	46.992
Interest expense	34.037	19.071
Balance at 31 March	1.233.739	413.082

NOTE 20 – OTHER ASSETS AND LIABILITIES

	31 March 2023	31 December 2022
Other current assets		
VAT carried forward	245.763	21.860
Rebates from suppliers and incentives income accruals	131.231	42.452
Other	102.358	92.986
	479.352	157.298

	31 March 2023	31 December 2022
Other current liabilities		
Tax payables	298.967	402.443
Other	954.434	815.554
	1.253.401	1.217.997

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NOTE 21 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Paid in capital

	31 March 2023	31 December 2022
Shares of par value Kr 1 each		
limit on registered share capital	2.000.000	2.000.000
Issued share capital	335.456	335.456

As of 31 March 2023 and 31 December 2022 the shareholding structures are as follows:

	Shareholding		Amount	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Zorlu Holding A.Ş.	60,95%	60,95%	204.444	204.444
Shares held by public (Other shareholders)	39,05%	39,05%	131.012	131.012
	100%	100%	335.456	335.456

There are no investors holding 10% or more of the Group's shares traded on BIST.

b) Adjustment to share capital

Adjustment to share capital (restated to 31 December 2004 purchasing power of money) is the difference between restated share capital and historical share capital.

c) Share premium

Share premium account refers the difference between par value of the Company's shares and the amount the company received for newly issued shares. The share premium account is disclosed under equity as a separate line item and may not be distributed. It may be used in capital increase.

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NOTE 21 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Cont'd)

d) Legal reserves

The legal reserves consist of first and second legal reserves appropriated in accordance with the Turkish Commercial Code ("TCC"). The first legal reserve is appropriated out of the statutory profits at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's share capital. Under TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid in share capital.

	31 March 2023	31 December 2022
Legal reserves	261.116	261.116

e) Revaluation reserve

Fair value gains on financial assets	27.947	50.027
Revaluation of property, plant and equipment	5.790.923	5.646.358
	5.818.870	5.696.385

f) Accumulated deficit

Extraordinary reserves	512.541	512.541
Previous year's loss	3.605.369	2.715.172
Other inflation adjustment of share capital	119.718	119.718
	4.237.628	3.347.431

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NOTE 21 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Cont'd)

g) Dividend distribution

For quoted companies dividends are distributed in accordance with the Communiqué Serial II -19.1 on "Principals Regarding Distribution of Interim Dividends" issued by the CMB effective from 1 February 2014.

Companies distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly and in conformity with relevant legislations. The communiqué does not state a minimum dividend rate. Companies distribute dividends in accordance with the method defined in their dividend policy or articles of association. Additionally, dividend can be distributed in fixed or variable installments and dividend advances can be paid over the profit on interim financial statements.

Unless the general reserves that has to be appropriated in accordance with TCC or the dividend to shareholders as determined in the articles of association or dividend policy are set aside; no decision can be taken to set aside other reserves, to transfer reserves to the subsequent year or to distribute dividends to holders of usufruct right certificates, to board of directors members or to employees; and no dividend can be distributed to those unless the determined dividend to shareholders is paid in cash.

On the other hand, in accordance with the Articles of Association of the Company, the net period income is allocated after deducting the accumulated losses from the previous years, if any, as follows:

- a) As per Article 519 of the Turkish Commercial Code, 5% is allocated to a general legal reserve.
- b) A dividend is allocated from the remaining amount, at the rate determined by the General Assembly over an amount to be found after the addition of a donation, which is made in line with the Turkish Commercial Code and Capital Market Legislation.
- c) After the deductions above, the General Assembly has the right to decide how to allocate the dividend to members of the board of directors and officers, employees and workers, foundations established with various purposes, and similar persons and corporations.
- d) After the amounts stated in paragraph (a), (b) and (c) are deducted from the net period profit, the General Assembly is authorized to allocate the remaining amount as a second dividend or to allocate the remaining amount to its own reserve as per Article 521 of the Turkish Commercial Code.
- e) One tenth of the amount obtained after a dividend of 5% of the paid in capital and other legal reserve are deducted from the amount that is agreed to be allocated to the shareholders and other persons participating to the profit is added to the general legal reserve as per paragraph (c) of the second clause of article 519 of the Turkish Commercial Code.

