ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.
AND ITS SUBSIDIARIES

CONVENIENCE TRANSLATION TO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 TOGETHER WITH THE INDEPENDENT AUDITORS REPORT (ORIGINALLY ISSUED IN TURKISH)

11 March 2025

This report includes 7 page independent auditor reports and 66 page consolidated financial statements and related financial statements with open consolidated footnotes.

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.
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CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT (ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Anel Elektrik Proje Taahhüt ve Ticaret A.Ş.

Audit of the Consolidated Financial Statements

1) Opinion

We have audited the consolidated financial statements of Anel Elektrik Proje Taahhüt ve Ticaret A.Ş. and its subsidiaries ("Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2) Basis for Opinion

The independent audit we conducted was conducted in accordance with the Independent Auditing Standards ("ISAs"), which are part of the Turkish Auditing Standards accepted within the framework of the Capital Markets Board ("CMB") regulations and published by the Public Oversight, Accounting and Auditing Standards Authority ("POA"). Our responsibilities within the scope of these standards are explained in detail in the Independent Auditor's Responsibilities Regarding the Independent Audit of Consolidated Financial Statements section of our report. We declare that we are independent from the Group in accordance with the Ethical Rules for Independent Auditors (Including Independence Standards) ("Ethical Rules") published by POA and the ethical principles included in the CMB legislation and other relevant legislation regarding the independent audit of consolidated financial statements. We have also fulfilled other responsibilities related to ethics within the scope of the Ethical Rules and legislation. We believe that the independent audit evidence we obtained during the independent audit provides a sufficient and appropriate basis for forming our opinion.

3) Emphasis of matters

As explained in Note 2.1 and Note 15, the ongoing arbitration process between the project employer TAV-CCC-Arabtec JV ("TCA JV") and the electrical works of Abu Dhabi International Airport undertaken by the Group's subsidiary Anel Emirates General Contracting Sole Proprietorship l. LLC ("Anel Emirates") established in the United Arab Emirates was concluded in August 2024.

As a result of the evaluation made by the arbitration council, the claims demanded by Anel Emirates were accepted, however, the council, which also considered the claims of the other party, decided the result as AED 197.8 million against Anel Emirates as a result of the clarification of the accounts. Regarding the special case announcement dated 23 September 23; The Group has appealed the arbitration decision against the decision of the Abu Dhabi Commercial Conciliation and Arbitration Center regarding the arbitration process, with the Judicial Department of the Abu Dhabi Commercial Court.

The Group has evaluated its best available information and estimates within the scope of TAS 9 “Financial Instruments” and TAS 37 “Provisions, Contingent Liabilities and Contingent Assets” Standards together with project managers and legal advisors as a result of the evaluation it has made as of 31 December 2024. As a result of this evaluation, it was evaluated that there were material errors in the amounts stated in the decision and these amounts were requested to be corrected in the documents submitted to the court. The Group, taking into account the current carried forward amounts, has recognized an expense of USD 30,962,094 (TRY Equivalents:1,154,912,664) under Other Expenses after deducting the net of receivables of USD 77,578,799 accounted as “Non-current Assets Arising from Ongoing Construction and Contracting Works” and advance balances of USD 26,599,502 accounted as Deferred Revenues and USD 73,924,325, which is considered as a material error from the provision amount of USD 53,907,122 decided against the Group as a result of arbitration and is expected to be corrected as a result of the objection. In the consolidated financial statements dated 31 December 2024, regarding this process, USD 20,017,204 (TRY Equivalents: 706,212,962) has been recognized as “Non-current Assets Arising from Ongoing Construction and Contracting Works”. However, this matter does not affect the opinion given by us.

4) Going Concern

As explained in Note 2.1, the Group's consolidated financial statements for the accounting period ending on 31 December 2024 have been prepared in accordance with the "Going Concern Assumption" principle. Due to the ongoing arbitration process stated in the Emphasis of Matters section of our report and in Notes 2.1 and 15 of the consolidated financial statements, its impact on the Group's continuity is not expected until the process is completed. In addition, as explained in Note 2.1, the payment schedule for the financial borrowings that the Group has restructured within the scope of Financial Restructuring has started as of the report date. Regarding the Company's special situation disclosures regarding the same subject after 2 October 2024; since the process regarding the provisions of the "Restructuring Agreement" concluded regarding the cash and non-cash loans used from financial institutions continues, the period has been extended until 2 April 2025 with the agreement of the financial institutions as of the reporting period date. However, this matter does not affect our opinion.

5) Other Matter

The Group's consolidated financial statements prepared in accordance with the TFRS as of 31 December 2023 were audited by another audit company and the previous auditor issued clear opinion on the consolidated financial statements in its report dated 20 May 2024.

6) Key Audit Matters

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Standards.

Except for the issue explained in the Going Concern section, the issues explained below have been determined as key audit issues by us and reported in our report:

Key Audit Matter	How the Matter was addressed in Our Audit
Recognizing revenue from construction contracts	
The Group's consolidated revenue for the year ended 31 December 2024 is TL 4,317,662,180, and a large portion of the consolidated revenue has been recognized in accordance with the percentage of completion method in accordance with TFRS 15 Revenue from Contracts with Customers ("TFRS 15"). Within the scope of this method, the amounts recorded as revenue and cost of ongoing projects are based on estimates and assumptions in the budgets of the projects. The recognition of revenue and the determination of the results of construction projects with specific conditions for the relevant projects are based on the management's estimates and judgments, especially the estimation of the cost to be incurred for the completion of the projects, the impact of contract revenue on uncertainties related to the results of future events, and the recording of amounts related to project change requests. In addition, the said estimates and assumptions mainly consist of compliance with the conditions specified in TFRS 15, the costs expected to be incurred for the completion of the project, the conclusion of contracts, and the estimation of the completion rate.	During our audit, the following audit procedures were performed regarding revenue from construction contracts: The processes and controls developed by the Group to determine the accuracy and timing of revenue reflected in the consolidated financial statements have been understood and evaluated. Focus is on the methodologies used by the Group Management when making estimates and assumptions regarding construction projects and the estimates used regarding the revenue amount recognized as a result of project calculations. In this context, main project source documents consisting of contracts, budgets approved by Group Management and project-related calculations have been provided. The percentage of completion work calculated by the Group Management has been checked and within the scope of this control, the existence and accuracy of the costs incurred, the additional cost that will need to be incurred for the completion of the project, the accuracy of the percentage of completion calculation and finally the total calculations have been checked by us by recalculating. In order to evaluate the estimates used by the management and to determine whether the revenue was recognized in the relevant periods, we read the terms and conditions of the important construction contracts and checked whether the conditions specified in the contract were accurately reflected in the accounting records during the accounting of the relevant contracts in accordance with TFRS 15.

Key Audit Matter	How the Matter was addressed in Our Audit
Valuation studies carried out to determine the fair value of investment properties	
As of 31 December 2024, the Group's investment properties with a carrying value of TL 2,507,575,175, which have a significant share in its total assets, consist of offices and commercial units. The accounting policy adopted by the Group management in accounting for the investment properties in question is the fair value method, as explained in detail in Notes 2 and 11, and the fair values of these assets are determined by an independent valuation institution accredited by the Capital Markets Board and are taken as the basis as the value carried in the balance sheet after the Group management's evaluations. The peer comparison method is used in determining the fair values of investment properties and these methods include inputs based on important assumptions such as real discount and inflation, which may lead to changes during the determination of the fair value. Fair values are directly affected by factors such as market conditions and detailed characteristics of each property. The study on determining the fair value of investment properties has been determined as a key audit matter due to the fact that the recorded value of investment properties constitutes a significant portion of the Group's total assets and the subjective nature of the valuations and the significant assumptions and judgements they contain.	During our audit, the following audit procedures were performed regarding the fair value of investment properties. he procedures applied by the Group management in determining the fair value of investment properties have been evaluated. The following procedures have been carried out by us regarding the expert institution that carried out the valuation study: The expert organization's appreciated real estate valuation accreditation and license were checked. The expert organization's competence, ability and impartiality were evaluated. The title deed records and ownership rates of each investment property were tested. The inputs included in the valuation report that have a significant impact on the determined real estate value were compared with observable market prices to test whether the appraised values were within an acceptable range. The compliance of the fair values included in the valuation report with the footnotes was checked, and it was evaluated whether the values included in the footnotes were in agreement with the valuation reports and whether the footnote explanations were sufficient in terms of TFRS

Key Audit Matter	How the Matter was addressed in Our Audit
Application of TAS 29 “Financial Reporting in Hyperinflationary Economies” Standard	
The Group has prepared the accompanying consolidated financial statements for the year ended 31 December 2024 by applying TAS 29 “Financial Reporting in Hyperinflationary Economies” Standard. The application of TAS 29 causes significant changes in many items included in the Group’s consolidated financial statements for the year ended 31 December 2024.The application of TAS 29 has a widespread and consistent significant effect on the consolidated financial statements. However, considering the additional audit effort spent to perform the audit of the said application, the application of TAS 29 has been determined as a key audit matter by us. The Group's accounting policies and related explanations regarding the application of the TAS 29 standard are included in Note 2.1.	During our audit, the following audit procedures were performed regarding the application of TAS 29 “Financial Reporting in Hyperinflationary Economies” standard: • Understanding and evaluating the process related to the application of the TAS 29 standard and the controls designed by the Group management, • Checking that the distinction between monetary and non-monetary items made by the group management is in accordance with TAS 29, • Providing detailed lists of non-monetary items and testing by sampling whether historical cost and purchase dates are correctly included in the calculation by comparing them with supporting documents, • Checking the index coefficients used in the calculations by comparing them with the coefficients obtained from the Consumer Price Index in Turkey published by TÜİK, • testing the mathematical accuracy of non-monetary items, income statement and cash flow statement restated with inflation effects, • Evaluation of the adequacy of the disclosures in the notes to the consolidated financial statements regarding the application of TAS 29 in accordance with TFRS. • By checking the methodology and price index rates used, it was checked that the indexation of non-monetary items, comprehensive income, equity movements and cash flow statements were prepared by considering TAS 29.

7) Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

8) Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 'Reasonable assurance' is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B) Other Legal and Regulatory Requirements

1. In accordance with the fourth paragraph of Article 402 of the TCC; no significant issue was found indicating that the Group's bookkeeping system and consolidated financial statements in the accounting period of 1 January – 31 December 2024 were not in compliance with the provisions of the TCC and the Group's articles of association regarding financial reporting.
2. In accordance with the fourth paragraph of Article 402 of the TCC; the Board of Directors has made the requested explanations and provided the requested documents within the scope of the audit.
3. The Auditor's Report on the Early Detection of Risk System and Committee, prepared in accordance with the fourth paragraph of Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), was submitted to the Group's Board of Directors on 12 March 2025.

The responsible auditor who conducted and concluded this independent audit is Menduh ATAN.

Menduh ATAN, SMMM
Partner

12 March 2025
İstanbul, Turkey
CNS Bağımsız Denetim Anonim Şirketi

		Audited Current Period	**Audited Prior Period**
ASSETS	**Notes**	**31 December 2024**	**31 December 2023**
Current Assets		**6,641,489,028**	**7,051,501,193**
Cash and Cash Equivalents	4	39,855,301	49,990,572
Financial Investments	5	53,654	43,331
Trade Receivables		2,572,514,999	2,303,402,807
- Trade Receivables from Related Parties	*7,27*	*75,600,214*	*54,103,763*
- Trade Receivables from Third Parties	*7*	*2,496,914,785*	*2,249,299,044*
Other Receivables		179,223,493	53,479,199
-Other Receivables from Related Parties	*8,27*	*112,439,873*	*41,294,078*
- Other Receivables from Third Parties	*8*	*66,783,620*	*12,185,121*
Assets Arising from Customer Contracts		2,910,158,616	3,278,680,833
- Due from Customers Under Construction Contracts	11	*2,910,158,616*	*3,278,680,833*
Inventories	9	339,943,076	780,888,471
Prepaid Expenses	10	552,767,514	544,226,436
Assets Related with Current Period Tax	25	174,722	857,024
Other Current Assets	17	46,797,653	39,932,520
Non-Current Assets		**3,414,644,084**	**5,990,173,086**
Other Receivables		2,607,695	6,074,597
- Other Receivables from Third Parties	*8*	*2,607,695*	*6,074,597*
Assets Arising from Customer Contracts		706,212,962	3,296,573,548
- Due from Customers Under Construction Contracts	*11*	*706,212,962*	*3,296,573,548*
Investment Property	12	2,507,575,175	2,491,917,161
Property, Plant and Equipment	13	50,714,622	51,949,981
Intangible Assets	14	353,132	536,779
Prepaid Expenses	10	1,058,484	72,854
Deferred Tax Assets	25	146,122,014	116,998,576
Non-Current Assets Related with Current Period Tax	25	--	26,049,590
TOTAL ASSETS		**10,056,133,112**	**13,041,674,279**

		Audited Current Period	**Audited Prior Period**
LIABILITIES	**Notes**	**31 December 2024**	**31 December 2023**
Short-Term Liabilities		**6,508,804,694**	**7.372.952.481**
Short-Term Borrowings	6	646,055,605	763.425.011
Short Term Portion of Long Term Financial Liabilities	6	320,645,962	173.369.785
Trade Payables		4,385,002,565	5.096.300.692
- Trade Payables to Related Parties	*7,27*	*182,607,759*	*191.435.600*
- Trade Payables to Third Parties	*7*	*4,202,394,806*	*4.904.865.092*
Employee Benefits	16	111,785,632	117.081.835
Other Payables		277,333,007	129.462.228
- Other Payables to Related Parties	*8,28*	*142,926,897*	*94.401.533*
- Other Payables to Third Parties	*8*	*134,406,110*	*35.060.695*
Liabilities Arising from Customer Contracts		77,177,971	598.758.975
- Payables from Ongoing Construction, Commitments and Service Agreements	*11*	*77,177,971*	*598.758.975*
Deferred Income	10	676,221,321	439.267.239
Income Tax Payable	25	1,827,731	17.952.622
Short-Term Provisions		12,754,900	37.334.094
- Short-Term Provisions for Employee Benefits	*16*	*9,025,233*	*20.314.398*
- Other Short-Term Provisions	*15*	*3,729,667*	*17.019.696*
Long Term Liabilities		**1,073,696,136**	**2.567.621.222**
Long-Term Borrowings	6	815,277,888	1.327.127.992
Other Payables		32,186,862	50.178.035
- Other Payables to Related Parties	*8,27*	*30,285,447*	*36.610.125*
- Other Payables to Third Parties	*8*	*1,901,415*	*13.567.910*
Deferred Income	10	3,501,399	1.132.144.684
Long-Term Provisions		17,140,046	54.748.767
- Long-Term Provisions for Employee Benefits	*16*	*17,140,046*	*54.748.767*
Deferred Tax Liabilities	25	205,589,941	3.421.744
TOTAL LIABILITIES		**7,582,500,830**	**9.940.573.703**

EQUITY		**2,473,632,282**	**3.101.100.576**
Equity Attributable to the Parent		**2,398,914,465**	**3.030.439.183**
Share Capital	18	265,000,000	265.000.000
Adjustment to Share Capital	18	2,293,219,846	2.293.219.846
Share Premium	18	23,521,476	23.521.476
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		(8,150,966)	(3.575.316)
Gains (Losses) on Revaluation and Remeasurement		*(8,150,966)*	*(3.575.316)*
- Actuarial Gains (Loss) Arising From Defined Benefit Plans	18	*(8,150,966)*	*(3.575.316)*
Other Comprehensive Income/(Expense) to be Reclassified to Profit and Loss		1,363,824,398	1.831.947.611
- Foreign Currency Translation Differences	18	*1,363,824,398*	*1.831.947.611*
Restricted Reserves	18	167,639,137	167.639.137
Other Reserves	18	85,659,953	85.659.953
Retained Earnings	18	(1,632,973,524)	(1.954.327.742)
Net (Loss)/Profit for the Period		(158,825,855)	321.354.218
Non-controlling Interests	**18**	**74,717,817**	**70.661.393**
TOTAL LIABILITIES AND EQUITY		**10,056,133,112**	**13.041.674.279**

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

		Audited Current Period	**Audited Prior Period**
	Notes	**1 January - 31 December 2024**	**1 January - 31 December 2023**
Revenue	3, 19	4,317,662,180	3,045,809,858
Cost of Sales (-)	3, 19	(3,664,469,032)	(2,722,243,862)
GROSS PROFIT/LOSS		**653,193,148**	**323,565,996**
General Administrative Expense (-)	3, 20	(192,690,219)	(191,131,098)
Other Operating Income	3, 22	399,891,360	1,075,125,347
Other Operating Expense (-)	3, 22	(1,581,683,833)	(1,143,258,959)
OPERATING PROFIT/LOSS		**(721,289,544)**	**64,301,286**
Gain From Investing Activities	3, 23	15,681,899	1,029,100
Loss From Investing Activities (-)	3, 23	--	(19,447,151)
OPERATING PROFIT/LOSS BEFORE FINANCING INCOME AND EXPENSES		**(705,607,645)**	**45,883,235**
Financing Income	3, 24	129,754,007	29,757,956
Financing Expenses (-)	3, 24	(324,543,258)	(517,426,953)
Monetary Gain / (Loss)	31	966,149,954	840,033,590
PROFIT/LOSS BEFORE TAX FROM ONGOING ACTIVITIES		**65,753,058**	**398,247,828**
Continuing Operations Tax Income/(Expenses)		**(220,522,489)**	**(62,026,645)**
- Tax Income/(Expense) For Period	*25*	*(4,993,910)*	*(26,110,266)*
- Deferred Tax Income/(Expense)	*25*	*(215,528,579)*	*(35,916,379)*
PERIOD PROFIT/(LOSS) FROM ONGOING ACTIVITIES		**(154,769,431)**	**336,221,183**
PROFIT/ (LOSS) FOR THE PERIOD		**(154,769,431)**	**336,221,183**
Distribution of the Profit/(Loss) for the Year			
Non-controlling Interests	18	4,056,424	14,866,965
Owners of the Parent	26	(158,825,855)	321,354,218
- Earnings Per Share		(0,60)	1,21

OTHER COMPREHENSIVE INCOME			
Items not to be reclassified to profit or loss:		**(4,575,650)**	**(8,790,777)**
Defined Benefit Plans Remeasurement Losses	*16*	*(6,100,867)*	*(11,721,037)*
Taxes Related to Other Comprehensive Income (expenses) Items not to be Reclassified to Profit		1,525,217	2,930,260
Deferred Tax Income	*25*	*1,525,217*	*2,930,260*
Items to be Reclassified to Profit or Loss:		**(468,123,213)**	**(141,653,121)**
Foreign Currency Translation Differences		(468,123,213)	(141,653,121)
-Foreign Exchange Gains / (Losses) on the Translation of Foreign Operations		*(468,123,213)*	*(141,653,121)*
OTHER COMPREHENSIVE INCOME/ (EXPENSES)		**(472,698,863)**	**(150,443,898)**
TOTAL COMPREHENSIVE INCOME		**(627,468,294)**	**185,777,285**
Distribution of Total Comprehensive Income:			
Non-Controlling Interests		4,056,424	14,866,965
Owners of the Parent		(631,524,718)	170,910,320

	Share Capital	Adjustment to Share Capital	Premiums /Discounts Related with Shares	Other Comprehensive Income (expenses) Items not to be Reclassified to Profit (Loss)	Other Comprehensive Income (Expense) Items to be Reclassified to Profit (Loss)	Restricted Reserves Allocated from Profits	Other Reserves	Retained Earnings/ (Accumulated)	Net Profit /(Loss) for the Period	Equity Attributable to Parent Company	Non-controlling Interests	Equity
				Defined Benefit Plans Remeasurement Gain/ Loss	Foreign Currency Translation Differences							
Balances as of 1 January 2023	**265,000,000**	**2,293,219,846**	**23,521,476**	**5,215,510**	**1,973,600,732**	**167,639,137**	**85,659,953**	**(2,278,606,821)**	**324,279,079**	**2,859,528,912**	**55,794,428**	**2,915,323,340**
Transfers	--	--	--	--	--	--	--	324,279,079	(324,279,079)	--	--	--
Total Comprehensive Income	--	--	--	(8,790,826)	(141,653,121)	--	--	--	321,354,218	170,910,271	14,866,965	185,777,236
Balances as of 31 December 2023	**265,000,000**	**2,293,219,846**	**23,521,476**	**(3,575,316)**	**1,831,947,611**	**167,639,137**	**85,659,953**	**(1,954,327,742)**	**321,354,218**	**3,030,439,183**	**70,661,393**	**3,101,100,576**
Balances as of 1 January 2024	**265,000,000**	**2,293,219,846**	**23,521,476**	**(3,575,316)**	**1,831,947,611**	**167,639,137**	**85,659,953**	**(1,954,327,742)**	**321,354,218**	**3,030,439,183**	**70,661,393**	**3,101,100,576**
Transfers	--	--	--	--	--	--	--	321,354,218	(321,354,218)	--	--	--
Total Comprehensive Income	--	--	--	(4,575,650)	(468,123,213)	--	--	--	(158,825,855)	(631,524,718)	4,056,424	(627,468,294)
Balances as of 31 December 2024	**265,000,000**	**2,293,219,846**	**23,521,476**	**(8,150,966)**	**1,363,824,398**	**167,639,137**	**85,659,953**	**(1,632,973,524)**	**(158,825,855)**	**2,398,914,465**	**74,717,817**	**2,473,632,282**

