

**TAB GIDA SANAYİ VE TİCARET A.Ş.
AND ITS SUBSIDIARIES**

**CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE INTERIM PERIOD
JANUARY 1 – SEPTEMBER 30, 2024
(Originally issued in Turkish)**

TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

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(Convenience translation of consolidated financial statements originally issued in Turkish)

TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 September 2024, unless otherwise indicated.)

	Notes	Reviewed Current Year 30 September 2024	Audited Prior Year 31 December 2023
ASSETS			
Cash and cash equivalents	3	5.472.378.383	5.359.790.098
Trade receivables			
<i>Trade receivables from related parties</i>	6-24	599.829.246	359.977.270
<i>Trade receivables from third parties</i>	6	654.576.288	522.958.438
Other receivables			
<i>Other receivables from third parties</i>	7	6.336.054	3.880.431
Inventories	8	381.803.790	383.224.472
Prepaid expenses	15	1.034.771.213	1.133.600.482
Other current assets	14	33.942.976	25.469.455
Total Current Assets		8.183.637.950	7.788.900.646
Other receivables			
<i>Other receivables from third parties</i>	7	30.095.164	36.435.235
Property, plant and equipment	9	7.937.482.007	7.100.824.715
Intangible assets	10	881.727.276	794.158.509
Right of use assets	11	5.446.217.589	4.793.896.717
Prepaid expenses	15	40.595.393	45.965.342
Other non-current assets	14	6.543.436	8.138.997
Total Non-Current Assets		14.342.660.865	12.779.419.515
TOTAL ASSETS		22.526.298.815	20.568.320.161

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

(Convenience translation of consolidated financial statements originally issued in Turkish)

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 September 2024, unless otherwise indicated.)

	Notes	Reviewed Current Year 30 September 2024	Audited Prior Year 31 December 2023
LIABILITIES			
Short-term borrowings	4	32.788.921	77.037.720
Current portion of long-term borrowings	4	9.177.051	49.015.085
Short-term lease liabilities	5	1.228.713.419	943.069.504
Trade payables			
<i>Trade payables to related parties</i>	6-24	1.331.948.379	1.441.357.628
<i>Trade payables to third parties</i>	6	564.308.924	593.112.875
Other payables			
<i>Other payables to third parties</i>	7	744.702	1.102.584
Employee benefit payables	13	437.463.004	434.145.376
Short-term provisions			
<i>Provisions for employee benefits</i>	13	165.107.435	137.903.528
<i>Other short-term provisions</i>	12	38.905.760	34.125.275
Contract liabilities	15	220.048.256	234.159.931
Current tax liabilities	23	178.275.584	202.921.965
Other current liabilities	14	118.469.166	102.202.338
Total Current Liabilities		4.325.950.601	4.250.153.809
Long-term lease liabilities	5	2.032.627.519	1.824.276.644
Trade payables			
<i>Trade payables to third parties</i>	6	141.777.997	190.493.531
Provision for employee benefits	13	156.831.841	136.209.339
Contract liabilities	15	159.056.069	248.379.452
Deferred tax liabilities	23	1.079.809.704	767.666.080
Total Non-Current Liabilities		3.570.103.130	3.167.025.046
EQUITY			
Share capital	16	261.292.000	261.292.000
Adjustments to share capital	16	2.454.806.019	2.454.806.019
Share premium		4.999.866.161	4.999.866.161
Restricted reserves separated from profit		184.713.881	-
Other comprehensive expenses to be reclassified			
- Currency translation reserves	16	122.899.218	16.720.169
Other comprehensive income or expenses not to be reclassified			
- Remeasurement gains of defined benefit plans	16	3.597.207	5.046.043
- Revaluation of property, plant and equipment	16	680.656.355	680.656.355
Net profit for the period		1.533.940.687	3.339.160.001
Retained earnings		4.388.473.556	1.393.594.558
Total Equity		14.630.245.084	13.151.141.306
TOTAL LIABILITIES AND EQUITY		22.526.298.815	20.568.320.161

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

(Convenience translation of consolidated financial statements originally issued in Turkish)

TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIODS 1 JANUARY - 30 SEPTEMBER 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 September 2024, unless otherwise indicated.)

	Notes	1 January - 30 September 2024	1 July - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2023
Profit or loss					
Revenue	17	22.911.897.022	8.015.085.867	22.487.807.080	8.345.402.086
Cost of sales (-)	17	(18.933.805.872)	(6.536.384.197)	(18.474.984.112)	(6.757.256.398)
Gross profit		3.978.091.150	1.478.701.670	4.012.822.968	1.588.145.688
General administrative expenses (-)	18	(784.756.352)	(247.419.525)	(753.928.364)	(253.163.704)
Marketing expenses (-)	18	(1.064.454.420)	(361.597.472)	(1.136.117.998)	(428.744.044)
Other operating income	20	344.528.803	96.408.392	450.391.987	42.160.452
Other operating expenses (-)	20	(391.697.640)	(158.496.705)	(452.067.820)	(123.156.534)
Operating profit		2.081.711.541	807.596.360	2.121.100.773	825.241.858
Income related to investing activities	21	1.252.754.748	354.693.602	336.792.677	77.348.273
Expense related to investing activities (-)	21	(59.522.492)	(31.831.168)	(138.264.100)	(72.400.706)
Operating profit before financial expenses		3.274.943.797	1.130.458.794	2.319.629.350	830.189.425
Financial income	22	293.009.342	129.089.124	232.770.756	105.916.609
Financial expenses (-)	22	(616.857.650)	(197.697.431)	(1.273.338.291)	(398.306.774)
Monetary gain/(loss)		(702.710.104)	(204.308.384)	1.606.487.038	497.685.686
Earning before tax		2.248.385.385	857.542.103	2.885.548.853	1.035.484.946
Tax income					
Current tax expense	23	(400.086.216)	(192.207.049)	(212.225.311)	(195.934.275)
Deferred tax income	23	(314.358.482)	(125.831.268)	442.000.205	(42.639.136)
Net profit for the year		1.533.940.687	539.503.786	3.115.323.747	796.911.535
Earning per share (TL)		5,87	2,06	13,40	3,43

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIODS 1 JANUARY - 30 SEPTEMBER 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 September 2024, unless otherwise indicated.)

		1 January - 30 September 2024	1 July - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2023
OTHER COMPREHENSIVE INCOME					
Items to be reclassified subsequently to profit or loss:					
Change in foreign currency translation differences		106.179.049	14.513.402	11.192.921	110.217.782
Items that will not be reclassified subsequently to profit or loss:					
Income related to revaluation of defined benefit plans and measurement gains	13	(1.951.946)	(1.739.848)	(3.492.269)	(9.467.811)
Tax income / (expense) to revaluation of defined benefit plans and measurement	23	503.110	450.085	698.454	1.893.562
Income related to revaluation increase on property, plant and equipment		-	-	12.703.175	7.096.238
TOTAL COMPREHENSIVE INCOME		1.638.670.900	552.727.425	3.136.426.028	906.651.306

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIODS 1 JANUARY – 30 SEPTEMBER 2024 AND 2023

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 September 2024, unless otherwise indicated.)

					Other comprehensive income / (expense) will be reclassified to <u>profit or loss</u>	Remeasurement of defined benefit liabilities	Other comprehensive income / (expense) will not be reclassified to <u>profit or loss</u>	Net Income for the period	Retained earnings	Total
Notes	Share capital	Adjustment to share capital	Share premium	Restricted reserves seperated from profit	Currency translation differences		Revaluation of Property, Plant and Equipment			
Balance at 1 January 2024	16 261.292.000	2.454.806.019	4.999.866.161	-	16.720.169	5.046.043	680.656.355	3.339.160.001	1.393.594.558	13.151.141.306
Profit for the year	-	-	-	-	-	-	-	1.533.940.687	-	1.533.940.687
Other comprehensive expense	-	-	-	-	106.179.049	(1.448.836)	-	-	-	104.730.213
Total comprehensive profit	-	-	-	-	106.179.049	(1.448.836)	-	1.533.940.687	-	1.638.670.900
Dividend payment	-	-	-	-	-	-	-	-	(159.567.122)	(159.567.122)
Transfers	-	-	-	184.713.881	-	-	-	(3.339.160.001)	3.154.446.120	-
Balance at 30 September 2024	261.292.000	2.454.806.019	4.999.866.161	184.713.881	122.899.218	3.597.207	680.656.355	1.533.940.687	4.388.473.556	14.630.245.084
Balance at 1 January 2023	16 232.417.000	2.443.303.015	-	-	(5.293.934)	8.326.384	323.939.422	2.518.137.989	(1.124.543.431)	4.396.286.445
Profit for the year	-	-	-	-	-	-	-	3.115.323.747	-	3.115.323.747
Other comprehensive expense	-	-	-	-	11.192.921	(2.793.815)	12.703.175	-	-	21.102.281
Total comprehensive profit	-	-	-	-	11.192.921	(2.793.815)	12.703.175	3.115.323.747	-	3.136.426.028
Transfers	-	-	-	-	-	-	-	(2.518.137.989)	2.518.137.989	-
Balance at 30 September 2023	232.417.000	2.443.303.015	-	-	5.898.987	5.532.569	336.642.597	3.115.323.747	1.393.594.558	7.532.712.473

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TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE ACCOUNTING PERIODS 1 JANUARY - 30 SEPTEMBER 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 September 2024, unless otherwise indicated.)

		1 January - Notes 30 September 2024	1 January - 30 September 2023
Cash Flows From Operating Activities			
Net profit for the period		1.533.940.687	3.115.323.747
Adjustments related to reconciliation of net profit for the period		3.069.387.325	1.639.568.625
Depreciation and amortization expense	9-10	1.153.701.221	1.046.237.947
Adjustments for impairment			
impairment and expenses related to closed restaurants	21	948.674	6.668.775
Adjustments for provisions			
provisions related to employee benefits	13	303.263.268	265.170.379
Adjustment related to provisions for litigation and/or penalties	12	31.975.752	26.983.300
Adjustments related to interest income and expenses			
Interest income	21-22	(1.188.671.416)	(299.918.627)
Adjustments related to participation share	21	(313.402.211)	-
Interest expense	22	5.132.932	355.279.179
Deferred financial income			
arising from forward purchases	20	56.985.527	27.102.507
Unearned finance expense			
arising from credit sales	20	(120.020.131)	(61.729.475)
Depreciation and amortisation on leases	11	1.569.144.286	1.467.409.489
Interest expense on leases, net	22-11	310.392.163	319.005.636
Exchange rate difference expense related to leases		32.247.925	53.664.076
Adjustments related to unrealised			
foreign currency translation differences		-	133.712.668
Insurance income	21	(12.738.209)	(96.707.206)
Adjustments related to tax (income) / expense	23	714.444.698	(229.774.894)
Adjustments related to gain			
on disposal of property, plant and equipment	21	37.732.194	31.007.397
Monetary gain/(loss)	21	488.250.652	(1.404.542.526)
Changes in Working Capital		(293.041.777)	547.246.192
Adjustments related to (increase)/decrease in trade receivables			
Increase in due from related parties		(383.629.442)	(300.531.271)
Increase in trade receivables from third parties		(370.255.484)	(472.450.536)
Adjustments related to (increase)/decrease			
in other current and non-current assets		(17.057.509)	(10.606.851)
(Increase)/decrease in inventories		(114.253.717)	(209.233.286)
(Increase)/decrease in prepaid expenses		(233.830.171)	(109.337.166)
Adjustments for increase in trade payables			
(Increase)/decrease in due to related parties		216.365.537	775.508.369
(Increase)/decrease in trade payables to third parties		359.783.713	415.522.161
Other payables / liabilities (decrease)/increase		257.576.064	475.222.431
Increase/(decrease) in other liabilities		(7.740.768)	(16.847.659)
Cash Flows From Operations		(565.198.700)	(287.978.118)
Employee benefits paid	13	(167.557.619)	(235.197.334)
Income taxes paid		(381.460.885)	(42.078.454)
Litigation paid		(16.180.196)	(10.702.330)

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TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE ACCOUNTING PERIODS 1 JANUARY - 30 SEPTEMBER 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 September 2024, unless otherwise indicated.)

