Çalık Holding Anonim Şirketi
and its Subsidiaries

Consolidated Financial Statements
As at and for the Year Ended 31 December 2024
With Independent Auditor’s Report

8 July 2025

This report includes 5 pages of independent auditor’s report and 111 pages of consolidated financial statements together wtih their explanatory notes.

Çalık Holding Anonim Şirketi and its Subsidiaries

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Independent auditor's report

To the General Assembly of Çalık Holding Anonim Şirketi

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Çalık Holding Anonim Şirketi ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for opinion

We conducted our audit in accordance with Independent Auditing Standards ("InAS") which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") as issued by the POA, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How key audit matter addressed in the auditor's response
Revenue recognition on construction contracts	
Çalık Enerji Sanayi ve Ticaret Anonim Şirketi and GAP İnşaat Yatırım ve Dış Ticaret Anonim Şirketi, the consolidated subsidiaries of the Group, and the subsidiaries operating in the construction sector, conduct mainly engineering, procurement and construction projects ("EPC") in Turkiye and abroad. The revenue from the construction contracts of the companies in energy and construction sector amounting to USD 1.655.714 thousands constitutes a significant portion of the Group's total revenue. The EPC projects are complex and exposes the Group to various business and financial reporting risks. The timing of the recognition of revenue in respect of EPC contracts is calculated in accordance with TFRS 15 "Revenue from Contracts with Customers" using the input method cost incurred to measure the progress towards to completion of the project. The Group recognizes revenue in accordance with input method to compare proportion of contract costs incurred for performance obligation with estimated total contract costs of related performance obligation. The recognition of revenue and the estimation of the outcome of EPC contracts with project specific terms require significant management judgment, with respect to estimation the cost to complete and the amounts of variation orders to be recognized. The recognition of revenue forms the construction contracts has been identified as key audit matter due to base based on significant management estimation and judgement. We identified revenue from EPC contracts as a significant risk, requiring special audit consideration.	- We obtained an understanding of and tested that the key controls around the revenue recognition process are designed and implemented effectively, supporting the prevention, detection or correction of material errors in the reported contact revenue figures. - We inspected the terms and conditions of material EPC contracts in evaluating the judgements used and determining the timing of the revenue recognition. - We discussed on the status of projects under construction with finance and technical staff of the Group and evidenced our understanding with the supporting documents. - We recomputed contract revenues by using the percentage of completion method. - We tested the revenue recognised from the construction contracts to amounts invoiced to customers and the subsequent receipt of payment from those customers. - We tested by using sampling method the construction costs to invoices by suppliers and subcontractors and the subsequent receipt of payment to those parties by controlling the relevant reconciliations. - We performed an asssesment of the historical level of accuracy and prudence in the contract cost budgets and forecasts and challenged management's current assumptions in respect of completion stages of the EPC projects or change in the cost budgets. - We tested revenue and contract accouting journal entries focusing on unusual or irregular items. - We performed detailed cut off test over revenue and revenue return accounts.

TAS 29 Financial Reporting Practice in High Inflation Economies	
As explained in footnote 2 of Turkish Lira, the functional currency of the Group, Since it is considered a high-inflation economy currency as of December 31, 2023, the Group has started to apply the "TAS 29 Financial Reporting in High-Inflation Economies" standard in the preparation of the attached consolidated financial statements as of the same date. In accordance with TAS 29, the financial statements and comparative financial information for previous periods have been restated to reflect changes in the general purchasing power of the Turkish Lira and, as a result, are presented in terms of the purchasing power of the Turkish Lira as of the reporting date. TAS 29 application has a widespread and significant impact on financial statements. However, considering the additional work spent to audit the application in question, the implementation of TAS 29 has been determined by us as a key audit matter. In accordance with the guidelines of TAS 29, the Company has used Turkish consumer price indices to prepare inflation-sensitive financial statements. Accounting policies and related explanations regarding the application of TAS 29 standard are included in Note 2.	During our audit, the following audit procedures were applied regarding the application of TMS 29 "Financial Reporting in High Inflation Economies" standard: - Checking that the distinction between monetary and non-monetary items made by the group management is made in accordance with TMS 29. - Providing detailed lists of non-monetary items and testing through sampling that 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 TURKSTAT. - Testing the mathematical accuracy of non-monetary items, income statement and cash flow statement rearranged with inflation effects. - Evaluation of the adequacy of the disclosures in the footnotes of the consolidated financial statements regarding the application of TMS 29 according to TFRS.

Other Matter

We have expressed an unqualified opinion in our auditor’s report dated June 27, 2025 on the consolidated financial statements of the Group for the period of 1/1/2024-31/12/2024, which are prepared in accordance with Turkish Accounting Standards and presented in Turkish Lira (“TL”). The consolidated financial statements are reissued with a presentation currency of in US Dollar (“USD”), which are measured in accordance with Note 2.d.

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 TFRSs, 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 financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

In an independent audit, our responsibilities as the auditors are:

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 auditor's 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 InAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the 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 InAS, we exercise professional judgment and maintain professional skepticism 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 Group'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, we are required to draw attention in our auditor's 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 auditor's 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

Report on Other Legal and Regulatory Requirements

1) In accordance with paragraph 4 of Article 402 of the TCC, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January - 31 December 2024 and financial statements are not in compliance with law and provisions of the Company's articles of association in relation to financial reporting.

2) In accordance with paragraph 4 of Article 402 of the TCC, the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

The name of the engagement partner who supervised and concluded this audit is Kaan Birdal.

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

Kaan Birdal, SMMM
Partner

July 8, 2025
Istanbul, Turkey

Çalık Holding Anonim Şirketi and its Subsidiaries

As at 31 December 2024

Consolidated Statement of Financial Position

(Amounts expressed in thousands of USD unless otherwise stated.)

		Current period	Previous Period
		Audited	Audited
Assets	**Notes**	**31 December 2024**	**31 December 2023**
Current assets			
Cash and cash equivalents	8	1.300.984	1.119.562
Financial investments	9	2.189.729	2.064.058
Financial assets related to concession agreements	10	156.377	126.069
Trade receivables	11	384.080	420.896
Due from related parties	*7*	*163.703*	*167.671*
Due from third parties		*220.377*	*253.225*
Receivables related to finance sector operations	12	1.384.203	998.810
Due from related parties	*7*	*13.445*	*391*
Due from third parties		*1.370.758*	*998.419*
Other receivables	13	147.410	115.941
Due from related parties	*7*	*32.025*	*51.609*
Due from third parties		*115.385*	*64.332*
Contract assets	*22*	693.484	425.119
Contract assets arising from ongoing construction and contracting works		*693.484*	*425.119*
Inventories	14	325.208	360.003
Derivatives	24	18.577	16.016
Prepayments	15	149.889	103.420
Current tax assets	28	6.277	5.367
Other current assets	21	838.305	863.479
Subtotal		**7.594.523**	**6.618.740**
Assets held for sale	5	61.085	60.057
Total current assets		**7.655.608**	**6.678.797**
Non- current assets			
Trade receivables	11	20.307	27.086
Due from third parties		*20.307*	*27.086*
Receivables related to finance sector operations	12	1.677.095	1.550.043
Due from related parties	*7*	*13.757*	*14.013*
Due from third parties		*1.663.338*	*1.536.030*
Other receivables	13	364.267	370.224
Due from related parties	*7*	*288.087*	*318.361*
Due from third parties		*76.180*	*51.863*
Financial investments	9	2.676.056	2.372.560
Financial assets related to concession agreements	10	229.799	161.717
Investments in equity-accounted investees	16	359.531	349.663
Investment properties	20	229.168	233.912
Property, plant and equipment	17	399.569	363.716
Intangible assets	18	298.599	249.984
Goodwill		*6.245*	*7.425*
Other intangible assets		*292.354*	*242.559*
Right of use assets	19	28.233	22.908
Prepayments	15	49.685	26.787
Deferred tax assets	28	106.121	142.812
Other non-current assets		70	1.131
Total non-current assets		**6.438.500**	**5.872.543**
Total assets		**14.094.108**	**12.551.340**

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

Çalık Holding Anonim Şirketi and its Subsidiaries

Consolidated Statement of Financial Position

As at 31 December 2024 *(continued)*

(Amounts expressed in thousands of USD unless otherwise stated.)

		Current period	Previous Period
		Audited	**Audited**
Liabilities	**Notes**	**31 December 2024**	**31 December 2023**
Short term liabilities			
Short term loans and borrowings	23	1.212.730	957.636
Short term portion of long-term loans and borrowings	23	156.253	168.032
Derivatives	24	13.694	4.967
Trade payables	11	272.009	219.357
Due to related parties	*7*	*1.065*	*1.725*
Due to third parties		*270.944*	*217.632*
Payables related to finance sector operations	12	6.296.210	5.801.842
Due to related parties	*7*	*10.929*	*20.305*
Due to third parties		*6.285.281*	*5.781.537*
Payables related to employee benefits	25	13.384	12.444
Other payables	13	138.449	79.569
Due to related parties	*7*	*1.894*	*2.395*
Due to third parties		*136.555*	*77.174*
Contract liabilities	22	632.676	442.224
Contract liabilities arising from ongoing construction and contracting works		*207.441*	*46.224*
Other contract liabilities		*425.235*	*396.000*
Deferred revenue	15	35.451	38.759
Current tax liabilities	28	65.043	11.147
Short term provisions	26	71.681	39.654
Short term employee benefits	*26*	*37.146*	*22.213*
Other short-term provisions	*26*	*34.535*	*17.441*
Other short-term liabilities	21	69.829	78.986
Subtotal		**8.977.409**	**7.854.617**
Liabilities held for sale	5	--	--
Total short-term liabilities		**8.977.409**	**7.854.617**
Long term liabilities			
Long term loans and borrowings	23	317.246	381.845
Trade payables	11	--	46
Due to third parties		--	*46*
Payables related to finance sector operations	12	835.126	916.924
Due to third parties		*835.126*	*916.924*
Other payables	*13*	29.055	23.492
Due to third parties		*29.055*	*23.492*
Contract liabilities	22	393.387	222.328
Contract liabilities arising from ongoing construction and contracting works		*175.148*	*192.048*
Other contract liabilities		*218.239*	*30.280*
Deferred revenue	15	276	29
Long term provisions	26	20.003	32.096
Long term employee benefits	*26*	*19.813*	*19.890*
Other long-term provisions	*26*	*190*	*12.206*
Deferred tax liabilities	28	64.971	58.649
Other long-term liabilities		--	51
Total long-term liabilities		**1.660.064**	**1.635.460**
Total liabilities		**10.637.473**	**9.490.077**

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

Çalık Holding Anonim Şirketi and its Subsidiaries

Consolidated Statement of Financial Position

As at 31 December 2024 *(continued)*

(Amounts expressed in thousands of USD unless otherwise stated.)

Equity	Notes	Current period Audited 31 December 2024	Previous Period Audited 31 December 2023
Equity attributable to the owners of the Company			
Share capital	29	210.761	210.761
Adjustment to share capital		3.388	3.388
Other comprehensive income that is or will not be reclassified to profit or loss		(7.707)	(14.174)
Accumulated re-measurements loss of defined benefit plans		*(7.707)*	*(14.174)*
Other comprehensive income that is or may be reclassified to profit or loss		(1.263.160)	(1.336.890)
Currency translation differences		*(1.285.878)*	*(1.280.698)*
Fair value reserve of financial assets available-for-sale		*22.718*	*(56.192)*
Restricted reserves	29	718.969	664.833
Other equity shares	7	(44.312)	--
Retained earnings		3.241.061	3.011.983
Profit for the year		354.553	299.129
Total equity attributable to the owners of the Company		**3.213.553**	**2.839.030**
Total non-controlling interests	**29**	**243.082**	**222.233**
Total equity		**3.456.635**	**3.061.263**
Total equity and liabilities		**14.094.108**	**12.551.340**

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

Çalık Holding Anonim Şirketi and its Subsidiaries

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2024

(Amounts expressed in thousands of USD unless otherwise stated.)

		Current period	**Previous Period**
		Audited	**Audited**
Profit or loss	**Notes**	**31 December 2024**	**31 December 2023**
Continuing operations			
Revenue	30	3.117.970	2.192.242
Revenue from finance sector operations	30	943.013	695.673
Total revenue	**30**	**4.060.983**	**2.887.915**
Cost of sales (-)	30	(2.512.339)	(1.726.838)
Cost of revenues from finance sector operations (-)	30	(411.131)	(277.845)
Total cost	**30**	**(2.923.470)**	**(2.004.683)**
Gross profit	**30**	**1.137.513**	**883.232**
General and administrative expenses (-)	31	(413.749)	(309.315)
Selling, marketing and distribution expenses (-)	31	(38.280)	(41.163)
Research and development expenses (-)	31	(44.781)	(22.944)
Other income from operating activities	32	173.730	136.772
Other expenses from operating activities (-)	32	(114.078)	(93.676)
Operating profit		**700.355**	**552.906**
Gain from investing activities	33	276.596	251.551
Loss from investing activities (-)	33	(91.904)	(199.324)
Loss and gain from share of profit of equity accounted investees	16	(24.690)	108.105
Operating profit before finance costs		**860.357**	**713.238**
Finance income	34	37.810	38.586
Finance costs (-)	34	(160.522)	(84.226)
Monetary gain / loss		(179.716)	(240.153)
Net finance costs		**(302.428)**	**(285.793)**
Profit before tax from continuing operations		**557.929**	**427.445**
Current tax expense (-)	28	(137.343)	(103.685)
Deferred tax expense	28	(60.003)	(9.967)
Total tax expense		**(197.346)**	**(113.652)**
Profit for the year from continuing operations		**360.583**	**313.793**

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

Çalık Holding Anonim Şirketi and its Subsidiaries

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2024 *(continued)*

(Amounts expressed in thousands of USD unless otherwise stated.)

		Current Period	Previous Period
		Audited	Audited
Other comprehensive income	**Notes**	**31 December 2024**	**31 December 2023**
Profit for the year from continuing operations		**360.583**	**313.793**
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences for foreign operations and reporting currency translation differences		11.050	(130.395)
Change in fair value of available-for-sale financial assets		105.226	27.771
Deferred tax expense	28	(26.306)	(6.943)
Total		**89.970**	**(109.567)**
Items that are or will not be reclassified to profit or loss			
Actuarial loses	26	8.313	(5.442)
Deferred tax income/expense	28	(2.078)	1.360
Total		**6.235**	**(4.082)**
Total other comprehensive loss		**96.205**	**(113.649)**
Total comprehensive income		**456.788**	**200.144**
Net profit attributable to:			
Equity holders of the parent		354.553	299.129
Non-controlling interests		6.030	14.664
Net profit for the year		**360.583**	**313.793**
Total comprehensive income attributable to:			
Equity holders of the parent		434.752	163.325
Non-controlling interests		22.036	36.819
Total other comprehensive income		**456.788**	**200.144**

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

Çalık Holding Anonim Şirketi and its Subsidiaries

Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2024

(Amounts expressed in thousands of USD unless otherwise stated.)

	Attributable to owners of the Company											
				Restricted reserves	*Accumulated other comprehensive income/(expense) that may be reclassified to profit or loss*	*Accumulative other comprehensive income / (expense) that are or may be reclassified to profit or loss*		*Retained earnings*				
USD	*Paid-in Capital*	*Adjustment to share capital*	*Other Equity Shares*	*Legal reserves*	*Accumulated remeasurements loss of defined benefit plans*	*Fair value reserve of financial assets available-for-sale*	*Translation reserve*	*Retained earnings*	*Profit / for the period*	*Total*	*Non-controlling interests*	*Total equity*
Balances at 1 January 2024	**210.761**	**3.388**	**--**	**664.833**	**(14.174)**	**(56.192)**	**(1.280.698)**	**3.011.983**	**299.129**	**2.839.030**	**222.233**	**3.061.263**
Total comprehensive income for the period												
Profit for the period	--	--	--	--	--	--	--	--	354.553	**354.553**	6.030	**360.583**
Other comprehensive income												
Net fair value change in financial assets available-for-sale	--	--	--	--	--	78.910	--	--	--	**78.910**	9	**78.919**
Actuarial gains	--	--	--	--	6.467	--	--	--	--	**6.467**	(235)	**6.232**
Foreign currency translation differences for foreign operations and reporting currency translation differences	--	--	--	--	--	--	(5.180)	--	--	**(5.180)**	16.230	**11.050**
Other comprehensive income	**--**	**--**	**--**	**--**	**6.467**	**78.910**	**(5.180)**	**--**	**--**	**80.197**	**16.004**	**96.201**
Total comprehensive income for the period	**--**	**--**	**--**	**--**	**6.467**	**78.910**	**(5.180)**	**--**	**354.553**	**434.750**	**22.034**	**456.784**
Transactions with owners, recorded directly in equity												
Participation by non-controlling shareholders in subsidiaries' capital increases	--	--	--	--	--	--	--	--	--	**--**	3.916	**3.916**
Change of control in a subsidiaries	--	--	--	--	--	--	--	(2.739)	--	**(2.739)**	(192)	**(2.931)**
Increase decrease due to other changes	--	--	(44.312)	(13.176)	--	--	--	--	--	**(57.488)**	--	**(57.488)**
Dividends paid	--	--	--	--	--	--	--	--		**--**	(4.909)	**(4.909)**
Transfers	--	--	--	67.312	--	--	--	231.817	(299.129)	**--**	--	--
Total transactions with owners	**--**	**--**	**(44.312)**	**54.136**	**--**	**--**	**--**	**229.078**	**(299.129)**	**(60.227)**	**(1.185)**	**(61.412)**
Balances at 31 December 2024	**210.761**	**3.388**	**(44.312)**	**718.969**	**(7.707)**	**22.718**	**(1.285.878)**	**3.241.061**	**354.553**	**3.213.553**	**243.082**	**3.456.635**

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

Çalık Holding Anonim Şirketi and its Subsidiaries

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2024

(Amounts expressed in thousands of USD unless otherwise stated.)

	Attributable to owners of the Company											
				Restricted reserves	*Accumulated other comprehensive income/(expense) that may be reclassified to profit or loss*	*Accumulative other comprehensive income / (expense) that are or may be reclassified to profit or loss*		*Retained earnings*				
USD	***Paid-in Capital***	***Adjustment to share capital***	***Other Equity Shares***	***Legal reserves***	***Accumulated re-measurements loss of defined benefit plans***	***Fair value reserve of financial assets available-for-sale***	***Translation reserve***	***Retained earnings***	***Profit / for the period***	***Total***	***Non-controlling interests***	***Total equity***
Balances at 1 January 2023 (previously reported)	**210.761**	**3.388**	**--**	**768.993**	**(9.187)**	**(84.932)**	**(1.129.954)**	**1.679.111**	**840.497**	**2.278.677**	**187.875**	**2.466.552**
Inflation effect	--	--	--	39.372	(918)	7.903	1.829	349.676	--	**397.862**	15.204	**413.066**
Balances at 1 January 2023	**210.761**	**3.388**	**--**	**808.365**	**(10.105)**	**(77.029)**	**(1.128.125)**	**2.028.787**	**840.497**	**2.676.539**	**203.079**	**2.879.618**
Total comprehensive income for the period												
Profit for the period	--	--	--	--	--	--	--	--	299.130	**299.130**	14.663	**313.793**
Other comprehensive income												
Net fair value change in financial assets available-for-sale	--	--	--	--	--	20.837	--	--	--	**20.837**	(9)	**20.828**
Actuarial gains	--	--	--	--	(4.069)	--	--	--	--	**(4.069)**	(13)	**(4.082)**
Foreign currency translation differences for foreign operations and reporting currency translation differences	--	--	--	--	--	--	(152.573)	--	--	**(152.573)**	22.178	**(130.395)**
Other comprehensive income	**--**	**--**	**--**	**--**	**(4.069)**	**20.837**	**(152.573)**	**--**	**--**	**(135.805)**	**22.156**	**(113.649)**
Total comprehensive income for the period	**--**	**--**	**--**	**--**	**(4.069)**	**20.837**	**(152.573)**	**--**	**299.130**	**163.325**	**36.819**	**200.144**
Transactions with owners, recorded directly in equity												
Participation by non-controlling shareholders in subsidiaries' capital increases	--	--	--	--	--	--	--	--	--	**--**	(84)	**(84)**
Addition and disposal of subsidiaries	--	--	--	--	--	--	--	--	--	**--**	(13.649)	**(13.649)**
Decrease due to other changes	--	--	--	--	--	--	--	(667)	--	**(667)**	(133)	**(800)**
Dividends paid	--	--	--	--	--	--	--	--	--	**--**	(3.966)	**(3.966)**
Transfers	--	--	--	(143.532)	--	--	--	984.030	(840.498)	**--**	--	**--**
Change in non-controlling interest in consolidated subsidiaries without change in control	--	--	--	--	--	--	--	10	--	**10**	(10)	**--**
Increase and decrease due to share buyback transactions	--	--	--	--	--	--	--	(177)	--	**(177)**	177	**--**
Total transactions with owners	**--**	**--**	**--**	**(143.532)**	**--**	**--**	**--**	**983.196**	**(840.498)**	**(834)**	**(17.665)**	**(18.499)**
Balances at 31 December 2023	**210.761**	**3.388**	**--**	**664.833**	**(14.174)**	**(56.192)**	**(1.280.698)**	**3.011.983**	**299.129**	**2.839.030**	**222.233**	**3.061.263**

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

Çalık Holding Anonim Şirketi and its Subsidiaries
Consolidated Statement of Cash Flows
For the Year Ended 31 December 2024
(Amounts expressed in thousands of USD unless otherwise stated.)

		Current period	Previous period
		Audited	**Audited**
	Notes	**31 December 2024**	**31 December 2023**
A .CASH FLOWS FROM OPERATING / (USED IN) ACTIVITIES		**514.352**	**1.034.927**
Profit for the period		**360.583**	**313.793**
Adjustments to reconcile cash flow generated from operating activities:		**306.225**	**222.306**
Adjustments for depreciation and amortisation	17-18-19	107.846	103.185
Loss/(gain) on sale of derivative financial instruments	33	55.591	945
Adjustments for fair value gains of financial investments	9	(185.602)	104.499
Adjustments for dividends	33	(18.567)	(13.245)
Adjustments for provision for doubtful receivables	11	16.229	13.153
Adjustments for inventory impairment, net	14	1.110	(1.706)
Adjustments for impairment (reversal) of other financial assets or investments	9	(16.535)	(6.649)
Adjustments for other impairment losses (reversals)	16	4.424	--
Adjustments for provision for long term employee benefits	26	22.394	12.823
Adjustments for provisions (cancellation) reserved for possible risks	12	18.530	23.073
Adjustments for fair value (gain) / loss of investment property	20	(8.097)	(40.741)
Adjustments for gains(losses) on acquisitions or sale of associates, joint ventures and other financial investments	33	(101.790)	(112.807)
Adjustments for provision for litigation	26	3.937	(1.300)
Adjustments for other provisions	26	4.253	13.485
Adjustments for share of (profit)/ loss of equity accounted investees	16	20.266	(108.105)
Adjustments for interest income, expenses and interest rediscounts		(245.996)	(204.224)
Rediscount interest (gain) / losses, net		(37.469)	(8.916)
Adjustments for tax expense	28	197.346	113.652
Adjustments for losses (gains) on disposal of fixed assets	33	2.537	2.048
Adjustments for losses (gains) on disposal of investment properties	33	--	(963)
Unrealized foreign currency loss/(income)		465.818	334.099
Changes in working capital		**(448.067)**	**311.586**
Adjustments for change in inventories		33.604	(28.376)
Adjustments for change in trade receivables		62.265	(43.797)
Adjustments for change in payables related to employee benefits		940	2.232
Adjustments for change in other receivables		719	(41.929)
Changes in contract assets and liabilities		93.146	172.425
Adjustments for change in financial assets related to concession		(288.565)	(161.744)
Adjustments for change in assets held for sale		(1.028)	(18.373)
Adjustments for change in receivables from finance sector operations		(551.872)	(182.558)
Adjustments for change in payables from finance sector operations		412.571	816.728
Change in restricted cash and cash equivalents		(245.763)	(15.508)
Adjustments for change in trade payables		52.607	(76.076)
Adjustments for change in prepayments		(69.367)	48.213
Adjustments for change in deferred income (except liabilities arising from customer contracts)		(3.060)	(164.451)
Adjustments for change in other payables and other liabilities related with operating activities		55.736	4.800

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

Çalık Holding Anonim Şirketi and its Subsidiaries

Consolidated Statement of Cash Flows

For the Year Ended 31 December 2024

(Amounts expressed in thousands of USD unless otherwise stated.)

	Notes	Current period 31 December 2024	Previous period 31 December 2023
Cash flows from operating activities		**295.611**	**187.242**
Employee termination indemnity paid	26	(4.134)	(5.591)
Financial sector activities receivables	12	13.901	7.860
Interest received		681.799	464.576
Interest paid		(324.017)	(195.258)
Collection from doubtful receivables	11	--	1.021
Taxes paid	28	(71.938)	(85.366)
B. CASH FLOWS USED IN INVESTING ACTIVITIES		**(476.931)**	**(466.185)**
Proceeds from sales of property, plant and equipment and intangible assets		29.231	26.774
Acquisition of property, plant and equipment	17	(115.879)	(65.281)
Acquisition of intangible assets	18	(50.342)	(69.639)
Acquisition of investment property	20	(19.508)	(2.579)
Cash outflows due to share purchase or capital increase in affiliates and/or joint ventures	16	(40.527)	(9.188)
Cash inflows from dividends and other financial instruments	16, 33	24.209	17.981
Cash outflows on purchases to obtain control of subsidiaries		(2.932)	(13.649)
Increase / (decrease) due to changes in ownership interests in subsidiaries that do not result in loss of control		--	(809)
Proceeds from / (repayment of) derivative financial instruments		(49.425)	(2.708)
Proceeds from the disposal of investments in subsidiaries and associates		102.431	120.000
Proceeds from redemption of financial assets at amortized cost	9	1.481.822	866.812
Proceeds from sales of financial assets at FVTOCI	9	2.466.410	1.593.120
Proceeds from the sale of investments in financial assets at FVTPL	9	698.430	405.695
Acquisition of financial assets at amortised costs	9	(1.708.835)	(882.590)
Acquisition of financial assets at FVTOCI	9	(2.589.843)	(1.954.500)
Acqusitions of financial assets at FVTPL	9	(708.242)	(472.996)
Capital increase/decrease in non-controlling shares	29	3.916	(84)
Cash inflows/outflows arising from acquisition or disposal of shares, or capital increases/decreases in associates and/or joint ventures		2.153	(22.544)
C. CASH FLOWS FROM FINANCING ACTIVITIES		**47.302**	**(337.390)**
Proceeds from the funding of related parties		(501)	2.385
Dividend payment	29	(4.909)	(3.966)
Proceeds from / (repayment of) loans and borrowings, net		164.497	(270.715)
Interest paid		(111.785)	(65.094)
D. NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		**84.723**	**231.352**
Inflation impact on cash and cash equivalents		(149.064)	(139.884)
E. CASH AND CASH EQUIVALENTS AT THE BEGINING OF THE PERIOD	**8**	**1.075.164**	**983.696**
F. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+E)	**8**	**1.010.823**	**1.075.164**

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

Notes to the consolidated financial statements

(Amounts expressed in thousands of USD unless otherwise stated.)

1 Reporting entity

Çalık Holding Anonim Şirketi ("Çalık Holding" or "the Company") was established in 1997 and the Company's main operations are to manage and coordinate the activities of its subsidiaries operating in different industries, including textile, energy, telecommunication, construction, real estate, investment, banking and finance and marketing to make investments in these industries.

Çalık Holding was established at its registered office address is Büyükdere Caddesi No: 163 Zincirlikuyu İstanbul/Turkiye, on 20 March 1997.