		Audited Current Period	Audited Prior Period
		1 January - 31 December 2024	1 January - 31 December 2023
A. CASH FLOWS FROM BUSINESS OPERATIONS	**Notes**	**(64,943,929)**	**(239,117,526)**
Profit/(Loss) for the period		(154,769,431)	336,221,183
Adjustments to reconcile net profit (loss) to cash provided by operating activities		**(477,624,298)**	**424,900,637**
Depreciation and Amortisation Expenses	13,14,21	10,896,566	13,196,546
Adjustments for Provisions		1,502,210	81,068,721
Adjustments for Provisions/(Reversals) of Employee Benefits	*16*	*10,820,959*	*82,294,000*
Adjustments for Provisions/(Reversals) of Lawsuits or Fine	*15*	*(9,318,749)*	*(1,225,279)*
Adjustments for Interest (Income) and Expenses		119,829,825	285,559,706
Interest income adjustments	*24*	*(28,306,548)*	*(2,345,472)*
Interest expense adjustments	*24*	*148,136,373*	*287,905,178*
Adjustments for Fair Value Gains /(Losses)	*12*	*(15,658,014)*	19,401,791
Adjustments for Tax (Gains)/Losses		220,522,489	62,026,645
Adjustments for (Gains)/Losses from Disposal of Property, Plant and Equipment		5,234	(86,487)
Adjustments for Unrealized Foreign Currency Translation Differences		(814,722,608)	(36,266,285)
Changes in Net Working Capital		**641,287,675**	**(950,400,018)**
Increase/(Decreases) in Financial Investments		(10,323)	28,652
Adjustments (Gains)/Losses from for Trade Receivables		(269,112,192)	(37,331,698)
Adjustments for (Gains)/Loses from Other Receivables		(122,277,392)	(30,390,314)
Increases/(Decreases) in Due from customers under construction contracts		2,958,882,803	(795,000,018)
Adjustments for Decrease (Increase) in Contract Assets from Ongoing Construction and Commitments		*2,958,882,803*	*(795,000,018)*
Increases/(Decreases) in Inventories		440,945,395	565,499,248
Increases/(Decreases) in Prepaid Expenses		(9,526,708)	(103,879,972)
Adjustments for (Gains)/Losses from Trade Payables		(711,298,127)	1,194,771,273
Increases/(Decreases) in Employee Benefits		(5,296,203)	19,889,827
Increases/(Decreases) in Due to customers under construction contracts		(521,581,004)	(1,498,934,254)
Adjustments for Decrease (Increase) in Contract Assets from Ongoing Construction and Commitments		*(521,581,004)*	*(1,498,934,254)*
Adjustments for (Gains)/Losses from Other Payables		146,348,110	(30,982,967)
Adjustments for Increase (Decrease) in Deferred Revenues (Excluding Liabilities Arising from Customer Contracts)		(891,689,203)	(186,411,877)
Adjustments for (Gains)/Losses from Changes in Capitals		(374,097,481)	(47,657,918)
Cash Flows from Operating Activities		**8,893,946**	**(189,278,198)**
Payments in the coverage of benefits provided to employees	15	(57,712,984)	(43,707,332)
Tax Returns (Payments)		(16,124,891)	(6,131,996)
B. CASH FLOW FROM INVESTING ACTIVITIES		**(5,045,757)**	**(303,395)**
Cash Inflows from Sales of Tangible and Intangible Assets		25,021	289,442
Cash Outflows from the Purchase of Tangible and Intangible Assets	13,14	(5,070,778)	(592,837)
C. CASH FLOWS FROM FINANCING ACTIVITIES		**119,034,039**	**47,662,155**
Cash Inflows from Borrowing	6	607,195,490	600,563,071
Cash Outflows Regarding Borrowings	6	(368,331,626)	(267,341,210)
Interest Paid	24	(148,136,373)	(287,905,178)
Interest Received	24	28,306,548	2,345,472
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS BEFORE FOREIGN CURRENCY CONVERSION ADJUSTMENTS (A+B+C)		**49,044,353**	**(191,758,766)**
D. EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**9,755,933**	**(141,653,121)**
E. EFFECT OF MONETARY GAIN/LOSS CHANGES ON CASH AND CASH EQUIVALENTS		**(68,935,557)**	**84,546,551**
NET (DECREASE)/INCREASE IN CASH ANS CASH EQUIVALENTS (A+B+C+D+E)		**(10,135,271)**	**(248,865,336)**
F. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**4**	**49,990,572**	**298,855,908**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+F)	**4**	**39,855,301**	**49,990,572**

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(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

1. ORGANIZATION AND ACTIVITIES

The Company was first established in 1986 by the title of "Anel Elektrik Proje Taahhut Ve Ticaret Limited Sirketi". The Company's commercial type has been changed to "Anel Elektrik Proje Taahhut Ve Ticaret Anonim Sirketi" (The 'Company-Anel Elektrik') in 26 December 2006. The company's head Office is in Saray Mahallesi Site Yolu Caddesi No:5/4 34768 Anel İş Merkezi, Ümraniye/İstanbul.

Branch Adresses:

Doha Branch: P.O. Box: 21346 Doha - Qatar

Azerbaijan Branch: C. Cabbarlı 44, Caspian Plaza Floor: 2 D: 4 Bakü - Azerbaijan

Netherlands Branch: Transpolispark, Siriusdreef 17-27, 2132 WT Hoofddorp Amsterdam - Holland

The Company and its subsidiaries ("the Group") operates in four divisions just as; project construction, ship electricity and electronics, real estate projects and telecommunications. The following fields of activity at the same time, underlie the reporting according to Group's activities.

Project Construction - providing electricity and mechanic works according to project agreement,

Ship Electricity and Electronics - Ship electrical and electronics systems design,

Land and Buildings - Land and Building buying and selling,

Telecommunications - Telecommunications (There is no actual ongoing project in these areas in the current period).

The Company's shares were offered to public since 2010 and as at 31 December 2024, 15,47% of shares are traded in Borsa İstanbul A.Ş. ("BIST") according to Central Registry Agency ("CRA") records (31 December 2023: 22%)

(Note :18).

As of 31 December 2024, 225 personnel have been employed within the Group (31 December 2023: 480 people). The main shareholder of the company is Çelikel Family. Details regarding the Group's subsidiaries are as follows:

Subsidiaries included to full consolidation are as follows;

Name of Company	Field of company	Activity type	Foundation of country	Foundation of year
Anel Marin Gemi Elektrik Elektronik Sist.Tic. ve San. A.Ş.	Ship Electricty and Electronics	Service	Türkiye	2005
Anel Emirates General Contracting- Sole Proprietorship LLC	Project Commitment	Service	United Arab Emirates	2010
Anelmep Maintenance and Operations LLC	Project Commitment	Service	Qatar	2008
Anel Yapı Gayrimenkul A.Ş.	Land and Buildings	Service	Türkiye	2007
Anel Engineering & Contracting Ltd.	Project Commitment	Service	England	2017
Anel Telekomünikasyon Elektronik Sistemleri San. ve Tic. A.Ş.	Telecommunications	Service	Türkiye	2003
Anel Dar Libya Constructing & Services LLC (*)	Project Commitment	Service	Libya	2010

(*) The company is not operational.

1. ORGANIZATION AND ACTIVITIES (Continued)

The company's ongoing electromechanical projects as of the reporting period are as follows:

Country	Project
Qatar	Qrail Red Line South Railway Line-Elevated At Grade
Qatar	Qrail Red Line Green Line-Stabling Yard
Qatar	Lusail Plaza Towers
Qatar	Katara Hotel
Qatar	Semaisma West
Qatar	Hamad International Airport (HIA) North Node Lounges
Qatar	Al Khor Expressway Link Roads
United Arab Emirates Abu Dhabi	Abu Dhabi International Airport Terminal Building Phase II
United Kingdom	Shotton Mill

The company's completed electromechanical projects as of the reporting period are as follows:

Country	Project
Türkiye	TOGG Gemlik Campus
Türkiye	Galataport
Qatar	Katara Hotel
Qatar	Hamad International Airport (HIA) North Node Lounges
United Arab Emirates Abu Dhabi	Abu Dhabi International Airport Terminal Building Phase II
Qatar	Qrail Red Line South Railway Line-Elevated At Grade

The company does not have any subsidiaries listed on any stock exchange. The shares of Anel Telekomünikasyon Elektronik Sistemleri San. ve Tic. A.Ş., one of the company's subsidiaries, are in the status of publicly held joint-stock companies that are not traded on the stock exchange.

From now on, Anel Elektrik Proje Taahhüt ve Ticaret A.Ş. and the subsidiaries mentioned above referred to as the "Group".

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS

2.1. Basic Standards of Presentation

Basic of presentation of the consolidated financial statements

Statement of compliance with Turkish Financial Reporting Statement ("TFRS")

The accompanying financial statements are prepared in accordance with Turkish Financial Reporting Standards Accounting Standards ("TFRS") published by Public Oversight Accounting and Auditing Standards Authority ("POA") together with the provisions of accordance with to Capital Market Board of Turkey ("CMB")'s "Principles of Financial Reporting in Capital Market" dated 13 June 2013 and published in the Official Gazette numbered 28676 Series II. No.14.1. TFRS consist of standards and interpretations which are published as Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards, TAS interpretations and TFRS interpretations.

Preparation of financial statements

The consolidated financial statements have been presented in accordance with the formats specified in the "Announcement on TFRS Taxonomy" published by the Public Oversight, Accounting and Auditing Standards Authority (POA) on 3 July 2024, and the Examples of Financial Statements and the Guide to Their Use published by the Capital Markets Board (CMB).

The consolidated financial statements were approved by the Company's Board of Directors on 12 March 2025. The General Assembly of the Company and the relevant regulatory authorities have the right to amend these consolidated financial statements.

Basis of measurement

Consolidated financial statements are prepared on the historical cost basis except for the revaluation of financial instruments, investment properties and buildings.

Comparative information, changes in accounting policies and restatement of prior period financial statements

In order to allow the determination of financial position and performance of the Group are prepared in the comparative prior period consolidated financial statements of the current period. In order to comply with the presentation of the consolidated financial statements for the period necessary, comparative figures are reclassified

Going concern

Consolidated financial statements are prepared according to the going concern assumption that the group will benefit from its assets in the next year and its activities in the natural flow and fulfill its obligations.

In the Abu Dhabi International Airport MTB electrical work project worth USD 531 million (AED 1,9 billion) undertaken by Anel Emirates LLC, a subsidiary, the delay of the settlement of final accounts between our employer TAV-CCC Arabtec JV (JV) and Abu Dhabi Airport Management (ADAC) caused a delay of the Group's settlement of accounts with JV. As per the agreement, JV applied for arbitration of reconciliation with ADAC.

There is an income accrual of USD 77,6 million from the project, calculated according to the percentage of completion within the scope of TFRS 15 Revenue from Customer Contracts Standard, and USD 26,6 million of this income accrual provision has been collected as an advance payment for the works completed, and is included in the long-term TFRS consolidated statement of financial position. It is included in the deferred income (advances received) account in liabilities.

The arbitration proceedings in Abu Dhabi were concluded in December 2023 and the closing submissions were presented in February 2024. The Arbitral Tribunal issued its final decision in August 2024.

An objection was filed before the Judicial Department of the Abu Dhabi Commercial Court following the notification of the final decision rendered by the Abu Dhabi Commercial Conciliation and Arbitration Centre regarding the electrical works contract for Abu Dhabi International Airport.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1. Basic Standards of Presentation (Continued)

Going concern (Continued)

Regarding the special situation announcement dated 23 September 2024; an objection has been filed with the Judicial Department of the Abu Dhabi Commercial Court against the decision of the Abu Dhabi Commercial Conciliation and Arbitration Center arising from the Abu Dhabi International Airport Electrical Works Contract to which the Company's subsidiary is a party.

The Group has evaluated its best available information and estimates within the scope of TAS 9 “Financial Instruments” and TMS 37 “Provisions, Contingent Liabilities and Contingent Assets” Standards as of 31 December 2024, together with project managers and legal advisors. As a result of this evaluation, it was evaluated that there were material errors in the amounts specified in the decision and these amounts were requested to be corrected in the documents submitted to the court. The Group, taking into account the current carried forward amounts, has recorded an expense under Other Expenses in the amount of USD 30,962,094 (TL Equivalent: TRY 1,154,912,664) in the consolidated financial statements dated 31 December 2024 and carried “Non-current Assets from Ongoing Construction and Contracting Works” in the amount of USD 20,017,204 (TRY Equivalent: TRY 706,212,962) after deducting the net of receivables of USD 77,578,799 accounted as “Non-current Assets from Ongoing Construction and Contracting Works” and advance balances of USD 26,599,502 accounted as Deferred Revenues and USD 53,907,122 provision amount decided against the Group as a result of arbitration, which is considered as a material error and expected to be corrected as a result of the objection. 706,212,962 TRY) continues to be carried.

Although the Group's net working capital is negatively affected by the fact that the receivables from the Abu Dhabi International Airport project are monitored under fixed assets in accordance with the periodicity principle, it is planned to spread these liabilities over the long term and thus ensure liquidity balance within the scope of the restructuring of financial debts.

Anel Electric Project Contracting and Trading Inc. and its subsidiaries Anelyapı Gayrimenkul Inc., Anel Telecommunication Electronic Systems Industry and Trade Inc., Anelmarin Ship Electricity Elective Systems Trade and Industry Inc. and Anel Group companies Anelsis Engineering and Trade Ltd. Co. and Anel Doğa Integrated Recycling Industry Inc. are parties to the agreement, Denizbank Inc., Akbank T.A.Ş., Vakıf Participation Bank Inc., Türkiye İş Bankası Inc., Ziraat Participation Bank Inc., Türkiye Finans Participation Bank, Türkiye Emlak Participation Bank Inc., Kuveyt Türk Participation Bank Inc., Yapı ve Kredi Bankası Inc., Ziraat Bankası Inc., QNB Finans Factoring Inc., Burganbank Inc., Türkiye Garanti Bankası Inc., QNB Finansbank Inc. As a result of the protocol negotiations regarding the restructuring of cash and non-cash loans included in the financial reports used from "financial institutions", the "Restructuring Agreement" was signed and entered into force under the following conditions.

Within this scope, the cash debts of the above-mentioned companies have been restructured with a 6-year maturity (without prepayment for the first 18 months) based on an interest rate of 16% for TL loans and 4% for foreign currency loans within the scope of the Financial Restructuring legislation. The first principal and interest payment date has been determined as 31 December 2024, and each payment will be made in 6-month terms. Any interest and commission fees that will arise during the grace period, whether non-cash or cash loans, will be added to the principal at the end of the grace period and will be due under the same conditions. In addition, the contract articles also include the sale of Anel İş Merkezi, located at the address of Istanbul / Ümraniye and included in the assets of Anelyapı Gayrimenkul AŞ, in case of a suitable offer, and the early liquidation of the debts.

Regarding the Company's material disclosures on the same subject after 2 October 2024; since the process regarding the provisions of the "Restructuring Agreement" concluded regarding the cash and non-cash loans used from financial institutions continues, the period has been extended until 2 April 2025 with the agreement of the financial institutions as of the reporting period date.

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1. Basic Standards of Presentation (Continued)

Offsetting

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

Functional and presentation currency

The financial statements of each company of the Group are presented in the currency of the primary economic environment in which they operate (functional currency). The financial position and operating results of each company are expressed in TL, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

TAS 21 "Effects of Changes in Foreign Exchange Rates," according to the consolidation of branches and subsidiaries of the Group's assets and liabilities of foreign countries in parity with the balance sheet date are translated into Turkish Lira. The average exchange rate of the period with revenue and expense items are translated into Turkish Lira. Closing and average exchange rate differences resulting from the use of foreign currency translation differences in equity accounts are being followed.

The foreign exchange rates those were used in exchanging consolidating overseas activities are as follows:

		31 December 2024		31 December 2023	
Name of the Company	Name of the Company	Currency	End of the Period Purchase	End of the Period Sale	End of the Period Purchase
Katar Branch	Qatar Riyal (QAR)	9.6241	9.7500	8.0303	8.1354
Azerbaijan Branch	New Manat	20.6368	20.9068	17.2196	17.4449
Anel Emirates	United Arab Emirates Dirham	9.5516	9.6766	7.9704	8.0747
Anel Mep	Qatar Riyal (QAR)	9.6241	9.7500	8.0303	8.1354
Anel London	Great Britain Pound	44.2073	44.4378	37.4417	37.6369
Anel Holland	Euro	36.7362	36.8024	32.5739	32.6326

The following methods are used in the presentation of the Company's subsidiaries operating in foreign countries in the financial statements:

Operations of branch-like enterprises are subject to valuation, such as the operations of the main partnership. In this context, the Central Bank of the Republic of Turkey, which is valid at the end of the reporting period of the monetary and non-monetary items in the financial statements prepared with their respective currencies and the partnerships subject to joint management ("TCMB ") is translated into Turkish lira through exchange rates. The income and expense items are distributed regularly over the years, and the average annual rates are translated into Turkish lira. The exchange rate differences arising from the cycle are monitored in the consolidated Balance sheet under the Equity account group in the "foreign currency cycle differences" account. Equity items are also translated into Turkish lira through TCMB exchange rates, which are valid at the end of the reporting period. The emerging cycle differences related to the equity of branch-like enterprises and independent foreign enterprises in foreign countries that are involved in the consolidation are again followed by the "foreign money cycle differences" account under the Equity account group Served.

The consolidated financial statements in the relationship include the financial statements of the Company and its subsidiaries. The financial statements of the companies involved in the consolidation are prepared with the same date as the consolidated financial statements.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1. Basic Standards of Presentation (Continued)

Subsidiaries

Consolidated financial statements as of 31 December 2024 contain the financial statements of the Company's subsidiaries that have control over their financial and activity policies. As of 31 December 2024, the direct and indirect participation rate of subsidiaries subject to consolidation are as follows.

Subsidiaries	Establishment and place of organization	Core Business	Currency	31 December 2024	31 December 2023
Anel Marin Gemi Elektrik Elektronik. Sist. Ticaret ve Sanayi A.Ş.	Turkey	Marine Electrical, Electronic Project	Turkish Lira	93.00	93.00
Anel Emirates General Contracting- Sole Proprietorship LLC	United Arab Emirates	Commitment Project	US Dollar	100.00	100.00
Anelmep Maintenance and Operations LLC	Qatar	Commitment Project	Qatari Riyal	100.00	100.00
Anel Engineering & Contracting Ltd.	England	Commitment Project	British Sterling	100.00	100.00
Anel Telekomünikasyon Elektronik Sistemleri San. ve Tic. A.Ş.	Turkey	Telecommunications	Turkish Lira	96.61	96.61
Anel Yapı Gayrimenkul A.Ş.	Turkey	Real Estate	Turkish Lira	98.39	98.39
Anel Dar Libya Constructing & Services LLC (*)	Libya	Commitment Project	US Dollar	65.00	65.00

(*) The company is not active.

Control is deemed to exist if the parent company has control over more than half of the voting rights. directly or indirectly. in an association and has the authority to manage the entity's financial and operating policies. In the consolidation of financial statements. all profits and losses. including intercompany balances. transactions and unrealized profits and losses. are offset. Consolidated financial statements are prepared by applying consistent accounting policies for similar transactions and accounts. The financial statements of the subsidiaries are prepared for the same accounting period as the parent. Subsidiaries including the controlling party the console will start to be consoled. and the console will be terminated when the control is removed from the group. Income and expenses of subsidiaries purchased or disposed of during the year are included in profit or loss in the consonant and other comprehensive income statement until the date of elimination from the date of purchase.

The Group revaluates whether the company has control over its investment if there is a situation or event that may cause any changes to at least one of the criteria listed above.

Non-controlling interest in the net assets of subsidiaries incorporated into the consolidation It is included as a separate pencil in the equity. The shareholders of consolidated subsidiaries and their main non-affiliate shares within the current term operations have been individually shown as "non-controlling interests" in consolidated financial statements. Noncontrolling interest consists of the amount of the main non-affiliate shares in the shareholders ' equity changes from the date of purchase. with the amounts belonging to the shares that are not already in the initial purchase date. Even if noncontrolling interests result in a negative balance. total comprehensive income is transferred to the parent shareholders and non-controlling interests.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1. Basic Standards of Presentation (Continued)

If the company does not have the majority voting rights on the invested company/entity. the investment company/entity should be eligible for adequate voting to direct/manage the activities of the related investment alone. It has control power on it. The company should evaluate whether most of the voting in the respective investment. including the following elements. is sufficient to provide control power. Consider all relevant events and conditions.

- Comparing Company's vote right with other shareholders' vote rights.
- Companies and other shareholders' potential vote rights.
- Other rights according to agreements and
- Other conditions which show Company's current power to ability manage related operations (past voting on general assemblies).

If the group is required. the financial statements of the subsidiaries have been made to make adjustments to the accounting policies in order to be the same as the accounting policies.
All intra-group assets and liabilities. equity. revenues and expenses and cash flows for transactions between group companies are eliminated in consolidation.

Elimination Transactions on the Consolidation

Unrealized gains and expenses arising from intra-group transactions. intra-group balances and intra-group transactions are eliminated on a straight-line basis in preparation of the financial statements. Profits and Losses arise from transactions between partners and subsidiaries subject to consolidation offsets as far as partners share on subsidiary. Unrecognized losses are deleted in the same way as unrealized gains unless there is evidence of impairment.

