

**ANATOLIA TANI VE BİYOTEKNOLOJİ
ÜRÜNLERİ AR-GE SANAYİ VE TİCARET A.Ş.
AND GROUP COMPANIES CONSOLIDATED
FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 31 MARCH 2024**

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Anatolia Tanı ve Biyoteknoloji Ürünleri Ar-Ge Sanayi Ticaret A.Ş. and Group Companies
Consolidated Statements of Financial Position for The Years Ended 31 March 2024 and 31 March 2023
(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

ASSETS	Notes	Unaudited 31 March 2024	Audited 31 December 2023
Current Assets			
Cash and cash equivalents	4	248.698.256	347.183.816
Financial investments	5	117.125.851	67.163.493
Trade receivables	6	90.309.778	89.662.478
- <i>Due from third parties</i>		90.309.778	89.662.478
Other receivables	8	15.969.617	20.305.134
- <i>Other receivables from third parties</i>		15.969.617	20.305.134
Inventories	9	245.268.577	260.153.785
Prepaid expenses	10	10.630.067	10.733.571
Current tax assets		8.003.016	15.291.813
Other current assets	11	32.981.589	29.154.224
TOTAL CURRENT ASSETS		768.986.751	839.648.313
Non-current Assets			
Financial investments		981.350	981.350
Other receivables		937.757	1.056.080
- <i>Other receivables from third parties</i>	8	937.757	1.056.080
Right use of assets	14	18.885.899	19.499.442
Tangible assets	12	515.078.087	511.925.984
Intangible assets	13	203.718.419	183.230.013
- <i>Other intangible assets</i>		203.718.419	183.230.013
Prepaid expenses	10	758.250	625.158
Deferred tax assets		--	--
Other current assets		--	--
TOTAL NON-CURRENT ASSETS		740.359.762	717.318.027
TOTAL ASSETS		1.509.346.513	1.556.966.341

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

Anatolia Tanı ve Biyoteknoloji Ürünleri Ar-Ge Sanayi Ticaret A.Ş. and Group Companies
Consolidated Statements of Financial Position for The Years Ended 31 March 2024 and 31 March 2023
(Amounts expressed in TL unless otherwise indicated.)

LIABILITIES	Notes	Unaudited 31 March 2024	Audited 31 December 2023
Current Liabilities			
Lease liabilities	15	2.122.878	2.163.432
Short-term borrowings	16	687.962	8.383.690
Short-term portion of long-term borrowings	16	277.652	323.056
Trade payables	6	44.058.579	12.479.551
- Due to related parties	7	--	--
- Due to third parties		44.058.579	12.479.551
Employee benefit obligations	19	16.594.592	7.245.135
Other Payables	8	14.146.123	5.356.405
- Due to third parties		14.146.123	5.356.405
Deferred income	10	3.729.120	5.202.754
Provisions		4.602.477	5.689.814
- Provisions for employee benefits	17	4.602.477	5.689.814
Period Profit Tax Liability	11	609.945	--
Other short-term liabilities		3.814.498	6.642.751
TOTAL CURRENT LIABILITIES		90.643.826	53.486.588
Non-current liabilities			
Long-term borrowings	16	--	--
Lease liabilities	15	15.873.933	17.234.444
Deferred income		1.363.250	2.559.303
Long-term provisions		3.793.445	3.259.735
- Long-term provisions for employee benefits	17	3.793.445	3.259.735
Deferred tax liabilities	20	82.703.617	84.415.598
TOTAL NON-CURRENT LIABILITIES		103.734.245	107.469.079
EQUITY			
Equity attributable to owners of the Company		1.314.968.442	1.396.010.674
Share capital	21	220.000.000	220.000.000
Adjustment to share capital		415.600.043	415.600.043
Share premium		611.045.703	611.045.703
Other accumulated comprehensive income and expense not to be reclassified to profit or loss		1.399.206	1.339.344
- Gain/loss arising from defined benefit plans		1.399.206	1.339.344
Other accumulated comprehensive income and expense to be reclassified to profit or loss		41.373.392	62.285.784
- Currency translation reserve		41.373.392	62.285.784
- Other gains/ losses		--	--
Restricted reserves		181.166.291	181.166.291
Retained earnings		(95.426.491)	61.831.413
Profit for the period		(60.189.702)	(157.257.904)
Non-controlling interests	21	--	--
TOTAL SHAREHOLDER'S EQUITY		1.314.968.442	1.396.010.674
TOTAL LIABILITIES		1.509.346.513	1.556.966.341

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

Anatolia Tanı ve Biyoteknoloji Ürünleri Ar-Ge Sanayi Ticaret A.Ş. and Group Companies
Consolidated Statements of Financial Position and Other Comprehensive Income as of
1 January – 31 March 2024 and 2023
(Amounts expressed in TL unless otherwise indicated.)

	Notes	Unaudited 1 January- 31 March 2024	Unaudited 1 January - 31 March 2023
Revenue	23	94.429.266	42.921.312
Cost of sales (-)	23	(16.895.424)	(15.407.878)
GROSS PROFIT		77.533.842	27.513.434
General administrative expenses (-)	25	(39.579.944)	(31.094.030)
Marketing expenses (-)	24	(26.496.320)	(18.588.770)
Other income from operating activities	26	13.046.119	34.950.199
Other expenses from operating activities (-)	26	(2.405.946)	(19.485.131)
OPERATING PROFIT		22.097.751	(6.704.298)
Other income from investing activities	27	7.179.816	3.602.150
Other income from investing activities (-)	27	--	--
OPERATING INCOME BEFORE FINANCIAL INCOME/(EXPENSE)		29.277.567	(3.102.148)
Finance expenses (-)	28	(602.188)	(11.136.841)
Finance income	28	13.167.077	30.703.201
Monetary position gain/(loss)	32	(101.897.419)	(92.714.696)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		(60.054.963)	(76.250.484)
Tax income/(expense), continuing operations		(134.739)	(48.205.517)
Tax expenses		(17.104)	(8.031)
Deferred tax expense / incomes	20	(117.635)	(48.197.486)
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX		(60.189.702)	(124.456.001)
NET PROFIT FOR THE PERIOD		(60.189.702)	(124.456.001)
Attributable to:			
Non-controlling interests		--	--
Equity holders of the parent		(60.189.702)	(124.456.001)
OTHER COMPREHENSIVE INCOME			
Not to be reclassified to profit or loss		59.862	3.890.932
Gain/ loss arising from defined benefit plans		77.743	5.053.158
Not to be reclassified to profit or loss, tax effect		(17.881)	(1.162.226)
-Deferred tax income/(expense)		(17.881)	(1.162.226)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(20.912.392)	29.405.938
Foreign Currency Translation Differences		(20.912.392)	29.405.938
OTHER COMPREHENSIVE INCOME		(20.852.530)	33.296.870
TOTAL COMPREHENSIVE INCOME		(81.042.232)	(91.159.131)
Attributable to		(81.042.232)	(91.159.131)
Non-controlling interests		--	--
Equity holders of the parent		(81.042.232)	(91.159.131)

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

Anatolia Tam ve Biyoteknoloji Ürünleri Ar-Ge Sanayi Ticaret A.Ş. and Group Companies

Consolidated Statement of Changes in Share Holder's Equity as of 1 January – 31 March 2024 and 31 March 2023

(Amounts expressed in TL unless otherwise indicated.)

	Share capital (Note 21)	Share capital adjustments (Note 21)	Share premium/(discount) (Note 21)	Other comprehensive income not to be reclassified under profit and loss (Note 21)	Other comprehensive income to be reclassified under profit and loss (Note 21)	Restricted reserves (Note 21)	Retained earnings (Note 21)	Net income/(loss) (Note 21)	Equity holders of the parent (Note 21)	Non- controlling interest (Note 21)	Total equity (Note 21)
Balance at January 1, 2023	110.000.000	340.255.133	796.390.613	(3.988.075)	37.038.788	138.366.337	316.727.675	--	1.734.790.471	--	1.734.790.471
Transfers	--	--	--	--	--	--	--	--	--	--	--
Total comprehensive income	--	--	--	3.890.932	29.405.938	--	--	(124.456.001)	(91.159.131)	--	(91.159.131)
Dividends	--	--	--	--	--	--	--	--	--	--	--
Increase/(decrease) through-share based transactions	--	--	(5.330.723)	--	--	--	--	--	(5.330.723)	--	(5.330.723)
As of March 31, 2023	110.000.000	340.255.133	791.059.890	(97.143)	66.444.726	138.366.337	316.727.675	(124.456.001)	1.638.300.617	--	1.638.300.617
Balance at January 1, 2024	220.000.000	415.600.043	611.045.703	1.339.344	62.285.784	181.166.291	61.831.413	(157.257.904)	1.396.010.674	--	1.396.010.674
Transfers	--	--	--	--	--	--	(157.257.904)	157.257.904	--	--	--
Capital increase	--	--	--	--	--	--	--	--	--	--	--
Total comprehensive income	--	--	--	59.862	(20.912.392)	--	--	(60.189.702)	(81.042.232)	--	(81.042.232)
Dividends	--	--	--	--	--	--	--	--	--	--	--
Increase// (Decrease) from to Other Changes	--	--	--	--	--	--	--	--	--	--	--
As of March 31, 2024	220.000.000	415.600.043	611.045.703	1.399.206	41.373.392	181.166.291	(95.426.491)	(60.189.702)	1.314.968.442	--	1.314.968.442

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

Anatolia Tanı ve Biyoteknoloji Ürünleri Ar-Ge Sanayi Ticaret A.Ş. and Group Companies
Consolidated Statements of Cash Flows For The Periods Ended at 1 January – 31 March 2024 and 31 March 2023
(Amounts expressed in TL unless otherwise indicated.)