As at 31 December 2024, Çalık Holding has 125 (31 December 2023: 115) subsidiaries ("the Subsidiaries"), 12 (31 December 2023: 12) joint ventures ("the Joint Ventures"), and 14 (31 December 2023: 14) associates ("the Associates") (referred to as "the Group" or "Çalık Group" here in and after). The consolidated financial statements of the Group as of and for the year ended 31 December, comprises Çalık Holding andon its subsidiaries and the Group's interest in associates and joint ventures.

As at 31 December 2024, the number of employees of the Group is 15.589 (31 December 2023: 15.069).

As explained in more detail in Note 6, as of 31 December 2024 the Group operates mainly under six segments; Energy, Construction, Textile, Marketing, Mining, Banking and Finance.

As of 31 December 2024, the new addition to the group as follows:

Company Name	Type of partnership	Country	Sector
Calik Renewables Ag	Subsidiary	Turkiye	Energy
Calik Renewables B.V	Subsidiary	Turkiye	Energy
Calik Renewables O&M B.V	Subsidiary	Turkiye	Energy
CLK İpekyolu Lojistik ve Ticaret A.Ş.	Subsidiary	Turkiye	Marketing
CLK Transport and Trading FZE	Subsidiary	UAE	Marketing
Cren Yenilenebilir Enerji Üretim Limited Şirketi	Subsidiary	Turkiye	Energy
Çalık Altyapı Ve Elektrik Hizmetleri A.Ş.	Subsidiary	Turkiye	Energy
Çalık Yeni Enerji Teknolojileri Limited Şirketi	Subsidiary	Turkiye	Energy
Çe Enerji Teknolojileri Yatırım Üretim A.Ş.	Subsidiary	Turkiye	Energy
Trilliant Real Estate Construction Tourism Limited Company	Subsidiary	Uzbekistan	Energy

Calik Renewables AG (Çalık Renewables Swiss)

Calik Renewables AG was established in Switzerland in 2024 to provide services in the construction and maintenance of renewable energy plants, electricity generation, and the development of other group companies operating in the energy sector.

Calik Renewables B.V (Çalık Renewables Holland)

Calik Renewables B.V was established in the Netherlands in 2024 to carry out renewable energy projects abroad, to set up facilities for electricity generation based on all types of renewable energy sources, to sell energy products, and to engage in import and export activities related to its operations.

Calik Renewables O&M B.V (Çalık Renewables O&M Holland)

Calik Renewables O&M B.V was established in the Netherlands in 2024 to operate and maintain renewable energy facilities abroad, to carry out energy projects, to sell energy products, and to engage in import and export activities related to its operations.

1 Reporting entity *(continued)*

CLK İpekyolu Lojistik ve Ticaret A.Ş. ("CLK İpekyolu")

CLK Ipekyolu Lojistik ve Ticaret Anonim Şirketi ("Company") was established in September 2018 under the name of CLK İpekyolu Lojistik ve Ticaret Anonim Şirketi. The Company has been operating as a joint stock company since September 2018. Its main field of activity is to organize cargo transportation by all means, to carry out storage and distribution activities, to carry out trade purchase, sale, export and import of petrochemical, construction machinery/equipment, electrical, electronic and agricultural, food products.

CLK Transport and Trading FZE ("CLK Transport")

CLK Transport and Trading FZE ("Entity") is a limited company registered with the Jebel Ali Free Zone Authority as Dubai Free Zone Entity on 5 November 2017 with registration number 193697. The main activity of the Entity is general trading. The Entity trades in healthcare products, masks, aprons, personal protective equipment, fertilizers, textiles, grains and other regional products specific to the Silk Roads and provides services such as freight and passenger transportation, freight brokerage, sea cargo services and customs brokerage services.

Cren Yenilenebilir Enerji Üretim Limited Şirketi ("Cren Renewable")

Cren Renewable Energy Generation Limited was established in 2024 for the establishment, storage, commissioning, leasing, and operation of electricity generation facilities based on all types of renewable energy sources, for the generation of electricity, and for the sale of the generated electricity and/or capacity to customers.

Çalık Altyapı Ve Elektrik Hizmetleri A.Ş. ("Çalık Altyapı")

Çalık Infrastructure was established in Turkey in 2024 to supply materials and provide services for the electricity distribution sector. The company operates in areas such as underground and overhead power lines, transformer substations, connection line design, and material procurement.

Çalık Yeni Enerji Teknolojileri Limited Şirketi ("Çalık Yeni Enerji Teknolojileri")

Çalık Yeni Enerji Teknolojileri Limited Şirketi was established in 2024 for the purpose of establishing, storing, commissioning, leasing electrical energy production facilities based on all kinds of renewable energy sources, producing electrical energy, and selling the produced electrical energy and/or capacity to customers.

Çe Enerji Teknolojileri Yatırım Üretim A.Ş. ("Çe Enerji Teknolojileri")

Çe Energy Technologies Investment and Production Inc. was established in 2024 to establish, store, commission, lease, and operate electricity generation facilities based on all types of renewable energy technologies, and to produce and sell the generated electricity and/or capacity to customers.

Trilliant Real Estate Construction Tourism Limited Company ("Trilliant")

The company was established in Uzbekistan in 2024 to operate in the real estate management sector.

1 Reporting entity *(continued)*

1.1 Entities in energy segment

Company Names	Types of Partnership	Country
Adacami Enerji Elektrik Üretim Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkiye
Agata Trading S.R.L. (*)	Subsidiary	Italy
Ant Enerji Sanayi ve Ticaret Limited Şirketi	Subsidiary	Turkiye
Asya Center Enerji İnşaat Sanayi Ticaret Anonim Şirketi	Subsidiary	Turkiye
Atayurt İnşaat Anonim Şirketi	Subsidiary	Turkiye
CE Solaire 1 Sas	Subsidiary	Congo
CE Solaire 2 Sas	Subsidiary	Congo
Ce Solar Dooel Skopje (*)	Subsidiary	Macedonia
CME Wakra Water WLL (*)	Subsidiary	Qatar
Cren Yenilenebilir Enerji Üretim Limited Şirketi	Subsidiary	Turkiye,
CYK Enerji Adi Ortaklığı	Joint ventures	Turkiye
Çalık Albania Wind Sh.P.K./Llc (*)	Subsidiary	Albania
Çalık Altyapı Ve Elektrik Hizmetleri A.Ş. (**)	Subsidiary	Turkiye
Çalık Enerji Japan G.K. (*)	Subsidiary	Japan
Çalık Enerji Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkiye
Çalık Enerji Swiss AG	Subsidiary	Sweden
Çalık Georgia LLC (*)	Subsidiary	Georgia
Çalık Limak Adi Ortaklığı	Joint ventures	Turkiye
Çalık Proje Mühendislik A.Ş.	Subsidiary	Turkiye
Çalık Rüzgar Enerjisi Elektrik Üretim Limited Şirketi	Subsidiary	Turkiye
Calik Renewables B.V (**)	Subsidiary	Turkiye
Calik Renewables O&M B.V (**)	Subsidiary	Turkiye
Calik Renewables Ag (**)	Subsidiary	Turkiye
Çalık Yeni Enerji Teknolojileri Limited Şirketi (*) (**)	Subsidiary	Turkiye
Çe Yenilenebilir Enerji İşletme ve Bakım Limited Şirketi (**)	Subsidiary	Turkiye
Çe Enerji Teknolojileri Yatırım Üretim A.Ş.	Subsidiary	Turkiye
Demircili Rüzgar Enerjisi Elektrik Üretim Anonim Şirketi	Subsidiary	Turkiye
Doğu Aras Enerji Yatırımları Anonim Şirketi	Joint ventures	Turkiye
Dtm Enerji Yatırımları Adi Ortaklığı (*)	Joint ventures	Turkiye
Eurokos Dd L.L.C (*)	Subsidiary	Kosovo
Genvera Enerji A.Ş. (**)	Subsidiary	Turkiye
Jasper Trading (**)	Subsidiary	Poland
JSC Calik Georgia Wind	Subsidiary	Georgia
Kızılırmak Enerji Elektrik Anonim Şirketi	Subsidiary	Turkiye
Kosova Çalık Limak Energy Sh.A.	Joint ventures	Kosovo
LC Electricity Supply and Trading d.o.o.	Joint ventures	Serbia
Machinego Teknoloji Danışmanlık ve İş Makinaları Anonim Şirketi	Joint ventures	Turkiye
Momentum Enerji Elektrik Üretim Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkiye
Onyx Trading Innovation FZE	Subsidiary	UAE
Pkn Enerji Hizmetleri Adi Ortaklığı (*)	Joint ventures	Turkiye
Saudi Jalik Energy Company (*)	Subsidiary	Saudi Arabia
TCB İnşaat Yatırım Anonim Şirketi	Subsidiary	Turkiye
Technological Energy N.V.	Subsidiary	Holland
Trilliant Real Estate Construction Tourism Limited Company (**)	Subsidiary	Uzbekistan
Türkmen'in Altın Asrı Elektrik Enerjisi Toptan Satış Anonim Şirketi	Subsidiary	Turkiye
Workindo Teknoloji ve İnsan Kaynakları Danışmanlık A.Ş.	Joint ventures	Turkiye
Yeşilçay Enerji Elektrik Üretim Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkiye
Yeşilırmak Elektrik Dağıtım Anonim Şirketi	Subsidiary	Turkiye
Yeşilırmak Elektrik Perakende Satış A.Ş.	Subsidiary	Turkiye

(*) Agata Trading S.R.L., Ce Solar Dooel Skopje, CME Wakra Water WLL, Çalık Albania Wind Sh.P.K./LLC, Çalık Enerji Japan G.K, Çalık Georgia LLC, Eurokos Dd L.L.C, DTM Enerji Yatırımları Adi Ortaklığı, Çalık Yeni Enerji Teknolojileri Limited Şirketi, PKN Enerji Hizmetleri Adi Ortaklığı and Saudi Jalik Energy Company are not consolidated due to the insignificance of their financial impact on the consolidated financial statements as at and for the period ended 31 December 2024.

(**) Genvera Enerji A.Ş. and Çalık Altyapı Ve Elektrik Hizmetleri A.Ş. were established through partial division from Çalık Elektrik Dağıtım Anonim Şirketi. Trilliant Real Estate Construction Tourism Limited Company was established on January 29, 2024. Jasper Trading is included in consolidation as of January 1, 2024. Calik Renewables B.V, Calik Renewables O&M B.V, Calik Renewables Ag, Çalık Yeni Enerji Teknolojileri Limited Şirketi, and Cren Yenilenebilir Enerji Üretim Limited Şirketi were established in 2024 to develop renewable energy projects.

1 Reporting entity *(continued)*

1.2 Entities in construction segment

Company Names	Types of Partnership	Country
Çalık İnşaat Anonim Şirketi (“Çalık İnşaat”)	Subsidiary	Turkiye
Deutsche Tiefbau Gesellschaft für Infrastrukturentwicklung mbH (“Deutsche Tiefbaur”)	Subsidiary	Germany
Gap Construction Co.(“GAP İnşaat Libya”)	Subsidiary	Libya
Gap İnşaat Construction and Investment Co. Ltd. (“Gap İnşaat Sudan”)	Subsidiary	Sudan
Gap İnşaat Dubai FZE (“GAP İnşaat Dubai”)	Subsidiary	UAE
Gap İnşaat Ukraine Ltd. (“Gap Inşaat Ukrayna”)	Subsidiary	Ukraine
Gap İnşaat Yatırım ve Dış Ticaret Anonim Şirketi (“Gap İnşaat”)	Subsidiary	Turkiye
Innovative Construction Technologies Trading FZE (“Innovative Construction”)	Subsidiary	UAE
OOO Gap İnşaat (“Gap İnşaat Rusya”)	Subsidiary	Russia
White Construction N.V. ("White Construction")	Subsidiary	Netherlands

1.3 Entities in textile segment

Company Names	Types of Partnership	Country
Balkan Dokuma TGPJ (“Balkan Dokuma”)	Associate	Turkmenistan
Calik Denim B.V.	Subsidiary	Netherlands
Çalık Denim Tekstil Sanayi ve Ticaret Anonim Şirketi (“Çalık Denim”)	Subsidiary	Turkiye
Gap Türkmen-Türkmenbaşı Jeans Kompleksi (“TJK”)	Associate	Turkmenistan
Malatya Boya ve Emprime Anonim Şirketi (“Malatya Boya”)	Subsidiary	Turkiye
Serdar Pamuk Egrigi Fabrigi ÇJB (“Serdar Pamuk”)	Associate	Turkmenistan
Türkmenbaşı Tekstil Kompleksi (“TTK”)	Associate	Turkmenistan

1.4 Entities in marketing segment

Company Names	Types of Partnership	Country
Anateks Anadolu Tekstil Fabrikaları (“Anateks”)	Subsidiary	Turkiye
CLK Transport and Trading FZE (“CLK Transport”)	Subsidiary	UAE
CLK İpekyolu Lojistik ve Ticaret A.Ş. (“CLK İpekyolu”)	Subsidiary	Turkiye
Gap Pazarlama Anonim Şirketi (“GAP Pazarlama”)	Subsidiary	Turkiye
Gap Pazarlama FZE Jebel Ali Free Zone (“Gap Pazarlama FZE”)	Subsidiary	UAE
Gappa Textile Inc. (“Gappa USA”)	Subsidiary	USA
Tura Moda Mağazacılık ve Elektronik Tic. A.Ş. (“Tura Moda”)	Subsidiary	Turkiye

1.5 Entities in mining segments

Company name	Types of partnership	Country
Artmin Madencilik Sanayi ve Ticaret Anonim Şirketi	Joint ventures	Turkiye
Bakırtepe Madencilik ve Sanayi ve Ticaret Anonim Şirketi	Joint ventures	Turkiye
Kartaltepe Madencilik Sanayi ve Ticaret Anonim Şirketi	Joint ventures	Turkiye
Lidya Aurasia	Subsidiary	Uzbekistan
Lidya Globus B.V.	Subsidiary	Holland
Lidya Madencilik Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkiye
Lidya Mali SA	Subsidiary	Mali
Lidya Mauritania SARL	Subsidiary	Mauritania
Tunçpınar Madencilik Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkiye

1 Reporting entity *(continued)*

1.6 Entities in banking and finance segment

Company name	**Types of partnership**	**Country**
Aktif Bank Sukuk Varlık Kiralama Anonim Şirketi	Associate	Turkiye
AB Sukuk Varlık Kiralama A.Ş.	Subsidiary	Turkiye
Aktif Fortis Enerji Anonim Şirketi (“Aktif Fortis”)	Associate	Turkiye
Aktif Portföy Yönetimi Anonim Şirketi (“Mükafat Portföy Yönetimi”)	Subsidiary	Turkiye
Aktif Yatırım Bankası Anonim Şirketi (“Aktif Bank”)	Subsidiary	Turkiye
Aktiftech Teknoloji Anonim Şirketi	Subsidiary	Turkiye
Akuamarin Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Albania Leasing Company	Associate	Albenia
Ametist Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Attivo Bilişim Anonim Şirketi	Subsidiary	Turkiye
Aytaşı Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Banka Kombëtare Tregtare Kosovë JSC	Subsidiary	Kosovo
Banka Kombetare Tregtare Sh.a	Subsidiary	Albenia
Cydev Investment Ltd.	Associate	TRNC
Çiğdem Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Defne Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Deniz Güneş Enerjisi Üretimi Anonim Şirketi	Subsidiary	Turkiye
Dome Zero Inc.	Associate	USA
Duru Güneş Enerjisi Üretimi Anonim Şirketi	Subsidiary	Turkiye
E-Kent Europe GMBH	Subsidiary	Germany
E-Kent Geçiş Sistemleri ve Biletleme Teknolojileri Anonim Şirketi	Subsidiary	Turkiye
Eko Biokütle Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Emlak Girişim Danışmanlığı Anonim Şirketi	Subsidiary	Turkiye
Emyap Development Limited	Associate	TRNC
E-post Elektronik Perakende Otomasyon Satış Ticaret Anonim Şirketi	Subsidiary	Turkiye
Esen Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkiye
Euro-Mediterranean Investment Company Limited	Associate	TRNC
Gelincik Solar Enerji Üretim Anonim Şirketi.	Subsidiary	Turkiye
Güneştaşı Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Haliç Yönetim ve Danışmanlık A.Ş. (Tasfiye Halinde Haliç Finansal Kiralama Anonim Şirketi)	Associate	Turkiye
Halk Yenilenebilir Enerji Anonim Şirketi	Associate	Turkiye
Idea Farm Ventures Limited	Associate	UAE
İpek Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkiye
Kaplangözü Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Kasımpatı Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Kazakhistan Ijara Company KIC Leasing	Associate	Kazakhistan
Kuvars Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Lapis Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Leylak Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Lilyum Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Martı Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Mehtap Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkiye
N Kolay Ödeme ve Elektronik Para Kuruluşu A.Ş. (“N-Kolay Ödeme Kuruluşu A.Ş.”)	Subsidiary	Turkiye
Nilüfer Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Oniks Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Opal Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Passo Spor Oyunları Kulübü Yazılım Ve Pazarlama A.Ş.	Subsidiary	Turkiye
Pavo Finansal Teknoloji Çözümleri A.Ş.(Pavo Teknik Servis Elektrik ve Elektronik San.Tic. A.Ş.)	Subsidiary	Turkiye
Secom Aktif Elektronik Güvenlik Çözümleri A.Ş.	Associate	Turkiye
Secom Aktif Güvenlik Yatırım Anonim Şirketi	Associate	Turkiye
Seher Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkiye
Sigortayeri Sigorta ve Reasürans Brokerliği A.Ş.	Subsidiary	Turkiye
Tanyeri Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkiye
Turkuvaz Solar Enerji Üretim Anonim Şirketi	Subsidiary	Turkiye
Ufuk Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkiye
UPT Ödeme Hizmetleri ve Elektronik Para A.Ş	Subsidiary	Turkiye
UPTION Europe GmbH	Subsidiary	Germany
Yakamoz Güneş Enerjisi Üretim Anonim Şirketi	Subsidiary	Turkiye

(Amounts expressed in thousands of USD unless otherwise stated.)

1 Reporting entity *(continued)*

1.7 Entities in other segments

Company name	Types of partnership	Country
Başak Yönetim Sistemleri Anonim Şirketi	Subsidiary	Turkiye
Cetel Telekom İletişim Sanayi ve Ticaret Anonim Şirketi (“Cetel	Subsidiary	Turkiye
Cratoonz Oyun Yazılım ve Pazarlama A.Ş.	Subsidiary	Turkiye
Çalık Dijital ve Bilişim Hizmetleri Anonim Şirketi	Subsidiary	Turkiye
Çalık Hava Taşımacılık Turizm Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkiye
Çalık Pamuk Doğal ve Sentetik Elyaf Ticaret Anonim Şirketi	Subsidiary	Turkiye
Çalık Petrol Arama Üretim Sanayi ve Ticaret A.Ş.	Subsidiary	Turkiye
Çalık Tarım Ürünleri Lisanslı Depoculuk Anonim Şirketi	Subsidiary	Turkiye
Enrich Girişim ve Bilişim Yatırımları Anonim Şirketi	Subsidiary	Turkiye
Enrich Teknoloji Yazılım A.Ş.	Subsidiary	Turkiye
Irmak Yönetim Sistemleri Anonim Şirketi	Subsidiary	Turkiye
İkideniz Petrol ve Gaz Sanayi ve Ticaret Anonim Şirketi	Subsidiary	Turkiye
UZTUR Investment and Development Limited	Subsidiary	Uzbekistan
300K Teknoloji A.Ş	Subsidiary	Turkiye

2 Basis of preparation

a) Statement of compliance

The consolidated financial statements of the Group are in accordance with the provisions of the "Communiqué on Principles of Financial Reporting in the Capital Markets" (Communiqué Serial II, No. 14.1) published in the Official Gazette dated 13 June 2013 and numbered 28676, Public Oversight, Accounting and Audit. It has been prepared on the basis of Turkish Financial Reporting Standards (“TFRS”) and related annexes and comments, in line with international standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”). TFRS is updated through communiqués to ensure parallelism with the changes in International Financial Reporting Standards (“TFRS”).

Financial statements and footnotes have been presented in accordance with the “2019 TAS Taxonomy” announced by the POA with its resolution dated 3 July 2024.

Consolidated financial statements have been approved by the Company's Management on 8 July 2025 for publication. If required, Çalık Holding’s General Assembly and other regulatory bodies are authorized to modify the consolidated financial statements subsequent to their issuance.

Going concern

Consolidated financial statements have been prepared on the basis of going concern, assuming that the Company and its subsidiaries included in consolidation will benefit from its assets and fulfill its obligations in the natural flow of its activities in the next year.

b) Financial reporting in hyperinflationary economy

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

All non-monetary assets and liabilities and profit or loss statements of subsidiaries whose functional currency of the Group is Turkish Lira have been adjusted using the Consumer Price Index. As a result of the correction made according to the inflation effect; The effect of TAS 29 indexation until 1 January 2023 is accounted under equity, and the effect of TAS 29 indexation from 1 January 2024 until 31 December 2024 is accounted for in the consolidated statement of profit or loss.

(Amounts expressed in thousands of USD unless otherwise stated.)

2 Basis of preparation *(continued)*

b) *Financial reporting in hyperinflationary economy* (continued)

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

Year end	**Index numbers**	**Index, %**	**Conversion Factor**
2004	113,86	13,86	16,33041
2005	122,65	7,72	15,16005
2006	134,49	9,65	13,82541
2007	145,77	8,39	12,75557
2008	160,44	10,06	11,58925
2009	170,91	6,53	10,87929
2010	181,85	6,40	10,22480
2011	200,85	10,45	9,25756
2012	213,23	6,16	8,72007
2013	229,01	7,40	8,11921
2014	247,72	8,17	7,50597
2015	269,54	8,81	6,89835
2016	292,54	8,53	6,35599
2017	327,41	11,92	5,67906
2018	393,88	20,30	4,72068
2019	440,50	11,84	4,22107
2020	504,81	14,60	3,68333
2021	686,95	36,08	2,70672
2022	1128,45	64,27	1,64773
2023	1859,38	64,77	1,44379
2024	2684,55	44,38	1,00000

Assets and liabilities were separated into those that were monetary and non-monetary, with non-monetary items were further divided into those measured on either a current or historical basis to perform the required restatement of financial statements under TAS 29. Monetary items (other than index -linked monetary items) and non-monetary items carried at amounts current at the end of the reporting period were not restated because they are already expressed in terms of measuring unit as of December 31, 2024. Non-monetary items which are not expressed in terms of measuring unit as of December 31, 2024 were restated by applying the conversion factors. The restated amount of a non-monetary item was reduced, in accordance with appropriate TFRSs, in cases where it exceeds its recoverable amount or net realizable value.

Components of shareholders' equity in the statement of financial position and all items in the statement of profit or loss and other comprehensive income have also been restated by applying the conversion factors.

Non-monetary items measured at historical cost that were acquired or assumed and components of shareholders' equity that were contributed or arose before the time when the Turkish lira previously ceased to be considered currency of hyperinflationary economy, i.e before January 1, 2005, were restated by applying the change in the CPI from January 1, 2005 to December 31, 2024.

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

2 Basis of preparation *(continued)*

c) Basis of Measurements

The consolidated financial statements have been prepared on the historical cost basis except for the financial assets and investment properties shown with their fair values and for the Group's Turkish entities having Turkish Lira functional currency as adjusted for the effects of inflation.

d) Functional and presentation currency

Çalık Holding determined its functional currency as Turkish Lira ("TL") as at 30 June 2018 and earlier. As of 1 July 2018, The Group's subsidiaries mainly operating in Energy and Construction sectors that are comprised significant part of Group's revenue has almost completed their projects in Turkiye and focused on foreign projects. In addition, the as at 1 July 2018, The Group changed its functional currency into USD in accordance with TAS 21 "The Effects of Changes in Foreign Exchange Rates" due to intensification of the activities of the Group companies abroad and the changes in the dividend policies. The accompanying consolidated financial statements are presented in United States Dollar ("USD") except as otherwise indicated, financial information presented in USD has been rounded to the nearest thousand.

Financial statements prepared in US Dollars, which is the functional currency, have been translated into the reporting currency "TL" as described below;

As of 31 December 2024, balance sheet accounts for all currencies have been issued by T.C. The Central Bank (TCMB) has been converted into TL with the US Dollar buying rate of 1 USD = 35,2803 TL (31 December 2023: 1 USD = 29,4382 TL).

Profit or loss and other comprehensive income statements for the period ended 31 December 2024 for companies whose functional currency is other than TL have been converted to TL with an annual average of 1 USD = 32,7984 TL (31 December 2023: 1 USD = 23,7776 TL for all currencies).

Profit or loss and other comprehensive income statements for the period ended 31 December 2024 for companies whose functional currency is TL have been converted to TL with the US Dollar buying rate of 1 USD = 35,2803 TL. Since the Group's functional currency is USD, no changes have been made to the consolidated financial statements figures as of December 31, 2023. The consolidated TL financial statements prepared in accordance with TFRS were converted on 31 December 2023, the balance sheet was converted with the TCMB buying rate, and the profit or loss statement was converted with the annual average exchange rate.

The translation differences resulting from the above translations are shown in the "foreign currency translation differences" account under the Comprehensive Income and Reclassified to Profit or Loss account group.

e) Significant accounting evaluations, estimates and assumptions

While preparing the consolidated financial statements, management made judgments, estimates and assumptions that affect the application of the Group's accounting policies and the amounts of reported assets, liabilities, income and expenses. Actual amounts may vary from estimated amounts.

Estimates and associated assumptions are reviewed on an ongoing basis. Changes to estimates are accounted for prospectively.

Information about significant areas at estimation uncertainty and critical judgment in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are described in the following notes:

- Note 3 (e) and (f) – Useful lives of property, plant and equipment and intangible assets
- Note 9 – Financial investments
- Note 11– Trade receivables and payables
- Note 15 **-** Prepayments and deferred revenue
- Note 20 – Investment property
- Note 24 – Derivatives

2 Basis of preparation *(continued)*

e) Significant accounting evaluations, estimates and assumptions *(continued)*

- Note 26 – Provisions
- Note 28 – Taxation
- Note 37 – Financial instruments – Fair values and risk management *(including fair value explanations)*

f) The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of December 31, 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2024 and thereafter. The effects of these standards and interpretations on the Company / the Group's financial position and performance have been disclosed in the related paragraphs.

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

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

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

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

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

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

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

2 Basis of preparation *(continued)*

f) **The new standards, amendments and interpretations** *(continued)*

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

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

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

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

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

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

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

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

TFRS 17 - The new Standard for insurance contracts

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2026 with the announcement made by the POA.

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

Amendments to TAS 21 - Lack of exchangeability

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

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

2 Basis of preparation *(continued)*

f) The new standards, amendments and interpretations *(continued)*

iii) The amendments which are effective immediately upon issuance

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

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

The impact of the aforementioned amendment on the Group's financial position or performance has been assessed and recognized in the financial statements.

iv) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The following two amendments to IFRS 9 and IFRS 7 and Annual Improvements to IFRS Accounting Standards as well as IFRS 18 and IFRS 19 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Company / the Group will make the necessary changes to its consolidated financial statements after the amendments and new Standard are issued and become effective under TFRS.

Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments

In May 2024, IASB issued amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7). The amendment clarifies that a financial liability is derecognised on the 'settlement date'. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment.

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

Annual Improvements to IFRS Accounting Standards – Volume 11

In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards – Volume 11, amending the followings:

- IFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter: These amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.

- IFRS 7 Financial Instruments: Disclosures – Gain or Loss on Derecognition: The amendments update the language on unobservable inputs in the Standard and include a cross reference to IFRS 13.