Regulatory principles of the consolidated balance sheet and consolidated income statement

Full Consolidation Method:

The Company and its subsidiaries paid-in capital and balance sheet items were collected. The collection process. the consolidation of the subsidiaries' receivables and payables decreased from each other.

- The consolidated balance sheet of the Company's paid in capital paid-in capital paid-in capital of subsidiaries are not included in the consolidated balance sheet.
- Consolidated subsidiaries paid / issued capital items included in the set of all equity. the parent company and its subsidiaries and the consolidated balance sheet is reduced to the amounts attributable to non-controlling interests in shareholders' equity account group and the "Minority Interests" group name is shown.
- Companies which are subject to consolidation have been bought current and non-current assets from each other. in principle. these assets are shown at acquisition cost. which entities subject to consolidation adjustments will be made in the accompanying consolidated balance sheet prior to the sale has taken place.
- The Company's income statement and its subsidiaries are separately collected and consolidation of the process of collecting the goods and services subject to the sales of companies that they have made to each other. the total sales amounts and reduce the cost of goods sold. Consolidation of subsidiaries' stocks. profit from the trading of goods between these partnerships on the consolidated financial statements. inventories added by subtracting the cost of goods sold. cost of goods sold if the damage has been reduced by adding to inventories. Formed due to the consolidation of subsidiaries' income and expenses related to transactions with each other. mutual accounts have been eliminated.
- The net profit or loss of consolidated subsidiaries other than the shares of companies' subject to the portion that corresponds to the consolidation method. the consolidated net profit for the "Minority Interests" group name is shown.
- Adjustment has been made on subsidiary's financial statement to bring in compliance with accounting policies used by intragroup companies under necessity.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1. Basic Standards of Presentation (Continued)

Financial Reporting in Hyperinflationary Economies

In accordance with the decision of the Capital Markets Board (CMB) dated 28 December 2023 and numbered 81/1820. it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply the Turkish Accounting/Financial Reporting Standards (TAS) will start applying inflation accounting by applying the provisions of IAS 29 for their annual financial statements for the reporting periods ending on 31 December 2024.

The restatements made in accordance with TAS 29 were made using the correction coefficient obtained from the Consumer Price Index ("CPI") in Turkey published by the Turkish Statistical Institute ("TÜİK"). As of 31 December 2024. the indices and correction coefficients used in the correction of the financial statements are as follows.:

Date	Index	Coefficient Rate
31 December 2024	2,684.55	1.0000
31 December 2023	1,859.38	1.4437
31 December 2022	1,128.45	2.3789

The main procedures for the above mentioned restatement are as follows:

- Financial statements prepared in TRY are stated in terms of the purchasing power at the balance sheet date. and comparative financial statements are restated using general inflation indices at the currency purchasing power at the latest balance sheet date.
- Monetary assets and liabilities that are carried at amounts current at the balance sheet date are not restated because they are already expressed in terms of the monetary unit current at the balance sheet date. In case where the restated values of nonmonetary items exceed the recoverable amount or net realizable value. the rules of IAS 36 and IAS 2 were applied. respectively.
- Non-monetary assets and liabilities that are not carried at amounts current at the balance sheet date and components of equity are restated by applying the relevant monthly conversion factors.
- All items included in the statement of comprehensive income. except for non-monetary items in the balance sheet that have an impact on the statement of comprehensive income are restated by applying the conversion factors over he periods in which the income and expense accounts are first reflected in the financial statements.
- The effect of general inflation on the Company's net monetary liability position is included in the consolidated statement of income as gain on net monetary position.

2.2. New and Revised Turkey Accounting Standards

(a) "New standards effective as of 31 December 2024 and amendments and interpretations to existing previous standards:"

TMS 1. Amendment to long-term liabilities with contractual terms; They are effective for annual reporting periods beginning on or after 1 January 2024. These amendments clarify how the conditions that an entity must meet within twelve months of the reporting period affect the classification of a liability. The amendments also aim to improve the information an entity provides about liabilities subject to those conditions.

TFRS 16. Sale and leaseback transactions; Effective for annual reporting periods beginning on or after 1 January 2024. These amendments include the sale and leaseback provisions that clarify how an entity accounts for a sale and leaseback transaction in IFRS 16 after the transaction date. Sale and leaseback transactions where some or all of the lease payments consist of variable lease payments that are not linked to an index or rate are likely to be affected.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2. New and Revised Turkey Accounting Standards (Continued)

(a) "New standards effective as of 31 December 2024 and amendments and interpretations to existing previous standards (continued):"

Amendments to TMS 7 and TFRS 7 regarding supplier financing agreements; It is effective for annual reporting periods beginning on or after 1 January 2024. These changes require disclosure to increase transparency about supplier financing arrangements and their impact on businesses' liabilities. cash flows and liquidity risks. The disclosure requirements are the International Accounting Standards Board's (IASB) response to investor concerns that some companies' supplier financing arrangements are insufficiently clear and hinder investors' analysis.

TFRS 1. "General Provisions for Disclosure of Financial Information Related to Sustainability" It is effective for annual reporting periods beginning on or after 1 January 2024. This standard includes the basic framework for disclosing all significant sustainability risks and opportunities that a company is exposed to in its value chain.

TFRS 2. "Statements about climate"; It is effective for annual reporting periods beginning on or after 1 January 2024. This standard is the first to specify disclosure requirements for companies about climate-related risks and opportunities.

However, in the Board Decision published in the Official Gazette dated 29 December 2023, it was announced that certain businesses will be subject to mandatory sustainability reporting as of 1 January 2024. In order to determine the businesses that will be subject to sustainability reporting within the scope of the "Board Decision on the Scope of Application of the Turkish Sustainability Reporting Standards (TSRS)" dated 5 January 2024, businesses that fall within the scope of sustainability application are counted.

"Standards published but not yet effective as of 31 December 2024. Amendments and interpretations:"

IFRS codification has been preserved in the standards newly published by the International Accounting Standards Board but not yet incorporated into legislation by the Public Oversight Accounting and Auditing Standards Authority.

TFRS 17. 'Insurance Contracts; It is effective for annual reporting periods beginning on or after 1 January 2023. This standard replaces IFRS 4, which currently allows a wide range of applications. IFRS 17 will fundamentally change the accounting of all entities that issue insurance contracts and investment contracts with discretionary participation features. Since this matter covers companies operating in the insurance sector, no impact is expected on the Group.

TMS 21 Lack of Interchangeability; Effective for annual reporting periods beginning on or after 1 January 2025. An entity is affected by these changes when it has a transaction or activity in a foreign currency that is not convertible into another currency at a specified measurement date for a specified purpose. A currency can be converted into another currency when the ability to obtain it is available (with a normal administrative delay) and the transaction occurs through a market or exchange mechanism that creates enforceable rights and obligations.

TFRS 9 and TFRS 7 Changes to the classification and measurement of financial instruments; Effective for annual reporting periods beginning on or after 1 January 2026. (Early application permitted.) These changes:

- Clarification of timing requirements for the recognition and derecognition of certain financial assets and liabilities, with a new exemption for certain financial liabilities paid through electronic cash transfer systems;
- providing further guidance and clarification on assessing whether a financial asset meets the criteria of principal and interest only payments;
- adding new disclosures for certain instruments with contractual terms that could alter cash flows (such as certain instruments with features linked to the achievement of environmental, social and governance (ESG) objectives); and
- Updates to disclosures regarding equity instruments at fair value through other comprehensive income.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2.New and Revised Turkey Accounting Standards (Continued)

Annual Improvements to IFRS – Amendment 11; Annual improvements are limited to amendments that clarify wording in an Accounting Standard or correct relatively minor oversights or inconsistencies between provisions in an Accounting Standard. The 2024 amendments are for the following standards:

- IFRS 1 First-time Application of Turkish Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and the Guide to the Application of IFRS 7, which is attached to the Standard;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements and
- IAS 7 Cash Flow Statement.

IFRS 18 Presentation and Disclosure in Financial Statements; It is effective for annual reporting periods beginning on or after 1 January 2027. This is the new standard on the presentation and disclosure of financial statements, focusing on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to the following:

- structure of the profit or loss statement
- required disclosures in the financial statements for specific profit or loss performance measures reported outside the entity's financial statements (that is, performance measures defined by management); and
- improved principles for aggregation and disaggregation generally applicable to the primary financial statements and notes

IFRS 19 Subsidiaries with No Public Accountability: The disclosures are effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted. This new standard is applied with other IFRSs. A subsidiary that meets the requirements of other IFRS Accounting Standards, except for the disclosure requirements, and instead applies the reduced disclosure requirements in IFRS 19. The reduced disclosure requirements of IFRS 19 balance the information needs of users of the financial statements of eligible subsidiaries with the cost savings for financial statement preparers. IFRS 19 is a standard that can be applied voluntarily to subsidiaries that meet the requirements. A subsidiary meets the relevant requirements if:

- lack of public accountability and
- Having a parent or sub-parent company that produces consolidated financial statements that are available for public use and in compliance with IFRS Accounting Standards.

The new standards, amendments and interpretations that will be effective as of 1 January 2025 are not expected to have a significant impact on the Company's financial statements.

Changes and Interpretations of Standards

Changes in IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments; Effective for annual reporting periods beginning on or after 1 January 2026. (Early application permitted.) These changes:

- Clarification of timing requirements for the recognition and derecognition of certain financial assets and liabilities, with a new exemption for certain financial liabilities paid through electronic cash transfer systems;
- providing further guidance and clarification on assessing whether a financial asset meets the criteria of principal and interest only payments;
- adding new disclosures for certain instruments with contractual terms that could alter cash flows (such as certain instruments with features linked to the achievement of environmental, social and governance (ESG) objectives); and
- Updates to disclosures regarding equity instruments at fair value through other comprehensive income.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2.New and Revised Turkey Accounting Standards (Continued)

UFRS 18 Presentation and Disclosure in Financial Statements; It is effective for annual reporting periods beginning on or after 1 January 2027. This is the new standard on the presentation and disclosure of financial statements, focusing on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to the following:

- structure of the profit or loss statement
- equired disclosures in the financial statements for specific profit or loss performance measures reported outside the entity's financial statements (that is, performance measures defined by management); and
- improved principles for aggregation and disaggregation generally applicable to the primary financial statements and notes

UFRS 19 Subsidiaries Without Public Accountability: It disclosures are effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted. This new standard is applied in conjunction with other IFRSs. A qualifying subsidiary shall apply the requirements of other IFRS Accounting Standards, except for the disclosure requirements, and instead apply the reduced disclosure requirements in IFRS 19. The reduced disclosure requirements of IFRS 19 balance the information needs of users of the financial statements of eligible subsidiaries with the cost savings for financial statement preparers. IFRS 19 is a standard that can be applied voluntarily to qualifying subsidiaries. A subsidiary shall meet the relevant requirements if:

- is a subsidiary that is not publicly held or publicly traded, and.
- Having a parent or sub-parent company that produces consolidated financial statements in accordance with IFRS and available for public use.

The new standards, amendments and interpretations that will be effective as of 1 January 2024 are not expected to have a significant impact on the Company's financial statements.

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2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies

Financial Instruments

i. Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

ii. Reclassification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortized cost, FVOCI - equity investment, or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

All financial assets that are not measured at amortized cost or at fair value through profit or loss are measured at fair value through profit or loss. The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets.

- How the performance of the portfolio is evaluated and reported to the Group's management;

- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed and

- How the additional payments to the group managers are determined (whether compensation is based on the fair value of the assets managed or the contractual cash flows collected) and financial assets at fair value through profit or loss are measured at fair value through profit or loss and

Financial assets whose fair value is managed and evaluated accordingly are measured as fair value changes reflecting profit or loss.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest

Principal' is defined as the fair value of the financial asset on initial recognition. Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Financial Instruments (Continued)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual per amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition. Trade receivables and other receivables meet solely payments of principal and interest test since principal is the present value of the expected cash flows. Those receivables are managed in line with the held to collect business model.

Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL	Financial assets at FVTPL are comprised of derivatives. These assets are subsequently measured at fair value. Net gains and losses, including any interest, are recognized in profit or loss.
Financial assets at amortized cost	Financial assets at amortized cost are comprised of cash and cash equivalents, trade receivables, other receivables and other assets. These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.
Equity investments at FVOCI	Equity investments at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Non-derivative financial assets

The Group initially recognized loans and receivables and deposits on the date that they were originated. All other financial assets were recognized initially on the trade date at which the Group became a party to the contractual provisions of the instrument. Non-derivative financial assets were comprised of loans and receivables and cash and cash equivalents and financial investments.

Loans and receivables

Loans and receivables were financial assets with fixed or determinable payments that were not quoted in an active market. Such assets were recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables were measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables were comprised of cash and cash equivalents, and trade and other receivables, receivables from related parties and financial investments. Receivables from customers in relation to a component of revenue were recognized as trade receivables in financial statements. Receivables that were not classified as trade receivables and were not financial investments were recognized as other receivables.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Financial Instruments (Continued)

Cash and cash equivalents

Cash and cash equivalents were comprised of cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and were used by the Group in the management of its short-term commitments. Cash and cash equivalents were comprised of cash, cash at banks and other cash and cash equivalents.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Non-derivative financial liabilities

The Group classified non-derivative financial liabilities into the other financial liabilities category except for bills, bonds and notes issued. Such financial liabilities were recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities were measured at amortized cost using the effective interest method. Other financial liabilities were comprised of loans, trade and other payables, payables to related parties and other payables. Trade payables were payables to third parties in relation to their capacity as suppliers. Other payables stemming from transactions with parties that were not suppliers or customers which were not classified as trade payables and were not a result of financing operations were recognized as other payables.

The instrument was equity instrument if, the following were met:

a) The instrument included no contractual obligation to deliver cash or another financial asset to another entity; or to exchange financial assets or financial liabilities with another entity under conditions that were potentially unfavourable to the Group.

b) If the instrument would or might be settled in the Group's own equity instruments, it was a non-derivative that included no contractual obligation for the Group to deliver a variable number of its own equity instruments; or a derivative that would be settled only by the Group exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

iii. Derecognition

Financial assets

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

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Financial Instruments (Continued)

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Offsetting

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

Impairment

Financial instruments and contract assets

The Group recognizes loss allowances for ECLs on:

- Financial assets measured at amortized cost;
- Contract assets (as defined in TFRS 15).

Under TFRS 9, loss allowances are measured on either of the following bases:

- Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument and
- 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL:

- Bank balances for which credit risk has not increased significantly since initial recognition.

Loss allowances for trade receivables, other receivables, other assets and contract assets are always measured at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Lifetime expected credit losses are the result of possible default events over the expected life of a financial instrument.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Impairment (Continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls. ECLs are discounted at the effective interest rate of the financial asset.

For trade receivables, other receivables, other assets and contract assets the Group applies the simplified approach to providing for expected credit losses prescribed in TFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables. The Group performed the calculation of ECL rates separately for individual, corporate, public and wholesale customers. The ECLs were calculated based on actual credit loss experience over the past years.

Exposures within each group were segmented based on common credit risk characteristics such as delinquency status.

Actual credit loss experience was adjusted to reflect differences between economic conditions during the period over which the historical data was collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. Future collection performance of receivables are estimated by considering general economic conditions to incorporate forward looking information to the expected credit loss calculations.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The amendment does not have any significant effect on the financial assets and financial liabilities of the Group and is not listed in the consolidated financial statements.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where trade receivables, other receivables, other assets and contract assets have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Financial assets

The fair value difference will be recognized by the total of fair market value and expenses that are directly related to purchasing transactions except the financial assets recognized by fair value and financial assets that are reflected to profit/loss. The purchasing or selling of a financial asset with respect to a contract that has a delivery condition will be recorded at the date of the transaction or derecognised from the accounting records.

The Group classifies its financial assets as "financial assets at fair value through profit or loss", "investments held to maturity", "available-for-sale financial assets" and "loans and receivables". The classification is determined at the time of initial filing, depending on the purpose and nature of the asset obtained. The Group does not have investments held to maturity.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Impairment (Continued)

The effective interest method

The effective interest method of calculating the amortized cost of a financial asset and of allocating the interest income related to the Respective period. The effective interest rate for the expected life of the financial instrument or, where Appropriate, a shorter period of time, the sum of the estimated cash flow, net present value of the related financial assets.

Financial assets at fair value through profit or loss on financial assets, except calculated by using the effective interest method.

Financial assets at fair value through profit or loss

At fair value through profit or loss are financial assets are financial assets held for trading purposes. A financial asset is classified in this category if acquired principally for the purpose of disposal. Against financial risk, derivative instruments are designated as effective hedging instruments which embody the fair value of financial assets classified as financial assets at fair value through profit.

Available-for-sale financial assets

Held by the Group that are traded in an active market with quoted equity instruments and certain debt securities are classified as available-for-sale financial assets are stated at fair value. Are not quoted in an active market and the Group's unlisted equity instruments classified as available for sale financial assets, but the fair values can be reliably measured are measured at cost. Impairment losses recognized in income statement, interest calculated using the effective interest method and foreign exchange losses on monetary assets, profit / loss amount, except for gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated financial assets revaluation reserve. If the investment is sold or impaired, the accumulated financial assets revaluation reserve total profit/loss is reclassified.

Dividends on available-for-sale equity instruments are recognized in profit or loss when the Group has the right to receive dividends.

Loans and receivables

Commercial and other receivables and loans that are not traded on the market, with fixed and identifiable payments, are classified into this category. Credits and receivables are shown by decreasing the low value over the discounted cost using the effective interest method.

Impairment of financial assets

Financial assets or groups of financial assets other than financial assets at fair value through profit or loss are assessed for indicators of impairment at each balance sheet date. . One or more events occur after the initial recognition of the financial asset and the related event is related to the impairment of the related financial asset or the future cash flow of the asset group that can be reliably estimated. If there is a neutral indicator, the impairment of value occurs.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the present value of the estimated future cash flows, discounted at the financial asset's effective interest rate, and the carrying amount.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Impairment (Continued)

For all financial assets, except for trade receivables where the carrying amount is reduced through the use of a provision, the impairment is directly deducted from the carrying amount of the related financial asset. If the commercial receivable cannot be collected, it is deducted from the corresponding amount provision account and deleted. Changes in the allowance account are recognized in the income statement.

Except for available for sale equity instruments, if the impairment loss decreases in the following period and the

impairment loss can be attributed to an event occurring after the recognition of the impairment loss, the impairment loss previously recognized will not exceed the amortized cost amount if the impairment of the investment has not been accounted for at the date when the impairment is cancelled it is canceled in the income table

The increase in the fair value of available-for-sale equity securities after impairment is accounted directly in equity.

Cash and cash equivalents

Cash and cash equivalents were comprised of cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and were used by the Group in the management of its short-term commitments.

Financial liabilities

The Group's financial liabilities and equity instruments, the contractual arrangements, the definitions of a financial liability and an equity instrument classified on the basis of. Assets of the Group after deducting all of its liabilities equity instrument is any contract that right. For specific financial liabilities and equity instruments accounting policies set out below.

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss, are recognized at fair value at each reporting period and at the balance sheet date the fair value is revalued. Changes in fair value, are recognized in the income statement. Net gains or losses are recognized in the income statement, include the amount of interest paid on the financial liability.

Other financial liabilities

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

Other financial liabilities are subsequently at amortized cost using the effective interest rate and are accounted for at amortized cost using the effective interest method.

The effective interest method, calculating the amortized cost of a financial liability and of allocating interest expense associated period. The effective interest rate for the expected life of the financial instrument or a shorter period of time, if appropriate, the estimated future cash payments net present value of the financial liability.

Trade Payables

Trade payables in the ordinary activities of the suppliers of goods and services provided refers to payments to be made on. Trade payables are initially and subsequently at fair value calculated at the effective interest method are measured at amortized cost (Note 7).

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Inventories

Inventories are the items as held for sale in the ordinary course of business, which is produced to be sold or used in the production process or the provision of services in the form of raw materials assets shown. Advances given are classified in the prepaid expenses until the related stock is recognized.

Inventories are valued at the lower of cost and net realizable value. The cost of inventories of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition involves. The costs of conversion of inventories, such as direct labour costs related to production costs. These costs are also incurred in converting raw materials and finished goods material in a systematic allocation of fixed and variable production overheads that include the amounts.

Net realizable value is the estimated selling price in the ordinary course of business, the estimated costs of completion and the estimated costs necessary to make the sale shall be obtained by deducting total. Stocks in the financial statements, use or sales cannot be tracked at a price higher than the amount expected to be achieved as a result. The net realizable value of inventories is less than cost, inventories are reduced to net realizable value and are recognized as an expense in the income statement in the year when the impairment. That caused inventories to be written down to net realizable value before conditions or evidence of an increase in net realizable value because of changed economic circumstances cases, impairment loss is cancelled. The previously recognized impairment loss is limited to the amount of the cancelled amount (Note 9).

Company uses 'moving average method' method to able to calculate cost of inventories.

Property, Plant and Equipment

Group for use in the production or supply of goods and services, for rental to others (except for property, plant and equipment) or to be used for administrative purposes intended to be used over a period of physical items held within the framework of the cost model, the cost values are expressed.

The initial cost of property, plant and purchase price, including import duties and non-refundable purchase taxes, plant and equipment are comprised of expenses incurred to make the asset ready for use. After the start of use of tangible property, such as repair and maintenance expenditures are reported in the income statement as an expense as incurred. Expenditure on the future use of the property and equipment expenditures that have resulted in an increased economic value added to the cost of the asset.

