

**ATAKEY PATATES GIDA
SANAYİ VE TİCARET A.Ş.**

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONDENSED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
AS OF JUNE 30, 2024**

(Originally issued in Turkish)

(Convenience translation of a report and condensed financial statements originally issued in
Turkish)

Report on Review of Interim Condensed Financial Statements

To the Shareholders of Atakey Patates Gıda Sanayi ve Ticaret A.Ş.

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Atakey Patates Gıda Sanayi ve Ticaret A.Ş. ("the Company") as of June 30, 2024 and the interim condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and the condensed statement of cash flows for the six-month period then ended, and explanatory notes. Company management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with Turkish Accounting Standard 34, Interim Financial Reporting ("TAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

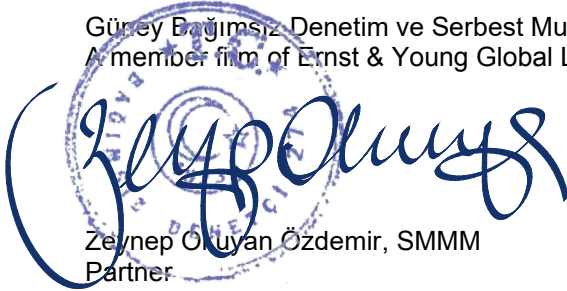
Scope of Review

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an audit conducted in accordance with Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited



Zeynep Oluyun Özdemir, SMMM
Partner

September 02, 2024
İstanbul, Türkiye

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(Convenience translation of financial statements originally issued in Turkish)

ATAKEY PATATES GIDA SANAYİ VE TİCARET A.Ş.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

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

	Notes	Reviewed 30 June 2024	Audited 31 December 2023
ASSETS			
Cash and cash equivalents	3	604,790,596	1,092,472,305
Trade receivables			
<i>Trade receivables from related parties</i>	6-24	293,773,397	179,552,854
<i>Trade receivables from third parties</i>	6	314,444,911	64,312,209
Other receivables	7	1,637,625	2,042,685
Inventories	8	724,502,667	1,307,750,721
Prepaid expenses	15	29,488,107	6,246,925
Other current assets	14	152,675,548	153,487,275
Total Current Assets		2,121,312,851	2,805,864,974
Other receivables			
<i>Other receivables from third parties</i>		1,476,056	1,841,153
Property, plant and equipment	9	1,933,438,527	1,983,428,955
Intangible assets	10	2,017,593	1,294,326
Right of use assets	11	7,665,178	7,928,116
Derivative instruments		7,553,595	4,404,326
Prepaid expenses	15	177,463,376	-
Deferred tax assets	23	233,032,383	295,780,367
Total Non-Current Assets		2,362,646,708	2,294,677,243
TOTAL ASSETS		4,483, 959,559	5,100,542,217

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

(Convenience translation of financial statements originally issued in Turkish)

ATAKEY PATATES GIDA SANAYİ VE TİCARET A.Ş.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

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

	Notes	Reviewed 30 June 2024	Audited 31 December 2023
LIABILITIES			
Short-term borrowings	4	-	463,759,614
Current portion of long-term borrowings	4	222,112,622	214,976,250
Short-term lease liabilities	5	5,041,116	2,994,204
Trade payables			
<i>Trade payables to related parties</i>	6,24	10,837,447	5,456,478
<i>Trade payables to third parties</i>		187,679,709	446,534,424
Other payables			
<i>Other payables to related parties</i>	7,24	170,733,388	-
<i>Other payables to third parties</i>	7	381,359	-
Employee benefit payables	13	15,878,677	5,399,689
Short-term provisions			
<i>Provisions for employee benefits</i>	13	4,741,680	3,227,430
<i>Litigation provisions</i>	12	2,161,843	2,696,566
Current tax liabilities	23	-	13,469,234
Other current liabilities	14	6,726,787	3,119,373
Total Current Liabilities		626,294,628	1,161,633,262
Long-term borrowings	4	35,090,612	106,359,656
Long-term lease liabilities	5	750,373	1,899,569
Long-term provisions			
<i>Provisions for employee benefits</i>	13	7,071,382	6,356,586
Total Non-Current Liabilities		42,912,367	114,615,811
EQUITY			
Share capital	16	138,768,000	138,768,000
Adjustments to share capital	16	721,695,886	721,695,886
Share premium		1,117,779,236	1,117,779,236
Other comprehensive expenses not to be reclassified			
- Remeasurement losses of defined benefit plans	16	543,360	223,230
- Revaluation of property, plant and equipment	16	656,288,742	656,288,742
Other comprehensive losses to be reclassified under profit or losses			
- Cash flow hedge reserves	16	(81,616,002)	(149,742,001)
Restricted reserves separated from profit		160,550,382	-
Retained earnings		1,056,729,669	972,031,764
Net profit for the period		43,613,127	367,248,287
Total Equity		3,814,752,564	3,824,293,144
TOTAL LIABILITIES AND EQUITY		4,483, 959,559	5,100,542,217

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

(Convenience translation of financial statements originally issued in Turkish)

ATAKEY PATATES GIDA SANAYİ VE TİCARET A.Ş.

FOR THE ACCOUNTING PERIOD 1 JANUARY - 30 JUNE 2024 AND 2023 CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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

	Notes	1 January - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2024	1 April - 30 June 2023
Profit or loss					
Revenue	18	1,709,344,270	1,446,762,430	798,280,239	759,038,429
Cost of sales (-)	18	(1,445,713,651)	(1,122,751,394)	(666,216,628)	(572,669,792)
Gross profit		263,630,619	324,011,036	132,063,611	186,368,637
General administrative expenses (-)	19	(60,150,130)	(46,027,950)	(24,916,945)	(21,400,340)
Other operating income	20	27,680,920	36,760,895	8,736,231	29,575,224
Other operating expenses (-)	20	(99,977,172)	(102,962,303)	(69,820,705)	(67,336,563)
Operating profit		131,184,237	211,781,678	46,062,192	127,206,958
Income related to investing activities	21	178,544,543	28,274,834	75,669,082	22,065,333
Operating profit before financial expenses		309,728,780	240,056,512	121,731,274	149,272,291
Financial income	22	-	436,284	-	61,024
Financial expenses (-)	22	(113,045,833)	(212,063,999)	(66,886,875)	(158,222,413)
Monetary gain / (loss)		(108,800,514)	101,026,078	(36,133,936)	20,210,578
Earning / (Loss) before tax		87,882,433	129,454,875	18,710,463	11,321,480
Tax income /(loss)					
Tax income/(loss)	23	(16,409,773)	(88,865,726)	2,765,111	(22,949,278)
Deferred tax income/(loss)	23	(27,859,533)	(30,184,154)	16,280,672	47,834,285
Net profit for the year		43,613,127	10,404,995	37,756,246	36,206,487
Earning per share	17	0,31	0,09	0,27	0,31

(Convenience translation of financial statements originally issued in Turkish)

ATAKEY PATATES GIDA SANAYİ VE TİCARET A.Ş.

FOR THE ACCOUNTING PERIOD 1 JANUARY - 30 JUNE 2024 AND 2023 CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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

	1 January - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2024	1 April - 30 June 2023
Net profit for the year	43,613,127	10,404,995	37,756,245	36,206,488
Other comprehensive income/(loss)	68,846,293	(117,708,742)	48,823,653	(100,052,191)
Items that will not to be reclassified subsequently to profit or loss:				
Revaluation of defined benefit plans and measurement gains	400,163	570,629	(123,683)	115,142
Revaluation of defined benefit plans and measurement losses tax expense	(80,033)	(114,126)	24,737	(23,028)
Items that may be reclassified subsequently to profit or loss:				
Cash flow hedging losses	91,368,217	(147,706,557)	65,230,131	(125,180,381)
Cash flow hedging losses tax income	(22,842,054)	29,541,312	(16,307,532)	25,036,076
TOTAL COMPREHENSIVE INCOME/(LOSS)	112,059,420	(107,303,747)	86,579,899	(63,845,704)

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

(Convenience translation of financial statements originally issued in Turkish)

ATAKEY PATATES GIDA SANAYİ VE TİCARET A.Ş.