		1 January - Notes 30 September 2024	1 January - 30 September 2023
Cash Flows From Investing Activities		(664.057.964)	(2.046.731.444)
Cash inflows from disposal of property, plant and equipment		24.807.825	72.382.918
Cash outflows from acquisition of property, plant and equipment	9	(2.024.913.910)	(1.273.938.078)
Cash outflows from acquisition of intangible assets	10	(178.763.715)	(152.502.840)
Cash advances given to related parties		-	(1.089.299.277)
Cash inflows from insurance		12.738.209	96.707.206
Participation share received		313.402.211	-
Interest received	21-22	1.188.671.416	299.918.627
Cash Flows From Financing Activities		(1.553.724.546)	(2.543.885.790)
Cash inflows from borrowings	4	279.519.146	1.487.825.058
Cash outflows related to loan repayments	4	(337.396.957)	(2.299.620.437)
Interest paid	4	(5.537.616)	(369.900.123)
Interest payments related to lease transactions		(310.392.163)	(319.005.636)
Payments for lease transactions	5	(1.179.916.956)	(1.043.184.652)
THE EFFECT OF MONETARY LOSS ON CASH AND CASH EQUIVALENTS		(1.414.716.741)	(134.026.597)
NET CHANGE IN CASH AND CASH EQUIVALENTS		112.588.285	289.516.615
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3	5.359.790.098	303.842.977
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3	5.472.378.383	593.359.592

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TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

FOR THE ACCOUNTING PERIOD 1 JANUARY – 30 SEPTEMBER 2024

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 September 2024, unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP

TAB Gıda Sanayi ve Ticaret A.Ş. ("the Company") was established on 4 August 1994. The principal activities of the Company and its subsidiaries ("the Group") are sub-letting brands and operating fast food hamburger, chicken and pizza restaurants under the Burger King, Popeyes, Sbarro, Arby's, Subway, Usta Dönerci and Usta Pideci brands. The Company operates the largest fast food hamburger restaurant chain in Turkey in terms of number of restaurants.

The Group operates and franchises Burger King, Popeyes, Sbarro and Arby's-branded restaurants under exclusive development and master franchise agreements and the owner of Usta Dönerci and Usta Pideci brands. Burger King and Popeyes brands are both owned by Restaurant Brands International Inc ("RBI"). The expiry dates of the master franchise and exclusivity rights under the Master Franchise Development Agreement ("MFDA") are as follows:

Brand	Expiration Dates
Burger King— Quick Service Restaurant Business Türkiye	1 December 2032
Popeyes— Quick Service Restaurant Business Türkiye	31 December 2026
Sbarro— Quick Service Restaurant Business Türkiye	31 December 2027
Arby's— Quick Service Restaurant Business Türkiye	31 December 2027
Subway— Quick Service Restaurant Business Türkiye	31 December 2029

The address of the Company is Dikilitaş Mahallesi Emirhan Caddesi No: 109 Beşiktaş, İstanbul.

As at 30 September 2024 the average number of personnel employed during the year is 15.590 (31 December 2023: 15.454).

As of 30 September 2024, the Group has a total of 1.781 open restaurants. The number of franchise restaurants in the total number of open restaurants is 796 as of 30 September 2024. (31 December 2023: The number of Group restaurants is 1.615, of which 687 are franchise restaurants).

TFI TAB Gıda Yatırımları Anonim Şirketi is the main shareholder of the Group and the main controlling party.

As at 30 September 2024, the list of subsidiaries is as follows:

- TAB Georgia LLC. "GÜRCİSTAN"
- TAB Limited Makedonija Dooel Petrovec "MAKEDONYA"

A brief description of the Company's subsidiaries is as follows:

- TAB Georgia LLC. was established on 26 December 2006 in Georgia. TAB Georgia operates fast food restaurants. As of 30 September 2024, the total number of open restaurants is 9 and the number of franchise restaurants is 1 (31 December 2023: Total number of open restaurants is 9, 1 of which belongs to franchise restaurants).
- TAB Limited Makedonija Dooel Petrovec was established in Macedonia on 13 June 2011. TAB Macedonia operates fast food restaurants. As of 30 September 2024, the total number of open restaurants is 15, all of which are operated by the Group. (31 December 2023: Total number of open restaurants is 12, all of which are operated by the Group).

As at 30 September 2024, the list of branches is as follows:

- TAB Gıda Sanayi ve Ticaret A.Ş. – Northern Cyprus Branch "KUZEY KIBRIS"

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FOR THE ACCOUNTING PERIOD 1 JANUARY – 30 SEPTEMBER 2024

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 30 September 2024, unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP (Cont’d)

Approval of the consolidated financial statements

The consolidated financial statements have been approved by the Board of Directors and authorised for issue on 27 August 2024. The General Assembly and other regulatory bodies are authorised to amend and restate the financial statements.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basic Principles of Presentation

Implemented Financial Reporting Standards

The accompanying consolidated financial statements are prepared in accordance with the Communiqué Serial II, No:14.1, “Principles of Financial Reporting in Capital Markets” (“the Communiqué”) 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 Financial Reporting Standards (“TFRS”) and its addendum and interpretations (“IFRIC”) issued by Public Oversight Accounting and Auditing Standards Authority (“POA”) Turkish Accounting Standards Boards. The consolidated financial statements of the Group are prepared as per the CMB announcement of 4 July 2024 relating to financial statements presentations.

The Company and its subsidiaries operating in Turkey, maintains its accounting records and prepares its statutory financial statements in accordance with the Turkish Commercial Code (the “TCC”), tax legislation and the uniform chart of accounts issued by the Ministry of Finance. These consolidated financial statements are based on the statutory records, with the required adjustments and reclassifications including those related to changes in purchasing power reflected for the purpose of fair presentation in accordance with the TFRS.

Financial Reporting In Hyperinflationary Economy

Entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after 31 March 2024 with the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

The accompanying financial statements are prepared on a historical cost basis, except for financial investments measured at fair value and investment properties measured at revalued amounts.

Financial statements and corresponding figures for previous periods have been restated for the changes in the general purchasing power of Turkish lira and, as a result, are expressed in terms of purchasing power of Turkish lira as of 30 September 2024 as per TAS 29.

On the application of TAS 29, the entity used the conversion coefficient derived from the Customer Price Indexes (CPI) published by Turkey Statistical Institute according to directions given by POA. The CPI for current and previous year periods and corresponding conversion factors since the time when the Turkish lira previously ceased to be considered currency of hyperinflationary economy, i.e., since 1 January 2021, were as follow:

Year end	Index
2021	686,95
2022	1.128,45
2023	1.859,38
2024/09	2.526,16

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FOR THE ACCOUNTING PERIOD 1 JANUARY – 30 SEPTEMBER 2024

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 September 2024, unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

2.1 Basic Principles of Presentation (Cont'd)

Financial Reporting under Hyperinflation

In accordance with TMS 29, necessary adjustments to the financial statements have been made, with assets and liabilities initially separated into monetary and non-monetary categories. Non-monetary assets and liabilities are further subdivided into those measured at fair value and those measured at cost. Monetary items (excluding those linked to an index) and non-monetary items measured at fair value as of the reporting period-end (30 September 2024) are already expressed in the current measurement unit and have not been adjusted for inflation. Non-monetary items not expressed in the current measurement unit as of 30 September 2024 have been adjusted for inflation using the relevant coefficient.

In cases where the inflation-adjusted value of non-monetary items exceeds their recoverable amount or net realizable value, the carrying amount has been reduced in accordance with the relevant IFRS (International Financial Reporting Standards). Furthermore, inflation adjustments have been made for equity elements and all items in the statement of profit or loss and other comprehensive income. For non-monetary items acquired or assumed before 1 January 2005, as well as equity elements established before that date, the adjustment has been made according to the change in the Consumer Price Index (CPI) from 1 January 2005 to 30 September 2024.

The application of TAS 29 results in an adjustment for the loss of purchasing power of the Turkish lira presented in Net Monetary Position Gains (Losses) item in the profit or loss section of the statement of profit or loss and comprehensive income. In a period of inflation, an entity holding an excess of monetary assets over monetary liabilities loses purchasing power and an entity with an excess of monetary liabilities over monetary assets gains purchasing power to the extent the assets and liabilities are not linked to a price level. This gain or loss on the net monetary position is derived as the difference resulting from the restatement of non-monetary items, owners' equity and items in the statement of profit or loss and other comprehensive income and the adjustment of index linked assets and liabilities.

Functional and Reporting Currency

The individual financial statements of each Group entity are prepared in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group are presented in Turkish Lira ("TL"), which is the functional currency of the Group and the presentation currency of the Group's consolidated financial statements.

In preparing the consolidated financial statements of the Group, balance sheet items of companies whose functional currency is different from TL are translated into TL at the exchange rate ruling at the balance sheet date and income, expenses and cash flows are translated into TL at the exchange rate ruling at the date of the transactions (historical exchange rate) or, if the date cannot be determined, at the annual average exchange rate. The resulting translation difference is recognised in the foreign currency translation reserve under equity.

The functional currencies of the Company's subsidiaries in Georgia and Macedonia are Georgian Lari and Macedonian Dinar, respectively.

As at 30 September 2024, the buying exchange rates for assets are 1 Macedonian Dinar = TL 0,6223 and 1 Lari = TL 12,5156 (31 December 2023: 1 Macedonian Dinar = TL 0,5309 and 1 Lari = TL 10,9890), and the selling exchange rates for liabilities are 1 Macedonian Dinar = TL 0,6223 and 1 Lari = TL 12,5156 (31 December 2023: 1 Macedonian Dinar = TL 0,3247 and 1 Lari = TL 6,9300).

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont’d)

2.1 Basic Principles of Presentation (cont’d)

Basis Of Consolidation

The details of the Company's subsidiaries as at 30 September 2024 and 31 December 2023 are as follows:

Subsidiaries	Business Segment	Country of Origin	30 September 2024	31 December 2023
TAB Georgia LLC	Quick Service Restaurant	Georgia	%100	%100
TAB Limited Makedonija Dooel Petrovec	Quick Service Restaurant	Macedonia	%100	%100

As at 30 September 2024 and 31 December 2023, the Group's branch information is as follows:

Branch Name	Business Segment	Country of Origin
TAB Gıda Sanayi ve Ticaret A.Ş. – Northern Cyprus Branch	Quick Service Restaurant	Northern Cyprus

The consolidated financial statements include the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company fulfils the following conditions:

- has power over the invested company/asset
- is entitled or open to variable returns from the invested company/asset
- has the ability to affect those returns through its power to direct the activities of the entity

If a situation or event occurs that could lead to a change in at least one condition stated above, Company shall reassess whether it has control over its investment.

In cases where the Company does not have the majority voting right over the invested company/asset, if it has sufficient voting rights to direct/manage the activities of the relevant investment alone, it has control over the invested company/asset. The Company considers all relevant events and conditions in assessing whether the majority of the votes in the relevant investment is sufficient to gain control, including the following:

- Comparing the voting rights of the Company with the other shareholders,
- Potential voting rights of the Company and other shareholders have,
- Rights arising from other contractual agreements,
- Other events and conditions that can show whether the Company has power in managing the relevant activities (including the votes at the general assembly meetings in previous periods) in cases where a decision needs to be made.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont’d)

2.1 Basic Principles of Presentation (cont’d)

Basis Of Consolidation

Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases. The income and expenses of subsidiaries acquired or sold during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of purchase to the date of sell out.

Each item of the profit or loss and other comprehensive income belongs to the parent shareholders and non-controlling interests. Even if the non-controlling interests result in negative balance, the total comprehensive income of the subsidiaries is transferred to the parent company shareholders and non-controlling interests.

If necessary, adjustments regarding to the accounting policies have been made in the financial statements of the subsidiaries in order to be the in line with the accounting policies followed by the Group.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Offsetting

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

2.2 Changes in Accounting Policies

Significant changes in accounting policies are applied retrospectively and prior period financial statements are restated. The Group has not made any changes in accounting policies in the current year.

2.3 Changes and Errors in Accounting Estimates

If the changes in accounting estimates and errors are for only one period, they are applied in the period in which the change is made and if they are for future periods, they are applied both in the period in which the change is made and prospectively in future periods. The Group has not changed any accounting estimates and no significant accounting policy errors have been identified in the current year.

2.4 New and Revised Turkish Accounting Standards

The accounting policies adopted in preparation of the consolidated financial statements as of September 30, 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2024 and thereafter. The effects of these standards and interpretations on the Group’s financial position and performance have been disclosed in the related paragraphs.

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

2.4 New and Revised Turkish Accounting Standards (cont’d)

- i) **The new standards, amendments and interpretations which are effective as of January 1, 2024 are as follows:**

Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities

In March 2020 and January 2023, POA issued amendments to TAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in January 2023 if an entity’s right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period (“future covenants”), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, January 2023 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarify that the requirement for the right to exist at the end of the reporting period applies to covenants which the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or at a later date. The amendments also clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments must be applied retrospectively in accordance with TAS 8.

The amendments did not have a significant impact on the financial position or performance of the Group.

Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback

In January 2023, POA issued amendments to TFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of TFRS 16 under “Subsequent measurement of the lease liability” heading after the commencement date in a sale and leaseback transaction, the seller lessee determines ‘lease payments’ or ‘revised lease payments’ in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining ‘lease payments’ that are different from the general definition of lease payments in TFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with TAS 8. A seller-lessee applies the amendments retrospectively in accordance with TAS 8 to sale and leaseback transactions entered into after the date of initial application of TFRS 16.

The amendments did not have a significant impact on the financial position or performance of the Group.

Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements

The amendments issued by POA in September 2023 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk. Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, suppliers are paid. The amendments require an entity to provide information about terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those liabilities. In the context of quantitative liquidity risk disclosures required by TFRS 7, supplier finance arrangements are also included as an example of other factors that might be relevant to disclose.