		Unaudited 1 January- 31 March 2024	Unaudited 1 January- 31 March 2023
	Dipnot		
A. Cash flow from Operating activities		1.035.869	53.941.416
Income for the period		(60.189.702)	(124.456.001)
<i>Adjustments to reconcile net profit (loss) for the period to cash flows from operating activities</i>			
Adjustments Related to Depreciation and Amortization Expenses		14.645.306	14.430.203
Corrections Regarding Provisions		112.405	69.463
Provision for employment termination benefit		1.847.993	5.022.330
Provision for unused vacation		(383.513)	(140.565)
Adjustments for Interest (Income) and Expenses		(477.751)	(9.395.317)
Provision for impairment of inventories		8.070.707	3.426.433
Adjustments related to unrealized foreign currency translation differences		(34.801.065)	48.233.606
Adjustments Related to Tax (Income) Expense		134.739	48.205.517
Monetary (Gain) / Loss		15.811.010	32.698.743
Changes in working capital		(55.229.871)	18.094.413
Adjustments for Decrease (Increase) in Trade Receivables		(647.300)	11.971.734
Adjustments for Decrease (Increase) in Other Receivables Related to Operations		4.453.840	(8.228.685)
Adjustments for Decrease (Increase) in Inventories		14.885.208	1.596.570
Decrease (Increase) in Prepaid Expenses		(29.588)	1.367.317
Adjustments related to increase (decrease) in trade payables		31.579.028	28.726.031
Increase (Decrease) in Employee Benefit Payables		9.349.457	5.660.628
Adjustments Related to Increase (Decrease) in Other Payables Related to Operations		8.789.718	(2.653.719)
Other cash inflows/(outflows)		(6.655.618)	786.755
Increase (Decrease) in Deferred Income		(2.669.687)	(727.681)
Total Adjustments		3.825.187	56.593.363
Cash Flows from Operating Activities			
Payments made within the scope of provisions for employee benefits		(1.076.160)	(439.881)
Tax Refunds (Payments)		(1.713.158)	(2.212.066)
Total		1.035.869	53.941.416
B. Cash flows used in investing activities		(52.835.210)	(42.651.368)
Cash inflows from sale of property, plant and equipment and intangible assets		14.670.459	3.100.880
Cash outflows from the acquisition of property, plant and equipment and intangible assets	12,13,1 4	(67.505.669)	(45.752.248)
C. Cash flows from financing activities		(1.234.442)	7.088.944
Cash inflows and (outflows) related to debt payments, net		(45.404)	(958.373)
Cash outflows related to debt payments arising from finance lease agreements		(1.666.789)	(1.348.000)
Interest Paid		(422.303)	(346.265)
Interest Received		900.054	9.741.582
Net (decrease) / increase in cash and cash equivalents (A+B+C+D)		(53.033.782)	18.378.991
D. Inflation Effect on Cash		(45.451.778)	(265.232.888)
Net increase (decrease) in cash and cash equivalents (A+B+C+D)		(98.485.560)	(246.853.896)
E. Cash and Cash Equivalents at the Beginning of the Period		347.183.816	561.272.582
Cash and cash equivalents at the end of the period (A+B+C+D)	4	248.698.256	314.418.686

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

1. GROUP'S ORGANIZATION AND NATURE OF OPERATIONS

The main field of Anatolia Tanı ve Biyoteknoloji Ürünleri Araştırma Sanayi ve Ticaret A.Ş. ("Company" or "Anatolia") and its subsidiaries (collectively "The Group"), is producing kits, installation of robots, developing software and designing of devices for research of real-time PCR and such as DNA sequencing and DNA/RNA Isolation techniques.

Exporting its developed products to more than 50 countries in Europe, Asia, Africa and America, the Group is the first and only Turkish manufacturer company invited by the World Health Organization to determine new global test reference standards on four different viruses ("WHO Collaborative Study").

As of the 31 March 2024 the total number of employees of the Group is 229.

The company is registered with the Capital Markets Board ("CMB") and its shares are traded on Borsa İstanbul A.Ş. ("BIST") as of 2021. As of 31 March 2024, the Company has %34.23 of shares registered in BIST (Note 21).

The final control of the Group belongs to Elif Akyüz and Alper Akyüz.

The company is registered in Turkey, its registered address and R&D Departments are as follows:

Hasanpaşa Mh. Beydağı Sk. No:1-9H, Sultanbeyli, İstanbul, Turkey.

The Group has a free zone branch at Aydın SB Mahallesi, Matraş Caddesi, No:18/Z02, Tuzla / İstanbul.

The Group carries out production in its head office and free zone branches.

Subsidiaries

As of 31 March 2024, the subsidiaries subject to the consolidated financial statements, the countries in which they operate, and their fields of activity are as follows:

Subsidiaries	Country	Main Activity
Alpha IVD SRL ("Alpha")	Italy	Trading of test kits, devices and software in the field of molecular biology
Euronano Diagnostics (Private) Limited ("Euronano")	Pakistan	Trading of test kits, devices and software in the field of molecular biology
RhineGene B.V. ("RhineGene") (*)	Holland	Establishing or acquiring companies and businesses in the field of molecular biology
RhineGene Philippines ("RhineGene PH") (**)	Philippines	Trading of test kits, devices and software in the field of molecular biology
RhineGene Bulgaria ("RhineGene BG") (***)	Bulgaria	Trading of test kits, devices and software in the field of molecular biology
RhineGene Poland("RhineGene PL") (****)	Poland	Trading of test kits, devices and software in the field of molecular biology
RhineGene Germany ("RhineGene GE") (*****)	Germany	Trading of test kits, devices and software in the field of molecular biology

Alpha and Euronano were founded by Anatolia, Elif Akyüz and Alper Akyüz in 2017 and 2018, respectively.

(*) Within the scope of its growth strategy in international markets, the company established and registered its RhineGene B.V subsidiary, located in the Netherlands, with a capital of 2,000,000 Euros, in which it fully participates, on 09.02.2022.

(**) 200,000 of which RhineGene B.V, which is a 100% subsidiary of the Company, has fully participated in on 10.05.2022. -USD capital, RhineGene Philippines Inc. was established.

(***) RhineGene Bulgaria was established on 26.07.2022, in which RhineGene B.V, a 100% subsidiary of the Company, fully participated.

(****) RhineGene Poland was established on 27.09.2022, in which RhineGene B.V, a 100% subsidiary of the Company, fully participated.

(*****) RhineGene Germany was established on 03.11.2023, in which RhineGene B.V, a 100% subsidiary of the Company, fully participated.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1. Basis of presentation

Accounting policies

The accompanying consolidated financial statements are prepared in accordance with the announcement of the Capital Markets Board ("CMB") "Communiqué on Principles Regarding Financial Reporting in the Capital Markets" ("Communiqué") No. II-14.1 published in the Official Gazette dated 13.06.2013 and numbered 28676 and Turkish Financial Reporting Standards ("TFRS") published by Public Oversight Accounting and Auditing Standards Board ("POA").

TASs; Turkish Accounting Standards, includes Turkish Financial Reporting Standards ("TFRS") and related annexes and comments.

Consolidated financial statements are presented in accordance with the "TFRS Taxonomy" published by POA dated on 4 October 2022 and Financial Statement Examples and User Guide published by CMB.

Approval of consolidated financial statements

Consolidated financial statements as of 1 January - 31 March 2024 have been approved by the Board of Directors and authorized for publication on 14 June 2024 The General Assembly of the Company and the relevant regulatory authorities have the right to request the amendment of the consolidated financial statements after the publication of the consolidated financial statements.

Financial reporting in hyperinflationary economy

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on November 23, 2023, 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 March 31, 2024. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of March 31, 2023, on the purchasing power basis as of March 31, 2024. Pursuant to the decision of the Capital Markets Board (SPK) dated December 28, 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of IAS 29 starting from their annual financial reports for the periods ending on March 31, 2024.

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

Year End	Indeks	Conversion Factor	Three Year Inflation Rate
31 March 2024	2136,47	1,0000	309%
31 December 2023	1.859,38	1,1506	268%
31 March 2023	1.269,75	1,6850	182%
31 December 2022	1.128,45	1,8959	159%

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

- Current period consolidated financial statements prepared in TRY are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.

- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of IAS 36 "Impairment of Assets" and IAS 2 "Inventories" are applied, respectively.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1. Basis of presentation (Continued)

Financial reporting in hyperinflationary economy (Continued)

- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.
- The impact of inflation on the Group's net monetary asset position in the current period is recorded in the net monetary gain/(loss) account in the consolidated income statement.

Comparative Information and Correction of Prior Financial Statements

The current period consolidated financial statements of the Group are prepared comparatively with the previous period in order to enable the determination of the financial position and performance trends. Comparative information is reclassified when deemed necessary in order to comply with the presentation of the current period consolidated financial statements.

Functional and presentation currency

The Group prepares and maintains its legal books and prepares its statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), accounting principles set forth by tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The valid currency of the Group is Turkish Lira ("TL"). These consolidated financial statements are presented in TL, which is the valid currency of the Group.

Financial statements of subsidiaries operating in countries other than Turkey

Subsidiaries in foreign country assets and liabilities are translated into TRY from the foreign exchange rate at the reporting date and income and expenses are translated into TRY at the average foreign exchange rate. The retranslation of net assets at the beginning of the period and the exchange differences which resulting from the using of average exchange rates are followed on differences of foreign currency translation account within shareholders' equity.

Netting/Offsetting

Financial assets and liabilities are shown in net, if the required legal right already exists, there is an intention to pay the assets and liabilities on a net basis, or if there is an intention to realize the assets and the fulfilment of the liabilities simultaneously.

2.2. Changes in Accounting Policies

Significant changes in accounting policies are applied retrospectively and prior period consolidated financial statements are restated.

2.3. Restatement and Errors in the Accounting Policies and Estimates

If changes in accounting estimates are related to only one period, they are recognised in the period when changes are applied; if changes in estimates are related to future periods, they are recognized both in the period where the change is applied and future periods prospectively.

There was no significant change in accounting estimates of the Group in the current year. The detected significant accounting errors are applied retrospectively, and prior period consolidated financial statements are restated.

2. **BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

2.4. **Going concern**

The consolidated financial statements prepared on a going concern basis, with the assumption that the Group will benefit from its assets and fulfil its obligations in the next year and in the natural course of its activities.

2.5. **New and Amended Turkish Financial Reporting Standards**

a) Amendments that are mandatorily effective from 2023

Amendments to TAS 1	<i>Disclosure of Accounting Policies</i>
Amendments to TAS 8	<i>Definition of Accounting Estimates</i>
Amendments to TAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to TAS 12	<i>International tax reform - pillar two model rules</i>

Amendments to TAS 1 *Disclosure of Accounting Policies*

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

Amendments to TAS 8 *Definition of Accounting Estimates*

With this amendment, the definition of “a change in accounting estimates” has been replaced with the definition of “an accounting estimate”, sample and explanatory paragraphs regarding estimates have been added, and the differences between application of an estimate prospectively and correction of errors retrospectively have been clarified.

Amendments to TAS 8 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

Amendments to TAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

Amendments to TAS 12 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

Amendments to TAS 12 *International Tax Reform - Pillar two model rules*

These amendments provide a temporary exception to the requirements for deferred tax assets and liabilities related to Pillar two model income tax.