- IFRS 9 Financial Instruments – Lessee Derecognition of Lease Liabilities and Transaction Price: IFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply derecognition requirement of IFRS 9 and recognise any resulting gain or loss in profit or loss. IFRS 9 has been also amended to remove the reference to 'transaction price".

- IFRS 10 Consolidated Financial Statements – Determination of a 'De Facto Agent': The amendments are intended to remove the inconsistencies between IFRS 10 paragraphs.

2 Basis of preparation *(continued)*

f) The new standards, amendments and interpretations *(continued)*

- IAS 7 Statement of Cash Flows – Cost Method: The amendments remove the term of "cost method" following the prior deletion of the definition of 'cost method'.

The Group expects no significant impact on its balance sheet and equity.

Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity

In December 2024, the Board issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendment clarifies the application of the "own use" requirements and permits hedge accounting if these contracts are used as hedging instruments. The amendment also adds new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

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

IFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements

In April 2024, IASB issued IFRS 18 which replaces IAS 1. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. IFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as IAS 7, IAS 8 and IAS 34.

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, IASB issued IFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards may elect to apply IFRS 19.

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

3 Significant accounting policies

a) Basis of consolidation

The accompanying consolidated financial statements include the accounts of the parent company, Çalık Holding, its subsidiaries, joint arrangements and associates on the basis set out in sections below. The financial statements of the entities included in the consolidation have been prepared as at the date of the consolidated financial statements.

i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

3 Significant accounting policies *(continued)*

a) Basis of consolidation *(continued)*

i) Business combinations (continued)

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards are required to be exchanged for awards held by the acquiree's employees, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

ii) Non-controlling interests

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iv) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

v) Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within the Group equity and any gain/loss arising is recognised directly in equity.

vi) Associates (Equity-accounted investees)

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

vii) Joint arrangements

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements'

3 Significant accounting policies *(continued)*

a) Basis of consolidation *(continued)*

vii) Joint arrangements (continued)

returns. They are classified and accounted for as follows:

- Joint operation – when the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement, it accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.
- Joint venture (equity-accounted investees) – when the Group has rights only to the net assets of the arrangements, it accounts for its interest using the equity method.

The accompanying consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of joint ventures, after adjustments to align the accounting policies with those of the Group, from the date that joint control commences until the date that joint control ceases.

When the Group's share of losses exceeds its interest in a joint venture, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

viii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

In consolidation of operating results and financial positions of subsidiaries whose functional currency is other than USD, main consolidation transactions are made such as elimination of related party balances and transactions. But, a monetary asset (or liability) of related parties regardless of short-term or long-term except for monetary items which are part of net investment of the Group in its subsidiaries whose functional currency is different than USD) can not be eliminated with related party liability (or related party asset) without presenting results of fluctuation of foreign currencies in consolidated financial statements. Because, a monetary item provides obligation of translation of any currency to other currency and makes the Group exposed to gain or losses arising from fluctuation of foreign currencies. Correspondingly, these kind of foreign exchange differences are recognized in profit or loss of consolidated financial statements of the Group.

b) Foreign currency

i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- an investment in equity securities designated as at FVOCIa financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective
- qualifying cash flow hedges to the extent that the hedges are effective.

(Amounts expressed in thousands of USD unless otherwise stated.)

3 Significant accounting policies *(continued)*

b) Foreign currency *(continued)*

— The following significant foreign exchange rates are applied as at 31 December 2024 and 31 December 2023 are as follows:

End of month	**31 December 2024**	**31 December 2023**
EUR / TL	36,7362	32,5739
USD / TL	35,2803	29,4382
EUR / USD	1,0413	1,1065
Cumulative average		
EUR / TL	35,4893	25,7198
USD / TL	32,7984	23,7776
EUR / USD	1,0820	1,0817

ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into euro at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in OCI and presented in the revaluation reserve. Any loss is recognised in profit or loss. However, to the extent that an amount is included in the revaluation surplus for that property, the loss is recognised in other comprehensive income and reduces the revaluation surplus within equity.

c) Financial instruments

i) Financial assets

Initial Recognition and measurement

At initial recognition Group classifies its financial assets in three categories as; financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit of loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Subsequent measurement and classification

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.

a. Financial assets measured at amortized cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit of loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- it is its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

3 Significant accounting policies *(continued)*

c) Financial instruments *(continued)*

Subsequent measurement and classification *(continued)*

a. Financial assets measured at amortized cost *(continued)*

The Group's financial assets at amortised cost includes cash and cash equivalents, trade receivables and other receivables.

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

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's debt instruments measured at fair value through other comprehensive income include investments in listed instruments.

In the initial recognition of an equity investment that is not held for trading, the Group may irrevocably choose to present subsequent changes in fair value in other comprehensive income. This selection is made separately for each investment.

The accounting policies below apply to gains and losses from subsequent measurements:

Debt instruments measured at fair value through other comprehensive income	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.
Equity instruments measured at fair value through other comprehensive income	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

c. Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Group has transferred its contractual rights to receive cash flows from the asset, or retains the contractual rights to receive the cash flows of the financial asset but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group transfers a financial asset, it evaluates the extent to which it retains the risks and rewards of ownership of the financial asset. When the Group has transferred its contractual rights to receive cash flows from an asset and neither transferred nor retained substantially all of the risks and rewards of the

3 Significant accounting policies *(continued)*

c) Financial instruments *(continued)*

c. Financial assets at fair value through profit or loss *(continued)*

asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement.

Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss.

ECLs are recognised in two stages:

- 12-month ECL: For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months,
- Lifetime ECL: For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure.

For trade receivables, other receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The expected credit losses were calculated based on a provision matrix that is based on the Group's historical credit loss experience, considering for forward-looking factors.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, borrowings and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

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

This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by TFRS 9. Gains and losses are recognised in the statement of profit or loss.

- ***Financial liabilities at amortised cost***

After initial recognition, borrowings and trade and other payables are subsequently measured at amortised cost using the effective inerest rate method. Gains and losses are recognised in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

3 Significant accounting policies *(continued)*

c) Financial instruments *(continued)*

c. Financial assets at fair value through profit or loss *(continued)*

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedging activities

Derivative financial instruments are initially recognised at the acquisition cost reflecting the fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The derivative instruments of the Group mainly consist of foreign exchange forward contracts and currency/interest rate swap instruments. These derivative transactions, even though providing effective economic hedges under the Group risk management position, do not generally qualify for hedge accounting under the specific rules and are therefore treated as derivatives held for trading in the consolidated financial statements. The fair value changes for these derivatives are recognised in the consolidated income statement.

Service concession arrangements

Service concession arrangements are defined within scope of TFRIC 12 as those whereby a government or other body grants contracts for the supply of public services – operations such as roads, energy distribution, prisons or hospitals –to private operators. The Group's electricity distribution and meter reading service businesses are in the scope of service concession agreements.

Considering the Group's terms in the service concession arrangements, a financial asset model where the Group recognises a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor has been applied, since the right to receive cash for the distribution and meter reading services are constituted through actual billing to subscribers where the distribution and meter reading service components of the billing are already specified or determinable through the regulated tariffs by EMRA.

The Group has measured the financial asset at fair value, with the effective interest method which is calculated by discounting estimated future cash receipts with regards to the compensation of TOR and the initial and annual capital expenditures made by the Group, through the expected life of the arrangement and set "Financial Asset Related to Concession Agreements" on the balance sheet and recognizes the revenue on an effective interest method as "Finance Income from Service Concession Arrangements"

Security deposit

According to the Article 26 of Electricity Market Customer Services Regulation, legal entities which have retail electricity sale licenses, can demand security deposits from their subscribers in order to deduct customers' debts in case of possible inability to pay energy consumption fee due to address change and/or cease of retail sale agreements or termination of retail sale agreements.

Security deposits received from current subscribers are recognised in the "payables to third parties" item at the adjusted values based on inflation applicable to reporting dates using Consumer Price Index ("CPI") rates. Security deposits valuation expenses and realised security deposit expenses are recognised as finance cost in profit or loss.

d) Repurchase transactions

The Group enters into purchases/sales of investments under agreements to resell/repurchase substantially identical investments at a certain date in the future at a fixed price. Investments purchased subject to commitments to resell them at future dates are not recognised. The amounts paid are recognised as "Receivables related to finance sector operations'' in the accompanying consolidated financial statements. The receivables are shown as collateralized by the underlying security.

Investments sold under repurchase agreements continue to be recognised in the consolidated statement of financial position and are measured in accordance with the accounting policy for either assets held for trading, held to maturity or available-for-sale as appropriate. The proceeds from the sale of the investments are reported as funds from repo transactions presented under "Payables related to finance sector operations".

3 Significant accounting policies *(continued)*

e) Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. s

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- cost of materials and direct labor;
- any other costs directly attributable to bringing the asset to a working condition for its intended use;
- when the Group has an obligation to remove the assets or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the asset) is recognised in "Gain from investing activities" or "Loss from investing activities" under profit or loss.

ii) Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in OCI and presented in the revaluation reserve. Any loss is recognised in profit or loss. However, to the extent that an amount is included in the revaluation surplus for that property, the loss is recognised in other comprehensive income and reduces the revaluation surplus within equity.

iii) Subsequent costs

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iv) Depreciation

Items of property, plant and equipment are depreciated from the date that they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

(Amounts expressed in thousands of USD unless otherwise stated.)

3 Significant accounting policies *(continued)*

(e) Property, plant and equipment *(continued)*

iv) Depreciation (continued)

Description	***Year***
Buildings	50
Machinery and equipments	1-40
Vehicles	5-10
Furniture and fixtures	3-15
Other tangible assets	5-15
Leasehold improvements	2-50

Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease terms or their useful lives.

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

f) Intangible assets and goodwill

i) Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses (see accounting policy 3(j) ii). In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and any impairment loss is allocated to the carrying amount of the equity-accounted investee.

ii) Other intangible assets

Other intangible assets of the Group mainly consist of licences for oil exploration, hydroelectric power generation, wind power generation and liquefied natural gas import, electricity distribution rights and computer software acquired by the Group, which have finite useful lives, and are measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

iii) Subsequent expenditures

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated and brands, is recognised in profit or loss as incurred.

iv) Amortisation

Intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

Amortisation of service concession rights acquired by the Group is recognised in profit or loss on a straight-line basis over their respective concession periods.

Amortisation of electricity distribution rights is based on the fair value of the asset which is acquired through business combination under scope of TFRS 3 “Business Combinations”. The remaining amortisation period for electricity distribution rights are 26 years which is the service concession period of YEDAŞ as it was acquired by Genvera. Licences and other intangible assets including computer software are amortised between 10 and 50 years and 2 and 10 years, respectively.

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

3 Significant accounting policies *(continued)*

g) Investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Rental income from other property is recognised as other income.

h) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of trading goods and finished goods are based on the weighted average method and includes expenditure and other costs incurred in bringing them to their existing location and condition.

Cost of trading properties are determined on cost or deemed cost method by the entities operating in construction business. Trading properties comprised lands that are held for construction projects to sell and cost of buildings that are held for trading purposes.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

i) Construction contracts in progress / deferred revenue

Construction contracts in progress represent the gross unbilled amount expected to be collected from customers for contract work performed to date. Construction contracts in progress is measured at cost plus profit recognised to date less progress billings and recognised losses. Cost includes all expenditures related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

Construction contracts in progress is presented as "Due from customers for contract work" within trade receivables in the consolidated statement of financial position for all contracts in which the sum of costs incurred and recognised expected losses plus recognised profits exceed progress billings. If the sum of progress billings and recognised expected losses exceed cost incurred plus recognised profits, then the difference is presented as "Due to customers for contract work" within deferred income in the consolidated statement of financial position.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. Revenue measurements are based on estimates that are revised as events and uncertainties are resolved. Cost and revenues may be revised based on variations to the original contract, penalties on delays, cost escalation clauses and other similar items. These revisions are recognised in the consolidated financial statements as they are incurred. Revenue incentive are recognised as revenue to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised to the extent of costs incurred that are probable of recovery. Costs are recognised as an expense as they are incurred.

Contract assets

It is used to monitor the assets defined as contract assets in TFRS 15. According to TFRS 15, contract assets are the right to receive the fee, in exchange for the goods or services that the business transfers to the customer, which is bound to another condition (for example, the future performance of the business), except that time has passed.

3 Significant accounting policies *(continued)*

i) Construction contracts in progress / deferred revenue *(continued)*

Contract assets (continued)

The total amount of the contract assets is shown separately in the statement of financial position. In addition, the companies divide the contract assets into sub-items according to the type of contract they are born (in the form of contract assets arising from ongoing construction and contracting works, contract assets arising from sales of goods and services, other contract assets).

Contract Liabilities

It is used for monitoring the obligations defined as contractual obligation in TFRS 15. According to TFRS 15, the contractual obligation is the obligation of the business to transfer the goods or services to the customer in exchange for the amount collected (or entitled to be collected) from the customer.

Before a good or service is transferred to the customer, the contractual obligation arises if the customer has the right to pay the price or the entity has unconditional right to receive the price (in other words, a receivable).

The total amount of contractual obligations is shown separately in the statement of financial position. In addition, the companies divide their contractual obligations into sub-items according to the type of contract they are born (in the form of contractual obligations arising from ongoing construction and contracting works, contractual obligations from sales of goods and services, other contractual obligations).

j) Impairment

i) Non-derivative financial assets

Policy applicable from 1 January 2018

Financial instruments and contract assets

The Group recognises loss allowances for ECLs on:

— Financial assets measured at amortised cost;
— Debt investments measured at FVOCI; and
— Contract assets.

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

— Debt securities that are determined to have low credit risk at the reporting date; and
— Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, 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.

The Group considers a financial asset to be in default when:

— the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
— the financial asset is more than past due.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

3 Significant accounting policies *(continued)*

j) *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 (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI 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.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 730 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or

the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written 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.

k) *Assets held for sale or distribution*

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

3 Significant accounting policies *(continued)*

l) Employee benefits

i) Reserve for employee severance indemnity

Reserve for employee severance indemnity represents the present value of the estimated future probable obligation of the Group arising from the retirement of the employees of the Group's entities operating in Turkiye and calculated in accordance with the Turkish Labour Law. It is computed and reflected in the consolidated financial statements on an accrual basis as it is earned by serving employees. The computation of the liabilities is based upon the retirement pay ceiling announced by the Government. The ceiling amounts applicable for each year of employment were USD 1.322 and USD 1.191 (equivalent to TL 46.655,43 and TL 35.058,58 respectively) at 1 January 2025 and 2024, respectively.

TFRSs require actuarial valuation methods to be developed to estimate the entity's obligation under defined benefit plans. The total liability for employee severance benefit was calculated by an independent actuary based on past service cost methodology using the observerable statistical market data such as mortality, inflation and interest rates or retirement pay ceilings applicable to the relevant periods and assumptions derived from the specific historic date of the Group such as retention and employee turnover rates or salary increase rates.

Income ceiling calculation for the Group's entities holding electricity distribution and retail sale license per the service concession agreement is updated yearly in accordance with EMRA decision No. 2991 dated 28 December 2010 to compensate the expenditures (such as employee benefit costs) relevant to the operations performed under these licenses as they incurred. Accordingly, the employee severance indemnity amounting to USD 2.836 (31 December 2023: USD 2.604) had no effect on the Group's consolidated financial statements since the same amount will be compensated by the Government as an adjusting item in the following income ceiling calculation.

Actuarial gains/losses are comprised of adjustment of difference between actuarial assumptions and results and change in actuarial assumptions. Because of the adoption of IAS 19 (2011), all actuarial differences have to be recognised in other comprehensive income. However due to insignificance of the balances, the Group has recognised any actuarial differences on reserve for employee severance indemnity profit or loss.

Reserve for employee severance indemnity is not subject to any statutory funding.

Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss when they are due. The Group's banking subsidiary in Albania makes compulsory social security contributions that provide pension benefits for employees upon retirement. The local authorities are responsible for providing the legally set minimum threshold for pensions in Albania under a defined contribution pension plan.

ii) Defined benefit plans

The Group's banking subsidiary in Albania created a fully employer sponsored pension plan fund-Staff Support Program during 2002. The amount charged to this fund (SSP) was decided as 5 percent of yearly budgeted personnel salary expenses.

The amount due to employees based on the above plan would be grossed up by the interest that will accrue from the date the employees leave the Group's banking subsidiary in Albania until their retirement. It would be paid to employees only when they reach the Albanian statutory retirement age, in monthly instalments equal to a minimum of 75 percent of their state monthly pension until the accumulated fund for the employee is consumed.

Based on the Board of Directors resolution effective on 30 September 2010, the Group's banking subsidiary in Albania stopped the investment in this fund (SSP), by transforming it into the Staff Retention Credit Program (SRCP). The demographic changes in labour force during the last ten years and the employees' average age at 31, where 80 percent of employees are below the age of 40, has resulted in SSP not being attractive for most employees of the Group's banking subsidiary in Albania, as it can only be enjoyed at retirement. In contrast, SRCP will be more readily beneficial for all staff of the Group's banking subsidiary in Albania, as it will provide consumer and home loans with preferential terms. The entire due amount

3 Significant accounting policies *(continued)*

l) Employee benefits *(continued)*

ii) Defined benefit plans (continued)

calculated for eligible employees in Staff Support Program has been frozen on the same date. The frozen amount due to change of SSP into SRCP on 30 September 2010 and the corresponding annual interest that will be gained by the investment in AAA sovereign bonds in the future until retirement age, is recorded as a liability by the Group's banking subsidiary in Albania.

iii) Vacation pay liability

Short-term employee benefit obligations are consisting of reserve for the vacation pay liability due to the earned and unused vacation rights of its employees of the Group's Turkish entities, and measured on an undiscounted basis and are recognised in profit or loss as the related service is provided.

m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

i) Provisions for EMRA regulations

In case of incompliance with the Electricity Market Act numbered 6446 which is effective after the publication on the Official Gazette dated 30 March 2013, numbered 28603 as well as with the regulations and communiqués promulgated by EMRA, EMRA sends a letter notifying the reason and related penalty fee with payment maturity to the Group. Although these penalties generally are paid in advance, some payments could be delayed until the final confirmation is reached in case of disagreement with EMRA. Based on the final conclusions of the legal department of the Group and assumption/analysis made by the Group management, required provision is made on the consolidated statement of the financial position when the notification is received.

ii) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

n) Revenue

General model for revenue recognition

TFRS 15 requires revenue recognition for all contracts with customers to follow the five-step approach to revenue recognition.

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.

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 Group accounts the contracts as a single contract.

Step 2: Identifying the performance obligations

The Group defines 'performance obligation' as a unit of account for revenue recognition. The Group assesses the goods or services promised in a contract with a customer and identifies as a performance obligation either a good or service that is distinct; or a series of distinct goods or services that are

3 Significant accounting policies *(continued)*

n) Revenue *(continued)*

Step 2: Identifying the performance obligations *(continued)*

substantially the same and have the same pattern of transfer to the customer. 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 Group assesses how much consideration it expects to be entitled to by fulfilling the contract. In arriving at the assessment, the Group considers variable elements of consideration, as well as the existence of a significant financing component.

Significant financing component

The Group 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 Group 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 Group's performance throughout the period, the Group concludes that the period between performance and payment is never more than 12 months, therefore the expedient is applied.

Variable consideration

The Group identifies items such as price concessions, incentives, performance bonuses, completion bonuses, price adjustment clauses, penalties.

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 Group recognises 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

- Group'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 Group uses a method that measures the work performed reliably. The Group 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 Group recognises revenue at the point in time at which it transfers control of the good or service to the customer.

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

3 Significant accounting policies *(continued)*

n) Revenue *(continued)*

Rental income

Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from investment property is recognised as other income from operating activities.

Sale of trading properties

Revenue from the sale of trading properties during ordinary activities is measured at the fair value of the consideration received or receivable, net of discounts. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. If it is probable that discounts will be granted, and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sale is recognised.

Transfers of risks and rewards vary depending on the terms of the sale contract. For the sale of trading properties, transfer occurs when the property has been delivered to and registered in the name of the buyer officially.

i) Energy business

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

The entity recognizes revenue based on the following main principles:

- Identification of customer contracts
- Identification of performance obligations
- Determination of transaction price in the contract
- Allocation of price to performance obligations
- Recognition of revenue when the performance obligations are fulfilled

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

- The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations,
- The entity can identify each party's rights regarding the goods or services to be transferred,
- The entity can identify the payment terms for the goods or services to be transferred;
- The contract has commercial substance,
- It is probable that the Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due.

At the contract inception date, the Group evaluates the goods and services committed to be provided to the customer based on the contract and identifies each commitment as a separate performance obligation. In addition to that, the Group determines whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time.

When another party is involved in providing goods or services to a customer, the group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself or to arrange for the other party to provide those goods or services. The Group is a principal if it controls a promised good or service before the group transfers the good or service to a customer. When a group that is a principal satisfies a performance obligation, it recognizes as revenue the gross amount of consideration which it expects to be entitled to in exchange for those goods or services. The Group is an agent if its

3 Significant accounting policies *(continued)*

n) Revenue *(continued)*

i) Energy business *(continued)*

performance obligation is to arrange for the provision of goods or services by another party and in such a position, the Group does not recognize the revenue of the consideration at gross amount.

The Group determines the transaction price in accordance with contract terms and customs of trade. Transaction price is the amount of consideration which is expected to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The Group allocates the transaction price to each performance obligation (or distinct goods or services), by reference to the consideration is considered to be deserved in return of the goods and services transferred to the customer. In this allocation, the Group allocates the transaction price determined in the contract to the standalone independent sales prices of these goods and services, where the Group identifies the prices of goods and services committed to be provided in the contract at the date of the inception of the contract and allocates the transaction price on these independent relative prices proportionally.

If the aggregate independent sales prices of the goods and services undertaken in the contract exceeds the transaction price in the contract, the customer has received discount on the purchase of goods or services. The Group allocates the discount to the all performance obligations retained in the contract proportionally except for the circumstances where there are observable inputs indicating that, the discount is provided for some but not all of the performance obligations.

Distribution of electricity revenue

Distribution part of the revenue is composed of distribution, meter reading services, transmission and theft and loss components. Distribution and meter reading service components are considered within the content of service concession arrangements due to the regulations of Energy Market Regulatory Authority ("EMRA"). Additionally, according to the Electricity Market Law, the Electricity Market Tariffs Communiqué and other related regulations, the Group's distribution, transmission and meter reading services are subject to revenue caps which cover operating expenses and investment requirements related to distribution and meter reading services. Moreover, transmission revenue is a complete pass-through of transmission costs as charged by Turkiye Elektrik İletim A.Ş. ("TEİAŞ"). These regulations guarantee revenue to the Group during the transition period regardless of the consumption level. The underbillings or overbillings made by the Group are adjusted by EMRA in the tariffs to be effective in two years.

Revenue, (excluding the distribution business) is recognized upon delivery of electricity or upon fulfilment of services. Delivery is deemed complete when the risk and rewards associated with ownership has been transferred to the buyer as contractually agreed, compensation has been contractually established and collection of the resulting receivable is probable. The Group recognizes retail revenue only from illumination customers due to the regulations of the EMRA announced after the legal unbundling. Revenue from the sale and delivery of electricity is measured at the fair value of the consideration received or receivable. The estimated value of the electricity supplied but not invoiced to the customers is considered for the measurement of revenue.

Invoices of the subscribers other than residential and commercial companies are issued monthly at the end of each month by the retail companies whereas the invoices of the residential subscribers are issued continuously during each month due to the high number of subscribers in this group. Commercial group subscribers are also issued continuously during the month due to the high number of customers in this group although the subscribers with high consumption level are billed at the end of the month. As a result, the estimated value of the electricity distributed including the theft and loss, but not invoiced to subscribers by the retail companies is considered for the measured revenue.

Due to the fact that the electricity could not be stored, the purchase and sales realizes simultaneously and accordingly revenue and cost of revenue are recognized at the transaction time. Monthly invoicing is made at the month ends and the Group management monitors closely at period ends and the delays of 5-10 days in electricity usage count do not have a significant impact on the accompanying financial statements. Revenue from the sale of electricity to subscribers is stated, net of returns. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the subscribers. Transfer of risk and rewards depends on the consumption of electricity by subscribers.

3 Significant accounting policies *(continued)*

n) Revenue *(continued)*

i) Energy business (continued)

Service Concession Arrangements

Service concession arrangements are defined within scope of TFRIC 12 as those whereby a government or other body grants contracts for the supply of public services – operations such as roads, energy distribution, prisons or hospitals – to private operators. The Group's electricity distribution and meter reading service businesses are in the scope of service concession agreements.

Considering the Group's terms in the service concession arrangements, a financial asset model where the Group recognises a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor has been applied, since the right to receive cash for the distribution and meter reading services are constituted through actual billing to subscribers where the distribution and meter reading service components of the billing are already specified or determinable through the regulated tariffs by EMRA.

The Group has measured the financial asset at fair value, with the effective interest method which is calculated by discounting estimated future cash receipts with regards to the compensation of TOR and the initial and annual capital expenditures made by the Group, through the expected life of the arrangement and set "Financial Asset Related to Concession Agreements" on the balance sheet and recognizes the revenue on an effective interest method as "Finance Income from Service Concession Arrangements".

Investment Income

Under the terms of contractual agreements covered by TFRS Comment 12, the Company acts as a service provider. It builds or renovates the infrastructure used to deliver a public service (construction or renovation services) and operates and maintains the infrastructure for a specified period (Operating services). The Company recognizes its revenue by TFRS 15, "Revenue from Contracts with Customers", for the services it performs. The company calculates the profit margin between the construction phase and active concession contracts by considering the difference between the cost of a base price and the actual cost by EMRA.

Interest revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Interest income related to service concession arrangements are recognized in accordance with Service Concession Arrangements ("TFRIC 12"). Interest income on receivable from concession arrangement is recognised on a time-proportion basis using the effective interest method.

Electricity retail revenue

Invoices of the subscribers other than residential and commercial companies are issued monthly at the end of each month by the retail companies whereas the invoices of the residential subscribers are issued continuously during each month due to the high number of subscribers in this group. Commercial group subscribers are also issued continuously during the month due to the high number of customers in this group although the subscribers with high consumption level are billed at the end of the month. As a result, the estimated value of the electricity distributed including the theft and loss, but not invoiced to subscribers by the retail companies is considered for the measured revenue.

In accordance with the relevant provisions of EMRA's regulation, electricity retail sale service is defined in Electricity Market Law and Electricity Market License Communiqué promulgated by EMRA as other services such as invoicing or collection provided to the customers excluding the sale of electricity and/or capacity, the services provided by companies holding retail sale licenses to consumers. Electricity retail sale service fee included in the invoices issued by the Group contains invoicing costs, consumer services costs, capital expenditures relevant to the electricity retail sale services. Electricity retail sale service fee is applied to all customers who purchase energy from the Group.

3 Significant accounting policies *(continued)*

n) Revenue *(continued)*

ii) Banking and finance business

Interest income / expense

Interest income and expense are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

The calculation of the effective interest rate includes all fees and commissions paid or received transaction costs, and discounts or premiums that are integral part of the effective interest rate. Interest income and expense on all trading assets and liabilities are considered to be incidental to the Group's trading operations and are presented together with all other changes in the fair value of trading assets and liabilities in "Revenue from finance sector operations" item in profit or loss.

Interest income and expense presented in profit or loss include the interest income on financial assets and liabilities at amortised cost on an effective interest rate basis.

Fees and commission

Fees and commission income and expense that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate. Other fees and commission income are recognised as the related services are provided. Other fees and commission expense relate mainly to transaction and service fees, which are expensed as the services are received.

Net trading income

Net trading income comprises gains less loss related to trading assets and liabilities, and includes all realised and unrealised fair value changes and foreign exchange differences.

iii) Telecommunication business

Revenues are recognised to the extent that it is probable that economic benefits will flow to the Group and their amount can be measured reliably. Revenues are stated net of discounts, allowances, and returns.