The amendments did not have a significant impact on the financial position or performance of the Group.

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

2.4 New and Revised Turkish Accounting Standards (cont’d)

ii) Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

The Group will wait until the final amendment to assess the impacts of the changes.

TFRS 17 - The new Standard for insurance contracts

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2025 with the announcement made by the POA.

The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

Amendments to IAS 21 - Lack of exchangeability

In May 2024, POA issued amendments to TAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The Group will wait until the final amendment to assess the impacts of the changes.

iii) The amendments which are effective immediately upon issuance

Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules

In September 2023, POA issued amendments to TAS 12, which introduce a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments.

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

2.4 New and Revised Turkish Accounting Standards (cont’d)

Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules

The amendments did not have a significant impact on the financial position or performance of the Group.

2.5 Significant accounting policies

The condensed consolidated financial statements for the interim period ended September 30, 2024 have been prepared in accordance with TAS 34 Interim Financial Reporting. The significant accounting policies applied in the preparation of the condensed consolidated financial statements are consistent with those described in detail in the consolidated financial statements for December 31, 2023. Accordingly, the condensed consolidated financial statements should be read in conjunction with the financial statements for the year ended December 31, 2023.

2.6 Going Concern Assumption

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to realise the benefits from its assets and settle its liabilities within the next year and in the normal course of business.

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NOTE 3 - CASH AND CASH EQUIVALENTS

	30 September 2024	31 September 2023
Cash on hand	66.603.105	58.991.909
Demand deposits at bank	40.320.616	180.530.827
Time deposits at bank	5.331.390.126	5.071.569.682
Other cash equivalents (*)	34.064.536	48.697.680
	5.472.378.383	5.359.790.098

(*) Other cash and cash equivalents consist of receivables from credit card sales which are realised in cash within 1 day on average. The Group pays commission to banks for the collection of credit card receivables before the original maturity date. The remaining balance consists of receivables from internet payment platforms with an average maturity of 7 days.

The details of time deposits at the bank are as follows:

Currency Type	Interest Rate (%)	Maturity	30 September 2024
TL	40% - 51%	1 Oct - 11 Nov 2024	5.331.390.126
			5.331.390.126

Currency Type	Interest Rate (%)	Maturity	31 Aralık 2023
USD	45%	2 Jan 2024	749.443.173
TL	40% – 47%	2 Jan - 29 Mar 2024	4.322.126.509
			5.071.569.682

NOTE 4 - BORROWINGS

The details of the Group's financial liabilities as at 30 September 2024 and 31 December 2023 are as follows:

	30 September 2024	31 December 2023
Short term bank borrowings	32.788.921	77.037.720
Current portion of long-term borrowings	9.177.051	49.015.085
Total borrowings	41.965.972	126.052.805

Details of the bank loans are as follows:

Currency Type	Weighted Average Effective Interest Rate	30 September 2024
TL	20%	41.965.972
		41.965.972

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NOTE 4 – BORROWINGS (cont’d)

<u>Currency Type</u>	<u>Weighted Average Effective Interest Rate</u>	<u>31 December 2023</u>
TL	40%	126.052.805
		126.052.805

The movement of the Group's financial liabilities as at 30 September 2024 and 2023 is as follows:

	2024	2023
Opening balance as of 1 January	126.052.805	3.021.940.235
Cash inflow from borrowings	279.519.146	1.487.825.058
Cash outflows from borrowings	(337.396.957)	(2.229.620.437)
Exchange differences (Not 22)	-	326.637.684
Interest payments	(5.537.616)	(369.900.123)
Interest expense (Not 22)	5.132.932	355.279.179
Monetary gain/(loss)	(25.804.338)	(482.604.510)
Closing balance at 30 September	41.965.972	2.039.557.086

NOTE 5 - LEASE LIABILITIES

	30 September 2024	31 December 2023
Short-term lease liabilities	1.228.713.419	943.069.504
Total short-term lease liabilities	1.228.713.419	943.069.504
Long-term lease liabilities	2.032.627.519	1.824.276.644
Total long-term lease liabilities	2.032.627.519	1.824.276.644
Total lease liabilities	3.261.340.938	2.767.346.148

	30 September 2024	31 December 2023
To be paid within 1 year	1.228.713.419	943.069.504
To be paid between 1-2 years	721.634.503	640.414.233
To be paid between 2-3 years	502.468.914	449.307.668
To be paid between 3-4 years	197.607.816	292.317.276
To be paid after 4+ years	610.916.286	442.237.467
	3.261.340.938	2.767.346.148

The movement of the Group's finance lease payables as at 30 September 2024 and 2023 is as follows:

	2024	2023
Opening balance as of 1 January	2.767.346.148	3.350.881.010
Purchases	2.373.244.322	1.937.668.144
Payments	(1.179.916.956)	(1.043.184.652)
Exchange differences, net	32.247.925	53.664.076
Interest expense	310.392.163	319.005.636
Monetary gain/(loss)	(1.041.972.664)	(500.563.048)
Closing balance at 30 September	3.261.340.938	4.117.471.166

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NOTE 6 - TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables and Notes Receivable

<u>Current trade receivables</u>	30 September 2024	31 December 2023
Trade receivables	661.339.444	532.146.885
Trade receivables from related parties (Not 24)	599.829.246	359.977.270
Impairment provision for trade receivables (-)	(6.763.156)	(9.188.447)
	1.254.405.534	882.935.708

The majority of the Group's sales consist of cash sales. Trade receivables consist of sales to sub-franchise companies and receivables from food voucher companies. Trade receivables are discounted using an annual interest rate of 43,90% (31 December 2023:37,22%).

The impairment provision for trade receivables has been determined based on past experience of uncollectibility.

Notes receivables balance consists of post-dated cheques and notes received from franchisors within the scope of commercial works.

The movement of impairment provision for trade receivables is as follows:

	2024	2023
Opening balance as of 1 January	(9.188.447)	(2.545.428)
Provision for impairment on trade receivables	-	(10.623.436)
Monetary gain/(loss)	2.425.291	528.334
Closing balance at 30 September	(6.763.156)	(12.640.530)

The nature and level of risks related to trade receivables are disclosed in Note 25.

b) Trade Payables

<u>Short-term trade payables</u>	30 September 2024	31 December 2023
Trade payables (*)	564.308.924	593.112.875
Trade payables to related parties (Note 24)	1.331.948.379	1.441.357.628
	1.896.257.303	2.034.470.503
<u>Long-term trade payables</u>		
Trade payables (*)	141.777.997	190.493.531
	141.777.997	190.493.531

Trade payables are discounted using the effective interest method. The effective interest rate of 43,90% has been used to determine the value of trade payables (31 December 2023: 37,22%).

The nature and level of risks related to trade payables are disclosed in Note 25.

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NOTE 7 - OTHER RECEIVABLES AND PAYABLES

a) Other Receivables

<u>Short-term other receivables</u>	30 September 2024	31 December 2023
Receivables from tax office	2.700.571	2.076.549
Deposits and guarantees given	2.371.420	1.529.835
Accrued income	1.264.063	274.047
	6.336.054	3.880.431

Long-term other receivables

Deposits and guarantees given (*)	27.151.995	31.132.034
Other	2.943.169	5.303.201
	30.095.164	36.435.235

(*) Deposits and guarantees represent deposits given to the relevant administrative units for rents and connection fees such as electricity, natural gas and water. Deposit amounts are returned at the end of the lease agreement.

b) Other Payables

<u>Short-term other payables</u>	30 September 2024	31 December 2023
Deposits and guarantees received (*)	737.955	964.214
Other	6.747	138.370
	744.702	1.102.584

(*) Deposits and guarantees represent the deposits received from the relevant sub-franchisee companies for connection fees such as electricity, natural gas and water. Deposit amounts are returned at the end of the lease agreement.

The nature and level of risks related to other receivables and payables are disclosed in Note 25.

NOTE 8 - INVENTORIES

	30 September 2024	31 December 2023
Raw materials	354.509.960	357.456.418
Other inventory	27.293.830	25.768.054
	381.803.790	383.224.472

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NOTE 9 - PROPERTY, PLANT AND EQUIPMENT

	Plant Machinery & Equipment	Vehicles	Furniture & Fixture	Leasehold improvements	Construction in progress	Total
Cost:						
Opening balance as of 1 January 2024	9.725.535.649	35.665.779	3.590.789.203	3.114.861.187	260.074.949	16.726.926.767
Additions	716.716.632	-	463.776.042	671.684.835	172.736.401	2.024.913.910
Disposals	(77.410.490)	(148.173)	(387.341.636)	(7.534.100)	-	(472.434.399)
Currency translation effect	-	-	(42.612.635)	-	-	(42.612.635)
Closing balance on 30 September 2024	10.364.841.791	35.517.606	3.624.610.974	3.779.011.922	432.811.350	18.236.793.643
Accumulated Depreciation:						
Opening balance as of 1 January 2024	(5.876.329.068)	(7.388.093)	(2.221.829.577)	(1.520.555.314)	-	(9.626.102.052)
Charge for the period	(613.688.541)	(6.534.887)	(213.257.250)	(263.228.155)	-	(1.096.708.833)
Disposals	48.249.121	142.337	355.858.160	5.644.760	-	409.894.378
Currency translation effect	-	-	13.604.871	-	-	13.604.871
Closing balance on 30 September 2024	(6.441.768.488)	(13.780.643)	(2.065.623.796)	(1.778.138.709)	-	(10.299.311.636)
Net Book Value	3.923.073.303	21.736.963	1.558.987.178	2.000.873.213	432.811.350	7.937.482.007

The depreciation expenses amounting to TL 994.714.911 have been included in the cost of goods sold, and TL 101.993.921 have been included in general administrative expenses (as of September 30, 2023: TL 906.042.848 included in the cost of sales and TL 92.901.858 included in general administrative expenses).

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NOTE 9 - PROPERTY, PLANT AND EQUIPMENT (cont’d)

	Plant Machinery & Equipment	Vehicles	Furniture & Fixture	Leasehold improvements	Construction in progress	Total
Cost:						
Opening balance as of 1 January 2023	8.452.063.900	21.240.825	3.131.024.429	2.526.771.779	160.142.486	14.291.243.419
Additions	348.937.311	25.633.717	371.187.099	428.902.745	99.277.206	1.273.938.078
Disposals	(84.617.255)	(18.359.508)	(34.311.101)	(85.215.297)	-	(222.503.161)
Translation difference	-	-	(18.951.488)	-	-	(18.951.488)
Closing balance on 30 September 2023	8.716.383.956	28.515.034	3.448.948.939	2.870.459.227	259.419.692	15.323.726.848
Accumulated Depreciation:						
Opening balance as of 1 January 2023	(4.816.185.056)	(18.176.846)	(1.930.146.153)	(1.315.104.833)	-	(8.079.612.888)
Charge for the period	(521.991.513)	(2.177.335)	(256.738.299)	(218.037.559)	-	(998.944.706)
Disposals	56.324.024	16.212.066	22.296.358	24.280.398	-	119.112.846
Translation difference	-	-	4.919.872	-	-	4.919.872
Closing balance on 30 September 2023	(5.281.852.545)	(4.142.115)	(2.159.668.222)	(1.508.861.994)	-	(8.954.524.876)
Net Book Value	3.434.531.411	24.372.919	1.289.280.717	1.361.597.233	259.419.692	6.369.201.972

TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

FOR THE ACCOUNTING PERIOD 1 JANUARY – 30 SEPTEMBER 2024

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NOTE 9 - PROPERTY, PLANT AND EQUIPMENT (cont’d)

The depreciation periods for property, plant and equipment are as follows:

	<u>Useful Life</u>
Machinery and equipment	5-25 years
Vehicles	4-5 years
Fixtures and furniture	3-10 years
Leasehold improvements	2-20 years

The Group has assessed each restaurant as a cash-generating unit (CGU) and performed an impairment test for each CGU and analysed the recoverable amount of the fixed assets of the restaurants. This impairment test was applied for leasehold improvements, machinery and equipment and fixtures and fittings. The recoverable amount of cash generating units is determined using cash flow projections extended from 5 years to 10 years.

For each CGU, the Group has recognised impairment only for leasehold improvements since the average useful life of leasehold improvements is approximately 10 years and other assets in restaurants can be transferred in case of closure of a restaurant. Therefore, the restaurant impairment analysis is based on 10-year cash flow projections and no terminal value is assumed. Impairment test is performed for the restaurants, each of which is a separate cash-generating units (NÜB), for which there is an indication of impairment.

Impairment and reversals are included in income and expenses from investing activities in the income statement (Note 21).

Fair value measurement of the Group’s freehold land, buildings and machinery & equipment

As of December 31, 2023, the fair value measurements of the plants, machinery, and equipment owned by the Group has been performed by Kale Taşınmaz Değerleme ve Danışmanlık A.Ş., an independent valuation company. The relevant valuation firm is authorized by the CMB and provides plant, machinery, and equipment valuation services in accordance with capital market regulations, and possesses the necessary experience and qualifications to measure the fair value of the related machinery.