Amendments to TAS 12 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

2. **BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

2.5. **New and Amended Turkish Financial Reporting Standards (cont'd)**

b) New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	<i>Insurance Contracts</i>
Amendments to TFRS 17	<i>Insurance Contracts and First-time Adoption of TFRS 17 and TFRS 9 - Comparative Information</i>
Amendments to TFRS 4	<i>Extension of the Temporary Exemption from Applying TFRS 9</i>
Amendments to TAS 1	<i>Classification of Liabilities as Current or Non-Current</i>
Amendments to TFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to TAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to TAS 7 and TFRS 7	<i>Supplier Finance Agreements</i>
IFRS S1	<i>General Requirements for Disclosure of Sustainability-Related Financial Information</i>
IFRS S2	<i>Climate-related Disclosures</i>

TFRS 17 Insurance Contracts

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 supersedes TFRS 4 *Insurance Contracts* as of 1 January 2024 for insurance and reinsurance and pension companies.

Amendments to TFRS 17 Insurance Contracts and First-time Adoption of TFRS 17 and TFRS 9 - Comparative Information

Amendments have been made to TFRS 17 to reduce implementation costs, improve disclosure of results and ease transition.

The amendment also permits entities that are first-time adopters of TFRS 7 and TFRS 9 to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had previously been applied to that financial asset.

These amendments will be applied when TFRS 17 is first adopted.

Amendments to TFRS 4 Extension of the Temporary Exemption from Applying TFRS 9

The amendment changes the fixed expiry date for the temporary exemption in TFRS 4 *Insurance Contracts* from applying TFRS 9, so that insurance and reinsurance and pension companies would be required to apply TFRS 9 for annual periods beginning on or after 1 January 2024 with the deferral of the effective date of TFRS 17.

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

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2024 and earlier application is permitted.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.5. New and Amended Turkish Financial Reporting Standards (cont'd)

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

Amendments to TFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in TFRS 15 to be accounted for as a sale.

Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

Amendments to TAS 1 *Non-current Liabilities with Covenants*

Amendments to TAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

Amendments to IAS 7 and IFRS 7 on Supplier Finance Arrangements

Amendments to IAS 7 and IFRS 7 on Supplier Finance Arrangements; effective from annual periods beginning on or after 1 January 2024.

These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk.

The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

IFRS 1, 'General requirements for disclosure of sustainability-related financial information;

IFRS 1, 'General requirements for disclosure of sustainability-related financial information; effective from annual periods beginning on or after 1 January 2024. This is subject to endorsement of the standards by local jurisdictions.

This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

IFRS 2, 'Climate-related disclosures';

IFRS 2, 'Climate-related disclosures'; effective from annual periods beginning on or after 1 January 2024.

This is subject to endorsement of the standards by local jurisdictions. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.6. Summary of significant accounting policies

Significant accounting policies applied in the preparation of these consolidated financial statements are summarized below:

Consolidation Principles

Full Consolidation:

Consolidated financial statements include the financial statements of the subsidiary managed by the Group in Note 1.

As of 31 March 2024 and 31 March 2023, the subsidiaries consolidated within the Parent Company have been consolidated using the "full consolidation method" since the control power belongs to the Group.

The applied principles of consolidation as below:

- (i) The balance sheets and income statements of the subsidiaries are consolidated one by one for each item and the carried net book value of the investment, which is owned by the Parent Company, is eliminated with the related equity items. The intra-group transactions, the remaining profit margins balances in the balance sheets which between the Parent Company and its subsidiaries, are eliminated.
- (ii) Operating results of subsidiaries are included in the consolidation effective from the date on which the said company controls are transferred to the Parent Company.
- (iii) Non-controlling interests in net assets and operating results of subsidiaries are presented separately as non-controlling interests in the consolidated balance sheet and consolidated income statement.

The following table shows the subsidiaries, total shares of owned and effective partnership ratios as of 31 March 2024 and 31 December 2023:

Subsidiaries	31 March 2024	31 December 2023
Alpha IVD SRL ("Alpha") (*)	100.00%	100.00%
Euronano Diagnostics (Private) Limited ("Euronano")	99.99%	99.99%
RhineGene B.V. ("RhineGene")	100%	100%
RhineGene Philippines ("RhineGene PH")	100%	100%
RhineGene Bulgaria ("RhineGene BG")	100%	100%
RhineGene Poland ("RhineGene PL")	100%	100%
RhineGene Germany ("RhineGene GE")	100%	100%

(*) Although the ownership rate of the company is 50% or less, control power can be obtained with the remaining votes belonging to Elif Akyüz and Alper Akyüz, who are also the controlling shareholders of Anatolia. Elif Akyüz and Alper Akyüz declared that they will use their voting rights in line with Anatolia.

The company take over 100% of the company by paying 66,501,299 TL for the remaining 76.67% of Alpha shares. The transfer and delivery procedures were completed on May 25, 2022. This take over is considered as a "business combination under common control" and the difference between Alpha's net equity at the acquisition date and the purchase price is classified under "Share Premiums" under equity. (**) (Footnote 1)

Related Parties

To the accompanying consolidated financial statements, key personnel in management and board of directors, their family and controlled or dependent companies, participations and subsidiaries of the Group is referred to as related parties.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less (Note 5). To consolidated statements of cash flows, cash and cash equivalents includes cash and cash equivalents with original maturities less than three months, excluding the interest accruals. If any provision provided to the cash and cash equivalents because of a specific event, Group measures expected credit loss from these cash and cash equivalents by the life-time expected credit loss. The calculation of expected credit loss is performed based on the experience of the Group and its expectations for the future indications.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.6. Summary of significant accounting policies (Continued)

Trade Receivables and Allowance for Doubtful Receivables

Trade receivables that are created by the Group by way of providing goods or services in the ordinary course of business directly to a debtor are recognized initially at fair value and subsequently measured at amortized cost, using the effective interest rate method, less provision for impairment. Short-term trade receivables with no specific interest rates are measured at original invoice amount if the effect of interest accrual is insignificant.

Impairment

IAS 39, “Financial Instruments” valid before 1 January 2018: Instead of “realised credit losses model” in Accounting and Measurement Standard, “expected credit loss model” was defined in IFRS 9 “Financial Instruments” Standard. Expected credit loss is estimated by weighting credit losses, expected to occur throughout the expected life of financial instruments, based on previous statistics. When calculating the expected credit losses, credit losses in the previous years and forecasts of the Group are considered.

Trade Payables

Trade payables are stated at their nominal value, discounted to present value as appropriate.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is calculated using the weighted average method. Costs comprise direct materials, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distributed.

Property, plant and equipment and related depreciation

Property, plant, and equipment are carried at acquisition cost, less any accumulated depreciation and any impairment loss. Land is not depreciated as it is deemed to have an indefinite useful life.

Depreciation is provided on the restated amounts of property, plant and equipment on a pro-rata basis. Profit and loss arising out of the sale of property, plant and equipment are included in the other income and expense accounts. Repair and maintenance expenditure related to property, plant and equipment is expensed as incurred.

Cost amounts of property, plant and equipment, other than the lands and construction in progress are subject to depreciation by using systematic pro-rata basis using the straight-line method in accordance with their expected useful life.

The depreciation and amortization periods for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

	<u>Year</u>
Buildings	50
Machinery and Equipment	4-14
Motor vehicles	5-10
Furniture and Fixtures	4-10
Leasehold improvements	10-20

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.6. Summary of significant accounting policies (Continued)

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.6. Summary of significant accounting policies (Continued)

Intangible assets and related amortization

An intangible asset is recognized if it meets the identifiability criterion of intangibles, control exists over the asset; it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the costs can be measured reliably. Intangible assets are carried at cost less accumulated amortization and impairment. Amortization of intangible assets is allocated on a systematic pro-rata basis using the straight-line method. Intangible assets including acquired rights, information systems and computer software are amortized using the straight-line.

Costs incurred on development projects relating to the design and testing of new or improved products are recognized as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other research and development expenditures are recognized as an expense as incurred. Development expenditures previously recognized as an expense cannot be recognized as an asset in a subsequent period.

The useful lives of intangible assets are as follows:

	<u>Year</u>
Rights	3-5
Research and development costs	5
Other intangible asset	5-10

Impairment of assets

The carrying values of all tangible or intangible fixed assets, other than goodwill which is reviewed for impairment at least annually, are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in the income statement for items carried at cost and treated as a revaluation decrease for items carried at revalued amount to the extent that impairment loss does not exceed the amount held in the revaluation surplus. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use.

Financial assets

The Group performs the classification process regarding its financial assets during the acquisition of the related assets and reviews them regularly.

Classification

The Group classifies its financial assets in three categories of financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit of loss. The classification of financial assets is determined considering the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The appropriate classification of financial assets is determined at the time of the purchase.

Financial assets are not reclassified after initial recognition except when the Group's business model for managing financial assets changes; in the case of a business model change, after the amendment, the financial assets are reclassified on the first day of the following reporting period.

Recognition and Measurement

a) Financial assets measured at amortized cost

Financial assets measured at amortized cost, are non-derivative assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group's financial assets measured at amortized cost comprise "cash and cash equivalents", "trade receivables", "other receivables" and "financial investments". Financial assets carried at amortized cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets measured at amortized cost are accounted for under the statement of income.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.6. Summary of significant accounting policies (Continued)

Financial assets (Continued)

b) Financial assets measured at fair value

i. Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income, are non-derivative assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Gains or losses on a financial asset measured at fair value through other comprehensive income is recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses until the financial asset is derecognized or reclassified. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified to retained earnings.

In case of sale of assets, valuation differences classified to other comprehensive income are reclassified to retained earnings.

Group make a choice for the equity instruments during the initial recognition and elect profit or loss or other comprehensive income for the presentation of fair value gain and loss. If the said preference is made, dividends from related investments are recognized in the income statement.

ii. Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss, are assets that are not measured at amortized cost or at fair value through other comprehensive income. Gains and losses on valuation of these financial assets are accounted for under the statement of income.

Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset were transferred. Any interest in such transferred financial assets that was created or retained by the Company is recognized as a separate asset or liability.

Impairment

Impairment of the financial and contractual assets is measured by using “Expected credit loss model” (ECL). The impairment model applies for amortized financial and contractual assets.

Provisions for losses are measured as below.

- Impairment of the financial and contractual assets is measured by using “Expected credit loss model” (ECL). The impairment model applies for amortized financial and contractual assets.

Provisions for losses are measured as below.

- 12- Month ECL: results from default events that are possible within 12 months after reporting date.

- Lifetime ECL: results from all possible default events over the expected life of financial instrument.

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since 12-month ECL measurement if it has not.

The Group may determine that the credit risk of a financial asset has not increased significantly if the asset has low credit risk at the reporting date. However, lifetime ECL measurement (simplified approach) always apply for trade receivables and contract assets without a significant financing.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.6. Summary of significant accounting policies (Continued)

Financial liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Financial liabilities are classified as either financial liabilities at fair value through profit and loss or other financial liabilities.

a) Financial liabilities at fair value through profit and loss

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any resultant gain or loss recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability.

b) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a considerable time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned by the temporary investment of the part of the borrowing not yet used is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Taxation and Deferred Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax: The tax currently payable is based on taxable profit for the year.

