

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
FOR THE INTERIM PERIOD JANUARY 1 – JUNE 30, 2025
CONSOLIDATED FINANCIAL STATEMENTS AND LIMITED REVIEW REPORT

**INDEPENDENT AUDITORS' REVIEW REPORT ON
INTERIM CONSOLIDATED FINANCIAL INFORMATION**

To the Board of Directors of Söke Değirmencilik Sanayi ve Ticaret Anonim Şirketi

Introduction

We have conducted a limited review of the accompanying interim consolidated statement of financial position of Söke Değirmencilik Sanayi ve Ticaret Anonim Şirketi (the "Company") and its subsidiaries (together referred to as the "Group") as of June 30, 2025, and the interim consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the six-month interim period then ended, together with the explanatory notes. The Group's management is responsible for the preparation and fair presentation of the interim consolidated financial information in accordance with Turkish Accounting Standard 34 ("TAS 34") on Interim Financial Reporting. Our responsibility is to express a conclusion on the interim consolidated financial information based on our limited review

Scope of the Limited Review

Our limited review has been conducted in accordance with the Independent Auditing Standard for Limited Reviews ("IASLR") 2410, "Limited Review of Interim Financial Information Performed by the Independent Auditor of the Entity's Annual Financial Statements." The limited review of the interim consolidated financial information consists primarily of inquiries of relevant personnel, including those responsible for finance and accounting, and the application of analytical procedures and other limited review procedures. The scope of the limited review of the interim consolidated financial information is substantially less than that of an independent audit conducted in accordance with the Independent Auditing Standards, the objective of which is to express an opinion on the consolidated financial statements. Accordingly, the limited review of the interim consolidated financial information does not provide the assurance that the auditing firm would become aware of all significant matters that might be identified in an independent audit. Therefore, we do not express an independent audit opinion.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial information has not been prepared, in all material respects, in accordance with TAS 34.

Finansal Eksen Bağımsız Denetim ve Danışmanlık A.Ş.
Exclusive Member of GGI Global Alliance AG

Ufuk Doğruer
Responsible Auditor

İstanbul, August 15, 2025

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SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.**JUNE 30, 2025****INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)***Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)*

		Current Period	Previous Period
		Limited Reviewed	Audited
Period	Note	June 30, 2025	December 31, 2024
ASSETS			
Current Assets		2.432.686.126	2.224.627.768
Cash and Cash Equivalents	3	655.826.529	738.030.034
Financial Investments	4	27.450.242	21.242.117
Trade Receivables		1.102.483.625	977.194.053
- Trade Receivables from Related Parties	26	85.597.072	67.889.782
- Trade Receivables from Third Parties	6	1.016.886.553	909.304.271
Other Receivables		56.884.531	65.407.463
- Other Receivables from Third Parties	7	56.884.531	65.407.463
Inventories	8	495.291.174	349.959.266
Prepaid Expenses	9	39.850.636	20.396.682
Current Period Tax Related Assets	15	8.430.514	3.164.999
Other Current Assets	15	46.468.875	49.233.154
Fixed Assets		3.574.907.590	3.616.916.398
Financial Investments	4	333.282.138	316.015.038
Trade Receivables		759.390	659.960
- Trade Receivables from Third Parties	7	759.390	659.960
Right of Use Assets	10	6.617.926	13.681.038
Property, Plant and Equipment Assets	11	2.706.742.893	2.758.314.710
Intangible Assets		527.505.243	528.244.553
- Goodwill	17	522.994.512	522.994.512
- Other Intangible Assets	12	4.510.731	5.250.041
Prepaid Expenses	9	-	1.099
TOTAL ASSETS		6.007.593.716	5.841.544.166

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.**JUNE 30, 2025****INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)***Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)*

		Current Period	Previous Period
		Limited Reviewed	Audited
Period	Note	June 30, 2025	December 31, 2024
SOURCES			
Short-Term Liabilities		1.609.544.589	1.205.823.627
Short-Term Borrowings		31.884.098	152.784.000
- Bank Loans	5	25.549.475	146.926.977
- Lease Liabilities	5	6.334.623	5.857.023
Short-Term Portion of Long-Term Borrowings	5	107.719.038	119.203.166
Trade Payables		1.388.790.495	888.594.128
- Trade Payables to Related Parties	26	27.444.256	6.289.915
- Trade Payables to Third Parties	6	1.361.346.239	882.304.213
Employee Benefit Obligations	14	33.972.089	30.597.904
Other Payables		-	38.259
- Other Payables to Third Parties	7	-	38.259
Deferred Income	9	27.058.036	4.974.323
Short-Term Provisions		13.751.499	8.169.865
- Short-Term Provisions for Employee Benefits	14	11.649.012	6.118.390
- Other Short-Term Provisions	13	2.102.487	2.051.475
Other Short-Term Liabilities	15	6.369.334	1.461.982
Long-Term Liabilities		678.158.143	672.171.218
Long-Term Borrowings		267.878.597	321.604.846
-Bank Loans	5	266.958.177	313.467.549
-Long-Term Lease Liabilities	5	920.420	8.137.297
Long-Term Provisions		45.850.045	37.674.911
- Long-Term Provisions for Employee Benefits	14	45.850.045	37.674.911
Deferred Tax Liability	25	364.429.501	312.891.461
Total Equity	16	3.719.890.984	3.963.549.321
Paid-in Capital		386.500.000	386.500.000
Capital Adjustment Differences		1.588.138.163	1.588.138.163
Share Premiums (Discounts)		1.157.052.218	1.157.052.218
Other Comprehensive Income (Expense) Not to Be Reclassified to Profit or Loss		1.151.819.800	1.153.578.445
- Revaluation Increase / (Decrease) on Revaluation of Property, Plant and Equipment		1.173.706.861	1.177.123.528
- Gain on Remeasurement of Defined Benefit Plans		(21.887.061)	(23.545.083)
Restricted Reserves Appropriated		126.382.723	126.382.723
Retained Earnings (Loss)		(412.914.904)	(122.207.753)
Net Profit/(Loss) for the Period		(234.162.088)	(294.123.818)
Equity Attributable to Owners of the Parent		3.762.815.912	3.995.319.978
Non-controlling Interests		(42.924.928)	(31.770.657)
TOTAL SOURCES		6.007.593.716	5.841.544.166

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.
INTERIM PERIOD JANUARY 1- JUNE 30, 2025
INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)

Period	Note	Current Period		Previous Period	
		Limited Reviewed		Limited Reviewed	
		January 1 - June 30, 2025	April 1 - June 30, 2025	January 1 - June 30, 2024	April 1 - June 30, 2024
Revenue	18	2.790.002.048	1.062.677.623	3.024.991.658	1.168.162.420
Cost of Sales	18	(2.562.640.138)	(955.036.147)	(2.634.906.679)	(998.480.350)
GROSS PROFIT/LOSS		227.361.910	107.641.476	390.084.979	169.682.070
General Administrative Expenses	19	(67.576.076)	(33.099.288)	(66.819.854)	(26.609.477)
Marketing Expenses	19	(184.277.125)	(84.364.218)	(255.582.143)	(126.814.744)
Research and Development Expenses	19	(766.799)	(443.113)	(1.661.898)	(242.392)
Other Operating Income	21	90.418.539	34.311.457	60.506.301	7.639.967
Other Operating Expenses	21	(22.966.511)	(7.262.766)	(16.940.239)	(4.987.725)
OPERATING PROFIT/LOSS		42.193.938	16.783.548	109.587.146	18.667.699
Investment Income	22	8.157.185	6.791.635	24.199.755	9.600.416
Investment Expenses	22	(5.801.332)	(4.427.719)	(99.605)	(95.864)
Impairment Gains (Losses) and Reversals of Impairment Losses Determined in accordance with TFRS 9	22	(750.819)	(609.088)	(37.610)	(11.806)
OPERATING PROFIT/LOSS BEFORE FINANCIAL EXPENSES		43.798.972	18.538.376	133.649.686	28.160.445
Finance Income	23	131.427.468	51.787.514	52.755.885	35.351.202
Finance Costs	23	(270.001.432)	(99.931.520)	(109.483.821)	(50.341.588)
Net Monetary Position Gains (Losses)	24	(99.748.535)	(55.826.191)	(311.766.773)	(112.220.375)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		(194.523.527)	(85.431.821)	(234.845.023)	(99.050.316)
Tax Expense / Income from Continuing Operations		(50.975.805)	(31.628.124)	5.658.540	24.686.396
Current Period Tax Expense / Income	25	-	-	-	21.659.759
Deferred Tax Expense / Income	25	(50.975.805)	(31.628.124)	5.658.540	3.026.637
PROFIT (LOSS) FOR THE PERIOD		(245.499.332)	(117.059.945)	(229.186.483)	(74.363.920)
Distribution of Profit (Loss) for the Period		(245.499.332)	(117.059.945)	(229.186.483)	(74.363.920)
Non-controlling Shares		(11.337.244)	(5.465.000)	(12.652.682)	(7.907.853)
Equity Attributable to Owners of the Parent		(234.162.088)	(111.594.945)	(216.533.801)	(66.456.067)
Earnings / (loss) per share		(0,64)	(0,30)	(0,59)	(0,19)
Earnings per Share from Continuing Operations	16	(0,64)	(0,30)	(0,59)	(0,19)

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.**INTERIM PERIOD JANUARY 1- JUNE 30, 2025****INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME***Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)*

		Current Period		Previous Period	
		<i>Limited Reviewed</i>		<i>Limited Reviewed</i>	
Period	Note	January 1- June 30, 2025	April 1 - June 30, 2025	January 1- June 30, 2024	April 1 - June 30, 2024
Period Profit (Loss)		(245.499.332)	(117.059.945)	(229.186.483)	(74.363.920)
Items Not to Be Reclassified to Profit or Loss		2.443.972	(6.725.301)	3.387.693	(4.153.021)
Gain (Loss) on Remeasurement of Defined Benefit Plans	14	2.443.972	(6.725.301)	3.387.693	(4.153.021)
Taxes On Other Comprehensive Income Not to Be Reclassified to Profit or Loss		(602.977)	1.683.548	(840.817)	1.040.259
Gain (Loss) on Remeasurement of Defined Benefit Plans, Tax Effect	25	(602.977)	1.683.548	(840.817)	1.040.259
OTHER COMPREHENSIVE INCOME (EXPENSE)		1.840.995	(5.041.753)	2.546.876	(3.112.762)
TOTAL COMPREHENSIVE INCOME/(EXPENSE)		(243.658.337)	(122.101.698)	(226.639.607)	(77.476.682)
Distribution of Total Comprehensive Income		(243.658.337)	(122.101.698)	(226.639.607)	(77.476.682)
Non-controlling Shares		(11.154.271)	(5.480.696)	(12.588.997)	(7.916.074)
Equity Attributable to Owners of the Parent		(232.504.066)	(116.621.002)	(214.050.610)	(69.560.608)

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.
INTERIM PERIOD JANUARY 1- JUNE 30, 2025
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)

Note	Paid-in Capital	Capital Adjustment Differences	Share Premiums / Discounts	Accumulated Other Comprehensive Income or Expenses Not to Be Reclassified to Profit or Loss			Retained Earnings		Belonging to the Parent Company Equity	Non-Controlling Shares	Equity	
				Revaluation	Defined	Restricted Reserves Appropriated from Profit	Previous Years' Profit/Loss	Net Profit/Loss for the Period				
				Increases (Decreases) of Property, Plant and Equipment	Benefit Plans Remeasurement Earnings/ (Loss)							
Balances as of 01.01.2024	386.500.000	1.588.138.163	1.157.052.218	893.187.434	(17.040.327)	126.382.723	38.108.834	(164.713.814)	4.007.615.231	(8.685.052)	3.998.930.179	
Transfers	-	-	-	-	-	-	(164.713.814)	164.713.814	-	-	-	
Total Comprehensive Income	-	-	-	-	2.483.191	-	-	(216.533.801)	(214.050.610)	(12.588.996)	(226.639.606)	
- Period Profit (Loss)	-	-	-	-	-	-	-	(216.533.801)	(216.533.801)	(12.652.682)	(229.186.483)	
- Other Comprehensive Income	-	-	-	-	2.483.191	-	-	-	2.483.191	63.686	2.546.877	
Other Amounts Reclassified from Accumulated Other Comprehensive Income to Retained Earnings	-	-	-	(694.130)	-	-	694.130	-	-	-	-	
Increase (Decrease) Due to Other Changes	-	-	-	-	-	-	3.368.910	-	3.368.910	-	3.368.910	
Balances as of 30.06.2024	386.500.000	1.588.138.163	1.157.052.218	892.493.304	(14.557.136)	126.382.723	(122.541.940)	(216.533.801)	3.796.933.531	(21.274.048)	3.775.659.483	
Balances as of 01.01.2025	16	386.500.000	1.588.138.163	1.157.052.218	1.177.123.528	(23.545.083)	126.382.723	(122.207.753)	(294.123.818)	3.995.319.978	(31.770.657)	3.963.549.321
Transfers	-	-	-	-	-	-	(294.123.818)	294.123.818	-	-	-	
Total Comprehensive Income	-	-	-	-	1.658.022	-	-	(234.162.088)	(232.504.066)	(11.154.271)	(243.658.337)	
- Period Profit (Loss)	-	-	-	-	-	-	-	(234.162.088)	(234.162.088)	(11.337.244)	(245.499.332)	
- Other Comprehensive Income	-	-	-	-	1.658.022	-	-	-	1.658.022	182.973	1.840.995	
Other Amounts Reclassified from Accumulated Other Comprehensive Income to Retained Earnings	-	-	-	(3.416.667)	-	-	3.416.667	-	-	-	-	
Balances as of 30.06.2025	386.500.000	1.588.138.163	1.157.052.218	1.173.706.861	(21.887.061)	126.382.723	(412.914.904)	(234.162.088)	3.762.815.912	(42.924.928)	3.719.890.984	

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.
INTERIM PERIOD JANUARY 1- JUNE 30, 2025
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)