Services rendered

Revenues from services rendered are recognized in the profit or loss according to the stage of completion of the service and only when the outcome of the service rendered can be estimated reliably.

Monthly subscription fee

Revenue related to the monthly service fees is recognised in the month that the telecommunication service is provided.

Usage charges and value-added services fees

Call fees consist of fees based on airtime and traffic generated by the caller, the destination of the call and the service utilised. Usage charges are based on traffic, usage of airtime or volume of data transmitted for value added services, such as short message services, internet usage and data services. Revenues from usage charges and value-added services are recognised in the period when the services are provided. Unbilled revenues from the billing cycle dating to the end of each month are estimated based on traffic and are accrued at the end of the month.

Revenue from the sale of internet services through contracts for leased lines is recognized in the profit or loss over the course of the contract. Revenue from the sale of prepaid access internet cards and access mobile cards is recognized in profit or loss at the time of usage.

Traffic revenues from interconnection and roaming are reported gross of the amounts due to other telecom operators.

3 Significant accounting policies *(continued)*

n) Revenue *(continued)*

iii) Telecommunication business (continued)

Revenues from prepaid airtime are recorded on the basis of the airtime used at the predefined prices per minute. Deferred revenues for unused airtime are recorded as "Deferred revenue" in the consolidated statement of financial position.

Sales of goods

Revenue from the sale of modems and mobile phones is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer (i.e. upon delivery of goods), recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

iv) Other businesses

Revenue from the sale of goods during ordinary activities is measured at the fair value of the consideration received or receivable, net of returns and allowances and trade discounts. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. If it is probable that discounts will be granted, and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sale is recognised.

Transfers of risks and rewards vary depending on the individual terms of the contract of sale. Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date.

v) Commissions

When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group.

o) Research and development costs

Expenditure on research activities is recognised in profit or loss when incurred.

p) Dividend income

Dividend income is recognised on the date that the Group's right to receive payment is established. Dividend payables are recognised after the dividend distribution approval in the General Assembly.

r) Right-of-use assets and leases liabilities

i) Right-of-use asset

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

a) the amount of the initial measurement of the lease liability,

b) any lease payments made at or before the commencement date, less any lease incentives received,

c) any initial direct costs incurred by the Group.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Right-of-use assets are subject to impairment.

3 Significant accounting policies *(continued)*

r) Right-of-use assets and leases liabilities *(continued)*

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

iii) Short-term leases and low-value leases

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

s) Finance income and finance cost

Finance income comprises foreign currency gains (excluding those on trade receivables and payables), and gains on derivative instruments used for economic hedge for the foreign currency risk of the borrowings or interest rate risk exposures originating from the borrowings that are recognised in profit or loss (excluding other trading derivatives held by the banking subsidiaries of the Group). Interest income obtained from related parties for the funds provided is recognised as it accrues, using the effective interest method.

Finance cost comprises interest expense on borrowings and due to related parties for the funds received, foreign currency losses (excluding those on trade receivables and payables), and losses on derivative instruments used for economic hedge for the foreign currency or interest rate risk exposures originating from the borrowings that are recognised in profit or loss (excluding other trading derivatives held by the banking subsidiaries of the Group).

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either other income or expense depending on whether foreign currency movements are in a net gain or net loss position by each entity of the Group.

t) Other income and expenses from operating activities

Except for banking and finance operations, other income from operating activities comprises interest income on time deposits that is recognised as it accrues in profit or loss, using the effective interest method, recoveries reversal from provision for doubtful receivables and inventories, rediscount gains on payables, foreign currency gains (excluding those on borrowings), change of fair value on service concession agreement and other operating income.

Except for banking and finance operations, other expenses from operating activities comprise commission expenses for letter of credits, provision expense for doubtful receivables and inventories, donations, rediscount losses on payables, foreign currency losses (excluding those on borrowings) and other operating expenses. Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position by each entity of the Group.

3 Significant accounting policies *(continued)*

u) Income and losses from investing activities

Income from investing activities comprises gain on sale of property, plant and equipment and intangible assets, fair value gain of financial assets at fair value through profit or loss from the operations other than those held by finance sector entities of the Group, available for sale financial assets and financial assets at fair value through profit or loss, gain on derivative instruments (including other trading derivatives held by the finance sector entities of the Group), fair value gains on investment property and other income from investing activities.

Losses from investing activities comprises gain on sale of property, plant and equipment and intangible assets, fair value loss on investment property, fair value loss of financial assets at fair value through profit from the operations other than those held by finance sector entities of the Group or loss on derivative financial instruments (including other trading derivatives held by the finance sector entities of the Group) and other losses from investing activities.

v) Income tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements o the extent that the Group can control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

3 Significant accounting policies *(continued)*

v) Income tax (continued)

Transfer pricing in Turkiye

Transfer pricing is disclosed in the 13th clause of the Corporate Tax Law under the heading "veiled shifting of profit" via transfer pricing. The application details are stated in the "general communiqué regarding veiled shifting of profits via transfer pricing" published on 18 November 2007.

If the taxpayer involves in transactions with related parties relating to trading of products or goods not performed within the framework of the principals regarding to pricing according to peers, then it will be considered that the related profits are shifted in a veiled way via transfer pricing. Such veiled shifting of profits via transfer pricing will not be deducted from tax assessment for the purposes of corporate tax.

The provisions concerning to the "thin capitalisation" are stated in the Article 12 of new corporate tax law issued by Ministry of Finance of Turkiye. According to the Article 12, if the borrowings obtained directly or indirectly from the shareholders of the companies or persons related to shareholders exceeds three times of the shareholders' equity of the company operating in Turkiye at any time during the related year, the exceeding portion of the borrowing will be treated as thin capital.

The financial borrowings were regarded as thin capitalisation provided with:

- The borrowings obtained directly or indirectly from the shareholders of the companies or persons related to shareholders
- Used for/in the entity
- Borrowings exceeds three times of the shareholders' equity of the company at any time during the related year.

w) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the CEO ("Chief Executive Officer") and BOD members to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

x) De-merger/ Spin off

Economically a de-merger represents a division of an entity into separate parts. The result of a de-merger is that the same shareholders own the same group of businesses; the shareholders structure and their ownership interests are identical both before and after the de-merger. In the absence of further guidance in TFRS, the Group has accounted the de-merger by recognising the book values.

y) Contingent assets and liabilities

If the inflows of the economic benefits to the Group are probable, contingent assets are disclosed in the notes to the consolidated financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the consolidated financial statements in the period in which the change occurs.

Contingent liabilities are assessed continuously to determine whether an outflow of resources embodying economic benefits has become probable. Unless the possibility of any outflow in settlement is remote, contingent liabilities are disclosed in the notes to the financial statements.

z) Subsequent events

Subsequent events represent the events after reporting date comprising any event between the reporting date and the date of authorisation for the consolidated financial statements' issue to the benefit or loss of the entity. Conditions of subsequent events are as follows:

- to have new evidences of subsequent events as of reporting date (adjusting events); and

- to have evidences of related subsequent events occurred after reporting date (non-adjusting).

The Group adjusts its consolidated financial statements according to the new condition if adjusting subsequent events arise after the reporting date. If it is not necessary to adjust the consolidated financial statements according to subsequent events, these subsequent events must be disclosed in the notes to the consolidated financial statements.

3 Significant accounting policies *(continued)*

aa) Statement of cash flows

Cash flows during the period are classified and reported by operating, investing and financing activities in the cash flow statements.

Cash flows from operating activities reflect cash flows mainly generated from main operations of the Group. The Group presents the cash flows from operating activities by using the indirect method such as adjusting the accruals for cash inflows and outflows from gross profit/loss, other non-cash transactions, prior and future transactions or deferrals.

Cash flows from investment activities reflect cash used in investment activities (direct investments and financial investments) and cash flows generated from investment activities of the Group.

Cash flows relating to financing activities reflect sources of financial activities and payment schedules of the Group.

Cash and cash equivalents comprise cash on hand and demand deposits, investment funds, reverse repo receivables and other bank deposits whose maturities are three months or less from date of acquisition. Any restricted cash and cash equivalents that are not ready for the Group's use as at the reporting date, are excluded from the sum of the cash and cash equivalent in the consolidated statement of cash flows.

ab) Related parties

Parties are considered related to the Group if:

(a) Directly, or indirectly through one or more intermediaries, the party:

- (i) controls, is controlled by, or is under common control with the Group (this includes parent, subsidiaries and fellow subsidiaries);
- (ii) has an interest in the Group that gives it significant influence over the Group; or
- (iii) has joint control over the Group;

(b) the party is an associate of the Group;

(c) the party is a joint venture/operation in which the Group is a venturer;

(d) the party is member of the key management personnel of the Group and its parent;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled or significantly influenced by, or for which significant voting power in such entity resides with directly or indirectly, any individual referred to in (d) or (e);

(g) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

Several transactions are entered into with related parties in the normal course of business.

4 Acquisition and disposals of subsidiary and non-controlling interest

4.1 Partial share purchase and sale transactions involving non-controlling interests that did not result in a change of control during the year 2024

None.

4.2 Share changes that resulted in a change of control during the year 2024

CLK İpekyolu Lojistik ve Ticaret A.Ş.

On August 15, 2024, 100% of CLK İpekyolu Lojistik ve Ticaret A.Ş. shares were transferred to GAP Pazarlama A.Ş.

CLK Transport and Trading FZE

On December 16, 2024, 100% of CLK Transport and Trading FZE's shares were transferred to GAP Pazarlama A.Ş.

4 Acquisition and disposals of subsidiary and non-controlling interest *(continued)*

4.2 Share changes that resulted in a change of control during the year 2024 (continued)

Çalık Alexandria for Readymade Garments

The ownership structure of Çalık Alexandria for Readymade Garments has been restructured. The shares previously held by Çalık Denim (47%), Gap Pazarlama A.Ş (51.5%), and Çalık Holding A.Ş (1.5%) have been transferred. As a result, the new shareholding structure has been determined as follows: 98% of the shares are now held by Baykan Denim Konfeksiyon A.Ş., 1% by Gap Pazarlama A.Ş., and 1% by Çalık Denim.

Uztur Investment and Development Limited ("Uztur")

On 14 December 2024, the entire shareholding of Uztur was sold by Çalık Enerji, a subsidiary of the Group, to Çalık Holding A.Ş.

Polimetal Madencilik Sanayi ve Ticaret A.Ş.

The Company and ACG Acquisition Company Limited ("ACG"), a special purpose acquisition company listed on the London Stock Exchange, agreed to transaction (the "Transaction") for the sale (the "Sale") of 100% of the shares in Polimetal Madencilik Sanayi ve Ticaret A.Ş. ("Polimetal"). The closing of the Transaction is finalized on September 3, 2024. Upon completion of the sale transaction, 38% of ACG shares, valued at USD 39 million, were transferred to the Company. As of December 31, 2024, the Company owns 35% of ACG and has accounted shares in ACG using the equity method of accounting.

4.3 Acquisitions of non-controlling interests without change in control during 2023

Kentsel Dönüşüm İnşaat A.Ş.

Based on the Extraordinary General Assembly Decision on April 18, 2023, Kentsel Dönüşüm Insaat Anonim Şirketi merged with Gap İnşaat Yatırım ve Dış Ticaret A.Ş.

4.4 Acquisitions of non-controlling interests with change in control during 2023

Artmin Madencilik Sanayi Ve Ticaret A.Ş.

Artmin Madencilik Sanayi ve Ticaret A.Ş. (formerly AMG Mineral Mining Joint Stock Company was established in Ankara in 2011 in order to obtain exploration and operation licenses for all kinds of mines, to purchase and sell all kinds of mine sites, to operate mine sites and to participate in mining tenders. Artmin Madencilik started to be controlled by the group companies Lidya Madencilik in 2015 and the ownership rate is 60%.

On May 8, 2023, Alacer Gold Corporation and Lidya Madencilik reached an agreement to acquire an up to 40% interest from the Company in, and operational control of, the Hod Maden gold-copper development project, located in northeastern Türkiye (the "Transaction"). In 2023, upon closing of the Transaction, Alacer Gold Corporation made a 120M USD cash payment to the Company to acquire a 10% interest in Artmin. Alacer Gold Corporation has the option to acquire an additional 30% interest in Artmin from the Company for 120M USD in structured payments tied to the completion of project construction spending milestones. Additionally, Alacer Gold Corporation will make contingent payments to the Company including 30M USD in milestone payments payable in accordance with an agreed upon schedule beginning at the start of construction and ending on the first anniversary of commercial production and 84M USD payable upon the delineation of an additional 500,000 gold equivalent ounces of mineral reserves at the Hod Maden project in excess of the project's current mineral reserves and mineral resources. The Company has changed its consolidation method from full consolidation to equity method since the Company has lost control after sale of 10% of the shares.

5 Discontinued operation and disposal group held for sale

Properties acquired as a result of legal proceedings of uncollectable loans and receivables of banking sector operations have been re-presented under "Assets held for sale''.

(Amounts expressed in thousands of USD unless otherwise stated.)

5 Discontinued operation and disposal group held for sale *(continued)*

As at 31 December 2024, assets including those of discontinued operations are USD 61.085 (31 December 2023: USD 60.057), respectively, and details are as follows:

Assets held for sale	31 December 2024	31 December 2023
Property, plant and equipment (*)	61.085	60.057
	61.085	**60.057**

(*) Tangible fixed assets include real estate held for sale acquired in return for trade receivables in the marketing sector amounting to USD 2.324 (December 31, 2023: USD 1.044) and real estate acquired as a result of legal follow-up of loans and receivables in the banking sector amounting to USD 58.761 (December 31, 2023: USD 59.013).

6 Operating segments

The Group has six reportable segments, as described below, which are largely organised and managed separately according to the nature of products and services provided, distribution channels and profile of customers.

Assets, liabilities, profit and measurement of financial results of the segments are dependent to accounting policies of the Group. Segment operating profit, assets and liabilities consist of items directly belonging to these segment or items that can be distributed fairly.

Group's main reportable operating segments are as follows:

Energy: Entities in energy segment operate in sale of electricity, operation of natural gas and crude oil resources, maintenance and repair services, exploration-production of these resources and sale and transportation of these resources to international markets.

Construction: Entities in construction segment are operating in construction, contracting and decoration businesses both within Turkiye and abroad. In addition, these entities are managing mining of all kinds of minerals, marble, lime, clay, coal and stone as long as the necessary permits are granted and trading of marble, store cutting machines with its spare parts, ceramic floor and wall tiles both within the country and abroad. These entities are also providing services for land development and project development services for urban renewal, office residential and housing markets.

Textile: Entities in textile segment mainly deal with production and trading activities of yarn, texture and ready wear besides providing consulting services related to importation and exportation of cotton.

Marketing: Entities in marketing segment mainly supplies goods used in the production and the domestic or foreign projects carried out mainly by the Group entities.

Mining: Entities in the mining division mainly deal with engages in exploration activities for metal and mineral products, investing in mining companies, developing mining assets and operating mine sites, purchasing and selling mining licenses and mining sites, and participating in mining tenders.

Banking and finance: Entities in banking and finance segment mainly provides commercial and investment banking, financial leasing, insurance, project financing, other financial services, trading of marketable securities and credit financial services.

Other: Entities in other segment mainly engage in electronic fee collection, organisation, transportation energy licence procurement and various services.

The Group management prepares segment reporting in accordance with same policies applied to the consolidated financial statements as at and for the period ended 31 December 2023.

(Amounts expressed in thousands of USD unless otherwise stated.)

6 Operating segments *(continued)*

The following information was prepared according to the accounting policies applied for subsidiaries, associates, joint ventures and joint operations.

	31 December 2024								
	Energy	**Construction**	**Textile**	**Marketing**	**Mining**	**Banking and Finance**	**Other**	**Elimination**	**Total**
Revenue	2.248.041	426.875	150.510	43.033	78.868	1.169.156	61.139	(116.639)	4.060.983
Gross profit	484.472	35.006	20.155	(3.709)	39.893	604.774	38.619	(81.697)	1.137.513
Other income/(expenses), net	(131.235)	(18.692)	(33.401)	(10.572)	(27.589)	(208.096)	(44.873)	37.300	(437.158)
Results from operating activities	**353.237**	**16.314**	**(13.246)**	**(14.281)**	**12.304**	**396.678**	**(6.254)**	**(44.397)**	**700.355**
Gains /(loss) from investing activities	52.182	18.093	(1.331)	7.324	153.796	(52.879)	295.982	(288.475)	184.692
Share of profit/(loss) of equity accounted investees	(12.239)	--	3.751	--	(7.799)	(4.357)	--	(4.046)	(24.690)
Interest expense	(58.475)	(25.660)	(22.357)	(1.998)	(2.091)	--	(4.054)	2.850	(111.785)
Other finance income/(expenses), net	(134.106)	21.496	7.740	(86)	(251)	(109.721)	9.723	14.562	(190.643)
Consolidated income/(loss) before tax	**200.599**	**30.243**	**(25.443)**	**(9.041)**	**155.959**	**229.721**	**295.397**	**(319.506)**	**557.929**
Tax benefit/(expense)	(63.957)	(18.631)	(4.902)	(182)	(14.896)	(81.816)	(2.746)	(10.216)	(197.346)
Net profit/(loss) for the period	**136.642**	**11.612**	**(30.345)**	**(9.223)**	**141.063**	**147.905**	**292.651**	**(329.722)**	**360.583**

	Energy	**Construction**	**Textile**	**Marketing**	**Mining**	**Banking and Finance**	**Other**	**Elimination**	**Total**
Segment assets	2.438.683	1.085.955	296.003	94.138	399.741	9.854.728	1.351.487	(1.426.627)	14.094.108
Segment liabilities	(1.235.810)	(755.529)	(160.043)	(40.045)	(5.777)	(8.642.619)	(80.043)	282.393	(10.637.473)
Capital expenditure	29.106	7.409	6.405	974	25.590	85.376	30.869	--	185.729
Depreciation and amortization (*)	(31.446)	(3.819)	(15.184)	(1.467)	(6.641)	(35.590)	(3.627)	(1.908)	(99.682)

(*) Additions and depreciation related to right of use assets are not included.

(Amounts expressed in thousands of USD unless otherwise stated.)

6 Operating segments *(continued)*

31 December 2023	Energy	Construction	Textile	Marketing	Mining	Banking and Finance	Other	Elimination	Total
Revenue	1.564.425	262.442	155.655	52.233	73.628	856.720	61.261	(138.449)	2.887.915
Gross profit	332.852	38.699	30.329	4.773	28.840	497.950	33.910	(84.121)	883.232
Other income/(expenses), net	(96.826)	(29.010)	(10.568)	(8.532)	(35.033)	(151.450)	(53.243)	54.336	(330.326)
Results from operating activities	**236.026**	**9.689**	**19.761**	**(3.759)**	**(6.193)**	**346.500**	**(19.333)**	**(29.785)**	**552.906**
Gains /(loss) from investing activities	(2.033)	5.613	(2.727)	52	4.387	3.649	256.661	(213.375)	52.227
Share of profit/(loss) of equity accounted investees	114.331	--	657	--	(3.642)	(2.584)	--	(657)	108.105
Interest expense	(25.800)	(17.827)	(20.742)	(3.233)	(5.005)	(320)	(17.577)	25.410	(65.094)
Other finance income/(expenses), net	(55.427)	35.873	(23.403)	6.366	3.856	(139.800)	9.167	(57.331)	(220.699)
Consolidated income/(loss) before tax	**267.097**	**33.348**	**(26.454)**	**(574)**	**(6.597)**	**207.445**	**228.918**	**(275.738)**	**427.445**
Tax benefit/(expense)	45.412	(6.193)	(7.348)	1.838	(26.492)	(40.869)	(8.309)	(71.691)	(113.652)
Net profit/(loss) for the period	**312.509**	**27.155**	**(33.802)**	**1.264**	**(33.089)**	**166.576**	**220.609**	**(347.429)**	**313.793**

	Energy	Construction	Textile	Marketing	Mining	Banking and Finance	Other	Elimination	Total
Segment assets	2.025.925	928.091	297.861	103.282	423.449	9.037.339	1.164.867	(1.429.474)	12.551.340
Segment liabilities	(870.869)	(576.020)	(178.254)	(38.123)	(88.380)	(7.988.014)	(145.707)	395.290	(9.490.077)
Capital expenditure	28.156	2.042	7.060	460	18.525	70.605	12.801	--	139.649
Depreciation and amortization (*)	(25.984)	(3.933)	(13.419)	(1.379)	(17.113)	(32.697)	(2.820)	(787)	(98.132)

(*) Additions and depreciation related to right of use assets are not included.

(Amounts expressed in thousands of USD unless otherwise stated.)

6 Operating segments *(continued)*

Distribution of the non-current assets and revenue balances by geographic divisions where the Group operates in, are as follows:

	2024	2023
Revenue		
Turkiye	2.038.739	1.788.542
Turkmenistan	864.682	214.724
Dubai	431.894	263.620
Albania	330.894	278.198
Uzbekistan	240.847	150.977
Other	153.927	191.854
Total	**4.060.983**	**2.887.915**
Non-current Assets		
Albania	4.045.498	3.604.479
Turkiye	1.939.474	1.708.732
Dubai	292.567	322.661
Uzbekistan	57.271	136.341
Turkmenistan	28.700	24.964
Other	74.990	75.366
Total	**6.438.500**	**5.872.543**

7 Related party balances

As explained in Note 3, the joint ventures and associates of the Group have been accounted for using the equity method in the consolidated financial statements. Accordingly, the transactions of Group's subsidiaries with joint ventures and the balances from joint ventures and associates are subject to elimination.

Related party balances

As at 31 December, the Group had the following balances outstanding from its related parties:

	2024				
	Shareholders	**Associates**	**Joint ventures**	**Other**	**Total**
Other receivables (*)	301.808	--	18.239	65	320.112
Trade receivables	--	35.254	327	128.122	163.703
Financial Investments	--	21.638	--	--	21.638
Receivables related to financial sector operations	--	11.389	1.985	13.828	27.202
Prepaid expenses	--	--	--	42	42
Deferred incomes	--	--	--	(45)	(45)
Trade payables	(76)	(40)	(75)	(874)	(1.065)
Other payables	(1.876)	--	--	(18)	(1.894)
Payables related to finance sector operations	(80)	(193)	(757)	(9.899)	(10.929)
Borrowings	--	(21.638)	--	--	(21.638)
Total	**299.776**	**46.410**	**19.719**	**131.221**	**497.126**

(Amounts expressed in thousands of USD unless otherwise stated.)

7 Related party balances *(continue)*

2023					
	Shareholders	**Associates**	**Joint ventures**	**Other**	**Total**
Other receivables (*)	354.603	2.049	13.215	103	369.970
Trade receivables	--	37.981	3.642	126.048	167.671
Financial Investments	--	28.259	--	--	28.259
Receivables related to financial sector operations	--	--	--	14.404	14.404
Prepaid expenses	--	--	--	2.217	2.217
Trade payables	(76)	(55)	(635)	(959)	(1.725)
Other payables	(2.395)	--	--	--	(2.395)
Payables related to finance sector operations	(167)	(186)	(4.314)	(15.638)	(20.305)
Borrowings	--	(28.259)	--	--	(28.259)
Total	**351.965**	**39.789**	**11.908**	**126.175**	**529.837**

(*) Amount is related to the Group's receivable from Delta Netherlands BV, which is a related party. The first contract between the Group and Delta Netherlands BV expired on December 31, 2023. Subsequently, a new contract was signed in 2024, the maturity was extended to the end of 2026 and 8% of Çalık Holding shares held by Delta Netherlands BV were shown as collateral to the Group. As in the first contract, there is no interest in the new contract signed in 2024. The discounted value of the receivable is determined by using The Emirates Interbank Offered Rate (EIBOR) 5,12% interest rate within the scope of TFRS 9 Financial Instruments standard and the discounting effect is recognized as TL 44.312 under "Other Equity Interests" account in the consolidated financial statements since it is a related party transaction. In addition, interest accrual effect for the period has been calculated and recognized in the consolidated financial statements under "Finance Income" account as maturity difference income. As of the end of 2024, there is no clarity on the tax laws in Dubai where GAP Dubai FZE, the party of the receivable, operates. Therefore, the Group has not recognized any deferred tax effect on this adjustment in accordance with TFRS.

No impairment losses have been recognised against balances outstanding as at 31 December 2024 (31 December 2023: None).

As at 31 December, the Group had the following transaction with its related parties:

2024					
	Shareholders	**Associates**	**Joint ventures**	**Other**	**Total**
Revenue	131	4.875	5.227	363.589	373.822
Cost of sales	(12)	(83)	(1.503)	(842)	(2.440)
General and administrative expenses	(173)	(7)	(57)	(213)	(450)
Selling, marketing and distribution expenses	--	(428)	(1)	--	(429)
Income from investment activities(*)	--	147.490	18.398	--	165.888
Other income / (expense) from operations activities	(1.414)	(123)	(2.243)	25	(3.755)
Income/(expense) from financing activities	18.211	(5.503)	2.550	(12)	15.246
Total	**16.743**	**146.221**	**22.371**	**362.547**	**547.882**

2023					
	Shareholders	**Associates**	**Joint ventures**	**Other**	**Total**
Revenue	71	13.137	5.074	1.033	19.315
Cost of sales	(9)	(1.975)	(1.262)	(489)	(3.735)
General and administrative expenses	(117)	(9)	(27)	(173)	(326)
Selling, marketing and distribution expenses	--	--	--	(27)	(27)
Income from investment activities(*)	(13.695)	146	13.519	120.464	120.434
Other income / (expense) from operations activities	(1.166)	3.016	1.331	3	3.184
Income/(expense) from financing activities	362	(289)	(1)	(49)	23
Total	**(14.554)**	**14.026**	**18.634**	**120.762**	**138.868**

(*) As of December 31, 2024, USD 147 million (4.832.046 TL) of income from investing activities consists of the sale of 100% shares of Polimetal Madencilik San. ve Tic. A.Ş.

As of December 31, 2023, USD 120.000 of the income from investment activities consists of the sale amount of 10% of the shares of Artmin Mining Industry and Trade Inc.

(Amounts expressed in thousands of USD unless otherwise stated.)

7 Related party balances *(continue)*

Transactions with key management personnel

On a consolidated basis, key management costs included in general and administrative expenses for the year ended 31 December 2024 amounted to USD 45.570 (2023: USD 38.918).

8 Cash and cash equivalents

At 31 December, cash and cash equivalents comprised the following:

2024	**Finance (*)**	**Non-finance (**)**	**Total**
Cash on hand	190.655	1.806	**192.461**
Cash at banks	418.439	455.748	**874.187**
-Demand deposits	*200.298*	*141.419*	***341.717***
-Time deposits	*218.141*	*314.329*	***532.470***
Balances at central bank (excluding statutory reserve)	66.218	--	**66.218**
Other cash and cash equivalents (***)	165.980	2.138	**168.118**
Cash and cash equivalents	**841.292**	**459.692**	**1.300.984**
Restricted amounts	(39.692)	(250.469)	(290.161)
Cash and cash equivalents in the consolidated statement of cash flows	**801.600**	**209.223**	**1.010.823**

2023	**Finance (*)**	**Non-finance (**)**	**Total**
Cash on hand	116.156	1.594	**117.750**
Cash at banks	525.579	192.634	**718.213**
-Demand deposits	*366.764*	*142.935*	***509.699***
-Time deposits	*158.815*	*49.699*	***208.514***
Balances at central bank (excluding statutory reserve)	128.106	--	**128.106**
Other cash and cash equivalents (***)	155.246	247	**155.493**
Cash and cash equivalents	**925.087**	**194.475**	**1.119.562**
Restricted amounts	(39.031)	(5.367)	(44.398)
ıd cash equivalents in the consolidated statement of cash flows	**886.056**	**189.108**	**1.075.164**

(*) Finance represents the Group's entities operating in banking and finance business.