Deferred tax: Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Employee Benefits / Retirement Pay Provision

Under the Turkish law and union agreements, severance payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan as per International Accounting Standard No: 19 "Employee Benefits" ("IAS 19"). The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses.

Operating Expenses

Operating expenses are recognized in profit or loss upon utilization of the service or at the date of their origin. Expenditure for warranties is recognized and charged against the associated provision when the related revenue is recognized.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.6. Summary of significant accounting policies (Continued)

Revenue Recognition

Group recognizes revenue when the goods or services is transferred to the customer and when performance obligation is fulfilled. Goods are counted to be transferred when the control belongs to the customer.

Group recognizes revenue based on the following main principles:

- (a) Identification of customer contracts
- (b) Identification of performance obligations,
- (c) Determination of transaction price in the contract,
- (d) Allocation of price to performance obligations,
- (e) Recognition of revenue when the performance obligations are fulfilled.

Group recognizes revenue from its customers only when all the following criteria are met:

- (a) The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations,
- (b) Group can identify each party's rights regarding the goods or services to be transferred,
- (c) Group can identify the payment terms for the goods or services to be transferred.
- (d) The contract has commercial substance,

It is probable that Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due.

Equipment rental revenue

Rent income from operational rental transactions is accounted if it is measured reliably based on straight-line method during relevant rental agreement and if it is possible that an economic benefit related to transaction is achieved by the Group.

Provisions

Provisions are recognized when, and only when the Group has a present obligation because of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are recognized by the amortized amount as of balance sheet date in case that the monetary loss is material. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Commitments and Contingencies

Transactions that may give rise to contingencies and commitments are those where the outcome and the performance of which will be ultimately confirmed only on the occurrence or non-occurrence of certain future events unless the expected performance is remote. Accordingly, contingent losses are recognized in the financial statements if a reasonable estimate of the amount of the resulting loss can be made. Contingent gains are reflected only if it is probable that the gain will be realized.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.6. Summary of significant accounting policies (Continued)

Transactions in foreign currency

Transactions in foreign currencies during the periods have been translated at the exchange rates prevailing at the dates of these transactions. Balance sheet items denominated in foreign currencies have been translated at the exchange rates prevailing at the balance sheet dates. The foreign exchange gains and losses are recognized in the income statement.

The periods-end rates used for USD, EURO and PKR are shown below:

	31 March 2024	31 December 2023
US Dollars	32,2854 TRY	29,4382 TRY
Euro	34,8023 TRY	32,5739 TRY
PKR	0,1155 TRY	0,1050 TRY
PLN (Zloti)	8,1094 TRY	7,5187 TRY
LEVA	17,6935 TRY	16,5611 TRY
PHP	0,5756 TRY	0,5312 TRY

Earnings per share

Earnings per share presented in the consolidated statements of profit or loss are determined by dividing consolidated net income attributable to that class of shares by the weighted average number of such shares outstanding during the year concerned. In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings or inflation adjustments. To earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them retroactive effect for the year in which they were issued and for each earlier period.

Government incentives and grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all the attached conditions. Government grants relating to costs are deferred and recognized in the income statement over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

Cash Flow statement

Cash and cash equivalents comprise of cash in hand, bank deposits and short-term investments, which can easily be converted into cash for a known amount, has high liquidity with maturities of 3 months or less.

EBITDA

EBITDA is defined as earnings before interest expense, income tax expense (benefit), depreciation and amortization. This information should be read with the statements of cash flows contained in the accompanying financial statements (note 3).

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.7. Significant Accounting Assessments, Estimates and Assumptions

Provisions for doubtful trade receivables: The provision for doubtful receivables reflects the amounts that the management believes will cover the future losses of the receivables that exist as of the reporting date but have the risk of being uncollectible within the current economic conditions. While evaluating whether the receivables are impaired or not, the past performance of the debtors, their credibility in the market, their performance from the date of the consolidated financial statements until the approval date of the consolidated financial statements and the renegotiated conditions are also taken into. In addition, the “simplified approach” defined in TFRS 9 has been preferred within the scope of the impairment calculations of trade receivables that are accounted at amortized cost in the consolidated financial statements and that do not contain a significant financing component (with a maturity of less than one year). With this approach, the Group measures the provision for impairment on trade receivables at an amount equal to “lifetime expected credit losses”, unless the trade receivables are impaired for certain reasons (excluding realized impairment losses).

Provision for employee benefit: Employment termination benefits pay liability is determined by actuarial calculations based on some assumptions including discount rates, future salary increases and employee turnover rates. Since these plans are long term, these assumptions contain significant uncertainties.

Lawsuit provisions: The probability of loss of ongoing lawsuits and the consequences that will be endured if they are lost are evaluated in line with the opinions of the Group's legal advisors. The Group management makes its best estimates using the data in hand and estimates the provision it deems necessary.

Deferred tax: The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between their statement of financial position accounts prepared in accordance with TAS/TFRS promulgated by POA Financial Reporting Standards and their statutory financial statements. These temporary differences usually result from the recognition of revenue and expenses in different reporting periods for TAS/TFRS and Tax Laws.

Impairment of Inventory: When calculating, data on the list prices of inventories after discounting are used. In cases where the projected net realizable value is below the cost value, an inventory impairment provision is made.

3. SHARES IN OTHER BUSINESS

The details of the Group's shares in other businesses for the periods are as follows:

	31 March 2024	31 December 2023
	Alpha IVD S.p.A (Italy) Solo	Alpha IVD S.p.A (Italy) Solo
Current assets	108.538.698	137.654.533
Non-current assets	50.314.904	42.717.903
Total assets	158.853.602	180.372.436
Current liabilities	17.653.440	8.033.820
Non-current liabilities	1.923.432	1.904.102
Total debts	19.576.872	9.937.922
Net assets	139.276.730	170.434.514

Profit Loss for the period:

Revenue	9.765.567	28.391.735
Profit / (Loss) for the period	(11.822.896)	(27.119.956)
<u>Profit Loss for the period:</u>	<u>(11.822.896)</u>	<u>(27.119.956)</u>

	31 March 2024	31 December 2023
	Euronano (Pakistan) Solo	Euronano (Pakistan) Solo
Current assets	32.814.043	38.255.558
Non-current assets	5.752.635	6.288.045
Total assets	38.566.678	44.543.603
Current liabilities	90.165.216	93.078.655
Total debts	90.165.216	93.078.655
Net assets	(51.598.538)	(48.535.052)

Profit Loss for the period:

Revenue	1.368.323	5.628.206
Profit / (Loss) for the period	154.864	(23.118.614)
<u>Profit Loss for the period:</u>	<u>154.864</u>	<u>(8.319.562)</u>

3. SHARES IN OTHER BUSINESS (continued)

	31 March 2024	31 December 2023
	RhineGene B.V. (Hollanda) Solo	RhineGene B.V. (Hollanda) Solo
Current assets	88.797.199	36.127.507
Non-current assets	7.319.515	17.814.155
Total assets	96.116.714	53.941.662
Current liabilities	55.622.121	773.587
Total debts	55.622.121	773.587
Net assets	40.494.593	53.168.076
<u>Profit Loss for the period:</u>	--	--
Profit / (Loss) for the period	(426.259)	(5.715.400)
<u>Profit Loss for the period:</u>	(426.259)	(5.715.400)

	31 March 2024	31 December 2023
	RhineGene Philippines Solo	RhineGene Philippines Solo
Current assets	2.471.486	2.077.462
Non-current assets	1.575.251	1.671.247
Total assets	4.046.737	3.748.709
Current liabilities	12.378.923	11.413.396
Total debts	12.378.923	11.413.396
Net assets	(8.332.186)	(7.664.686)
<u>Profit Loss for the period:</u>	--	--
Revenue	--	--
Profit / (Loss) for the period	(1.063.124)	(5.425.982)
<u>Profit Loss for the period:</u>	(1.063.124)	(5.425.982)

3. SHARES IN OTHER BUSINESS (continued)

	31 March 2024	31 December 2023
	RhineGene Bulgaria Solo	RhineGene Bulgaria Solo
Current assets	6.228.113	6.645.394
Non-current assets	1.857.818	553.783
Total assets	8.085.931	7.199.177
Current liabilities	10.665.375	8.628.261
Non-current liabilities	10.665.375	8.628.261
Total debts	(2.579.444)	(1.429.084)
Net assets		
<u>Profit Loss for the period:</u>		
Revenue	1.176.678	2.027.605
Profit / (Loss) for the period	(1.176.678)	(4.625.945)
<u>Profit Loss for the period:</u>	(1.176.678)	(4.625.945)

	31 March 2024	31 December 2023
	RhineGene Poland Solo	RhineGene Poland Solo
Current assets	23.255.537	25.667.422
Non-current assets	--	1.540.686
Total assets	23.255.537	27.208.108
Current liabilities	22.940.294	22.664.192
Total debts	22.940.294	22.664.192
Net assets	315.243	4.543.915
<u>Profit Loss for the period:</u>		
Revenue	2.618.303	11.192.461
Profit / (Loss) for the period	(2.132.358)	(5.362.549)
<u>Profit Loss for the period:</u>	(2.132.358)	(5.362.549)

	31 March 2024	31 December 2023
	RhineGene Germany Solo	RhineGene Germany Solo
Current assets	3.878.263	2.392.314
Non-current assets	2.113.787	2.340.627
Total assets	5.992.050	4.732.941
Current liabilities	11.980.938	8.136.930
Total debts	11.980.938	8.136.930
Net assets	(5.988.888)	(3.403.989)
<u>Profit Loss for the period:</u>		
Profit / (Loss) for the period	(2.729.220)	(3.400.293)
<u>Profit Loss for the period:</u>	(2.729.220)	(3.400.293)

4. CASH AND CASH EQUIVALENTS

The details of the Group's cash and cash equivalents for the periods are as follows:

	31 March 2024	31 December 2023
Cash in hand	--	2.028
Cash at banks	248.670.102	347.088.888
- Demand deposit	99.452.140	207.593.758
- Time deposit less than 3 months	149.217.962	139.495.130
Other cash and cash equivalents	28.154	92.900
	248.698.256	347.183.816

Currency	Interest rate	Maturity	31 March 2024
TRY	29.98%-38.97%	January 2024	4.450.000
USD	5%	January 2024	53.203.111
EUR	2.21%	January 2024	91.564.851
			149.217.962

Currency	Interest rate	Maturity	31 December 2023
TRY	14.00%-26.75%	January 2023	6.589.923
USD	1.25%-3.55%	January -March 2023	49.982.788
EUR	2%	January 2023	82.922.419
			139.495.130

5. FINANCIAL INVESTMENTS

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

	31 March 2024	31 December 2023
Fair value through	117.125.851	67.163.493
Financial assets at fair value through profit or loss	--	--
-Currency-protected deposits	--	--
	117.125.851	67.163.493

6. TRADE RECEIVABLES AND PAYABLES

The details of the Group's trade receivables for the periods are as follows:

Short-term trade receivables	31 March 2024	31 December 2023
Trade receivables	86.569.503	85.819.905
<i>Trade receivables from related parties</i>	--	--
<i>Trade receivables from third parties</i>	86.569.503	85.819.905
Notes receivable	3.481.279	3.842.573
Income accruals	258.996	--
Doubtful trade receivables (*)	1.269.984	1.047.734
Provision for doubtful trade receivables (-)	(1.269.984)	(1.047.734)
	90.309.778	89.662.478

As of 31 March 2024, the average maturity of the Group's trade receivables is 90 days. (31 March 2023: 90 days).