Leasehold improvements include the expenses for leased properties and useful life of the lease agreement for the duration of the rental period is longer in cases, where the short is depreciated over their useful lives.

Depreciation of tangible fixed assets are separated from the date that is ready for use. Depreciation in the period in which the related assets will continue to idle. The useful life and depreciation method are reviewed on a regular basis, depending on the method and period of depreciation on that asset's economic benefits are sought and the necessary corrective action in line with the provision (Note 13).

Cost Method

Tangible fixed assets are reported at cost less accumulated depreciation and accumulated impairment losses on the same basis.

Rental or administrative purposes, or for purposes not yet determined the course of construction assets are carried at cost less any recognized impairment loss. The cost of legal fees are also included. Such assets, the depreciation method used for other fixed assets, as well as when they are ready for use are depreciated.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Property, Plant and Equipment (continued)

Land and construction in progress, except for the cost of tangible fixed assets to their estimated useful lives are amortized using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year for the possible effects of changes in estimates if a change in estimate being accounted for on a prospective basis.

Disposal of tangible fixed assets of the asset, or a gain or loss arising on the difference between the sales proceeds and the carrying amount of the asset is included in the income statement is determined.

The useful lives of tangible fixed assets are as follows:

	Economic Life	
Land Improvements	3-14	Year
Buildings	50	Year
Plant, Machinery and Equipment	3-14	Year
Vehicles	5	Year
Fixtures	3-14	Year
Other Tangible Fixed Assets	5	Year
Special Costs	5	Year

Intangible Assets

Purchase of intangible assets

Purchased intangible assets are carried at cost less accumulated amortization and accumulated impairment losses. These assets are amortized over their estimated useful lives using the straight-line method. The estimated useful life and the depreciation method, in order to determine the possible effects of changes in estimates are reviewed each year and changes in estimates are accounted for prospectively.

Computer Software

Acquired computer software, buying during the acquisition and capitalized on the costs incurred until ready for use.

Non-financial statements of intangible assets

An intangible asset through use or sale of disposed of or when no future economic benefits are expected from the case of statement of financial position (balance sheet) is disabled. An intangible asset statement of financial position (balance sheet) disconnection of the profit or loss, if any, to the disposal of assets is calculated as the difference between the net book value of collections. This difference is related assets statement of financial position (balance sheet) is recognized in profit or loss when taken out.

The useful lives of intangible fixed assets are as follows:

	Economic Life	
Rights	3-14	Year

Assets that have an indefinite useful life are not subject to amortization of goodwill. These assets are tested for impairment annually. The carrying value of assets subject to amortization may not be recoverable in the event of a situation or events are reviewed for impairment. If the carrying amount exceeds the recoverable amount of the asset is recognized for the impairment. The recoverable amount is fair value less costs to sell or value in use is the one obtained. For purposes of assessing impairment, assets are grouped at the lowest level of identifiable cash flows (cash-generating units). Nonfinancial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Intangible Assets (continued)

At the inception or reassessment of the arrangement, the Group allocates the payments and other items required for such an arrangement for lease transactions and other items based on relevant fair values. If the Group decides that it cannot reliably receive payments for a finance lease transaction, an asset and a liability are recorded that are equal to the fair value of the contractual asset.

Later, the liability decreases as the payments are made and the financing expense related to the liability is recognized using the alternative borrowing rate of the Group.

If the sales and leaseback transaction result in a financial lease, the portion above the carrying amount of the sales revenue is not immediately recognized as income by the seller-leaseholder.

Instead, the income is postponed and amortized over the lease period and recorded in profit or loss.

Borrowing Costs

Require significant time to get ready for use or sale assets (qualifying assets) when it comes to the acquisition, construction or production of directly attributable costs of the asset until the asset is ready for use or sale, are added to the cost. In case of foreign exchange income in the financing activities, the related income is deducted from the total of capitalized financial expenses.

Related Parties

Related parties of the Group's shareholding, contractual rights, the opposite side of the family relationship or otherwise, directly or indirectly, control or significantly influence the team includes a. The accompanying consolidated financial statements of the Group companies are owned by shareholders and the shareholders of which are known to be associated with key management personnel and other companies are defined as related parties.

Presence of one of the following criteria, are considered related party to the Group:

i) Use directly, or indirectly through one or more intermediaries:

- The Group controls, or is controlled by the Group
- Is under common control with the Group (parent, subsidiaries and fellow subsidiaries, including the same);
- Has an interest in the Group that gives it significant influence over, or has joint control over the Group;

ii) The party is an associate of the Group;

iii) The party is joint venture of the Group is venturer;

iv) The party is a member of the key management personnel of the Group or its parent;

v) The (i) or (iv) above, any individual is a close family member;

vi) The entity that is controlled, jointly controlled or significantly influenced by, or (iv) or (v) directly or indirectly, any individual referred to in Articles important to have an entity that is entitled to vote or

vii) The party is an entity that is a related party of the company or for the benefit of employees of the entity must have plans.

Related party transactions between related parties, resources, services or obligations, regardless of whether a price is charged transfer (Note 27).

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Investment Property

Investment real estate is the property that is acquired in order to gain a lease and/or increase in value and are measured primarily by cost values and the transaction costs included in it. Investment properties are valued by the fair value reflecting the market conditions as of the balance sheet date.

Investment properties are excluded from the balance sheet if they are to be sold or unusable and cannot be provided for any future economic benefit from the sale.

Foreign Currency Transactions

The individual financial statements of each Group entity are measured using the currency of the primary economic environment (functional currency) are presented. Each entity's financial position and operating results of the Company's functional currency and the presentation currency for the consolidated financial statements are expressed in TRY.

During the preparation of the financial statements of the individual entities, in foreign currencies (currencies other than TRY) the transactions are recorded at the rates prevailing on the date. Balance sheet foreign currency denominated monetary assets and liabilities are translated into New Turkish Lira at the exchange rates prevailing at the dates. Non-monetary items carried at fair value that are denominated in foreign currencies at fair value are retranslated at the rates prevailing on the date specified. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences, except to the extent specified below, are recognized in profit or loss in the period in which:

- Which relate to assets under construction for future productive use, and an adjustment to interest costs on foreign currency borrowings are regarded as foreign exchange differences are included in the cost of those assets,

- Foreign currency risks (see accounting policies are described below in order to hedge against) Exchange differences on transactions entered into in order to hedge.

Earnings Per Share

Earnings per share Earnings/loss amount, profit/loss, earnings per share from continuing operations/loss amount, the continuing operations profit/loss for the period of time in the Company's shares is calculated by dividing the weighted average number of common shares.

In Turkey, companies, existing shareholders from retained earnings distributing 'bonus shares' by way of earnings. This type of 'bonus share' distributions, earnings per share, are regarded as issued shares. Accordingly, the weighted average number of shares used in the calculations, giving retroactive effect to the stock in question is taken into consideration. While calculating the earnings/losses per share, the effect of the paid capital increase during the reporting period has been considered.

The calculation of earnings per share, will make the necessary corrections to the dilution effect of potential shares of preferred stock, or None (Note 26).

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Events after the Balance Sheet Date

financial statements, the Company refers to events that occur in favor or against. Whether to make a correction, according to the two types of situations can be identified:

- Adjusting events after the balance sheet, showing evidence of conditions that existed at the reporting date on situations in which the conditions,

- About the events that are indicative of conditions that arose after the balance sheet date (non-adjusting events after the balance sheet).

The accompanying consolidated financial statements of the Group has been recognized adjusting events after balance sheet date and non-adjusting events after the balance sheet notes. (Note 32).

Provisions, Contingent Liabilities and Contingent Assets

Provisions

There is a present legal or constructive obligation as a result of past events, and resources embodying economic benefits to settle the obligation and it is probable that they kept the company is expected to have a safe manner in the event of liability should be recognized in the consolidated financial statements. The provisions of the expenditure required to settle the obligation at the balance sheet date, with the most realistic estimates calculated by the Company's management and are discounted to present value where the effect is material.

Contingent Liabilities

Obligations under this group, within the control of the entity arising from past events, and the presence of one or more uncertain future events on the realization of the non-existence will be confirmed as the assessed liabilities Contingent liabilities are not included in the consolidated financial statements. Because, to settle the obligation, have the possibility of an outflow of resources embodying economic benefits or the amount of obligation cannot be measured with sufficient reliability. Too far from the entity of resources embodying economic benefits likely to come out, unless the notes to the consolidated financial statements show that conditional obligations. (Note 15)

Contingent Assets

The Group within the control of the entity arising from past events, and the presence of one or more uncertain events, which will be confirmed by the realization of assets, is considered as a contingent asset. If an inflow of resources embodying economic benefits is not certain contingent assets described in the notes to the consolidated financial statements.

Or all of the economic benefits required to settle a provision are expected to be part of the cases, which shall be collected by third parties, it is virtually certain that reimbursement will be received, and the amount of the event can be measured reliably, are recognized and reported as an asset.

Financial Information Segment Reporting

Reportable segment information required to be disclosed is a business segment or geographical segment. Industrial segments of a particular commodity or service or group of related goods or services, or to provide benefits in terms of risk and different from other parts of the Group are the features section . Geographical segments provide products or services within a particular economic environment of the Group and the risks and benefits in terms of the economic environment to another with different characteristics from those of components operating in other chapters

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Financial Information Segment Reporting (continued)

The Group mainly abroad and in Turkey, electrical and mechanical project contracting, ship electrical electronics and solar energy in the areas in which it operates financial information for the segmental reporting this that performs the operations of the companies restructured by the electrical and mechanical project contracting, ship electrical electronics and energy are reported under the headings of the ship.

Group management for the purposes geographically Turkey, Qatar, England, Netherlands, Bulgaria, Azerbaijan and the United Arab Emirates is divided into 6 sections including (Note 3).

Revenue

Step 1: Identifying the contract

A contract exists only if it is legally enforceable, the collection of the consideration is probable, the rights to goods and services and payment terms can be identified, the contract has commercial substance; and the contract is approved and the parties are committed to their obligations, this contract is evaluated within the scope of TFRS 15.

If either contract were negotiated as a single commercial package, or consideration in one contract depends on the other contract or goods or services (or some of the goods or services) are a single performance obligation the Company accounts

the contracts as a single contract.

Step 2: Identifying the performance obligations

The Company defines 'performance obligation' as a unit of account for revenue recognition. The Company assesses the goods or services promised in a contract with a customer and identifies as:

(a) A performance obligation either a good or service that is distinct:

(b) Or a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer.

The company can define a good or service included in the contract separately from other commitments in the contract and if it enables the customer to benefit from the said good or service alone or together with other resources available to use, it defines it as a different good or service. A contract may contain promises to deliver a series of distinct goods or services that are substantially the same. At contract inception, an entity determines whether the series of goods or services is a single performance obligation.

Step 3: Determining the transaction price

In order to determine the transaction price, the Company assesses how much consideration it expects to be entitled to by fulfilling the contract. In arriving at the assessment, the Company considers variable elements of consideration, as well as the existence of a significant financing component.

Significant financing component

The Company revises the promised amount of consideration for the effect of a significant financing component to the amount that reflects what the cash selling price of the promised good or service. As a practical expedient, the Company does not adjust the transaction price for the effects of a significant financing component if, at contract inception, the entity expects the period between customer payment and the transfer of goods or services to be one year or less. In cases where advance for the services are received and the payment scheme is broadly aligned with the Company's performance throughout the period, the Company concludes that the period between performance 12 months, therefore the expedient is applied.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Revenue (continued)

Variable consideration

The Company identifies items such as price concessions, incentives, performance bonuses, completion bonuses, price adjustment clauses, penalties, discounts, credits, or similar items may result in variable consideration if there is any in a customer contract.

Step 4: Allocating the transaction price to performance obligations

If distinct goods or services are delivered under a single arrangement, then the consideration is allocated based on relative stand-alone selling prices of the distinct goods or services (performance obligations). If directly observable stand-alone selling prices are not available, the total consideration in the service contracts is allocated based on their expected cost plus a margin.

Step 5: Recognition of revenue

The Company recognizes revenue over-time if any of the following conditions is met:

- Customer simultaneously receives and consumes the benefits as the entity performs or,

- The customer controls the asset as the entity creates or enhances it or

- Company's performance does not create an asset for which the entity has an use; and alternative there is a right to payment for performance to date.

For each performance obligation that is satisfied over time, an entity selects a single measure of progress, which depicts the transfer of control of the goods or services to the customer. The Company uses a method that measures the work performed reliably. The Company uses cost incurred to measure the progress towards to completion of the project where the input method is used and uses units transferred to measure the progress towards to completion of the project where the output method is used.

If a performance obligation is not satisfied over time, then the Company recognize revenue at the point in time at which it transfers control of the good or service to the customer.

The Company recognizes a provision in accordance with TAS 37 "Provisions, Contingent Liabilities and Contingent Assets" when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits.

Contract modifications

If the company makes a commitment to provide additional goods or services, it accepts the contract modification as a separate contract. If the goods or services are distinct, then the entity accounts for the modification as if it were a termination of the existing contract and the creation of a new contract. If the modification to the contract does not add distinct goods or services, then the entity accounts for it on a combined basis with the original contract, as if the additional goods or services were part of the initial contract.

Revenue is measured over the fair value of the amount of receivables collected or to be received. Estimated customer returns, discounts and provisions are deducted from this amount.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Revenue (continued)

Business Operations

The revenue obtained from the sale of commercial activities is accounted for when the following conditions are fulfilled:

- Transferring the significant risks and rewards to the buyer,
- Associated with the ownership of the Group and ongoing managerial involvement nor effective control over the goods sold,
- The amount of revenue can be measured reliably,
- It is probable that the economic benefits associated with the transaction will flow to the entity and
- Reliable measurement of the costs arising from or due to the process

Service Presentation

Income from service delivery agreement books accordingly with degree of completion stated on agreement.

Rent Incomes

Rent income from real estates is recognized on a straight-line basis over the term of the relevant lease.

Dividend and interest income

Dividend income from equity investments are recorded when the Group gain the right to receive dividend (the economic benefits will flow to the Group and the revenue can be measured reliably, as long as)

The interest income from financial assets, economic benefits will flow to the Group and the revenue can be measured reliably are recognized as long. Interest income, with the remaining balance to be achieved through the expected life of the financial asset to that asset's net carrying amount that discounts estimated future cash receipts and at the effective interest rate.

Taxes calculated over corporate earnings

Because of Turkish tax legislation does not allow the parent company and its affiliates to prepare a consolidated tax declaration, the tax equivalents are calculated separately on the basis of each legal entity as reflected in the attached consolidated financial statements.

The current tax charge includes the current year's tax and deferred tax. The tax expense of the period is recorded in profit or loss, except for those relating to the business mergers or items taken directly from the records under other comprehensive revenue or equity.

Tax

The current tax liability is calculated through the taxable portion of the term profit. Taxable profits differ from profits in income statement table due to excluding items that are not possible to be taxes or taxes deductible. Current tax liability of group is legalized as of balance sheet date or calculated by using substantially significant tax rates.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Taxes calculated over corporate earnings (continued)

Deferred tax

Deferred tax liabilities or assets are determined by calculating the temporary differences between the amounts recognized in the financial statements of assets and liabilities and the amounts considered in the statutory tax base, taking the tax effects into consideration at the statutory tax rates.

Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets consisting of unused tax losses and 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 It is calculated.

Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of the goodwill or other asset or liability in the financial statements (other than in a business combination) that is not affected by business or financial profit or loss.

Deferred tax liabilities are recognized for all taxable temporary differences associated with investments in subsidiaries and associates and joint ventures, except where the Group is able to control the reversal of temporary differences and the probability of such reversal in the foreseeable future is low. deferred tax assets arising from related taxable temporary differences are calculated on the assumption that it is highly probable that the differences will be utilized in the near future with sufficient profits subject to taxation and it is probable that the related differences will be recovered in the future.

Deferred income tax assets and liabilities are calculated over the tax rates (tax regulations) that are expected to be effective in the period in which the assets are realized or liabilities are realized and legalized or substantively legalized as of the balance sheet date. During the calculation of deferred tax assets and liabilities, the tax consequences of the Group's anticipated recovery of its carrying amount or the fulfilment of its obligations as of the balance sheet date are taken into account.

Deferred income tax assets and liabilities are recognized when the Group has a legally enforceable right to set off current tax assets or liabilities based on current tax assets or when the Group has a willingness to pay taxes by offsetting the Group's current tax assets and liabilities is deducted.

Deferred tax assets and liabilities are offset against each other if the same country is subject to tax legislation and there is a legally enforceable right to offset current tax assets against current tax liabilities.

Taxation of foreign branches and projects:

The Company's ongoing construction projects in the United Arab Emirates and Qatar are exempt from corporate tax. The Company's branch in Russia is subject to 25% income tax.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3. Summary of Significant Accounting Policies (Continued)

Employee Benefits and Severance Payments

Severance pay according to the current laws and collective bargaining agreements in Turkey, is paid in case of retirement or dismissal. In accordance with the updated TAS 19 Employee Benefits Standard ("TAS 19"), such payments are considered as defined retirement benefit plans. The retirement pay liability recognized in the statement of financial position is calculated according to the net present value of the estimated future salary of all employees due to their retirement and reflected in the financial statements. All actuarial gains and losses are accounted for under other comprehensive income. There are no liabilities related to subsidiaries and joint activities operating in foreign countries. (Note 16).

Cash Flow Statement

The Group prepares cash flow statements to inform the users of the financial statements about the ability to direct the amount and timing of changes in net assets, financial structure and cash flows according to changing conditions. In the cash flow table, the cash flows related to the turnover are reported by being classified as operating, investing and financing activities.

Cash flows from operating activities, cash flows from operating activities of the Company. From investing activities Cash flows from investing activities (fixed asset investments and financial investments) and the cash flows. Cash flows related to Cash flows from operating activities represent cash flows arising from the Group's core operations. Cash flows from investing activities represent the cash flows the Group uses in its investment activities (fixed assets investments and financial investments). Cash flows from financing activities represent the resources the Group uses in its financial activities and the repayments of those resources. Cash and cash equivalents include investments in cash and demand deposits with short-term, high liquidity with a short maturity of 3 months or less.

Shares and dividends

Ordinary shares are classified as equity. Dividends payables are declared as an element of profit in the period are reflected as liabilities in the financial statements.

2.4. Significant Accounting Valuation, Estimates and Assumptions

In the preparation of financial statements in the Consolidated Financial Statements, the Group management is required to make assumptions and estimates that will affect the reported amounts of assets and liabilities, the probable liabilities and commitments that arise as of the reporting date and the amounts of income and expenses in the reporting period. Although these estimates and assumptions are based on the Group management's best knowledge of current events and transactions, they may differ from actual results. Estimates are regularly reviewed; necessary corrections are made and they are reflected in the period income table.

The interpretations that may have significant effect on the amounts reflected in the financial statements and the assumptions made by taking into account the actual sources of the existing or future estimates are as follows:

a) Where it becomes probable that the contractual amendments will be approved by the employer, the Group will reflect such contractual changes in the financial statements according to the completion rate of the construction projects. Estimates of the collectability of contractual changes are made by taking into account the past experience of the Group's management, the relevant contractual provisions and the related legal regulations.

b) The Group calculates the 'project costs remaining in construction contracts' through in-house forecasting mechanisms. Factors such as raw material prices, labour and other costs increases are included in these projections, which are based on best estimate as of the balance sheet date. For unexpected increases that may occur in subsequent periods, the remaining costs of the construction contracts need to be reassessed. Changes in the scope of construction projects and changes in scope project incomes and estimates of the total project costs resulting from the realizations can be significant fluctuations between years.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4. Significant Accounting Valuation, Estimates and Assumptions (Continued)

c) The Group is subject to different tax legislation and laws as it operates in various countries. There are uncertainties about the final tax implications of some transactions and calculations affecting income tax due to the general system in those countries. In those countries, the tax account is generally 1-5 years. Therefore, the group must use significant estimates when calculating tax equivalents. When the final tax results are released, the realized amounts may differ from those predicted, and the income tax for the records as of the balance sheet. Deferred tax asset is recorded in the event of determining that taxable revenue is likely to occur in the coming years. Deferred tax asset is calculated through the downloadable temporary differences in cases where taxable revenue is likely to occur. For the interim period, which ended on 31 December 2024, the group has registered deferred tax assets because it finds adequate indicators that the foreseeable future is a taxable wife.

d) Severance pays liability for actuarial assumptions (discount rates, future salary increases and employee separation rates).

e) The claims receivable reflects the amounts that the administration believes will meet future damages from receivables, which are present as of the balance sheet date but are at risk of not being charged under current economic conditions. The performance of borrowers who remain outside the associated organization while evaluating the receivables ' impairment in the past company based on the credibility of the market and the date of the financial statements from the balance sheet and re-negotiated conditions are also taken into consideration.

f) When calculating inventory impairment, data for inventory after discount list prices is used. For non-measurable stocks, the sales price is evaluated by the opinions of the goods in stock and the physical status of the technical staff. In cases where the projected net can be accomplished, the value of the inventory is divided by the low cost.

g) The possibility of loss of cases and the obligations to be lost in the case of the case in response to litigation, the company's legal advisors and expert opinions are obtained by the company's management evaluated by the Based on the best estimates, company management determines the amount of the litigation response.

h) The Group management has made significant assumptions in the direction of the technical team's experience in determining the beneficial economic lifetimes of tangible and intangible assets

i) An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Provisions for onerous contracts are recognised in cost of sales.