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

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

						Other comprehensive income / (expense) will be reclassified to <u>profit or loss</u>	Other comprehensive income / (expense) will not be <u>reclassified to profit or loss</u>				
	Notes	Share Capital	Adjustment to share capital	Restricted reserves separated from profit	Share premium (*)	Cash flow hedging losses	Remeasurement of defined benefit liabilities	Revaluation of Property, Plant and Equipment	Net income for the period(loss)	Retained earnings	Total
Balance at											
1 January 2024	16	138,768,000	721,695,886	-	1,117,779,236	(149,742,001)	223,230	656,288,742	367,248,287	972,031,764	3,824,293,144
<i>Profit for the year</i>		-	-	-	-	-	-	-	43,613,127	-	43,613,127
<i>Other comprehensive expense</i>		-	-	-	-	68,526,163	320,130	-	-	-	68,846,293
Total comprehensive profit		-	-	-	-	68,526,163	320,130	-	43,613,127	-	112,459,420
Transfer to legal reserves	-	-	-	160,550,382	-	-	-	-	-	(160,550,382)	-
Dividend shareholders		-	-	-	-	-	-	-	-	(122,000,000)	(122,000,000)
Transfers		-	-	-	-	-	-	-	(367,248,287)	367,248,287	-
Balance at											
30 June 2024	16	138,768,000	721,695,886	160,550,382	1,117,779,236	(81,215,838)	543,360	656,288,742	43,613,127	1,056,729,669	3,814,752,564
Balance at											
1 January 2023	16	117,600,000	709,688,182	-	-	(138,204,844)	184,699	278,836,539	1,153,190,626	(181,222,440)	1,940,072,762
<i>Profit for the year</i>		-	-	-	-	-	-	-	10,404,995	-	10,404,995
<i>Other comprehensive expense</i>		-	-	-	-	(118,165,245)	456,503	-	-	-	(117,708,742)
Total comprehensive profit		-	-	-	-	(118,165,245)	456,503	-	10,404,995	-	(107,303,747)
Transfers		-	-	-	-	-	-	-	(1,153,190,626)	1,153,190,626	-
Balance at											
30 June 2023	16	117,600,000	709,688,182	-	-	(256,370,089)	641,202	278,836,539	10,404,995	971,968,186	1,832,769,015

(Convenience translation of financial statements originally issued in Turkish)

ATAKEY PATATES GIDA SANAYİ VE TİCARET A.Ş.

CONDENSED STATEMENT OF CASH FLOWS

FOR THE ACCOUNTING PERIODS 1 JANUARY – 30 JUNE 2024 AND 2023

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

	Notes	1 January - 30 June 2024	1 January- 30 June 2023
Cash Flows From Operating Activities		223,066,720	171,080,085
Net profit for the period		43,613,127	10,404,995
Adjustments related to reconciliation of net profit/(loss) for the period		502,870,452	555,928,282
Depreciation and amortization expense	18	94,971,983	51,550,501
Adjustments for provisions			
provisions related to employee benefits	13	6,089,009	5,808,639
Adjustments related to interest income and expenses			
Interest income	22	(84,727,376)	(7,237,587)
Adjustments regarding participation fee income	22	(92,045,390)	-
Deferred financial expense			
arising from credit purchases	20	31,397,621	31,988,485
Unearned finance income			
arising from credit sales	20	(382,879)	(349,047)
Depreciation and amortization on leases	11	4,363,578	2,879,845
Interest (expense) on leases, net	5-22	337,869	521,944
Adjustments related to tax income	23	44,269,306	119,049,880
Unrealized exchange differences		92,972,046	153,758,446
Monetary gain		405,624,685	197,957,176
Changes in Working Capital		(292,377,348)	(318,670,311)
Adjustments related to (increase)/decrease in trade receivables			
Increase in due from related parties		(164,503,282)	2,242,859
Increase in trade receivables from third parties		(268,752,070)	(314,452,401)
Adjustments related to increase in other current assets		(33,302,309)	(66,652,670)
Increase in inventories		318,581,322	300,711,887
Decrease in prepaid expenses		(23,241,182)	(9,091,284)
Increase in due to related parties		7,096,129	21,475,784
Increase in trade payables to third parties		(186,992,337)	(174,923,898)
Adjustments related to deferred revenues		-	(172,726,746)
Increase / (decrease) in other liabilities		58,736,381	94,746,158
Cash Flows From Operations		(31,039,511)	(76,582,881)
Income taxes paid	23	(29,879,007)	(73,964,051)
Employee benefits paid	13	(1,145,471)	(2,618,830)
Litigation paid	13	(15,033)	-

The accompanying notes form an integral part of these condensed financial statements,,

(Convenience translation of financial statements originally issued in Turkish)

ATAKEY PATATES GIDA SANAYİ VE TİCARET A.Ş.

CONDENSED STATEMENT OF CASH FLOWS

FOR THE ACCOUNTING PERIODS 1 JANUARY – 30 JUNE 2024 AND 2023

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

	Notes	1 January - 30 June 2024	1 January - 30 June 2023
Cash Flows From Investing Activities		(46,395,428)	(34,839,953)
Cash outflows from purchase of property, plant and equipment	9	(44,738,141)	(42,077,540)
Cash outflows from purchase of intangible assets	10	(966,677)	-
Advances for tangible fixed assets		(177,463,376)	
Interest received	22	176,772,766	7,237,587
Cash Flows From Financing Activities		(454,447,500)	59,080,167
Cash inflows from loans	4	-	724,950,268
Cash outflows related to loan repayments	4	(425,799,827)	(626,080,942)
Interest paid	22	(25,808,591)	(36,777,963)
Payments for lease transactions	5	(2,501,213)	(2,489,251)
Payments for lease interests	22	(337,869)	(521,944)
THE EFFECT OF MONETARY LOSS ON CASH AND CASH EQUIVALENTS		(209,905,501)	(28,001,909)
NET CHANGE IN CASH AND CASH EQUIVALENTS		(487,681,709)	167,318,389
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		1,092,472,305	169,611,458
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		604,790,596	336,929,847

The accompanying notes form an integral part of these condensed financial statements,

(Convenience translation of financial statements originally issued in Turkish)

ATAKEY PATATES GIDA SANAYİ VE TİCARET A.Ş.