Explanations on the nature and level of risks in trade receivables are given in Note 30.

6. TRADE RECEIVABLES AND PAYABLES (continued)

(*) The movement of the allowance for doubtful receivables is as follows:

	1 January- 31 March 2024	1 January- 31 March 2023
Balance at beginning of the period	1.047.734	777.590
Current year additions (Note 29)	112.405	69.463
Provisions no longer required	--	--
Currency translation differences	80.115	83.966
Inflation adjustments	29.730	116.715
End of the period	1.269.984	1.047.734

The details of the trade payables are as follows:

	31 March 2024	31 December 2023
<u>Short-term trade payables</u>		
Trade payables	30.997.211	6.899.975
Expense Accruals	5.784.348	2.879.124
Trade payables to related parties (Note 8)	--	--
Other trade payables	7.277.020	2.700.452
	44.058.579	12.479.551

As of 31 March 2024, the average maturity of the Group's trade receivables is 90 days. (31 December 2023: 90 day).

Explanations on the nature and level of risks in trade payables are given in Note 30.

7. RELATED PARTIES TRANSACTION

As of March 31, 2024, there are no trade receivables and trade payables from related party (December 31, 2023: None).

The details of the Group's related party disclosures for the periods are as follows:

	1 January- 31 March 2024	1 January- 31 March 2023
Anatolia Makine Sanayi ve Ticaret Ltd. Şti. (*)	--	3.981
	--	3.981

(*) Anatolia Makine Sanayi ve Ticaret Ltd Şti. sells imported instrument and provides labour services to the Company for instrument production.

Key management compensation:

The total amount of wages and similar benefits provided to the Group's President and Vice President of the Board of Directors and other key executives as of 31 March 2024 is TRY 5.301.633 (31 December 2023: TRY 6.626.824).

8. OTHER RECEIVABLES AND PAYABLES

The details of the Group's other receivables and payables for the periods are as follows:

<u>Short term other receivables</u>	<u>31 March 2024</u>	<u>31 December 2023</u>
Deposits and guarantees given	686.009	893.753
Other receivables(*)	15.283.608	19.411.381
	15.969.617	20.305.134

(*) Other receivables consist of VAT receivables.

<u>Long term other receivables</u>	<u>31 March 2024</u>	<u>31 December 2023</u>
Deposits and guarantees given	594.746	1.056.080
Other receivables	343.011	--
	937.757	1.056.080

<u>Short term other payables</u>	<u>31 March 2024</u>	<u>31 December 2023</u>
Free zone overdue deferred tax liabilities	388.323	1.837.215
Other payables	13.757.800	3.519.190
	14.146.123	5.356.405

9. INVENTORIES

The details of the Group's inventories for the periods are as follows:

	<u>31 March 2024</u>	<u>31 December 2023</u>
Raw materials	98.774.760	106.382.114
Work in Process	--	--
Finished goods	123.509.835	128.433.265
Trade goods	28.554.083	23.765.324
Other Inventories	10.404.607	9.452.402
Provision for impairment in inventory	(15.974.708)	(7.879.320)
	245.268.577	260.153.785

	<u>31 March 2024</u>	<u>31 December 2023</u>
Balance at beginning of the period	7.879.320	5.280.103
Current year additions (Note 29)	8.070.707	3.426.433
Currency translation differences	24.681	(2.554.440)
End of the period	15.974.708	6.152.096

10. PREPAID EXPENSES AND DEFERRED INCOME

The details of short and long-term prepaid expense for the periods are as follows:

<u>Short-term prepaid expenses</u>	31 March 2024	31 December 2023
Advances given to suppliers (*)	5.773.212	7.144.109
Prepaid expenses (**)	4.856.855	3.589.462
	10.630.067	10.733.571

(*) Consists of personnel expenses in the Center and Free Zone.

(**) Order advances given consist of advances given for building modernization and investment to move the Group's headquarters and R&D center.

<u>Long-term prepaid expenses</u>	31 March 2024	31 December 2023
Prepaid expenses for the following years	758.250	205.047
Advances given	--	420.111
	758.250	625.158

<u>Deferred income-short term</u>	31 March 2024	31 December 2023
Advances received (*)	3.058.483	5.202.754
Short-term deferred income	670.637	--
	3.729.120	5.202.754

(*) Advances received consist of advances received by the Group from customers regarding sales.

11. OTHER ASSETS AND LIABILITIES

The details of other assets and liabilities for the periods are as follows:

<u>Other current assets</u>	31 March 2024	31 December 2023
Deferred VAT	31.802.242	27.362.499
Other current assets	1.179.347	1.791.725
	32.981.589	29.154.224
<u>Other short-term liabilities</u>	31 March 2024	31 December 2023
Prepaid taxes and dues	3.793.454	6.627.842
Other	21.044	14.909
	3.814.498	6.642.751

12. PROPERTY, PLANT AND EQUIPMENTS

Movement of property, plant, and equipment for the period 01.01.-31.03.2024 is as follows:

	1 January 2024	Additions	Disposals (-)	Foreign currency translation differences	31 March 2024
Cost					
Land and land improvements	84.355.088	4.809.678	--	--	89.164.766
Buildings	229.588.038	--	(11.933.352)	5.559.538	223.214.224
Machinery and equipment	266.130.829	17.488.860	(3.974.222)	3.555.279	283.200.746
Vehicles	38.747.807	1.766.489	(5.715.344)	2.745.727	37.544.679
Furniture and fixtures	66.516.312	1.788.474	(1.183.082)	812.304	67.934.007
Other tangible assets	1.388.694	1.299.694	(1.576.252)	713.046	1.825.183
Leasehold improvements	21.740.639	--	--	(9.498)	21.731.141
Construction in progress	160.660	389.257		2.224	552.141
	708.628.067	27.542.453	(24.382.252)	13.378.620	725.166.887
	1 January 2024	Current year charge	Disposals (-)	Foreign currency translation differences	31 March 2024
Accumulated depreciation					
Buildings	(14.885.585)	(1.097.225)	4.797.810	(1.002.672)	(12.187.672)
Machinery and equipment	(128.140.468)	(5.613.605)	3.974.222	(9.930.128)	(139.709.979)
Vehicles	(14.713.183)	(1.155.809)	22.176	(683.611)	(16.530.427)
Furniture and fixtures	(23.738.202)	(2.294.983)	183.082	(516.091)	(26.366.194)
Other tangible assets	(314.439)	--	734.503	--	420.064
Leasehold improvements	(14.910.206)	(750.159)	--	(54.228)	(15.714.592)
	(196.702.083)	(10.911.781)	9.711.793	(12.186.730)	(210.088.800)
Net book value	511.925.984				515.078.087

As of 31 March 2024, property, plant, and equipment are insured for TRY 363.250.000 and there is no mortgage on it (31.12.2023: 273.075.000 TRY).

12. PROPERTY, PLANT AND EQUIPMENTS (continued)

Movement of property, plant and equipment for the period 01.01.-31.03.2023 is as follows:

	1 January 2023	Additions	Disposals (-)	Foreign currency conversion differences	31 March 2023
Cost					
Land and land improvements	84.355.088	138.200	--	2.736.651	87.229.939
Buildings	219.102.992	--	(926.298)	908.727	219.085.421
Machinery and equipment	218.204.550	9.330.701	(1.547.515)	477.632	226.465.368
Vehicles	29.773.589	7.421	--	928.472	30.709.482
Furniture and fixtures	59.135.346	151.809	(147.357)	195.102	59.334.900
Other tangible assets	844.089	345.392	(298.401)	(548.360)	342.720
Leasehold improvements	21.171.085	140.676	--	89.157	21.400.918
Construction in progress	547.071	--	(193.000)	(200.386)	153.685
	633.133.810	10.114.199	(3.112.571)	4.586.995	644.722.433
	1 January 2023	Current year charge	Disposals (-)	Foreign currency conversion differences	31 March 2023
Accumulated depreciation					
Buildings	(7.834.063)	(782.836)	--	(545.088)	(9.161.987)
Machinery and equipment	(92.997.112)	(8.820.507)	11.087	(1.183.686)	(102.990.219)
Vehicles	(10.624.837)	(885.970)	--	(37.020)	(11.547.827)
Furniture and fixtures	(15.578.487)	(1.289.269)	604	(9.361)	(16.876.513)
Other tangible assets	(132.201)	(101.895)	--	(12.998)	(247.094)
Leasehold improvements	(11.958.972)	(434.373)	--	(3.990)	(12.397.335)
	(139.125.672)	(12.314.850)	11.691	(1.792.143)	(153.220.975)
Net book value	494.008.138				491.501.458

13. INTANGIBLE ASSETS

Movement of intangible fixed asset for the period 01.01.-31.03.2024 is as follows:

	1 January 2024	Additions	Disposals (-)	Transfers	Foreign currency conversion differences	31 March 2024
Cost						
Rights (*)	68.197.474	--	--	(23.853.456)	(32.029.641)	12.314.377
Research and development costs (**)	170.444.194	39.904.959	--	23.853.456	15.581.862	249.784.471
Other intangible fixed assets	863.464	58.257	--	--	1.411.274	2.332.995
	239.505.132	39.963.216	--	--	(15.036.505)	264.431.843
	1 January 2024	Current year charge	Disposals (-)	Transfers	Foreign currency conversion differences	31 March 2024
Accumulated depreciation						
Rights	(5.976.647)	(2.285.931)	--	--	(1.386)	(8.263.964)
Other intangible fixed assets	(48.992.994)	(1.824.954)	--	--	--	(50.817.949)
	(56.275.119)	(4.289.451)	--	--	(148.853)	(60.713.424)
Net book value	183.230.013					203.718.419

(*) Rights mostly consist of R&D projects of the Group that are activated by reaching the final product.

(**) Research and development costs consist of ongoing R&D projects of the Group.