(**) Non-finance represents the Group's entities operating in businesses other than banking and finance.

(***) As of 31 December 2024, other cash and cash equivalents mainly consist of; There are no liquid funds (31 December 2023: USD 1,6), credit card receivables amounting to USD 11.145 (31 December 2023: USD 2.020), money in transit amounting to USD 785 (31 December 2023: none) and other cash and cash equivalents USD 266 (31 December 2023: USD 524). As of 31 December 2024, repo transactions is USD 155.923 (31 December 2023: 152.947)

As of 31 December 2024, the Group's cash and cash equivalents amounting to USD 290.161 (31 December 2023: USD 44.398) are blocked and therefore this balance cannot be used in daily activities.

Mandatory restricted account amount resulting from the Group's banking activities in Albania and Turkiye is USD 39.692 (31 December 2023: USD 39.030). As collateral for the loans used, USD 1.158 (31 December 2023: USD 285) is kept mandatory in domestic banks, and there is no amount (31 December 2023: USD 4) blocked by the court in relation to expropriation lawsuits. USD 3.268 of the remaining amount (31 December 2023: USD 52) is kept as a cash guarantee given to Istanbul Takas ve Saklama Bankasi Anonim Şirketi for the electricity purchased from EPIAŞ. In accordance with the relevant contracts for the engineering services, procurement activities, and construction project , there are restricted cash balances amounting to USD 229.666 held in banks located in Switzerland and USD 16.377 held in banks located in the United Kingdom (31 December 2023: USD 5.027).

The foreign currency risk that the Group is exposed to for cash and cash equivalents is explained in Note 37.

(Amounts expressed in thousands of USD unless otherwise stated.)

9 Financial investments

At 31 December, financial investments comprised the following:

	2024		
	Current	**Non-current**	**Total**
Financial assets at FVTOCI	854.749	1.563.068	2.417.817
Financial assets at FVTPL (*)	414.508	217.665	632.173
Financial assets at amortised costs	920.472	895.323	1.815.795
Total	**2.189.729**	**2.676.056**	**4.865.785**

	2023		
	Current	**Non-current**	**Total**
Financial assets at FVTOCI	1.164.375	1.280.813	2.445.188
Financial assets at FVTPL (*)	343.884	183.263	527.147
Financial assets at amortised costs	555.799	908.484	1.464.283
Total	**2.064.058**	**2.372.560**	**4.436.618**

(*) As at 31 December 2024 and 2023, equity securities in Anagold Madencilik Sanayi ve Ticaret Anonim Şirketi which is classified as equity securities at fair value through profit or loss were valued for the consolidated financial statements. These investments are valued periodically by an independent valuation firm by using discounted cash flow method. As at 31 December 2024, an increase in fair value for this investment amounting to USD 10.962 (31 December 2023 USD 110.696) has been recognised under "Gain from investing activities" in profit or loss due to valuation of equity securities at fair value through profit or loss after in the tax effect.

As of the reporting date, 50 basis point increase/decrease in the discount rate used in the valuation of discounted cash flows of the financial asset at fair value through profit or loss would have decreased/increased the profit before tax by USD 2.154 / USD 2.052 (31 December 2023: USD 2.076 / USD 1.973), respectively.

Financial assets at FVTOCI and ve Financial assets at FVTPL

As at 31 December, financial assets at FVTOCI and ve financial assets at FVTPL comprised the following:

	2024	2023
	Carrying amount	Carrying amount
Public sector bonds, notes and bills	1.949.340	1.971.467
Private sector bonds, notes and bills	522.368	495.076
Investment funds	295.662	264.294
Equity securities – listed	23.147	20.748
Asset backed securities and lease certificates	32.939	34.574
Other	55.410	77.435
Equity securities – non-listed		
Anagold	103.762	92.800
Bursagaz Bursa Şehiriçi Doğal Gaz Dağıtım Ticaret ve Taahhüt Anonim Şirketi	10.286	5.022
Kayserigaz Kayseri Doğalgaz Dağıtım Pazarlama Ticaret Anonim Şirketi	18.330	7.944
Other	38.746	2.975
Total	**3.049.990**	**2.972.335**

(Amounts expressed in thousands of USD unless otherwise stated.)

9 Financial investments *(continued)*

Financial assets measured at cost that are not traded in an active market

As at 31 December financial assets at amortised costs comprised the following:

	31 December 2024 Carrying Amount	31 December 2023 Carrying amount
Public sector bonds, notes and bills	1.398.631	960.225
Private sector bonds, notes and bills	366.232	459.255
Asset backed securities and lease certificates	16.289	19.743
Other	34.643	25.060
Total	**1.815.795**	**1.464.283**

The movements in financial investments during the year ended 31 December 2024 were as follows:

	Financial assets at FVTOCI	*Financial assets at amortised costs*	*Financial assets at FVTPL*
At 1 January 2024	**2.445.188**	**1.464.284**	**527.147**
Additions through purchases	2.589.843	1.708.835	708.242
Fair value gains/ (losses)	39.315	20.977	125.310
Disposals (sale and redemption)	(2.466.410)	(1.481.822)	(698.430)
Impairment	8.940	9.595	(2.000)
Foreign currency translation differences	(199.059)	93.927	(28.095)
At 31 December 2024	**2.417.817**	**1.815.796**	**632.174**

The movements in financial investments during the year ended 31 December 2023 were as follows:

	Financial assets at FVTOCI	*Financial assets at amortised costs*	*Financial assets at FVTPL*
At 1 January 2023	**2.458.183**	**909.065**	**679.732**
Additions through purchases	1.954.500	882.590	472.996
Fair value gains/ (losses)	9.511	6.122	(120.132)
Disposals (sale and redemption)	(1.593.120)	(866.812)	(405.695)
Impairment	10.630	(3.981)	--
Foreign currency translation differences	(394.516)	537.300	(99.754)
At 31 December 2023	**2.445.188**	**1.464.284**	**527.147**

The Group's exposure to credit, currency and interest rate risks related to investment securities are disclosed in Note 37.

(Amounts expressed in thousands of USD unless otherwise stated.)

10 Financial assets related to concession agreements

As at 31 December, financial assets related to concession agreements comprised the following:

	2024	**2023**
Current financial assets related to concession agreements	156.377	126.069
Non-current financial assets related to concession agreements	229.799	161.717
Total	**386.176**	**287.786**

Movements of Financial assets related to concession agreements for the years ended 31 December were as follows:

	2024	**2023**
Financial asset at the beginning of the period	**287.786**	**252.734**
Investments during the year	84.642	84.205
Collections	**(98.324)**	**(81.845)**
Principal collections	(61.616)	*(51.034)*
Financial income collections	(36.708)	*(30.811)*
Financial income	302.246	159.383
Translation difference	(190.174)	(126.691)
End of period financial asset	**386.176**	**287.786**

As at 31 December, the maturity breakdown of the financial assets related to concession agreements:

	2024	**2023**
Up to 1 year	156.377	126.069
Up to 1 - 3 years	158.011	120.287
Up to 3 - 5 years	53.147	31.857
Over 5 years	18.641	9.573
Total	**386.176**	**287.786**

11 Trade receivables and payables

Trade receivables

Short-term trade receivables

As at 31 December, short-term trade receivables comprised the following:

	2024	**2023**
Due from related parties	163.703	167.671
Due from third parties	220.377	253.225
Total	**384.080**	**420.896**

(Amounts expressed in thousands of USD unless otherwise stated.)

11 Trade receivables and payables *(continued)*

Trade receivables *(continued)*

Short-term trade receivables *(continued)*

As at 31 December, short-term trade receivables comprised the following:

	2024	2023
Accounts receivables	369.405	404.349
Doubtful receivables	44.904	31.145
Notes receivables (*)	13.221	16.309
Postdated cheques received	3	34
Other trade receivables	1.451	241
Subtotal	**428.984**	**452.078**
Allowances for doubtful trade receivables (-)	(44.904)	(31.145)
Discount on trade receivables (-)	--	(37)
Total	**384.080**	**420.896**

(*) As of 31 December, USD 11.761 of notes receivable belongs to Çalık Denim (31 December 2023: USD 14.387), USD 1.278 belongs to Gap Pazarlama (31 December 2023: USD 1.125) and USD 182 consists of bills purchased within the scope of Gap İnşaat's commercial activities (31 December 2023: USD 797).

Movements of allowance for doubtful receivables for the year ended at 31 December were as follows:

	2024	2023
Balance at 1 January (previously reported)	**31.145**	**29.124**
Inflation effect	--	5.841
Balance at 1 January (revised)	**31.145**	**34.965**
Allowance for the period	20.460	18.727
Foreign currency translation difference	(2.520)	(15.962)
Addition of business acquisition	50	10
Collections (-)	--	(1.021)
Canceled allowance for the period (-)	(4.231)	(5.574)
Balance at 31 December	**44.904**	**31.145**

Long-term trade receivables

As at 31 December long-term trade receivables comprised the following:

	2024	2023
Due from third parties	20.307	27.086
Total	**20.307**	**27.086**

As at 31 December, long-term trade receivables comprised the following:

	2024	2023
Accounts receivables	20.307	27.086
Total	**20.307**	**27.086**

(Amounts expressed in thousands of USD unless otherwise stated.)

11 Trade receivables and payables *(continued)*

Trade payables

Short-term trade payables

As at 31 December, short-term trade payables comprised the following:

	2024	2023
Due to related parties	1.065	1.725
Due to third parties	270.944	217.632
Total	**272.009**	**219.357**

	2024	2023
Accounts payables (*)	270.220	218.424
Notes payable	500	--
Other trade payables	1.289	933
Total	**272.009**	**219.357**

(*) Accounts payables mainly consists of payables to suppliers of material and equipment for the EPC projects and payables to the subcontractors for the ongoing construction projects.

Long-term trade payables

As at 31 December, long-term trade payables comprised the following:

	2024	2023
Accounts payables	--	46
Total	**--**	**46**

The Group's exposure to credit and currency risks related to trade receivables and liquidity and currency risks of trade payables are disclosed in Note 37.

12 Receivables and payables from finance sector activities

Short term receivables from finance sector activities

As at 31 December, current receivables related to finance sector activities comprised the following:

Short term receivables related to finance sector activities	2024	2023
Due from related parties	13.445	391
Due from third parties	1.370.758	998.419
Total	**1.384.203**	**998.810**

Short term receivables related to finance sector activities	2024	2023
Loans and receivables from customers	1.301.038	916.231
Loans and receivables from banks	82.636	82.907
Non-performing loans and receivables	22.078	16.755
Subtotal	**1.405.752**	**1.015.893**
Provision for impairment in value of loans and receivables	(21.549)	(17.083)
Total	**1.384.203**	**998.810**

(Amounts expressed in thousands of USD unless otherwise stated.)

12 Receivables and payables from finance sector activities *(continued)*

As at 31 December, long term receivables related to finance sector activities comprised the following:

Long term receivables related to finance sector activities	**2024**	**2023**
Due from related parties	13.757	14.013
Due from third parties	1.663.338	1.536.030
Total	**1.677.095**	**1.550.043**

Long term receivables related to finance sector activities	**2024**	**2023**
Loans and receivables from customers	1.750.169	1.634.572
Loans and receivables from banks	42.176	37.552
Subtotal	**1.792.345**	**1.672.124**
Provision for impairment in value of loans and receivables	(115.250)	(122.081)
Total	**1.677.095**	**1.550.043**

Movements of provision for impairment in value of loans and receivables for the years ended 31 December were as follows:

	2024	**2023**
Specific allowances for impairment		
Balance at 1 January	**133.686**	**120.243**
Impairment loss for the year	(680)	14.635
- Charge for the year	*10.315*	*18.925*
- Collections	*(10.995)*	*(4.290)*
Foreign currency translation difference	(6.089)	(1.192)
Balance at 31 December	**126.917**	**133.686**
Collective allowances for impairment		
Balance at 1 January	**5.478**	**7.713**
Impairment loss for the year	5.310	579
- Charge for the year	*8.216*	*4.149*
- Collections	*(2.906)*	*(3.570)*
Foreign currency translation difference	(906)	*(2.814)*
Balance at 31 December	**9.882**	**5.478**
Total allowances for impairment	**136.799**	**139.164**

Short term payables related to finance sector activities

As at 31 December, short term payables related to finance sector activities comprised the following:

Short term payables related to finance sector activities	**2024**	**2023**
Due to related parties	10.929	20.305
Due to third parties	6.285.281	5.781.537
Total	**6.296.210**	**5.801.842**

(Amounts expressed in thousands of USD unless otherwise stated.)

12 Receivables and payables from finance sector activities *(continued)*

As at 31 December, short-term payables to third parties comprised the following:

Short term payables related to finance sector activities	2024	2023
Due to banks	**48.070**	**55.411**
Time deposits	*41.095*	*52.179*
Current accounts	*6.975*	*3.232*
Due to customers	**4.897.413**	**4.546.900**
Individual	*3.675.181*	*3.362.806*
Private enterprises	*1.062.762*	*1.007.127*
Public institutions	*116.923*	*126.865*
Other	*42.547*	*50.102*
Customer Accounts(*)	**728.511**	**758.317**
Funds from repo transactions	**622.216**	**441.214**
Total	**6.296.210**	**5.801.842**

(*) Funds and payment accounts represent amounts in current accounts temporarily opened for the transactions of credit customers and amounts held by banks and other customers to make payments.

As at 31 December, long term payables related to finance sector activities comprised the following:

Long term payables related to finance sector activities	2024	2023
Payables from finance sector activities to third parties	835.126	916.924
Total	**835.126**	**916.924**

Long term payables related to finance sector activities	2024	2023
Due to banks	**15**	**11**
Time deposits	*15*	*11*
Due to customers	**835.111**	**916.913**
Individual	*758.811*	*810.912*
Private enterprises	*65.690*	*73.142*
Public institutions	*8.993*	*32.854*
Other	*1.617*	*5*
Total	**835.126**	**916.924**

13 Other receivables and other payables

Other short-term receivables

As at 31 December, other short-term receivables comprised the following:

	2024	2023
Due from related parties	32.025	51.609
Due from third parties	115.385	64.332
Total	**147.410**	**115.941**

As at 31 December, other short-term receivables comprised the following:

	2024	2023
Due from shareholders	15.870	36.907
Due from joint ventures	14.513	11.678
Receivables from tax authorities	13.630	10.961
Deposits and guarantees given	25.510	3.387
Receivables from personnel	19	41
Other receivables	83.941	59.061
Subtotal	**153.483**	**122.035**
Allowance for other doubtful receivables (-)	(6.073)	(6.094)
Total	**147.410**	**115.941**

(Amounts expressed in thousands of USD unless otherwise stated.)

13 Other receivables and other payables *(continued)*

Other long-term receivables

As at 31 December, other long-term receivables comprised the following:

	2024	2023
Due from related parties	288.087	318.361
Due from third parties	76.180	51.863
Total	**364.267**	**370.224**

As at 31 December, other long-term receivables comprised the following:

	2024	2023
Due from shareholders	288.087	318.361
Deposits and guarantees given	38.026	35.469
Other receivables	38.154	16.394
Total	**364.267**	**370.224**

Other short-term payables

As at 31 December, other short-term payables comprised the following:

	2024	2023
Due to related parties	1.894	2.395
Due to third parties	136.555	77.174
Total	**138.449**	**79.569**

As at 31 December, other short-term payables comprised the following:

	2024	2023
Deposits and guarantees received	79.374	54.003
Shareholders	1.879	2.683
Other payables	57.196	22.883
Total	**138.449**	**79.569**

Other long-term payables

As at 31 December, other long-term payables comprised the following:

	2024	2023
Due to third parties	29.055	23.492
Total	**29.055**	**23.492**

As at 31 December, other long-term payables to third parties comprised the following:

	2024	2023
Deposits and guarantees received (*)	19.498	18.366
Other	9.557	5.126
Total	**29.055**	**23.492**

(*) As at December 31, short and long term deposits and guarantees received mainly consist of guarantees received from customers of the Group's electricity distribution and retailing subsidiaries.

(Amounts expressed in thousands of USD unless otherwise stated.)

14 Inventories

As at 31 December, inventories comprised the following:

	2024	**2023**
Trading properties (*)	154.579	129.333
Raw materials	75.572	108.285
Finished goods	42.345	35.345
Trading goods	39.504	60.744
Semi finished goods in production	12.239	24.494
Other inventories	4.035	3.718
Allowance for impairment of inventories (-)	(3.066)	(1.916)
Total	**325.208**	**360.003**

(*) Trading properties comprise residential and office buildings built for available for sale within the scope of the "Taksim 360" project in Istanbul with a completion period of no longer than 48 months. As at 31 December 2024, the Group capitalised borrowing costs amounting to USD 83.274 (accumulated) on trading properties under development (31 December 2023: USD 100.088 (accumulated)).

Movements of provision for inventories for the year ended at 31 December were as follows:

	2024	**2023**
Beginning balance	**1.916**	**3.354**
Inflation effect	--	646
Balance at 1 January, 2023 (revised)	**1.916**	**4.000**
Current year provision	1.145	29
Refusal of provision due to sale	(35)	(1.735)
Foreign currency translation differences	40	(378)
Ending balance	**3.066**	**1.916**

15 Prepayments and deferred revenue

Current prepayments

As at 31 December, current portion of prepayments comprised the following:

	2024	**2023**
Advances given (*)	137.763	89.674
Other	12.126	13.746
Total	**149.889**	**103.420**

(*) As of 31, 2024, advance balance amounting to USD 82.762 (December 31, 2023: USD 43.986) is given to suppliers and service providers for EPC projects in Energy group and Energy Group has no advances paid to EPİAŞ for electricity purchases (December 31, 2023: None).

Non-current prepayments

As at 31 December, non-current prepayments comprised the following:

	2024	**2023**
Advances given for property, plant and equipment acquisitions	5.907	200
Other	43.778	26.587
Total	**49.685**	**26.787**

(Amounts expressed in thousands of USD unless otherwise stated.)

15 Prepayments and deferred revenue *(continued)*

Short term deferred revenue

As at 31 December, short-term portion of deferred revenue comprised the following:

Short term deferred revenue	**2024**	**2023**
Advances received	29.848	37.743
Short term deferred income	5.603	1.016
Total	**35.451**	**38.759**

Long term deferred revenue

As at 31 December, long term deferred revenue comprised the following:

Long term deferred revenue	**2024**	**2023**
Long term deferred income	276	29
Total	**276**	**29**

16 Investments in equity-accounted investees

i) Joint ventures

Kosova Çalık Limak Energy Sh.A. (“KÇLE”)

KÇLE was established as a joint venture with a joint agreement between Genvera Enerji A.Ş. (“Genvera”), Çalık Enerji and Limak Yatırım on 17 September 2012 with the participation of these three companies by 25 percent, 25 percent and 50 percent, respectively, in the share capital of KÇLE. On 8 May 2013, KÇLE purchased all shares of the state-owned enterprise namely Kompania Per Distribuim Dhe Fumizim Me Energji Elektrike SH.A (“KEDS”) which is operating in electricity distribution and procurement in Kosovo for a consideration of USD 29.038 (equivalent of EUR 26.300) within the scope of a tender in the privatisation process initiated by the Government of Republic of Kosovo.

As per Share Transfer Agreement dated 27 April 2015, Çalık Enerji acquired 1.250 number of shares of KÇLE with a nominal value of EUR 12 held by Genvera for a total consideration of EUR 17.475 and increased its ownership percent from 25.00 percent to 50.00 percent.

Doğu Aras Enerji Yatırımları Anonim Şirketi (“Doğu Aras”)

Doğu Aras was founded in accordance with energy market regulations as a joint venture with a joint agreement between Genvera and Kiler Alışveriş Hizmetleri Gıda Sanayi Ticaret A.Ş. (“Kiler Alışveriş”) on 5 May 2013 with the participation of these two companies by 50 percent and 50 percent, respectively, for the purpose of establishing and participating to the companies that are engaged in distribution, retail and wholesale of electricity energy and/or capacity, assigning management of these established and participated companies, providing consultancy services on technical, financial, information processing and human resources management issues and making industrial and commercial investments through this companies.

On 28 June 2013, Doğu Aras purchased all shares of EDAŞ and EPAŞ which were previously state owned companies operating in electricity distribution and procurement in cities Kars, Ardahan, Iğdır, Ercincan, Ağrı, Bayburt and Erzurum within the privatisation by paying an amount of USD 128.500 as a result of a tender in the privatisation process.

On 4-5 November 2021, the public offering of Doğu Aras shares was carried out using the “Fixed Price Bookkeeping” method. In the public offering, the unit price was TL 110, and the shares with a nominal value of TL 13.400 offered to the public were sold. Accordingly, the size of the public offering was realized as TL 1.474.000 After the mentioned public offering, Çalık Enerji’s ownership rate in Doğu Aras became 40%. As of December 31, 2023, by including the shares in the stock exchange, the ownership increased to 45,34%.

(Amounts expressed in thousands of USD unless otherwise stated.)

16 Investments in equity-accounted investees *(continued)*

LC Electricity Supply and Trading d.o.o. ("LC Electricity")

LC Electricity was established on 3 July 2014 in Serbia as a joint venture with a joint agreement between Türkmen Elektrik and Limak Yatırım with the participation of these two companies equally by 50 percent. The purpose of LC Electricity is trading electricity and sales/purchases of goods and services as part of this operation.

Bakırtepe Madencilik Sanayi ve Ticaret A.Ş. ("Bakırtepe")

Bakırtepe Madencilik Sanayi ve Ticaret A.Ş. was established in 2021. Bakırtepe is registered in Ankara, Turkiye and is engaged in the operation of mining in Gümüşhane region. As at reporting date, Bakırtepe is a associate of Lidya Madencilik Sanayi ve Ticaret A.Ş. and Alacer with an ownership structure of 30% and 70%, respectively.

Artmin Madencilik Sanayi ve Ticaret A.Ş. ("Artmin")

Artmin Madencilik Sanayi ve Ticaret A.Ş. (formerly AMG Mineral Mining Joint Stock Company was established in Ankara in 2011 in order to obtain exploration and operation licenses for all kinds of mines, to purchase and sell all kinds of mine sites, to operate mine sites and to participate in mining tenders. With the partial sale of 10% shares of Alacer Gold Corporation in 2023, control authority passed to Alacer Gold Corp Corporation. Artmin Madencilik started to be controlled by the Group in 2015 and the ownership rate is 60%.

Investments in equity-accounted joint ventures and the Group's share of control as follows:

	31 December 2024		31 December 2023	
Joint ventures	**Carrying value**	**% of ownership**	**Carrying value**	**% of ownership**
Assets				
Doğu Aras	199.433	44,86	202.430	45,34
KÇLE	95.355	50,00	111.849	50,00
Artmin (*)	22.431	60,00	23.236	60
Bakırtepe	1.298	30,00	1.275	30
LC Electricity	10	50,00	10	50,00
ACG (**)	33.235	35,00	--	--
	351.762		**338.800**	

(*) On May 8, 2023, Alacer Gold Corporation and the Lidya Maden reached an agreement to acquire an up to 40% interest from the Lidya Maden in, and operational control of, the Hod Maden gold-copper development project, located in northeastern Türkiye (the "Transaction"). As of December 31, 2023, upon closing of the Transaction, Alacer Gold Corporation made a 120M USD cash payment to acquire a 10% interest in Artmin. As a result of the Transaction, Lidya Maden has lost control on Artmin and has changed its consolidation method from full consolidation to equity method since Lidya Maden has lost control after sale of 10% of the shares.

(**) Lidya Maden and ACG Acquisition Company Limited ("ACG"), a special purpose acquisition company listed on the London Stock Exchange, agreed to transaction (the "Transaction") for the sale (the "Sale") of 100% of the shares in Polimetal Madencilik Sanayi ve Ticaret A.Ş. ("Polimetal"). The closing of the Transaction is finalized on September 3, 2024. Upon completion of the sale transaction, 38% of ACG shares, valued at USD 39 million, were transferred to the Company. As of December 31, 2024, the Company owns 35% of ACG and has accounted shares in ACG using the equity method of accounting.

(Amounts expressed in thousands of USD unless otherwise stated.)

16 Investments in equity-accounted investees *(continued)*

i) Joint ventures (continued)

For the years ended 31 December, the movements in net investments in joint ventures were as follows:

	2024	2023
Balance at 1 January (previously reported)	**338.800**	**186.163**
Inflation effect	--	22.160
Balance at 1 January (revised)	**338.800**	**208.323**
Share of profit/loss of equity accounted investees	(15.909)	110.689
Impairments	(4.424)	--
Share capital increases	39.881	6.637
Change in share of associates	(2.153)	22.544
Dividend distribution	(5.642)	(4.736)
Currency translation difference	1.209	(4.657)
Balance at 31 December	**351.762**	**338.800**

ii) Associates

Investments in equity-accounted Associates and the Group's share of control are as follows:

	31 December 2024		**31 December 2023**	
Associates	**Carrying value**	**% of ownership**	**Carrying value**	**% of ownership**
Assets				
Kazakhstan Ijara Company KIC Leasing	2.971	14,31	3.165	14,31
Haliç Leasing	2.124	32,00	1.440	32,00
Idea Farm	229	30,00	1.269	30,00
Secom Aktif Güvenlik Yatırım A.Ş.	--	50,00	1.039	50,00
Workindo Teknoloji ve İnsan Kaynakları Danışmanlık A.Ş.	438	33,33%	970	33,33
Euro-Mediterranean	974	25,57%	969	25,57
Albania Leasing	738	29,99%	934	29,99
Machinego Tek. Dan. ve İş Mak. A.Ş.	229	33,33%	538	33,33
Aktif Fortis Enerji A.Ş.	43	50,00%	410	50,00
Dome Zero inch.	23	1,96%	129	1,96
Total	**7.769**		**10.863**	

For the years ended 31 December, the movements in investments in associates were as follows:

	2024	2023
Balance at 1 January (previously reported)	**10.863**	**7.407**
Inflation effect	--	7.796
Balance at 1 January (revised)	**10.863**	**15.203**
Capital contribution to share capital increase	646	2.551
Share of gain/(losses) of equity accounted associates	(4.357)	(2.584)
Effect of change in share of associate / value of disposed interest	--	(63)
Translation difference	617	(4.244)
Balance at 31 December	**7.769**	**10.863**

(Amounts expressed in thousands of USD unless otherwise stated.)