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NOTE 22 – SALES

	1 January - 31 March 2023	1 January - 31 March 2022
Domestic sales	6.447.648	3.145.340
Overseas sales	11.815.991	9.130.454
Gross sales	18.263.639	12.275.794
Sales discounts (-)	(1.348.540)	(534.920)
Net sales	16.915.099	11.740.874
Cost of sales	(13.316.539)	(8.952.612)
Gross profit	3.598.560	2.788.262

NOTE 23 – EXPENSES BY NATURE

	1 January - 31 March 2023	1 January - 31 March 2022
Raw materials, supplies and finished goods	11.454.693	9.122.148
Changes in finished goods, work in process, trade goods	(50.267)	(1.228.142)
Personnel expenses	1.775.675	877.595
Depreciation and amortization	373.686	330.351
Export, transportation, warehouse expenses	746.258	540.402
Warranty and assembly expenses	307.939	202.149
Advertising expenses	160.947	108.151
Other	1.370.052	629.911
	16.138.983	10.582.565

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NOTE 24 – GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES

a) General administrative expenses:

	1 January - 31 March 2023	1 January - 31 March 2022
Personnel expenses	193.647	85.312
Depreciation and amortization	59.952	16.498
Consultancy expenses	53.094	37.921
Information technology expenses	42.297	21.538
Rent and office expenses	22.964	13.941
Tax and duties	11.704	7.932
Insurance expenses	15.757	10.926
Travelling expenses	4.974	2.440
Benefits and services provided externally	2.491	1.426
Other	138.829	80.106
	545.709	278.040

b) Marketing expenses:

Export, transportation, warehouse expenses	730.604	509.963
Warranty and assembly expenses	307.939	202.149
Personnel expenses	455.688	228.991
Advertising expenses	160.633	90.676
Depreciation and amortization	18.884	29.198
Other	342.387	146.530
	2.016.135	1.207.507

c) Research and development expenses:

Depreciation and amortization	84.820	62.758
Personnel expenses	80.630	39.118
Travel expense	6.395	2.080
Other	88.755	40.450
	260.600	144.406

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NOTE 25 – OTHER INCOME AND EXPENSE FROM OPERATING ACTIVITIES

a) Other income from operating activities:

	1 January - 31 March 2023	1 January - 31 March 2022
Credit finance gains arising from trading activities	51.790	14.760
Foreign exchange gains arising from trading activities	276.814	405.321
Reversals of provisions	38.059	21.737
Other income	57.543	85.111
	424.206	526.929

b) Other expense from operating activities:

Debit finance charges arising from trading activities	145.745	139.655
Foreign exchange expenses arising from trading activities	680.849	1.504.700
Other expenses	107.282	101.747
	933.876	1.746.102

NOTE 26 – FINANCIAL INCOME AND FINANCIAL EXPENSE

a) Financial income:

	1 January - 31 March 2023	1 January - 31 March 2022
Foreign exchange gains	408.044	1.368.576
Gains on derivative financial instruments	422.885	586.221
Interest income	432.067	298.644
	1.262.996	2.253.441

b) Financial expense:

	1 January - 31 March 2023	1 January - 31 March 2022
Foreign exchange losses	213.340	809.234
Losses on derivative financial instruments	472.164	512.585
Interest expense	752.148	332.979
Other finance expenses	187.861	49.246
	1.625.513	1.704.044

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NOTE 27 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

	31 March 2023	31 December 2022
Corporation and income taxes	171.341	17.204
Prepaid taxes (-)	(50.771)	(51.426)
Current income tax liabilities - net	120.570	(34.222)
Deferred tax assets	951.698	431.877
	951.698	431.877

In Turkey, advance tax returns are filed on a quarterly basis at the rate of 20%, until the 17th day of the following month and paid until the 17th day. Advance tax returns files within the year are offset against corporate income tax calculated over the annual taxable corporate income.

Turkish Tax Legislation does not permit a parent company its subsidiaries and investments in associates to file a consolidated tax return. Therefore, tax liabilities as reflected in these consolidated financial statements have been calculated on a separate entity basis for the fully consolidated subsidiaries.

Corporate tax rate is applied to tax base by adding back non deductible expenses; deducting exceptions and discounts which are stated in taxation law. In case of any undistributed dividend, there is not any other tax payment. Therefore, in case of a distribution of the profit to;

- Individuals,
- Individuals and legal entities who are not subject to income and corporate tax,
- Individuals and legal entities who are limited taxpayers,

is subject to 15% income tax withholding tax. In case of addition to capital from current year's profit, it is not considered as profit distribution and withholding tax is not applied.