Movement of intangible fixed assets for the period 01.01.-31.03.2023 is as follows:

	1 January 2023	Additions	Disposals	Transfers	Foreign currency conversion differences	31 March 2023
Cost						
Rights (*)	72.692.751	--	(8.367.100)	--	(3.169.610)	61.156.041
Research and development costs (**)	94.354.752	34.733.049	--	--	31.863.905	160.951.706
Other intangible fixed assets	945.620	905.000	--	--	254.491	2.105.111
	167.993.124	35.638.049	(8.367.100)	--	28.948.785	224.212.858
	1 January 2023	Current year charge	Disposals	Transfers	Foreign currency conversion differences	31 March 2023
Accumulated depreciation						
Rights	(1.387.848)	(606.850)	--	--	(627.395)	(2.622.092)
Research and development costs (**)	(41.388.484)	(1.072.153)	--	--	(1.213.452)	(43.674.089)
Other intangible assets	(942.639)	(61.685)	--	--	(237.548)	(1.241.872)
	(43.718.971)	(1.740.688)	--	--	(2.078.395)	(47.538.052)
Net book value	124.274.153					176.674.806

(*) Rights mostly consist of R&D projects of the Group that are activated by reaching the final product.

(**) Research and development costs consist of ongoing R&D projects of the Group.

The Group invested a total of 23.196.275 TL for R&D projects in the accounting period ending on 31 March 2024 (31 March 2023: 13.243.748 TL).

14. RIGHTS OF USE ASSETS

Movement of rights of use assets for the period 01.01.-31.03.2024 is as follows:

	Buildings	Total
1 January 2024	23.070.785	23.070.785
Additions	(1.081.088)	(1.081.088)
31 March 2024	21.989.697	21.989.697
	Buildings	Total
Accumulated depreciation		
1 January 2024	(3.571.342)	(3.571.342)
Effect of change in accounting policies	(88.381)	(88.381)
Period depreciation	555.925	555.925
31 March 2024	(3.103.798)	(3.103.798)
Net book value		
31 March 2024	18.885.899	18.885.899

	Buildings	Total
Cost		
1 January 2023	24.151.600	24.151.600
Additions	(2.687.632)	(2.687.632)
31 March 2023	21.463.968	21.463.968

	Buildings	Total
Accumulated depreciation		
1 January 2023	(2.841.363)	(2.841.363)
Effect of change in accounting policies	59.564	59.564
Period depreciation	(374.665)	(374.665)
31 March 2023	(3.156.464)	(3.156.464)
Net book value		
31 March 2023	18.307.504	18.307.504

15. LEASE LIABILITIES

The details of lease of liabilities for the periods are as follows:

	31 March 2024	31 December 2023
Short-term lease liabilities	2.122.878	2.163.432
Long-term lease liabilities	15.873.933	17.234.444
	17.996.811	19.397.876
	1 January- 31 March 2024	1 January- 31 March 2023
Operating lease as of January 1	19.397.876	--
Current operating lease liability increase	1.170.575	18.307.504
Current operating lease liability payment	(1.666.789)	(1.348.000)
Current interest expense	(422.303)	(346.265)
Current foreign currency effects	(482.548)	2.784.637
Operating lease at the end of the periods	17.996.811	19.397.876

16. FINANCIAL BORROWINGS

The details of financial borrowings for the periods are as follows:

	31 March 2024	31 December 2023
Other financial borrowings (*)	687.962	8.383.690
Short-term borrowings	687.962	8.383.690
Short term portion of long term borrowings	277.652	323.056
Short-term portion of long-term borrowings	277.652	323.056
Long-term borrowings	--	--
Long-term borrowings	--	--
Total financial borrowings	965.614	8.706.746

(*) Other financial borrowings consist of credit card borrowings.

The details of currency-based financial liabilities are as follows:

	Interest rate	31 March 2024
TRY bank borrowings	10.27% - 23.95%	277.652
		277.652
	Interest rate	31 December 2023
TRY bank borrowings	7.50% - 16.80%	323.056
		323.056

17. EMPLOYEE BENEFITS

Severance pay provision

Under the Turkish Legislations, the Company and its subsidiaries which located in Turkey, is required to pay termination benefits to each employee, who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies, who retires after completing 25 years for men and 20 years for women of service and reaches the retirement age (58 for women and 60 for men). Due to the amendment of the legislation as of 8 September 1999, there are certain transitional obligations regarding the length of service due to retirement.

These payments are calculated based on the rate on the day of retirement or termination per year worked, with a maximum of TL 35.058,58 over the 30-day salary as of 31 March 2024 (31 December 2023: TL 23.489,83). The provision for severance pay is calculated on a current basis and is reflected in the Consolidated financial statements. The provision is calculated according to the severance pay ceiling announced by the Government.

Provision for termination benefits is made by calculating the present value of the possible liability to be paid in case of retirement of employees. To calculate the liabilities of the Group in accordance with TAS 19 (Employee Benefits), a calculation made with actuarial assumptions is required. Accordingly, the actuarial assumptions used in the calculation of total liabilities are given below. The basic assumption is that the maximum liability for each year of service will increase in line with inflation. Hence the discount rate applied represents the expected real interest rate after adjusting for the effects of future inflation. As a result, the liabilities in the accompanying Consolidated financial statements as of 31 March 2024 and 31 December 2023 are calculated by estimating the present value of the future probable obligation arising from the retirement of the employees.

	31 March 2024	31 December 2023
Discount rate	27,05	27,05%
Estimated rate of salary increasing /inflation rate	23,72	22,01%
The turnover ratio used to calculate the probability of retirement	%95	%100,00

It is planned that the severance pay rights will be paid at the end of the concession agreement. Accordingly, the terms of the concession agreements are considered in calculating the present value of the liabilities to be paid in the future.

The details of long-term severance pay provisions for the periods are as follows:

<u>Long-term provisions</u>	31 March 2024	31 December 2023
Provision for employment termination benefits	3.793.445	3.259.735
	3.793.445	3.259.735

Movement of severance pay provisions for the periods are as follows:

	31 March 2024	31 March 2023
Balance at January 1	8.737.201	15.403.824
Provisions	796.071	3.543.520
Interest cost	1.051.922	1.478.810
Actuarial (gain)/ losses	(77.743)	(5.053.158)
Payments during the year	(1.076.160)	(439.881)
Inflation effect	(5.637.846)	(6.195.914)
Balance at March 31	3.793.445	8.737.201

17. EMPLOYEE BENEFITS (continued)

The details of short-term employee benefits provisions for the periods are as follows:

<u>Short-term provisions</u>	<u>31 March 2024</u>	<u>31 December 2023</u>
Provision for vacation pay liability	4.602.477	5.689.814
	4.602.477	5.689.814

Movement of vacation pay provisions as follows:

<u>Short-term provisions</u>	<u>31 March 2024</u>	<u>31 March 2023</u>
Balance at January 1	5.689.814	3.175.590
Current year provision expense (*)	(383.513)	(140.565)
Inflation effect	(703.824)	(337.741)
Balance at the end of the periods	4.602.477	2.697.284

(*) Leave provision expenses for the relevant periods are included in personnel expenses.

18. COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

a) Guarantees received

As of 31 March 2024, the Group has no guarantees received (31 December 2023: None).

b) Guarantees given

Collaterals/ pledges/ mortgages/bill of guarantees ("CPMB") position of the Group as of 31 March 2024 and 31 December 2023 are as follows:

<u>CPMB's given by the Group</u>	<u>31 March 2024</u>	<u>31 December 2023</u>
A. CPMB's given for Group's own legal personality	16.954.062	11.335.382
B. CPMB's given on behalf of fully consolidated companies	--	--
C. CPMB's given on behalf of third parties for ordinary course of business	--	--
D. Total amount of other CPMB's	--	--
i) Total amount of CPMB's given on behalf of the majority shareholder	--	--
ii) Total amount of CPMB's given on behalf of other Group companies which are not in scope of B and C	--	--
iii) Total amount of CPMB's given on behalf of third parties which are not in scope of C	--	--
	16.954.062	11.335.382

As of 31 March 2024, the ratio of other CPMs given by the Group to the Group's equity is 0% (31 December 2023: 0%).

19. PAYABLES WITHIN BENEFIT TO EMPLOYEES

The details of employee benefits obligations for the periods are as follows:

	31 March 2024	31 December 2023
Due to personnel	10.170.045	705.431
Social security premiums payable	6.424.547	6.539.704
	16.594.592	7.245.135

20. INCOME TAX

The details of current period tax assets for the periods are as follows:

<u>Current period tax assets:</u>	31 March 2024	31 December 2023
Current tax expense	2.323.103	488.534
Prepaid taxes and funds	(1.713.158)	(488.534)
	609.945	--
	31 March 2024	31 December 2023
Deferred tax assets/liabilities	(17.104)	(1.564.847)
Deferred tax income/(expense)	(117.635)	12.425.962
	(134.739)	10.861.115

Corporation tax

As of 31 March 2024, the corporate tax rate is 25% in Turkey (31 December 2023: 25%). Corporation tax rate is applied to net income of the companies after adjusting for certain disallowable expenses, exempt income and allowances. With the provision added to Article 35 of the Law No. 7256 and Article 32 If more than 20 percent of its shares are offered to the public for the first time in the Borsa Istanbul market, the Group pays corporate tax with a discount of 2 points for 5 years. As of April 22, 2021, the company's corporate tax rate has been calculated 18%. Accordingly, in the Group's consolidated financial statements as of December 31, 2023, when calculating deferred tax assets and liabilities for its subsidiaries residing in Turkey, the tax rate is 23% for the parts of the temporary differences that will occur. Corporate tax losses can be carried forward for a maximum period of 5 years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

10% withholding applies to dividends distributed by resident real persons, those who are not liable to income and corporation tax, non-resident real persons, non-resident corporations (excluding those that acquire dividend through a permanent establishment or permanent representative in Turkey) and non-resident corporations exempted from income and corporation tax.

Dividend distribution by resident corporations to resident corporations is not subject to a withholding tax. Furthermore, in the event the profit is not distributed or included in capital, no withholding tax shall be applicable.

20. INCOME TAX (continued)

Corporation tax (continued)

To benefit from the exemption, the said income must be kept in a passive fund account and not withdrawn from the business for a period of 5 years. The sales price must be collected until the end of the second calendar year following the year of sale.

There is no practice in Turkey to reach an agreement with the tax administration regarding the taxes to be paid. Corporate tax returns are submitted within four months following the end of the period. The tax inspection authorities may examine the tax returns and the accounting records underlying them for five years following the accounting period and make a reassessment because of their findings.