16 Investments in equity-accounted investees *(continued)*

Summary financial information for equity-accounted associates were presented below:

			31 December 2024										
Company name-Associates	**Reporting period**	**Ownership rates (%)**	**Current assets**	**Non- current assets**	**Total assets**	**Current liabilities**	**Non-current liabilities**	**Total liabilities**	**Net assets**	**Profit/ (loss)**	**Group’s share of net assets**	**Carrying amount**	**Group’s share of profit/ (loss)**
Secom Aktif Yatırım Güv. AŞ	31 December	50,00%	7.968	5.772	13.740	1.314	7.209	8.523	5.217	(9.778)	2.609	--	--
Halk Yenilenebilir Enerji A. Ş	31 December	50,00%	286	--	286	145	--	145	141	--	--	--	--
Idea Farm Ventures	31 December	30,00%	1.185	--	1.185	--	--	--	1.185	--	356	229	(4.053)
Dome Zero	31 December	1,96%	11	--	11	--	--	--	11	--	--	23	--
Workindo	31 December	33,33%	864	662	1.526	203	9	212	1.314	(1.072)	438	438	(357)
Machinego	31 December	33,33%	531	246	777	87	4	91	686	(1.480)	229	229	(493)
Aktif Fortis Enerji A.Ş.	31 December	50,00%	92	--	92	7	--	7	85	(52)	43	43	(26)
Kazakhstan Ijara Company Jsc	31 December	14,31%	8.512	26.807	35.319	14.263	--	14.263	21.056	2.680	--	2.971	384
Euro Mediterranean	31 December	25,57%	3.503	5.142	8.645	4.835	--	4.835	3.810	649	--	974	166
Haliç Finansal Kiralama	31 December	32,00%	1.122	1	1.123	48	--	48	1.075	70	--	2.124	22
Albania Leasing	31 December	29,99%	2.275	3.623	5.898	827	1.377	2.204	3.694	(128)	--	738	--
Total												**7.769**	**(4.357)**

Summary financial information for equity-accounted joint ventures were presented below:

			31 December 2024										
Company name-Joint ventures	**Reporting period**	**Ownership rates (%)**	**Current assets**	**Non- current assets**	**Total assets**	**Current liabilities**	**Non-current liabilities**	**Total liabilities**	**Net assets**	**Profit/ (loss)**	**Group’s share of net assets**	**Carrying amount**	**Group’s share of profit/ (loss)**
KÇLE	31 December	50,00%	125.313	196.397	321.710	157.660	31.219	188.879	132.831	(28.826)	71.441	95.355	(14.413)
Doğu Aras	31 December	44,86%	220.801	428.338	649.139	141.287	111.573	252.860	396.279	4.836	191.222	199.433	2.174
Çalık Limak Adi Ortaklığı	31 December	50,00%	5.855	10	5.865	3.811	--	3.811	2.054	2.208	1.104	--	--
LC Electricity	31 December	50,00%	--	--	--	--	--	--	--	--	--	10	--
Bakırtepe	31 December	30,00%	1.598	2.900	4.498	90	81	171	4.327	(1.157)	1.396	1.298	(346)
Artmin	31 December	60,00%	10.249	92.396	102.645	5.082	60.178	65.260	37.385	(1.342)	24.128	22.431	(806)
ACG	31 December	35,00%	113.945	--	113.945	18.991	--	18.991	94.954	(7.217)	35.749	33.235	(6.942)
Total												**351.762**	**(20.333)**

(Amounts expressed in thousands of USD unless otherwise stated.)

16 Investments in equity-accounted investees *(continued)*

Summary financial information for equity-accounted associates were presented below:

	31 December 2023												
Company name-Associates	**Reporting period**	**Ownership rates (%)**	**Current assets**	**Non- current assets**	**Total assets**	**Current liabilities**	**Non-current liabilities**	**Total liabilities**	**Net assets**	**Profit/ (loss)**	**Group's share of net assets**	**Carrying amount**	**Group's share of profit/ (loss)**
Secom Aktif Yatırım Güv. AŞ	31 December	50,00%	9.550	6.917	16.467	1.575	8.640	10.215	6.252	(11.719)	3.126	1.039	(2.573)
Halk Yenilenebilir Enerji A. Ş	31 December	50,00%	342	--	342	173	--	173	169	58	85	--	--
Idea Farm Ventures	31 December	30,00%	1.421	--	1.421	--	--	--	1.421	(1)	426	1.269	--
Dome Zero	31 December	1,96%	13	--	13	--	--	--	13	--	--	129	--
Workindo	31 December	33,33%	781	391	1.172	133	11	144	1.028	300	343	970	15
HMC Dijital	31 December	0,00%	--	--	--	--	--	--	--	--	--	--	(257)
Machinego	31 December	33,33%	681	135	816	188	4	192	624	2.857	208	538	(24)
Aktif Fortis Enerji A.Ş.	31 December	50,00%	118	--	118	6	--	6	112	(6)	56	410	(241)
Kazakhstan Ijara Company Jsc	31 December	14,31%	3.270	31.614	34.884	12.649	--	12.649	22.235	2.208	3.182	3.165	316
Euro Mediterranean	31 December	25,57%	9.265	3.085	12.350	8.134	--	8.134	4.216	488	1.078	969	125
Haliç Finansal Kiralama	31 December	32,00%	1.311	1	1.312	108	--	108	1.204	174	385	1.440	55
Albania Leasing	31 December	29,99%	2.616	4.166	6.782	1.102	1.835	2.937	3.845	(253)	1.153	934	--
Total												**10.863**	**(2.584)**

Summary financial information for equity-accounted joint ventures were presented below:

	31 December 2023												
Company name-Joint ventures	**Reporting period**	**Ownership rates (%)**	**Current assets**	**Non- current assets**	**Total assets**	**Current liabilities**	**Non-current liabilities**	**Total liabilities**	**Net assets**	**Profit/ (loss)**	**Group's share of net assets**	**Carrying amount**	**Group's share of profit/ (loss)**
KÇLE	31 December	50,00%	125.498	184.518	310.016	107.340	26.511	133.851	176.165	37.408	88.083	111.849	18.704
Doğu Aras	31 December	45,34%	174.506	389.455	563.961	106.074	124.136	230.210	333.751	179.699	151.323	202.430	94.810
Çalık Limak Adi Ortaklığı	31 December	50,00%	3.835	10	3.845	3.844	--	3.844	1	1.634	1	--	817
LC Electricity	31 December	50,00%	--	--	--	--	--	--	--	--	--	10	--
Bakırtepe	31 December	30,00%	1.528	2.899	4.427	176	--	176	4.251	326	1.275	1.275	98
Artmin	31 December	60,00%	10.085	52.301	62.386	1.756	21.904	23.660	38.726	(6.233)	23.236	23.236	(3.740)
Total												**338.800**	**110.689**

(Amounts expressed in thousands of USD unless otherwise stated.)

17 Property, plant and equipment

Movements of property, plant and equipment, and related accumulated depreciation during the years ended 31 December were as follows:

Cost	Land and buildings	Machinery and equipment	Vehicles	Furniture and fixtures	Other tangible assets	Construction in progress	Leasehold improvements	Total
Balance as of January 1, 2024	**193.502**	**441.298**	**43.729**	**87.014**	**48.858**	**9.969**	**20.388**	**844.758**
Additions	45.902	10.847	18.505	14.942	9.577	14.492	1.614	**115.879**
Transfers (**)	8.314	7.512	(15)	810	(7.224)	(12.740)	585	**(2.758)**
Disposals from the scope of consolidation (*)	(10.917)	(25.916)	(1.613)	(2.609)	--	(6.003)	(390)	**(47.448)**
Translation differences and inflation effect	10.561	59.837	10.906	5.950	(1.199)	8.360	4.084	**98.499**
Transfers to non-current assets held for sale	(407)	(2.577)	--	--	--	--	--	**(2.984)**
Additions of business acquisitions	--	279	--	149	199	--	10	**637**
Disposals	(29.786)	(9.834)	(5.774)	(8.195)	(11.037)	(2.000)	--	**(66.626)**
Balance at 31 December 2024	**217.169**	**481.446**	**65.738**	**98.061**	**39.174**	**12.078**	**26.291**	**939.957**

	Land and buildings	Machinery and equipment	Vehicles	Furniture and fixtures	Other tangible assets	Construction in progress	Leasehold improvements	Total
Balance at 1 January, 2023(previously reported)	**145.361**	**190.952**	**24.886**	**59.159**	**36.800**	**159.470**	**11.300**	**627.928**
Reclassified effect	--	--	--	--	--	(145.054)	--	**(145.054)**
Inflation effect	61.427	230.924	11.451	21.999	118	4.695	5.878	**336.492**
Balance as of January 1, 2023 (indexed)	**206.788**	**421.876**	**36.337**	**81.158**	**36.918**	**19.111**	**17.178**	**819.366**
Additions	5.669	8.344	14.906	9.352	17.919	8.183	908	**65.281**
Transfers to intangible assets	--	--	--	--	--	(439)	--	**(439)**
Transfers to investment properties	369	863	--	101	--	(13.117)	--	**(11.784)**
Translation differences and inflation effect	9.866	10.221	(4.723)	(894)	1.661	(1.593)	649	**15.187**
Additions and disposals of business acquisitions	(2.386)	18	(52)	18	--	(2.173)	1.657	**(2.918)**
Disposals	(26.804)	(24)	(2.739)	(2.721)	(7.640)	(3)	(4)	**(39.935)**
Balance at 31 December 2023	**193.502**	**441.298**	**43.729**	**87.014**	**48.858**	**9.969**	**20.388**	**844.758**

As at 31 December 2024, total insurance coverage on property, plant and equipment is USD 166.927 (31 December 2023: USD 604.070).

As at 31 December 2024, mortgages on property, plant and equipment is USD 23.242 (31 December 2023: 40.054).

(*) Lidya Maden and ACG Acquisition Company Limited, a special purpose acquisition company listed on the London Stock Exchange, agreed to transaction for the sale of 100% of the shares of Polimetal Madencilik Sanayi ve Ticaret A.Ş. The closing of the transaction is finalized on September 3, 2024. Polimetal was disposed and removed from the scope of consolidation following the transaction.

(**) An amount of USD 5,536 has been reclassified from investment properties to property, plant and equipment.

(Amounts expressed in thousands of USD unless otherwise stated.)

17 Property, plant and equipment *(continued)*

	Land and buildings	Machinery and equipment	Vehicles	Furniture and fixtures	Other tangible assets	Construction in progress	Leasehold improvements	Total
Accumulated depreciation								
Balance at 1 January, 2024	**(64.667)**	**(287.756)**	**(24.364)**	**(62.104)**	**(28.335)**	**--**	**(13.816)**	**(481.042)**
Current year amortization	(5.861)	(34.683)	(5.518)	(9.995)	(3.566)	--	(2.466)	**(62.089)**
Transfers	--	35	--	(18)	--	26	(43)	**--**
Disposals from the scope of consolidation (*)	2.520	6.791	755	1.158	--	--	387	**11.611**
Translation differences and inflation effect	(1.628)	(33.037)	(7.560)	(5.444)	(902)	(26)	(5.913)	**(54.510)**
Transfers to non-current assets held for sale	--	509	--	--	--	--	--	**509**
Additions of business acquisitions	--	(173)	--	(74)	(70)	--	(58)	**(375)**
Disposals	27.124	6.737	1.820	6.031	3.284	--	512	**45.508**
Balance at 31 December 2024	**(42.512)**	**(341.577)**	**(34.867)**	**(70.446)**	**(29.589)**	**--**	**(21.397)**	**(540.388)**
Balance at 1 January, 2023	**(39.639)**	**(111.311)**	**(18.090)**	**(38.114)**	**(23.557)**	**--**	**(6.369)**	**(237.080)**
Inflation effect	(20.656)	(137.066)	(8.769)	(17.962)	(108)	--	(5.846)	**(190.407)**
Balance at 1 January, 2023 (revised)	**(60.295)**	**(248.377)**	**(26.859)**	**(56.076)**	**(23.665)**	**--**	**(12.215)**	**(427.487)**
Current year amortization	(5.747)	(29.531)	(3.420)	(8.379)	(2.437)	--	(1.040)	**(50.554)**
Transfers	(52)	--	(1)	--	(2)	--	--	**(55)**
Translation differences and inflation effect	(3.955)	(10.148)	3.485	(103)	(2.674)	--	(1.073)	**(14.468)**
Additions and disposals of business acquisitions	82	107	29	170	--	--	--	**388**
Disposals	5.300	193	2.402	2.284	443	--	512	**11.134**
Balance at 31 December 2023	**(64.667)**	**(287.756)**	**(24.364)**	**(62.104)**	**(28.335)**	**--**	**(13.816)**	**(481.042)**
Net carrying value at 31 December 2023	**128.835**	**153.542**	**19.365**	**24.910**	**20.523**	**9.969**	**6.572**	**363.716**
Net carrying value at 31 December 2024	**174.657**	**139.869**	**30.871**	**27.615**	**9.585**	**12.078**	**4.894**	**399.569**

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

18 Intangible assets

Movements of intangible assets and related accumulated amortisation during the years ended 31 December 2024 and 2023 were as follows:

Cost	Goodwill	Licences & software	Electricity distribution rights	Brand names	Other intangibles	Total
Balance at 1 January, 2024	**7.425**	**197.804**	**168.165**	**35.959**	**102.631**	**511.984**
Addition	677	15.154	--	--	34.511	50.342
Transfers	--	2.369	--	--	5.925	8.294
Translation differences and inflation effect	(1.857)	40.986	34.426	(3.162)	9.785	80.178
Addition of business acquisition	--	53	--	--	--	53
Disposal from the scope of consolidation and liquidation (*)	--	(916)	--	(27.702)	--	(28.618)
Disposal	--	(595)	--	(5.095)	(5.683)	(11.373)
Balance at 31 December 2024	**6.245**	**254.855**	**202.591**	**--**	**147.169**	**610.860**
Balance at 1 January, 2024	**--**	**(120.395)**	**(81.530)**	**(20.894)**	**(39.181)**	**(262.000)**
Current year amortization	--	(11.485)	(8.032)	(3.269)	(14.807)	(37.593)
Transfers	--	(1.050)	--	--	1.050	--
Translation differences and inflation effect	--	(19.419)	(16.692)	2.141	(2.305)	(36.275)
Addition of business acquisition	--	(18)	--	--	--	(18)
Disposal from the scope of consolidation and liquidation (*)	--	879	--	22.022	--	22.901
Disposals	--	486	--	--	238	724
Balance at 31 December 2024	**--**	**(151.002)**	**(106.254)**	**--**	**(55.005)**	**(312.261)**

Cost	Goodwill	Licences & software	Electricity distribution rights	Brand names	Other intangibles	Total
Balance at 1 January, 2023 (previously reported)	**1.387**	**57.192**	**30.679**	**22.711**	**110.474**	**222.443**
Inflation effect	708	32.991	106.956	12.152	(70.634)	82.173
Balance at 1 January, 2023	**2.095**	**90.183**	**137.635**	**34.863**	**39.840**	**304.616**
Addition	4.969	17.988	--	12.695	33.987	69.639
Transfers from tangible assets	--	--	--	--	439	439
Translation differences and inflation effect	361	89.702	30.530	22.582	28.403	171.578
Disposal from the scope of consolidation and liquidation (**)	--	--	--	(34.181)	(38)	(34.219)
Disposal	--	(69)	--	--	--	(69)
Balance at 31 December 2023	**7.425**	**197.804**	**168.165**	**35.959**	**102.631**	**511.984**
Balance at 1 January, 2023 (previously reported)	**--**	**(41.402)**	**(14.434)**	**(6.695)**	**(28.379)**	**(90.910)**
Inflation effect	--	(36.739)	(46.838)	1.872	7.783	(73.922)
Balance at 1 January, 2023	**--**	**(78.141)**	**(61.272)**	**(4.823)**	**(20.596)**	**(164.832)**
Current year amortization	--	(19.645)	(6.667)	(12.947)	(8.379)	(47.638)
Translation differences and inflation effect	--	(22.658)	(13.591)	(3.124)	(10.242)	(49.615)
Disposal from the scope of consolidation and liquidation (**)	--	--	--	--	36	36
Disposals	--	49	--	--	--	49
Balance at 31 December 2023	**--**	**(120.395)**	**(81.530)**	**(20.894)**	**(39.181)**	**(262.000)**
Net carrying value at 31 December 2023	**7.425**	**77.409**	**86.635**	**15.065**	**63.450**	**249.984**
Net carrying value at 31 December 2024	**6.245**	**103.853**	**96.337**	**--**	**92.164**	**298.599**

(*) Lidya Maden and ACG Acquisition Company Limited, a special purpose acquisition company listed on the London Stock Exchange, agreed to transaction for the sale of 100% of the shares in Polimetal Madencilik Sanayi ve Ticaret A.Ş. The closing of the transaction is finalized on September 3, 2024. Polimetal was disposed and removed from the scope of consolidation following the transaction.

(**) On May 8, 2023, Alacer Gold Corporation and the Lidya Maden reached an agreement to acquire an up to 40% interest from the Lidya Maden in, and operational control of, the Hod Maden gold-copper development project, located in northeastern Türkiye (the "Transaction"). In 2023, upon closing of the Transaction, Alacer Gold Corporation made a 120M USD cash payment to acquire a 10% interest in Artmin. As a result of the Transaction, the Lidya Maden has lost control on Artmin and has changed its consolidation method from full consolidation to equity method since the Lidya Maden has lost control after sale of 10% of the shares. In addition, Lidya Maden liquidated L'Or D'Afrique SARL in 2023 and has disposed intangible assets of L'Or D'Afrique SARL in 2023.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

19 Right of use assets

For the years ended 31 December, movements in right of use assets were as follows:

Right of use sssets	Balance at 1 January, 2024	Additions	Disposals	Additions of business acquisitions	Translation differences and inflation effect	31 December 2024
Right of use assets	42.029	14.219	(89)	267	1.207	57.633
Right of use assets depreciation	(19.121)	(8.164)	63	(71)	(2.107)	(29.400)
Net carrying value	**22.908**	**6.055**	**(26)**	**196**	**(900)**	**28.233**

Right of use sssets	1 January 2023	Inflation effect	Balance at 1 January, 2023	Additions	Disposals	Additions of business acquisitions	Translation differences and inflation effect	31 December 2023
Right of use assets	32.435	638	33.073	5.040	(639)	357	4.198	42.029
Right of use assets depreciation	(11.892)	(198)	(12.090)	(4.993)	119	(510)	(1.647)	(19.121)
Net carrying value	**20.543**	**440**	**20.983**	**47**	**(520)**	**(153)**	**2.551**	**22.908**

20 Investment properties

As at 31 December, investment property comprised the following:

	2024	**2023**
Investment property under development	229.168	233.912
Total	**229.168**	**233.912**

For the years ended 31 December, movements in investment property were as follows:

	2024	**2023**
Balance at 1 January (previously reported)	**233.912**	**86.250**
Reclassified effect	--	103.714
Inflation effect	--	108
Net carrying value at 1 January	**233.912**	**190.072**
Additions / disposals (*)	19.508	2.579
Transfers	(5.536)	11.784
Changes in fair value	8.097	40.741
Currency translation difference	(26.813)	(11.264)
Balance at 31 December	**229.168**	**233.912**

(*) On October 18, 2024, the Lidya Maden purchased a building located in Üsküdar, İstanbul, and classified it as an investment property. As of December 31, 2024, the nominal values of the investment properties are considered to reflect their fair values.

The Group obtained independent appraisal reports for each item of investment property and measured them at their fair values. Fair value information for all investment property within the scope of TFRS 13 based on fair value hierarchy are as follows:

31 December 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
Investment properties	17.194	163.184	48.790	**229.168**
Total	**17.194**	**163.184**	**48.790**	**229.168**

31 December 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
Investment properties	**--**	103.322	130.590	**233.912**
Total	--	**103.322**	**130.590**	**233.912**

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

20 Investment properties *(continue)*

As at 31 December, fair value of the investment properties is calculated as comparison method by independent appraisal.

Peer comparison method determines recently listed or sold properties in market and takes into consideration of other factors for the adjustment of value based on size of land of property with current condition and location. For current market outlook, the appraisers contact with the property sale intermediaries.

As of December 31, 2024, there is a mortgage on the Group's investment properties amounting to USD 3 (December 31, 2023: USD 3).

21 Other assets and liabilities

Other current assets

As at 31 December, other current assets comprised the following:

	2024	2023
Reserve deposits at Central Banks (*)	740.331	799.879
Value added tax ("VAT") receivables	43.601	35.696
Personnel advances	1.283	1.914
Other income accruals	1.935	2.946
Other current assets	51.155	23.044
Total	**838.305**	**863.479**

(*) As at 31 December 2024 and 2023, this amount consists only of reserve deposits, which represents the mandatory deposit and is not available in the Group's day-to-day operations.

Other short-term liabilities

As at 31 December, other short-term liabilities comprised the following:

	2024	2023
Taxes and funds payable	26.580	22.573
Turkish Football Federations' share on collection of card sales	1.467	2.146
Blockage on corporate collection account	3.015	1.353
Value Added Tax ("VAT") payables	695	1.065
Other short-term liabilities	38.072	51.849
Total	**69.829**	**78.986**

22 Due from/due to customers for contract work

As at 31 December, the details of due from customers for contract work and due to customers for contract work as follows:

	2024	2023
Current amounts due from customers for contract work	693.484	425.119
Current liabilities due to customers for contract work	(207.441)	(46.224)
Non-current liabilities due to customers for contract work	(175.148)	(192.048)
Total	**310.895**	**186.847**

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

22 Due from/due to customers for contract work *(continue)*

As at 31 December, the details of uncompleted contracts were as follows:

	2024	2023
Total costs incurred on uncompleted contracts	3.243.732	1.585.610
Estimated earnings	526.703	237.119
Total estimated revenue on uncompleted contracts	**3.770.435**	**1.822.729**
Less: Billings to date	(3.459.540)	(1.635.882)
Net amounts due from customers for contract work	**310.895**	**186.847**

As of 31 December, the details of other contractual obligations are as follows:

	2024	2023
Other short-term contractual liabilities(*)	425.235	396.000
Other long term contractual liabilities (*)	218.239	30.280
Total	**643.474**	**426.280**

(*) Short and long-term other contractual obligations comprise advances received under the Kiyanly projects undertaken by the Group in the Energy sector in Turkmenistan from Türkmenenergo, under the South Tripoli project in Libya from the General Electricity Company of Libya, and under the Talimarjan and Navoi 3 projects in Uzbekistan from Mitsubishi Corporation, as well as pre-sales related to the Tarlabaşı urban transformation project in the Construction sector."

23 Loans and borrowings

As at 31 December, loans and borrowings comprised the following:

2024			
Short term loans and borrowings	**Finance**	**Non Finance**	**Total**
Securities issued	657.420	--	657.420
Funds borrowed by the Group's banking subsidiaries	334.826	--	334.826
Current portion of long term bank loans	26.201	126.797	152.998
Bank loans	1	198.088	198.089
Issued bonds	317	--	317
Factoring payables	--	20.257	20.257
Lease obligations	2.727	2.349	5.076
Total	**1.021.492**	**347.491**	**1.368.983**

Long term loans and borrowings	Finance	Non Finance	Total
Securities issued	176.785	--	176.785
Bank loans	--	86.015	86.015
Subordinated liabilities	23.280	--	23.280
Lease obligations	12.863	5.290	18.153
Sukuk agreement	--	13.013	13.013
Total	**212.928**	**104.318**	**317.246**

2023			
Short term loans and borrowings	**Finance**	**Non Finance**	**Total**
Securities issued	599.844	--	599.844
Funds borrowed by the Group's banking subsidiaries	221.926	--	221.926
Current portion of long term bank loans	5.257	152.198	157.455
Bank loans	1	118.832	118.833
Issued bonds	--	12.711	12.711
Factoring payables	102	10.556	10.658
Lease obligations	2.815	1.426	4.241
Total	**829.945**	**295.723**	**1.125.668**

(Amounts expressed in thousands of United States Dollar (“USD”) unless otherwise stated.)

23 Loans and borrowings*(continued)*

Long term loans and borrowings	Finance	Non Finance	Total
Securities issued	147.605	23.414	171.019
Bank loans	94	111.875	111.969
Subordinated liabilities	37.602	--	37.602
Funds borrowed by the Group’s banking subsidiaries	29.974	--	29.974
Lease obligations	12.784	3.558	16.342
Sukuk agreement	--	14.939	14.939
Total	**228.059**	**153.786**	**381.845**

As of 31 December 2024, there is no mortgage on the investment properties under construction (31 December 2023: None Mortgage: None) in return for the bank loans used. In addition, there are bank letters of guarantee in the amount of USD 1.211.000, EUR 25.010.000 ve TL 1.663.877 (31 December 2022: USD 1.107, EUR 20.783 ve TL 403.005) regarding the Exim Bank loans received.

There are pledges to a bank over Çalık Enerji’s shares of YEDAŞ, YEPAŞ and GENVERA with number of shares by 85 (TL 0,00085), 115 (TL 0,00115), 377.622.000 (TL 377.622 thousands), respectively and GENVERA’s shares of YEPAŞ and YEDAŞ, with number of shares by 6.358.770.388 (TL 63.587 thousands) and 35.700.685.312 (TL 357.006 thousands), as a guarantee for the cash and non-cash bank borrowings used or will be used from that bank by Çalık Holding, GENVERA, YEDAŞ and YEPAŞ.

24 Derivatives

The carrying values of derivative instruments held at 31 December, were as follows:

	31 December 2024		31 December 2023	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Swap transactions	5.005	(3.005)	14.000	(3.429)
Forward transactions	1.981	(1.947)	970	(510)
Futures transactions	--	--	10	(111)
Currency options	11.591	(8.742)	1.036	(917)
Total	**18.577**	**(13.694)**	**16.016**	**(4.967)**

All derivatives in a net receivable position (positive fair value) are reported as derivative assets. All derivatives in a net payable position (negative fair value) are reported as derivative liabilities.

Further disclosure regarding the derivative contracts of the Group are explained at Note 37.

25 Payables related to employee benefits

As at 31 December, payables related to employee benefits comprised the following:

	2024	2023
Due to personnel	6.982	7.043
Social security premiums payable	6.402	5.401
Total	**13.384**	**12.444**

26 Provisions

As at 31 December, provisions comprised the following items:

	2024	2023
Short term provisions		
Short term employee benefits	37.146	22.213
Other short-term provisions	34.535	17.441
Total short-term provisions	**71.681**	**39.654**
Long term provisions		
Long term employee benefits	19.813	19.890
Other long-term provisions	190	12.206
Total long-term provisions	**20.003**	**32.096**
Total provisions	**91.684**	**71.750**

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

26 Provisions *(continued)*

As at 31 December 2024 and 2023, short-term and long term employee benefits comprised the following items:

	2024	2023
Short-term		
Bonus provisions	27.739	16.972
Vacation pay liability	9.407	5.241
Total	**37.146**	**22.213**
Long term		
Employee termination benefits	19.813	19.890
Total	**19.813**	**19.890**

As at 31 December, other provisions comprised the following items:

	2024	2023
Provision for litigations	11.528	7.352
Provisions for expenses	8.822	7.973
Other current provisions	14.375	14.322
Total	**34.725**	**29.647**

Reserve for employee severance indemnity

In accordance with the existing labour law in Turkiye, the Group entities operating in Turkiye are required to make lump-sum payments to employees who have completed one year of service and whose employment is terminated without cause or who retire (age of 58 for women, age of 60 for men) or completed service years of 20 for women or 25 for men, are called up for military service or die. According to change of regulation, dated 8 September 1999, there are additional liabilities for the integration articles.

For the years ended 31 December, the movements in the reserve for employee severance indemnity were as follows:

	2024	2023
Balance at 1 January	**19.890**	**15.766**
Inflation effect	--	3.616
Balance at 1 January (revised)	**19.890**	**19.382**
Interest cost	3.916	1.881
Cost of services	2.750	2.588
Paid during the year	(4.134)	(5.591)
Addition of business acquisitions	--	7
Translation differences and inflation effect	(2.696)	(6.938)
Actuarial difference	87	8.561
Balance at 31 December	**19.813**	**19.890**

The reserve has been calculated by estimating the present value of future probable obligation of the Group arising from the retirement of the employees.

(Amounts expressed in thousands of United States Dollar (“USD”) unless otherwise stated.)

26 Provisions *(continued)*

Actuarial valuation methods were developed to estimate the Group’s obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	2024	2023
Discount rate	3,00%	2,42%
Interest rate	27,15%	25,05%
Inflation rate	22,50%	22,10%

The computation of the liability is predicated upon retirement pay ceiling announced by the Government. As at 31 December 2024, the ceiling amount was USD 1,18 (31 December 2023: USD 0,79).