According to the Corporate Tax Law, 50% of the capital gains arising from the sale of tangible assets and 75% of the earning from investments in equity shares owned for at least two years are exempted from corporate tax on the condition that such gains are reflected in the equity.

Under the Turkish taxation system, tax losses can be carried forward to be offset against future taxable income for up to five years. Tax losses cannot be carried back.

In 2023, corporate tax rate in Turkey is 20%.

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NOTE 27 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)

Russian Federation

In Russia, corporate tax rate applicable is 20% (2022: 20%). Under the Russian Federation taxation system, tax losses can be carried forward to be offset against future taxable income any period. The amounts that can be deducted are limited to 50% of the declared corporate income. On the other hand, tax, currency and customs legislations are subject to various interpretations and changes which can occurs frequently in Russian Federation. Management's interpretation for such legislation, which is applied to the Group's operations and activities, can be interpreted by regional and federal authorities in different ways.

The events of the recent past in Russian Federation, shows that risk could be possible on approval of operations and activities, which approved in the past may not be approved in the future as a result of reviews by the tax authorities on legislation. According to a review by the tax inspection authorities, without exceptional circumstances, tax inspection covers three years prior to the final inspection. Under certain circumstances, such views may cover longer periods.

As of 1 January - 31 March 2023 and 2022 tax benefit in the consolidated statement of income is as follows:

	1 January - 31 March 2023	1 January - 31 March 2022
Current period tax expense	(171.341)	(11.248)
Deferred tax benefit	372.517	130.727
Total tax expense	201.176	119.479

Due to modernization, plant extension and investments incentive documents in Manisa Organized Industrial Zone, the Group has reduced rate of corporate tax advantage.

Deferred tax assets and liabilities

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between their financial statements prepared in accordance with CMB Communiqué II, No. 14.1 and their statutory financial statements. These temporary differences usually result from the recognition of revenue and expenses in different reporting periods for the Communiqué and tax purposes.

The breakdown of cumulative temporary differences and the resulting deferred tax assets and liabilities provided using principal tax rate as of the balance sheet dates is as follows:

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NOTE 27 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)

	Cumulative temporary differences		Deferred tax	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Deferred tax assets				
Revaluation of tangible fixed assets	6.878.426	6.742.123	(1.087.503)	(1.095.765)
Employment termination benefits	(1.233.739)	(1.240.006)	246.748	248.001
Investment incentives	-	-	382.965	532.965
Warranty provision	(811.159)	(831.695)	162.232	166.339
Provision for doubtful receivables	(116.228)	(154.598)	23.246	30.920
Net difference between book values and tax bases of tangible and intangible assets	(3.801.254)	(869.566)	760.251	173.913
Provision for impairment on inventories	(200.912)	(172.608)	40.182	34.522
Derivative financial instruments	(419.781)	(488.345)	83.956	97.669
Carryforward tax losses and R&D incentives	-	-	295.603	295.603
Other	(220.090)	261.451	44.018	(52.290)
Deferred tax assets / (liabilities) - net			951.698	431.877

The movement of net deferred tax assets and liabilities is as follows:

	1 January - 31 March 2023	1 January - 31 March 2022
Opening balance, 1 January	431.877	333.593
Tax benefit recognized in income statement	372.517	130.727
Recognized in shareholders' equity	161.744	3.168
Currency translation differences	(14.440)	10.434
Deferred tax (liabilities) / assets at the end of the period, net	951.698	477.922

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NOTE 28 – EARNINGS / (LOSS) PER SHARE

	1 January - 31 March 2023	1 January - 31 March 2022
Net income / (loss) attributable to equity holders of the parent	(63.727)	472.157
Weighted number of ordinary shares with a Kr 1 of par value (hundred shares)	33.545.628	33.545.628
Earnings / (Loss) per share	(0,19)	1,41

NOTE 29 – DERIVATIVE INSTRUMENTS

	31 March 2023		31 December 2022	
	Contract amount	Fair Value Assets / (Liabilities)	Contract amount	Fair Value Assets / (Liabilities)
<u>Derivative financial assets:</u>				
Held for trading				
Forward foreign currency transactions	6.227.171	91.888	4.322.285	97.790
Cash flow hedge				
Forward foreign currency transactions	1.780.344	16.643	2.974.281	9.434
<u>Derivative financial liabilities:</u>				
Held for trading				
Forward foreign currency transactions	4.172.019	(275.843)	3.952.326	(216.967)
Cash flow hedge				
Forward foreign currency transactions	7.840.058	(252.469)	9.658.119	(378.602)
	20.019.592	(419.781)	20.907.011	(488.345)

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NOTE 30 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Foreign currency risk:

The Group is exposed to exchange rate risk due to its foreign currency denominated transactions. The main principle of foreign currency risk management is to maintain foreign exchange position at the level that minimizes the impact of foreign exchange fluctuations.