FOR THE ACCOUNTING PERIOD 1 JANUARY - 30 JUNE 2024

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

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

NOTE 1 – ORGANIZATION AND OPERATIONS OF THE COMPANY

Atakey Patates Gıda Sanayi ve Ticaret A.Ş, (“the Company”) was established on 21 September 2012, The company's main activity is to provide potato production and supply for TAB Gıda brands, related subsidiaries operating in China, and third parties,

TFI TAB Gıda Yatırımları A.Ş, has purchased the shares from Ozgorkey Food Products Ind, and Trade Inc., which held 50% of the Company's shares, on June 28, 2019, and as of December 31, 2019, it became the party that holds the main control with the Company's main partner,

Within the framework of the company's plans to go public; The Initial Public Offering (IPO) Prospectus was approved by the Capital Markets Board on July 13, 2023, As of the amount on July 13, 2023, the Company has carried out its IPO in Borsa Istanbul Inc, with a size of TL 1,114,848,000, at a price of TL 39,50 each, using the "Fixed Price Demand Collection Method" between the dates of July 19-21, 2023, As of July 27, 2023, the company's paid-in capital reached TL 138,768,000, The “B” Company shares that were offered to the public started trading on Borsa Istanbul Inc, “Yıldız Pazar” on July 27, 2023,

As at 30 June 2024 the average number of personnel employed during the year is 220 (31 December 2023: 229),

The address of the Company is Dikilitaş mah, Emirhan cad, No:109 Atakule K:11 Beşiktaş/İstanbul,

Approval of the financial statements

The financial statements have been approved by the Board of Directors and authorized for publication on September 2, 2024, The General Assembly and other regulatory bodies have the authority to amend and correct the financial statements,

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2,1 Basic Principles of Presentation

Principles of preparation of financial statements

The accompanying financial statements are prepared in accordance with the Communiqué Serial II, No:14,1, “Principles of Financial Reporting in Capital Markets” (“the Communiqué”) published in the Official Gazette numbered 28676 on 13 June 2013, According to the article 5 of the Communiqué, financial statements are prepared in accordance with Turkish Financial Reporting Standards (“TFRS”) and its addendum and interpretations (“IFRIC”) issued by Public Oversight Accounting and Auditing Standards Authority (“POA”) Turkish Accounting Standards Boards, The financial statements of the Company are prepared as per the CMB announcement of 4 October 2022 relating to financial statements presentations,

The Company complies with the principles and conditions issued by the CMB, the TTC, tax legislation, and the Uniform Chart of Accounts conditions issued by the Ministry of Finance in keeping its accounting records and preparing its statutory financial statements, However, the financial statements are based on the Company's statutory records and are expressed in TL, and have been arranged by reflecting the necessary corrections and classification, including those related to changes in the purchasing power of the TL, to present the Company's status in accordance with TFRS,

(Convenience translation of financial statements originally issued in Turkish)

ATAKEY PATATES GIDA SANAYİ VE TİCARET A.Ş.

FOR THE ACCOUNTING PERIOD 1 JANUARY - 30 JUNE 2024

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

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

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

2,1 Basic Principles of Presentation(cont'd)

Financial reporting in hyperinflationary economy

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

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

Financial statements and corresponding figures for previous periods have been restated for the changes in the general purchasing power of Turkish lira and, as a result, are expressed in terms of purchasing power of Turkish lira as of 31 December 2023 as per TAS 29,

On the application of TAS 29, the entity used the conversion coefficient derived from the Customer Price Indexes (CPI) published by Turkey Statistical Institute according to directions given by POA, The CPI for current and previous year periods and corresponding conversion factors since the time when the Turkish lira previously ceased to be considered currency of hyperinflationary economy, i.e., since 1 January 2005, were as follow:

Year end	Index
2005	122,65
2006	134,49
2007	145,77
2008	160,44
2009	170,91
2010	181,85
2011	200,85
2012	213,23
2013	229,01
2014	247,72
2015	269,54
2016	292,54
2017	327,41
2018	393,88
2019	440,50
2020	504,81
2021	686,95
2022	1,128,45
2023/06	1,351,59
2023	1,859,38
2024/03	2,139,47
2024/06	2,319,29

(Convenience translation of financial statements originally issued in Turkish)

ATAKEY PATATES GIDA SANAYİ VE TİCARET A.Ş.

FOR THE ACCOUNTING PERIOD 1 JANUARY - 30 JUNE 2024

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

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

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

2,1 Basic Principles of Presentation (cont'd)

Financial reporting in hyperinflationary economy (cont'd)

Assets and liabilities were separated into those that were monetary and non-monetary, with non-monetary items were further divided into those measured on either a current or historical basis to perform the required restatement of financial statements under TAS 29, Monetary items (other than index -linked monetary items) and non-monetary items carried at amounts current at the end of the reporting period were not restated because they are already expressed in terms of measuring unit as of 30 June 2024, Non-monetary items which are not expressed in terms of measuring unit as of 30 June 2024 were restated by applying the conversion factors, The restated amount of a non-monetary item was reduced, in accordance with appropriate TFRSs, in cases where it exceeds its recoverable amount or net realizable value, Components of shareholders' equity in the statement of financial position and all items in the statement of profit or loss and other comprehensive income have also been restated by applying the conversion factors,

Non-monetary items acquired or assumed before January 1, 2005, when the definition of the Turkish lira as the currency of a high-inflation economy was terminated, and equity that was put into operation or formed before this date are subject to adjustment according to the change in the CPI from January 1, 2005 to June 30, 2024,

The implementation of IAS 29 necessitated adjustments to the Net Monetary Position Gains (Losses) item in the profit or loss section of the profit or loss and other comprehensive income statement due to the decrease in the purchasing power of the Turkish lira, As long as the value of monetary assets or liabilities does not depend on changes in the index, the purchasing power of enterprises carrying monetary assets higher than monetary liabilities weakens during the inflation period, while the purchasing power of enterprises carrying a higher amount of monetary obligations than monetary assets increases, Net monetary position gain or loss is derived from the adjustment differences of non-monetary items, shareholders' equity, items in the profit or loss and other comprehensive income statement, and index-linked monetary assets and liabilities,

Functional and Reporting Currency

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

Comparative Information and Correction of Financial Statements from Previous Period

To identify trends in financial position and performance, the Company's financial statements are prepared with comparative data from the previous period, To ensure consistency with the presentation of current period financial statements, comparative information is reclassified when necessary, and significant differences are disclosed, No reclassifications or corrections relating to the comparative period have been made in the accompanying financial statements,

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

2,1 Basic Principles of Presentation (cont'd)

Offsetting

Financial assets and liabilities are offset, and the net amount 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,

2,2 Changes in Accounting Policies

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

2,3 Changes and Errors in Accounting Estimates

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

2,4 New and Revised Turkish Accounting Standards

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

a) The new standard, amendments and interpretations effective as of January 1, 2023,

Amendments to TAS 1 - Disclosure of Accounting Policies

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

The amendments did not have a significant impact on the financial position or performance of the Company,

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

2,4 New and Revised Turkish Accounting Standards (cont'd)

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

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

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

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

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

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

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

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

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

2,4 New and Revised Turkish Accounting Standards (cont'd)

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

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

The Company will wait until the final amendment to assess the impacts of the changes,

TFRS 17 - The new Standard for insurance contracts

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

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

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

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

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

2,5 Significant accounting policies

The interim condensed financial statements for the period ending 30 June 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting, The significant accounting policies used in the preparation of the interim condensed financial statements are consistent with those detailed in the financial statements as of 31 December 2023, Therefore, the interim financial statements should be read in conjunction with the financial statements for the year ended 31 December 2023,

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

2,6 Going Concern Assumption

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

NOTE 3 - CASH AND CASH EQUIVALENTS

	30 June 2024	31 December 2023
Cash on hand	22,118	9,315
Demand deposits at bank	4,930,136	3,146,843
Time deposits at bank	599,838,342	1,089,316,147
	604,790,596	1,092,472,305

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

Currency Type	Interest Rate (%)	Maturity	30 June 2024
TL	49,50%	5 July 2024	599,838,342
			599,838,342

Currency Type	Interest Rate (%)	Maturity	31 December 2023
TL	30% - 46,5%	29 March 2024	1,089,316,147
			1,089,316,147

NOTE 4 - BORROWINGS

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

	30 June 2024	31 December 2023
Short term bank borrowings	-	463,759,614
Current portion of long-term borrowings	222,112,622	214,976,250
Total short-term borrowings	222,112,622	678,735,864
Long-term bank borrowings	35,090,612	106,359,656
Total long-term borrowings	35,090,612	106,359,656
Total borrowings	257,203,234	785,095,520

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NOTE 4 – BORROWINGS (cont'd)