2.5. Changes and Errors in the Accounting Policies and Estimates

Preparation of consolidated financial statements requires the use of estimates and assumptions that may affect the amounts of assets and liabilities reported as of the reporting date, the disclosure of contingent assets and liabilities, and the amounts of income and expenses reported during the accounting period. Although these estimates and assumptions are based on the best available information regarding current events and transactions, actual results may differ from the assumptions.

If the changes in the accounting estimates are for only one period, they are applied both in the current period when the change is made and both in the future when the change is made and in the future. The significant accounting estimates used in the current period are consistent with the accounting estimates used in the preparation of the consolidated financial statements for the period ended 31 December 2023.

2. BASIC OF PRESENTATION CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.6. Business Combination

The Group recognises for business combinations using the purchase method when control is transferred to the Group. In a business combination, the amount transferred is measured at its fair value; The transferred price is calculated as the sum of the fair values of the assets transferred by the acquirer, the debts undertaken against the previous owners of the acquired business and the equity shares issued by the acquirer. Purchase-related costs are generally accounted as expense when they occur.

The consolidated financial statements of the Group are prepared comparatively with the previous period in order to allow the determination of financial status and performance trends. Comparative information is reclassified, where necessary, in order to comply with the presentation of the current financial statements, and significant differences are disclosed.

2.7. Inflation Accounting

The Group has prepared its financial statements for the year dated 31 December 2024 and ending on the same date, by applying TAS 29 "Financial Reporting in High Inflation Economies" Standard, based on the announcement made by The Public Oversight Authority (POA) on 23 November 2023 and the "Implementation Guide on Financial Reporting in High Inflation Economies" published. In accordance with the said standard, financial statements prepared based on the currency of a hyperinflationary economy are prepared in the purchasing power of this currency at the balance sheet date, and comparative information is expressed in terms of the current measurement unit at the end of the reporting period for the purpose of comparison of previous period financial statements. For this reason, the Group has presented its financial statements dated 31 December 2023 on the basis of purchasing power as of 31 December 2024.

3. SEGMENT REPORTING

The Group has determined operating segments based on internal reports regularly audited by the competent authority to take decisions on its activities. The authority of the Group to make decisions is the General Manager and the Board of Directors.

The Group's competent authority to review the results and activities on a product-by-product basis and geographical distribution basis in order to make decisions about the resources allocated to the divisions and to evaluate the performance of the divisions. The distribution on the basis of group product groups is as follows: Electrical and mechanical project commitment, land and buildings, telecommunications, ship electrical electronics. Revenue of the Group's reportable operating segments comes largely from project commitment. Information on business segments based on the internal reporting of the Group is as follows:

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

3. SEGMENT REPORTING (Continued)

1 January - 31 December 2024	Project Commitment	Rent Estate Rental	Telecommunication	Marine Electrical and Electronics	Consolidation Adjustments	Total
Net Revenue Non-Group	3,467,761,966	110,316,030	--	316,505,930	423,078,254	4,317,662,180
Total Net Revenue	**3,467,761,966**	**110,316,030**	**--**	**316,505,930**	**423,078,254**	**4,317,662,180**
Cost of Sales (-)	(2,984,074,426)	(18,193,275)	--	(300,485,469)	(361,715,862)	(3,664,469,032)
Gross Profit	**483,687,540**	**92,122,755**	**--**	**16,020,461**	**61,362,392**	**653,193,148**
General and Administrative Expenses (-)	(167,491,642)	(1,818,376)	(1,558,355)	(17,399,485)	(4,422,361)	(192,690,219)
Other Operating Income	362,146,901	2,984,463	5,354,123	25,659,218	3,746,655	399,891,360
Other Operating Expenses	(1,548,878,552)	(2,039,313)	(5,627,340)	(21,549,971)	(3,588,657)	(1,581,683,833)
Operating Profit/ Loss	**(870,535,753)**	**91,249,529**	**(1,831,572)**	**2,730,223**	**57,098,029**	**(721,289,544)**
Income from Investment Operations	--	15,658,014	23,885	--	--	15,681,899
Expense from Investment Operations (-)	--	--	--	--	--	--
Operating Profit / (Loss) before Finance Income and Expense	**(870,535,753)**	**106,907,543**	**(1,807,687)**	**2,730,223**	**57,098,029**	**(705,607,645)**
Financing Income	92,469,011	7,132,465	96,800	23,303,963	6,751,768	129,754,007
Financing Expenses (-)	(224,399,329)	(86,998,101)	(3,248,401)	(4,652,897)	(5,244,530)	(324,543,258)
Monetary Gain/Loss	103,821,855	159,951,524	9,137,850	(87,833,545)	781,072,270	966,149,954
Operating Profit/(Loss) Before Tax	**(898,644,216)**	**186,993,431**	**4,178,562**	**(66,452,256)**	**839,677,537**	**65,753,058**
	(176,187,452)	**(11,625,564)**	**48,418**	**(15,178,156)**	**(17,579,735)**	**(220,522,489)**
-Period Tax Income/(Loss)	--	--	--	(4,993,910)	--	(4,993,910)
-Deferred Tax Income/(Expense)	(176,187,452)	(11,625,564)	48,418	(10,184,246)	(17,579,735)	(215,528,579)
Profit/(Loss)	**(1,074,831,668)**	**175,367,867**	**4,226,980**	**(81,630,412)**	**822,097,802**	**(154,769,431)**
Investment Expenses						
Property, Plant and Equipment	4,891,891	60,048	--	118,839	--	5,070,778
Depreciation Expenses	(8,783,546)	(1,026,114)	(7,150)	(86,543)	(993,213)	(10,896,566)
Other Information						
- Total Assets	13,230,383,581	2,718,000,538	835,595,620	338,170,900	(7,066,017,527)	10,056,133,112
- Total Liabilities	9,769,889,406	475,978,819	22,098,373	221,645,676	(2,907,111,444)	7,582,500,830

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

3. SEGMENT REPORTING (Continued)

1 January - 31 December 2023	**Project Commitment**	**Rent Estate Rental**	**Telecommunication**	**Marine Electrical and Electronics**	**Consolidation Adjustments**	**Total**
Net Revenue Non-Group	2,528,266,024	88,912,310	--	430,549,669	(1,918,145)	3,045,809,858
Total Net Revenue	**2,528,266,024**	**88,912,310**	**--**	**430,549,669**	**(1,918,145)**	**3,045,809,858**
Cost of Sales (-)	(2,393,787,694)	(15,832,481)	--	(312,864,868)	241,181	(2,722,243,862)
Gross Profit	**134,478,330**	**73,079,829**	**--**	**117,684,801**	**(1,676,964)**	**323,565,996**
General and Administrative Expenses (-)	(169,635,022)	(8,154,786)	(1,391,930)	(14,075,134)	2,125,774	(191,131,098)
Other Operating Income	983,527,929	3,216,297	1,779,528	87,210,628	(609,035)	1,075,125,347
Other Operating Expenses	(1,101,717,699)	(5,247,978)	(3,001,704)	(33,291,578)	--	(1,143,258,959)
Operating Profit/ Loss	**(153,346,462)**	**62,893,362**	**(2,614,106)**	**157,528,717**	**(160,225)**	**64,301,286**
Income from Investment Operations	335,435	295,152	43,099	355,414	--	1,029,100
Expense from Investment Operations (-)	--	(19,401,791)	(45,360)	--	--	(19,447,151)
Operating Profit / (Loss) before Finance Income and Expense	**(153,011,027)**	**43,786,723**	**(2,616,367)**	**157,884,131**	**(160,225)**	**45,883,235**
Financing Income	18,797,153	1,460,186	36,577	14,187,660	(4,723,620)	29,757,956
Financing Expenses (-)	(231,788,814)	(285,902,669)	(3,312,551)	(1,146,539)	4,723,620	(517,426,953)
Monetary Gain/Loss	481,714,305	(88,196,107)	13,476,255	(55,871,196)	488,910,333	840,033,590
Operating Profit/(Loss) Before Tax	**115,711,617**	**(328,851,867)**	**7,583,914**	**115,054,056**	**488,750,108**	**398,247,828**
	2,027,776	**308,870,412**	**--**	**(19,875,976)**	**(353,048,857)**	**(62,026,645)**
-Period Tax Income/(Loss)	--	--	--	(26,110,266)	--	(26,110,266)
-Deferred Tax Income/(Expense)	2,027,776	308,870,412	--	6,234,290	(353,048,857)	(35,916,379)
Profit/(Loss)	**117,739,393**	**(19,981,455)**	**7,583,914**	**95,178,080**	**135,701,251**	**336,221,183**
Investment Expenses						
Property, Plant and Equipment	440,050	152,787	--	--	--	592,837
Depreciation Expenses	(12,179,654)	(993,596)	--	(23,296)	--	(13,196,546)
<u>Other Information</u>						
- Total Assets	16,624,361,095	2,676,972,635	836,988,422	478,608,242	(7,575,256,115)	13,041,674,279
- Total Liabilities	12,403,323,085	610,344,768	27,718,156	280,540,979	(3,381,353,285)	9,940,573,703

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

3. SEGMENT REPORTING (Continued)

Geographical Segments

1 January - 31 December 2024	Turkey	Gulf (*)	Europe	Other	Elimination	Total
Revenue	792,896,774	2,406,065,954	695,621,198	--	423,078,254	4,317,662,180
Due from Customers Under Construction Contracts	41,906,247	3,513,973,940	60,491,391	--	--	3,616,371,578
Assets according to Segment	8,158,722,848	7,894,472,178	1,056,291,894	12,663,719	(7,066,017,527)	10,056,133,112
Investment Expenses	2,977,695	--	2,093,083	--	--	5,070,778

1 January - 31 December 2023	Turkey	Gulf (*)	Europe	Other	Elimination	Total
Revenue	1,132,614,367	1,915,113,634	--	--	(1,918,143)	3,045,809,858
Due from Customers Under Construction Contracts	2,368,856,345	4,185,101,217	21,296,819	--	--	6,575,254,381
Assets according to Segment	10,475,560,960	10,068,209,814	57,680,813	15,478,819	(7,575,256,127)	13,041,674,279
Investment Expenses	275,797	317,040	--	--	--	592,837

(*) The Gulf division consists of operations in the United Arab Emirates and Qatar.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

4. CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Cash	11,206	3,129,505
Banks	39,844,095	46,860,982
- Demand Deposits	*39,844,095*	*46,860,982*
Other Cash and Cash Equivalents	--	85
Total	**39,855,301**	**49,990,572**

There is a blockage amounting to TRY 1,438,332 , USD 9,320 , EUR 8,688 on cash and cash equivalents as of the reporting date (31 December 2023: TRY 6,577,936 , USD 9,320 , EUR 24,746).

5. FINANCIAL INVESTMENTS

Short Term Financial Investment		
Fair value gains of financial assets recognised in income statement	53,654	43,331
Total	**53,654**	**43,331**

Financial investments whose fair value differences are eflected to profit / loss		
Shares traded on the stock exchange (*)	53,654	43,331
Total	**53,654**	**43,331**

(*) The shares traded on the stock exchange have fair value gain amounting to TRY 10,323 in the current period (31 December 2023: TRY 528 fair value gain).

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

6. FINANCIAL BORROWINGS

	31 December 2024	31 December 2023
Bank Loans	1,781,979,455	2,263,922,788
Total	**1,781,979,455**	**2,263,922,788**

a) Bank Loans:

31 December 2024					
Currency	**Weighted Average Interest Rate (%)**	**Short Term**	**Short-Term Portion of Long Term Loans**	**Long Term**	**Total**
TRY	16.00	--	176,688,224	397,487,032	574,175,256
Usd	4.00	--	136,721,724	400,573,088	537,294,812
Eur	4.00	--	23,063	86,456	109,519
Qar	8.75	646,055,605	--	--	646,055,605
Aed	4.00	--	7,212,951	17,131,312	24,344,263
Total		**646,055,605**	**320,645,962**	**815,277,888**	**1,781,979,455**

31 December 2023					
Currency	**Weighted Average Interest Rate (%)**	**Short Term**	**Short-Term Portion of Long Term Loans**	**Long Term**	**Total**
TRY	16.00	--	124,014,827	656,696,823	780,711,650
USD	4.00	--	10,048,686	174,432,265	184,480,951
Eur	4.00	--	37,173,664	462,721,635	499,895,299
Qar	8.00	763,425,011	--	--	763,425,011
Aed	4.00	--	2,132,608	33,277,269	35,409,877
Toplam		**763,425,011**	**173,369,785**	**1,327,127,992**	**2,263,922,788**

	31 December 2024	31 December 2023
Payable within one year	966,701,567	936,794,796
Payable within 2 - 3 years	282,010,179	525,169,150
Payable within 3 - 4 years	240,838,735	301,779,239
Payable within 4 - 5 years	244,044,551	326,347,737
Payable more than 5 years	48,384,423	173,831,866
Total	**1,781,979,455**	**2,263,922,788**

Movement of the Group regarding loans is as follows:

	31 December 2024	31 December 2023
Opening Balance	**2,263,922,788**	**2,410,651,206**
Proceeds from borrowing	312,021,471	334,058,653
Repayment of borrowings	(368,331,626)	(267,341,210)
Interest accrual	189,367,273	266,504,418
Foreign exchange rate differences	105,806,746	213,876,473
Monetary gain/loss	(860,908,682)	(948,971,779)
Currency translation adjustment	140,101,485	255,145,027
Closing Balance	**1,781,979,455**	**2,263,922,788**

As stated in the Group's special situation statement dated 15 March 2023, bank loans have been recalculated within the scope of the Financial Restructuring agreement signed on 10 March 2023.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

7. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables:

The Group's trade receivables as at balance sheet date are as follows:

Short Term Trade Receivables	**31 December 2024**	**31 December 2023**
Customers	838,948,136	796,957,823
Notes Receivables and Postdated Checks	1,950,648	4,955,836
Less: Unrealized Finance Income	(9,895,627)	(5,886,821)
Doubtful Trade Receivables	3,427,995	3,378,726
Less: Doubtful Receivables Provisions	(3,427,995)	(3,378,726)
Collaterals held by Employers (*)	1,665,911,628	1,453,272,206
Sub Total	**2,496,914,785**	**2,249,299,044**
Receivables from Related Parties (Note 27)	75,600,214	54,103,763
Total	**2,572,514,999**	**2,303,402,807**

(*) Before the completion of the work defined in the construction contracts or until completion, in some cases the commercial debts held by the employer within a longer period of time and not yet outstanding are classified as "subcontractor return share debts.

As of 31 December 2024, the weighted average of interest rate 48.79%, 4.18% and 2.46% used to calculate unearned finance income for short-term trade receivables in terms of TRY, US Dollars and Euro and average maturity of receivables is 2 months (2023: TRY 13.90%, US Dollars 5.47%, Euro 3.68%, 2 months)

As of 31 December 2024, trade receivables amounting to TRY 3,427,995 (31 December 2023: TRY 3,378,726) is a provision for doubtful receivables.

Provision for doubtful receivables for trade receivables is determined based on experience.

The movement schedule of the Group for doubtful trade receivables is as follows:

	1 January - 31 December 2024	**1 January - 31 December 2023**
Beginning of the period	3,378,726	3,662,632
Monetary gain/loss	303,731	357,887
Foreign exchange rate differences	(254,462)	(641,793)
End of the period	**3,427,995**	**3,378,726**

b) Trade Payables:

The Group's trade payables at the balance sheet date are as follows:

Short Term Trade Payables	**31 December 2024**	**31 December 2023**
Suppliers	3,815,445,941	4,568,148,853
Notes Payable and Postdated Checks	87,142,448	56,501,945
Less: Unrealized Finance Expense	(15,725,909)	(8,960,175)
Expense Accruals	166,475,386	926,725
Financial Guarantees Given to the Subcontractor (*)	149,056,940	288,247,744
Sub Total	**4,202,394,806**	**4,904,865,092**
Trade Payables to Related Parties (Note 27)	182,607,759	191,435,600
Total	**4,385,002,565**	**5,096,300,692**

(*) Before the completion of the work defined in the construction contracts or until completion, in some cases the commercial debts held by the employer within a longer period of time and not yet outstanding are classified as "subcontractor return share debts".

As of 31 December 2024, the weighted average of interest rates are 48.79%, 4.18%, and 2.46% used to calculate unearned finance expense for short-term trade payables in terms of TRY, US Dollars and Euro and weighted average maturity is 3 months (31 December 2023: TRY 15.22%, US Dollars: 5.47%, Euro: 3.86% 3 months)

Details of receivables from related parties and due to related parties are disclosed in Note 27.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

8. OTHER RECEIVABLES AND PAYABLES

Short Term Other Receivables	**31 December 2024**	**31 December 2023**
Deposits and Guarantees Given	20,948,047	10,035,529
Due From Personal	33,730	30,523
Doubtful Other Receivables	5,224,235	7,543,316
Less: Provision of Doubtful Other Receivables	(5,224,235)	(7,543,316)
Other Receivables	45,801,843	2,046,705
Tax and Social Security Receivables	--	72,364
Sub total	**66,783,620**	**12,185,121**
Other receivables from related parties (Note 27)	112,439,873	41,294,078
Total	**179,223,493**	**53,479,199**

The details of the other doubtful receivables are as follows:

	31 December 2024	**31 December 2023**
Beginning of the period	7,543,316	12,459,446
Provisions within the period	643,276	(23,146)
Monetary gain/loss	(2,962,357)	(4,892,984)
End of the period	**5,224,235**	**7,543,316**

Long-Term Other Receivables	**31 December 2024**	**31 December 2023**
Deposits and Guarantees Given	2,607,695	6,074,597
Total	**2,607,695**	**6,074,597**

Short-Term Other Payables	**31 December 2024**	**31 December 2023**
Deposits and Guarantees Received	24,477,950	2,084,155
Taxes and Charges	97,275,992	27,076,763
Other Payables	5,932,031	1,246,761
Payables to the Public Authorities	6,720,137	4,653,016
Sub Total	**134,406,110**	**35,060,695**
Other Payables to Related Parties (Note 27)	142,926,897	94,401,533
Total	**277,333,007**	**129,462,228**

Other Long-Term Payables	**31 December 2024**	**31 December 2023**
Payables to the Public Authorities	1,901,415	13,567,910
Other Payables to Related Parties (Note 27)	30,285,447	36,610,125
Total	**32,186,862**	**50,178,035**

9. INVENTORIES

	31 December 2024	**31 December 2023**
Raw Materials and Equipment	339,943,076	780,768,742
Other	--	119,729
Total	**339,943,076**	**780,888,471**

The Group has no inventory pledged as collateral for loans used (31 December 2023: None).

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

10. PREPAID EXPENSES AND DEFERRED REVENUES

Short-Term Prepaid Expenses	31 December 2024	31 December 2023
Advances Given for Inventories	359,973,668	317,141,132
Other Advances Given	188,218,005	214,988,899
Prepaid Expenses for the following months	4,575,841	12,096,405
Total	**552,767,514**	**544,226,436**

Long-Term Prepaid Expenses	31 December 2024	31 December 2023
Prepaid expenses for the following years	1,058,484	72,854
Total	**1,058,484**	**72,854**

Short-Term Deferred Income	31 December 2024	31 December 2023
Advances Received Regarding Construction Contracts	652,184,438	429,868,617
Other Advances Received	20,896,869	4,865,479
Deferred revenue	3,140,014	4,533,143
Total	**676,221,321**	**439,267,239**

Long Term Deferred Incomes	31 December 2024	31 December 2023
Deferred revenue	1,901,415	1,599,044
Advances Received Regarding Construction Contracts	1,599,984	1,130,545,640
Total	**3,501,399**	**1,132,144,684**

(*) As a result of the lawsuit explained in note 15, the advance received in the amount of USD 26,599,502 accounted for within the scope of the Abu Dhabi International Airport project was netted with the lawsuit amount (For details, see note 15).

11. CONSTRUCTION CONTRACTS

Assets regarding Construction Contracts in Progress	31 December 2024	31 December 2023
Short term	2,910,158,616	3,278,680,833
Long term	706,212,962	3,296,573,548
Total	**3,616,371,578**	**6,575,254,381**

Assets related to construction projects in progress are as follows:

	31 December 2024	31 December 2023
Unearned Assets regarding Domestic Construction Contracts (*)	41,906,247	2,368,856,345
Unearned Assets regarding Overseas Construction Contracts (*)	3,574,465,331	4,206,398,036
Assets regarding Construction Contracts In Progress	**3,616,371,578**	**6,575,254,381**

	31 December 2024	31 December 2023
Liabilities Regarding Construction Contracts in Progress	77,177,971	598,758,975
Total	**77,177,971**	**598,758,975**

(*) There is reasonable assurance that the entity will fulfill the necessary conditions for the acquisition of assets that have not yet been acquired and the fair value of the consideration received has been reflected in the consolidated financial statements on an accrual basis.