Derivative instruments are used in foreign currency risk management where necessary. In this respect the Group mainly prefers using foreign exchange forward contracts.

31 March 2023	USD	EUR	Other (TL Equivalent)	TL Equivalent
1. Trade receivables	49.631	255.818	451.613	6.734.732
2a. Monetary financial assets (including cash and cash equivalents)	12.808	21.942	1.118	703.813
2b. Non-monetary financial assets	-	-	-	-
3. Other	75.444	853	-	1.462.775
4. Current assets (1+2+3)	137.883	278.613	452.731	8.901.320
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	2.151	10.098	-	251.691
7. Other	762.064	51	-	14.597.027
8. Non-current assets (5+6+7)	764.215	10.149	-	14.848.718
9. Total assets (4+8)	902.098	288.762	452.731	23.750.038
10. Trade payables	658.397	231.174	93.952	17.554.633
11. Financial liabilities	270.457	85.985	87.834	7.072.891
12a. Other monetary liabilities	208	949	-	23.809
12b. Other non-monetary liabilities	-	-	-	-
13. Current liabilities (10+11+12)	929.062	318.108	181.786	24.651.333
14. Trade payables	-	8.291	-	173.129
15. Financial liabilities	34.051	6.175	-	782.313
16a. Other monetary liabilities	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-
17. Non-current liabilities (14+15+16)	34.051	14.466	-	955.442
18. Total liabilities (13+17)	963.113	332.574	181.786	25.606.775
19. Off-balance sheet derivative instruments net asset / (liability) position (19a+19b)	36.611	(249.657)	210.029	(4.300.949)
19a. Hedged total assets	656.155	247.005	2.143.625	19.891.878
19b. Hedged total liabilities	(619.544)	(496.662)	(1.933.596)	(24.192.827)
20. Net foreign currency asset/ (liability) position (9-18+19)	(24.404)	(293.469)	480.974	(6.157.686)
21. Net foreign currency monetary asset/ (liability) position (=1+2a+3+5+6a+7-10-11-12a-14-15-16a)	(63.166)	(53.910)	270.945	(2.108.428)
22. Fair value of financial instruments used in foreign currency hedging	-	-	-	(419.781)
23. Export	95.250	389.001	678.228	11.815.991
24. Import	322.364	58.097	4.724	7.250.116

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NOTE 30 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

31 December 2022	USD	EUR	Other (TL Equivalent)	TL Equivalent
1. Trade receivables	92.683	263.765	587.424	7.578.567
2a. Monetary financial assets (including cash and cash equivalents)	21.100	26.982	10.514	942.932
2b. Non-monetary financial assets	-	-	-	-
3. Other	40.192	832	-	768.108
4. Current assets (1+2+3)	153.975	291.579	597.938	9.289.607
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	4.595	10.569	-	296.611
7. Other	783.367	51	-	14.648.648
8. Non-current assets (5+6+7)	787.962	10.620	-	14.945.259
9. Total assets (4+8)	941.937	302.199	597.938	24.234.866
10. Trade payables	677.301	217.665	95.485	17.129.632
11. Financial liabilities	248.953	84.602	183.531	6.536.488
12a. Other monetary liabilities	277	805	-	21.265
12b. Other non-monetary liabilities	-	-	-	-
13. Current liabilities (10+11+12)	926.531	303.072	279.016	23.687.385
14. Trade payables	-	9.157	-	182.873
15. Financial liabilities	36.142	-	-	677.012
16a. Other monetary liabilities	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-
17. Non-current liabilities (14+15+16)	36.142	9.157	-	859.885
18. Total liabilities (13+17)	962.673	312.229	279.016	24.547.270
19. Off-balance sheet derivative instruments net asset / (liability) position (19a+19b)	253.096	(367.085)	(206.830)	(2.796.817)
19a. Hedged total assets	813.078	173.310	2.073.924	20.765.640
19b. Hedged total liabilities	(559.982)	(540.395)	(2.280.754)	(23.562.457)
20. Net foreign currency asset/ (liability) position (9-18+19)	232.360	(377.115)	112.092	(3.109.221)
21. Net foreign currency monetary asset/ (liability) position (=1+2a+3+5+6a+7-10-11-12a-14-15-16a)	(25.331)	(20.599)	318.922	(609.015)
22. Fair value of financial instruments used in foreign currency hedging	-	-	-	(488.345)
23. Export	614.513	1.589.196	2.421.546	43.007.114
24. Import	1.279.169	264.044	157.073	25.932.596