Period	Note	Current Period	Previous Period
		Limited Reviewed	Limited Reviewed
		January 1- June 30, 2025	January 1- June 30, 2024
Cash Flows from Operating Activities		1.196.421	(578.202.769)
Period Profit (Loss)		(245.499.332)	(229.186.483)
- Period Profit (Loss) from Continuing Operations	16	(245.499.332)	(229.186.483)
Adjustments Related to Reconciliation of Net Profit (Loss) for the Period		26.620.648	90.056.303
- Adjustments Related to Depreciation and Amortization Expense	10,11,12	102.859.048	104.821.087
- Adjustments Related to Provisions	6,14	29.959.630	8.174.797
- Adjustments for Interest (Income) and Expenses	23	(65.942.137)	33.881.835
- Adjustments Related to Tax (Income) Expense	25	50.975.805	(5.658.540)
- Monetary Gain / Loss		(91.231.698)	(51.162.876)
Changes in Working Capital		227.726.886	(433.820.395)
- Decrease (Increase) in Financial Investments	4	(22.105.729)	(13.126.155)
- Adjustments for Decrease (Increase) in Trade Receivables	6,26	(125.289.572)	(143.732.288)
- Adjustments for Decrease (Increase) in Other Receivables Related to Operations	7	9.383.592	37.959.374
- Adjustments for Decrease (Increase) in Inventories	8	(145.331.908)	106.362.779
- Decrease (Increase) in Prepaid Expenses	9	(19.452.855)	(14.970.584)
- Adjustments related to Increase (decrease) in Trade Payables	6,26	500.196.367	(394.215.710)
- Increase (Decrease) in Employee Benefit Payables	14	3.374.185	5.245.218
- Adjustments Related to Increase (Decrease) in Other Payables Related to Operations	7	4.869.093	(5.919.454)
- Increase (Decrease) in Deferred Income	9	22.083.713	(11.423.575)
Payments Made within the Scope of Provisions for Employee Benefits	14	(7.651.781)	(5.252.194)
Cash Flows from Investing Activities		(35.453.160)	(271.193.519)
Cash Inflows from Sale of Property, Plant and Equipment and Intangible Assets		69.485.569	21.018.329
- Cash Inflows from Sale of Property, Plant and Equipment	11	69.485.569	21.018.329
Cash Outflows from the Acquisition of Property, Plant and Equipment and Intangible Assets		(104.938.729)	(292.211.848)
- Cash Outflows from Purchase of Property, Plant and Equipment	11	(104.846.407)	(290.464.628)
- Cash Outflows from Acquisition of Intangible Assets	12	(92.322)	(1.747.220)
Cash Flows from Financing Activities		(47.946.766)	441.499.899
Cash Inflows from Borrowing		171.001.027	517.235.941
- Cash Inflows from Loans	5	171.001.027	517.235.941
Cash Outflows Related to Debt Payments		(277.349.739)	(39.782.725)
- Repayments of Borrowings	5	(277.349.739)	(39.782.725)
Cash Outflows Related to Debt Payments Arising from Lease Agreements	5	(2.179.030)	(2.530.716)
Interest Paid	23	(67.037.842)	(83.759.088)
Interest Received	23	127.618.818	50.336.487
Cash Before the Effect of Foreign Currency Translation Differences		(82.203.505)	(407.896.389)
Net Increase (Decrease)			
Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents		-	-
Net Increase (Decrease) in Cash and Cash Equivalents		(82.203.505)	(407.896.389)
Cash and Cash Equivalents at the Beginning of the Period	3	738.030.034	735.806.220
Cash and Cash Equivalents at the End of the Period	3	655.826.529	327.909.831

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of June 30, 2025, Notes to the Consolidated Financial Statements

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)

NOTE 1- ORGANIZATION AND NATURE OF THE GROUP'S ACTIVITIES

Söke Değirmencilik was founded in Söke in 1963 and specialized in producing flour. Söke Değirmencilik primarily manufactures flour and related products for the Turkish market. Production is carried out at two locations, with one located in Söke and the other in Ankara. The main location and address of Söke Değirmencilik is at No:2 Sazlı Mahallesi Fabrika Sokak Söke/Aydın. The address of the Ankara Branch of Söke Değirmencilik is Ahi Evranosb Mahallesi Kazakistan Caddesi No:8 Sincan/Ankara. The address of Samsun branch is Çiftlikosb Mahallesi 4. Cadde No: 5/1 Tekkeöy/Samsun and the address of Konya branch is Göstere Mahallesi, 123001 Sokak, Numara:81 Ilgın/Konya.

All of the shares of the Company were acquired by Ulusoy Un Sanayi ve Ticaret A.Ş. ('Ulusoy Un') as a result of the share sale transaction on January 11, 2022. As a result of the transaction registered in the trade registry on January 11, 2022, Ulusoy Un has become the main shareholder of the Company.

The Company's shares, which were offered to the public at a unit price of TL 7.50 through a book-building process held between January 4–6, 2023, started trading on the Yıldız Market as of January 12, 2023. The Company's issued capital was increased from TL 309,000,000 to TL 386,500,000 pursuant to a Board of Directors resolution registered by the Söke Trade Registry Office on February 8, 2023, and 77,500,000 Class B registered shares with a nominal value of TL 77,500,000 were offered to the public.

As of June 30, 2025, and December 31, 2024, the Company's share capital structure is as follows:

Name	June 30, 2025		December 31, 2024	
	Share Ratio (%)	Share Value (TL)	Share Ratio (%)	Share Value (TL)
Ulusoy Un Sanayi ve Ticaret A.Ş.	75,49	291.750.000	75,49	291.750.000
Publicly Traded (*)	24,51	94.750.000	24,51	94.750.000
	100	386.500.000	100	386.500.000

As of June 30, 2025, the total number of personnel of the Group is 451. (December 31, 2024: 447 personnel).

Subsidiaries

As of June 30, 2025, and December 31, 2024, the Company's consolidated subsidiary is presented below:

Subsidiary	Shareholding Ratios (%)	
	June 30, 2025	December 31, 2024
Gen Oyuncak Sanayi ve Ticaret A.Ş. ("Gen Oyuncak")	%60	%60

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of June 30, 2025, Notes to the Consolidated Financial Statements

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)

NOTE 1- ORGANIZATION AND NATURE OF THE GROUP'S ACTIVITIES (Continued)

Subsidiaries (Continued)

Gen Oyuncak Sanayi ve Ticaret A.Ş.

Gen Oyuncak, Gen Proje Yönetimi Mimarlık İnşaat Oyuncak San. ve Tic. Ltd. Şti. was founded on November 1, 2019, to manufacture, purchase, sell, import, and export a variety of toys, including play dough, bouncing dough, modeling dough, painting supplies, pencils, erasers, and office products.

The name of the company Gen Oyuncak has been changed to Gen Oyuncak Sanayi ve Ticaret Anonim Şirketi, following the General Assembly Decision on March 7, 2023, and registration on March 14, 2023.

Gen Oyuncak's headquarters address is Ferhatpaşa Mah. 37. Sk. No:11-13a Ataşehir/İstanbul and has a branch at Kozyatağı Mah. Filiz Soydemir Sk. It has a branch at the address of No:4/a Kadıköy/İstanbul. As of June 30, 2025, the number of personnel employed is 38. (December 31, 2024: 34)

As of June 30, 2025, its share capital amounts to TL 2,714,000 (December 31, 2024: TL 2,714,000), with no unpaid capital.

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

The Group has prepared its interim consolidated financial statements for the period ended June 30, 2025, in accordance with the Capital Markets Board (CMB) Communiqué No. II-14.1 and related announcements issued thereunder, and in compliance with TAS 34 "Interim Financial Reporting." Pursuant to Article 5 of the Communiqué, the financial statements are based on the Turkish Financial Reporting Standards ("TFRS") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). TFRS includes the standards and interpretations issued by the POA under the names of Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards, TAS Interpretations, and TFRS Interpretations. TFRS are updated through communiqués in parallel with the amendments made to the International Financial Reporting Standards ("IFRS").

The interim consolidated financial statements have been presented in accordance with the formats set out in the announcement titled "Taxonomy of TAS" issued by the Public Oversight Accounting and Auditing Standards Authority (POA) and the Financial Statement Templates and Guidance published by the Capital Markets Board of Turkey (CMB).

Restatement of Financial Statements in Hyperinflationary Periods

With the announcement made by the Public Oversight Accounting and Auditing Standards Authority (POA) on November 23, 2023, entities applying IFRS in Türkiye have been required to implement inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies, starting from their financial statements for annual reporting periods ending on or after December 31, 2023. TAS 29 is applied to the financial statements, including consolidated financial statements, of entities whose functional currency is that of a hyperinflationary economy.

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(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

Restatement of Financial Statements in Hyperinflationary Periods (Continued)

Pursuant to aforementioned standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency as of the balance sheet date. Prior period financial statements are also restated in terms of the current measuring unit as of the end of the reporting period for comparative purposes. Accordingly, the Group has also presented its consolidated financial statements dated June 30, 2024, and December 31, 2024, in terms of the purchasing power as of June 30, 2025.

Pursuant to the Capital Markets Board's resolution dated December 28, 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations and applying the Turkish Accounting/Financial Reporting Standards shall implement inflation accounting in accordance with the provisions of TAS 29, starting from the annual financial reports for interim accounting periods ending as of December 31, 2024.

Restatements made in accordance with TAS 29 have been performed using the adjustment coefficient derived from the Consumer Price Index (CPI) published by the Turkish Statistical Institute ("TUIK"). As of June 30, 2025, the indices and adjustment coefficients used in the restatement of the consolidated financial statements are as follows:

Date	Index	Correction Coefficient	Three-Year Cumulative Inflation Rate
June 30, 2025	3.132,17	1,00000	%220
December 31, 2024	2.684,55	1,16673	%291
June 30, 2024	2.319,29	1,35048	%324

The main components of the Group's restatement for financial reporting in hyperinflationary economies are as follows:

- The consolidated financial statements for the current period presented in TL are expressed in terms of the purchasing power of TL at the balance sheet date and the amounts for the previous reporting periods are restated in accordance with the purchasing power of TL at the end of the reporting period.
- Monetary assets and liabilities are not restated as they are currently expressed in terms of the measuring unit current at the balance sheet date. Where the restated amounts of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 Impairment of Assets and TAS 2 Inventories have been applied, respectively.
- Non-monetary assets, liabilities and equity items that are not expressed in the current purchasing power at the balance sheet date are restated by applying the relevant conversion factors.
- All items in the statement of comprehensive income, except for the effects of non-monetary items in the balance sheet on the statement of comprehensive income, have been restated by applying the multiples calculated over the periods in which the income and expense accounts were initially recognized in the financial statements.
- The effect of inflation on the Group's net monetary asset position in the current period is recognized in the gain/(loss) on net monetary position in the consolidated statement of income.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of June 30, 2025, Notes to the Consolidated Financial Statements

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Cont.)

Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will realize the benefits from its assets and settle its liabilities in the normal course of business.

Functional and reporting currency

The consolidated financial statements of the Group are presented in the currency of the primary economic environment in which the Group operates (its functional currency). The consolidated financial position and results of operations of the Group are expressed in TL, which is the functional currency of the Group and the presentation currency for the consolidated financial statements.

Netting / Offsetting

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

Approval of Consolidated Financial Statements

The interim consolidated financial statements as of June 30, 2025, were approved by the Company's Management on August 15, 2025. The General Assembly has the authority to amend the interim consolidated financial statements after their publication.

Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries. Control is ensured when the Company meets the following conditions:

- Has power over the invested company/asset,
- Is open to or has the right to variable returns from the invested company/asset,
- Can use its power in a way that can affect returns.

In cases where the Company does not have a majority vote on the invested company/asset, it has control over the invested company/asset if it has sufficient voting rights to be able to direct/manage the activities of the relevant investment on its own.

The Company takes into consideration all relevant events and circumstances in assessing whether the majority vote on the relevant investment is sufficient to provide control, including the following elements:

- Comparison of the voting rights of the Company with the voting rights of other shareholders,
- Potential voting rights of the Company and other shareholders,
- Rights arising from other contractual agreements,
- Other events and conditions that may indicate whether the Company has the current power to manage the relevant activities in cases where decisions need to be made (including votes taken at previous general meetings).

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of June 30, 2025, Notes to the Consolidated Financial Statements

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

2.1 Basis of Presentation (Cont.)

Basis of Consolidation (Continued)

If a situation or event occurs that may cause a change in at least one of the criteria listed above, the Company re-evaluates whether it has control over its investment.

The inclusion of a subsidiary in the scope of consolidation begins when the Company gains control over the subsidiary and ends when it loses control. The income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of acquisition to the date of disposal.

The financial position statements and the statements of profit or loss and other comprehensive income of the subsidiaries are consolidated using the full consolidation method.

Each item of the consolidated profit or loss and other comprehensive income belongs to the shareholders of the parent company and the Non-controlling Shares. Even if the Non-controlling Shares result in a reverse balance, the total consolidated profit or loss and other comprehensive income of the subsidiaries is transferred to the shareholders of the parent company and the Non-controlling Shares.

If necessary, adjustments have been made to the accounting policies in the financial statements of the subsidiaries to be the same as the accounting policies followed by the Group.

All intra-group assets and liabilities, equity, income and expenses and cash flows related to transactions between Group companies are eliminated in consolidation.

The ownership interests in subsidiaries controlled by the Company as of June 30, 2025, and December 31, 2024, are as follows:

Subsidiaries	Shareholding Ratios (%)	
	<u>June 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Gen Oyuncak Sanayi ve Ticaret A.Ş.	%60	%60

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of June 30, 2025, Notes to the Consolidated Financial Statements

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)

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

2.2 New and Revised Standards and Interpretations

a) Effective January 1, 2025, New Standards, Amendments and Interpretations

Amendments to TAS 21 - Non-exchangeability

In May 2024, POA issued amendments to TAS 21. The amendments clarify how to assess whether a currency is not exchangeable and how to determine the exchange rate when a currency is not exchangeable. According to the amendments, when estimating the exchange rate because a currency is not exchangeable, the entity discloses information that enables users of the financial statements to understand how the inability to exchange one currency for another currency has affected, or is expected to affect, the entity's performance, financial position and cash flows. When the amendments are applied, comparative information is not restated.

b) Standards and Amendments Issued but Not Yet Effective as of June 30, 2025

As of the date of approval of the consolidated financial statements, the new standards, interpretations, and amendments that have been issued but are not yet effective for the current reporting period and have not been early adopted by the Group are listed below. Unless otherwise stated, the Group will make the necessary changes to its consolidated financial statements and notes following the effective date of these new standards and interpretations.

- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- IFRS 17 – New Insurance Contracts Standard
- IFRS 18 – Presentation and Disclosures in Financial Statements (New Standard)

c) Amendments Issued by the International Accounting Standards Board (IASB) but Not Yet Endorsed by the Public Oversight, Accounting and Auditing Standards Authority (POA):

The two amendments to IFRS 9 and IFRS 7 mentioned below, along with the Annual Improvements to IFRS Standards and IFRS 19, have been issued by the International Accounting Standards Board (IASB) but have not yet been endorsed or published by the Public Oversight, Accounting and Auditing Standards Authority (POA) as part of TFRS. Therefore, they do not currently form part of TFRS. The Group will make the necessary changes to its consolidated financial statements and disclosures once these standards and amendments are incorporated into TFRS and become effective.

- IFRS 9 and IFRS 7 Amendments – Classification and Measurement of Financial Instruments
- Annual Improvements to IFRS Accounting Standards – 11th Amendment
- Amendments to IFRS 9 and IFRS 7 – Contracts for Electricity Generated from Renewable Resources
- IFRS 19 – New Standard on Disclosures for Subsidiaries without Public Accountability

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

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

2.3 Changes in Accounting Policies

Changes in accounting policies arising from the first-time adoption of a new IFRS are applied in accordance with the transitional provisions of that IFRS, if any, or retrospectively if there is no transitional provision or if there has been a significant voluntary change in accounting policy, and the prior period consolidated financial statements are restated.

2.4 Comparative Information and Restatement of Previous Period Consolidated Financial Statements

The accompanying consolidated financial statements are prepared comparatively with the previous period to identify trends in the consolidated financial position, performance, and cash flows of the Group. When the presentation or classification of the items in the consolidated financial statements is changed, the previous period consolidated financial statements are reclassified accordingly to maintain comparability and disclosures regarding these matters are made.

2.5 Changes and Errors in Accounting Estimate

The effect of a change in an accounting estimate if it relates to only one period, in the period in which the change is made, or prospectively in both the period in which the change is made and future periods, as appropriate, in determining net profit or loss for the period is recognized in the consolidated financial statements.

The amount of the correction of an error is considered retrospectively. An error is corrected by restating comparative amounts for prior periods in which it occurred or, if it occurred before the next reporting period, by restating the retained earnings account for that period. If restating the information would result in an excessive cost, the comparative information for prior periods is not restated, but the retained earnings account for the subsequent period is restated for the cumulative effect of the error before the beginning of that period.

2.6 Summary of Significant Accounting Policies

Revenue

Revenue is recorded on an accrual basis based on the fair value of the consideration received or receivable upon delivery, reliable determination of the revenue amount, completion of the performance obligation and probable flow of economic benefits related to the transaction to the Group. Net sales are shown by deducting returns, discounts, commissions, and sales related taxes from the sales amount of goods. The Group records revenue subject to the following main conditions:

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of June 30, 2025, Notes to the Consolidated Financial Statements

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

2.6 Summary of Significant Accounting Policies (Continued)

Revenue (Continued)

The Group recognizes revenue from customers only when the following conditions are met:

- (a) the parties to the contract have ratified the contract (in writing, orally or by other customary business means) and have undertaken to fulfill their personal obligations under the contract,
- (b) the Group can identify the rights and obligations of both parties with respect to the product or service provided
- (c) If the Group can determine the payment terms for the goods and services provided.
- (d) the contract is a commercial transaction,
- (e) The Group is likely to collect fees for goods and services provided to customers.
- (f) In assessing the collectability of such fee, the Group should only consider the customer's ability and willingness to pay at the due date.

Inventories

Inventories are valued at the lower of cost or net realizable value. The cost of inventories all costs of purchase and bringing the inventories to their present location and condition includes other costs incurred. Net realizable value is ordinary course of business, the estimated selling price in the estimated costs of completion and estimated a sale. less costs necessary to make Inventory is valued using the weighted average cost method.

Property, Plant and Equipment

Land, land improvements, buildings, plant, machinery and equipment, and vehicles are included in the consolidated financial statements using the revaluation model. The resulting revaluation surplus is reported under the revaluation reserve for property, plant and equipment within equity and in the consolidated statement of comprehensive income for the relevant period. When a tangible asset is sold, the cost and accumulated depreciation of that asset are removed from the relevant accounts, and the resulting gain or loss is recognized in the consolidated statement of profit or loss. Assets other than land are depreciated based on the useful lives determined for each asset. Expenditures incurred for replacing a part of a tangible asset, along with maintenance and repair costs, may be capitalized if they enhance the future economic benefits of the asset. All other costs are recognized as expenses in the statement of profit or loss when incurred.

When there is an indication that an item of property, plant and equipment may be impaired, a review is conducted to assess any potential impairment. If, as a result of this review, the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized by reducing the carrying amount to its recoverable amount.

If the carrying amount of an asset increases as a result of revaluation, the increase is recognized in the consolidated financial statements directly under equity in the "revaluation surplus" account. However, a revaluation increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss. If the carrying amount of an asset decreases as a result of revaluation, the decrease is recognized in profit or loss. However, if a revaluation surplus has previously been recognized for the asset, the decrease is first offset against that surplus. Any excess amount beyond the revaluation surplus is recognized in profit or loss.

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

2.6 Summary of Significant Accounting Policies (Cont.)

Property, Plant and Equipment (Continued)

The estimated useful lives of property, plant and equipment are as follows:

Type of Fixed Assets	Estimated Useful Years
Underground and Surface Plants	5-25 Years
Buildings	5-30 Years
Plant, Machinery and Equipment	2-20 Years
Vehicles	2-15 Years
Fixtures	2-33 Years
Special Costs	2-3 Years

Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted if necessary.

Intangible Assets Other than Goodwill

Intangible assets other than goodwill are recognized initially at cost and amortized over the useful life of the asset at rates determined based on the useful life of the asset.

Type of Intangible Assets	Estimated Useful Years
Rights	3-15 Years

Impairment of Assets

Financial assets not recognized in profit or loss are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence of impairment of financial assets includes the following:

- Default or failure of the debtor to fulfill its obligation.
- Restructuring of an amount subject to conditions that the Group would not consider otherwise.
- The possibility that the borrower or issuer may become insolvent.
- Negative situations arise in the payment status of these people.
- The disappearance of an active market for a security or
- Observable information that indicates a measurable decrease in the expected cash flows from the financial asset.

A significant or prolonged decline in the fair value of an investment in equity securities below cost is also objective evidence of impairment.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

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

2.6 Summary of Significant Accounting Policies (Cont.)

Borrowing Costs

When it comes to qualifying assets, defined as assets that necessarily take a substantial period to get ready for their intended use or sale, borrowing costs that are directly attributable to the acquisition, construction, or production of the asset are capitalized as part of the cost of that asset until it is ready for use or sale. Borrowing costs that do not fall within this scope are expensed in the period in which they are incurred. The Group records all financing expenses in the consolidated statement of profit or loss in the period in which they arise.

Leasing Operations

Determining whether a contract contains a lease element.

At the commencement of a contract, the Group determines whether the contract is, or contains, a lease. At the inception or upon reassessment of such a contract, the Group allocates the consideration required by the contract between lease and non-lease components based on their relative stand-alone prices. If the Group concludes that it is not possible to reliably allocate the payments relating to a finance lease, an asset and a liability are recognized in the amount equal to the fair value of the leased asset. As payments are made subsequently, the liability is reduced, and the financing cost added to the liability is recognized using the Group's incremental borrowing rate.

Leased assets

Assets held under leases that transfer to the Group substantially all the risks and rewards of ownership of the asset are classified as finance leases. Fixed assets held under finance leases are initially measured at the lower of the fair value of the asset and the present value of the minimum lease payments. After initial recognition, they are accounted for in accordance with the accounting policies applicable to the asset.

Lease payments

Minimum lease payments made under finance leases are allocated between finance costs and the reduction of the remaining liability. Finance costs are allocated to each period over the lease term at a fixed periodic interest rate on the remaining balance of the obligation.

Financial Assets

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, time deposits (deposits with maturities of less than three months) and other short-term highly liquid investments that their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The Group reviews cash and cash equivalents for impairment using the expected credit loss model.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

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

2.6 Summary of Significant Accounting Policies (Cont.)

Financial Assets (Continued)

Trade Receivables

Trade receivables arising from the provision of goods to customers are initially recognized at the original invoice amount and are subsequently measured at amortized cost using the effective interest method for the amounts expected to be collected in the following periods. Short-term receivables without a specified interest rate are presented at the invoice amount when the effect of the original effective interest rate is not material. If there is evidence indicating that the receivables will not be collectible, an allowance is recognized for the estimated uncollectible amounts and recorded in the consolidated statement of profit or loss. The Group reviews its trade receivables for impairment using the expected credit loss model.

Following the recognition of an impairment allowance, if all or part of the impaired receivable is subsequently recovered, the collected amount is deducted from the previously recognized impairment allowance and recorded under other operating income. Foreign exchange gains and losses related to trade transactions are recognized in the statement of profit or loss under "Other Operating Income/Expenses".

Derivative Instruments

Derivative instruments are initially recognized at acquisition cost, which reflects the fair value at the contract date, and are subsequently remeasured at fair value. Derivative instruments that provide effective economic hedges of the Group's risks but do not qualify for hedge accounting are designated as derivatives held for trading and changes in fair value are recognized in the statement of income.

Financial Investments

The Group classifies its financial investments into two categories: financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. The classification is based on the business model and expected cash flows, which are determined based on the intended use of the financial assets. Management determines the classification of its financial assets at the acquisition date.

Assets for which management has adopted a business model of collecting contractual cash flows and/or making sales are classified as assets at fair value through profit or loss. If management does not intend to dispose of the related assets within 12 months from the balance sheet date, they are classified as non-current assets.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

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

2.6 Summary of Significant Accounting Policies (Cont.)

Financial Assets (Continued)

Financial Investments (Continued)

At initial recognition, the Group measures a financial asset or financial liability other than trade receivables at its fair value. For financial assets and liabilities that are not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issuance of the asset or liability are added to or deducted from the fair value at initial recognition.

If the fair value of a financial investment at initial recognition differs from the transaction price, and that fair value is evidenced either by a quoted price in an active market for an identical asset or liability, or is based on a valuation technique that uses only observable market data, the Group recognizes the difference between the fair value at initial recognition and the transaction price as a gain or loss in the financial statements.

- *Financial assets at fair value through profit or loss*

Financial assets, excluding those measured at fair value through other comprehensive income, are measured at fair value through profit or loss when they are not held within a business model whose objective is to collect contractual cash flows or to both collect contractual cash flows and sell the financial assets. Gains and losses arising from the measurement of such assets are recognized in the consolidated statement of profit or loss.

- *Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include "financial investments" in the statement of financial position. The Group measures these assets at fair value. Gains or losses on financial assets other than impairment losses and foreign exchange gains or losses are recognized in other comprehensive income. When assets at fair value through other comprehensive income are disposed of, the gain or loss previously recognized in other comprehensive income is reclassified to retained earnings.

Financial Liabilities

Financial Liabilities

Interest-bearing financial liabilities are initially recognized at fair value and subsequently measured at fair value using the effective interest rate method.

Trade and Other Payables

Trade and other payables are initially recognized at fair value and subsequently effective interest rate measured at amortized cost using the method.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

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

2.6 Summary of Significant Accounting Policies (Cont.)

Effects of Exchange Rate Changes

In the statutory records of the Group, transactions in foreign currencies (currencies other than TL) are translated into TL at the exchange rates prevailing at the dates of the transactions. Assets and liabilities denominated in foreign currencies in the consolidated statement of financial position are translated into Turkish Lira at the exchange rates prevailing at the reporting date. Foreign exchange gains and losses arising on settlement and translation of foreign currency items are recognized in the consolidated statement of profit or loss.

Earnings / (Loss) per Share

Earnings / (loss) per share is calculated by dividing net profit or loss for the period by the weighted average number of ordinary shares outstanding during the period attributable to ordinary shareholders.

In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares (bonus shares) to existing shareholders from retained earnings and inflation adjustment to shareholders' equity. For earnings/(loss) per share computations, such bonus shares are regarded as issued shares. Accordingly, the weighted average number of shares used in the computation of earnings/(loss) per share is derived by giving retroactive effect to the bonus shares.

Events after the reporting period

Events that occur between the end of the reporting period and the date when the consolidated statement of financial position was authorized for issue. Events after the reporting period are divided into two categories:

- There is new evidence that relevant events existed as of the end of the reporting period (events requiring adjustment after the reporting period); and
- There is evidence that the related events occurred after the reporting period (events that do not require adjustment after the reporting period).

The Group adjusts its consolidated financial statements if there is new evidence that such events existed at the end of the reporting period or if such events occurred after the reporting period and require restatement of the financial statements. If such events do not require restatement of the consolidated financial statements, the Group discloses the related matters in the related notes.

Related parties

To the accompanying consolidated financial statements, shareholders of the Group, companies owned by them, their directors and other persons or entities known to be related to them are referred to as related parties. A related party is an entity that, directly or indirectly, controls the Group, has an interest in the Group that gives it significant influence over the Group, or is an associate, board member, general manager or other executive of the Group.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

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

2.6 Summary of Significant Accounting Policies (Cont.)

Taxation

Income tax expense comprises current and deferred tax.

(i) Current income tax

Current tax is the expected tax payable or receivable on the taxable profit or loss for the current year and includes any adjustment to tax payable in respect of previous years.

Taxes are calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Current tax assets and liabilities can only be offset if certain conditions are met.

(ii) Deferred tax

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

Employee Benefit Obligations

(i) Short-term employee benefits

Short-term employee benefit obligations are recognized as an expense as the related service is provided. A liability is recognized for amounts expected to be paid when the Group has a present legal or constructive obligation as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Other long-term employee benefits

The provision for severance pays represents the present value of the Group's estimated future liability in the event of the retirement of its employees, calculated on the basis of 30 days. The provision is calculated as if all employees were to be entitled to such payment and is recognized in the consolidated financial statements on an accrual basis. The severance pay provision is calculated based on the severance pay ceiling announced by the government.

As of June 30, 2025, the severance pays ceiling amounts to exactly TL 53,919.68 (December 31, 2024: TL 46,655.43). The Group management has used certain estimates in the calculation of the provision for severance pay.