For the years ended 31 December, the movements in the provisions were as follows:

2024	1 January	Provision for the period	Recoveries/ payments during the year	Currency translation difference	31 December
Bonus provisions	**16.972**	18.435	(6.213)	(1.455)	**27.739**
Provision for litigations	**7.352**	4.949	(1.012)	239	**11.528**
Vacation pay liability	**5.241**	3.840	(334)	660	**9.407**
Other expense provisions	**22.295**	15.777	(11.524)	(3.351)	**23.197**
Total	**51.860**	**43.001**	**(19.083)**	(3.907)	**71.871**

2023	1 January	Inflation effect	Balance at 1 January, (revised)	Provision for the period	Recoveries/ payments during the year	Currency translation difference	31 December
Bonus provisions	13.774	--	13.774	7.464	(404)	(3.862)	16.972
Provision for litigations	11.262	230	11.492	2.333	(3.633)	(2.840)	7.352
Vacation pay liability	4.903	389	5.292	1.854	(560)	(1.345)	5.241
Other expense provisions	8.906	--	8.906	17.434	(3.949)	(96)	22.295
Total	**38.845**	**619**	**39.464**	**29.085**	**(8.546)**	**(8.143)**	**51.860**

27 Commitments and contingencies

Guarantee, pledge and mortgages (“GPM”) in respect of commitment and contingencies realised in the ordinary course of business outside the finance sector were given as at 31 December 2024 are as follows:

31 December 2024	Original currency (USD equivalent)			
	USD	TL	Others	Total
A. Total amount of GPMs given in the name of its own legal personality	838.276	56.894	165.500	1.060.670
B. Total amount of GPMs given in the name of the consolidated subsidiaries and joint ventures	--	92.640	--	92.640
- Total amount of GPMs given in the name of the consolidated subsidiaries	--	92.640	--	92.640
C. Total amount of GPMs given to be able to conduct ordinary business transactions to secure payables of third parties	--	--	--	--
D. Other GPMs given (*)	475	335	--	810
Total	**838.751**	**149.869**	**165.500**	**1.154.120**

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

27 Commitments and contingencies *(continued)*

GPMs in respect of commitment and contingencies realised in the ordinary course of business outside the finance sector were given as at 31 December 2023 are as follows:

31 December 2023	**Original currency (USD equivalent)**			
	USD	**TL**	**Others**	**Total**
A. Total amount of GPMs given in the name of its own legal personality	327.730	22.648	101.876	452.254
B. Total amount of GPMs given in the name of the consolidated subsidiaries and joint ventures	--	94.466	--	94.466
- *Total amount of GPMs given in the name of the consolidated subsidiaries*	--	94.466	--	94.466
C. Total amount of GPMs given to be able to conduct ordinary business transactions to secure payables of third parties	--	--	--	--
D. Other GPMs given	475	277	--	752
Total	**328.205**	**117.391**	**101.876**	**547.472**

(*) As at 31 December 2024, the ratio of other GPMs given to total equity is 0,04 percent (31 December 2023: 0,04 percent).

Details of the commitments and contingent liabilities arising in the ordinary course of the business of the Group comprised the following items as at 31 December:

	2024	**2023**
Given for ongoing EPC projects	948.850	381.679
Given to banks	76.680	39.102
TETAŞ and TEİAŞ	92.557	21.376
Given to EMRA	1	1
Given to other suppliers and government agencies	36.032	105.314
Total contingent liabilities	**1.154.120**	**547.472**

Litigation and claims

As at 31 December 2024, the expected cash outflow amount for the pending claims filed against to the Group is USD 11.528 (31 December 2023: USD 7.352). As at 31 December 2024, the provision for litigation and claims are mainly related to the labor cases against the Group. The Group made a provision for the whole amount related to these claims.

Pending tax audits

In Turkiye, the tax and other government authorities (Social Security Institution) have the right to inspect the Group's tax returns and accounting records for the past five fiscal years. The Group has not recorded a provision for any additional taxes for the fiscal years that remained unaudited, as the amount cannot be estimated with any degree of uncertainty. The Group's management believes that no material assessment will arise from any future inspection for unaudited fiscal years.

28 Taxation

Turkiye

Corporate income tax is levied on the statutory corporate income tax base, which is determined by modifying income for certain tax exclusions and allowances. As of 31 December 2024, the corporate tax rate for corporate earnings has been determined as 25%.

With the temporary article 33 of the Tax Procedure Law; It has been stipulated that no inflation adjustment will be made in the accounting periods of 2021 and 2022 and the provisional tax periods of 2023, regardless of whether the conditions in Article 298/A of the Tax Procedure Law are met, and that the financial statements dated 31 December 2023 will be subject to correction regardless of any conditions. In this context, the financial statements dated December 31, 2024, and December 31, 2023, prepared by the Tax Procedure Law, have been subject to inflation correction.

Under Article 5/1-(e) of the Corporate Tax Law No. 5520, 75% of the capital gains arising from the sale of participation shares held for at least two years were previously exempt from corporate income tax, provided that specific conditions were met. However, Presidential Decree No. 9160, published in the Official Gazette on 27 November 2024, has reduced this exemption rate from 75% to 50%. This change applies to sales realized on or after the publication date, with no transitional provisions specified. Regarding immovable properties, Law No. 7456, effective from 15 July 2023, abolished the partial tax exemption for capital gains derived from the sale of immovable properties held for at least two years. Previously, 50% of such gains were exempt from corporate income tax. Under the new law, capital gains from the sale of immovable properties acquired on or after 15 July 2023 are fully taxable. For immovable properties acquired before this date, a reduced exemption rate of 25% applies.

As of December 22, 2024, the withholding tax rate on dividend distributions in Turkey has been increased from 10% to 15% by Presidential Decree No. 9286 published in the Official Gazette on the same date. This new rate applies to dividends paid by resident entities to: Resident individuals, Non-resident individuals, Non-resident entities, except for those deriving dividends through a permanent establishment or representative in Turkey, and Entities exempt from income or corporate tax. For non-resident entities and individuals, the applicable withholding tax rates may be reduced under the provisions of relevant Double Taxation Agreements (DTAs) between Turkey and the recipient's country of residence. Dividends paid to resident companies remain exempt from withholding tax.

In Turkey, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, the provision for taxes shown in the consolidated financial statements reflects the total amount of taxes calculated on each entity that is included in the consolidation. Under the Turkish taxation system, tax losses can be carried forward to be offset against future taxable income for up to five years. Tax losses cannot be carried back.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within four months following the close of the accounting year to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing, during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue reassessments based on their findings.

28 Taxation *(continued)*

Turkiye *(continued)*

Transfer pricing regulations

In Turkey, the transfer pricing provisions have been stated under Article 13 of the Corporate Tax Law with the heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via Transfer Pricing, dated November 18, 2007, sets out details about implementation.

If a taxpayer enters transactions regarding the sale or purchase of goods and services with related parties, where the prices are not set by the arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax-deductible for corporate income tax purposes.

Tax applications for foreign subsidiaries and joint ventures of the Group

Republic of Albania

The corporate income tax (CIT) rate in Albania is 15%. CIT is assessed on the taxable profits calculated as taxable income less deductible expenses. Albanian tax law outlines several non-deductible expenses, including costs related to land, certain depreciable asset improvements, unpaid non-resident service fees, and personal or undocumented expenses. Specific limits apply to representation costs, cash payments, and employee-related expenses like insurance and pensions.

Republic of Kosovo

The applicable corporate tax rate in the Republic of Kosovo is 10% (December 31, 2024: 10%).

Under Kosovo tax legislation, tax losses can be carried forward for up to four consecutive tax years. However, restrictions may apply in cases of change of business or change of ownership; if the business changes its type of business organization or has an ownership change of more than 50%, the tax loss is not allowed to be carried forward. Carryback loss provisions are not allowable.

Repuclic of Iraq

As of December 31, 2024, the effective corporate income tax presented in Iraq for juristic persons (except partnerships) is based on a statutory CIT rate of 15% at all income levels, with no progressive tax rate scale. Losses that can be settled in this manner shall be carried forward and deducted from the income of the taxpayer over five consecutive years, if losses may not offset more than half of the taxable income of each of the five years, and the loss is from the same source of income from which it has arisen.

United Arab Emirates

The Federal UAE CT Law, which is effective for each taxable person's new financial year beginning on or after 1 June 2023, is applicable across all Emirates and applies to all business and commercial activities, except for some special taxpayers. UAE CT is applicable at the following rates: Taxable income exceeding AED 375,000 and non-qualifying income of a QFZP is subject to 9% CIT.

28 Taxation *(continued)*

Tax applications for foreign subsidiaries and joint ventures of the Group *(continued)*

Georgia

The applicable corporate tax rate in Georgia is 15 percent (31 December 2023: 15 percent).

Libya

The corporate tax rate is 20 percent (31 December 2023: 20 percent). In addition to the 20% tax rate, a Jihad tax is levied at 4% of profits for foreign companies.

Turkmenistan

According to Turkmenistan law, while the corporate tax rate is 8% for local companies, it is 20% for branches of foreign companies and for local companies which have foreign partners. Parent company of branches located in Turkmenistan is tax-exempt due to income generated from construction projects outside Turkey is tax-exempt in Turkey. Besides, revenue arising from sales of machinery and equipment which are exported from Turkey and included in construction cost in those countries are subject to corporate tax in Turkey.

Uzbekistan

The applicable corporate tax rate in Uzbekistan is 15 percent.

The Netherlands

Corporate income tax is levied at the rate of 25.8% as of December 31, 2024, on the worldwide income of resident companies, which is determined by modifying accounting income for certain exclusions and allowances for tax purposes. A unilateral decree for the avoidance of double taxation provides relief for resident companies from Dutch tax on income, such as foreign business profits derived through a permanent establishment abroad, if no tax treaty applies.

From 1 January 2022 onwards, an indefinite loss carryforward applies. Yet, losses (both carryforward and carryback) can only be fully deducted up to an amount of EUR 1 million of taxable profit. If the profit in a year exceeds EUR 1 million, the losses are only deductible up to 50% of the higher taxable profit minus an amount of EUR 1 million. For the carryforward of losses, losses incurred in financial years that started on or after 1 January 2013 also fall under the new scheme that comes into effect on 1 January 2022, so these losses will be indefinite. Under certain conditions, the tax administration can, in case of domestic situations, impose an additional assessment within five years from the year in which the tax debt originated (if the filing due date was extended on request, this period is added). In case of income from abroad, the period for additional assessment is extended to 12 years.

Switzerland

Corporate income tax is payable federal, cantonal, and municipal levels. The federal corporate tax rate is 8.5%. The effective tax rate - including cantonal and municipal taxes - typically ranges between 11.9% and 21.6%, depending on the canton. As Çalık Enerji Swiss, our effective tax rate is 12.09%.

Tax losses can be carried forward for a maximum of seven years and can be offset against the taxable income of the following seven years. There is no carryback of tax losses in Switzerland. According to an ongoing legislative project, Switzerland may extend the loss offsetting period for companies from seven to ten years. As a rule, the right to assess a taxpayer about corporate income and capital taxes expires five years after the end of the corresponding tax period (relative statute of limitations). Under certain conditions (e.g., where the relative statute of limitations is interrupted), the absolute statute of limitations of 15 years applies.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

28 Taxation *(continued)*

Tax applications for foreign subsidiaries and joint ventures of the Group (continued)

Qatar

As of December 31, 2024, the corporate tax rate in Qatar is 10 percent (excluding petrochemical/oil companies/enterprises). The Group has branches and subsidiaries operating in Qatar. Companies are subject to corporate tax in the Emirates of Qatar. Companies operating in free zones in Qatar are exempt from tax.

Tax recognised in profit or loss

Income tax expense for the years ended 31 December comprised the following items:

Reconciliation of effective tax rate

	Continuing Operations		*Discontinued operations*		*Total*	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Current corporation and income taxes	137.343	103.685	--	--	137.343	103.685
Deferred tax expense / (benefit)	60.003	9.967	--	--	60.003	9.967
Total income tax expense / (benefit)	**197.346**	**113.652**	**--**	**--**	**197.346**	**113.652**

The reported income tax expense for the years ended 31 December are different than the amounts computed by applying statutory tax rate to profit before tax as shown in the following reconciliation:

	2024		**2023**	
	Amount	**%**	**Amount**	**%**
Reported profit before taxation	557.929		427.445	--
Taxes on reported profit per statutory tax rate of the Company	(139.482)	(25,00)	(106.861)	(25,00)
Permanent differences:				
Disallowable expenses	(13.696)		(14.004)	
Tax exempt income	105.685		64.943	
Effect of different tax rates in foreign jurisdictions	15.401		12.010	
Unrecorded deferred tax assets	(596)		8.410	
Effect of share of profit of equity-accounted investees and other consolidated adjustments	(5.067)		24.946	
Effect of consolidated adjustments on taxes	(64.167)		(69.089)	
Revaluation effect of tangible and intangible assets	(2.486)		30.034	
Monetary gain/loss	(86.777)		(36.513)	
Impact of other non-taxable income and others (*)	(6.161)		(27.528)	
Tax expense	**(197.346)**		**(113.652)**	

(*) An amount of USD 18.408 relates to the impact of the Pillar 2 top-up tax

Current tax assets/liabilities

As at 31 December, current tax assets and liabilities comprised the following:

	31 December 2024	**31 December 2023**
Taxes on income	137.343	103.685
Less: Corporation taxes paid in advance	(71.938)	(85.366)
Foreign currency translation difference	(6.639)	(12.539)
Current tax liabilities/(assets), net	**58.766**	**5.780**

As at 31 December 2024, current tax liabilities on income amounting to USD 65.043 (31 December 2023: USD 11.147) is not offset with prepaid taxes amounting to USD 6.277 (31 December 2023: USD 5.367) since they are related to different tax jurisdictions.

Deferred tax assets and liabilities

Deferred tax is provided in respect of taxable temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, except for the differences relating to goodwill not deductible for tax purposes and the initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

28 Taxation *(continued)*

Unrecognised deferred tax assets and liabilities

As at 31 December 2024, deferred tax assets amounting to USD 9.416 have not been recognised with respect to the statutory tax losses carried forward as at 31 December 2024 (31 December 2023: USD 4.834). Such losses carried forward expire until 2025. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

The table below shows the expiration date of the tax losses carried forward for which no deferred asset has been recognised:

	2024	2023
2024	--	1.073
2025	692	2.250
2026	2.115	8.493
2027	2.644	5.912
2028	10.382	1.607
2029	21.833	--
Toplam	**37.666**	**19.335**

Recognised deferred tax assets and liabilities

Deferred tax assets and deferred tax liabilities at 31 December are attributable to the items detailed in the table below:

	2024		2023	
	Asset	Liability	Asset	Liability
Vacation pay liability	987	(3)	564	--
Employee severance indemnity	3.602	(77)	3.618	(61)
Provisions for litigations	1.763	(20)	1.157	7
Impairment provision of credits and receivables	327	--	347	--
Allowance for doubtful receivables	4.660	(48)	2.521	(1.214)
Provisions	2.516	(5)	3.621	--
Revaluation of financial investments	18.185	(9.162)	7.578	(15.015)
Inventories	2.069	(8.220)	(460)	(8.005)
Measurement differences of property, plant and equipment, intangible assets, and investment properties	200.200	(74.896)	125.805	(41.013)
Investment incentives	4.346	--	10.421	--
Tax losses carried forward	312	--	1.643	--
Trade and other receivables (including rediscount)	296	--	147	--
Service concession receivables	--	(69.083)	--	(46.837)
Security deposits	8.166	--	6.037	--
IAS 39 effect on loans and borrowings	609	(2.075)	1.771	(1.649)
Other temporart differences	4.625	(39.516)	38.502	(4.663)
Completion rate	709	(9.117)	580	(1.239)
Total deferred tax assets/(liabilities)	**253.372**	**(212.222)**	**203.852**	**(119.689)**
Set off of tax	(147.251)	147.251	(61.040)	61.040
Deferred tax assets/(liabilities), net	**106.121**	**(64.971)**	**142.812**	**(58.649)**

According to the Tax Procedural Law in Turkiye, statutory losses can be carried forward maximum for five years. Consequently, 2029 is the latest year for recovering the deferred tax assets arising from such tax losses carried forward.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

29 Capital and reserves

Paid in capital

At 31 December 2024, the Group's statutory nominal value of authorised and paid-in share capital is USD 210.761 (31 December 2023: USD 210.761) (comprising of 400.000.000 registered shares (31 December 2023: 400.000.000) having par value of TL 1 at full terms (31 December 2023: TL 1 at full terms) each).

At 31 December, the shareholding structure of Çalık Holding based on the number of shares are presented below:

	2024		***2023***	
	Thousands of shares	***%***	***Thousands of shares***	***%***
Ahmet Çalık	368.000	92	368.000	92
Delta Netherlands B.V. (*)	32.000	8	32.000	8
	400.000	**100**	**400.000**	**100**

(*) The company's shareholder Ahmet Çalık transferred his shares nominal values of TL 32.000.000 having par value of TL 1, 32.000.000 shares at full terms to Delta Holding B.V. on 24 December 2018 decision of the Board of Directors.

Restricted reserves

The legal reserves are established by annual appropriations amounting to 5 percent of income disclosed in the Group's statutory accounts until it reaches 20 percent of paid-in share capital (first legal reserve). Without limit, a further 10 percent of dividend distributions in excess of 5 percent of share capital is to be appropriated to increase legal reserves (second legal reserve). The first legal reserve is restricted and is not available for distribution as dividend unless it exceeds 50 percent of share capital.

According to the 5th paragraph of the Corporate Tax Law numbered 5520, 75 percent of the capital gains arising from the sale of tangible assets and investments owned for at least two years are exempted from corporate tax on the condition that such gains are reflected in the restricted reserve within equity as a special fund with the intention to be utilised in a share capital increase within five years from the date of the sale. The remaining 25 percent of such capital gains are subject to corporate tax.

As at 31 December 2024, in the accompanying consolidated financial statements, special funds arising from the sale of associates classified to legal reserves excluding the non-controlling interest portion are amounting to USD 272.624 (31 December 2023: USD 220.470).

In the accompanying consolidated financial statements, the total legal restricted reserves excluding the non-controlling interest portion amounted to USD 718.969 as at 31 December 2024 (31 December 2023: USD 664.833).

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

29 Capital and reserves *(continued)*

Non-controlling interests

For the years ended 31 December, movements of the non-controlling interest were as follows:

	2024	2023
Non-controlling interest at the beginning of the year	**222.233**	**187.875**
Inflation effect	--	15.204
Balance at 1 January (revised)	**222.233**	**203.079**
Foreign currency translation differences and inflation effect	16.230	22.178
Net profit for the year attributable to non controlling interests	6.030	14.663
Increase and decrease due to share buyback transactions	--	177
Change of control in a subsidiaries	(192)	(13.649)
Change in fair value of available for sale investments	9	(9)
Actuarial gains/losses	(235)	(13)
Participation by non controlling shareholders in subsidiaries capital	3.916	(84)
Dividend distribution	(4.909)	(3.966)
Adjustment of change in share of non controlling interest in subsidiaries	--	(10)
Decrease due to other changes	--	(133)
Balance at the end of the year	**243.082**	**222.233**

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

30 Revenue and cost of sales

For the years ended 31 December, revenue and cost of sales comprised the following:

	2024	2023
Domestic sales	1.344.870	1.288.797
Export sales	1.760.281	892.153
Other sales	21.934	22.389
Sales discounts (-)	(9.115)	(11.097)
Subtotal	**3.117.970**	**2.192.242**
Cost of sales (-)	(2.512.339)	(1.726.838)
Gross profit from non-finance operations	**605.631**	**465.404**
Revenue from finance sector operations	943.013	695.673
Cost of revenues from finance sector operations (-)	(411.131)	(277.845)
Gross profit from finance sector activities	**531.882**	**417.828**
Gross profit	**1.137.513**	**883.232**

The depreciation and amortization expenses of USD 53.528 was recognized in the cost of sales (2023: USD 58.985).

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

31 General and administrative expenses, selling, marketing and distribution expenses, and research and development expenses and expenses by nature

For the years ended 31 December, general and administrative expenses comprised the following:

	2024	2023
Personnel expenses	191.515	136.067
Depreciation and amortization expenses	41.393	35.731
Outsourced services	29.530	21.523
Card expenses	20.341	15.928
Maintenance, repair and technology expenses	20.272	16.003
Insurance expenses	19.476	17.115
Taxes, duties and fees other than on income	13.925	10.830
Consulting expenses	11.641	8.078
Representation expenses	7.471	8.067
Telecommunication expenses	8.877	6.335
Travel and accommodation expenses	6.175	5.755
Rent expense	4.220	4.701
Other	38.913	23.182
Total	**413.749**	**309.315**

For the year ended 31 December, selling, marketing and distribution expenses comprised the following:

	2024	2023
Personnel expenses	12.054	9.268
Advertising and promotion expenses	13.480	14.250
Travel and accommodation expenses	2.036	1.726
Commission expense	1.707	5.180
Sample expenses	1.554	1.467
Consulting expenses	1.294	1.547
Transportation expenses	1.121	2.439
Rent expense	743	938
Depreciation and amortization expenses	624	705
Taxes, duties and fees other than on income	235	351
Telecommunication expenses	161	47
Maintenance and repair expenses	730	456
Other	2.541	2.789
Total	**38.280**	**41.163**

For the year ended 31 December, research and development expenses comprised the following:

	2024	2023
Depreciation and amortization expenses	15.095	4.876
Field research expenses (*)	14.778	4.430
Personnel expenses	9.622	5.507
Travel and accommodation expenses	1.738	999
Consulting expenses	866	2.944
Taxes, duties and fees other than on income	856	2.100
Sample expenses	701	400
Other	1.125	1.688
Total	**44.781**	**22.944**

(*) Field research expenses consist by field research and development activities of the Group's subsidiaries operating in the field of mining and oil production.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

31 General and administrative expenses, selling, marketing and distribution expenses, and research and development expenses and expenses by nature *(continued)*

For the year ended 31 December, personnel and depreciation and amortization expenses comprised the following.

	2024	**2023**
Personnel expenses		
Cost of sales	182.477	156.109
General and administrative expenses	191.515	136.067
Selling, marketing and distribution expenses	12.054	9.268
Research and development expenses	9.622	5.507
Total	**395.668**	**306.951**

	2024	**2023**
Depreciation and amortization expenses		
Cost of sales	53.528	58.985
General and administrative expenses	41.393	35.731
Selling, marketing and distribution expenses	624	705
Research and development expenses	15.095	4.876
Total (*)	**110.640**	**100.297**

(*) The depreciation and amortization expense of USD 2.794 was recognised in the inventory (31 December 2023: USD 2.888).

32 Other income and expense from operating activities

For the years ended 31 December, other income from operating activities comprised the following:

	2024	**2023**
Foreign exchange gains	64.557	85.652
Recoveries/reversals of provisions made	30.667	22.037
Rediscount interest income	20.946	7.084
Interest income related to income ceiling regulation, net	16.523	1.832
Reversals of loan provisions	14.206	10.134
Gain on sale of marketable securities	10.179	4.384
Other	16.652	5.649
Total	**173.730**	**136.772**

For the year ended 31 December, other expense from operating activities comprised the following:

	2024	**2023**
Provision expense for IFRS 9	29.524	27.289
Provision for doubtful receivables	20.488	18.730
Provision expense for receivables from financial sector activities	18.530	23.073
Royalty payments (*)	6.976	5.235
Losses on sale of marketable securities	5.647	--
Foreign exchange losses	3.462	--
Other	29.451	19.349
Total	**114.078**	**93.676**

(*) For the period ended December 31, 2024, royalty payments consist of payments related with net smelter return.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

33 Gain and loss from investing activities

For the years ended 31 December, gains from investing activities comprised the following:

	2024	2023
Gain on financial assets at FVTPL (Note 10)	126.843	58.242
Gain on sale of subsidiary (*)	101.790	115.558
Fair value gain on investment properties	27.420	44.070
Dividend income from equity securities held	18.567	13.245
Gain on sale of property, plant and equipment and intangible assets	794	--
Gain of derivative financial instruments	424	8.525
Gain on sale of Investment properties	--	963
Other	758	10.948
Total	**276.596**	**251.551**

(*)On September 3, 2024, the Group sold 100% of its shares in Polimetal Madencilik Sanayi ve Ticaret A.Ş. for USD 147 million (USD 105.451 in cash, USD 39.881 as 38% of ACG shares and USD 1.994 as warrant) and recognized a gain of USD 91.062 from this transaction. The Group has sold 10% shares of Artmin Madencilik Sanayi ve Ticaret A.Ş. for an amount of USD 120 million in 2023 and recognized USD 115.558 gain from this sale.

For the years ended 31 December, losses from investing activities comprised the following:

	2024	2023
Loos of derivative financial instruments	56.015	9.470
Fair value loss on investment properties	19.323	3.329
Loss on sale of property, plant and equipment	3.331	2.048
Loss on financial assets at FVTPL (note 10)	1.533	178.374
Loss on sale of subsidiary	-	2.751
Other	11.702	3.352
Total	**91.904**	**199.324**

34 Finance income and finance cost

For the years ended 31 December, finance income comprised the following:

	2024	2023
Foreign exchange gains related to borrowings	12.853	30.509
Interest Income	15.204	7.906
Interest income from financing activities	9.753	--
Other	--	171
Total	**37.810**	**38.586**

For the years ended 31 December, finance cost comprised the following:

	2024	2023
Interest expenses related to borrowings	111.785	65.094
Foreign exchange gains related to borrowings	19.164	--
Bank commission expenses	10.973	4.254
Letters of guarantees commission expenses	8.262	6.496
Other charges and commission expenses	10.338	8.382
Total	**160.522**	**84.226**

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

35 Disclosure of interests in other entities

Information regarding the subsidiaries in which the Group has major non-controlling interests is as follows:

Subsidiaries	**Non-controlling** ***interests***	***Profit attributable to non-controlling interests***	***Cumulative non-controlling interests***	***Dividends paid to non-controlling interests***
<u>Çalık Enerji</u>				
31 December 2024	4,58	6.258	54.895	(4.909)
31 December 2023	4,58	14.313	47.845	(2.930)

The consolidated financial information of Çalık Enerji before the Group's consolidation adjustments and eliminations is as follows:

Summary of Çalık Enerji's statement of financial position	**31 December 2024**	**31 December 2023**
Cash and cash equivalents	368.439	75.406
Trade receivables	276.235	289.188
Other current assets	806.046	635.977
Non-current assets	987.963	970.599
Total assets	**2.438.683**	**1.971.170**
Short term liabilities	142.196	78.847
Short term portion of long-term loans and borrowings	27.594	38.371
Other short-term liabilities	779.221	626.037
Long term liabilities	286.800	125.064
Total liabilities	**1.235.811**	**868.319**
Total equity	**1.202.872**	**1.102.851**
Total equity and liabilities	**2.438.683**	**1.971.170**

Summary of Çalık Enerji's statement of profit or loss	**2024**	**2023**
Revenue	2.248.041	1.564.425
Cost of sales	(1.763.569)	(1.231.573)
Operating (expenses)/income	(131.234)	(96.826)
Gain from investing activities	39.943	112.298
Finance income / (cost)	(192.582)	(135.070)
Tax incomes / (expenses)	(63.956)	(6.793)
Profit for the period	**136.643**	**206.461**

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

36 Net monetary gain / loss arising from hyperinflationary economies

Non-monetary items	**31.12.2024**
Consolidated statement of financial position	**(205.638)**
Inventories	10.582
Prepayments	1.045
Financial investments	57.343
Property, plant and equipment	107.155
Right of use assets	12.325
Intangible assets	75.046
Investment properties	56
Assets held for sale	7.845
Deferred tax asset/liability	(16.889)
Deferred revenue	(4.702)
Other liabilities	(168)
Share capital	(315.254)
Capital advance	27
Accumulated other comprehensive income (expense) not to be reclassified to profit or loss	227
Accumulated other comprehensive income (expense) to be reclassified to profit or loss	(9.315)
Restricted reserves	(39.921)
Non-controlling interests	(2.175)
Retained earnings	(88.865)
Consolidated statement of profit or loss and other comprehensive income	**25.922**
Revenue	(172.873)
Cost of sales	150.838
Revenue from finance sector operations	(84.315)
Cost of revenues from finance sector operations	45.039
General and administrative expenses	29.035
Selling, marketing and distribution expenses	4.135
Research and development expenses	3.433
Other income/expenses from operating activities	(10.318)
Other gain/loss from investing activities	3.354
Finance income/expense	6.792
Current tax expense	5.694
Deferred tax benefit/expense	45.108
Net monetary gain / loss arising from hyperinflationary economies	**(179.716)**

37 Financial instruments – Fair values and risk management

Financial risk management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

This note presents information about the Group’s exposure to each of the above risks, the Group’s objectives, policies and processes for measuring and managing risks, and the Group’s management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

Risk management framework

Risk management activities are conducted by a realistic organizational structure and it is fully supported with the commitment of top-level management.