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NOTE 30 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

As of 31 March 2023 and 31 December 2022 sensitivity analysis of foreign exchange rates is presented in the tables below. Secured portions include impact of off-balance sheet derivative instruments.

	Gain / Loss		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
31 March 2023				
+/- 10% fluctuation of USD rate:				
USD net asset / liability	(120.196)	120.196	(120.196)	120.196
Secured portion from USD risk (-)	(588.839)	588.839	(730.417)	730.417
USD net effect	(709.035)	709.035	(850.613)	850.613
+/- 10% fluctuation of EUR rate:				
EUR net asset / liability	(92.573)	92.573	(92.573)	92.573
Secured portion from EUR risk (-)	28.692	(28.692)	40.953	(40.953)
EUR net effect	(63.881)	63.881	(51.620)	51.620
+/- 10% fluctuation of other currency rates:				
Other currencies net asset / liability	25.787	(25.787)	25.787	(25.787)
risk (-)	88.150	(88.150)	188.733	(188.733)
Other currency net effect	113.937	(113.937)	214.520	(214.520)

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NOTE 30 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

	Gain / Loss		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
31 December 2022				
+/- 10% fluctuation of USD rate:				
USD net asset / liability	(42.017)	42.017	(42.017)	42.017
Secured portion from USD risk (-)	(370.415)	370.415	(370.415)	370.415
USD net effect	(412.432)	412.432	(412.432)	412.432
+/- 10% fluctuation of EUR rate:				
EUR net asset / liability	(18.910)	18.910	(18.910)	18.910
Secured portion from EUR risk (-)	(17.801)	17.801	(17.801)	17.801
EUR net effect	(36.711)	36.711	(36.711)	36.711
+/- 10% fluctuation of other currency rates:				
Other currencies net asset / liability	11.548	(11.548)	11.548	(11.548)
risk (-)	(38.620)	38.620	329.651	(329.651)
Other currency net effect	(27.072)	27.072	341.199	(341.199)

NOTE 31 – SUBSEQUENT EVENTS

In accordance with the Board of Directors Decision dated 3 May 2023, the Company proposes not to make any profit distribution and after setting aside the required amount of TL 97.283.602 as special reserves as per the Article 5/1-e of the Corporate Tax Law No. 5520, to transfer the remaining amount of TL 273.188.218 to extraordinary reserves in order to strengthen the financial structure of the Company and to prevent new financing needs. This proposal will be submitted to the approval of shareholders at the Annual General Meeting for the year 2022.

In accordance with the Board of Directors Decision dated 3 May 2023, the Company's subsidiary Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. proposes, the first dividend is determined as TL 352.827.815, which is calculated as 25% of the donations added distributable net profit for the year based on the CMB financial statements. After deducting the dividend of TL 352.827.815 and second legal reserve of TL 27.282.781 from the net distributable profit of TL 456.097.695 based on the Turkish Commercial Code and Tax Procedure Law, the remaining amount of TL 75.987.099 will be transferred to the extraordinary reserves. Accordingly, the Company's Board of Directors resolved to propose the payment of TL 352.827.815 of cash dividends to its shareholders, which corresponds to a gross cash dividend of TL 0.2205 and a net cash dividend of TL 0.1985 per share on July 31, 2023 and to submit these proposals to the approval of shareholders at the Annual General Meeting for the year 2022.

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NOTE 31 – SUBSEQUENT EVENTS (Cont’d)

On 12 April 2023, The Company’s main shareholder Zorlu Holding A.Ş. sold its shares of Vestel Elektronik Sanayi ve Ticaret AŞ in Borsa Istanbul. With this transaction, Zorlu Holding's share/voting rights in the capital of Vestel Elektronik Sanayi ve Ticaret AŞ decreased to 60.08% as of 12 April 2023.