Liabilities related to construction projects in progress are as follows:

	31 December 2024	31 December 2023
Over-invoiced Portion regarding Domestic Construction Contracts	49,815,100	--
Over-invoiced Portion regarding Overseas Construction Contracts	27,362,871	598,758,975
Contractual obligations arising from ongoing construction and contracting works	**77,177,971**	**598,758,975**

Guarantees given and received for the projects described in Note 15.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

12. INVESTMENT PROPERTY

Fair Value	1 January 2024 Opening Balance	Additions	Disposals	Transfers	Appreciation	31 December 2024 Closing Balance
Land and Buildings	2,491,917,161	--	--	--	15,658,014	2,507,575,175
Investment Properties	**2,491,917,161**	**--**	**--**	**--**	**15,658,014**	**2,507,575,175**

Fair Value	1 January 2023 Opening Balance	Additions	Disposals	Transfers	Appreciation	31 December 2023 Closing Balance
Land and Buildings	2,524,076,651	--	--	(12,757,699)	(19,401,791)	2,491,917,161
Investment Properties	**2,524,076,651**	**--**	**--**	**(12,757,699)**	**(19,401,791)**	**2,491,917,161**

The fair value of investment property amounting at 31 December 2024 and 2023 are as follows:

	31 December2024		31 December2023	
Name of real estate	Expertise Report Date	The Fair Value	Expertise Report Date	The Fair Value
Anel İş Merkezi	31 December 2024	2,480,000,000	31 December 2023	2,483,314,868
Koşuyolu land	31 December 2024	52,180,000	31 December 2023	33,207,118

There is a mortgage amount of EUR 37,200,000, TRY 527,000,000, USD 136,000,000 and TRY 258,063,599 insurance coverage is available. (31 December 2023: EUR 37,200,000, TL 760,876,125, mortgage amounting to USD 136,000,000, debt and precautionary lien (creditor Denizbank A.Ş.) and insurance guarantee of TRY 372,589,054)

The Group has revaluated the Anel Business Center building located in Ümraniye, one of its investment properties, by Eva Gayrimenkul Değerleme Danışmanlık A.Ş., an independent valuation company licensed by CMB. The Group management believes that the appraiser company has professional knowledge and up-to-date information on the segment and location of investment property. According to the appraiser report as of 31 December 2023 prepared by the appraiser company, fair value was determined as TRY 2,480,000,000. The value of the property was determined by the Market method.

The area used by the Group Companies subject to consolidation within 42 independent area of the property subject to the appraisal, have been recognised in tangible assets amounting to TRY 24,604,825 and remaining areas amounting to TRY 2,507,575,175 have been recognised in investment properties.

In addition, the building of the Group, which is outside of Anel Business Center and located in Koşuyolu, has been evaluated by TSKB Gayrimenkul Değerleme A.Ş. and its fair value has been determined as TRY 52,180,000. The value of the property was determined by the Market Approach method.

The Group has generated TRY 104,651,234 rental income from its investment properties (31 December 2022: TRY 87,697,355)

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

13. TANGIBLE ASSETS

31 December 2024

Cost	**Buildings**	**Plant, Machinery and Equipment**	**Vehicles**	**Fixtures**	**Leasehold Improvements**	**Other Fixed Assets**	**Total**
Opening Balance	**24,604,825**	**262,672,277**	**26,248,245**	**246,165,500**	**10,130,080**	**1,200,328**	**571,021,255**
Currency Translation Adjustments	--	(24,057,157)	(5,656,593)	(17,214,473)	--	--	(46,928,223)
Purchases	--	181,447	--	4,829,282	--	--	5,010,729
Disposal	--	(384,964)	--	(286,317)	--	--	(671,281)
Closing Balance	**24,604,825**	**238,411,603**	**20,591,652**	**233,493,992**	**10,130,080**	**1,200,328**	**528,432,480**
Accumulated Depreciation							
Opening Balance	**(4,313,336)**	**(243,911,412)**	**(26,246,396)**	**(233,269,722)**	**(10,130,080)**	**(1,200,328)**	**(519,071,274)**
Currency Translation Adjustments	1,325,822	19,271,164	5,654,744	25,286,073	--	--	51,537,803
Charge for the period	(657,096)	(5,139,270)	--	(5,034,281)	--	--	(10,830,647)
Disposal	--	359,943	--	286,317	--	--	646,260
Closing Balance	**(3,644,610)**	**(229,419,575)**	**(20,591,652)**	**(212,731,613)**	**(10,130,080)**	**(1,200,328)**	**(477,717,858)**
Tangible Assets, net	**20,960,215**	**8,992,028**	**--**	**20,762,379**	**--**	**--**	**50,714,622**

Total depreciation expense for the current period is TRY 10,830,647 (31 December 2023: TRY 13,164,220). This amount is TRY 10,463,041 (31 December 2023: TRY 10,528,162) included in the cost of goods sold (Note 19) and TRY 367,606 (31 December 2023: TRY: 2,636,058) are included in general administrative expenses (Note 20) and no allocation included in marketing expenses (31 December 2023: None).

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

13. TANGIBLE ASSETS (Continued)

31 December 2023

Cost	**Buildings**	**Plant, Machinery and Equipment**	**Vehicles**	**Fixtures**	**Leasehold Improvements**	**Other Fixed Assets**	**Total**
Opening Balance	**11,847,126**	**271,960,688**	**27,294,971**	**250,547,990**	**10,130,080**	**1,200,328**	**572,981,183**
Currency Translation Adjustments	--	(9,344,472)	(1,046,726)	(4,630,478)	--	--	(15,021,676)
Purchases	--	56,061	--	536,776	--	--	592,837
Disposal	--	--	--	(288,788)	--	--	(288,788)
Transfers	12,757,699	--	--	--	--	--	12,757,699
Closing Balance	**24,604,825**	**262,672,277**	**26,248,245**	**246,165,500**	**10,130,080**	**1,200,328**	**571,021,255**
Accumulated Depreciation							
Opening Balance	**(3,656,245)**	**(240,345,240)**	**(27,294,971)**	**(234,660,560)**	**(10,130,080)**	**(1,200,328)**	**(517,287,424)**
Currency Translation Adjustments	--	5,588,558	1,048,575	4,456,186	--	--	11,093,319
Charge for the period	(657,091)	(9,154,730)	--	(3,352,399)	--	--	(13,164,220)
Disposal	--	--	--	287,051	--	--	287,051
Closing Balance	**(4,313,336)**	**(243,911,412)**	**(26,246,396)**	**(233,269,722)**	**(10,130,080)**	**(1,200,328)**	**(519,071,274)**
Tangible Assets, net	**20,291,489**	**18,760,865**	**1,849**	**12,895,778**	**--**	**--**	**51,949,981**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

14. INTANGIBLE ASSETS

		31 December 2024
Cost	**Rights**	**Total**
Opening Balance	**68,709,616**	**68,709,616**
Currency Translation Adjustments	(2,446,336)	(2,446,336)
Additions	60,049	60,049
Closing Balance	**66,323,329**	**66,323,329**
Accumulated Amortization		
Opening Balance	**(68,172,837)**	**(68,172,837)**
Currency Translation Adjustments	2,268,559	2,268,559
Charge for the period	(65,919)	(65,919)
Closing Balance	**(65,970,197)**	**(65,970,197)**
Intangible Assets, net	**353,132**	**353,132**

The sum of the current period amortisation is TRY 65,919 (31 December 2023: TRY 32,326). Total amount of TRY 63,682 is included in the cost of the sold goods (31 December 2023: TRY 3,233) (Note 19), part of the TRY 2.237 recognised in the general administrative expenses (31 December 2023: TRY 29,093) (Note 20).

		31 December 2023
Cost	**Rights**	**Total**
Opening Balance	**70,145,769**	**70,145,769**
Currency Translation Adjustments	(1,436,153)	(1,436,153)
Closing Balance	**68,709,616**	**68,709,616**
Accumulated Amortization		
Opening Balance	**(69,649,230)**	**(69,649,230)**
Currency Translation Adjustments	1,508,719	1,508,719
Charge for the period	(32,326)	(32,326)
Closing Balance	**(68,172,837)**	**(68,172,837)**
Intangible Assets, net	**536,779**	**536,779**

15. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES

Other short-term provisions	**31 December 2024**	**31 December 2023**
Litigation provisions	3,729,667	17,019,696
Total	**3,729,667**	**17,019,696**

The details of litigation provisions are as follows:

	1 January - 31 December 2024	**1 January - 31 December 2023**
Beginning of period	17,019,696	21,666,521
Provision in period	1,780,966	3,249,250
Less: canceled in period	(11,099,715)	(4,474,529)
Monetary gain/loss	(3,971,280)	(3,421,546)
End of period	**3,729,667**	**17,019,696**

Contingent Liabilities

As of 31 December 2024, there are 136 lawsuits against the Group amounting to TRY 3,729,667 (31 December 2022: TRY 17,019,696.)

15. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES (Continued)

Lawsuits

The responsibilities in the Abu Dhabi International Airport electrical works project undertaken by Anel Emirates, the Group's joint venture in the United Arab Emirates, have been completed by 99%. The Company's Board of Directors, on 24 May 2021, announced that the contracts between the project employer TAV-CCC-Arabtec JV (TCA JV) and the main employer Abu Dhabi Airport Authority (ADAC) were terminated by ADAC in April 2021. The issue was evaluated by TCA JV and the details were notified to the Group, after which the Board of Directors was authorized to conduct the Arbitration Process.

Group's Board of Directors, arbitration proceedings regarding Anel Emirates' receivables from its employer TAV-CCC-Arabtec JV were initiated on 25 May 2021. The arbitration application was accepted and processed by the Abu Dhabi Commercial Conciliation and Arbitration Centre (ADCCAC) and the necessary notification was made to the relevant parties by the Arbitration Centre on 3 June 2021 to submit their responses on the subject and to form the arbitration panel. During the period from the submission of the arbitration application to the present, the parties have made the necessary defenses and expert reports have been submitted. In its application to arbitration in May 2021, the Group filed a lawsuit for the collection of its existing recorded receivables related to these works (receivables accounted for according to project completion rates), the recording of additional receivables earned within the scope of the term and contract extension and the rights regarding additional costs incurred as a result of the term/work extension, and the compensation of damages. Along with the arbitration process, the Group has frozen the project revenues within the scope of construction accounting and has evaluated the requested additional revenues as contingent assets in accordance with the conservative principle and has decided not to recognize revenue until the arbitration process is completed. The Group disclosed the details in the consolidated financial statement footnotes for the said contingent assets in its previously published consolidated financial statements.

As a result of the evaluation made by the arbitration board, the demands put forward by Anel Emirates were accepted, however, the board, which also took into account the demands of the other party, decided the result as 197.8 AED (1.9 billion TRY) against Anel Emirates as a result of the clarification of the accounts. The group management faced a negative situation with the arbitration result in the process where they expected additional income from the existing receivables.

As a result of the review of the decision sent to the Group electronically in August 2024 by the Group legal units, the objections to the arbitration decision are continuing with the lawsuits filed against the decision of the Abu Dhabi Commercial Conciliation and Arbitration Center in Abu Dhabi local courts.

The Group has evaluated its best available information and estimates within the scope of TAS 9 "Financial Instruments" and TAS 37 "Provisions. Contingent Liabilities and Contingent Assets" Standards as a result of the evaluation it has made as of 31 December 2024, together with the project managers and legal advisors. As a result of this evaluation, it was evaluated that there were material errors in the amounts specified in the decision and these amounts were requested to be corrected in the documents submitted to the court. The Group, taking into account the current carried forward amounts, has recorded an expense under Other Expenses in the amount of USD 30,962,094 (TL Equivalent: TRY 1,154,912,665) related to this process, after deducting the net of receivables of USD 77,578,799 accounted as "Non-current Assets Arising from Ongoing Construction and Contracting Works" and advance balances of USD 26,599,502 accounted as Deferred Revenues and USD 53,907,122 provision amount decided against the Group as a result of arbitration, which is evaluated as a material error and expected to be corrected as a result of the objection, as "Non-current Assets Arising from Ongoing Construction and Contracting Works" amount to USD 20,017,204 (TRY 706,212,962) in the consolidated financial statements dated 31 December 2024.

Collaterals-Pledge-Mortgages

As of 31 December 2024, and 31 December 2023, the Group's collateral/pledge/mortgage position statements are as follows:

The Group does not have any letters of guarantee, promissory notes or checks received for project commitments. (31 December 2023: Letters of guarantee received: USD 348,652. EUR 509,337. TRY 11,998,066; Notes of guarantee received: USD 17,012. EUR 3,400. TRY 3,575,825. Checks of guarantee received: USD 55,378).

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

15. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES (Continued)

Collaterals-Pledge-Mortgages

CPM's given by the Group				
31 December 2024	**USD**	**EUR**	**TRY**	**TRY Equivalent**
A) CPMB's given for Company's own legal personality	903,729	313,613	7,958,786	51,363,566
B) CPMB's given on behalf of fully consolidated companies	221,358,739	39,099,914	527,284,700	9,773,269,680
C) CPMB's given on behalf of third parties for ordinary course of business	--	--	--	--
D) CPMB's given within the scope of Corporate Governance Communiqué's 12/2 clause	--	--	--	--
E) Total amount of other CPMB's	--	--	--	--
i) Total amount of CPMB's given on behalf of majotary shareholder	--	--	--	--
ii) Total amount of CPMB's given on behalf of other Group	--	--	--	--
iii) Total amount of CPMB's given on behalf of third parties which are not in scope of C	--	--	--	--
Total	**222,262,468**	**39,413,527**	**535,243,486**	**9,824,633,246**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

15. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES (Continued)

Collaterals-Pledge-Mortgages (Continued)

CPM's given by the Group				
31 December 2023	**USD**	**EUR**	**TRY**	**TRY Equivalent**
A) CPMB's given for Company's own legal personality	38,273,729	1,581,152	244,893,405	1,945,984,244
B) CPMB's given on behalf of fully consolidated companies	192,582,993	39,139,132	548,805,035	10,574,771,325
C) CPMB's given on behalf of third parties for ordinary course of business	--	--	--	--
D) CPMB's given within the scope of Corporate Governance Communiqué's 12/2 clause	--	--	--	--
E) Total amount of other CPMB's	--	--	123,704	123,704
i) Total amount of CPMB's given on behalf of majotary shareholder	--	--	--	--
ii) Total amount of CPMB's given on behalf of other Group	--	--	123,704	123,704
iii) Total amount of CPMB's given on behalf of third parties which are not in scope of C	--	--	--	--
Total	**230,856,722**	**40,720,284**	**793,822,144**	**12,520,879,273**

Other groups of CPM is given by the Group’s equity ratio is 0% (31 December 2023:0%).

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

15. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES (Continued)

Collaterals-Pledge-Mortgages (Continued)

The distribution of CM's by type as of 31 December 2024 and 31 December 2023 is shown below.

31 December 2024

Collaterals, Mortgages	Total TRY Equivalent	USD	EUR	TRY
Collaterals	3,132,925,806	86,262,468	2,213,527	8,243,486
Mortgages	6,691,707,440	136,000,000	37,200,000	527,000,000
Total	**9,824,633,246**	**222,262,468**	**39,413,527**	**535,243,486**

31 December 2023

Collaterals, Mortgages	Total TRY Equivalent	USD	EUR	TRY
Collaterals	4,230,153,150	94,856,722	3,520,284	32,946,019
Mortgages	8,290,726,123	136,000,000	37,200,000	760,876,125
Total	**12,520,879,273**	**230,856,722**	**40,720,284**	**793,822,144**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

16. EMPLOYEE BENEFITS

Provisions for Short Term Employee Benefits	31 December 2024	31 December 2023
Unused Vacation Rights	9,025,233	20,314,398

The movements of unused vacation rights during the year are as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Provisions as of 1 January	20,314,398	30,044,103
Additional provision	(7,817,965)	(6,870,073)
Foreign currency conversion adjustments	2,079,256	6,848,287
Monetary gain/loss	(5,550,456)	(9,707,919)
End of the period	**9,025,233**	**20,314,398**

Employee Benefits Liabilities	31 December 2024	31 December 2023
Due to Personnel	104,884,380	110,056,376
Social Security Withholdings Payable	6,901,252	7,025,459
Total	**111,785,632**	**117,081,835**

Provisions for Long Term Employee Benefits	31 December 2024	31 December 2023
Provisions for Employee Termination Benefits	17,140,046	54,748,767

Under Turkish law, and any group that fills a one-year service period is terminated without due cause, is called up for military service, dies, 25-year period of service for men, 20 women have been filled or the retirement age (women 58 and men 60 years), the staff has to make severance payments.

The liability is not subject to any funding. The provision of Group's, arising from the retirement of employees is calculated by estimating the present value of future probable obligation. TAS 19 ("Employee Benefits"), group obligations under defined benefit plans using actuarial valuation methods to be developed. Accordingly, the actuarial assumptions used in calculating the total liabilities are as follows:

The severance provisions for the employees that works Group's Qatar and United Arab Emirates branches are not subject to any discount due to local laws of these countries where the units are:

	31 December 2024	31 December 2023
Annual Discount Rate (%)	3.17	2.72
Probability of Retirement (%)	82.62	83.37

The main assumption, the maximum liability for each year of service will only grow in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. Therefore, as of 31 December 2024 the accompanying financial statements provisions for the future probably obligation arising from the retirement of employees is calculated by estimating the present value.

Severance pay ceiling amounting to TRY 46,655.43 (31 December 2023: TRY 50,617.15) used on calculation of retirement pay provision with effect from 1 January 2024

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

16. EMPLOYEE BENEFITS (Continued)

Movements in the provision for employee benefits during the year are as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Opening Balance	54,748,767	68,810,274
Service Cost	15,500,447	23,775,013
Interest Cost	3,138,477	72,153
Employment Termination Paid	(57,712,984)	(43,707,332)
Actuarial Gain/Loss	6,100,867	11,721,037
Foreign Currency Exchange Differences	5,933,593	17,572,329
Monetary Gain/Los	(10,569,121)	(23,494,707)
Closing Balance	**17,140,046**	**54,748,767**

17. OTHER ASSETS AND LIABILITIES

	31 December 2024	31 December 2023
Deferred VAT	21,719,911	29,598,641
Other VAT	17,491,294	7,695,985
Work Advance	6,740,377	1,548,972
Personel Advances	797,243	1,029,707
Other Current Assets	48,828	59,215
Total	**46,797,653**	**39,932,520**

18. CAPITAL, RESERVES AND OTHER EQUITY COMPONENTS

a) Capital

The Company's issued share capital as at 31 December 2024 and 31 December 2023 dates are as follows:

	31 December 2024		31 December 2023	
Shareholders (*)	Share Amount (TRY)	Share Percentage (%)	Share Amount (TRY)	Share Percentage (%)
Rıdvan Çelikel	117,517,316	44.35	117,517,316	%44.35
Capital Strategy Funds Spc-The Opportunistic Series Segregateg Portfolio	106,430,458	40.16	88,126,896	%33.26
Other	41,052,226	15.49	59,355,788	%22.39
Paid in Capital	**265,000,000**	**%100**	**265,000,000**	**%100**
Positive distinction from share capital adjustment	2,293,219,846		2,293,219,846	
Total	**2,558,219,846**	**%100**	**2,558,219,846**	**%100**

(*) As published on 31 December 2024 at kap.gov.tr..

Positive distinction from share capital adjustment represent the effect of the cash additions to paid-in capital being readjusted to year-end purchasing power.

As at 31 December 2024, 15.47% (31 December 2023: 22%) of Company shares are being traded in ISE (Istanbul Stock Exchange) according to Central Registry Agency ("CRA") report

The Company is subject to authorized capital system and the equity ceiling is TRY 400,000,000. The Company's issued share capitals' historical value is TRY 265,000,000. (31 December 2023: TRY 265,000,000) which is consisted of authorized and fully paid 53,454,935.13 pcs of A-group shares and 211,545,064.87 pcs of B-group shares and each having TRY 1 nominal value. A-group shareholders have two voting rights and B-group shareholders have one voting rights for each share owned at the General Assembly meeting. All of the A-group shares are owned by Rıdvan Çelikel.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

18. CAPITAL, RESERVES AND OTHER EQUITY COMPONENTS (Continued)

b) Premiums/(Discounts) Related with Shares

	31 December 2024	31 December 2023
Premiums/(Discounts) Related with Shares	23,521,476	23,521,476
Total	**23,521,476**	**23,521,476**

c) Foreign Currency Translation Differences

	31 December 2024	31 December 2023
Foreign Currency Translation Differences	1,363,824,398	1,831,947,611
Total	**1,363,824,398**	**1,831,947,611**

d) Defined Benefit Plans Revaluation and Measurement Gain/(Loss)

	31 December 2024	31 December 2023
Defined Benefit Plans Revaluation and Measurement Gain/(Loss)	(8,150,966)	(3,575,316)
Total	**(8,150,966)**	**(3,575,316)**

e) Restricted Reserves

	31 December 2024	31 December 2023
Restricted Reserves	167,639,137	167,639,137
Total	**167,639,137**	**167,639,137**

f) Non-controlling Interests

	31 December 2024	31 December 2023
Beginning of Period	70,661,393	55,794,428
Minority Share Profit/(Loss)	4,056,424	14,866,965
Ending of Period	**74,717,817**	**70,661,393**

g) Other Equity Shares

	31 December 2024	31 December 2023
Other Equity Shares	85,659,953	85,659,953
Total	**85,659,953**	**85,659,953**

h) Previous Year Profit/ (Loss)

	31 December 2024	31 December 2023
Previous Year Profit/ (Loss)	(1,632,973,524)	(1,954,327,742)
Total	**(1,632,973,524)**	**(1,954,327,742)**

It consists of previous years' profits, extraordinary reserves, the effects of mergers and other previous years' losses.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

18. CAPITAL, RESERVES AND OTHER EQUITY COMPONENTS (Continued)

According to the Tax Procedure Law and the relevant declaration published in the Official Gazette dated 30 December 2023 and numbered 32415 (2nd Duplicate), the balance sheet dated 31 December 2024 prepared in accordance with the Tax Procedure Law is included in the Producer Prices General Indices (PPI) published by the Turkish Statistical Institute within the scope of inflation accounting application.) was corrected using . The attached financial statements have been subject to inflation correction by using the Consumer Price Indices (CPI) published by the Turkish Statistical Institute in accordance with TAS 29, and ultimately the amounts for the current and previous reporting period are expressed in terms of purchasing power as of 31 December 2024. Due to the use of different indices in the Tax Procedure Law and TAS 29 inflation accounting application and the amounts from previous reporting periods in TMS 29 application are corrected and brought to the purchasing power of 31 December 2024; There are differences between the amounts included in the balance sheet prepared in accordance with the Tax Procedure Law and the amounts included in the financial statements prepared in accordance with TAS/TFRS regarding the items "Capital Adjustment Differences", "Premiums Related to Shares" and "Restricted Reserves Allocated from Profit". These differences are reflected in the "Retained Earnings or Losses" item in the TAS/TFRS financial statements, and these differences are given in detail below:

31 December 2024	**PPI Indexed Legal Records**	**CPI Indexed Legal Records**	**Amounts in Prior Years' Profit/Loss**
Positive distinction from share capital adjustment	3,157,346,133	2,293,219,846	864,126,287
Reserves on retained earnings	237,440,108	167,639,137	69,800,971
Premiums on shares	30,957,473	23,521,476	7,435,997

<u>Profit Distribution</u>

Publicly held companies, the CMB's profit distribution came into force from the date of 1 February 2014 II- 1.19 Dividend accordance with the notification.