All actuarial gains and losses related to employee termination benefits are recognized in other comprehensive income.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

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

2.6 Summary of Significant Accounting Policies (Cont.)

Contingent Assets and Liabilities

TAS 37 "Provisions, Contingent Liabilities and Contingent Assets" requires that the Group has a present legal or constructive obligation because of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. If these criteria are not met, the Group discloses the related matters in the related notes.

If it has become probable that an inflow of economic benefits will arise, the contingent asset is disclosed in the notes to the consolidated financial statements. If it is virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the consolidated financial statements at the date of the change.

Business Combinations

Business acquisitions are accounted for using the acquisition method. In a business combination, the consideration transferred is measured at fair value; it is calculated as the total of the fair value at the acquisition date of the assets transferred by the acquirer, the liabilities assumed towards the former owners of the acquiree, and the equity interests issued by the acquirer. Acquisition-related costs are generally recognized as expenses when incurred.

Identifiable assets acquired and liabilities assumed are recognized at fair value at the acquisition date. The following are not recognized in this way:

- Deferred tax assets or liabilities and assets or liabilities related to employee benefits are recognized and measured in accordance with TAS 12 Income Taxes and TAS 19 Employee Benefits, respectively,
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree, or share-based payment arrangements of the Group entered to replace share-based payment arrangements of the acquiree are recognized in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are accounted for in accordance with the rules in IFRS 5.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

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

2.6 Summary of Significant Accounting Policies (Cont.)

Business Combinations (Continued)

Goodwill is calculated as the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree, and, in a business combination achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree, over the net amount of the identifiable assets acquired and liabilities assumed as of the acquisition date. If, after reassessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the total of the consideration transferred, any non-controlling interest in the acquiree, and the fair value of any previously held equity interest in the acquiree, the resulting excess is recognized immediately in profit or loss as a gain from a bargain purchase.

Non-controlling Shares, which represent shareholder interests and entitle holders to a proportionate share of the entity's net assets in the event of liquidation, are initially measured either at fair value or at the amount of the acquiree's identifiable net assets recognized in proportion to the Non-controlling Shares. The measurement basis is determined on a transaction-by-transaction basis. Other types of Non-controlling Shares are measured at fair value or, where applicable, in accordance with the methods specified in another IFRS.

When the consideration transferred by the Group in a business combination includes contingent consideration, the contingent consideration is measured at fair value at the acquisition date and included in the consideration transferred in a business combination. If, because of additional information that becomes available during the measurement period, an adjustment to the fair value of the contingent consideration is required, it is adjusted retrospectively against goodwill. The measurement period is the period after the acquisition date during which the acquirer can adjust the provisional amounts recognized in a business combination. This period cannot be more than 1 year from the acquisition date.

Subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured and any subsequent payment is recognized in equity.

Where the purchase accounting for a business combination is not complete at the end of the reporting period in which the business combination occurs, the Group reports provisional amounts for items for which the accounting is incomplete. These provisional amounts are adjusted during the measurement period or additional assets or liabilities are recognized to reflect new information obtained about facts and circumstances that existed at the acquisition date that may affect the amounts recognized at the acquisition date.

Certain assets and liabilities of the acquiree that were not previously recognized as assets and liabilities in its own financial statements are recognized. At the acquisition date, the identifiable assets, identifiable liabilities and minority interests of the acquiree are recognized at fair value. The related calculations are based on certain assumptions and assessments.

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

2.6 Summary of Significant Accounting Policies (Cont.)

Goodwill

Goodwill arising on acquisition is measured at cost at the acquisition date, less any impairment losses, if any.

For impairment testing, goodwill is allocated to the Group's cash-generating units (or groups of cash-generating units) that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill is allocated is tested for impairment annually. If there are indications that the unit may be impaired, the impairment test is performed more frequently. If the recoverable amount of the cash-generating unit is less than its carrying amount, an impairment loss is recognized first against the goodwill allocated to the unit and then against the carrying amount of the assets within the unit. Any impairment loss for goodwill is recognized directly in the consolidated statement of profit or loss and other comprehensive income. Goodwill impairment is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the amount determined for goodwill is included in the calculation of profit or loss on disposal.

Sometimes, the acquirer makes a bargain purchase, which is a business combination in which the net amounts of the identifiable assets acquired, and the identifiable liabilities assumed, measured in accordance with IFRS, at the acquisition date exceed the consideration transferred, which generally requires measurement at fair value at the acquisition date, measured in accordance with IFRS. If the excess amount remains after applying the provisions of IFRS 3- Paragraph 36, the acquirer recognizes the resulting gain in profit or loss at the acquisition date. The gain is attributed to the acquirer.

A bargain purchase may occur, for example, in a business combination in the form of a forced sale where the seller acts under duress. However, the recognition and measurement exceptions for certain items in IFRS 3 - Paragraphs 22-31 may also result in the recognition of a gain (or a change in the amount of the recognized gain) in a bargain purchase.

Before recognizing a gain on a bargain purchase, the acquirer reassesses whether it has correctly identified the assets acquired and liabilities assumed, and recognizes any additional assets or liabilities identified in that assessment. The acquirer then reviews the processes used to measure the amounts of all of the following that this IFRS requires to be recognized as at the acquisition date:

- (a) Identifiable assets acquired, and identifiable liabilities assumed.
- (b) Non-controlling Shares (minority interests) in the acquiree, if any.
- (c) In a business combination achieved in stages, the acquirer's previously held equity interest in the acquiree and
- (d) Transferred consideration.

The purpose of the review is to ensure that the measurements appropriately reflect all available information as at the acquisition date.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of June 30, 2025, Notes to the Consolidated Financial Statements

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NOTE 3 – CASH AND CASH EQUIVALENTS

As of June 30, 2025, and December 31, 2024, the details of cash and cash equivalents are as follows:

Cash and Cash Equivalents	June 30, 2025	December 31, 2024
Safe	109.402	103.270
Banks	652.883.004	726.355.168
-Demand Deposits TL	16.224.866	19.564.074
-Time Deposits TL (*)	624.072.808	701.742.364
-Demand Deposit USD	12.551.479	5.021.607
-Demand Deposits EUR	27.440	27.123
- Demand Deposits CHF	6.411	-
POS Accounts	2.834.123	11.571.596
	655.826.529	738.030.034

(*) As of June 30, 2025, they consist of Turkish Lira overnight time deposits with an interest rate of 43% (December 31, 2024: Turkish Lira time deposits: 45%–52%).

NOTE 4 – FINANCIAL INVESTMENTS

As of June 30, 2025, and December 31, 2024, the details of short-term financial investments are as follows:

Short-Term Financial Investments	June 30, 2025	December 31, 2024
Money Market Funds	7.055.262	4.190
Venture Capital Funds	20.394.980	21.237.927
	27.450.242	21.242.117

The details of long-term financial investments as of June 30, 2025, and December 31, 2024, are as follows:

Long-Term Financial Investments	Share Ratio	June 30, 2025	December 31, 2024
Rudi's Organic and Gluten Free Brands Inc.	%12,65	333.282.138	316.015.038
		333.282.138	316.015.038

With the Board of Directors' resolution dated September 22, 2023, in line with its strategy to grow internationally and invest in high value-added segments of the food industry targeting the end consumer, the Company acquired shares of Rudi's Organic and Gluten Free Brands Inc. ("Rudi's")—established in 1976 in the State of Colorado, USA, and engaged in the production and distribution of organic, gluten-free, and flavorful breads and bakery products with leading food certifications in the U.S.—through a capital increase via allocation method. Following the capital increase, the Company agreed to acquire 12.65% of Rudi's shares. The payment for the acquisition was completed on November 20, 2023.

According to the valuation report prepared by an independent valuation institution authorized by the CMB, the market value of Rudi's as of December 31, 2024, was USD 60,689,160.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of June 30, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)***NOTE 5 – FINANCIAL BORROWINGS**

As of June 30, 2025, and December 31, 2024, the details of short-term borrowings are as follows:

Short-Term Financial Borrowings	June 30, 2025	December 31, 2024
Short-Term Bank Loans	25.352.125	137.925.903
Credit Card Debts	197.350	9.001.074
	25.549.475	146.926.977

As of June 30, 2025, and December 31, 2024, the current portions of long-term borrowings are as follows:

Short-Term Portion of Long-Term Borrowings	June 30, 2025	December 31, 2024
Principal Installments of Long-Term Loans	107.719.038	119.203.166
	107.719.038	119.203.166

As of June 30, 2025, and December 31, 2024, the details of long-term borrowings are as follows:

Long-Term Borrowings	June 30, 2025	December 31, 2024
Long-Term Bank Loans	266.958.177	313.467.549
	266.958.177	313.467.549

As of June 30, 2025, the details of the maturity and interest rate distribution of bank loans are presented below:

June 30, 2025	0-3 Months	3-6 Months	6-9 Months	9-12 Months	1-5 Years
Short-Term Bank Loans	197.351	-	-	25.352.124	-
Short-Term Portion of Long-Term Banks	28.779.294	27.465.992	26.218.427	25.255.325	-
Long-Term Bank Loans	-	-	-	-	266.958.177
	28.976.645	27.465.992	26.218.427	50.607.449	266.958.177

Currency Type	Term	Interest Rate Range	Short-Term	Long-Term
TRY	2025	%40-%41	23.558.855	-
USD	2025-2030	SOFR+%4,90	109.709.658	266.958.177
			133.268.513	266.958.177

As of December 31, 2024, the details of the maturity and interest rate distribution of bank loans are presented below:

December 31, 2024	0-3 Months	3-6 Months	6-9 Months	9-12 Months	1-5 Years
Short-Term Bank Loans	111.250.540	-	4.491.946	31.184.491	-
Short-Term Portion of Long-Term Banks	33.386.137	30.448.611	28.330.623	27.037.795	-
Long-Term Bank Loans	-	-	-	-	313.467.549
	144.636.677	30.448.611	32.822.569	58.222.286	313.467.549

Currency Type	Term	Interest Rate Range	Short-Term	Long-Term
TRY	2024-2025	%40-%41	148.485.739	-
USD	2024-2030	SOFR+%4,90 - %8	117.644.404	313.467.549
			266.130.143	313.467.549

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As of June 30, 2025, Notes to the Consolidated Financial Statements

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As of June 30, 2025, and December 31, 2024, the details of lease liabilities are as follows:

Payables from Leasing Transactions	June 30, 2025	December 31, 2024
Short-Term Lease Payables	6.334.623	5.857.023
Long-Term Lease Payables	920.420	8.137.297
	7.255.043	13.994.320

NOTE 6 – TRADE RECEIVABLES AND PAYABLES

As of June 30, 2025, and December 31, 2024, short-term trade receivables are as follows:

Short-Term Trade Receivables	June 30, 2025	December 31, 2024
Trade Receivables from Related Parties	85.597.072	67.889.782
Trade Receivables from Third Parties	1.016.886.553	909.304.271
	1.102.483.625	977.194.053

As of June 30, 2025, and December 31, 2024, short-term trade receivables from third parties are as follows:

Short-Term Trade Receivables	June 30, 2025	December 31, 2024
Trade Receivables	935.309.426	855.087.554
Notes Receivable	88.950.651	60.724.373
Rediscount on Receivables (-)	(7.373.524)	(6.507.656)
Doubtful Trade Receivables	5.611.321	4.040.303
Provision for Doubtful Trade Receivables (-)	(5.611.321)	(4.040.303)
	1.016.886.553	909.304.271

As of June 30, 2025, and December 31, 2024, the movements in doubtful trade receivables during the period are as follows:

Doubtful Trade Receivables	June 30, 2025	December 31, 2024
Balances as of January 1	(4.040.303)	(3.283.538)
Provisions Set Aside During the Period	(2.443.767)	(2.107.400)
Provision Reversals (-)	255.864	304.302
Monetary Position Difference	616.885	1.046.333
Ending Balance	(5.611.321)	(4.040.303)

As of June 30, 2025, and December 31, 2024, short-term trade payables are as follows:

Short-Term Trade Payables	June 30, 2025	December 31, 2024
Trade Payables to Related Parties	27.444.256	6.289.915
Trade Payables to Third Parties	1.361.346.239	882.304.213
	1.388.790.495	888.594.128

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of June 30, 2025, Notes to the Consolidated Financial Statements

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As of June 30, 2025, and December 31, 2024, short-term trade payables to third parties are as follows:

Short-Term Trade Payables	June 30, 2025	December 31, 2024
Trade Payables	1.342.827.447	850.950.255
Debt Rediscounts (-)	(11.478.162)	(3.770.492)
Other Trade Payables	29.996.954	35.124.450
	1.361.346.239	882.304.213

NOTE 7 – OTHER RECEIVABLES AND PAYABLES

As of June 30, 2025, and December 31, 2024, short-term other receivables are as follows:

Short-Term Other Receivables	June 30, 2025	December 31, 2024
Short-Term Other Receivables from Related Parties	-	-
Short-Term Other Receivables from Third Parties	56.884.531	65.407.463
	56.884.531	65.407.463

As of June 30, 2025, and December 31, 2024, short-term other receivables from third parties are as follows:

Other Short-Term Receivables	June 30, 2025	December 31, 2024
Tax Receivables	56.845.923	65.383.309
Receivables from Personnel	26.608	10.153
Deposits and Guarantees Given	12.000	14.001
	56.884.531	65.407.463

As of June 30, 2025, and December 31, 2024, long-term other receivables from third parties are as follows:

Other Long-Term Receivables	June 30, 2025	December 31, 2024
Deposits and Guarantees Given	759.390	659.960
	759.390	659.960

As of June 30, 2025, and December 31, 2024, short-term other payables to third parties are as follows:

Short-Term Other Payables	June 30, 2025	December 31, 2024
Other Payables	-	38.259
	-	38.259

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NOTE 8 – INVENTORIES

As of June 30, 2025, and December 31, 2024, the details of inventories are as follows:

Inventories	June 30, 2025	December 31, 2024
Raw Materials and Supplies	326.289.468	271.251.819
Semi-finished Products	35.382.503	28.723.928
Products	30.385.354	47.843.191
Trade Goods	102.719.882	1.574.001
Other Inventories	513.967	566.327
	495.291.174	349.959.266

NOTE 9 – PREPAID EXPENSES AND DEFERRED INCOME

As of June 30, 2025, and December 31, 2024, the details of short-term prepaid expenses are as follows:

Short-Term Prepaid Expenses	June 30, 2025	December 31, 2024
Order Advances Given	13.377.544	8.576.012
Expenses for Future Months	26.473.092	11.820.670
	39.850.636	20.396.682