Income tax withholding

There is a withholding tax liability on dividend distributions, and this withholding liability is accrued in the period when the dividend payment is made. Dividend payments are subject to 15% withholding tax, excluding those made to non-resident companies that generate income through a workplace or their permanent representative in Turkey, and to companies residing in Turkey. In the application of withholding tax rates for profit distributions to non-resident companies and natural persons, the withholding tax rates in the relevant Double Taxation Agreements are also considered. The addition of retained earnings to the capital is not considered as profit distribution, so it is not subject to withholding tax.

Transfer pricing regulations

In Turkey, transfer pricing regulations are specified in Article 13 of the Corporate Tax Law, titled "Hidden income distribution through transfer pricing". The notified dated 18 November 2007 on hidden income distribution via transfer pricing regulates the details of the implementation.

If the taxpayer buys or sells goods or services with related parties at the price or price, they have determined in peer assessment, the profit is deemed to have been distributed through transfer pricing, in whole or in part. Hidden income distribution through is considered as a non-deductible expense for corporate tax.

Deferred tax assets and liabilities:

Deferred tax liability or assets are determined by calculating the tax effects of temporary differences between the values of assets and liabilities shown in the Consolidated financial statements and the amounts considered in the legal tax base calculation. Deferred tax liability or assets are reflected in the accompanying Consolidated financial statements by considering the tax rates that are expected to be valid in the future periods when the temporary differences will disappear.

In reflecting the deferred tax asset to the consolidated financial statements, the developments in the sector in which it operates, taxable profit estimates in the future, it considers factors such as the general economic and political situation in Turkey and/or the international general economic and political situation that may affect the Group.

The Group considers factors such as developments in the sector in which it operates, taxable profit estimates in the future, general economic and political situation in Turkey and/or international general economic and political situation that may affect the Group while reflecting the deferred tax asset to the consolidated financial statements. The Group estimates that it will generate sufficient taxable profits in the future.

20. INCOME TAX (continued)

Recognized deferred tax assets and liabilities

The details of deferred tax assets and liabilities for the periods are as follows:

	31 March 2024		31 December 2023	
	Cumulative temporary differences	Deferred tax	Cumulative temporary differences	Deferred tax
<u>Deferred tax assets</u>				
Provision for employment termination benefits	6.358.061	1.462.354	6.961.029	1.601.037
Other	(123.739)	(28.460)	(123.723)	(28.456)
Financial lease liabilities	(3.011.965)	(692.752)	(101.566)	(23.360)
Trade receivables provisions	283.887	65.294	326.651	75.130
Financial investments	29.741.900	6.840.637	(69.074.204)	(15.887.068)
Trade payables provisions	2.176.552	500.607	(18.900)	(4.347)
Inventories	(60.727.817)	(13.967.398)	(31.471.612)	(7.238.471)
Property, plant and equipment and intangible assets	(334.277.817)	(76.883.898)	(273.522.011)	(62.910.063)
Deferred tax assets	(359.580.938)	(82.703.616)	(367.024.336)	(84.415.598)
Net deferred tax		(82.703.616)		(84.415.598)

21. SHARE CAPITAL AND NON-CONTROLLING INTERESTS

Share Capital

The paid capital structure of the Group for the periods are as follows:

	31 March 2024	Share	31 December 2023	Share
	TRY	%	TRY	%
<u>Shareholders</u>				
Alper Akyüz	93.562.286	42,53	93.562.286	42,52
Elif Akyüz	45.603.000	20,73	45.603.000	20,72
Actual Shares Outstanding (*)	75.301.617	34,23	71.405.592	32,45
Other	5.533.097	2,52	9.429.122	4,28
Total paid-in capital	220.000.000	100	220.000.000	100

(*) The company is registered with the Capital Markets Board (“CMB”) and its shares are traded on Borsa İstanbul A.Ş. (“BIST”) as of 21.10.2021. As of 31 March 2024, the Company has 34,23% of shares registered in BIST.

As of 31 March 2024, the capital of the Group consists of 220.000.000 shares. (31 December 2023: TL 220.000.000). The nominal value of the shares is TL 1 per share. (31 December 2023: per share TL 1). Company shares are represented by two separate share groups as A and B group, and A group shares provide voting rights to the shareholder. The Company's shares consist of 40.000.000 Group A shares and 180.000.000 Group B shares.

Non- controlling interests

As of 31 March 2024, there is no non-controlling interests (31 December 2023: there is no non-controlling interests).

Other comprehensive income not to be reclassified under profit and loss

	31 March 2024	31 March 2023
Balance at January 1	1.339.344	(3.988.075)
Additions	77.743	5.053.158
Deferred tax	(17.881)	(1.162.226)
	1.399.206	(97.143)

Restricted reserves;

	31 March 2024	31 March 2023
Balance at January 1	181.166.291	138.366.337
Additions	--	--
	181.166.291	138.366.337

21. SHARE CAPITAL AND NON-CONTROLLING INTERESTS (continued)

The comparison of the equity items presented by the Company as adjusted for inflation in its financial statements as of March 31, 2024, according to CPI indexed legal records is as follows:

31 March 2024

Equity items	PPI indexed legal records	TUFE indexed legal records	Amounts recognized in retained earnings
Capital Adjustment Differences	415.600.043	442.986.997	(27.386.954)
Share premium	611.045.703	287.180.250	323.865.453
Legal reserves	181.166.291	95.888.634	85.277.657

22. EARNINGS PER SHARE

Earnings per share for the periods are as follows:

	31 March 2024	31 December 2023
Net profit for the period of the equity holders of the parent	(60.189.702)	(124.456.001)
Weighted average number of ordinary shares with nominal value (kuruş1 per value)	220.000.000	220.000.000
Earnings per share (TRY)	(0,2736)	(0,5657)

23. REVENUE AND COST OF SALES

Revenue for the periods are as follows:

	1 January-31 March 2024	1 January-31 March 2023
Domestic Sales	52.977.257	30.155.169
Export Sales	39.169.752	11.384.981
Other Revenue	2.750.200	1.594.913
Gross Sales	94.897.209	43.135.063
Sales Returns (-)	(461.545)	(205.758)
Sales Discount (-)	(6.398)	(7.993)
Net Sales	94.429.266	42.921.312
Cost of goods sold (-)	(8.965.313)	(8.175.968)
Cost of merchandise sold (-)	(2.713.842)	(2.474.904)
Cost of services sold (-)	(5.216.269)	(4.757.006)
Gross Profit	77.533.842	27.513.434

The details of the Group's cost of sales for periods are as follows:

	1 January-31 March 2024	1 January-31 March 2023
Direct raw material and material expense	(7.376.409)	(6.363.794)
Depreciation and amortization expenses	(4.752.209)	(3.746.348)
Direct labor expense	(3.119.998)	(4.600.286)
Indirect labor expenses	(244.380)	(180.683)
Food expenses	(193.453)	(175.139)
Other	(1.208.975)	(341.628)
	(16.895.424)	(15.407.878)

24. MARKETING, SELLING AND DISTRIBUTION EXPENSES

The details of selling and marketing expenses for the periods are as follows:

	1 January- 31 March 2024	1 January- 31 March 2023
Personnel expenses	(13.688.587)	(7.218.133)
Commission expenses	(985.685)	(1.731.413)
Logistic expenses	(2.862.828)	(1.954.665)
Export expenses	(290.021)	(545.322)
Depreciation and amortization expenses	(3.564.767)	(3.184.971)
Travel expenses	(811.568)	(576.545)
Material usage expenses	(1.173.810)	(730.396)
Outsourced benefits and services	(688.528)	(812.959)
Transportation expenses	(1.046.620)	(563.070)
Representation expenses	(165.234)	(83.524)
Taxes and funds expenses	(419.776)	(92.659)
Fair, exhibition expenses	(798.896)	(270.093)
Other	--	(825.020)
Total	(26.496.320)	(18.588.770)

25. GENERAL ADMINISTRATIVE EXPENSES

The details of general administrative expenses for the periods are as follows:

	1 January- 31 March 2024	1 January- 31 March 2023
Personnel expenses	(13.683.605)	(9.713.317)
Outsourced benefits and services	(10.815.626)	(9.752.154)
Depreciation and amortization expenses	(6.328.329)	(7.498.884)
Tax, duty and duty expenses	(2.870.793)	(1.444.147)
Insurance expenses	(387.307)	(369.369)
Other	(5.494.284)	(2.316.159)
Total	(39.579.944)	(31.094.030)

26. OTHER OPERATING INCOME AND EXPENSES

The details of other operating income and expenses for the periods are as follows:

	1 January- 31 March 2024	1 January- 31 March 2023
<u>Other operating income</u>		
Exchange rate difference income on trade receivables and payables	12.483.137	32.097.879
Other	562.982	2.852.320
	13.046.119	34.950.199
<u>Other operating income loss</u>		
Foreign exchange loss on trade receivables and payables	(820.386)	(14.283.085)
Provisions for doubtful receivables (Note 6)	(313.780)	(69.463)
Other (*)	(1.271.780)	(5.132.583)
	(2.405.946)	(19.485.131)

27. INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES

	1 January- 31 March 2024	1 January- 31 March 2023
<u>Other operating income</u>		
Income from financial investments	7.179.816	3.602.150
	7.179.816	3.602.150
<u>Other operating expenses</u>		
Expenses from financial investments	--	--
	--	--

28. FINANCIAL INCOME AND EXPENSES

The details of finance income and expenses for the periods are as follows:

	1 January- 31 March 2024	1 January- 31 March 2023
<u>Finance income</u>		
Foreign exchange gains	12.267.023	20.961.619
Interest income	900.054	9.741.582
	13.167.077	30.703.201
<u>Finance expenses</u>		
Foreign exchange losses	(179.885)	(9.735.531)
Interest expense arising from rental transactions	(422.303)	(1.401.310)
	(602.188)	(11.136.841)

29. FINANCIAL INSTRUMENTS**Capital Risk Management**

While trying to ensure the continuity of its activities in capital management, the Group also aims to increase its profits by using the debt and equity balance in the most efficient way. The Group's capital structure consists of equity items including issued capital, reserves and retained earnings.

The gearing ratios for the periods are as follows:

	1 January- 31 March 2024	1 January- 31 March 2023
Total financial liabilities	18.962.425	21.730.432
Less: Cash and cash equivalents	(248.698.256)	(314.418.686)
Net debt	(229.735.831)	(292.688.254)
Total equity	1.314.968.442	1.638.300.617
Debt/equity ratio	(0,17)	(0,18)

Risk Management System

When calculating the Group's capital risk management, debts and equity items including cash and cash equivalents, paid-in capital, defined benefit plans remeasurement gains / losses, restricted reserves from profit and retained earnings / (losses) are considered, respectively.