The companies distribute their profits within the framework of the profit distribution policies to be determined by the general assemblies and in accordance with the provisions of the related legislation by the decision of the general assembly. A minimum distribution ratio has not been determined within the scope of the said communiqué. Companies pay dividends in the manner specified in their articles of incorporation or profit distribution policies.

In addition, dividends may be paid in instalments of equal or different consistency, and cash dividend advances may be distributed over the profit in the interim period financial statements.

The Company has decided to allocate other reserves, distribute profits to the next year and distribute profit shares to the members of the board of directors, members of the partnership and persons outside the shareholders unless the profit share determined for the shareholders is reserved in the articles of association or in the profit distribution policy. as well as for the shareholders, the profit share cannot be distributed to these persons unless the profit share is paid in cash.

Equity inflation adjustment differences and carrying values of extraordinary reserves can be used for bonus share capital increase, cash dividend distribution or loss deduction. However, equity inflation adjustment differences will be subject to corporation tax if used for cash profit distribution.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

19. REVENUE/COST OF SALES

Sales Revenues	1 January - 31 December 2024	1 January - 31 December 2023
Domestic Sales	3,269,443,787	1,130,618,320
Export Sales	1,051,556,293	1,915,105,477
Other Revenues	1,225,567	1,506,711
Total Revenues	**4,322,225,647**	**3,047,230,508**
Sales Returns (-)	(4,563,467)	(1,420,650)
Sales Revenues (Net)	**4,317,662,180**	**3,045,809,858**
Cost of Goods Sold	(229,967,185)	(2,139,285)
Cost of Services Sold	(3,423,975,124)	(2,709,573,182)
Depreciation Expenses	(10,526,723)	(10,531,395)
Cost of Sales	**(3,664,469,032)**	**(2,722,243,862)**
GROSS PROFIT/LOSS	**653,193,148**	**323,565,996**

20. GENERAL ADMINISTRATIVE EXPENSES

General Administrative Expenses (-)	1 January - 31 December 2024	1 January - 31 December 2023
Personnel Expenses	117,479,228	69,409,953
Counselling Expenses	27,781,545	17,244,248
Information and Processing Expenses	13,313,621	9,959,118
Non-deductible Expenses	11,314,754	17,215,679
Department Share (*)	6,659,914	52,449,771
Tax, Duties and Fee Expenses	4,967,927	2,177,372
Rent Expenses	2,594,073	1,520,600
Travel and Accommodation Expenses	2,525,924	3,425,922
Severance Payments	695,158	6,597,423
Insurance Expenses	677,881	969,727
Depreciation Expenses	369,843	2,665,151
Litigation and Execution Expenses	75,813	3,370,281
Other Expenses	4,234,538	4,125,853
Total	**192,690,219**	**191,131,098**

(*) Within the scope of Anel Group; management and organization of financial affairs, finance, quality processes, information systems, corporate communication, internal audit, commercial affairs, procurement, planning and legal affairs and management of all these processes. and the expenses incurred are distributed to companies benefiting from the service as a share of contribution with a certain systematic.

21. EXPENSES BY NATURE

Depreciation and amortization Expenses	1 January - 31 December 2024	1 January - 31 December 2023
Cost of Good Sold	10,526,723	10,531,395
General Administration Expenses	369,843	2,665,151
Total	**10,896,566**	**13,196,546**

Personnel Expenses	1 January - 31 December 2024	1 January - 31 December 2023
Salary and Wages	490,934,443	484,481,751
Social Security Expenses	11,898,768	19,077,733
Severance Pay Expenses	3,358,429	13,540,732
Vacation Provision Expenses	1,178,510	580,020
Toplam	**507,370,150**	**517,680,236**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

21. EXPENSES BY NATURE(Continued)

Fees for Services Obtained from Independent Auditor/Independent Audit Firm

The Group's explanation regarding the fees for services rendered by independent audit firms is as follows:

	1 January – 31 December 2024	1 January – 31 December 2023
Independent audit fee for the reporting period	2,900,000	1,660,356
Fees for tax advisory services	--	458,258
Other assurance services	60,000	72,189
Total	**2,960,000**	**2,190,803**

22. INCOME/EXPENSES FROM MAIN OPERATIONS

Other Income from Main Operations	1 January – 31 December 2024	1 January – 31 December 2023
Foreign Exchange Gains (*)	387,201,411	1,054,849,672
Provisions No Longer Required	8,256,347	6,722,856
Other Income and Profits	4,433,602	13,552,819
Total	**399,891,360**	**1,075,125,347**

Other Expenses from Main Operations (-)	1 January – 31 December 2024	1 January – 31 December 2023
Provision Expenses (**)	1,174,720,307	10,004,399
Foreign Exchange Loss (*)	401,818,208	1,128,979,061
Litigation and Execution Expenses	4,912,496	3,437,129
Other Expenses	232,822	838,370
Total	**1,581,683,833**	**1,143,258,959**

(*) Exchange differences income/expenses compose of the fx rate changes on trade receivables and payables.

(**) In the year ending 31 December 2024, as a result of the netting of receivables, liabilities and advances accounted for within the scope of the Abu Dhabi International Airport project as a result of the lawsuit explained in Note 15, an expense related to the lawsuit provision of 1,154,912,665 Turkish Lira was incurred (For details, see Note 15)).

23. YINCOME / EXPENSES FROM INVESTMENT ACTIVITIES

Income from Investing Activities	1 January – 31 December 2024	1 January – 31 December 2023
Gain from Investment Property Revaluation (Note 12)	15,658,014	--
Gain on Financial Assets	23,885	43,099
Sale of Fixed Assets	--	381,639
Interest Income on Time Deposits	--	604,362
Total	**15,681,899**	**1,029,100**

Expenses from Investing Activities (-)	1 January – 31 December 2024	1 January – 31 December 2023
Loss from Investment Real Estate Revaluation (Note 12)	--	19,401,791
Financial Asset Valuation Gain (-)	--	45,360
Total	**--**	**19,447,151**

24. FFINANCIAL INCOME / (EXPENSES)

Financing Income	1 January - 31 December 2024	1 January – 31 December 2023
Foreign Exchange Gains	86,491,114	27,241,505
Interest Income	28,306,548	2,345,472
Unearned Interest İncome	14,956,345	170,979
Total	**129,754,007**	**29,757,956**

Financing Expenses (-)	1 January – 31 December 2024	1 January – 31 December 2023
Foreign Exchange Losses (-)	174,179,031	229,349,097
Loan Interest Expenses (-)	148,136,373	287,905,178
Unearned Interest Expense (-)	2,227,854	172,678
Total	**324,543,258**	**517,426,953**
Financial income/expense, net	**(194,789,251)**	**(487,668,997)**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

25. INCOME TAXES

Current Assets Related with Current Tax	31 December 2024	31 December 2023
Prepaid Taxes and Funds	174,722	857,024

Non-Current Assets Related with Current Tax	31 December 2024	31 December 2023
Prepaid Taxes and Funds	--	26,049,590

Income Tax Liabilities	31 December 2024	31 December 2023
Current Tax Liabilities	1,827,731	17,952,622
Less: Prepaid Taxes and Funds	(174,722)	(857,024)
Income Tax Liabilities	**1,653,009**	**17,095,598**

Tax Provision	31 December 2024	31 December 2023
Current Period Corporate Tax Provision	(4,993,910)	(26,110,266)
Provision for Deferred Tax Expenses	(215,528,579)	(35,916,379)
Income Tax Liabilities	**(220,522,489)**	**(62,026,645)**
Taxes on other comprehensive income that will not be reclassified on profit or loss	1,525,217	2,930,260
Total Comprehensive Tax Income/(Losses), Net	**(218,997,272)**	**(59,096,385)**

Corporate Tax

The Group is subject to corporate taxes in Turkey. Necessary provisions have been made in the attached consolidated financial statements for the estimated tax liabilities of the Group regarding the current period activity results. The corporate tax rate to be accrued over the taxable corporate income is based on the tax base remaining after the addition of non-deductible expenses from the tax base in determining the commercial income and deducting the tax-exempt earnings, non-taxable income and other discounts (if any, previous year losses and investment discounts used if preferred) are calculated.

In Turkey, The tax legislation provides for a temporary tax of 25% (2023: 25%) to be calculated and paid based on earnings generated for each quarter for the period ended 31 December 2021. Corporate tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. However, the resulting losses cannot be deducted retrospectively from the profits of previous years.

In Turkey, corporate tax rate is 25% as of 31 December 2024 (2023: 25%). Within the scope of the "Law on Amendments to Certain Tax Laws and Some Other Laws" numbered 7316, which was published in the Official Gazette dated 22 April 2021, the corporate tax rate has been determined as 23% for the calendar year 2022. Within the scope of the said law, deferred in the consolidated financial statements of 31 December 2023 tax assets and liabilities are calculated with a 25% tax rate for the part of the temporary differences that will have a tax effect in 2023 and 20% for the part that will have a tax effect in the following periods.

Provision is made Group's financial statements for estimated tax liabilities in current period. In Turkey, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

As at 31 December 2024 and 31 December 2023, the Group has respectively TRY 510,495,586 and TRY 523,664,462 unused tax losses to be offset against future profits. Unused tax losses could be usable within the dates stated below.

	31 December 2024	31 December 2023
Will be expired in 2023	--	25,126,396
Will be expired in 2024	1,023,924	1,023,924
Will be expired in 2025	44,119,740	44,119,740
Will be expired in 2026	76,032,326	76,032,326
Will be expired in 2027	377,362,076	377,362,076
Will be expired in 2028	11,957,520	--
Toplam	**510,495,586**	**523,664,462**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

25. INCOME TAXES (Continued)

Prior year losses are not reflected in the financial statements because it is unlikely that they will be recoverable in the foreseeable future.

As at 2024, effective corporate tax rate is 25%. (2023: %25).

As of 31 December 2024, provisional tax is payable at the rate of 25% (2023: 25%) on the income generated for the periods according to tax legislation and the amounts paid in this manner are deducted from the tax calculated on the annual earnings. With the amendment to the Law, this rate has been determined as 25% for 2024 and 20% in the following periods.

Dividend income (excluding profits from investment funds 'participation certificates and investment trusts' shares) obtained from participating in the capital of another corporation which is fully tax payed is exempt from corporation tax. In addition, the participation in the assets of the institutions for at least two full years 75% of the profits arising from the sale of founders' shares, redeemed shares and preferential rights of real estate (immovables) in the same period as their shares are exempt from corporate tax as of 31 December 2020. However, with the amendment made by Law No. 7061, this ratio has been reduced from 75% to 50% in terms of immovables and this ratio will be used as 50% in tax declarations to be prepared from 2020.

There is no clear and definitive agreement on tax assessment procedures in Turkey. Companies prepare their tax declarations between 1-25 April of the year following the close of accounting period of the related year. The Tax Office will make these statements and the underlying accounting records within 5 years.

In Qatar, the tax rate is 10%. The losses can be carried forward for a maximum of 3 years to be deducted from the taxable profit to be incurred in the following years. In the United Arab Emirates, the tax rate is 0% when income is up to AED 375,000. The tax rate is 9% when income exceeds AED 375,000.

Income Tax Withholding

In addition to Corporate Tax of distribution; taxpaying real persons and corporate income to non-tax payers and distributed to exempt from such taxes or taxpayer real persons, taxpayers institutions (except for those dividends through a business or permanent representative in Turkey) and narrow exempt from income tax and corporation Income tax withholding must also be calculated over the dividends distributed to taxpayers (adding the profit to the capital does not count as dividend distribution) written in subparagraphs (1), (2) and (3) of the second paragraph of article 75 of the Income Tax Law. Income withholding tax was applied as 15%.

	31 December 2024	31 December 2023
Profit Before Tax	(154,769,431)	336,221,183
Total income tax expense	(220,522,489)	(62,026,645)
Profit / (Loss) Before Tax	**65,753,058**	**398,247,828**
The effective tax rate (%25) (2023:%25)	16,438,265	(99,561,956)
Impact on Tax Rate of Foreign Branches and Subsidiary	11,724,279	98,176,049
Non-deductible expenses	3,647,605	(1,669,150)
Unused tax losses of the current period	(846,971)	(105,709,664)
Unused tax losses of the previous period	--	12,451,770
Effect of Tax Rate Changes	--	(3,424,211)
Other	1,245,211	912,555
Inflation Adjustment Effect	(252,730,878)	36,797,962
Total	**(220,522,489)**	**(62,026,645)**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

25. INCOME TAXES (Continued)

The Group recognizes deferred tax assets and deferred tax liabilities for temporary timing differences arising from the differences between the tax basis financial statements and the consolidated financial statements prepared in accordance with TFRS. Such differences usually arise from the fact that certain income and expense items are included in different periods in the financial statements as well as in the Consolidated Financial Statements, these differences are as follows.

	Assets		**Liabilities**		**Net Assets and Liabilities**	
Deferred Tax Assets	**31 December 2024**	**31 December 2023**	**31 December 2024**	**31 December 2023**	**31 December 2024**	**31 December 2023**
Trade Receivables	1,375,050	11,360,776	--	--	1,375,050	11,360,776
Provision for Severance Pay	3,841,252	5,347,943	--	--	3,841,252	5,347,943
Unused Vacation Provision	1,905,837	2,356,262	--	--	1,905,837	2,356,262
Deductible Financial Losses	106,599,621	49,663,372	--	--	106,599,621	49,663,372
Construction Contract Assets	--	--	(204,160,064)	--	(204,160,064)	--
Fair Value Adjustment	--	--	--	(2,089,800)	--	(2,089,800)
Commercial Debts	--	--	(1,429,877)	(1,331,944)	(1,429,877)	(1,331,944)
Financing costs	839,083	--	--	--	839,083	--
Other Short Term Provisions	2,432,443	2,589,030	--	--	2,432,443	2,589,030
Other Adjustment	29,128,728	45,681,193	--	--	29,128,728	45,681,193
Total	**146,122,014**	**116,998,576**	**(205,589,941)**	**(3,421,744)**	**(59,467,927)**	**113,576,832**

The movement of deferred tax assets/(liabilities) within the period is as follows:

	1 January - 31 December 2024	**1 January - 31 December 2023**
Opening balance	**113,576,832**	**85,629,805**
Deferred Tax Expense	(215,528,579)	(35,916,379)
Foreign Currency Exchange Differences	40,958,603	60,933,146
Reflected in the statement of other comprehensive income	1,525,217	2,930,260
Closing balance	**(59,467,927)**	**113,576,832**

26. EARNINGS PER SHARE

Earnings Per Share Diluted Earnings (Loss) Per Share	**1 January - 31 December 2024**	**1 January - 31 December 2023**
Net Profit/(Loss) of the Parent Company	(158,825,855)	321,354,218
Weighted Average Number of Shares	265,000,000	265,000,000
Earnings Per Share Profit\(Loss) from Ongoing Activities	(1.67)	0.82

27. RELATED PARTY DISCLOSURES

Related parties of the Company and the transactions between subsidiaries have been eliminated on consolidation, are not disclosed in this note.

Trade receivables from related parties are generally arise from sales and maturities of approximately 2 months.

Trade payables to related parties usually arise from purchase transactions and average maturity is 2 months. Payables are not interest bearing.

Details of transactions between the Group and other related parties are disclosed as below.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

27. RELATED PARTY DISCLOSURES (Continued)

	31 December 2024				
	Receivables		Payables		
	Short Term		Short Term		Long Term
Balances with Related Parties	**Trade**	**Other**	**Trade**	**Other**	**Other**
Anelsis Mühendislik Sanayi ve Ticaret A.Ş.(*)	4,624,661	5,932,493	140,909,869	24,707,739	--
Anelnet Teknik Hizmetler Ltd. Şti. (*)	68,190,276	104,068,903	3,237,357	68,979,610	--
Anel Araştırma ve Geliştirme	300,000	--	--	--	--
Merve Şirin Çelikel Tombuloğlu	--	1,659,434	--	--	9,550,008
Mahir Kerem Çelikel	--	--	--	--	20,735,439
Anel Doğa Entegre Geri Dönüşüm Endüstrisi A.Ş. (*)(**)	673,313	--	--	40,359,093	--
Anel Holding A.Ş. (*)	1,746,541	779,043	38,460,533	8,880,455	--
Çelikel Eğitim Vakfı	65,423	--	--	--	--
Total	**75,600,214**	**112,439,873**	**182,607,759**	**142,926,897**	**30,285,447**

(*) Interest is accrued under the provisions of TCC regarding non-commercial transactions with related parties (not specified to the payment program). The average interest rate is 16% as of 31 December 2024.

(**) Compose of the loan used by Anel Doğa Entegre Geri Dönüşüm Endüstrisi A.Ş. during the period.

	31 December 2023				
	Receivables		Payables		
	Short Term		Short Term		Long Term
Balances with Related Parties	**Trade**	**Other**	**Trade**	**Other**	**Other**
Anelsis Mühendislik Sanayi ve Ticaret A.Ş. (*)	2,865,207	--	152,237,556	1,276,516	--
Epsinom Teknik Hizmetler LTD. (*)	4,118	36,376,629	15,407	3,550,167	--
Anelnet Teknik Hizmetler Ltd. Şti. (*)	50,184,106	--	3,652,530	23,707,874	--
Merve Şirin Çelikel Tombuloğlu	--	--	--	--	11,544,389
Mahir Kerem Çelikel	--	--	--	--	25,065,736
Anel Doğa Entegre Geri Dönüşüm Endüstrisi A.Ş. (*)(**)	66,427	--	--	52,034,593	--
Anel Holding A.Ş. (*)	928,786	4,917,449	35,530,107	13,832,383	--
Çelikel Eğitim Vakfı	55,119	--	--	--	--
Total	**54,103,763**	**41,294,078**	**191,435,600**	**94,401,533**	**36,610,125**

(*) Interest is accrued under the provisions of TCC regarding non-commercial transactions with related parties (not specified to the payment program). The average interest rate is 16% as of 31 December 2023.

(**) Compose of the loan used by Anel Doğa Entegre Geri Dönüşüm Endüstrisi A.Ş during the period.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

27. RELATED PARTY DISCLOSURES (Continued)

Transactions with related parties between 1 January- 31 December 2024 and 1 January - 31 December 2023 are as follows:

	1 January – 31 December 2024				
Related Party Transactions	**Stock Purchases**	**Interest Income**	**Interest Expense**	**Service Sales**	**Service Purchase**
Anelsis Mühendislik Sanayi ve Ticaret A.Ş.	135,081,657	2,763	1,149,130	2,775,044	16,949,957
Anelnet Teknik Hizmetler Ltd. Şti.	--	4,813,421	5,274,139	1,867,133	5,531,051
Anel Doğa Entegre Geri Dönüşüm Endüstrisi A.Ş.	--	--	22,253	--	--
Çelikel Eğitim Vakfı	--	--	--	31,508	--
Epsinom Teknik Hizmetler Ltd.Şti.	--	11,148,703	5,068,115	5,124	--
Anel Holding A.Ş.	--	360,050	1,594,280	2,518,114	13,813,289
Total	**135,081,657**	**16,324,937**	**13,107,917**	**7,196,923**	**36,294,297**

	1 January – 31 December 2023				
Related Party Transactions	**Stock Purchases**	**Interest Income**	**Interest Expense**	**Service Sales**	**Service Purchase**
Anelsis Mühendislik Sanayi ve Ticaret A.Ş.	79,148,188	--	39,894	3,467,080	874,130
Anelnet Teknik Hizmetler Ltd. Şti.	--	--	3,299,305	1,501,442	7,922,575
Anel Doğa Entegre Geri Dönüşüm Endüstrisi A.Ş.	--	--	162,596	295,919	--
Çelikel Eğitim Vakfı	--	--	--	38,395	--
Epsinom Teknik Hizmetler Ltd.Şti.	--	84,627	511,883	4,409	19,482
Anel Holding A.Ş.	--	1,273,377	2,277,149	2,574,977	78,003,645
Total	**79,148,188**	**1,358,004**	**6,290,827**	**7,882,222**	**86,819,832**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

27. RELATED PARTY DISCLOSURES (Continued)

Sales of goods consist of various project materials. - Service purchases consist of department attendance, building maintenance, consultancy, electricity - heating - water expenses, food expenses, security expenses, transportation expenses, labor service expenses. - Service sales consist of labor service revenues, building maintenance, consultancy, electricity - heating - water expenses, food revenues, security expenses, transportation expenses and departmental contribution fees. Group's key management personnel are Board Chairman and Members..