As of June 30, 2025, and December 31, 2024, the details of long-term prepaid expenses are as follows:

Long-Term Prepaid Expenses	June 30, 2025	December 31, 2024
Expenses for Future Years	-	1.099
	-	1.099

As of June 30, 2025, and December 31, 2024, the details of short-term deferred income are as follows:

Short-Term Deferred Income	June 30, 2025	December 31, 2024
Order Advances Received	27.058.036	4.974.323
	27.058.036	4.974.323

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of June 30, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)***NOTE 10 – RIGHT OF USE ASSETS**

As of June 30, 2025, and December 31, 2024, the details of right-of-use assets are as follows:

Description	January 1, 2025	Additions	Disposals	Transfers	June 30, 2025
Vehicles	6.944.084	5.984.383	(5.185.503)	-	7.742.964
Machines	-	674.756	-	-	674.756
Facilities	14.980.296	-	(14.980.296)	-	-
Total	21.924.380	6.659.139	(20.165.799)	-	8.417.720

Vehicles	(4.787.070)	(2.117.143)	5.129.762	-	(1.774.451)
Machines	-	(25.343)	-	-	(25.343)
Facilities	(3.456.272)	(11.524.032)	14.980.304	-	-
Accumulated Depreciation	(8.243.342)	(13.666.518)	20.110.066	-	(1.799.794)
Net Book Value	13.681.038				6.617.926

Description	January 1, 2024	Additions	Disposals	Transfers	December 31, 2024
Vehicles	14.803.757	1.758.584	(9.618.257)	-	6.944.084
Machines	868.627	-	-	(868.627)	-
Facilities	-	14.980.296	-	-	14.980.296
Total	15.672.384	16.738.880	(9.618.257)	(868.627)	21.924.380

Vehicles	(11.478.582)	(2.926.745)	9.618.257	-	(4.787.070)
Machines	(196.171)	(74.002)	-	270.173	-
Facilities	-	(3.456.272)	-	-	(3.456.272)
Accumulated Depreciation	(11.674.753)	(6.457.019)	9.618.257	270.173	(8.243.342)
Net Book Value	3.997.631				13.681.038

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NOTE 11 – PROPERTY, PLANT AND EQUIPMENT ASSETS

As of June 30, 2025, the details of property, plant and equipment are as follows:

Description	January 1, 2025	Additions	Disposals	Transfer	Revaluation	June 30, 2025
Land and Plots	751.600.888	-	-	-	-	751.600.888
Underground and Surface Plants	84.394.848	-	-	-	-	84.394.848
Buildings	528.388.403	76.030	-	1.451.792	-	529.916.225
Plant, Machinery and Equipment	867.366.088	38.497.445	-	-	-	905.863.533
Vehicles	293.836.421	157.386	(16.280.035)	-	-	277.713.772
Fixtures	48.775.399	1.078.082	(105.102)	-	-	49.748.379
Investments in Progress	187.879.843	19.684.431	(129.318)	(1.451.792)	-	205.983.164
Special Costs	24.968.079	888.333	-	-	-	25.856.412
Advances Given	30.690.988	-	-	(8.506.414)	-	22.184.574
Total Cost Value	2.817.900.957	60.381.707	(16.514.455)	(8.506.414)	-	2.853.261.795

Accumulated Depreciation	January 1, 2025	Additions	Disposals	Transfer	Revaluation	June 30, 2025
Underground and Surface Plants	(23.406.667)	(5.006.176)	-	-	-	(28.412.843)
Buildings	-	(3.302.428)	-	-	-	(3.302.428)
Plant, Machinery and Equipment	(1.198.592)	(44.436.965)	-	-	-	(45.635.557)
Vehicles	(2.417.177)	(29.817.232)	1.379.762	-	-	(30.854.647)
Fixtures	(26.848.272)	(2.991.866)	48.481	-	-	(29.791.657)
Special Costs	(5.715.539)	(2.806.231)	-	-	-	(8.521.770)
Total	(59.586.247)	(88.360.898)	1.428.243	-	-	(146.518.902)
Property, Plant and Equipment (Net)	2.758.314.710					2.706.742.893

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NOTE 11 – PROPERTY, PLANT AND EQUIPMENT ASSETS (Continued)

As of December 31, 2024, the details of property, plant and equipment are as follows:

Description	January 1, 2024	Additions	Disposals	Transfer	Revaluation	December 31, 2024
Land and Plots	590.323.163	-	-	-	161.277.725	751.600.888
Underground and Surface Plants	73.003.846	1.957.281	-	9.433.721	-	84.394.848
Buildings	542.954.266	310.972	-	72.897.060	(87.773.895)	528.388.403
Plant, Machinery and Equipment	564.329.198	55.913.183	(4.610.812)	506.914.521	(255.180.002)	867.366.088
Vehicles	234.944.751	34.004.231	(20.915.284)	-	45.802.723	293.836.421
Fixtures	41.027.500	7.156.711	(223.936)	815.124	-	48.775.399
Special Costs	201.447.975	233.200.557	(17.470.637)	(229.298.052)	-	187.879.843
Investments in Progress	16.554.467	7.226.909	-	1.186.703	-	24.968.079
Advances Given	379.297.237	30.690.988	(5.193.321)	(374.103.916)	-	30.690.988
Total Cost Value	2.643.882.403	370.460.832	(48.413.990)	(12.154.839)	(135.873.449)	2.817.900.957
Accumulated Depreciation	January 1, 2024	Additions	Disposals	Transfer	Revaluation	December 31, 2024
Underground and Surface Plants	(13.911.495)	(9.495.172)	-	-	-	(23.406.667)
Buildings	(80.261.647)	(23.241.019)	-	-	103.502.666	-
Plant, Machinery and Equipment	(199.105.684)	(126.151.277)	1.891.335	(270.172)	322.437.206	(1.198.592)
Vehicles	(33.353.777)	(48.809.598)	4.610.614	-	75.135.584	(2.417.177)
Fixtures	(21.713.976)	(5.166.555)	32.259	-	-	(26.848.272)
Special Costs	(807.099)	(4.908.440)	-	-	-	(5.715.539)
Total	(349.153.678)	(217.772.061)	6.534.208	(270.172)	501.075.456	(59.586.247)
Property, Plant and Equipment (Net)	2.294.728.725					2.758.314.710

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NOTE 12 – INTANGIBLE ASSETS OTHER THAN GOODWILL

As of June 30, 2025, and December 31, 2024, the details of intangible assets are as follows:

Description	January 1, 2025	Additions	Disposals	Transfer	June 30, 2025
Rights	22.822.713	92.322	-	-	22.915.035
Total Cost Value	22.822.713	92.322	-	-	22.915.035
Accumulated Depreciation	January 1, 2025	Period Cost	Disposals	Transfer	June 30, 2025
Rights	(17.572.672)	(831.632)	-	-	(18.404.304)
Total	(17.572.672)	(831.632)	-	-	(18.404.304)
Intangible Assets (Net)	5.250.041				4.510.731

Description	January 1, 2024	Additions	Disposals	Transfer	December 31, 2024
Rights	20.030.177	2.016.368	-	776.168	22.822.713
Total Cost Value	20.030.177	2.016.368	-	776.168	22.822.713
Accumulated Depreciation	January 1, 2024	Period Cost	Disposals	Transfer	December 31, 2024
Rights	(16.047.323)	(1.525.349)	-	-	(17.572.672)
Total	(16.047.323)	(1.525.349)	-	-	(17.572.672)
Intangible Assets (Net)	3.982.854				5.250.041

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NOTE 13 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

As of June 30, 2025, and December 31, 2024, details of other short-term provisions are as follows:

Other Short-Term Provisions	June 30, 2025	December 31, 2024
Expense Accruals	898.789	508.166
Litigation Provisions	1.203.698	1.543.309
	2.102.487	2.051.475

As of June 30, 2025, and December 31, 2024, the Group's table regarding collateral, pledges, and mortgages is as follows:

June 30, 2025	TL Equivalent	US Dollar	TL
Total amount of GPMs given by its legal entity and other companies within the scope of consolidation	1.503.744.410	36.800.000	41.282.970
-Guarantee	41.282.970	-	41.282.970
-Mortgages	794.816.000	20.000.000	-
-Pledge	667.645.440	16.800.000	-
Total	1.503.744.410	36.800.000	41.282.970

December 31, 2024	TL Equivalent	US Dollar	TL
Total amount of GPMs given by its legal entity and other companies within the scope of consolidation	1.538.486.837	36.800.000	23.691.650
-Guarantee	23.691.650	-	23.691.650
-Mortgages	823.258.254	20.000.000	-
-Pledge	691.536.933	16.800.000	-
Total	1.538.486.837	36.800.000	23.691.650

June 30, 2025	TL Equivalent	US Dollar	TL
Total amount of GPMs given by its legal entity and other companies within the scope of consolidation	152.455.491	-	152.455.491
- Guarantee	152.455.491	-	152.455.491
Total	152.455.491	-	152.455.491

December 31, 2024	TL Equivalent	US Dollar	TL
A. Total amount of GPMs taken on behalf of its own legal entity	149.577.275	-	149.577.275
- Guarantee	149.577.275	-	149.577.275
Total	149.577.275	-	149.577.275

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NOTE 14 – EMPLOYEE BENEFIT OBLIGATIONS AND PROVISIONS

Within the framework of the current laws in Turkey, the Group is obliged to pay severance pay to personnel who have completed one year of service and whose employment is terminated without any valid reason, who are called up for military service, who die, who have completed 25 years of service for men and 20 years for women, and who have reached retirement age (58 years for women and 60 years for men). Due to the changes in the legislation as of September 8, 1999, there are certain transitional obligations regarding the retirement-related service period.

As of June 30, 2025, these payments are calculated based on a maximum amount of exactly TL 53,919.68 per 30 days of salary (December 31, 2024: TL 46,655.43), according to the ratio applicable on the date of retirement or termination for each year of service. The severance pay provision is calculated on a current basis and reflected in the financial statements. The provision is determined by estimating the present value of the Group's probable future obligation arising from the retirement of its employees. The calculation is made based on the severance pay ceiling announced by the government.

The severance pay liability is calculated based on the present value estimate of the possible future liability arising from the retirement of the Group's employees. IFRS requires the calculation of the Group's liabilities under defined benefit plans using actuarial valuation methods. Accordingly, the actuarial assumptions used in the calculation of total liabilities are set out below.

The key assumption is that the maximum liability for each year of service will increase in line with inflation. Accordingly, the applied discount rate represents the expected real interest rate after adjusting for future inflation effects. As a result, as of June 30, 2025, the provision recognized in the accompanying consolidated financial statements has been calculated by estimating the present value of the Group's probable future obligation arising from the retirement of employees. The provision as of June 30, 2025, has been calculated using an assumed annual inflation rate of 19.00% and an interest rate of 23.00%, corresponding to a real discount rate of approximately 3.36%. (As of December 31, 2024, the provision was calculated using the same assumptions: an annual inflation rate of 19.00% and an interest rate of 23.00%, resulting in a real discount rate of approximately 3.36%.)

As of June 30, 2025, and December 31, 2024, the movement table of the Group's provision for employee termination benefits is as follows:

	June 30, 2025	December 31, 2024
January 1 Balance	37.674.911	27.454.604
Current Service Cost	12.984.991	12.745.727
Interest Cost	11.393.005	10.484.679
In-Period Payments	(7.651.781)	(10.996.871)
Actuarial Difference	(2.248.942)	8.616.955
Difference in Monetary Position	(6.302.139)	(10.630.183)
Balance at the End of the Period	45.850.045	37.674.911

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As of June 30, 2025, and December 31, 2024, the short-term provisions recognized under employee benefits are as follows:

Short-Term Provisions for Employee Benefits	June 30, 2025	December 31, 2024
Provision for Unused Vacation	11.649.012	6.118.390
	11.649.012	6.118.390

As of June 30, 2025, and December 31, 2024, liabilities arising from employee benefits are as follows:

Employee Benefit Payables	June 30, 2025	December 31, 2024
Social Security Premiums Payable	7.144.485	7.294.339
Payables to Personnel	26.827.604	23.303.565
	33.972.089	30.597.904

NOTE 15 – OTHER ASSETS AND LIABILITIES AND CURRENT TAX ASSETS

As of June 30, 2025, and December 31, 2024, the details of other current assets are as follows:

Other Current Assets	June 30, 2025	December 31, 2024
VAT carried forward	45.976.802	48.916.629
Personnel Advances	305.826	-
Operating Advances	173.827	316.525
Other VAT	12.420	-
	46.468.875	49.233.154

As of June 30, 2025, and December 31, 2024, the details of other short-term liabilities are as follows:

Other Short-Term Liabilities	June 30, 2025	December 31, 2024
Taxes and Funds Payable	6.369.334	1.461.982
	6.369.334	1.461.982

As of June 30, 2025, and December 31, 2024, the details of current period tax-related assets are as follows:

Current Period Tax Related Assets	June 30, 2025	December 31, 2024
Prepaid Taxes and Funds	8.430.514	3.164.999
	8.430.514	3.164.999

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NOTE 16 – EQUITY

Capital and Reserves

The shares of the Company, which were offered to the public through a book-building process between January 4–6, 2023, started to be traded on the Stars Market as of January 12, 2023. Pursuant to the Board of Directors' resolution registered by the Söke Trade Registry Office on February 8, 2023, the Company's issued capital was increased from TL 309,000,000 to TL 386,500,000, and 77,500,000 Class B registered shares with a nominal value of TL 77,500,000 were offered to the public.