The fair value of plant, machinery and equipment is determined as replacement cost by multiplying the initial purchase cost by the average increase in foreign currency and inflation index for the period between the acquisition date and the valuation date and then adjusted for accumulated depreciation, impairment and impairment, if any, based on the experience of the valuation experts.

As at 30 September 2024, information on the Group's plant, machinery and equipment and the fair value hierarchy of these assets are shown in the table below:

	Level 1	Level 2	Level 3
Machinery and Equipment	-	3.923.073.303	-
	-	3.923.073.303	-

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NOTE 9 - PROPERTY, PLANT AND EQUIPMENT (cont’d)

Tangible Fixed Assets	Valuation Techniques	Significant unobservable input(s)	Sensitivity
Plant, machinery and equipment	Cost Approach	Valuation expert’s estimations and depreciation rates used in the valuation.	Valuation expert’s judgement based on experience impacts the fair value of machinery and equipment. A change in ratio of foreign currencies and inflation index would result in an increase in fair value, and vice versa.

NOTE 10 - INTANGIBLE ASSETS

	Initial Franchise Fees	Rights and Licenses	Total
Cost:			
Opening balance as of 1 January 2024	617.458.235	645.777.251	1.263.235.486
Additions	37.222.270	141.541.445	178.763.715
Disposals	-	(351.738)	(351.738)
Currency translation differences	(33.856.467)	-	(33.856.467)
Closing balance as of 30 September 2024	620.824.038	786.966.958	1.407.790.996
Accumulated Amortization:			
Opening balance as of 1 January 2024	(209.470.198)	(259.606.779)	(469.076.977)
Charge for period	(17.308.059)	(39.684.329)	(56.992.388)
Disposals	-	5.645	5.645
Closing balance as of 30 September 2024	(226.778.257)	(299.285.463)	(526.063.720)
Net Book Value	394.045.781	487.681.495	881.727.276

The depreciation expenses of TL 51.692.096 have been included in the cost of goods sold, and TL 5.300.292 have been included in general administrative expenses (as of September 30, 2023: TL 42.894.970 included in the cost of sales and TL 4.398.271 included in general administrative expenses).

The Group's intangible assets consist of franchise opening fees paid for new restaurants, rights and licences. The amortisation period is 20 years for franchise opening fees and 2-20 years for licences.

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NOTE 10 - INTANGIBLE ASSETS (cont’d)

	Initial Franchise Fees	Rights and Licenses	Total
Cost:			
Opening balance			
as of 1 January 2023	595.737.273	551.240.502	1.146.977.775
Additions	79.565.299	72.937.541	152.502.840
Disposals	(1.772.186)	(120.743)	(1.892.929)
Currency translation effect	(68.356.481)	-	(68.356.481)
Closing balance			
as of 30 September 2023	605.173.905	624.057.300	1.229.231.205
Accumulated Amortization:			
Opening balance			
as of 1 January 2023	(188.386.753)	(221.093.051)	(409.479.804)
Charge for the period	(15.586.914)	(31.706.327)	(47.293.241)
Disposals	553.522	57.925	611.447
Closing Balance			
As of 30 September 2023	(203.420.145)	(252.741.453)	(456.161.598)
Net Book Value	401.753.760	371.315.847	773.069.607

NOTE 11 - RIGHT OF USE ASSETS

	Restaurants	Property	Vehicles	Total
Cost:				
Opening balance				
as of 1 January 2024	8.673.749.045	44.595.278	53.686.662	8.772.030.985
Additions	2.352.490.891	19.599.829	1.153.602	2.373.244.322
Çıkışlar	(247.607.791)	-	(39.324.040)	(286.931.831)
Currency translation effect	17.863.816	-	-	17.863.816
Closing balance				
as of 30 September 2024	10.796.495.961	64.195.107	15.516.224	10.876.207.292
Accumulated Amortization:				
Opening balance				
as of 1 January 2024	(3.910.584.671)	(29.786.584)	(37.763.013)	(3.978.134.268)
Charge for the period	(1.533.848.614)	(21.826.702)	(13.468.970)	(1.569.144.286)
Disposals	83.579.651	-	36.787.600	120.367.251
Currency translation effect	(3.078.400)	-	-	(3.078.400)
Closing balance				
as of 30 September 2024	(5.363.932.034)	(51.613.286)	(14.444.383)	(5.429.989.703)
Net Book Value	5.432.563.927	12.581.821	1.071.841	5.446.217.589

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(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 September 2024, unless otherwise indicated.)

NOTE 11 - RIGHT OF USE ASSETS (cont'd)

	Restaurants	Property	Vehicles	Total
Cost:				
Opening balance				
as of 1 January 2023	7.147.327.328	31.551.825	54.191.358	7.233.070.511
Additions	1.906.382.133	13.257.109	18.028.903	1.937.668.144
Disposals	(171.302.796)	(108.806)	(230.222)	(171.641.824)
Currency translation effect	(3.213.704)	-	-	(3.213.704)
Closing balance				
as of 30 September 2023	8.879.192.961	44.700.128	71.990.039	8.995.883.127
Accumulated Amortization:				
Opening balance				
as of 1 January 2023	(2.345.738.982)	(11.648.099)	(12.508.939)	(2.369.896.020)
Charge for the period	(1.434.536.034)	(13.600.757)	(19.272.698)	(1.467.409.489)
Disposals	76.037.294	108.806	230.221	76.376.321
Currency translation effect	679.606	-	-	679.606
Closing balance				
as of 30 September 2023	(3.703.558.116)	(25.140.050)	(31.551.416)	(3.760.249.582)
Net Book Value	5.175.634.845	19.560.078	40.438.622	5.235.633.545

The Group's right of use assets consist of restaurants, buildings and vehicles. Average lease agreements are 6 years for restaurants, 3 years for buildings and 3 years for vehicles.

Accounted for in profit or loss	1 January - 30 September 2024	1 January - 30 September 2023
Depreciation expense on right-of use assets	1.569.144.286	1.467.409.489
Interest expense on lease liabilities	310.392.163	319.005.636
Foreign exchange losses on lease liabilities (net)	32.247.925	53.664.076
Expenses related to variable lease payments not included in the measurement of lease liabilities	1.358.382.698	1.344.303.400
Total	3.270.167.072	3.184.382.601

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NOTE 11 - RIGHT OF USE ASSETS (cont’d)

Some of the restaurant leases in which the Group is a lessee contain variable lease payment terms that depend on the sales generated from the leased stores. Variable payment terms are used to link lease payments to maintain cash flows and reduce fixed costs. The breakdown of lease payments for these stores is as follows:

	1 January - 30 September 2024	1 January - 30 September 2023
Fixed payments	1.179.916.956	685.101.143
Variable payments	1.358.382.698	1.344.303.400
Total	2.538.299.654	2.029.404.543

NOTE 12 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a) Litigation provisions:

	30 September 2024	31 December 2023
Litigation provisions	38.905.760	34.125.275
	38.905.760	34.125.275

The movement of provisions for litigation is as follows:

	2024	2023
Opening balance as of 1 January	34.125.275	24.387.132
Charged to expense	31.975.752	26.983.300
Litigation paid	(16.180.196)	(10.702.330)
Monetary gain/(loss)	(11.015.071)	(4.191.844)
Closing balance as of 30 September	38.905.760	36.476.258

There are various ongoing lawsuits in favour of and against the Group. The Group Management evaluates the possible outcomes and financial impact of these lawsuits at the end of each period and as a result of this valuation, provisions are set aside against possible gains and liabilities as deemed necessary. As of 30 September 2024, there are ongoing lawsuits against the Group amounting to TL 50.149.398 (31 December 2023: TL 38.971.024). The Group Management has provided provision amounting to TL 38.905.760 (31 December 2023: TL 34.125.275) for the lawsuits for which cash outflow is considered probable.

TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES**FOR THE ACCOUNTING PERIOD 1 JANUARY – 30 SEPTEMBER 2024****NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 September 2024, unless otherwise indicated.)

NOTE 12 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)**b) Guarantees, pledges and mortgages:**

The guarantees mainly consist of letters of guarantee given to restaurant owners as rent deposits, for electricity, natural gas and water connections, and to public authorities as deposits. The majority of the balance consists of letters of guarantee given as rent deposits for restaurants and letters of guarantee given to tax authorities for a VAT refund. The number of letters of guarantee given as a rent deposit is TL 320.386.835 (31 December 2023: TL 319.792.564).

30 September 2024

GPMs given by the Group (Guarantees - Pledges - Mortgages)	Total TL Equivalents	USD	GEL	EUR	TL
A. Given in the Name of Its Own					
Legal Entity Total amount of GPMs	425.014.900	1.811.990	-	2.216.562	278.699.836
- <i>Guarantees</i>	425.014.900	1.811.990	-	2.216.562	278.699.836
- <i>Mortgages</i>	-	-	-	-	-
B. Included in the scope of full consolidation					
Given in favour of included companies					
GPM's given Total Amount	-	-	-	-	-
C. Total amount of GPMs given in order to ensure the debts of other third parties for the purpose of carrying out ordinary commercial activities	-	-	-	-	-
D. Total amount of other GPMs given	-	-	-	-	-
Total	425.014.900	1.811.990	-	2.216.562	278.699.836

31 December 2023

GPMs given by the Group (Guarantees - Pledges - Mortgages)	Total TL Equivalents	USD	GEL	EUR	TL
A. Given in the Name of Its Own					
Legal Entity Total amount of GPMs	532.213.384	3.419.604	-	3.450.430	319.804.494
- <i>Guarantees</i>	532.213.384	3.419.604	-	3.450.430	319.804.494
- <i>Mortgages</i>	-	-	-	-	-
B. Included in the scope of full consolidation					
Given in favour of included companies					
GPM's given Total Amount	-	-	-	-	-
C. Total amount of GPMs given in order to ensure the debts of other third parties for the purpose of carrying out ordinary commercial activities	-	-	-	-	-
D. Total amount of other GPMs given	-	-	-	-	-
Total	532.213.384	3.419.604	-	3.450.430	319.804.494

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NOTE 13 - EMPLOYEE BENEFITS

	30 September 2024	31 December 2023
Payables to personnel (*)	301.420.298	228.530.629
Social security premiums payable	96.425.503	172.980.161
Income tax payable	39.617.203	32.634.586
	437.463.004	434.145.376

(*) Amount due to personnel represents salaries and wages accrued in the last month.

b) Provisions:

	30 September 2024	31 December 2023
Unused vacation provision	165.107.435	137.903.528
Retirement pay provision	156.831.841	136.209.339
	321.939.276	274.112.867

c) Unused vacation provision:

	2024	2023
Opening balance as of 1 January	137.903.528	110.649.730
Increase during the period	166.064.788	82.920.022
Paid during the period (-)	(93.199.676)	(99.661.535)
Monetary gain/(loss)	(45.661.205)	57.109.119
Closing balance at 30 September	165.107.435	151.017.336

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NOTE 13 - EMPLOYEE BENEFITS (cont'd)

d) Retirement pay provision:

Under the Turkish Labour Law, the Group is required to pay termination benefits to each employee who has completed at least one year of service and whose employment is terminated without due cause, is called up for military service, dies or retires after completing 25 years of service and achieves the retirement age (58 for women and 60 for men). Certain transitional provisions related to the pre-retirement service period have been excluded from the law due to the change in the related law as of 23 May 2002. Accordingly, the Group is required to make lump-sum termination indemnities to each employee who retired or terminated at the date of retirement. The payment depends on the number of years the individual has been employed by the Group.

The severance pay to be paid as of September 30, 2024, is subject to a cap of TL 41.828,42 per month (December 31, 2023: TL 35.058,58).

Employment termination benefits are not legally subject to any funding. Provision for employment termination benefits is calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. TAS 19 Employee Benefits requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Accordingly, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. Therefore, provisions in the accompanying financial statements as at 30 September 2024 are calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. The provisions at the respective reporting dates have been calculated assuming an annual inflation rate of 20,82% and an interest rate of 25,05%, resulting in a real discount rate of approximately 3.50% (31 December 2023: 3.50%). Voluntary termination rates are also taken into consideration as 11,66% for employees with 0-15 years of service and 0% for employees with 16 or more years of service.

	2024	2023
Opening balance as of 1 January	136.209.339	124.199.733
Service cost	134.763.176	179.509.444
Interest cost	2.435.304	2.740.913
Actuarial loss/gain	(1.951.946)	(3.492.269)
Retirements benefits paid (-)	(74.357.943)	(135.535.799)
Monetary gain/(loss)	(40.266.089)	(13.958.255)
Closing balance as of 30 September	156.831.841	153.463.767

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NOTE 14 - OTHER ASSETS AND LIABILITIES

<u>Other Current Assets</u>	30 September 2024	31 December 2023
VAT carried forward	11.291.976	5.903.209
Other	22.651.000	19.566.246
	33.942.976	25.469.455

<u>Other Non-Current Assets</u>	30 Eylül 2024	31 Aralık 2023
Evacuation costs (*)	6.543.436	8.138.997
	6.543.436	8.138.997

(*) Evacuation costs consist of premiums paid to the previous tenant to exit the property to be leased and non-refundable deposits paid to the property owners to become a tenant in the relevant property at the beginning of the lease.