Benefits supplied to key management personnel as of 1 January - 31 December 2024 and 1 January - 31 December 2023 as are as follows:

Benefits Provided by Top-Level Management	1 January - 31 December 2024	1 January - 31 December 2023
Employee Short Term Benefits	14,684,330	18,514,139
Total	**14,684,330**	**18,514,139**

28. THE NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

a) Equity Risk Method

While the group is trying to ensure the continuity of its activities in capital Management, it aims to increase its profitability by using the balance of debt and equity in the most efficient way. The group's capital structure is the debts containing the Note 6 credits, the cash and cash equivalents described in Note 4, and as explained in Note 18; the paid capital, capital correction differences, premiums on shares/discounts, revaluation measurement gains and Losses, foreign currency cycle differences, defined benefit plans gain re-measurement/ is comprised of resource pens including the past year profit/(losses), with restricted reserves, separated from profits.

Group capital cost and each risks regarding capital evaluate by executives.According to the evaluate company aim to equalize the capital structure by borrowing, redemption, dividend payment and issuance of shares.

The Group uses Liabilities/Equity rate while they follow capital sufficiency. This rate is found by net liabilities divided by total equity. Net liabilities is counted by cash and cash equivalents minus total liabilities which appears in balance sheet.

Equity rate to debts as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Total Debt	1,781,979,455	2,263,922,788
Less: Cash and Cash Equivalents	(39,855,301)	(49,990,572)
Net Debt	**1,742,124,154**	**2,213,932,216**
Total Equity	2,473,632,282	3,101,100,576
Liability/Equity Rate	**0.704**	**0.714**

Company's aim is to high profitability and equity to be able to manage its debts.

b) Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

b.1) Credit Risk

Financial losses due to Company's receivables and financial assets which result from not implementing agreement clauses related to financial assets by a customer or other party constitutes credit risk. Company trying to decrease credit risk by making operations with confidential parties and attain enough collateral. The credit risks that the Company is exposed to and the credit ratings of the customers are periodically monitored. Trade receivables contain lots of customers rather on different sector and geographical area. Credit consideration making over Customer's trade receivables permanently.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

28. THE NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b) Equity Risk Method (Continued)

31 December 2024

	Receivable				Cash and Cash Equivalents		
	Trade Receivables		Other Receivables				
Current Period	**Related Parties**	**3rd Parties**	**Related Parties**	**3rd Parties**	**Banks Deposit**	**Receivables from Ongoing Construction, Contracting or Service Contracts**	**Financial Investment**
The maximum amount of exposure to credit risk at the end of the reporting (A+B+C+D) (1)	**75,600,214**	**2,496,914,785**	**112,439,873**	**69,391,315**	**39,844,095**	**3,616,371,578**	**53,654**
- Total receivables that have been secured with collateral other credit enhancements etc (*)	--	1,665,911,628	--	--	--	--	--
A. Financial assets that are neither past due nor impaired the net book value (2)	72,562,857	1,786,946,688	112,439,873	69,391,315	39,844,095	3,616,371,578	53,654
B. The amount of financial assets that are past due as at the end of the reporting period but not impaired	3,037,357	709,968,097	--	--	--	--	--
C. The amount of financial assets that are impaired (3)	--	--	--	--	--	--	--
- Past due (Gross book value)	--	3,427,995	--	5,224,235	--	--	--
- The amount of impairment (-)	--	(3,427,995)	--	(5,224,235)	--	--	--
- Net value guaranteed with coleteral etc.	--	--	--	--	--	--	--
- Not overdue (gross book value)	--	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--	--
- Net Value guaranteed with collateral etc	--	--	--	--	--	--	--
D. Off financial statement credit risk amount	--	--	--	--	--	--	--

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

28. THE NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b) Financial risk factors(Continued)

31 December 2023

	Receivable				Cash and Cash Equivalents		
	Trade Receivables		Other Receivables				
Prior Period	**Related Parties**	**3rd Parties**	**Related Parties**	**3rd Parties**	**Banks Deposit**	**Receivables from Ongoing Construction, Contracting or Service Contracts**	**Financial Investment**
The maximum amount of exposure to credit risk at the end of the reporting (A+B+C+D) (1)	**54,103,763**	**2,249,299,044**	**41,294,078**	**18,259,718**	**46,860,982**	**6,575,254,381**	**43,331**
- Total receivables that have been secured with collateral other credit enhancements etc (*)	--	1,458,228,053	--	--	--	--	--
A. Financial assets that are neither past due nor impaired the net book value (2)	2,622,144	1,573,447,007	41,294,078	18,259,718	46,860,982	6,575,254,381	43,331
B. The amount of financial assets that are past due as at the end of the reporting period but not impaired	51,481,619	675,852,037	--	--	--	--	--
C. The amount of financial assets that are impaired (3)	--	--	--	--	--	--	--
- Past due (Gross book value)	--	3,378,726	--	7,543,316	--	--	--
- The amount of impairment (-)	--	(3,378,726)	--	(7,543,316)	--	--	--
- Net value guaranteed with coleteral etc.	--	--	--	--	--	--	--
- Not overdue (gross book value)	--	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--	--
- Net Value guaranteed with collateral etc	--	--	--	--	--	--	--
D. Off financial statement credit risk amount	--	--	--	--	--	--	--

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

28. THE NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b) Financial risk factors (Continued)

b.2) Liquidity Risk Management

The main responsibility for liquidity risk management belongs to the Board of directors. The Board of Directors has established a suitable liquidity risk management for short, medium and long-term funding and liquidity requirements of group management. The group manages the risk of liquidity and the continued monitoring of actual cash flows on a regular basis and ensuring the continuation of adequate funds and borrowing reserves through the mapping of the financial assets and liabilities ' maturity.

The following table shows the maturity distribution of the group's non-derivative financial obligations. Non-derivative financial obligations are prepared based on the earliest dates required to be paid and not discounted. The interest to be paid over these obligations is included in the table below.

The tables on liquidity risk are listed below:

31 December 2024 Terms According to Agreements	Carrying Value	According to Contract Total Cash Outflows (=I+II+III+IV)	Up to 3 months (I)	3 to 12 months (II)	1 to 5 years (III)	Over 5 years (IV)	Demand
Non Derivatives Financial Liabilities	**6,476,501,889**	**6,499,149,878**	**1,007,906,624**	**4,589,508,697**	**901,734,557**	**--**	**--**
Bank Loans	1,781,979,455	1,781,979,455	646,055,605	320,645,962	815,277,888	--	--
Trade Payables	4,385,002,565	4,407,650,554	199,197,337	4,208,453,217	--	--	--
Other Payables	309,519,869	309,519,869	216,923,489	60,409,518	32,186,862	--	--

31 December 2023 Terms According to Agreements	Carrying Value	According to Contract Total Cash Outflows (=I+II+III+IV)	Up to 3 months (I)	3 to 12 months (II)	1 to 5 years (III)	Over 5 years (IV)	Demand
Non Derivatives Financial Liabilities	**7,539,863,743**	**7,552,301,145**	**285,837,133**	**5,889,157,985**	**1,203,474,161**	**173,831,866**	**--**
Bank Loans	2,263,922,788	2,263,922,788	--	936,794,796	1,153,296,126	173,831,866	--
Trade Payables	5,096,300,692	5,108,738,094	191,435,600	4,917,302,494	--	--	--
Other Payables	179,640,263	179,640,263	94,401,533	35,060,695	50,178,035	--	--

b.3) Market Risk Management

Market risk is the risk of fluctuations in market prices due to the fact that a financial instrument is in good value or in future cash flows negatively affecting a business. These are the risk of foreign currency risk, interest rate risk and price change of financial instruments or commodities.

There is not any change on Group's measurement and management methods of exposure to market risk or exposure to risks in the current year compared to the previous year.

b.3.1) Foreign Exchange Risk Management

Foreign currency transactions expose the Group to foreign currency risk. These risks are monitored and limited by the analysis of foreign currency position.

28. THE NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b) Financial risk factors (Continued)

b.3.1) Foreign Exchange Risk Management (Continued)

The group's foreign currency denominated monetary and non-monetary assets and liabilities as of the date of the balance sheet are as follows:

FOREIGN CURRENCY POSITION TABLE						
31 December 2024						
	TRY Equivalent	**USD**	**EUR**	**GBP**	**AED**	**CHF**
1. Trade Receivables	320,579,574	1,510,054	6,757,836	430,861	--	--
2. Monetary Financial Assets	30,352	--	109	596	--	--
3. Other	--	--	--	--	--	--
4. Current Assets (1+2+3)	**320,609,926**	**1,510,054**	**6,757,945**	**431,457**	**--**	**--**
5. Total Assets (4)	**320,609,926**	**1,510,054**	**6,757,945**	**431,457**	**--**	**--**
6. Trade Payables	605,136,769	9,784,330	5,307,688	1,469,404	--	--
7. Financial Liabilities	41,942,266	447,337	626,878	--	327,795	--
8a. Other Monetary Liabilities	--	--	--	--	--	--
8b. Other Non-Monetary Liabilities	135,167,461	261,324	3,428,440	--	--	--
9. Short Term Liabilities (6+7+8)	**782,246,496**	**10,492,991**	**9,363,006**	**1,469,404**	**327,795**	**--**
10. Financial Liabilities	560,294,832	4,096,657	10,571,787	--	2,868,238	--
11. Long Term Liabilities	**560,294,832**	**4,096,657**	**10,571,787**	**--**	**2,868,238**	**--**
12. Total Liabilities (9+11)	**1,342,541,328**	**14,589,648**	**19,934,793**	**1,469,404**	**3,196,033**	**--**
13. Net Foreign Currency Assets / (Liabilities)(5-12)	**(1,021,931,402)**	**(13,079,594)**	**(13,176,848)**	**(1,037,947)**	**(3,196,033)**	**--**
14. Monetary Items Net Foreign Currency Assets / Liability Position (1+2-6-7-10)	**(1,021,931,402)**	**(13,079,594)**	**(13,176,848)**	**(1,037,947)**	**(3,196,033)**	**--**

FOREIGN CURRENCY POSITION TABLE						
31 December 2023						
	TRY Equivalent	**USD**	**EUR**	**GBP**	**AED**	**CHF**
1. Trade Receivables	158,473,405	577,979	2,847,298	--	--	--
2. Monetary Financial Assets	6,142,748	75,212	62,064	503	--	--
3. Other	122,796,865	1,448,047	1,302,392	--	--	--
4. Current Assets (1+2+3)	**287,413,018**	**2,101,238**	**4,211,754**	**503**	**--**	**--**
5. Total Assets (4)	**287,413,018**	**2,101,238**	**4,211,754**	**503**	**--**	**--**
6. Trade Payables	120,367,607	1,359,935	1,318,058	6,680	--	--
7. Financial Liabilities	21,617,600	286,066	147,080	--	214,364	--
8a. Other Monetary Liabilities	36,675,787	861,355	--	--	--	
8b. Other Non-Monetary Liabilities	86,098,223	1,376,615	567,754	--	--	16,841
9. Short Term Liabilities (6+7+8)	**264,759,217**	**3,883,971**	**2,032,892**	**6,680**	**214,364**	**16,841**
10. Financial Liabilities	531,636,317	--	10,571,786	--	2,868,238	--
11. Long Term Liabilities	**531,636,317**	**--**	**10,571,786**	**--**	**2,868,238**	**--**
12. Total Liabilities (9+11)	**796,395,534**	**3,883,971**	**12,604,678**	**6,680**	**3,082,602**	**16,841**
13. Net Foreign Currency Assets / (Liabilities)(5-12)	**(508,982,515)**	**(1,782,733)**	**(8,392,924)**	**(6,177)**	**(3,082,602)**	**(16,841)**
14. Monetary Items Net Foreign Currency Assets / Liability Position (1+2-6-7-10)	**(508,982,515)**	**(992,810)**	**(9,127,562)**	**(6,177)**	**(3,082,602)**	**(16,841)**

The Group is exposed to foreign exchange risk arising primarily with respect to transactions denominated in US Dollars,Euro, GBP , AED and CHF.

The following table shows the group's US dollars, Euro, British Pound, Swiss Franc, rates to increase the 20% and decrease sensitivity. The ratio of 20% to senior executives is the rate used to report the risk of setup within the company, and the rate of management represents the possible change in exchange rates. Sensitivity analysis covers only monetary items in the open foreign currency at the end of the year and shows the effects of the 20% exchange rate at the end of the year. Positive value refers to the increase in profit/dice and other equity pens.

28. THE NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

b) Financial risk factors (Continued)

b.3.1) Currency Risk Management

Exchange Rate Sensitivity Analysis Table 31 December 2024				
	Profit/Loss		**Equity**	
	Foreign currency appreciation	Foreign currency depreciates	Foreign currency appreciation	Foreign currency depreciates
20% change in US Dollars against TRY:				
1- U S Dollar net assets / liabilities	(92,290,402)	92,290,402	--	--
2- U S Dollar Hedged (-)	--	--	--	--
3- USD Dollar Net Effect (1+2)	**(92,290,402)**	**92,290,402**	--	--
20% change in Euro against TRY:				
4- Euro net assets / liabilities	(96,813,466)	96,813,466	--	--
5- Euro Hedged (-)	--	--	--	--
6- Euro Net Effect (4+5)	**(96,813,466)**	**96,813,466**	--	--
20% change in GBP against TRY:				
7- GBP net assets / liabilities	(9,176,967)	9,176,967	--	--
8- GBP Hedged (-)	--	--	--	--
9- GBP Net Effect (7+8)	**(9,176,967)**	**9,176,967**	--	--
20% change in AED against TRY:				
10- AED net assets / liabilities	(6,105,445)	6,105,445	--	--
11- AED Hedged (-)	--	--	--	--
12- AED Net Effect (10+11)	**(6,105,445)**	**6,105,445**	--	--
TOTAL (3+6+9+12)	**(204,386,280)**	**204,386,280**	--	--

Exchange Rate Sensitivity Analysis Table 31 December 2023				
	Profit/Loss		**Equity**	
	Foreign currency appreciation	Foreign currency depreciates	Foreign currency appreciation	Foreign currency depreciates
20% change in US Dollars against TRY:				
1- U S Dollar net assets / liabilities	(15,181,461)	15,181,461	--	--
2- U S Dollar Hedged (-)	--	--	--	--
3- USD Dollar Net Effect (1+2)	**(15,181,461)**	**15,181,461**	--	--
20% change in Euro against TRY:				
4- Euro net assets / liabilities	(79,189,398)	79,189,398	--	--
5- Euro Hedged (-)	--	--	--	--
6- Euro Net Effect (4+5)	**(79,189,398)**	**79,189,398**	--	--
20% change in GBP against TRY:				
7- GBP net assets / liabilities	(67,132)	67,132	--	--
8- GBP Hedged (-)	--	--	--	--
9- GBP Net Effect (7+8)	**(67,132)**	**67,132**	--	--
20% change in AED against TRY:				
10- AED net assets / liabilities	(7,211,789)	7,211,789	--	--
11- AED Hedged (-)	--	--	--	--
12- AED Net Effect (10+11)	**(7,211,789)**	**7,211,789**	--	--
20% change in CHF against TRY:				
13- CHF net assets / liabilities	(146,723)	146,723	--	--
14- CHF Hedged(-)	--	--	--	--
15- CHF Net Effect(13+14)	**(146,723)**	**146,723**	--	--
TOTAL (3+6+9+12+15)	**(101,796,503)**	**101,796,503**	--	--

Group does not hedge foreign exchange liabilities arising from the operations through the use of derivative financial instruments.

b.3.2) Interest Rate Risk Management

Changes in market interest rates lead to the fact that financial instruments are worth a fair value or fluctuations in future cash flows, the group's need to cope with the risk of interest rate. Risk prevention strategies are assessed regularly to comply with the interest rate expectation and the defined risk. Thus, the creation of the optimal risk prevention strategy, the review of the position of the balance sheet and the interest expenditures to be kept under the control of different interest rates is aimed. All of the financial obligations of the Group consist of fixed interest loans. Therefore, there is no interest rate risk calculation for interest changes (31 December 2023: None).

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

29. FINANCIAL INSTRUMENTS (FAIR VALUE OF FINANCIAL RISK MANAGEMENT DISCLOSURES

Group management believes that the carrying values of financial instruments present their fair values.

31 December 2024	Carried at Fair Value Financial Assets	Credits and Receivables (Cash and Cash Equivalents)	Other Financial Valued at Amortized Cost Value	Book Value	Note
Financial Assets					
Cash and Cash Equivalents	--	39,855,301	--	39,855,301	4
Trade Receivables	--	2,572,514,999	--	2,572,514,999	7
Other Financial Assets	--	181,831,188	--	181,831,188	8
Financial Investments	53,654	--	--	53,654	5
Financial Liabilities					
Financial Liabilities	--	--	1,781,979,455	1,781,979,455	6
Trade Payables	--	--	4,385,002,565	4,385,002,565	7
Other Financial Liabilities	--	--	309,519,869	309,519,869	8
31 December 2023					
Financial Assets					
Cash and Cash Equivalents	--	49,990,572	--	49,990,572	4
Trade Receivables	--	2,303,402,807	--	2,303,402,807	7
Other Financial Assets	--	59,553,796	--	59,553,796	8
Financial Investments	43,331	--	--	43,331	5
Financial Liabilities					
Financial Liabilities	--	--	2,263,922,788	2,263,922,788	6
Trade Payables	--	--	5,096,300,692	5,096,300,692	7
Other Financial Liabilities	--	--	179,640,263	179,640,263	8

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

29. FINANCIAL INSTRUMENTS (FAIR VALUE OF FINANCIAL RISK MANAGEMENT DISCLOSURES) (CONTINUED)

Financial Instrument fair values are as follows:

- First Level: Financial assets and liabilities are valued at the market prices traded on the active market for the same assets and liabilities.
- Second Level: Financial assets and liabilities may be found on the market as a direct or indirect price other than the market price of the relevant asset or liability at the first level is valued from the entries used.
- Third Level: Financial assets and liabilities are valued from inputs that are not based on an observable data in the market used to find the value of the asset or obligation to be true.

The fair value levels of financial assets and level of classification is as follows:

		The level of the fair value at the reporting date		
Financial Assets	**31.12.2024**	**First Level (TRY)**	**Second Level (TRY)**	**Third Level (TRY)**
Investment properties	2,507,575,175	--	2,507,575,175	--
Marketable securities	53,654	53,654	--	--
Total	**2,507,628,829**	**53,654**	**2,507,575,175**	**--**

		The level of the fair value at the reporting date		
Financial Assets	**31.12.2023**	**First Level (TRY)**	**Second Level (TRY)**	**Third Level (TRY)**
Investment properties	2,491,917,161	--	2,491,917,161	--
Marketable securities	43,331	43,331	--	--
Total	**2,491,960,492**	**43,331**	**2,491,917,161**	**--**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

30. EXPLANATIONS RELATED TO STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY

For the year ended 31 December 2024, the Group's shareholders' equity amounting to TRY 2,398,914.465 consists of shareholders' equity of the Parent Company TRY 74,717,817 (31 December 2023: TRY 3,030,439.183 and TRY 70,661,393).

31. EXPLANATIONS ON NET MONETARY POSITION GAINS / (LOSS)

Non-monetary items	31 December 2024
Statement of financial position items	
Investment Properties	773,621,374
Property, Plant and Equipment and Intangible Fixed Assets	3,190,317
Inventories	4,152,893
Prepaid expenses and deferred income	(316,631)
Deferred tax	57,690,576
Other non-monetary assets	470,432,189
Share capital	(786,338,882)
Premiums Related to Shares	(7,229,970)
Defined Benefit Plans Remeasurement Losses	1,098,971
Restricted Reserves Separated from Profit	(51,528,482)
Other Reserves	(26,329,934)
Previous Years' Profits / (Losses)	501,939,157
Statement of profit or loss items	
Revenue	(102,498,787)
Cost of Sales (-)	78,872,881
General Administrative Expenses (-)	19,135,519
Other Income from Main Activities	(687,399)
Other Expenses from Main Activities (-)	328,108
Income from Investment Activities	1,190,573
Financing Income	(75,307,532)
Financing Expenses (-)	104,735,013
Total	**966,149,954**

32. EVENTS AFTER THE REPORTING PERIOD

None

33. OTHER MATTERS THAT NEED TO BE EXPLAINED FOR THE CONSOLIDATED FINANCIAL STATEMENTS TO BE CLEAR, INTERPRETABLE AND UNDERSTANDABLE

Ratio analyzes of the Group

The Group's ratio analyses as of 31 December 2024 and 31 December 2023 are as follows:

Ratio analysis:	31 December 2024	31 December 2023
Financial Debt / Operating Profit	(2.47)	35.21
Current Ratio (Current Assets / Short-Term Liabilities)	1.02	0.96
Financial Liabilities / Total Assets	0.18	0.17
Financial Liabilities / Equity	0.72	0.73
Financial Leverage - Debt Ratio (Net Financial Debt / Total Assets)	0.17	0.17
Equity Ratio (Equity / Total Assets)	0.25	0.24