As of June 30, 2025, and December 31, 2024, the capital structure of the Company is as follows:

Name	June 30, 2025		December 31, 2024	
	Share Ratio (%)	Share Value (TL)	Share Ratio (%)	Share Value (TL)
Ulusoy Un Sanayi ve Ticaret A.Ş.	75,49%	291.750.000	75,49%	291.750.000
Publicly Traded (*)	24,51%	94.750.000	24,51%	94.750.000
	100%	386.500.000	100%	386.500.000

As of June 30, 2025, and December 31, 2024, the share capital structure of the Company by share classes is as follows:

Shareholders	Number of Shares	Group	Ratio (%)	Amount
Ulusoy Un Sanayi ve Ticaret A.Ş.	30.900.001	A	7,99	30.900.001
Ulusoy Un Sanayi ve Ticaret A.Ş.	260.849.999	B	67,50	260.849.999
Publicly Traded	94.750.000	B	24,51	94.750.000
	386.500.000		100	386.500.000

Shareholders	Number of Shares	Group	Ratio (%)	Amount
Ulusoy Un Sanayi ve Ticaret A.Ş.	30.900.001	A	7,99	30.900.001
Ulusoy Un Sanayi ve Ticaret A.Ş.	260.849.999	B	67,50	260.849.999
Publicly Traded	94.750.000	B	24,51	94.750.000
	386.500.000		100	386.500.000

According to the Turkish Commercial Code, legal reserves are divided into two as first and second legal reserves. According to the Turkish Commercial Code, first legal reserves are separated as 5% of the legal net profit until 20% of the paid-in capital of the Company is reached. Public companies distribute their dividends in accordance with the CMB's II-19.1 Profit Share Communiqué.

Partnerships distribute their profits by a resolution of the general assembly within the framework of dividend distribution policies to be determined by their general assemblies and in accordance with the provisions of the applicable legislation. Under the said communiqué, no minimum distribution rate has been determined. Companies distribute dividends in accordance with what is specified in their articles of association or dividend distribution policies. In addition, dividends may be paid in equal or varying instalments and advance dividends in cash may be distributed from the profit presented in the financial statements. Unless the statutory reserves required to be set aside under the Turkish Commercial Code and the dividends determined for the shareholders in the articles of association or dividend distribution policy are set aside, it is not permitted to resolve on setting aside other reserves, carrying forward profit to the following year, or distributing profit to holders of usufruct shares, members of the board of directors, employees of the partnership, or persons other than shareholders. Moreover, unless the dividends determined for the shareholders are paid in cash, no distribution of profit may be made to such persons.

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NOTE 16 – EQUITY (Continued)

As of June 30, 2025, and December 31, 2024, the details of equity items are as follows:

Equity	June 30, 2025	December 31, 2024
Paid-in Capital	386.500.000	386.500.000
Capital Adjustment Differences	1.588.138.163	1.588.138.163
Share Premiums (Discounts)	1.157.052.218	1.157.052.218
Other Comprehensive Income (Expense) Not to Be Reclassified to Profit or Loss	1.151.819.800	1.153.578.445
- <i>Property, Plant and Equipment Revaluation Increases / (Decreases)</i>	<i>1.173.706.861</i>	<i>1.177.123.528</i>
- <i>Actuarial Gains / (Losses) on Employee Benefits</i>	<i>(21.887.061)</i>	<i>(23.545.083)</i>
Reserves Appropriated from Profit	126.382.723	126.382.723
Retained Earnings	(412.914.904)	(122.207.753)
Net Period Profit	(234.162.088)	(294.123.818)
Non-controlling Interests	(42.924.928)	(31.770.657)
	3.719.890.984	3.963.549.321

Earnings per share detail for the periods ended June 30, 2025, and June 30, 2024, is as follows:

	January 1- June 30, 2025	April 1- June 30, 2025	January 1- June 30, 2024	April 1- June 30, 2024
Net Profit or Loss for the Period	(245.499.332)	(117.059.945)	(229.186.483)	(74.363.920)
Weighted Average Number of Ordinary Shares Outstanding	386.500.000	386.500.000	386.500.000	386.500.000
Earnings Per Share	(0,64)	(0,30)	(0,59)	(0,19)

Additional Information on Capital, Reserves and Other Equity Items

Due to the use of different indexes in the Tax Procedure Law and TMS 29 inflation accounting application; there have been differences between the amounts in the balance sheet prepared in accordance with the Tax Procedure Law regarding the items of "capital adjustment differences", "premiums related to shares" and "restricted reserves allocated from profit" and the amounts in the consolidated financial statements prepared in accordance with TMS/IFRS. These differences have been reflected in the "Previous Years' Profits or Losses" item in the TMS/IFRS financial statements.

June 30, 2025	Inflation adjusted amounts in the financial statements prepared in accordance with the Tax Procedure Law	Inflation adjusted amounts in the financial statements prepared in accordance with TAS/IFRS Financial Statements	Difference recognized in accumulated losses
Capital Adjustment Differences	636.705.187	1.588.138.163	(951.432.976)
Share Premiums	1.037.316.300	1.157.052.218	(119.735.918)
Restricted Reserves Appropriated from Profit	273.666.236	126.382.723	147.283.513

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NOTE 17 – GOODWILL

The Company merged with its parent company MKU Un on December 29, 2016. Prior to this merger, on April 16, 2015, MKU Un had acquired all of the Company's shares, and since the acquisition cost included a control premium, goodwill was recognized as a result of this transaction.

The consideration paid for the acquisition effectively incorporated the benefits of the expected increase in revenue, the future development of the market, and the combined workforce of the acquired subsidiaries. Since these benefits do not meet the recognition criteria for identifiable intangible assets, they were not accounted for separately from goodwill.

The Company management has performed an impairment test on goodwill using the discounted cash flow method in accordance with the provisions of IAS 36. No impairment has been identified in the goodwill impairment analysis conducted by the Company management.

All shares of the Company were acquired by Ulusoy Un Sanayi ve Ticaret A.Ş. through a share purchase transaction completed on January 11, 2022, for a cash payment of TL 168,900,000 and an additional EUR 650,000 payable on January 11, 2023. The transaction amount was compared with the Company's net assets as of December 31, 2021, and no impairment has been identified in relation to goodwill.

The Company acquired shares corresponding to 60% of the fully paid-in registered capital of Gen Oyuncak Sanayi ve Ticaret A.Ş., with a total nominal value of TL 2,714,000, on March 29, 2023.

As of June 30, 2025, and December 31, 2024, the details of goodwill are as follows:

	June 30, 2025	December 31, 2024
As of January, 1	522.994.512	522.994.512
Changes During the Period	-	-
As of the End of the Period	522.994.512	522.994.512
	June 30, 2025	December 31, 2024
MKU Un San. ve Tic. A.Ş.	522.271.904	522.271.904
Gen Oyuncak San. ve Tic. A.Ş.	722.608	722.608
	522.994.512	522.994.512

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As of the periods ended June 30, 2025, and June 30, 2024, revenue and cost of sales are as follows:

Revenue and Cost of Sales	January 1 - June 30, 2025	April 1 - June 30, 2025	January 1 - June 30, 2024	April 1 - June 30, 2024
Domestic Sales Revenues	2.669.042.747	1.140.760.450	3.296.412.612	1.236.791.159
International Sales Revenues	383.948.196	19.756.768	5.236.871	1.910.977
Other Income	8.641.451	3.536.637	2.141.519	788.264
Gross Sales	3.061.632.394	1.164.053.855	3.303.791.002	1.239.490.400
Returns from Sales (-)	(43.206.346)	(19.345.286)	(53.462.414)	(22.441.281)
Sales Discounts (-)	(228.211.813)	(82.000.256)	(224.932.822)	(48.617.997)
Other Discounts	(212.187)	(30.690)	(404.108)	(268.702)
Net Sales	2.790.002.048	1.062.677.623	3.024.991.658	1.168.162.420
Cost of Sales	(2.562.640.138)	(955.036.147)	(2.634.906.679)	(998.480.350)
Cost of Trade Goods Sold	(744.072.811)	(201.329.869)	(558.826.825)	(159.742.676)
Cost of Finished Goods Sold	(1.785.734.780)	(738.169.295)	(2.069.710.440)	(832.661.012)
Cost of Service Sold	(31.055.237)	(15.258.787)	(3.181.690)	(3.181.690)
Other Cost of Sales	(1.777.310)	(278.196)	(3.187.724)	(2.894.972)
Gross Profit	227.361.910	107.641.476	390.084.979	169.682.070

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As of the periods ended June 30, 2025, and June 30, 2024, cost of sales is as follows:

Cost of Sales	January 1- June 30, 2025	April 1 - June 30, 2025	January 1- June 30, 2024	April 1 - June 30, 2024
Cost of Trade Goods Sold	(744.072.811)	(201.329.869)	(558.826.825)	(159.742.676)
Cost of Other Sales	(1.777.310)	(278.196)	(3.187.724)	(2.894.972)
Cost of Services Sold	(31.055.237)	(15.258.787)	(3.181.690)	(3.181.690)
Cost of Finished Goods Sold	(1.785.734.780)	(738.169.295)	(2.069.710.440)	(832.661.012)
Materials Expenses	(1.504.367.033)	(601.676.700)	(1.829.716.128)	(735.642.506)
Personnel Expenses	(154.041.921)	(71.337.121)	(131.163.186)	(56.871.891)
Electricity, Heating and Water Expenses	(10.718.443)	(4.729.838)	(29.928.919)	(4.422.769)
Depreciation Expenses	(64.517.301)	(31.633.438)	(49.168.159)	(22.648.170)
Depreciation Expenses Related to Leases	(13.335.150)	(10.860.140)	-	-
Maintenance and Repair Expenses	(10.674.776)	(5.655.567)	(8.661.325)	(2.682.931)
Food Expenses	(7.318.462)	(3.643.114)	(7.450.898)	(3.594.444)
Rent Expenses	(3.679.075)	(1.040.807)	(622.473)	(622.473)
Insurance Expenses	(5.102.163)	(2.696.630)	(3.577.366)	(2.503.833)
Other Expenses	(6.833.607)	(3.179.554)	(5.492.132)	(2.265.287)
Benefits and Services Provided Externally	(1.167.662)	(310.919)	(787.485)	(312.702)
Vehicle Expenses	(798.626)	(347.139)	(733.893)	(733.893)
Transportation Expenses	(449.227)	(344.481)	(20.594)	(10.350)
Recycling Contribution Fee	(829.961)	-	(1.666.048)	-
Consultancy Expenses	(1.021.646)	(366.616)	(468.682)	(252.838)
Travel Expenses	(789.399)	(314.953)	(125.133)	(80.005)
Taxes, Duties and Charges	(20.040)	(9.687)	(65)	(32)
Training and Publication Expenses	(30.942)	-	(83.969)	(1.104)
Representation and Hospitality Expenses	(39.346)	(22.591)	(43.985)	(15.784)
	<u>(2.562.640.138)</u>	<u>(955.036.147)</u>	<u>(2.634.906.679)</u>	<u>(998.480.350)</u>

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As of June 30, 2025, and June 30, 2024, total operating expenses are as follows:

Operating Expenses	January 1 - June 30, 2025	April 1 - June 30, 2025	January 1 - June 30, 2024	April 1 - June 30, 2024
General Administrative Expenses	(67.576.076)	(33.099.288)	(66.819.854)	(26.609.477)
Marketing Expenses	(184.277.125)	(84.364.218)	(255.582.143)	(126.814.744)
Research and Development Expenses	(766.799)	(443.113)	(1.661.898)	(242.392)
	(252.620.000)	(117.906.619)	(324.063.895)	(153.666.613)

As of June 30, 2025, and June 30, 2024, general administrative expenses are as follows:

General Administrative Expenses	January 1 - June 30, 2025	April 1 - June 30, 2025	January 1 - June 30, 2024	April 1 - June 30, 2024
Personnel Fees and Expenses	(35.202.253)	(17.043.158)	(31.850.491)	(12.463.459)
Benefits and Services Provided Externally	(9.037.917)	(3.621.962)	(7.051.007)	(2.657.573)
Depreciation Expenses	(7.042.336)	(4.606.800)	(11.231.885)	(6.833.301)
Security Service Expenses	(6.332.404)	(3.053.651)	(6.293.115)	(2.518.615)
Other Expenses	(6.246.767)	(2.878.822)	(6.796.764)	(896.737)
Taxes, Duties and Fees	(1.057.408)	(590.207)	(795.759)	(378.329)
Repair and Maintenance Expenses	(636.618)	(363.628)	(445.530)	(167.459)
Travel Expenses	(406.372)	(291.837)	(530.505)	(288.791)
Stock Exchange Expenses	(363.516)	-	(602.412)	-
Representation and Hospitality Expenses	(344.107)	(274.697)	(272.542)	(29.435)
Fuel Expenses	(308.832)	(89.559)	(497.708)	(237.486)
Depreciation Expenses Related to Lease Transactions	(273.423)	(204.445)	-	-
Insurance Expenses	(199.852)	(37.694)	(302.363)	(92.920)
Notary and Execution Expenses	(82.617)	(26.781)	(88.210)	(41.790)
Office Supplies Expenses	(41.654)	(16.047)	-	-
Rent Expenses	-	-	(61.563)	(3.582)
	(67.576.076)	(33.099.288)	(66.819.854)	(26.609.477)

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As of June 30, 2025, and June 30, 2024, marketing expenses are as follows:

Marketing Expenses	January 1- June 30, 2025	April 1 - June 30, 2025	January 1- June 30, 2024	April 1 - June 30, 2024
Personnel Expenses	(56.507.995)	(29.235.870)	(51.388.904)	(21.287.806)
Shipping Expenses	(55.826.423)	(22.524.510)	(89.985.720)	(40.311.325)
Depreciation Expenses	(17.632.893)	(8.626.197)	(42.511.039)	(22.801.084)
Other Expenses	(8.882.426)	(3.589.680)	(7.714.690)	(4.835.128)
Advertising and Promotion Expenses	(8.809.957)	(4.402.415)	(12.370.932)	(6.663.529)
Vehicle Expenses	(7.246.410)	(3.371.364)	(10.351.531)	(4.968.405)
Cargo Expenses	(5.435.901)	-	(5.298.784)	(2.820.185)
Social Media Expenses	(4.602.643)	(2.333.659)	(4.386.628)	(2.367.848)
Stock Exchange Expenses	(2.779.349)	(1.185.217)	(3.252.207)	(1.313.325)
Export Expenses	(2.673.116)	(2.512.372)	(379.396)	(144.119)
Commission Expenses	(2.027.491)	(819.217)	(2.817.581)	(2.817.581)
Food Expenses	(2.007.041)	(1.071.839)	(2.289.167)	(1.248.783)
Travel Expenses	(1.859.709)	(984.698)	(8.971.717)	(7.732.177)
Maintenance and Repair Expenses	(1.541.039)	(797.628)	(1.553.427)	(808.292)
Insurance Expenses	(1.236.031)	(392.883)	(1.891.997)	(841.516)
Rent Expenses	(1.155.307)	(352.207)	(651.892)	(374.923)
Promotion Expenses	(978.109)	(647.896)	(908.761)	(106.258)
Market Research Expenses	(757.043)	(383.794)	(1.692.570)	(1.063.429)
Sample Expenses	(577.987)	(338.151)	(750.203)	(357.758)
Benefits and Services Provided Externally	(518.243)	(197.515)	(718.166)	(337.332)
Organization Expenses	(391.356)	(3.551)	(394.927)	(86.630)
Representation and Hospitality Expenses	(376.416)	(133.698)	(519.211)	(35.506)
Fair Expenses	(243.323)	(3.551)	(2.640.431)	(2.640.431)
Taxes, Duties and Fees Expenses	(152.972)	(94.801)	(232.259)	(141.685)
Amortization Expense Related to Lease Transactions	(57.945)	(361.505)	(1.910.003)	(709.689)
	(184.277.125)	(84.364.218)	(255.582.143)	(126.814.744)