<u>Short-Term Liabilities</u>	30 September 2024	31 December 2023
VAT payable	110.402.555	96.385.972
Taxes and funds payable (*)	8.066.611	5.816.366
	118.469.166	102.202.338

(*) Other taxes and funds consist of stamp taxes, withholding taxes and tax liabilities restructured with the tax amnesty law.

NOTE 15 - PREPAID EXPENSES AND CONTRACT LIABILITIES

<u>Short-Term Prepaid Expenses</u>	30 September 2024	31 December 2023
Advances given (*)	980.887.256	1.120.972.133
Prepaid expenses	46.900.053	11.809.077
Advances given	6.983.904	819.272
	1.034.771.213	1.133.600.482

(*) The given order advances include TL 516.263.943 to Fasdat Gıda Dağıtım San. Tic. A.Ş. for construction expenses and operational equipment purchases related to the Group's restaurants, TL 166.112.247 to Ekur İnşaat San. Tic. A.Ş., 231.737.336 to Mes Mutfak Ekip. San. Tic. A. Ş. (31 December 2023: TL 830.106.681 was given to Fasdat Gıda Dağıtım San. Tic. A.Ş., TL 161.425.466 was given to Ekur İnşaat San. Tic. A.Ş., TL 86.790.474 was given to Mes Mutfak Ekip. San. Tic. A. Ş. and TL 2.108.519 was given to ATP Yazılım ve Teknoloji A.Ş.).

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NOTE 15 - PREPAID EXPENSES AND CONTRACT LIABILITIES (cont'd)

<u>Long Term Prepaid Expenses</u>	30 September 2024	31 December 2023
Prepaid expenses	40.595.393	45.965.342
	40.595.393	45.965.342

<u>Short-Term Contract Liabilities</u>	30 September 2024	31 December 2023
Advances received (*)	99.952.324	72.533.953
Advances from customers (**)	104.682.562	88.234.703
Non-refundable advances received (***)	15.413.370	73.391.275
	220.048.256	234.159.931

<u>Long-Term Contract Liabilities</u>	30 September 2024	31 December 2023
Advances from customers (**)	105.534.233	130.594.248
Non-refundable advances received (***)	53.521.836	117.785.204
	159.056.069	248.379.452

(*) Advances received mainly consist of advances received from franchises.

(**) Advances received from customers consist of contractual liabilities according to IFRS 15.

(***) The Group receives incentives from its suppliers for purchasing contracts entered by the Group with the supplier. Incentives received in advance are initially recognized as advances in the consolidated statement of financial position and deducted from the cost of purchase of inventories in the related period in which the related inventory is purchased from the supplier.

NOTE 16 - EQUITY

a) Equity:

The paid-in capital structure of the Group as of 30 September 2024 and 31 December 2023 is as follows:

	30 September 2024		31 December 2023	
	Share (%)	TL	Share (%)	TL
TFI TAB Gıda Yatırımları A.Ş.	79,9	208.792.000	79,9	208.792.000
Other	20,1	52.500.000	20,1	52.500.000
Nominal Capital	100	261.292.000	100	261.292.000
Inflation adjustment		2.454.806.019		2.454.806.019
Adjusted Capital		2.716.098.019		2.716.098.019

The Group's authorized and issued capital consists of 261.292.000 shares each with a registered nominal value of TL1.

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NOTE 16 – EQUITY (cont’d)

b) Legal Reserves

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

c) Analyses of Other Comprehensive Income Items

As of 30 September 2024, revaluation measurement gains in accordance with TAS 16 and all actuarial gains and losses calculated in accordance with TAS 19, which are recognised in other comprehensive income, net of deferred tax effect are as follows:

<u>Not to be reclassified to profit or loss</u>	30 September 2024	31 December 2023
Gain on revaluation and measurement	680.656.355	680.656.355
Loss on remeasurement of defined benefit plans	3.597.207	5.046.043
	684.253.562	685.702.398
<u>To be reclassified to profit or loss</u>	30 Eylül 2024	31 Aralık 2023
Currency translation differences	122.899.218	16.720.169
	122.899.218	16.720.169

Foreign currency translation differences represent the translation differences arising on the settlement and translation at each reporting date of the entities' functional currencies other than TL.

NOTE 17 – REVENUE AND COST OF SALES

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Restaurant sales	20.379.490.455	20.128.683.860	7.038.667.444	7.440.385.581
Franchise revenues	2.186.331.532	1.921.176.345	818.848.861	776.490.681
Sales to franchised restaurants	472.050.104	567.801.657	196.925.426	198.541.193
Other sales	17.513.528	27.980.013	7.225.997	6.259.564
Sales returns (-)	(143.488.597)	(157.834.795)	(46.581.861)	(76.274.933)
	22.911.897.022	22.487.807.080	8.015.085.867	8.345.402.086

The timing of the fulfilment of the performance obligation is as follows:

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Fulfilment at a certain time	22.439.846.918	21.920.005.423	7.818.160.442	8.146.860.892
Fulfilment spread over time	472.050.104	567.801.657	196.925.425	198.541.194
	22.911.897.022	22.487.807.080	8.015.085.867	8.345.402.086

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NOTE 17 – REVENUE AND COST OF SALES (Cont’d)

b) Cost of Sales

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Foods and materials used	(7.689.788.134)	(8.220.265.988)	(2.528.851.982)	(2.881.197.380)
Personnel expenses	(4.105.490.392)	(3.537.761.877)	(1.334.324.108)	(1.349.476.853)
General production cost	(2.832.293.456)	(2.771.769.570)	(1.033.149.570)	(1.033.463.487)
Amortization expenses related with leases	(1.529.146.049)	(1.430.004.521)	(531.009.140)	(496.763.043)
Rent expenses	(1.339.155.780)	(1.313.214.363)	(519.508.468)	(588.937.977)
Amortization expenses	(1.046.407.007)	(948.937.818)	(378.908.142)	(333.655.159)
Cost of sales to Franchised restaurants	(202.846.550)	(128.529.383)	(88.323.608)	(33.613.482)
Cost of merchandise sold	(188.678.504)	(124.500.592)	(122.309.179)	(40.149.017)
	(18.933.805.872)	(18.474.984.112)	(6.536.384.197)	(6.757.256.398)

NOT 18 – MARKETING, SELLING AND DISTRIBUTION AND ADMINISTRATIVE EXPENSES

a) General Administrative Expenses

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Personnel expenses	(320.697.874)	(309.892.351)	(99.029.180)	(116.815.291)
Depreciation expenses (Note 9, 10)	(107.294.214)	(97.300.129)	(38.851.663)	(28.093.593)
Financial and legal consultancy expenses	(91.842.866)	(82.903.653)	(29.319.017)	(22.170.796)
Rent expenses	(19.226.918)	(31.089.037)	(5.007.373)	(10.229.387)
Office expenses	(39.870.712)	(66.955.073)	(12.015.401)	(1.967.962)
Maintenance and repair expenses	(36.315.495)	(23.949.683)	(10.597.117)	(9.358.691)
Amortization expenses related with leases (Note: 11)	(39.998.237)	(37.404.968)	(13.889.733)	(37.404.968)
Travelling expenses	(20.546.724)	(6.868.182)	(6.410.636)	(2.997.458)
Electricity and fuel expenses	(13.255.529)	(10.519.604)	(4.638.775)	(4.497.653)
Insurance expenses	(5.538.947)	(6.920.649)	(2.494.555)	(553.301)
Duties, fees and other tax expenses	(3.875.038)	(8.633.795)	(856.737)	(2.034.561)
Other	(86.293.798)	(71.491.240)	(24.309.338)	(17.040.043)
	(784.756.352)	(753.928.364)	(247.419.525)	(253.163.704)

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NOT 18 – MARKETING, SELLING AND DISTRIBUTION AND ADMINISTRATIVE EXPENSES
(Cont’d)

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Marketing and advertising expenses	(942.288.911)	(989.024.605)	(327.077.502)	(380.515.753)
Commission expenses	(108.881.229)	(141.273.251)	(28.403.306)	(45.823.914)
Other	(13.284.280)	(5.820.142)	(6.116.664)	(2.404.377)
	(1.064.454.420)	(1.136.117.998)	(361.597.472)	(428.744.044)

NOTE 19 – EXPENSE BY NATURE

The details of depreciation, amortisation and depletion expenses by expense accounts are as follows:

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Cost of sales	(1.046.407.007)	(948.937.818)	(378.908.142)	(333.655.159)
General administrative expenses	(107.294.214)	(97.300.129)	(38.851.663)	(28.093.593)
	(1.153.701.221)	(1.046.237.947)	(417.759.805)	(361.748.752)

The breakdown of amortisation expenses related to rights of use by expense accounts is as follows:

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Cost of sales	(1.529.146.049)	(1.430.004.521)	(531.009.140)	(496.763.043)
General administrative expenses	(39.998.237)	(37.404.968)	(13.889.733)	(37.404.968)
	(1.569.144.286)	(1.467.409.489)	(544.898.873)	(534.168.011)

The details of personnel expenses by expense accounts are as follows:

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Cost of sales	(4.105.490.392)	(3.537.761.877)	(1.334.324.108)	(1.349.476.853)
General administrative expenses	(320.697.874)	(309.892.351)	(99.029.180)	(116.815.291)
	(4.426.188.266)	(3.847.654.228)	(1.433.353.288)	(1.466.292.144)

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NOTE 20 – OTHER OPERATING INCOME AND EXPENSES

a) Other Operating Income

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Rediscount income	120.020.131	61.729.475	-	574
Foreign currency gain on trade activities	81.160.070	283.043.066	26.914.244	14.627.472
Waste oil income (*)	40.728.956	57.744.505	14.937.035	13.133.475
Income from payroll protocol	12.662.566	6.806.476	834.517	2.268.825
Income from the maturity difference of trade receivables	1.272.180	1.668.822	577.077	488.258
Other	88.684.900	39.399.643	53.145.519	11.641.848
	344.528.803	450.391.987	96.408.392	42.160.452

(*) Revenues from waste oils sold domestically.

b) Other Operating Expense

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Pre-opening and temporary closure expenses (*)	(235.269.575)	(190.825.828)	(76.852.624)	(65.325.882)
Foreign exchange losses on trade payables	(35.434.056)	(135.742.606)	(15.150.471)	(24.712.916)
Rediscount expenses	(56.985.527)	(27.102.507)	(47.861.736)	(11.424.161)
Recovery contribution fee	(10.661.771)	(11.004.547)	(4.303.499)	(8.794.933)
Other	(53.346.711)	(87.392.332)	(14.328.375)	(12.898.642)
	(391.697.640)	(452.067.820)	(158.496.705)	(123.156.534)

(*) Pre-opening restaurant expenses directly consist of pre-opening costs for new restaurants. There is construction process to prepare the restaurant for operation. During this process, the Group has to pay rent for the restaurant, employ the personnel to work in the restaurant and provide training to these personnel. Rent expenses, personnel expenses and personnel training expenses are recognised in pre-opening expenses. In addition, rent, electricity, water and natural gas expenses of temporarily closed restaurants are included in pre-opening expenses.

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NOT 21 – INCOME AND EXPENSES FROM INVESTING ACTIVITIES

a) Income from investing activities

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Interest income	895.662.074	96.977.635	284.991.732	37.358.141
Participation share income	313.402.211	-	58.248.418	-
Foreign exchange gains on investing activities	30.952.254	47.020.597	11.453.452	14.740.538
Insurance damage income	12.738.209	58.515.686	-	-
Insurance loss of profit income	-	38.191.520	-	-
Gain on sale of fixed assets	-	88.067.954	-	22.611.687
Other	-	8.019.285	-	2.637.907
	1.252.754.748	336.792.677	354.693.602	77.348.273

b) Expense from investing activities

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Foreign exchange expenses related to investment activities	(19.528.756)	-	-	-
Loss on sale of fixed assets	(37.732.194)	(119.075.351)	(30.906.609)	(66.474.999)
Closed restaurant expenses	(948.674)	(6.668.775)	(924.559)	(612.604)
Other	(1.312.868)	(12.519.974)	-	(5.313.103)
	(59.522.492)	(138.264.100)	(31.831.168)	(72.400.706)

NOT 22 – FINANCE INCOME AND FINANCE EXPENSES

a) Finance income

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Foreign exchange gains	-	16.551.145	-	-
Interest income from related parties	293.009.342	202.940.992	129.089.124	95.095.544
Foreign exchange gains on lease liabilities	-	13.278.619	-	10.821.065
	293.009.342	232.770.756	129.089.124	105.916.609

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NOTE 22 – FINANCE INCOME AND FINANCE EXPENSES (cont’d)

b) Finance expense

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July -30 September 2023
Foreign exchange losses on financial liabilities (Note 4)	-	(326.637.684)	-	(25.867.092)
Interest expense (Note 4)	(5.132.932)	(355.279.179)	(697.691)	(120.481.703)
Credit card commissions	(227.256.161)	(110.817.426)	(79.877.617)	(51.097.930)
Interest expenses on lease liabilities (Note 5)	(310.392.163)	(319.005.636)	(101.220.226)	(76.490.654)
Letter of guarantee commissions (Note 4)	(7.269.035)	(6.378.617)	(1.617.803)	(146.662)
Foreign exchange losses on lease liabilities (Note 5)	(32.247.925)	(66.942.695)	(8.243.692)	(63.972.207)
Other	(34.559.434)	(88.277.054)	(6.040.402)	(60.250.526)
	(616.857.650)	(1.273.338.291)	(197.697.431)	(398.306.774)

NOTE 23 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Current tax liability	30 September 2024	31 December 2023
Current corporate tax provision	356.814.504	397.946.904
Less: prepaid taxes and funds	(178.538.920)	(195.024.939)
	178.275.584	202.921.965

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Current tax expense	(400.086.216)	(212.225.311)	(192.207.049)	(195.934.275)
Deferred tax income	(314.358.482)	442.000.205	(125.831.268)	(42.639.136)
	(714.444.698)	229.774.894	(318.038.317)	(238.573.411)

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NOTE 23 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont’d)

Corporate tax

The Group is subject to corporate tax in Turkey. Provision is made in the accompanying consolidated financial statements for the estimated charge based on the Group's results for the current period.