	30 June 2024	31 December 2023
To be paid within 1 year	222,112,622	678,735,864
To be paid between 1-2 years	23,852,152	80,891,707
To be paid between 2-3 years	11,238,460	25,467,949
	257,203,234	785,095,520

Details of the bank loans are as follows:

Currency Type	Weighted Average Effective Interest Rate	30 June 2024	
		Current	Non-current
EUR	8,9%	188,656,711	35,090,612
USD	10,5%	33,455,911	-
		222,112,622	35,090,612

Currency Type	Weighted Average Effective Interest Rate	31 December 2023	
		Current	Non-current
TRY	20,3%	73,678,223	-
EUR	6,9%	351,541,761	97,802,233
USD	8,3%	253,515,880	8,557,423
		678,735,864	106,359,656

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

	30 June 2024	30 June 2023
Opening balance as of 1 January	785,095,520	1,131,621,618
Purchases	-	724,950,268
Payments (-)	(425,799,827)	(626,080,942)
Exchange differences (Not 22)	92,972,046	153,758,446
Letter of guarantee commission payments (Note 22)	(2,580,199)	(12,032,925)
Cash flow hedging losses	(91,368,217)	147,706,557
Interest payments	(25,808,591)	(36,777,963)
Interest expense (Note 22)	15,612,266	45,710,121
Monetary loss	(90,919,764)	(120,335,833)
Closing balance at 30 June	257,203,234	1,408,519,346

As of June 30, 2024, the financial commitments in the loan agreement related to the loan with a maturity of February 7, 2025, amounting to TL 97,056,971, (EUR 2,757,951) are as follows:

(i) Max 3x Net Indebtedness / EBITDA ratio

(ii) Min 20% EBITDA Margin

As of June 30, 2024, and 2023, the Company is fulfilling all of its financial commitments under the loan agreement

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NOTE 5 - LEASE LIABILITIES

	30 June 2024	31 December 2023
Short-term lease liabilities	5,041,116	2,994,204
Total short-term lease liabilities	5,041,116	2,994,204
Long-term lease liabilities	750,373	1,899,569
Total long-term lease liabilities	750,373	1,899,569
Total lease liabilities	5,791,489	4,893,773

	30 June 2024	31 December 2023
To be paid within 1 year	5,041,116	2,994,204
To be paid between 1-2 years	750,373	1,770,439
To be paid between 2-5 years	-	129,130
	5,791,489	4,893,773

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

	30 June 2024	30 June 2023
Opening balance as of 1 January	4,893,773	6,677,161
Purchases	4,100,639	4,303,239
Payments (-)	(2,501,213)	(2,489,251)
Interest expense (Not 22)	337,869	521,944
Foreign exchange gains (Not 22)	-	(436,284)
Foreign exchange losses (Not 22)	312,017	-
Monetary gain	(1,351,596)	(1,229,821)
Closing balance at 30 June	5,791,489	7,346,987

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NOTE 6 - TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables and Notes Receivable

	30 June 2024	30 June 2023
Trade receivables	319,870,250	71,094,700
Trade receivables from related parties (Note 24)	293,773,397	179,552,854
Impairment provision for trade receivables (-)	(5,425,339)	(6,782,491)
	608,218,308	243,865,063

The average period for trade receivables, excluding related parties, is 46 days (December 31, 2023: 34 days), The average period for trade receivables from related parties is 47 days, (December 31, 2023: 52 days),

The movement table for the impairment provision related to trade receivables is as follows:

	30 June 2024	30 June 2023
Opening balance as of 1 January	(6,782,491)	(8,538,582)
Collected provisions	15,033	-
Monetary gain	1,342,119	1,409,673
	(5,425,339)	(7,128,909)

b) Trade Payables

	30 June 2024	31 December 2023
Trade payables	152,454,105	434,426,572
Trade payables to related parties (Note 25)	10,837,447	5,456,477
Accrued expenses	35,225,604	12,107,853
	198,517,156	451,990,902

The average term for trade payables, excluding related parties, is 95 days (December 31, 2023: 74 days), The average period for trade payables from related parties is 23 days,

Trade receivables and payables have been presented by discounting with the effective interest method, The effective interest rate of %43,90 (December 31, 2023: 37,22%) was based to determine the value of trade receivables and payables, The doubtful receivables provision allocated for trade receivables has been determined based on past non-collection experience,

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NOTE 7 – OTHER RECEIVABLES AND PAYABLES

a) Other Receivables

<u>Short-term other receivables</u>	30 June 2024	31 December 2023
Revenue accruals	1,637,625	2,042,685
	1,637,625	2,042,685
<u>Long-term other receivables</u>		
Other	1,476,056	1,841,153
	1,476,056	1,841,153

b) Other Payables

<u>Short-term other payables</u>	30 June 2024	31 December 2023
Other payables from related parties	170,733,388	-
Other payables from third parties (*)	381,359	-
	171,114,747	-

NOTE 8 - INVENTORIES

	30 June 2024	31 December 2023
Finished goods	458,211,315	814,451,850
Raw materials	122,719,487	462,159,157
Semi-finished goods	130,245,620	16,973,309
Trade goods	13,302,843	12,655,810
Other inventories	23,402	1,510,595
	724,502,667	1,307,750,721

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NOT 9 - PROPERTY, PLANT AND EQUIPMENT

	Lands	Land improvements	Buildings	Plant Machinery and Equipment	Vehicles	Furniture & Fixture	Construction in progress	Total
Cost:								
Opening balance as of 1 January 2024	527,687,184	80,322,463	802,176,812	1,757,445,596	21,283,296	84,584,830	1,807,205	3,275,307,386
Additions	-	1,972,348	1,408,439	23,815,806	8,938,896	1,086,988	7,515,664	44,738,141
Closing balance on 30 June 2024	527,687,184	82,294,811	803,585,251	1,781,261,402	30,222,192	85,671,818	9,322,869	3,320,045,527
Accumulated Depreciation:								
Opening balance as of 1 January 2024	-	(43,735,106)	(299,977,029)	(876,145,264)	(19,542,899)	(52,478,130)	-	(1,291,878,428)
Charge for the period	-	(6,047,384)	(9,118,356)	(76,770,304)	(1,249,178)	(1,543,350)	-	(94,728,572)
Closing balance on 30 June 2024	-	(49,782,490)	(309,095,385)	(952,915,568)	(20,792,077)	(54,021,480)	-	(1,386,607,000)
Net Book Value	527,687,184	32,512,321	494,489,866	828,345,834	9,430,115	31,650,338	9,322,869	1,933,438,527

Depreciation expenses amounting to TL 56,604,027 is included in cost of sales, TL 1,881,653 is included in general administrative expenses and TL 30,268,233 is included in other operating expenses,

As of June 30, 2024, there are no capitalized finance costs on fixed assets, (30 June 2023: None),

As of June 30, 2024, the net book value of the lands, plots, underground and above-ground arrangements, and buildings that are subject to mortgage related to the loans received is TL 1,054,689,371 (31 December 2023: 1,066,474,322)

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NOT 9 - PROPERTY, PLANT AND EQUIPMENT (cont’d)

	Lands	Land improvements	Buildings	Plant Machinery and Equipment	Vehicles	Furniture & Fixture	Construction in progress	Total
Cost:								
Opening balance as of 1 January 2023	319,112,271	72,502,170	640,083,293	1,528,093,941	20,599,760	80,293,436	1,361,123	2,662,045,994
Additions	-	-	1,276,549	35,687,622	449,248	3,449,549	1,214,572	42,077,540
Closing balance as of 30 June 2023	319,112,271	72,502,170	641,359,842	1,563,781,563	21,049,008	83,742,985	2,575,695	2,704,123,534
Accumulated Depreciation:								
Opening balance as of 1 January 2023	-	(35,110,312)	(231,198,085)	(702,486,603)	(18,798,051)	(49,644,247)	-	(1,037,237,298)
Charge for the period	-	(3,016,222)	(4,846,769)	(41,825,293)	(390,291)	(1,288,183)	-	(51,366,758)
Closing balance as of 30 June 2023	-	(38,126,534)	(236,044,854)	(744,311,896)	(19,188,342)	(50,932,430)	-	(1,088,604,056)
Net Book Value	319,112,271	34,375,636	405,314,988	819,469,667	1,860,666	32,810,555	2,575,695	1,615,519,478