The risks associated with each capital class, together with the group capital cost, are evaluated by the senior management. Based on senior management assessments, it is aimed to keep the capital structure in balance through the acquisition of new debt or repayment of existing debt, as well as through dividend payments.

30. NATURE AND LEVEL OF RISKS ARISING FROM DERIVATIVE FINANCIAL INSTRUMENTS

Risk management disclosures

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

Credit risk

Credit risk is the risk that a customer or a counterparty will not fulfil its contractual obligations and arises mainly from customer receivables.

31 March 2024	Receivables				Bank deposits	Financial Invest-ments
	Trade receivables		Other receivables			
	Related Party	Third Party	Related Party	Third Party		
Maximum credit risk exposed as of balance sheet date, (A+B+C+D)	--	90.309.778	--	16.907.374	248.670.102	118.107.201
- Secured portion of the maximum credit risk by guarantees	--	--	--			
A. Net book value of financial assets that are neither past due nor impaired	--	90.309.778	--	16.907.374	248.670.102	118.107.201
B. Net book value of the impaired assets	--	--	--	--	--	--
- Past due (gross carrying amount)	--	1.269.984	--	--	--	--
- Impairment (-)	--	(1.269.984)	--	--	--	--
- Secured portion of the net value by guarantees, etc.	--	--	--	--	--	--

30. **NATURE AND LEVEL OF RISKS ARISING FROM DERIVATIVE FINANCIAL INSTRUMENTS (continued)**

Credit risk (continued)

31 December 2023	Receivables					Financial Investments
	Trade receivables		Other receivables		Bank deposits	
	Related Party	Third Party	Related Party	Third Party		
Maximum credit risk exposed as of balance sheet date, (A+B+C+D)	--	88.419.941	--	20.950.057	347.088.888	355.669.381
- Secured portion of the maximum credit risk by guarantees	--	--	--	--	--	
A. Net book value of financial assets that are neither past due nor impaired	--	88.419.941	--	20.950.057	347.088.888	355.669.381
B. Net book value of the impaired assets	--	--	--	--	--	--
- Past due (gross carrying amount)	--	1.047.734	--	--	--	--
- Impairment (-)	--	(1.047.734)	--	--	--	--
- Secured portion of the net value by guarantees, etc.	--	--	--	--	--	--

The Group monitors the collectability of its trade receivables periodically and allocates provision for doubtful receivables for possible losses that may arise from doubtful receivables based on the collection rates of previous years. Following the provision for doubtful receivables, if all or part of the doubtful receivable amount is collected, the collected amount is deducted from the doubtful receivable provision and associated with profit or loss.

Liquidity risk

The Group manages liquidity risk by maintaining adequate funds and available borrowing by regularly monitoring forecast and actual cash flows and matching the maturities of financial assets and liabilities. Prudent liquidity risk management expresses the ability to keep sufficient cash, the availability of sufficient credit transactions, the availability of fund resources and the ability to close market positions.

The funding risk of current and prospective debt requirements is managed by maintaining the availability of sufficient number of high-quality lenders.

The table below shows the maturity distribution of the Group's non-derivative financial liabilities:

Contractual maturity	31 March 2024					
	Carrying Value	Contractual cash flows	Up to 3 months	3 - 12 month	1 - 5years	More than 5 years
Non derivative financial liabilities	77.167.127	76.521.110	59.432.128	1.618.393	9.823.328	5.577.161
Loans and borrowings	965.614	1.035.714	757.375	208.239	--	--
Lease liabilities	17.996.811	17.280.694	470.051	1.410.154	9.823.328	5.577.161
Trade payables	44.058.579	44.058.579	44.058.579	--	--	--
Other payables	14.146.123	14.146.123	14.146.123	--	--	--

Contractual maturity	31 December 2023					
	Carrying Value	Contractual cash flows	Up to 3 months	3 - 12 month	1 - 5years	More than 5 years
Non derivative financial liabilities	45.940.577	46.767.808	26.841.268	1.864.866	11.587.281	6.417.284
Loans and borrowings	8.706.746	8.763.855	8.464.454	242.292	--	--
Lease liabilities	19.397.876	20.167.996	540.858	1.622.574	11.587.281	6.417.284
Trade payables	12.479.551	12.479.551	12.479.551	--	--	--
Other payables	5.356.405	5.356.405	5.356.405	--	--	--

**30. NATURE AND LEVEL OF RISKS ARISING FROM DERIVATIVE FINANCIAL INSTRUMENTS
(continued)**

Foreign Currency Risk

For the periods, the Group's foreign currency position consists of foreign currency denominated assets and liabilities stated in the table below:

		31 March 2024			31 December 2023		
		TRY	USD	EUR	TRY	USD	EUR
		Equivalent			Equivalent		
1	Trade payables	35.525.878	65.426	960.096	30.746.751	123.342	832.439
2a.	Monetary financial assets	235.711.952	3.913.628	3.142.290	270.328.314	3.478.185	5.155.564
2b.	Non-Monetary financial assets	--	--	--	--	--	--
3	Other	836.482	17.113	8.160	1.710.389	7.742	45.511
4	Current assets (1+2+3)	272.074.312	3.996.167	4.110.546	302.785.454	3.609.269	6.033.514
5	Trade receivables	--	--	--	--	--	--
6a.	Monetary financial assets	--	--	--	--	--	--
6b.	Non-Monetary financial assets	--	--	--	--	--	--
7	Other	--	--	--	--	--	--
8	Non- Current assets (5+6+7)	--	--	--	--	--	--
9	Total assets (4+8)	272.074.312	3.996.167	4.110.546	302.785.454	3.609.269	6.033.514
10	Trade payables	16.953.319	120.152	375.670	6.511.077	117.474	93.721
11	Financial borrowings	--	--	--	--	--	--
12a.	Other Monetary financial liabilities	--	--	--	--	--	--
12b.	Other Non-Monetary financial liabilities	--	--	--	--	--	--
13	Current liabilities (10+11+12)	16.953.319	120.152	375.670	6.511.077	117.474	93.721
14	Trade payables	--	--	--	--	--	--
15	Financial borrowings	--	--	--	--	--	--
16a.	Other Monetary financial liabilities	--	--	--	--	--	--
16b.	Other Non-Monetary financial liabilities	--	--	--	--	--	--
17	Non-Current liabilities (14+15+16)	16.953.319	120.152	375.670	6.511.077	117.474	93.721
18	Total liabilities (13+17)	--	--	--	--	--	--
19	. Net asset / liability position of off-balance sheet derivatives (19a-19b)	--	--	--	--	--	--
19a.	Total amount of assets hedged	--	--	--	--	--	--
19b.	Total amount of liabilities hedged	--	--	--	--	--	--
20	Net foreign currency asset /(liability)position (9-18+19)	255.120.993	3.876.016	3.734.876	296.274.377	3.491.795	5.939.793
21	Net foreign currency asset / (liability) position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	255.120.993	3.876.016	3.734.876	296.274.377	3.491.795	5.939.793

30. NATURE AND LEVEL OF RISKS ARISING FROM DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Foreign currency risk(continued)

Sensibility analysis

The Group's currency risk consists of the value changes of TL against Euro and USD. The basis of the sensitivity analysis to measure the currency risk is to make the total currency statement made throughout the organization. Total foreign currency position includes all foreign currency based short-term and long-term purchase agreements and all assets and liabilities.

The exchange rate sensitivity analysis for the periods are as follows:

	2024		2023	
	Profit / (Loss)		Profit / (Loss)	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case of 10% appreciation of USD against TRY				
1- USD net asset/liability	12.513.886	(12.513.886)	10.279.231	(10.279.231)
2- Amount hedged for USD risk (-)	--	--	--	--
3- USD net effect (1+2)	12.513.886	(12.513.886)	10.279.231	(10.279.231)
In case of 10% appreciation of EUR against TRY				
4- EUR net asset/liability	12.998.241	(12.998.241)	19.348.213	(19.348.213)
5- Amount hedged for EUR risk (-)	--	--	--	--
6- EUR net effect (4+5)	12.998.241	(12.998.241)	19.348.213	(19.348.213)
Total net effect (3+6)	25.512.127	(25.512.127)	29.627.444	(29.627.444)

31. FINANCIAL INSTRUMENTS (FAIR VALUE EXPLANATION)

For the periods, the book values and fair values of assets and liabilities are shown in the table below:

	Note	31 March 2024		31 December 2023	
		Book value	Fair value	Book value	Fair value
Financial assets					
Cash and cash equivalents	5	248.698.256	248.698.256	347.183.816	347.183.816
Financial investments	6	117.125.851	117.125.851	67.163.493	67.163.493
Trade receivables	7	90.309.778	90.309.778	89.662.478	89.662.478
Other receivables	9	16.907.374	16.907.374	21.361.214	21.361.214
Total financial assets		473.041.259	473.041.259	525.371.001	525.371.001
Financial liabilities					
Financial borrowings	17	965.614	1.035.714	8.706.746	8.763.855
Trade payables		17.996.811	17.280.694	19.397.876	20.167.996
Other payables	7	44.058.579	44.058.579	12.479.551	12.479.551
Payables related to employment benefits	9	14.146.123	14.146.123	5.356.405	5.356.405
Payables within benefit to employees	20	16.594.592	16.594.592	7.245.135	7.245.135
Total financial liabilities		93.761.719	93.115.702	53.185.713	54.012.942
Net		379.279.540	379.925.557	472.185.288	471.358.059

32. **OTHER MATTERS THAT SIGNIFICANTLY AFFECT THE FINANCIAL STATEMENTS OR SHOULD BE DISCLOSED IN ORDER TO MAKE THE FINANCIAL STATEMENTS CLEAR, INTERPRETABLE AND UNDERSTANDABLE.**

The effects of the adjustments made by the Group within the scope of IAS 29 on an account group basis are as follows:

Monetary Loss/Gain

	1 January- 31 March 2024	1 January- 31 March 2023
Operating Profit Before Finance Expenses	29.277.567	(3.102.148)
Finance Expenses (-)	(602.188)	(11.136.841)
Finance Income (+)	13.167.077	30.703.201
Monetary Loss	(101.897.419)	(92.714.696)
<i>Stocks</i>	10.393.324	6.210.368
<i>Financial Investments</i>	21.108.309	17.928.447
<i>Fixed Assets</i>	34.838.472	69.124.385
<i>Equity</i>	(147.909.991)	(156.600.190)
<i>Index effect on statement of profit and loss</i>	(1.943.105)	(402.198)
<i>Current period adjustment factor indexation effect</i>	(18.384.428)	(28.975.508)
Profit Before Tax	(60.054.963)	(76.250.484)
Tax	(134.739)	(48.205.517)
Profit for the Period	(60.189.702)	(124.456.001)

33. **SUBSEQUENT EVENTS**

There is none.