Corporate tax is payable on taxable corporate income, which is calculated by adding back non-deductible expenses to the tax base and deducting dividends received from resident companies, income not subject to tax and investment incentives used.

As of 30 September 2024, the statutory tax rate is 25% (31 December 2023: 25%).

In Turkey, advance tax is payable on a quarterly basis. Taxes are payable at the statutory corporate tax rate.

Losses can be carried forward for a maximum of 5 years to be deducted from future taxable income.

In Turkey, there is no definite and definitive reconciliation procedure for tax assessments. Companies file their tax returns between 1-25 April of the year following the close of the accounting period of the relevant year (between 1-25 of the fourth month following the close of the period for those with special accounting periods). These tax returns and the underlying accounting records can be reviewed and amended by the tax office within 5 years.

In addition to the tax liabilities of companies in Turkey, foreign subsidiaries and operations are also subject to corporate tax in their respective countries. This tax is recognised separately in current tax expense. The statutory tax rates applicable in the countries in which the Group operates are summarised below:

Countries	Corporate tax rate	Prepaid tax rate(%)
Turkish Republic of Northern Cyprus (TRNC) (*)	10%	15%
Macedonia	10%	10%
Georgia	15%	10%

(*) According to the corporate tax law in force in the TRNC, 10% corporate tax is paid on pre-tax income and 15% income tax withholding is levied on the remaining amount, whether or not the profit is distributed.

Income withholding tax

In addition to corporate income tax, companies should also calculate income withholding tax on dividends distributed, except for companies receiving dividends and declaring such dividends as part of their corporate income, and branches of foreign companies in Turkey. In Turkey, income tax withholding tax was applied as 10% for all companies between 24 April 2003 and 22 July 2006 and then increased to 15%. Dividends that are not distributed but capitalised are not subject to withholding tax.

Deferred tax

The Group recognises deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported under POA Financial Reporting Standards and its statutory tax financial statements.

The tax rate used in the calculation of deferred tax assets and liabilities is 25% (2023: 25%).

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NOTE 23 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont’d)

The deferred tax asset and liabilities consist of the following:

	30 September 2024	31 December 2023
Revaluation and revaluation of property, plant and equipment depreciation / amortisation of intangible assets	1.350.325.664	993.758.459
Social security premium cancellations	(4.685.466)	(7.444.145)
Lease liabilities	(58.111.607)	(35.777.617)
Provision for employment termination benefit (Note 13)	(39.207.960)	(34.052.335)
Provision for unused vacation (Note 13)	(41.276.859)	(34.475.882)
Contractual obligations	(10.010.752)	(23.247.729)
Litigation provisions (Note 12)	(9.726.440)	(8.531.319)
Other	(107.496.876)	(82.563.352)
	1.079.809.704	767.666.080

As of 30 September 2024 and 2023, the movement of deferred tax (asset)/liability for the periods ended are as follows:

	2024	2023
Opening balance as of 1 January	767.666.080	647.715.951
Accounted for in the income statement	314.358.482	(442.000.205)
Accounted under equity	503.110	698.454
Monetary gain/(loss)	(2.717.968)	(49.920.152)
Closing balance on 30 September	1.079.809.704	156.494.048

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NOTE 24 – RELATED PARTY DISCLOSURES

The Group enters into various transactions with related parties in the ordinary course of business. The Group has a number of operational and financial relationships with its shareholders and companies owned by its shareholders. Receivables and payables from related parties arising from operational activities generally arise from the ordinary course of business. These transactions are as follows:

- (1) Purchases from related parties: TAB Gıda supplies meat, bread, fresh vegetables and other fast food products for its restaurants through Fasdat Gıda. It purchases machinery and equipment from MES Mutfak. Ekur provides construction, renovation, refurbishment and project drawing services for TAB Gıda restaurants before restaurant openings. Marketing, promotion and advertising activities of TAB Gıda products are carried out by Reklam Üssü.
- (2) Commissions received from related parties: TAB Gıda receives royalties on the turnover of related party franchise restaurants at a predetermined fixed rate.
- (3) Other significant transactions with related parties: TAB Gıda receives information technology services related to cash registers in restaurants. In addition, information technology services and IT based operations of the Group are provided by ATP Yazılım ve Teknoloji A.Ş. TAB Gıda's takeaway service is provided by Ata Express Elektronik İletişim Tanıtım Pazarlama Dağıtım San. ve Tic. A.Ş.

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NOTE 24 – RELATED PARTY DISCLOSURES (cont’d)

30 September 2024	Trade Receivables	Trade Receivables	Trade Payables
Balances with related parties	Current	Non-Current	Current
<i>Shareholder</i>			
TFI TAB Gıda Yatırımları A.Ş.	-	-	(9.194.528)
<i>Other companies controlled by the parent company</i>	-		
Fasdat Gıda Dağıtım San. ve Tic A.Ş.	-	-	(1.127.476.850)
Reklam Üssü San. ve Dış Tic. A.Ş.	-	-	(130.147.488)
Ekur Et Entegre San. ve Tic. A.Ş.	-	-	(1.070.810)
Ekur İnşaat San.Tic.A.Ş.	-	-	-
Atp Ticari Bilgi.Elk.Güç Kaynakları A.Ş.	-	-	(38.650.162)
Seraş Servis Organizasyonları ve Ticaret A.Ş.	-	-	(935.840)
Bedela İnşaat ve Ticaret A.Ş.	-	-	-
Arbeta Turizm Org.ve Tic.A.Ş.	-	-	(2.280.613)
Ata Express Elektronik İletişim Tanıtım Paz.	593.215.703	-	-
Ata Yatırım Menkul Kıymetler A.Ş.	489.949	-	-
Ata Yatırım Gayrimenkul Yatırım Ortaklığı A.Ş.	20.783	-	(1.797.611)
Ata Yatırım Gayrimenkul Geliştirme Yat. İnş. A.Ş.	7.523	-	-
Ata Portföy Yönetimi A.Ş.	72.820	-	-
Ata Holding A.Ş.	191.703	-	(12.843)
<i>Other related parties</i>	-		
Beray Gıda Bilişim Otomotiv San. Ve Tic.Ltf.Şti.	567.258	-	-
Tusem Gıda ve Turizm İşletmeleri Tic. Ltd. Şti.	681.749	-	-
Mes Mutfak Ekp. Tic. A.Ş.	-	-	(19.000.756)
Kınık Maden Suları A.Ş.	3.575.379	-	-
İntiba Gıda İmalat Ve Tic.Ltd.Şti.	254.830	-	-
Zenia Limited	-	-	-
Mapa Gıda ve Enerji İnş. Taah.San.Tic.Ltd.Şti.	-	-	(387.304)
Other	751.549	-	(993.574)
	599.829.246	-	(1.331.948.379)

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NOTE 24 – RELATED PARTY DISCLOSURES (cont’d)

31 December 2023	Trade	Trade	Trade Payables
Balances with related parties	Receivables - current	Receivables Non-Current	Current
<i>Shareholder</i>			
TFI TAB Gıda Yatırımları A.Ş.	-	-	(8.734.517)
<i>Other related parties</i>			
Fasdat Gıda Dağıtım San. ve Tic. A.Ş.	-	-	(1.231.963.478)
Reklam Üssü San. ve Dış Tic. A.Ş.	-	-	(175.766.609)
Ekur Et Entegre San. ve Tic. A.Ş.	-	-	(3.007.271)
Ekur İnşaat San.Tic.A.Ş.	-	-	-
ATP Yazılım ve Teknoloji A.Ş.	-	-	(161.550)
Seraş Servis Organizasyonları ve Ticaret A.Ş.	-	-	(1.145.316)
Bedela İnşaat ve Ticaret A.Ş.	-	-	(10.810)
Arbeta Turizm Org.ve Tic.A.Ş.	-	-	(1.494.900)
Ata Express Elektronik İletişim Tanıtım Paz.	351.413.903	-	-
Atakey Patates Gıda San. ve Tic. A.Ş.	-	-	-
Ata Yatırım Menkul Kıymetler A.Ş.	98.281	-	(18.675)
Ata Yatırım Gayrimenkul Yatırım Ortaklığı A.Ş.	6.709	-	(1.226.722)
Ata Yatırım Gayrimenkul Geliştirme Yat. İnş. A.Ş.	-	-	(6.002.241)
Ata Portföy Yönetimi A.Ş.	17.000	-	-
Ata Holding A.Ş.	130.748	-	-
<i>Other related parties</i>			
Beray Gıda Bilişim Otomotiv San. Ve Tic.Ltd.Şti.	505.574	-	-
Tusem Gıda ve Turizm İşletmeleri Tic. Ltd. Şti.	647.356	-	-
Kınık Maden Suları A.Ş.	6.160.569	-	(6.527)
İntiba Gıda İmalat ve Tic.Ltd.Şti.	193.593	-	-
Zenia Limited	-	-	(10.578.914)
Other	803.537	-	(1.240.098)
	359.977.270	-	(1.441.357.628)

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NOTE 24 – RELATED PARTY DISCLOSURES (cont’d)

1 January - 30 December 2024							
Transaction with related parties	Purchases	Sales	Commission received	Rent expense	Rent income	Other income	Other income
<i>Shareholder</i>							
TFI TAB Gıda Yatırımları A.Ş.	(70.870.661)	1.170.422	-	-	-	-	(7.791.484)
<i>Other companies controlled by the parent company</i>							
Fasdat Gıda Dağ. San.ve Tic A.Ş.	(8.562.957.166)	36.701.298	-	(115.923)	-	-	(10.942)
Ata Ekspres Elk. İlt. Tan. A.Ş.	(130.738.761)	4.566.734.828	-	-	9.399	-	-
Ekur Et Entegre Sanayi ve Ticaret A.Ş.	-	183.008	-	-	-	-	-
Reklam Üssü San. ve Dış Tic. A.Ş.	(821.185.220)	62.675.042	4.848.518	(2.647.045)	-	16.468.627	(398.649)
ATP Yazılım ve Teknoloji A.Ş.	(468.914.922)	5.723.445	-	-	-	-	-
Seraş Servis Org. ve Ticaret A.Ş.	(10.366.427)	66.555	-	-	-	-	-
Ata Gayr. Yatırım Ortaklığı A.Ş.	(3.923.148)	48.607	-	(14.222.863)	-	-	-
Ata Gayrimenkul Gel. Yat. Ve İnş. A.Ş.	(126.452)	42.289	-	-	-	-	-
Ata Portföy Yönetimi A.Ş.	-	193.538	-	-	-	-	-
Ata Holding A.Ş.	(1.781.450)	523.118	-	-	-	-	-
Bedela İnşaat ve Ticaret A.Ş.	(174.036)	-	-	(11.468.225)	-	-	-
Arbeta Turizm Org.ve Tic.A.Ş.	(24.811.926)	-	-	-	-	-	-
Ekur İnşaat Sanayi ve Tic. A.Ş.	(770.509.542)	2.820.874	6.443.529	-	3.776.949	3.862.639	(26.994.447)
<i>Other related parties</i>							
Tusem Gıda ve Tur. İşl. Tic. Ltd. Şti.	(67.926)	2.632.307	4.365.660	-	2.740.678	-	-
Mes Mutfak Ekp. Tic. A.Ş.	(1.082.937.840)	10.497.374	-	(7.099.450)	-	-	-
Ertuğ Reklam San.ve Tic. A.Ş.	(2.797.382)	-	-	-	-	-	-
Kınık Maden Suları A.Ş.	(1.170.723)	6.925.259	14.144.706	-	8.682.775	-	(400.499)
Beray Bil. Mar. İnş. Ltd. Şti.	(65.672)	1.467.855	3.023.770	-	1.197.358	-	-
Konuk Ağırlama Teknolojileri ve Uyg. A.Ş.	(354.997)	8.149.693	8.321.901	-	6.956.935	-	-
Sedko İnşaat ve Tic. .A.Ş.	(882.015)	-	-	(1.102.519)	-	-	-
Ata Yatırım Menkul Kıymetler A.Ş.	-	1.128.973	-	-	-	-	-
Fbb Gıda San.Tic.Ltd.Şti.	(170.351)	-	-	-	-	-	-
Atakey Patates Gıda Sanayi ve Tic. A.Ş.	-	-	-	-	-	-	-
Zenia Limited	(52.084.364)	-	-	-	-	-	-
	(12.006.890.982)	4.707.684.485	41.148.084	(36.656.025)	23.364.094	20.331.266	(35.596.021)