Depreciation and write-off expenses of TL 35,988,468 have been included in the cost of sales, TL 1,661,372 in general administrative expenses, and TL 27,562,535 in other operating expenses

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

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

	Useful Life
Land improvements	5-50 years
Buildings	50 years
Machinery and equipment	2-21 years
Vehicles	5 years
Furniture & Fixture	2-20 years

The fair value measurements of the Company's tangible fixed assets

The Company has chosen the revaluation model from the application methods in TMS 16 in terms of showing the fair values of its land and plots, underground and above-ground arrangements, buildings, and plant machinery and equipment, The related assets have been revalued using the "comparable market method" and "cost method" as of December 31, 2023, and the works have been conducted by Kale Taşınmaz Değerleme A.Ş., a valuation company authorized by the Capital Markets Board, The fair values, determined in these valuations, of the land and plots, underground and above-ground arrangements, buildings, and plant machinery and equipment have been reflected in the financial statements dated December 31, 2023,

Tangible Fixed Assets	Valuation Techniques	Significant unobservable input	Sensitivity
Lands	Market Approach Method	Valuation experts have used price adjustments per square meter based on the most recent transactions, taking into account the characteristics of the spaces subject to the valuation,	The decision by valuation experts to make corrections affects the fair value of the property, A significant increase in the price per square meter of land will result in a significant increase or decrease in the fair value,
Buildings, Land improvements	Cost Approach	Estimates by valuation experts and past experiences related to the cost of rebuilding the buildings and the depreciation rates used in the valuation have been used,	The decision by the valuation experts, based on past experience, influences the fair value of the real estate, An increase in the reconstruction cost will result in an increase in the fair value,
Machinery, Equipment and Installations	Cost Approach	In the appraisal, estimates by the valuation expert and depreciation rates have been used,	The decision of the valuation expert, based on past experiences, impacts the fair value of plant, machinery and equipment, A change in the foreign currency and inflation index will lead to an increase or decrease in the fair value,

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NOT 10 - INTANGIBLE ASSETS

	Rights, Licenses and Computer Software	
	30 June 2024	30 June 2023
Cost:		
Opening balance as of 1 January 2023	6,644,871	6,181,465
Additions	966,677	-
Closing balance as of 30 June	7,611,548	6,181,465
Accumulated Amortization:		
Opening balance as of 1 January	(5,350,544)	(4,983,058)
Charge for period	(243,411)	(183,743)
Closing balance as of 30 June	(5,593,955)	(5,166,801)
Net Book Value	2,017,593	1,014,664

Depreciation expenses of intangible fixed assets of TL 145,822 (30 June 2023: TL 92,713) have been included in the cost of goods sold, TL 4,847 of general administrative expense (30 June 2023: TL 4,280) and TL 92,741 (30 June 2023: TL 86,750) included in other expenses from main activities,

The economic life of rights is 15 years, and for computer software and licenses, it is 3 years, Intangible fixed asset items have been depreciated in a manner consistent with useful life using the straight-line depreciation method,

NOTE 11 - RIGHT OF USE ASSETS

	Vehicles	Total
Cost:		
Opening balance as of 1 January 2024	16,588,932	16,588,932
Additions	4,110,639	4,110,639
Disposals	(7,618,278)	(7,618,278)
Closing balance as of 30 June 2024	13,071,293	13,071,293
Accumulated Amortization:		
Opening balance as of 1 January 2024	(8,660,815)	(8,660,815)
Charge of period	(4,363,578)	(4,363,578)
Disposals	7,618,278	7,618,278
Closing balance as of 30 June 2024	(5,406,115)	(5,406,115)
Net Book Value	7,665,178	7,665,178

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

	Vehicles	Total
Cost:		
Opening balance as of 1 January 2023	14,082,181	14,082,181
Additions	4,330,232	4,330,232
Disposals	(1,932,751)	(1,932,751)
Closing balance as of 30 June 2023	16,479,662	16,479,662
Accumulated Amortization:		
Opening balance as of 1 January 2023	(5,726,140)	(5,726,140)
Charge for the period	(2,879,845)	(2,879,845)
Disposals	1,932,750	1,932,750
Closing balance as of 30 June 2023	(6,673,235)	(6,673,235)
Net Book Value	9,806,427	9,806,427

The average term for vehicle lease agreements is 32 months,

Accounted for in profit or loss	1 January - 30 June 2024	1 January - 30 June 2023
Depreciation expense on right-of use assets	4,363,578	2,879,845
Interest expense on lease liabilities	337,869	521,944
Foreign exchange gain on lease liabilities (net)	312,017	436,284
Expenses related to variable lease payments not included in the measurement of lease liabilities	4,129,798	2,475,981
Total	9,143,262	5,441,486

	1 January - 30 June 2024	1 January - 30 June 2023
Fixed payments	2,501,213	2,489,251
Variable payments	4,129,798	2,475,981
Total	6,631,011	4,965,232

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NOTE 12 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a) Litigation provisions:

	30 June 2024	31 December 2023
Litigation provisions	2,161,843	2,696,566
	2,161,843	2,696,566

b) Guarantees, pledges and mortgages:

30 June 2024

GPMs given by the Company (Guarantees – Pledges – Mortgages)	Total TL Equivalents	USD	EUR	TL
A, Given in the Name of Its Own				
Legal Entity Total amount of GPMs	2,082,874,436	9,358,000	46,806,185	131,261,663
-Guarantees	448,820,840	2,358,000	6,806,185	131,261,663
-Mortgage	1,635,053,596	7,000,000	40,000,000	-
B, Included in the scope of full consolidation				
Given in favor of included companies				
GPM's given Total Amount	-	-	-	-
C, Total amount of GPMs given in order to ensure the debts of other third parties for the purpose of carrying out ordinary trade activities	-	-	-	-
D, Total amount of other GPMs given	-	-	-	-
Total	2,082,874,436	9,358,000	46,806,185	131,261,663

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NOTE 12 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

31 December 2023

GPMs given by the Company (Guarantees – Pledges – Mortgages)	Total TL Equivalents	USD	EUR	TL
A, , Given in the Name of Its Own				
Legal Entity Total amount of GPMs	2,786,325,899	15,108,000	50,662,451	173,103,907
-Guarantees	904,051,764	8,108,000	10,662,451	173,103,907
-Mortgages	1,882,274,135	7,000,000	40,000,000	-
B, Included in the scope of full consolidation				
Given in favor of included companies				
GPM's given Total Amount	-	-	-	-
C, Total amount of GPMs given in order to ensure the debts of other third parties for the purpose of carrying out ordinary trade activities	-	-	-	-
D, Total amount of other GPMs given	-	-	-	-
Total	2,786,325,899	15,108,000	50,662,451	173,103,907

NOTE 13 – EMPLOYEE BENEFITS

a) Provisions related to employee benefits:

	30 June 2024	31 December 2023
Social security premiums payable	5,263,129	5,013,233
Payables to personnel	10,615,548	386,456
	15,878,677	5,399,689

b) Provisions:

	30 June 2024	31 December 2023
Unused vacation provision	4,741,680	3,227,430
Retirement pay provision	7,071,382	6,356,586
	11,813,062	9,584,016

c) Unused vacation provision:

	2024	2023
Opening balance as of 1 January	3,227,430	2,390,409
Increase during the period	3,047,178	2,122,447
Paid during the period (-)	(681,893)	(1,022,642)
Monetary gain	(851,035)	(475,159)
Closing balance at 30 June	4,741,680	3,015,055

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NOTE 13 – EMPLOYEE BENEFITS (cont'd)

d) Retirement pay provision:

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

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

The principal assumption is that the maximum liability for each year of service will increase in line with inflation, Accordingly, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation, Therefore, provisions in the accompanying financial statements as at 30 June 2024 are calculated by estimating the present value of the future probable liabilities of the Company arising from the retirement of the employees, The provisions at the respective reporting dates have been calculated assuming an annual inflation rate of 20,82% and an interest rate of 25,05%, resulting in a real discount rate of approximately 3,50% (31 December 2023: 3,50%), Voluntary termination rates are also taken into consideration as 10,04% for employees with 0-15 years of service and 0% for employees with 16 or more years of service, The maximum amount of TL 35,058,58 effective from 1 April 2023 has been taken into consideration in the calculation of the Company's provision for employment termination benefits (1 April 2023: TL 19,982,83),

	2024	2023
Opening balance as of 1 January	6,356,586	5,842,634
Service cost	2,944,150	3,594,892
Interest cost	97,681	91,300
Actuarial gain	(400,163)	(570,629)
Retirements benefits paid (-)	(463,578)	(1,596,188)
Monetary gain	(1,463,294)	(1,091,791)
Closing balance as of 30 June	7,071,382	6,270,218

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NOTE 14 - OTHER ASSETS AND LIABILITIES

<u>Other Current Assets</u>	30 June 2024	31 December 2023
VAT carried forward	151,701,098	153,457,800
Other	974,450	29,475
	152,675,548	153,487,275

<u>Other Short-Term Liabilities</u>	30 June 2024	31 December 2023
Taxes and funds payable	6,726,787	3,119,373
	6,726,787	3,119,373

NOTE 15 - PREPAID EXPENSES AND CONTRACT LIABILITIES

<u>Short-Term Prepaid Expenses</u>	30 June 2024	31 December 2023
Prepaid expenses	-	2,005,428
Order advances given	29,273,289	4,214,620
Business advances given	214,818	26,877
	29,488,107	6,246,925

<u>Long-Term Prepaid Expenses</u>	30 June 2024	31 December 2023
Prepaid expenses	177,463,376	-
	177,463,376	-

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NOTE 16 - Equity

a) Equity:

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

	30 June 2024		31 December 2023	
	Share (%)	TL	Share (%)	TL
TFI TAB Gıda Yatırımları A.Ş.,	79,7	110,544,000	79,7	110,544,000
Publicly traded	20,3	28,224,00	20,3	28,224,000
Nominal Capital	100	138,768,000	100	138,768,000
Inflation adjustment		721,695,886		721,695,886
Adjusted Capital		860,463,886		860,463,886

The Company’s authorized and issued share capital consists of 138,768,000 shares, each with a registered nominal value of Turkish Lira 1,

b) Legal Reserves

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

c) Analyses of Other Comprehensive Income Items

As of 30 June 2024 and 31 December 2023, revaluation measurement gains in accordance with TAS 16 and all actuarial gains and losses calculated in accordance with TAS 19, which are recognized in other comprehensive income, net of deferred tax effect are as follows:

<u>Not to be reclassified to profit or loss</u>	30 June 2024	31 December 2023
Gain on revaluation and measurement	656,288,742	656,288,742
Loss on remeasurement of defined benefit plans	543,360	223,230
	656,832,102	656,511,972
<u>To be reclassified to profit or loss</u>	30 June 2024	31 December 2023
Cash flow hedging losses	(81,215,838)	(149,742,001)
	(81,215,838)	(149,742,001)

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NOTE 17 – SHARE BASED PAYMENTS

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

	1 January - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2024	1 April - 30 June 2023
Net profit attributable to equity holders of the parent company	43,613,127	10,404,995	37,756,245	36,206,488
Weighted average number of shares outstanding during the period	138,768,000	117,600,000	138,768,000	117,600,000
Earnings per share	0,31	0,09	0,27	0,31

NOTE 18 – REVENUE AND COST OF SALES

	1 January - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2024	1 April - 30 June 2023
Sales	1,718,365,011	1,457,522,138	803,017,438	762,547,729
Sales return (-)	(9,020,741)	(10,759,708)	(4,737,199)	(3,509,300)
	1,709,344,270	1,446,762,430	798,280,239	759,038,429

	1 January - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2024	1 April - 30 June 2023
Sales in Turkey	1,392,786,104	1,344,026,348	749,617,940	704,420,903
Export sales	316,558,166	102,736,082	48,662,299	54,617,526
	1,709,344,270	1,446,762,430	798,280,239	759,038,429

b) Cost of sales

	1 January - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2024	1 April - 30 June 2023
Raw materials	(1,179,640,283)	(928,269,382)	(601,734,774)	(517,189,843)
General production expenses	(89,751,594)	(93,413,071)	(15,233,382)	(13,173,742)
Personnel expenses	(63,982,144)	(35,626,205)	(29,287,516)	(10,445,649)
Amortization expenses	(56,749,849)	(36,081,181)	(6,024,224)	(14,073,304)
Transportation expenses	(41,166,221)	(21,661,044)	(7,226,632)	(13,340,308)
Depreciation and redemption shares from leasing transactions	(4,072,657)	(2,721,354)	(2,616,300)	(1,426,791)
Rent expenses	(3,929,049)	(1,441,871)	(1,601,311)	(1,027,153)
Insurance expenses	(3,625,177)	(1,433,090)	(1,392,297)	(736,550)
Maintenance and repair expenses	(1,248,738)	(628,409)	(542,122)	(254,992)
Fuel expenses	(1,123,260)	(596,254)	(296,993)	(255,112)
Stamp, fee and other tax expenses	(424,679)	(879,533)	(261,077)	(746,348)
	(1,445,713,651)	(1,122,751,394)	(666,216,628)	(572,669,792)

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NOTE 19 – GENERAL ADMINISTRATION EXPENSES

a) General administrative expenses

	1 January - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2024	1 April - 30 June 2023
Financial and legal consultancy expenses	(28,952,252)	(22,595,579)	(12,211,324)	(9,112,240)
Personnel expenses	(21,011,812)	(13,934,636)	(10,009,165)	(7,926,651)
Insurance expenses	(2,509,529)	(1,426,195)	(407,154)	(50,783)
Depreciation and amortization expenses (Note: 9; 10)	(1,886,500)	(825,705)	405,691	(436,954)
Office and general expenses	(1,420,761)	(2,095,143)	(616,474)	(851,288)
Electricity and fuel expenses	(940,016)	(1,036,224)	(420,597)	(274,291)
Depreciation expenses from leasing operations	(263,661)	(168,035)	(138,575)	(81,048)
Stamp, fee and other tax expenses	(258,708)	(765,339)	(122,380)	(651,326)
Rent expenses	(200,749)	(1,034,110)	(97,158)	(953,569)
Maintenance and repair expenses	(124,218)	(200,010)	(61,229)	(118,052)
Other	(2,581,924)	(1,946,974)	(1,238,580)	(944,138)
	(60,150,130)	(46,027,950)	(24,916,945)	(21,400,340)