As of June 30, 2025, and June 30, 2024, research and development expenses are as follows:

Research and Development Expenses	January 1- June 30, 2025	April 1 - June 30, 2025	January 1- June 30, 2024	April 1 - June 30, 2024
Other Expenses	(368.290)	(191.822)	(1.661.898)	(242.392)
Personnel Expenses	(398.509)	(251.291)	-	-
	(766.799)	(443.113)	(1.661.898)	(242.392)

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of June 30, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)***NOTE 20 – EXPENSES BY NATURE**

As of June 30, 2025, and June 30, 2024, the functional allocation of personnel expenses is as follows:

Personnel Expenses	January 1 - June 30, 2025	April 1 - June 30, 2025	January 1 - June 30, 2024	April 1 - June 30, 2024
Cost of Finished Goods Sold	(154.041.921)	(71.337.121)	(131.163.186)	(56.871.891)
Marketing Expenses	(56.507.995)	(29.235.870)	(51.388.904)	(21.287.806)
General Administrative Expenses	(35.202.253)	(17.043.158)	(31.850.491)	(12.463.459)
Research and Development Expenses	(398.509)	(251.291)	-	-
	(246.150.678)	(117.867.440)	(214.402.581)	(90.623.156)

As of June 30, 2025, and June 30, 2024, the functional allocation of depreciation expenses is as follows:

Depreciation Expenses	January 1 - June 30, 2025	April 1 - June 30, 2025	January 1 - June 30, 2024	April 1 - June 30, 2024
Cost of Finished Goods Sold	(77.852.451)	(42.493.578)	(49.168.159)	(22.648.170)
General Administrative Expenses	(7.315.759)	(4.811.245)	(11.231.885)	(6.833.301)
Marketing Expenses	(17.690.838)	(8.987.702)	(44.421.042)	(23.510.773)
	(102.859.048)	(56.292.525)	(104.821.086)	(52.992.244)

NOTE 21 – OTHER OPERATING INCOME AND EXPENSES

As of June 30, 2025, and June 30, 2024, other income from main operations is as follows:

Other Operating Income	January 1 - June 30, 2025	April 1 - June 30, 2025	January 1 - June 30, 2024	April 1 - June 30, 2024
Provision No Longer Required	8.258.266	5.010.777	5.884.670	2.762.248
Rediscount Interest Income	18.687.529	-	11.236.017	13.551
Foreign Exchange Gains from Trade Transactions	60.044.897	26.070.361	40.213.545	1.939.086
Incentive Income	582.348	553.994	657.897	513.968
Bank Promotion Income	1.830.846	-	-	-
Comprehensive Insurance	185.922	185.922	-	-
Compensation Income	599.311	2.490.403	2.514.172	2.411.114
Other Income	229.420	-	-	-
Trade Fair Support Income				
	90.418.539	34.311.457	60.506.301	7.639.967

As of June 30, 2025, and June 30, 2024, other expenses from main operations are as follows:

Other Expenses from Main Operations	January 1 - June 30, 2025	April 1 - June 30, 2025	January 1 - June 30, 2024	April 1 - June 30, 2024
Provision Expenses	(1.776.073)	(1.765.444)	(133.247)	-
Discount Interest Expenses	(12.580.806)	(2.481.676)	(10.821.314)	-
Foreign Exchange Losses from Commercial Transactions	(3.542.653)	(1.976.080)	(4.757.320)	(3.994.556)
Other Expenses	(5.066.979)	(1.039.566)	(1.228.358)	(993.169)
	(22.966.511)	(7.262.766)	(16.940.239)	(4.987.725)

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

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(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)

NOTE 22 – INCOME AND EXPENSES FROM INVESTING ACTIVITIES

Income from investing activities for the periods ended June 30, 2025, and June 30, 2024, are as follows:

Income from Investing Activities	January 1 - June 30, 2025	April 1 - June 30, 2025	January 1 - June 30, 2024	April 1 - June 30, 2024
Venture Capital Fund Fair Value Increase	8.157.185	6.791.635	17.931.783	8.695.652
Gain on Sale of Fixed Assets	-	-	2.196.791	904.764
Profit on Sale of Securities	-	-	4.071.181	-
	8.157.185	6.791.635	24.199.755	9.600.416

As of June 30, 2025, and June 30, 2024, the details of expenses from investing activities are as follows:

Expenses from Investing Activities	January 1 - June 30, 2025	April 1 - June 30, 2025	January 1 - June 30, 2024	April 1 - June 30, 2024
Fixed Asset Disposal Expenses	(5.801.332)	(4.427.719)	(99.605)	(95.864)
	(5.801.332)	(4.427.719)	(99.605)	(95.864)

Details of Impairment Gains (Losses) and Reversals of Impairment Losses Determined in Accordance with IFRS 9 are as follows:

	January 1 - June 30, 2025	April 1 - June 30, 2025	January 1 - June 30, 2024	April 1 - June 30, 2024
Expected Credit Loss	(750.819)	(609.088)	(37.610)	(11.806)
	(750.819)	(609.088)	(37.610)	(11.806)

NOTE 23 – FINANCIAL INCOME AND EXPENSES

As of the periods ended June 30, 2025, and June 30, 2024, finance income is as follows:

Finance Income	January 1 - June 30, 2025	April 1 - June 30, 2025	January 1 - June 30, 2024	April 1 - June 30, 2024
Interest Income	127.618.818	50.897.962	50.336.487	35.070.555
Foreign Exchange Gains	3.808.650	889.552	2.419.398	280.647
	131.427.468	51.787.514	52.755.885	35.351.202

As of June 30, 2025, and December 31, 2024, finance expenses are as follows:

Finance Expenses	January 1 - June 30, 2025	April 1 - June 30, 2025	January 1 - June 30, 2024	April 1 - June 30, 2024
Foreign Exchange Losses	(189.759.327)	(70.700.144)	(13.602.596)	(8.145.902)
Loan Interest Expenses	(31.148.498)	(13.352.045)	(25.186.855)	(18.253.343)
Finance Expense Arising from Lease Liability	(950.305)	(878.208)	(94.583)	(37.399)
Bank Charges	(35.889.344)	(13.774.610)	(61.816.061)	(22.714.219)
Employee Termination Indemnity	(11.393.005)	(796.999)	(7.614.373)	(586.175)
Interest Expense	(841.942)	(417.343)	(1.120.885)	(560.178)
Commission Expenses	(19.011)	(12.171)	(48.468)	(44.372)
Check and Note Expenses				
	(270.001.432)	(99.931.520)	(109.483.821)	(50.341.588)

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As of June 30, 2025, Notes to the Consolidated Financial Statements

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)

NOTE 24 – NET MONETARY POSITION GAINS (LOSSES)

As of June 30, 2025, net monetary position gains (losses) are as follows:

Non-Monetary Gains	June 30, 2025
Statement of Financial Position Items	(110.866.554)
Inventories	577.947
Prepaid Expenses	6.185.122
Deferred Income	474.228
Financial Investments	47.105.418
Goodwill	74.638.142
Right-of-Use Assets	(3.502.701)
Property, Plant and Equipment	370.984.787
Intangible Assets	3.950.762
Deferred Tax Asset (Liability)	(44.715.477)
Capital Adjustment Differences	(283.153.295)
Share Premiums (Discounts)	(165.354.918)
Restricted Reserves Appropriated from Profit	(16.238.954)
Retained Earnings / Accumulated Losses	66.405.704
Revaluation and Remeasurement Gains (Losses)	(168.223.319)
Statement of Profit or Loss Items	11.118.019
Revenue	(158.212.566)
Cost of Sales (-)	145.121.698
Research and Development Expenses (-)	31.801
Marketing, Sales and Distribution Expenses (-)	12.557.251
General Administrative Expenses (-)	5.539.853
Other Operating Income	(5.118.010)
Other Operating Expenses (-)	9.248.975
Income from Investing Activities	(6.977.047)
Expenses from Investing Activities (-)	2.080.381
Impairment Gains (Losses) Determined in Accordance with IFRS 9	19.784
Finance Income	(242.935)
Finance Expenses (-)	7.068.834
Net Monetary Position Gains/(Losses)	(99.748.535)

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of June 30, 2025, Notes to the Consolidated Financial Statements

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)

NOTE 25 – INCOME TAXES

Tax expenses comprise current tax expense and deferred tax expense. Tax is included in the income statement unless it relates to a transaction that is recognized directly in equity, in which case the tax is also recognized in equity.

Current tax expense is calculated based on the tax laws enacted in the countries where the Group's subsidiaries and equity-accounted investees operate, as of the financial position reporting date. According to Turkish tax legislation, entities whose legal or business headquarters are in Turkey are subject to corporate income tax.

In accordance with Turkish tax legislation, tax losses can be carried forward for up to five years to offset future taxable profits but cannot be carried back to offset profits of previous years.

In addition, an interim tax of 25% is paid on the tax bases declared during interim periods within the year to be offset against the corporate income tax due for 2025 (31 December 2024: 25%). The corporate tax rate is applied to the taxable income calculated by adding non-deductible expenses under tax laws to the commercial profit and subtracting tax exemptions and deductions as per tax legislation.

There is no procedure for reaching an agreement with the tax authorities in Turkey regarding the taxes payable. Corporate tax returns are filed within four months following the end of the fiscal year. The tax authorities are authorized to audit tax returns and the underlying accounting records for a period of five years following the end of the fiscal year and may issue additional assessments based on their findings.

Dividend payments made to resident companies in Türkiye, except those that exempt from or not subject to corporate and income taxes, as well as to resident and non-resident individuals and non-resident legal entities, are subject to a 10% income tax withholding. However, dividend payments from resident companies to other resident joint stock companies are not subject to income tax. Moreover, no income tax is calculated if profits are retained or added to capital instead of being distributed.

Under Turkish tax legislation, a parent company is not allowed to submit a tax return based on the consolidated financial statements that include its subsidiaries. Therefore, tax liabilities reflected in the Group's consolidated financial statements are calculated separately for each entity within the scope of consolidation.

As of the periods ended June 30, 2025, and June 30, 2024, the total tax expense is as follows:

	January 1- June 30, 2025	April 1 - June 30, 2025	January 1- June 30, 2024	April 1 - June 30, 2024
Current Period Tax Income /Expense	-	-	-	21.659.759
Deferred Tax Income / Expense	(50.975.805)	(31.628.124)	5.658.540	3.026.637
	(50.975.805)	(31.628.124)	5.658.540	24.686.396

Deferred tax assets and liabilities

The Group calculates its deferred tax assets and liabilities by considering the effects of temporary differences arising from the different evaluations of balance sheet items between the IFRS-prepared and statutory financial statements. These temporary differences generally arise from the recognition of income and expenses in different reporting periods in accordance with IFRS and Tax Laws.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)***NOTE 25 – INCOME TAXES (Continued)****Deferred tax assets and liabilities (Continued)**

As of June 30, 2025, and December 31, 2024, the items constituting the Group's deferred tax assets and liabilities are as follows:

June 30, 2025	Deferred Tax Asset	Deferred Tax Liability
Receivables and Payables Discounting	-	(938.014)
Adjustments on Tangible and Intangible Assets	-	(360.371.588)
Unused Vacation Provision	2.976.023	-
Litigation Provisions	321.414	-
Provision for Employment Termination Benefits	12.402.019	-
Doubtful Receivables	820.660	-
Foreign Exchange Differences	7.971.251	-
Loans	-	(2.207.115)
Accrued Interest	4.075.777	-
Lease Liabilities	119.421	-
Income Accruals	166.170	-
Financial Investments	-	(45.287.603)
Adjustments Related to Inventories	16.022.641	-
Other Adjustments	-	(500.557)
Total	44.875.376	(409.304.877)
Deferred Tax Asset / Liability (Net)		(364.429.501)

December 31, 2024	Deferred Tax Asset	Deferred Tax Liability
Receivables and Payables Discounting	427.975	-
Adjustments on Tangible and Intangible Assets	-	(294.696.372)
Unused Vacation Provision	1.374.771	-
Litigation Provisions	370.673	-
Provision for Employment Termination Benefits	9.165.513	-
Doubtful Receivables	283.555	-
Foreign Exchange Differences	7.558.722	-
Loans	85.107	-
Accrued Interest	4.230.342	-
Lease Liabilities	35.625	-
Financial Investments	-	(49.658.845)
Adjustments Related to Inventories	8.299.852	-
Prepaid Expenses	77.669	-
Other Adjustments	-	(476.115)
Deferred Income	30.067	-
Total	31.939.871	(344.831.332)
Deferred Tax Asset / Liability (Net)		(312.891.461)

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

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NOTE 26 – RELATED PARTY DISCLOSURES

As of June 30, 2025, and December 31, 2024, related party balances are as follows:

Trade Receivables from Related Parties	June 30, 2025	December 31, 2024
Ulusoy Un San. ve Tic. A.Ş.	14.209.317	7.767.456
Alfaway Gıda San. ve Tic. A.Ş.	62.125.814	59.347.889
Unay Un San. ve Tic. A.Ş.	9.252.032	774.437
Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	9.909	-
	85.597.072	67.889.782

Trade Payables to Related Parties	June 30, 2025	December 31, 2024
Ulusoy Un San. ve Tic. A.Ş.	19.031.451	4.853.612
Unay Un San. ve Tic. A.Ş.	6.983.431	16.480
Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	918.875	1.048.301
Ulusoy Petrol Ürünleri Tic. A.Ş.	510.499	371.522
	27.444.256	6.289.915

As of the periods ended June 30, 2025, and June 30, 2024, related party transactions are as follows:

Sales Income from Related Parties	January 1- June 30, 2025	January 1- June 30, 2024
Ulusoy Un San. ve Tic. A.Ş.	13.009.682	52.134.766
Alfaway Gıda San. ve Tic. A.Ş.	218.248.150	74.149.373
Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	124.564	15.256
Unay Un San. ve Tic. A.Ş.	23.432.477	2.410.396
Ulusoy Petrol Ürünleri Tic. A.Ş.	10.401	-
	254.825.274	128.709.791

Inventory Purchases from Related Parties	January 1- June 30, 2025	January 1- June 30, 2024
Ulusoy Un San. ve Tic. A.Ş.	140.880.280	560.168.590
Unay Un San. ve Tic. A.Ş.	46.992.195	-
Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	1.938.999	1.443.865
Alfaway Gıda San. ve Tic. A.Ş.	559.387	-
	190.370.861	561.612.455

Service Purchases from Related Parties	January 1- June 30, 2025	January 1- June 30, 2024
Ulusoy Un San. ve Tic. A.Ş.	2.366.440	1.144.694
Unay Un San. ve Tic. A.Ş.	-	38.489
Alfaway Gıda San. ve Tic. A.Ş.	114.001	139.843
Ulusoy Petrol Ürünleri Tic. A.Ş.	2.731.287	741.266
Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	131.068	-
	5.342.796	2.064.292

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As of June 30, 2025, Notes to the Consolidated Financial Statements

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)

NOTE 26 – RELATED PARTY DISCLOSURES (Continued)

Service Sales to Related Parties	January 1- June 30, 2025	January 1- June 30, 2024
Ulusoy Un San. ve Tic. A.Ş.	32.924	154.629
Alfaway Gıda San. ve Tic. A.Ş.	3.188.656	1.114.145
Unay Un San. ve Tic. A.Ş.	12.860	43.098
	3.234.440	1.311.872
Rent Income from Related Parties	January 1- June 30, 2025	January 1- June 30, 2024
Unay Un San. ve Tic. A.Ş.	19.080	26.983
	19.080	26.983
Rent Expenses to Related Parties	January 1- June 30, 2025	January 1- June 30, 2024
Uludağ Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	2.248.398	1.451.718
Ulusoy Un San. ve Tic. A.Ş.	-	77.950
	2.248.398	1.529.668
Interest Income to Related Parties	January 1- June 30, 2025	January 1- June 30, 2024
Ulusoy Un San. ve Tic. A.Ş.	11.591.925	13.531.319
	11.591.925	13.531.319

The Group's key management personnel consist of the members of the Board of Directors, the General Manager, and department managers. Benefits and remuneration provided to key management personnel amount to TL 17,172,408 as of June 30, 2025 (December 31, 2024: TL 34,620,162).

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)***NOTE 27 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS****Credit Risk**

June 30, 2025	Receivables				Bank Deposits	Other
	Trade Receivables		Other Receivables			
	Related party	Third party	Related party	Third party		
Maximum credit risk exposure as of reporting date (A+B+C+D+E+F)	85.597.072	1.016.886.553	-	57.643.921	652.883.004	2.943.525
- The part of maximum risk under guarantee with collaterals etc.	-	152.455.491	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	85.597.072	1.017.252.769	-	57.643.921	652.883.004	2.943.525
B. Carrying amount of financial assets with renegotiated terms that would otherwise be considered past due or impaired	-	-	-	-	-	-
C. Net book value of assets that are past due but not impaired	-	-	-	-	-	-
- Portion under guarantee with collaterals etc.	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross carrying amount)	-	5.611.321	-	-	-	-
- Impairment (-)	-	(5.611.321)	-	-	-	-
- Not past due (gross carrying amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
E. Off-balance sheet items including off-balance sheet loans	-	-	-	-	-	-
F. Expected Credit Loss	-	(366.216)	-	-	-	-

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NOTE 27 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)**Credit Risk (Continued)**

December 31, 2024	Receivables				Bank Deposits	Other
	Trade Receivables		Other Receivables			
	Related party	Third party	Related party	Third party		
Maximum credit risk exposure as of reporting date (A+B+C+D+E+F)	67.889.782	909.304.271	-	66.067.423	726.355.168	11.674.866
- The part of maximum risk under guarantee with collaterals etc.	-	53.349.519	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	67.889.782	909.579.238	-	66.067.423	726.355.168	11.674.866
B. Carrying amount of financial assets with renegotiated terms that would otherwise be considered past due or impaired	-	-	-	-	-	-
C. Net book value of assets that are past due but not impaired	-	-	-	-	-	-
- Portion under guarantee with collaterals etc.	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross carrying amount)	-	4.040.303	-	-	-	-
- Impairment (-)	-	(4.040.303)	-	-	-	-
- Not past due (gross carrying amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
E. Off-balance sheet items including off-balance sheet loans	-	-	-	-	-	-
F. Expected Credit Loss	-	(274.967)	-	-	-	-

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)***NOTE 27 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Cont.)****Liquidity risk**

June 30, 2025						
Non-Derivative Financial Liabilities	Book Value	Total cash outflows in accordance with the contract (I+II+III+IV)	Less than 3 Months (I)	3-12 Months (II)	1-5 Years (III)	More than 5 years (IV)
Financial Liabilities	396.519.848	407.481.733	28.976.645	121.325.217	257.179.871	-
Trade Payables	1.398.478.399	1.388.790.495	1.388.790.495	-	-	-
Other Payables	23.738.041	33.972.089	33.972.089	-	-	-
Other Liabilities	52.930.681	93.028.914	33.427.370	13.751.499	45.850.045	-
Total Liabilities	1.871.666.969	1.923.273.231	1.485.166.599	135.076.716	303.029.916	-

December 31, 2024						
Non-Derivative Financial Liabilities	Book Value	Total cash outflows in accordance with the contract (I+II+III+IV)	Less than 3 Months (I)	3-12 Months (II)	1-5 Years (III)	More than 5 years (IV)
Financial Liabilities	552.168.527	593.592.012	144.636.676	127.350.490	321.604.846	-
Trade Payables	893.491.319	888.594.128	888.594.128	-	-	-
Other Payables	34.262.881	30.636.162	30.636.162	-	-	-
Other Liabilities	17.212.210	52.281.082	6.436.305	8.169.866	37.674.911	-
Total Liabilities	1.497.134.937	1.565.103.384	1.070.303.271	135.520.356	359.279.757	-

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As of June 30, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)***NOTE 27 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Cont.)****Exchange Rate Risk**

		June 30, 2025			
		TL equivalent	US Dollar	Euro	Chf
1.	Trade receivables	443.722.178	11.165.406	-	-
2a.	Monetary financial assets (including cash and bank accounts)	12.585.330	315.833	589	129
2b.	Non-monetary financial assets	-	-	-	-
3.	Advances Given for Orders	5.286	134	-	-
4.	Current assets (1+2+3)	456.312.794	11.481.373	589	129
5.	Trade receivables	-	-	-	-
6a.	Monetary financial assets	-	-	-	-
6b.	Non-monetary financial assets	-	-	-	-
7.	Advances Given for Orders	14.561.820	305.000	52.371	-
8.	Non-current assets (5+6+7)	14.561.820	305.000	52.371	-
9.	Total assets (4+8)	470.874.614	11.786.373	52.960	129
10.	Trade payables	1.034.430.184	25.656.051	278.450	-
11.	Financial liabilities	109.709.677	2.755.666	-	-
12a.	Other monetary liabilities	312.993	-	6.704	-
12b.	Other non-monetary liabilities	-	-	-	-
13.	Short-term liabilities (10+11+12)	1.144.452.854	28.411.717	285.154	-
14.	Trade payables	-	-	-	-
15.	Financial liabilities	266.958.187	6.705.403	-	-
16 a.	Other monetary liabilities	465.330	-	9.966	-
16 b.	Other non-monetary liabilities	-	-	-	-
17.	Long-term liabilities (14+15+16)	267.423.517	6.705.403	9.966	-
18.	Total liabilities (13+17)	1.411.876.371	35.117.120	295.120	-
19.	Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	-	-	-	-
19a.	Total amount of hedged assets	-	-	-	-
19b.	Total amount of hedged liabilities	-	-	-	-
20.	Net foreign currency asset/(liability) position (9-18+19)	(941.001.757)	(23.330.747)	(242.160)	129
21.	Total fair value of financial instruments used for foreign currency hedging (1+2a+3+5+6a+7-10-11-12a-14-15-16a)	-	-	-	-

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)***NOTE 27 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Cont.)****Exchange Rate Risk (Continued)**

		December 31, 2024			
		TL equivalent	US Dollar	Euro	Chf
1.	Trade receivables	266.694.332	6.478.996	-	-
2a.	Monetary financial assets (including cash and bank accounts)	5.048.730	121.993	633	-
2b.	Non-monetary financial assets	-	-	-	-
3.	Advances Given for Orders	1.714.462	-	40.000	-
4.	Current assets (1+2+3)	273.457.524	6.600.989	40.633	-
5.	Trade receivables	-	-	-	-
6a.	Monetary financial assets	-	-	-	-
6b.	Non-monetary financial assets	-	-	-	-
7.	Advances Given for Orders	16.876.795	410.000	-	-
8.	Non-current assets (5+6+7)	16.876.795	410.000	-	-
9.	Total assets (4+8)	290.334.319	7.010.989	40.633	-
10.	Trade payables	763.921.711	18.272.714	242.433	-
11.	Financial liabilities	117.644.404	2.852.885	-	-
12a.	Other monetary liabilities	-	-	-	-
12b.	Other non-monetary liabilities	-	-	-	-
13.	Short-term liabilities (10+11+12)	881.566.115	21.125.599	242.433	-
14.	Trade payables	-	-	-	-
15.	Financial liabilities	313.467.549	7.601.608	-	-
16 a.	Other monetary liabilities	-	-	-	-
16 b.	Other non-monetary liabilities	-	-	-	-
17.	Long-term liabilities (14+15+16)	313.467.549	7.601.608	-	-
18.	Total liabilities (13+17)	1.195.033.664	28.727.207	242.433	-
19.	Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	-	-	-	-
19a.	Total amount of hedged assets	-	-	-	-
19b.	Total amount of hedged liabilities	-	-	-	-
20.	Net foreign currency asset/(liability) position (9-18+19)	(904.699.345)	(21.716.218)	(201.800)	-
21.	Total fair value of financial instruments used for foreign currency hedging (1+2a+3+5+6a+7-10-11-12a-14-15-16a)	-	-	-	-

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)***NOTE 27 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Cont.)****Exchange Rate Risk (Cont.)**

The table below demonstrates the Group's sensitivity to a 10% increase or decrease in foreign exchange rates. The sensitivity analysis only covers the foreign currency denominated monetary items outstanding at the end of the reporting period and shows the effects of a 10% change in exchange rates on these items. A positive value indicates an increase in profit/loss and equity items.

Foreign currency sensitivity analysis table				
June 30, 2025				
	Profit/loss		Equity	
	FOREIGN CURRENCY APPRECIATION	DEPRECIATION OF FOREIGN CURRENCY	FOREIGN CURRENCY APPRECIATION	DEPRECIATION OF FOREIGN CURRENCY
In case of a 10% appreciation/depreciation of the US Dollar against the TL				
1- USD net asset/liability	(92.969.697)	92.969.697	(92.969.697)	92.969.697
2- US Dollar hedged portion (-)	-	-	-	-
3- USD net effect (1+2)	(92.969.697)	92.969.697	(92.969.697)	92.969.697
In case of a 10% appreciation/depreciation of the Euro against the TL				
4- Euro net asset/liability	(1.131.120)	1.131.120	(1.131.120)	1.131.120
5- Euro hedged portion (-)	-	-	-	-
6- TL net impact (4+5)	(1.131.120)	1.131.120	(1.131.120)	1.131.120
In case of a 10% appreciation/depreciation of Other currencies against the TL				
7- Chf net asset/liability	641	(641,18)	641,18	(641,18)
8- CHF hedged portion (-)	-	-	-	-
9- TL net impact (4+5)	641,18	(641,18)	641,18	(641,18)
Total (3+6+9)	(94.100.176)	94.100.176	(94.100.176)	94.100.176

Foreign currency sensitivity analysis table				
December 31, 2024				
	Profit/loss		Equity	
	FOREIGN CURRENCY APPRECIATION	DEPRECIATION OF FOREIGN CURRENCY	FOREIGN CURRENCY APPRECIATION	DEPRECIATION OF FOREIGN CURRENCY
In case of a 10% appreciation/depreciation of the US Dollar against the TL				
1- USD net asset/liability	(89.603.114)	89.603.114	(89.603.114)	89.603.114
2- US Dollar hedged portion (-)	-	-	-	-
3- USD net effect (1+2)	(89.603.114)	89.603.114	(89.603.114)	89.603.114
In case of a 10% appreciation/depreciation of the Euro against the TL				
4- Euro net asset/liability	(866.821)	866.821	(866.821)	866.821
5- Euro hedged portion (-)	-	-	-	-
6- TL net impact (4+5)	(866.821)	866.821	(866.821)	866.821
In case of a 10% appreciation/depreciation of Other currencies against the TL				
7- Chf net asset/liability	-	-	-	-
8- CHF hedged portion (-)	-	-	-	-
9- TL net impact (4+5)	-	-	-	-
Total (3+6+9)	(90.469.935)	90.469.935	(90.469.935)	90.469.935

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As of June 30, 2025, Notes to the Consolidated Financial Statements

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at June 30, 2025, unless otherwise stated.)

NOTE 27 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Cont.)

Operation Risk

Capital Risk Management

While managing its capital, the Group's objectives are to safeguard its ability to continue as a going concern to provide returns and benefits to its shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital using the net financial debt-to-equity ratio. Net financial debt is calculated by deducting cash and cash equivalents from the total amount of financial debt.

As of June 30, 2025, and December 31, 2024, the Group's net financial debt-to-equity ratios are as follows:

	June 30, 2025	December 31, 2024
Total Financial Debt	407.481.733	593.592.012
Cash and Cash Equivalents and Banks	(655.826.529)	(738.030.034)
Net Financial Debt	(248.344.796)	(144.438.022)
Equity	3.719.890.984	3.963.549.321
Net Financial Debt / Equity Ratio	(0,07)	(0,04)

NOTE 29 – EVENTS AFTER THE REPORTING PERIOD

There is no event after the reporting period.