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TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

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NOTE 24 – RELATED PARTY DISCLOSURES (cont’d)

1 January- 30 September 2023							
Transaction with related parties	Purchases	Sales	Commission received	Rent expense	Rent income	Other income	Other expense
<i>Shareholder</i>							
TFI TAB Gıda Yatırımları A.Ş.	(68.439.301)	5.238	-	-	-	266.075.365	(639.678)
<i>Other companies controlled by the parent company</i>							
Fasdat Gıda Dağ. San.ve Tic A.Ş.	(9.194.264.149)	429.248.619	2.230	(3.733.991)	-	-	(28.870.896)
Ata Ekspres Elk. İlt. Tan. A.Ş.	(121.287.254)	4.041.301.308	-	-	350.341	-	-
Ekur Et Entegre Sanayi ve Ticaret A.Ş.	(95.781)	461.668	-	-	-	-	-
Reklam Üssü San. ve Dış Tic. A.Ş.	(875.916.877)	9.420.299	3.874.474	(9.911)	44.377	12.061.312	(8.312.624)
ATP Yazılım ve Teknoloji A.Ş.	(323.355.216)	17.493.194	-	-	-	431.412	(11.245.570)
Seraş Servis Org. ve Ticaret A.Ş.	(11.397.691)	-	-	-	-	-	-
Ata Gayr. Yatırım Ortaklığı A.Ş.	(21.551)	508	-	(16.081.280)	-	66.791	(1.319.430)
Ata Gayrimenkul Gel. Yat. Ve İnş. A.Ş.	(136.167)	-	-	-	-	47.559	-
Ata Portföy Yönetimi A.Ş.	-	157.919	-	-	-	-	-
Ata Holding A.Ş.	-	26.666	-	-	-	-	-
Bedela İnşaat ve Ticaret A.Ş.	(9.726.668)	-	-	(615.369)	-	-	-
Arbeta Turizm Org.ve Tic.A.Ş.	(6.521.718)	-	-	-	-	-	-
Ekur İnşaat Sanayi ve Tic. A.Ş.	(557.399.487)	5.748.936	7.574.616	-	2.459.067	3.045.047	(505.743)
<i>Other related parties</i>							
Tusem Gıda ve Tur. İşl. Tic. Ltd. Şti.	(3.337)	1.693.711	4.366.524	-	2.487.413	-	(101.720)
Mes Mutfak Ekp. Tic. A.Ş.	(631.315.317)	53.378.438	-	(3.950.149)	-	10.376.271	(31.660.834)
Ertuğ Reklam San.ve Tic. A.Ş	(1.173.372)	-	-	-	-	-	-
Kınık Maden Suları A.Ş.	(1.552.209)	2.959.508	16.588.759	-	9.506.888	1.270.596	(161.622)
Beray Bil. Mar. İnş. Ltd. Şti.	(27.712)	2.824.202	3.260.960	-	-	-	(58.046)
Konuk Ağırlama Teknolojileri ve Uyg. A.Ş.	-	3.692.733	9.470.904	-	9.584.790	-	(59.795)
Sedko İnşaat ve Tic. .A.Ş.	(2.117.344)	-	-	-	-	-	-
Ata Yatırım Menkul Kıymetler A.Ş.	-	307.453	-	-	-	-	-
Fbb Gıda San.Tic.Ltd.Şti.	(57.478)	-	-	-	-	-	-
Atakey Patates Gıda Sanayi ve Tic. A.Ş	-	-	-	-	-	714.715	-
Zenia Limited	(59.574.724)	-	-	-	-	-	-
	(11.864.383.358)	4.568.720.400	45.138.467	(24.390.700)	24.432.876	294.456.548	(82.935.959)

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TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

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NOTE 24 – RELATED PARTY DISCLOSURES (cont’d)

1 July – 30 September 2024							
Transaction with related parties	Purchases	Sales	Commission received	Rent expense	Rent income	Other income	Other expense
<i>Shareholder</i>							
TFI TAB Gıda Yatırımları A.Ş.	(28.080.925)	944.886	-	-	-	-	-
<i>Other companies controlled by the parent company</i>							
Fasdat Gıda Dağ. San.ve Tic A.Ş.	(3.167.666.994)	27.489.749	-	-	115.923	-	(6.962)
Ata Ekspres Elk. İlt. Tan. A.Ş.	(70.868.020)	1.385.595.130	-	-	2.686	-	-
Ekur Et Entegre Sanayi ve Ticaret A.Ş.	-	67.318	-	-	-	-	-
Reklam Üssü San. ve Dış Tic. A.Ş.	(275.015.479)	55.144.234	3.418.313	(811.816)	-	6.743.715	(321.952)
ATP Yazılım ve Teknoloji A.Ş.	(162.778.565)	1.780.340	-	-	-	-	-
Seraş Servis Org. ve Ticaret A.Ş.	(2.746.211)	66.555	-	-	-	-	-
Ata Gayr. Yatırım Ortaklığı A.Ş.	(941.874)	16.129	-	(5.428.010)	-	-	-
Ata Gayrimenkul Gel. Yat. Ve İnş. A.Ş.	(63.274)	17.066	-	-	-	-	-
Ata Portföy Yönetimi A.Ş.	-	76.983	-	-	-	-	-
Ata Holding A.Ş.	(12.888)	195.991	-	-	-	-	-
Bedela İnşaat ve Ticaret A.Ş.	(99.001)	-	-	(3.794.140)	-	-	-
Arbeta Turizm Org.ve Tic.A.Ş.	(9.164.826)	-	-	-	-	-	-
Ekur İnşaat Sanayi ve Tic. A.Ş.	(290.375.028)	271.201	2.287.460	-	2.210.667	1.141.774	(12.910.858)
<i>Other related parties</i>							
Tusem Gıda ve Tur. İşl. Tic. Ltd. Şti.	(16.368)	155.898	1.630.887	-	2.740.678	-	-
Mes Mutfak Ekp. Tic. A.Ş.	(388.882.004)	2.319.112	-	(3.473.534)	-	-	-
Ertuğ Reklam San.ve Tic. A.Ş	(1.683.231)	-	-	-	-	-	-
Kınık Maden Suları A.Ş.	(114.234)	1.567.399	4.842.396	-	6.227.998	-	(235.502)
Beray Bil. Mar. İnş. Ltd. Şti.	(14.374)	283.697	1.053.181	-	730.155	-	-
Konuk Ağırlama Teknolojileri ve Uyg. A.Ş.	(326.375)	3.000.741	3.296.046	-	3.561.579	-	-
Sedko İnşaat ve Tic. .A.Ş.	(220.504)	-	-	(441.008)	-	-	-
Ata Yatırım Menkul Kıymetler A.Ş.	-	646.319	-	-	-	-	-
Fbb Gıda San.Tic.Ltd.Şti.	(35.857)	-	-	-	-	-	-
Atakey Patates Gıda Sanayi ve Tic. A.Ş.	-	-	-	-	-	-	-
Zenia Limited	(18.587.191)	-	-	-	-	-	-
	(4.417.693.222)	1.479.638.748	16.528.283	(13.948.508)	15.589.686	7.885.489	(13.475.274)

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TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

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NOTE 24 – RELATED PARTY DISCLOSURES (cont’d)

1 July - 30 September 2023							
Transaction with related parties	Purchases	Sales	Commission received	Rent expense	Rent income	Other income	Other expense
<i>Shareholder</i>							
TFI TAB Gıda Yatırımları A.Ş.	(24.068.285)	-	-	-	-	-	-
<i>Other companies controlled by the parent company</i>							
Fasdat Gıda Dağ. San.ve Tic A.Ş.	(3.432.347.908)	8.893.903	-	(988.298)	-	-	(20.718.897)
Ata Ekspres Elk. İlt. Tan. A.Ş.	(118.862.738)	1.711.757.506	-	-	20.182	-	-
Ekur Et Entegre Sanayi ve Ticaret A.Ş.	(95.781)	361.245	-	-	-	-	-
Reklam Üssü San. ve Dış Tic. A.Ş.	(349.680.206)	389.369	1.926.466	-	-	-	(6.747.489)
ATP Yazılım ve Teknoloji A.Ş.	(176.258.014)	13.735.584	-	-	-	-	-
Seraş Servis Org. ve Ticaret A.Ş.	(4.101.212)	-	-	-	-	-	-
Ata Gayr. Yatırım Ortaklığı A.Ş.	-	-	-	(10.195.100)	-	26.073	-
Ata Gayrimenkul Gel. Yat. Ve İnş. A.Ş.	(91.374)	-	-	-	-	20.661	-
Ata Portföy Yönetimi A.Ş.	-	94.510	-	-	-	-	-
Ata Yatırım Menkul Kıymetler A.Ş.	-	307.453	-	-	-	-	-
Ata Holding A.Ş.	-	-	-	-	-	150.731	-
Bedela İnşaat ve Ticaret A.Ş.	(3.744.414)	-	-	(615.369)	-	-	-
Arbeta Turizm Org.ve Tic.A.Ş.	(3.338.910)	-	-	-	-	-	-
Ekur İnşaat Sanayi ve Tic. A.Ş.	(235.156.870)	548.132	2.962.164	-	2.459.067	1.006.818	-
<i>Other related parties</i>							
Tusem Gıda ve Tur. İşl. Tic. Ltd. Şti.	(2.256)	552.845	1.687.584	-	1.122.543	-	-
Mes Mutfak Ekp. Tic. A.Ş.	(331.072.671)	19.947.399	-	-	-	10.376.271	(27.921.250)
Ertuğ Reklam San.ve Tic. A.Ş	(11.126)	-	-	-	-	-	-
Kınık Maden Suları A.Ş.	-	-	6.429.137	-	3.667.563	1.270.596	(161.622)
Beray Bil. Mar. İnş. Ltd. Şti.	(26.413)	1.135.778	1.367.082	-	-	-	-
Konuk Ağırlama Teknolojileri ve Uyg. A.Ş.	-	1.344.840	4.579.172	-	4.175.398	-	(18.048)
Sedko İnşaat ve Tic. .A.Ş.	(705.781)	-	-	-	-	-	-
Fbb Gıda San.Tic.Ltd.Şti.	(57.478)	-	-	-	-	-	-
Atakey Patates Gıda Sanayi ve Tic. A.Ş	-	-	-	-	-	714.715	-
Zenia Limited	(59.574.724)	-	-	-	-	-	-
	(4.739.196.161)	1.759.068.564	18.951.605	(11.798.767)	11.444.753	13.565.865	(55.567.306)

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NOTE 24 – RELATED PARTY DISCLOSURES (cont'd)

Advances given to related parties	30 September 2024	31 December 2023
Fasdat Gıda Dağıtım San. Tic. A.Ş.	516.263.943	830.106.681
Ekur İnşaat San. Tic. A.Ş.	166.112.247	161.425.466
Mes Mutfak Ekip. San. Tic. A. Ş.	231.737.336	86.790.474
	914.113.526	1.078.322.621

Benefits provided to board members and senior management personnel are as follows:

	30 September 2024	30 September 2023
Salaries and other short-term benefits	51.980.498	19.106.905
	51.980.498	19.016.905

The Company consists of senior management and members of the Board of Directors. Benefits provided to senior executives include salaries, bonuses and health insurance.

NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

Financial risk management is carried out within the framework of policies approved by the Board of Directors of the Group. The majority of the members of the Group's Board of Directors consists of members from Kurdoğlu family. The Group's financial operations and risk assessment policies are managed centrally. Subsidiaries are administered as if they have a holding structure and risk assessment policies and procedures are centrally managed. The risk management policies of all these companies are disclosed as if they were within the Group holding structure.

In the normal course of business operations, the Group is exposed to various market risks such as fluctuations in exchange rates, interest rates, and raw material prices for products that are beyond its control, and these fluctuations may have a negative impact on financial assets and liabilities, future cash flows and profit. The Group's risk management program generally aims to minimize the effects of the financial market's uncertainty on the Group's financial performance.

The Group's main financial instruments are bank loans, leases, debt given to related parties, cash and short term deposits. The main purpose of these financial instruments is to generate financing for the Group's activities. The Group also has other various financial instruments resulting from its direct operations, such as trade payables and trade receivables.