NOTE 20 – OTHER OPERATING INCOME AND EXPENSES

	1 January - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2024	1 April - 30 June 2023
Foreign exchange gain from trade receivables	23,083,830	28,760,653	6,658,177	23,735,229
Government incentives for export	1,449,654	2,051,041	770,685	1,646,581
Rediscount income	382,879	349,047	(150,357)	106,913
Other	2,764,557	5,600,154	1,457,726	4,086,501
	27,680,920	36,760,895	8,736,231	29,575,224

b) Other operating expense

	1 January - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2024	1 April - 30 June 2023
Rediscount expense	(31,397,621)	(31,988,485)	(16,103,210)	(18,762,731)
Non-operating part depreciation expense	(30,360,974)	(27,649,285)	(30,360,974)	(18,872,670)
Non-operating part expense	(18,771,560)	(29,078,478)	(18,771,560)	(20,406,797)
Foreign exchange losses from trade payables	(18,385,071)	(13,128,241)	(3,908,015)	(8,405,257)
Other	(1,076,711)	(1,117,815)	(676,946)	(889,108)
	(99,977,172)	(102,962,303)	(69,820,705)	(67,336,563)

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NOTE 21 – INCOME AND EXPENSES FROM INVESTING ACTIVITIES

a) Income from investing activities

	1 January - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2024	1 April - 30 June 2023
Interest income	84,727,376	21,037,247	51,724,446	16,000,133
Participation share revenue	92,045,390	7,237,587	23,857,466	7,237,587
Foreign exchange gains related to investing activities	1,771,777	-	87,170	(1,172,387)
	178,544,543	28,274,834	75,669,082	22,065,333

NOTE 22 – FINANCE INCOME AND FINANCE EXPENSES

a) Finance income

	1 January - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2024	1 April - 30 June 2023
Foreign exchange losses related to investing activities (Note 5)	-	436,284	-	61,024
	-	436,284	-	61,024

b) Finance expense

	1 January - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2024	1 April - 30 June 2023
Foreign exchange losses from financial liabilities (Note 4)	(92,972,046)	(153,758,446)	(57,511,301)	(139,959,778)
Interest expense (Note 4)	(15,612,266)	(45,710,121)	(7,502,237)	(12,015,715)
Letter of guarantee commissions expenses	(2,580,199)	(12,032,925)	(900,344)	(5,950,359)
Exchange difference expenses related to lease obligations	(337,869)	(521,944)	(166,648)	(272,257)
Interest expenses on lease obligations (Note 5)	(312,017)	-	(63,090)	-
Other	(1,231,436)	(40,563)	(743,255)	(24,304)
	(113,045,833)	(212,063,999)	(66,886,875)	(158,222,413)

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

	1 January - 30 June 2024	1 January - 30 June 2023	1 April - 30 June 2024	1 April - 30 June 2023
Current tax income	(16,409,773)	(88,865,726)	2,765,111	(22,949,278)
Deferred tax income	(27,859,533)	(30,184,154)	16,280,672	47,834,285
	(44,269,306)	(119,049,880)	19,045,783	24,885,007

Corporate Tax

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

The corporate tax to be accrued on the taxable corporate income is calculated based on the remaining tax base after adding non-deductible expenses to the taxable base, which is determined by deducting expenses written for commercial gain, and then subtracting dividends received from resident companies, exempt income and investment deductions used,

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

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

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

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

	30 June 2024	31 December 2023
Provision for current period corporate tax	16,409,773	41,992,292
Earthquake tax	-	54,829,880
Tax arising from legal indexation	-	21,885,512
Less: Prepaid taxes and funds	(16,409,773)	(105,238,450)
Tax liability for current period	-	13,469,234

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

Income withholding tax

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

Deferred tax

The Company recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported under POA Financial Reporting Standards and its statutory tax financial statements,

The tax rate used in the calculation of deferred tax assets and liabilities is 25%, As of January 1, 2023, 25% has been used on temporary differences expected to reverse,

The deferred tax asset and liabilities consist of the following:

	30 June 2024	31 December 2023
Investment incentives	(139,021,288)	(185,126,054)
Revaluation and depreciation differences of tangible fixed assets / amortization differences of intangible assets	(114,164,799)	(134,947,973)
Provision for doubtful receivables	(1,356,335)	(1,695,623)
Provision for employment termination benefit	(1,767,845)	(1,589,146)
Provision for unused vacation	(1,185,420)	(806,857)
Trade receivables / payables rediscount (net)	11,938,131	6,301,522
Inventory adjustment	16,942,526	22,349,937
Non-operating part expense	(2,898,702)	-
Other	(1,518,651)	(266,173)
	(233,032,383)	(295,780,367)

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

	2024	2023
Opening balance as of 1 January	(295,780,367)	(324,439,270)
Accounted for in the income statement	27,859,533	30,184,154
Accounted under equity	22,922,087	(5,176,422)
Monetary gain/loss	11,966,364	(642,691)
Closing balance on 30 June	(233,032,383)	(300,074,229)

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NOTE 24 – RELATED PARTY DISCLOSURES

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

- (1) Sales to related parties: The Company sells potato products to Fasdat and Pangea Foods, which are related parties,
- (2) Sales to related parties: The company sells potato waste, which can be used as animal feed and is generated during production, to Atasancak and Ekur Et, which are related parties,
- (3) Purchases from related parties: The company purchases management consulting services from TFI TAB Food Investments Co,

Balances due from and due to related parties will be settled in cash and no collateral has been taken or given, No doubtful receivables allowance expense has been set aside for the current year for receivables from related parties,

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FOR THE ACCOUNTING PERIOD 1 JANUARY – 30 JUNE 2024

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

NOTE 24 – RELATED PARTY DISCLOSURES (cont’d)

30 June 2024	Trade Receivables Current	Trade Payables Current	Other Payables Current	Deferred Income
Balances with related parties				
<i>Main shareholder</i>				
TFI TAB Gıda Yatırımları A,Ş,	-	(9,605,558)	(95,686,529)	-
<i>Other related parties</i>				
Pangea Foods (China) Holdings Ltd,	291,789,961	-	-	-
Fasdat Gıda Dağıtım San, ve Tic A,Ş,	-	(11,064)	(50,616,256)	-
Atasancak Acıpayam Tarım İşletmesi San, ve Tic, A,Ş,	666,133	-	-	-
Ekur Et Entegre San, ve Tic, A,Ş,	1,143,563	-	-	-
Ekur İnşaat San,Tic,A,Ş, -	173,740	(205,142)	-	-
Atp Ticari Bilgi, Elk, Güç Kaynakları A,Ş,	-	(796,288)	-	-
Arbeta Turizm Org,ve Tic, A,Ş,	-	(219,394)	-	-
Other	-	-	(24,430,623)	-
	293,773,397	(10,837,447)	(170,733,388)	-
31 December 2023	Trade Receivables Current	Trade Payables Current	Other Payables Current	Deferred Income
Balances with related parties				
<i>Main shareholder</i>				
TFI TAB Gıda Yatırımları A,Ş,	-	(4,862,708)	-	-
<i>Other related parties</i>				
Fasdat Gıda Dağıtım San, ve Tic A,Ş,	4,699,074	-	-	-
Pangea Foods (China) Holdings Ltd,	169,645,587	-	-	-
Atasancak Acıpayam Tarım İşletmesi San, ve Tic, A,Ş,	3,020,578	-	-	-
Ekur Et Entegre San, ve Tic, A,Ş,	2,187,615	-	-	-
Atp Ticari Bilgi, Elk, Güç Kaynakları A,Ş,	-	(458,620)	-	-
Arbeta Turizm Org,ve Tic, A,Ş,	-	(135,150)	-	-
	179,552,854	(5,456,478)	-	-

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NOTE 24 – RELATED PARTY DISCLOSURES (cont’d)

30 June 2024

Transaction with related parties	Purchase	Sales	Finance Expense
<i>Main shareholder</i>			
TFI TAB Gıda Yatırımları A,Ş,	(23,737,644)	-	-
<i>Other related parties</i>			
Fasdat Gıda Dağıtım San, ve Tic A,Ş,	(38,342,343)	914,071,737	-
Pangea Foods (China) Holdings Ltd,	-	347,570,122	-
Ekur Et Entegre San, ve Tic, A,Ş,	(1,273,754)	845,851	-
Ekur İnşaat San,Tic,A,Ş,	(319,455)	-	-
Atp Ticari Bilgi,Elk,Güç Kaynakları A,Ş,	(815,090)	-	-
Arbeta Turizm Org,ve Tic,A,Ş,	(336,614)	-	-
Atasancak Acıpayam Tarım İşletmesi San, ve Tic, A,Ş,	-	6,137,971	(410,321)
Mes Mutfak Ekip,San,ve Serv,Hiz,Tic,A,Ş,	(5,243)	-	-
Ata Yatırım Menkul Kıymetler A,Ş,	-	10,537,155	-
	(64,830,143)	1,279,162,836	(410,321)

30 June 2023

Transaction with related parties	Purchase	Sales	Other Revenue
<i>Main shareholder</i>			
TFI TAB Gıda Yatırımları A,Ş,	(19,018,586)	-	-
<i>Other related parties</i>			
Fasdat Gıda Dağıtım San, ve Tic A,Ş,	-	947,994,382	54,157
Pangea Foods (China) Holdings Ltd,	-	103,495,697	-
Ekur Et Entegre San, ve Tic, A,Ş,	-	665,688	-
Ekur İnşaat San,Tic, A,Ş,	(178,933)	-	-
Atp Yazılım ve Teknoloji A,Ş,	(277,637)	-	-
Arbeta Turizm Org,ve Tic,A,Ş,	(74,226)	11,881	-
Atasancak Acıpayam Tarım İşletmesi San, ve Tic, A,Ş,	-	6,166,997	-
	(19,549,382)	1,058,334,645	54,15

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NOTE 24 – RELATED PARTY DISCLOSURES (cont’d)

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

	1 January - 30 June 2024	1 January - 30 June 2023
Salaries and other short-term benefits	4,319,431	2,144,935
	4,319,431	2,144,935

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

NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

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

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

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

a) Capital risk management

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

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

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

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

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

	30 June 2024	31 December 2023
Total borrowings	257,203,234	785,095,520
Less: Cash and cash equivalents	604,790,596	1,092,472,305
Net debt	(347,587,362)	(307,376,785)
Total equity	3,814,752,564	3,824,293,145

b) Financial risk factors

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

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

b,1) Credit risk management

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

b,2) Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of credit transactions, and the ability to close out market positions, Liquidity risk is the risk of the Company not being able to meet its net funding requirements, Liquidity risk is managed through the inflow and outflow of cash, balanced within the predetermined credit limits with credit institutions, The maturity analysis of financial liabilities has been disclosed, considering the duration from the balance sheet date to the maturity date,

b,3) Market risk management

Due to the Company's operations, it is exposed to financial risks related to changes in foreign exchange rates (b,3,1), interest rates (b,3,2), and price risk (b,3,3), The Company's policy against these market risks is to assess potential losses that could occur and their effects and to reduce the Company's market risks, The general risk management plan of the Company aims to focus on the uncertainty of financial markets and to minimize potential negative impacts on the Company's financial performance, The Company's management constantly evaluates the fluctuations in exchange rates and interest rat

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

b,4) Foreign currency risk management

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

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

	30 June 2024		
	Total TL equivalent	USD	EUR
1, Trade Receivables	291,797,602	-	8,306,601
2a, Monetary Financial Assets	-	-	-
2b, Non-Monetary Financial Assets	172,056	1,025	3,940
3, Other	-	-	-
4, Current Assets	291,969,658	1,025	8,310,541
5, Trade Receivables	-	-	-
6a, Monetary Financial Assets	-	-	-
6b, Non-Monetary Financial Assets	-	-	-
7, Other	-	-	-
8, Non-Current assets	-	-	-
9, Total Assets (4+8)	291,969,658	1,025	8,310,541
10, Trade Payables	55,608,226	1,584,368	98,938
11, Financial Liabilities	222,112,622	1,016,869	5,361,927
12a, Other Monetary Liabilities	-	-	-
12b, Other Non-Monetary Liabilities	-	-	-
13, Short Term Liabilities	277,720,848	2,601,237	3,754,493
14, Trade Payables	-	-	-
15, Financial Liabilities	35,090,614	-	997,332
16a, Other Monetary Liabilities	-	-	-
16b, Other Non-Monetary Liabilities	-	-	-
17, Long Term Liabilities	35,090,614	-	997,332
18, Total Liabilities (13+17)	312,811,462	2,601,237	6,458,197
19, Amounts Subject to Cash Flow Hedging Accounting	160,008,691	-	4,547,704
20, Net Foreign Exchange Asset / Liability Position After Cash Flow Hedging Accounting (9-18+19)	139,166,887	(2,600,212)	6,400,049
21, Net Monetary Items Foreign Exchange Asset / Liability Position (9-18)	(20,841,804)	(2,600,212)	1,852,345

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

	31 December 2023		
	Total TL equivalent	USD	EUR
1, Trade Receivables	169,652,905	-	4,175,463
2a, Monetary Financial Assets	155,020	1,039	2,876
2b, Non-Monetary Financial Assets	1,947,781	-	47,938
3, Other	-	-	-
4, Current Assets	171,755,706	1,039	4,226,278
5, Trade Receivables	-	-	-
6a, Monetary Financial Assets	-	-	-
6b, Non-Monetary Financial Assets	-	-	-
7, Other	-	-	-
8, Non-Current Assets	-	-	-
9, Total Assets (4+8)	171,755,706	1,039	4,226,278
10, Trade Payables	128,983,605	3,344,114	12,335,139
11, Financial Liabilities	605,057,641	6,904,099	8,652,075
12a, Other Monetary Liabilities	-	-	-
12b, Other Non-Monetary Liabilities	-	-	-
13, Short Term Liabilities	734,041,246	10,248,213	8,804,398
14, Trade Payables	-	-	-
15, Financial Liabilities	106,359,658	233,048	2,407,089
16a, Other Monetary Liabilities	-	-	-
16b, Other Non-Monetary	-	-	-
17, Long Term Liabilities	106,359,658	233,048	2,407,089
18, Total Liabilities (13+17)	840,400,904	10,481,261	11,211,486
19, Amounts Subject to Cash Flow Hedging Accounting	449,766,125	-	11,069,553
20, Cash Flow Hedging After Net Foreign Exchange Currency Asset/Liability Position (9-18+19)	(218,879,073)	(10,480,222)	4,084,345
21, Net Monetary Items Foreign Exchange Asset /Liability Position (9-18)	(670,592,979)	(10,480,222)	(7,033,147)

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NOTE 26 - SUBSEQUENT EVENTS

As announced on January 16, 2024, work has commenced on the construction of the Coated Products Production Facility and Onion Storage. Additionally, an investment incentive has been granted by the Ministry of Industry and Technology of the Republic of Turkey. Under the relevant investment and incentive certificate, a loan agreement for 5 million euros was signed on July 19, 2024,

Atakey decided at the Annual General Assembly Meeting held on June 14, 2024, to distribute a total of TL 122,000,000 from the net profit for the year 2023, with the entire amount to be distributed in cash. The dividend distribution began on July 8, 2024,

The collective bargaining negotiations between Atakey and the TEKGIDA-İŞ Union were concluded with an agreement on July 18, 2024, resulting in the signing of a collective bargaining agreement between Atakey and TEKGIDA-İŞ Union. As a result of the agreement, the strike decision was withdrawn, and provisions were made in accordance with the contract,