The main risks arising from the Group's financial instruments are interest rate risk, foreign exchange risk, credit risk, and liquidity risk. The management develops and approves implementation policies to manage these risks.

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NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

a) Capital Risk Management

In capital management, the Group aims to increase its profit by using the debt and equity balance in the most efficient way while trying to ensure the continuity of its operations.

The Group's capital structure includes debts, including loans described in Note 4, and equity items, including cash and cash equivalents described in Note 3, issued capital described in Note 16, reserves and retained earnings from the previous year.

The Group evaluates the risks associated with each capital class with the capital cost by upper management. The Group aims to keep the capital structure balanced through new debt acquisition or repayment of existing debt, as well as through dividend payments, new shares issuance, and share repurchases, based on the upper management's suggestions.

The Group's net debt and capital position is as follows:

	30 September 2024	31 December 2023
Total borrowings	41.965.972	126.052.808
Less: cash and cash equivalents	5.472.378.383	5.359.790.098
Net Debt	(5.430.412.411)	(5.233.737.290)
Total Equity	14.630.245.084	13.151.141.306

b) Financial Risk Factors

The risk management program is generally focused on minimizing the potential adverse effects of financial market uncertainty on the Group's financial performance.

The Group's risk management is carried out by a central finance department in line with policies approved by the Board of Directors. While providing services related to commercial activities, the Group's finance department is also responsible for ensuring regular access to domestic and foreign financial markets and monitoring the level and magnitude of financial risks related to the Group's activities.

b.1) Credit Risk Management

The risk of a financial loss to the Group due to a party to a financial instrument failing to meet its contractual obligations is defined as credit risk. The Group tries to reduce the credit risk by only conducting transactions with creditworthy parties and trying to obtain adequate collateral when possible. The credit risks that the Group is exposed to and the customers' credit ratings are continuously monitored.

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NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

b.1) Credit Risk Management (cont'd)

A large part of trade receivables are receivables from sub-franchisee companies. The credibility of sub-franchisee companies is determined by the analyses carried out on the financial structure by the franchise department and the credibility of the sub-franchisee company shareholders. In addition, during the sub-franchise agreement process, the Group requests the establishment of a credit limit with an intermediary financial institution for sub-franchisees. The credit limit is determined according to the commercial transaction volume of the sub-franchisee. According to these credit limit agreements, the Group can directly collect from financial institutions in case the receivable's due date is passed. The limit and collection risk are continuously reviewed by the Group's finance department. Also, the Group continuously conducts credit assessments about the financial status of sub-franchisees.

The total amount of credit limits opened as receivable collateral for sub-franchisees is TL 76.646.500 (30 September 2023: TL 39.574.156). The level of risks and collateral structure are constantly monitored by the Group Management.

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NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

	Trade Receivables Related Party	Trade Receivables Other Party	Other Receivables Related Party	Other Receivables Other Party	Bank Deposits	Restricted Cash
30 September 2024						
Maximum credit risk exposed (A+B+C+D+E)	599.829.246	654.576.288	-	36.431.218	5.371.710.742	34.064.536
- The part of maximum risk under guarantee with collateral	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due or impaired	599.829.246	654.576.288	-	36.431.218	5.371.710.742	34.064.536
B. Net book value of financial assets that are renegotiated	-	-	-	-	-	-
C. Carrying value of financial assets that past due but not impaired						
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-
D. Net book value of impaired assets						
- Gross carrying amount	-	6.763.156	-	-	-	-
- Impairment	-	(6.763.156)	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-
E. Off-balance sheet items with credit risk (-)	-	-	-	-	-	-

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NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

31 December 2023	Trade Receivables Related Party	Trade Receivables Other Party	Other Receivables Related Party	Other Receivables Other Party	Bank Deposits	Restricted Cash
Maximum credit risk exposed (A+B+C+D+E)	359.977.270	522.958.438	-	40.315.666	5.252.100.509	48.697.680
- The part of maximum risk under guarantee with collateral	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due or impaired	359.977.270	522.958.438	-	40.315.666	5.252.100.509	48.697.680
B. Net book value of financial assets that are renegotiated	-	-	-	-	-	-
C. Carrying value of financial assets that past due but not impaired	-	-	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-
D. Net book value of impaired assets						
- Gross carrying amount	-	9.188.447	-	-	-	-
- Impairment	-	(9.188.447)	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-
E. Off-balance sheet items with credit risk (-)	-	-	-	-	-	-

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(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 30 September 2024, unless otherwise indicated.)

NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

b.2) Market risk management

The Group's activities expose it to financial risks associated with changes in foreign exchange rates (b.3.1), interest rates (b.3.2) and commodity price risk (b.3.3).

The Group's policy for these market risks is to assess potential losses and their consolidated impact and to minimise the Group's exposure to market risks. The Group's overall risk management plan focuses on the uncertainty of financial markets and seeks to minimise the potential adverse effects on the Group's financial performance. The Group management continuously assesses fluctuations in foreign currency exchange rates, interest rates and commodity prices.

b.3) Liquidity risk management

The Group manages liquidity risk by regularly monitoring forecast and actual cash flows with the treasury department and ensuring that sufficient funds and borrowing reserves are maintained by matching the maturities of financial assets and liabilities. To eliminate the risk of fund requirements, the Group has various credit lines with the most reputable financial institutions in Turkey. The Group currently has adequate credit lines and expects to keep these available credit lines available for utilisation and to renew existing credit balances as they fall due. The Group management believes that it will be able to obtain short-term financing as and when required. In addition, the Group has improved its credit lines and extended the terms of its trade payables.

Liquidity Risk Statement

The following table summarises the maturity profile of the Group's non-derivative financial liabilities. The table includes interest and principal amounts payable on the liabilities:

30 September 2024	Carrying value	Contractual cash flows	Less than 3 months	Between 3-12 months	1 year and over
Bank loans	41.965.972	18.407.094	9.230.044	9.177.050	-
Lease liabilities	3.261.340.938	5.059.928.237	387.249.274	918.270.178	3.754.408.785
Trade payables (Related parties included)	2.038.035.300	2.109.111.501	1.822.613.587	144.719.917	141.777.997
	5.341.342.210	7.187.446.832	2.219.092.905	1.072.167.145	3.896.186.782

31 December 2023	Carrying value	Contractual cash flows	Less than 3 months	Between 3-12 months	1 year and over
Bank loans	126.052.804	130.431.660	92.811.761	37.619.899	-
Lease liabilities	2.767.346.148	3.179.162.069	300.028.898	900.086.693	1.979.046.478
Trade payables (Related parties included)	2.224.964.034	2.456.947.204	2.099.730.041	166.723.632	190.493.531
	5.118.362.986	5.766.540.933	2.492.570.700	1.104.430.224	2.169.540.009

TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

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NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

b.4) Foreign currency risk management

The Group is exposed to foreign exchange risk mainly due to fluctuations in US Dollar and Euro exchange rates. Foreign exchange risk is primarily related to bank borrowings and foreign currency-denominated receivables and payables. While the majority of the Group's long-term debt is denominated in USD, the Group generates its revenues and cash from operations in TL.

The Group Management periodically assesses market conditions and formulates a foreign currency strategy based on exchange rate expectations. The Group utilises TL and foreign currency-denominated borrowings and determines the rate based on the overall foreign currency strategy. Foreign currency-denominated assets and liabilities of monetary and non-monetary items are as follows:

	30 September 2024		
	TL Equivalents	USD	EUR
1. Trade Receivables	-	-	-
2a. Monetary Financial Assets	15.133.207	266.297	141.840
2b. Non Monetary Financial Assets	-	-	-
3. Other	-	-	-
4. Current Assets	15.133.207	266.297	141.840
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	3.722.624	101.516	6.780
6b. Non Monetary Financial Assets	-	-	-
7. Other	-	-	-
8. Non-Current Assets	3.722.624	101.516	6.780
9. Total Assets (4+8)	18.855.831	367.813	148.620
10. Trade Payables	153.732.014	4.482.252	13.027
11. Financial Liabilities	-	-	-
12a. Other Monetary Liabilities	38.240	-	1.000
12b. Other Non Monetary Liabilities	-	-	-
13. Short Term Liabilities	153.770.254	4.482.252	14.027
14. Trade Payables	-	-	-
15. Financial Liabilities	-	-	-
16a. Other Monetary Liabilities	-	-	-
16b. Other Non Monetary Liabilities	-	-	-
17. Long Term Liabilities	153.770.254	4.482.252	14.027
18. Total Liabilities (13+17)	-	-	-
19. Derivative Instruments	-	-	-
20. Net Foreign Exchange Asset / Liability) Position (9-18)	(134.914.423)	(4.114.439)	134.593
21. Net Monetary Items Foreign Exchange Asset /(Liabilities) Position (1+2a+5+6a-10-11-12a-14-15-16a)	(134.914.423)	(4.114.439)	134.593

(Convenience translation of consolidated financial statements originally issued in Turkish)

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NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

	31 December 2023		
	Total Equivalents	USD	EUR
1. Trade Receivables	-	-	-
2a. Monetary Financial Assets	65.888.230	1.503.220	122.916
2b. Non Monetary Financial Assets	-	-	-
3. Other	-	-	-
4. Current Assets	65.888.230	1.503.220	122.916
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	7.687.816	151.516	36.786
6b. Non Monetary Financial Assets	-	-	-
7. Other	-	-	-
8. Non-Current Assets	7.687.816	151.516	36.786
9. Total Assets (4+8)	73.576.046	1.654.735	159.702
10. Trade Payables	183.203.453	4.511.789	54.803
11. Financial Liabilities	-	-	-
12a. Other Monetary Liabilities	44.336	-	1.000
12b. Other Non Monetary Liabilities	-	-	-
13. Short Term Liabilities	183.247.789	4.511.789	55.803
14. Trade Payables	-	-	-
15. Financial Liabilities	-	-	-
16a. Other Monetary Liabilities	-	-	-
16b. Other Non Monetary Liabilities	-	-	-
17. Long Term Liabilities	-	-	-
18. Total Liabilities (13+17)	183.247.789	4.511.789	55.803
19. Net Foreign Exchange Asset / Liability) Position (9-18)	(109.671.742)	(2.857.054)	103.899
20. Net Monetary Items Foreign Exchange Asset /(Liabilities) Position (1+2a+5+6a-10-11-12a-14-15-16a)	(109.671.743)	(2.857.053)	103.899
	30 September 2024		31 December 2023
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation
			Foreign currency depreciation
If the USD changes by against the TL 10%	(14.038.876)	14.038.876	(11.426.742)
If the EUR changes by against the TL 10%	(513.760)	513.760	(459.806)
Total	(14.552.636)	14.552.636	(11.886.548)
			11.886.548

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NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

Sensitivity to currency risk

The above table details the Group's sensitivity to a 10% (December 31, 2023: 10%) increase and decrease in USD and EUR exchange rates. 10% (December 31, 2023: 10%) is the sensitivity rate used when reporting foreign currency risk to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding monetary items denominated in foreign currencies at year-end and adjusts their translation at year-end for a 10% (December 31, 2023: 10%) change in foreign exchange rates. A negative value represents the decrease in income before tax arising from a 10% (December 31, 2023: 10%) increase in USD and EUR against TL.

b.5) Interest rate risk management

The Group's borrowings at variable interest rates expose the Group to potential interest rate risk. The Group generally enters into fixed rate interest rate contracts to hedge its exposure to interest rate risk arising from changes in interest rates. Risk management strategies are regularly evaluated based on market conditions and interest rate expectations. The risk management strategy aims to develop the most appropriate interest rate risk management for the balance sheet position and interest expense.

b.6) Commodity price risk

The Group is exposed to price risk due to fluctuations in food prices. The Group purchases large quantities of food and supplies. Weather fluctuations alter supply and demand trends, and economic conditions can adversely affect the cost, condition and quality of critical products such as meat. Failure to obtain high-quality ingredients in the required quantities may adversely affect the Group's ability to provide menus and the Group may not be able to pass on rising costs to its customers due to the highly competitive nature of the industry.

The Group supplies foodstuffs to Fasdat Gıda Dağıtım San. Tic. A.Ş. ("Fasdat"), a related party. Fasdat purchases large quantities of meat for its operations. The meat sector is subject to significant price fluctuations due to seasonal changes, government regulations, demand in the sector and other factors. The Group manages the price risk arising from foodstuffs through agreements with Fasdat that fix the price for certain products. Fasdat can fix prices for meat, chicken, potatoes and soft drinks for up to one year through purchase contracts. This allows the Group to avoid the costs of using derivative instruments, which it cannot pass on to its customers due to the competitive nature of the Quick Service Restaurants (QSR) industry while ensuring cost predictability.

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NOTE 26 – SHARE BASED PAYMENTS

The calculation of earnings per share and diluted earnings per share attributable to equity holders of the parent company are as follows:

	30 September 2024	30 September 2023
Net profit/(loss) attributable to equity holders of the parent company	1.533.940.687	3.115.323.747
Weighted average number of shares outstanding during the period	261.292.000	232.417.000
Earnings per share	5,87	13,40