Group acts proactively in terms of risk management in order to ensure that its business operations in different industries and regions are not adversely affected as a result of market, operational, liquidity and counterparty risks. Risk Management and internal audit departments within each sector and at the Group level provide and maintain awareness for different types of risks, including emerging risks, and ensure that appropriate risk management mechanisms are in place.

Banking:

Risk management framework

For the Group’s banking group, Aktifbank and BKT actively use collateral management as the major risk mitigation mechanism. The Board of Directors of the Group’s banking group has overall responsibility for the establishment and oversight of the risk management framework. The Board has established the Audit Committee and Risk Management Department, which are responsible for developing and monitoring the Group’s banking group’s risk management policies in their specified areas. The Audit Committee has non-executive members and report regularly to the Board of Directors on their activities.

The Group’s banking group’s risk management policies are established to identify and analyse the risks faced, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Group’s banking group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Audit Committee is responsible for monitoring compliance with the risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Aktif Bank and BKT. The Audit Committee is assisted in these functions by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

37 Financial instruments – Fair values and risk management *(continued)*

Financial risk management (continued)

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investment securities.

Financial risk management

The Group's principal financial assets are cash and cash equivalents, financial investments, trade receivables and other receivables. The Group requires a certain amount of collateral in respect of its account receivable. Credit evaluations are performed on all customers requiring credit over a certain amount on individual level.

At reporting date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position.

Banking:

Impaired loans and advances to customers and investment securities

Impaired loans and advances to customers and investment debt securities are those for which the Group's banking group determines that it is probable that it will be unable to collect all principal and interest due to according to the contractual terms of the loans and investment debt securities.

Allowance for impairment

The Group's banking and finance group establishes an allowance for impairment losses on assets carried at amortised cost that represents its estimate of incurred losses in its loans and advances to customers and investment in debt security portfolio. This allowance is a specific loss component that relates to individually significant exposures.

Due to the increase in the consumer loan portfolio of Aktifbank and the availability of the historical trends of the probability of default, starting from 1 January 2012, Aktifbank started to provide collective loan loss allowance established for groups of homogeneous assets in respect of losses that have been incurred but have not been identified except for loans and receivables subject to individual assessment for impairment.

Write-off policy

The Group's banking group write off a loan or investment debt security balance, and any related allowances for impairment losses, when the Group's banking subsidiaries determine that the loan or security is uncollectible. This determination is reached after considering information such as occurrence of significant changes in the borrower's / issuer's financial position such that the borrower / issuer can no longer pay the obligation, or that proceeds from collateral will not be enough to pay back the entire exposure.

Loans with renegotiated terms

Loans with renegotiated terms are loans that have been restructured due to deterioration in the borrower's financial position and where the Group's banking subsidiaries have made concessions that it would not otherwise consider. Once the loan is restructured it remains in this category independent of satisfactory performance after restructuring.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

37 Financial instruments – Fair values and risk management *(continued)*

Credit risk *(continued)***:**

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at 31 December was:

	Receivables							
	Trade receivables		Other receivables					
31 December 2024	Related party	Third party	Related party	Third party	Cash at banks and other cash and cash equivalents (*)	Financial investments (**)	Receivables from finance sector operations	Derivatives
Maximum credit risk exposure at reporting date (A+B+C+D)	**163.703**	**240.684**	**320.112**	**191.565**	**1.042.305**	**4.320.442**	**3.061.298**	**18.577**
Portion of maximum risk covered by guarantees	--	14.581	--	--	--	--	--	--
A. Carrying value of financial assets that are neither past due nor impaired	163.703	204.517	320.112	191.565	1.042.305	4.320.442	2.995.885	18.577
B. Carrying value of financial assets that are past due but not impaired	--	36.167	--	--	--	--	--	--
C. Carrying value of impaired assets	--	--	--	--	--	--	65.413	--
Past due (gross carrying amount)	--	44.904	--	6.048	--	--	113.104	--
- Impairment (-)	--	(44.904)	--	(6.048)	--	--	(47.691)	--
- The part of net value under guarantee with collateral etc	--	--	--	--	--	--	--	--
Not past due (gross carrying amount)	--	--	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--	--	--
D. Elements including credit risk on off statement of financial position	--	--	--	--	--	--	--	--

(*) Balances at central banks and cash on hand are excluded.

(**) Equity securities and investment funds are excluded.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

37 Financial instruments – Fair values and risk management *(continued)*

Credit risk *(continued)***:**

Exposure to credit risk *(continued)****:***

31 December 2023	Receivables				Cash at banks and other cash and cash equivalents (*)	Financial investments (**)	Receivables from finance sector operations	Derivatives
	Trade receivables		Other receivables					
	Related party	Third party	Related party	Third party				
Maximum credit risk exposure at reporting date (A+B+C+D)	**167.671**	**280.311**	**369.970**	**116.195**	**873.706**	**3.965.400**	**2.548.853**	**16.016**
Portion of maximum risk covered by guarantees	--	13.498	--	--	--	--	--	-
A. Carrying value of financial assets that are neither past due nor impaired	167.222	161.780	369.970	116.195	873.706	3.965.400	2.428.348	16.016
B.Carrying value of financial assets that are past due but not impaired	449	118.531	--	--	--	--	--	--
C. Carrying value of impaired assets	--	-	--	--	--	--	120.505	--
Past due (gross carrying amount)	--	31.146	--	6.065	--	--	165.815	--
- Impairment (-)	--	(31.146)	--	(6.065)	--	--	(45.310)	--
- The part of net value under guarantee with collateral etc	--	--	--	--	--	--	--	--
Not past due (gross carrying amount)	--	--	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--	--	--
D. Elements including credit risk on off statement of financial position	--	--	--	--	--	--	--	--

(*) Balances at central banks and cash on hand are excluded.

(**) Equity securities and investment funds are excluded.

(Amounts expressed in thousands of United States Dollar (“USD”) unless otherwise stated.)

37 Financial instruments – Fair values and risk management *(continued)*

Credit risk *(continued)***:**

Impairment losses

As of 31 December 2024, and 2023, the aging of trade receivables that are past due but not impaired was as below:

	Receivables		**Receivables from financial sector operations**
31 December 2023	**Trade Receivables**	**Other Receivables**	
Past due 0-30 days	18.199	--	--
Past due 1-3 months	6.052	--	--
Past due 3-12 months	9.061	--	--
More than one years	2.855	--	--
Total	**36.167**	**--**	**--**

	Receivables		**Receivables from financial sector operations**
31 December 2023	**Trade Receivables**	**Other Receivables**	
Past due 0-30 days	9.871	--	--
Past due 1-3 months	13.739	--	--
Past due 3-12 months	2.111	--	--
More than one years	93.259	--	--
Total	**118.980**	**--**	**--**

Liquidity risk

Liquidity risk arises in the general funding of the Group’s activities and in the management of positions. It includes both risk of being unable to fund assets at appropriate maturities and rates and risk of being unable to liquidate an asset at a reasonable price and in an appropriate time frame. The Group has access to funding sources from banks and keeps certain level assets as cash and cash equivalents. The Group continuously assesses liquidity risk by identifying and monitoring changes in funding required in meeting business goals and targets set in terms of the overall Group strategy.

Banking:

Management of liquidity risk

The Group’s banking group’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to their reputation.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

37 Financial instruments – Fair values and risk management *(continued)*

Liquidity risk (continued):

Banking *(continued)* :

Management of liquidity risk (continued)

The Group's banking group funds its short-term liquidity with interbank. In the case of long-term liquidity need, the Group's banking group utilises capital and debt market instruments. Additionally, the Group's banking group also funds itself from the domestic and foreign market when it needs additional funds.

Exposure to liquidity risk

The key measure used by the Group's banking group for managing liquidity risk is the ratio of net liquid assets to short-term loans and borrowings. Net liquid assets include cash and cash equivalents and trading debt securities for which there is an active market.

As 31 December, the followings are carrying amounts, contractual cash flows and the contractual maturities of financial liabilities are as follows:

31 December 2024	Carrying amount	Contractual cash flows	3 months or less	3-12 months	1-5 years	More than 5 year
Contractual maturities						
Non-derivative financial liabilities						
Payables related to finance sector operations	(7.131.336)	(7.152.466)	(4.966.780)	(1.350.561)	(801.264)	(33.861)
Loans and borrowings	(1.686.229)	(1.800.171)	(1.020.969)	(368.240)	(301.419)	(109.543)
	(8.817.565)	**(8.952.637)**	**(5.987.749)**	**(1.718.801)**	**(1.102.683)**	**(143.404)**
Expected maturities						
Non-derivative financial liabilities						
Trade payables	(272.009)	(272.009)	(216.873)	(55.136)	--	--
Other payable	(167.504)	(167.504)	(116.940)	(21.509)	(29.055)	--
Payable related to employee benefits	(13.384)	(13.384)	(12.444)	(940)	--	--
	(452.897)	**(452.897)**	**(346.257)**	**(77.585)**	**(29.055)**	**--**
Derivative financial instruments						
Inflow	18.577	18.577	18.577	--	--	--
Outflow	(13.694)	(13.694)	(13.694)	--	--	--

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

37 Financial instruments – Fair values and risk management *(continued)*

Liquidity risk *(continued)*

31 December 2023	Carrying amount	Contractual cash flows	3 months or less	3-12 months	1-5 years	More than 5 year
Contractual maturities						
Non-derivative financial liabilities						
Payables related to finance sector operations	(6.718.766)	(6.724.078)	(4.580.312)	(1.226.842)	(864.296)	(52.628)
Loans and borrowings	(1.507.513)	(1.624.234)	(906.841)	(291.806)	(321.538)	(104.049)
	(8.226.279)	**(8.348.312)**	**(5.487.153)**	**(1.518.648)**	**(1.185.834)**	**(156.677)**
Expected maturities						
Non-derivative financial liabilities						
Trade payables	(219.403)	(219.402)	(176.238)	(43.118)	(46)	--
Other payable	(103.061)	(103.061)	(75.945)	(3.624)	(23.492)	--
Payable related to employee benefits	(12.444)	(12.444)	(11.512)	(932)	--	--
	(334.908)	**(334.907)**	**(263.695)**	**(47.674)**	**(23.538)**	**--**
Derivative financial instruments						
Inflow	16.016	16.016	16.016	--	--	--
Outflow	(4.967)	(5.015)	(5.015)	--	--	--

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

37 Financial instruments – Fair values and risk management *(continued)*

Interest rate risk

The Group's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or reprise at different times or in differing amounts. In the case of floating rate assets and liabilities the Group is also exposed to basis risk, which is the difference in reprising characteristics of the various floating rate indices, such as six months Libor and different types of interest. Risk management activities are aimed at optimizing net interest income, given market interest rate levels consistent with the Group's business strategies.

Profile

As at 31 December, the interest rate profile of the Group's interest-bearing financial instruments was as follows:

Fixed rate instruments	**2024**	**2023**
Financial assets	2.055.241	2.182.514
Financial liabilities	8.754.514	7.855.726
Variable rate instruments		
Financial assets	5.775.097	4.460.875
Financial liabilities	63.052	370.553

As of 31 December 2024, an increase of 100 basis points in interest rates dominated in Turkish Lira would have decreased profit or loss before tax and allocation of the non-controlling interest by USD 57.120 (31 December 2023: USD 40.903) Under the same conditions, a decrease of 100 basis points in interest rates dominated in Turkish Lira would have increased profit or loss by USD 57.120. This analysis assumes that all other variables remain constant (31 December 20223USD 40.903).

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss and the Group does not designate derivatives (interest rate swaps) as hedging instruments under fair value hedge accounting model. Therefore, a change in interest rate as of the reporting date would not affect profit or loss and equity.

Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of Group entities. Such transactions with a currency other than the functional currency pose a currency risk. The foreign currencies in which these transactions are denominated are mainly EUR and TL (December 31, 2023: EUR and TL).

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The Group is exposed to currency risk through the impact of rate changes on the translation of foreign currency denominated payables and bank borrowings from financial institutions. Such risk is monitored by the Board of Directors and limited through taking positions within approved limits as well as using derivative instruments where necessary to minimise risk arising from foreign currency denominated statement of financial position items, the Group sometimes utilises derivative instruments as well as keeping part of its idle cash in foreign currencies.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

37 Financial instruments – Fair values and risk management *(continued)*

Currency risk *(continued)*

In order to minimize the foreign currency risk arising from foreign currency denominated statement of financial position items, the Group maintains idle cash balances in foreign currency as well as the use of derivative instruments from time to time.

At 31 December 2024, the currency risk exposures of the Group in USD equivalents are as follows:

CURRENCY POSITION STATEMENT	**31 December 2024**			
	USD equivalent	**TL**	**EUR**	**Other(*)**
1. Trade Receivables	99.158	237.867	51.220	39.082
2a. Monetary financial assets	3.108.364	1.987.627	1.756.674	1.222.859
2b. Non-monetary financial assets	--	--	--	--
3. Other	381.463	202.322	336.247	25.606
4. Current assets (1+2+3)	**3.588.985**	**2.427.816**	**2.144.141**	**1.287.547**
5. Trade Receivables	1.501	56	576	900
6a. Monetary financial assets	2.482.781	25.339	1.873.105	531.662
6b. Non-monetary financial assets	12	423	--	--
7. Other	2.851	33.370	392	1.497
8. Non-current assets (5+6+7)	**2.487.145**	**59.188**	**1.874.073**	**534.059**
9. Total Assets (4+8)	**6.076.130**	**2.487.004**	**4.018.214**	**1.821.606**
10. Trade payables	(61.571)	(483.681)	(26.838)	(19.916)
11. Financial liabilities	(3.714.187)	(691.979)	(3.004.602)	(565.981)
12a. Other monetary liabilities	(930.224)	(280.439)	(228.003)	(684.863)
12b. Other non-monetary liabilities	--	--	--	--
13. Short term liabilities (10+11+12)	**(4.705.982)**	**(1.456.099)**	**(3.259.443)**	**(1.270.760)**
14. Trade payables	--	--	--	--
15. Financial liabilities	(753.805)	(459.089)	(544.005)	(174.338)
16a. Other monetary liabilities	(15.130)	--	(13.582)	(989)
16b. Other non-monetary liabilities	--	--	--	--
17. Long term liabilities (14+15+16)	**(768.935)**	**(459.089)**	**(557.587)**	**(175.327)**
18. Total liabilities (13+17)	**(5.474.917)**	**(1.915.188)**	**(3.817.030)**	**(1.446.087)**
19. Outside of the financial statements derivatives instruments net assets / (liability) position (19a+19b)	**62.644**	**(25.000)**	**(74.738)**	**141.175**
19a. Hedged portion of assets amount	919.867	--	234.540	675.648
19b. Hedged portion of liabilities amount	(857.223)	(25.000)	(309.278)	(534.473)
20. Net foreign currencies assets / (liability) position (9+18+19)	**663.857**	**546.816**	**126.446**	**516.694**
21. Monetary items Net foreign currencies assets / (liability) position (TFRS 7.b23) (=1+2a+5+6a+10+11+12a+14+15+16a)	**216.887**	**335.701**	**(135.455)**	**348.416**

(*) USD equivalents are given.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

37 Financial instruments – Fair values and risk management *(continued)*

Currency risk *(continued)*

At 31 December 2023, the currency risk exposures of the Group in USD equivalents are as follows:

CURRENCY POSITION STATEMENT	**31 December 2023**			
	USD equivalent	**TL**	**EUR**	**Other(*)**
1. Trade Receivables	83.291	182.878	32.401	41.227
2a. Monetary financial assets	3.012.962	4.845.822	1.395.400	1.304.317
2b. Non-monetary financial assets	--	--	--	--
3. Other	381.769	687.586	301.925	24.326
4. Current assets (1+2+3)	**3.478.022**	**5.716.286**	**1.729.726**	**1.369.870**
5. Trade Receivables	3.692	56	742	2.869
6a. Monetary financial assets	2.238.054	24.435	1.605.482	460.728
6b. Non-monetary financial assets	--	--	--	--
7. Other	1.868	3.192	526	1.179
8. Non-current assets (5+6+7)	**2.243.614**	**27.683**	**1.606.750**	**464.776**
9. Total Assets (4+8)	**5.721.636**	**5.743.969**	**3.336.476**	**1.834.646**
10. Trade payables	(71.902)	(419.013)	(21.020)	(34.409)
11. Financial liabilities	(3.428.973)	(543.545)	(2.562.049)	(575.556)
12a. Other monetary liabilities	(1.096.098)	(211.735)	(245.425)	(817.338)
12b. Other non-monetary liabilities	(26)	--	--	(26)
13. Short term liabilities (10+11+12)	**(4.596.999)**	**(1.174.293)**	**(2.828.494)**	**(1.427.329)**
14. Trade payables	--	--	--	--
15. Financial liabilities	(786.665)	(449.294)	(581.036)	(128.477)
16a. Other monetary liabilities	(15.351)	--	(13.041)	(921)
16b. Other non-monetary liabilities	--	--	--	--
17. Long term liabilities (14+15+16)	**(802.016)**	**(449.294)**	**(594.077)**	**(129.398)**
18. Total liabilities (13+17)	**(5.399.015)**	**(1.623.587)**	**(3.422.571)**	**(1.556.727)**
19. Outside of the financial statements derivatives instruments net assets / (liability) position (19a+19b)	**189.150**	**(22.000)**	**70.028**	**112.411**
19a. Hedged portion of assets amount	974.328	--	207.613	744.601
19b. Hedged portion of liabilities amount	(785.178)	(22.000)	(137.585)	(632.190)
20. Net foreign currencies assets / (liability) position (9+18+19)	**511.771**	**4.098.382**	**(16.067)**	**390.330**
21. Monetary items Net foreign currencies assets / (liability) position (TFRS 7.b23) (=1+2a+5+6a+10+11+12a+14+15+16a)	**(60.990)**	**3.429.604**	**(388.546)**	**252.440**

(*) USD equivalents are given.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

37 Financial instruments – Fair values and risk management *(continued)*

Currency risk *(continued)*

Sensitivity analysis

A 10 percent strengthening/weakening of the USD against the other currencies below would have increased/ (decreased) the comprehensive income and profit/loss (excluding the tax effect) of 31 December as follows:

	31 December 2024 Profit / (Loss)		**31 December 2023 Profit / (Loss)**	
	Strengthening of USD	**Weakening of USD**	**Strengthening of USD**	**Weakening of USD**
Increase/(decrease) 10% of TL parity				
1-TL net asset / liability	(1.550)	1.550	(13.922)	13.922
2-Hedged portion of TL amounts (-)	--	--	--	--
3-Net effect of TL (1+2)	**(1.550)**	**1.550**	**(13.922)**	**13.922**
Increase/(decrease) 10% of EUR parity				
4-EUR net asset / liability	(13.166)	13.166	1.778	(1.778)
5-Hedged portion of EUR amounts (-)	--	--	--	--
6-Net effect of EUR (4+5)	**(13.166)**	**13.166**	**1.778**	**(1.778)**
Increase/(decrease) 10% of other parities				
7-Other foreign currency net asset / liability	(51.669)	51.669	(39.033)	39.033
8-Hedged portion of other foreign currency amounts (-)	--	--	--	--
9-Net effect of other foreign currencies (7+8)	**(51.669)**	**51.669**	**(39.033)**	**39.033**
TOTAL (3+6+9)	**(66.385)**	**66.385**	**(51.177)**	**51.177**

Capital management

The Group's objectives when managing capital include:

- To comply with the capital requirements required by the regulators of the financial markets where the Group operates;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To provide an adequate return to shareholders.

Banking:

Aktifbank

BRSA sets and monitors capital requirements for the Aktifbank regularly.

The capital adequacy ratio calculations are made in accordance with the "Regulation on Measurement and Evaluation of Capital Adequacy of Banks" published in Official Journal No 28337 of 28 June 2012 from 1 July 2012. Standard Method is used to calculate market risk, which is included in computation of capital adequacy ratio.

In implementing current capital requirements of BRSA requires Aktifbank to maintain a 12 percent ratio of total capital to total risk-weighted assets.

As at 31 December 2024, the Aktifbank's capital adequacy ratio is 18,00 percent (31 December 2023: 19,35 percent).

37 Financial instruments – Fair values and risk management *(continued)*

Banking: *(continued)*

BKT

BKT's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholder's return is also recognised and BKT recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. There have been no material changes in BKT's management of capital during the period.

Regulatory capital: BKT monitors the adequacy of its capital using, among other measures, the rules and ratios established by the Albanian regulator, the Bank of Albania ("BoA"), which ultimately determines the statutory capital required to underpin its business. The regulation "On capital adequacy" is issued pursuant to Law No. 8269 date 23 December 1997 "On the Bank of Albania", and Law No. 9662 dated 18 December 2006 "On Banks in the Republic of Albania".

The Capital Adequacy Ratio is the proportion of the regulatory capital to risk weighted exposures, calculated as the sum of the risk-weighted exposure amounts, on- and off-statement of financial position for credit risk and for credit counterparty risk, capital requirement for market and operational risk. The minimum Capital Adequacy Ratio required by Bank of Albania is 12 percent, while BKT has maintained this ratio at 18,75 percent as at 31 December 2023 (31 December 2023: 17,60 percent).

In December 2024, BKT has reported Regulatory Capital Ratio, Tier 1 Capital Ratio and Common Equity Tier 1 Ratio as 18,75 percent, 17,93 percent and 17,93 percent, respectively. (31 December 2023: 17,60 percent, 16,52 percent and 16,52 percent, respectively).

Risk-Weighted Assets (RWAs): For calculation of credit risk, exposures, on- and off-statement of financial position are classified in 15 exposure classes. In general terms, client/ issuer type, loan destination and collateral are the main determinants of the exposure class. Each exposure class has its own specific requirements on how to assess the appropriate risk weight and respective risk weighted exposures. For credit risk and counterparty risk is applied the Standardised Approach. Market risk capital requirements are calculated in case the BKT has a trading portfolio that fulfils the requirements defined by the regulation and/ or a total net open currency position that is larger than the defined minimum threshold. Operational risk capital requirement is calculated based on the Basic Indicator Approach.

Compliance: BKT and its individually regulated operations have complied with all internally and externally imposed capital requirements throughout the year.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Group's operations.

The Group's objective is to manage operational risk to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Group standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorisation of transactions
- Requirements for the reconciliation and monitoring of transactions,

37 Financial instruments – Fair values and risk management *(continued)*

- Compliance with regulatory and other legal requirements,
- Documentation of controls and procedures,
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified,
- Requirements for the reporting of operational losses and proposed remedial action,
- Development of contingency plans,
- Training and professional development,
- Ethical and business standards,
- Risk mitigation, including insurance where this is effective.

Compliance with Group standards is supported by a programme of periodic reviews undertaken by Internal Audit.

Fair value information

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or in its absence, the most advantageous market to which the Group has access at that date.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted market price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

37 Financial instruments – Fair values and risk management *(continued)*

Fair value information *(continued)*

The table below shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2024	Amortised costs	Measured at fair value through profit or loss	Measured at fair value through other comprehensive income	Total book value	Level 1	Level 2	Level 3	Total net realisable value
Financial assets measured at fair value								
Financial investments (**)	--	632.173	2.417.817	**3.049.990**	1.949.340	929.525	171.125	**3.049.990**
Derivatives (**)	--	18.577	--	**18.577**	--	18.577	--	**18.577**
Financial assets not measured at fair value								
Financial investments (**)	1.815.795	--	--	**1.815.795**	1.398.630	417.165	--	**1.815.795**
Trade receivables	404.387	--	--	**404.387**	--	--	--	**--**
Other receivables	511.677	--	--	**511.677**	--	--	--	**--**
Cash and cash equivalents	1.300.984	--	--	**1.300.984**	--	--	--	**--**
Receivables related to finance sector operations	3.061.298	--	--	**3.061.298**	--	--	--	**--**
Total	**7.094.141**	**650.750**	**2.417.817**	**10.162.708**	**3.347.970**	**1.365.267**	**171.125**	**4.884.362**
Financial liabilities measured at fair value								
Derivatives (**)	--	13.694	--	**13.694**	--	13.694	--	**13.694**
Financial liabilities not measured at fair value								
Liabilities								
Loans and borrowings (**)	1.686.229	--	--	**1.686.229**	--	--	1.686.229	**1.686.229**
Trade payables	272.009	--	--	**272.009**	--	--	--	**--**
Payables related to finance sector operations	7.131.336	--	--	**7.131.336**	--	--	--	**--**
Other payables (*)	68.632	--	--	**68.632**	--	--	--	**--**
Total	**9.158.206**	**13.694**	**--**	**9.171.900**	**--**	**13.694**	**1.686.229**	**1.699.923**

(*) Deposits and guarantees given are excluded from other liabilities.

(**) Carrying value and fair value of this assets and liabilities are the same.

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

37 Financial instruments – Fair values and risk management *(continued)*

Fair value information *(continued)*

31 December 2023	Amortised costs	Measured at fair value through profit or loss	Measured at fair value through other comprehensive income	Total book value	Level 1	Level 2	Level 3	Total net realisable value
Financial assets measured at fair value								
Financial investments (**)	--	527.147	2.445.188	**2.972.335**	1.971.467	892.127	108.741	**2.972.335**
Derivatives (**)	--	16.016	--	**16.016**	--	16.016	--	**16.016**
Financial assets not measured at fair value								
Financial investments (**)	1.464.283	--	--	**1.464.283**	960.225	504.058	--	**1.464.283**
Trade receivables	447.982	--	--	**447.982**	--	--	--	**--**
Other receivables	486.165	--	--	**486.165**	--	--	--	**--**
Cash and cash equivalents	1.119.562	--	--	**1.119.562**	--	--	--	**--**
Receivables related to finance sector operations	2.548.853	--	--	**2.548.853**	--	--	--	**--**
Total	**6.066.845**	**543.163**	**2.445.188**	**9.055.196**	**2.931.692**	**1.412.201**	**108.741**	**4.452.634**
Financial liabilities measured at fair value								
Derivatives (**)	--	4.967	--	**4.967**	--	4.967	--	**4.967**
Financial liabilities not measured at fair value								
Liabilities								
Loans and borrowings (**)	1.507.513	--	--	**1.507.513**	--	--	1.507.513	**1.507.513**
Trade payables	219.403	--	--	**219.403**	--	--	--	**--**
Payables related to finance sector operations	6.718.766	--	--	**6.718.766**	--	--	--	**--**
Other payables (*)	30.692	--	--	**30.692**	--	--	--	**--**
Total	**8.476.374**	**4.967**	**--**	**8.481.341**	**--**	**4.967**	**1.507.513**	**1.512.480**

(*) Deposits and guarantees given are excluded from other liabilities.

(**) Carrying value and fair value of these assets and liabilities are the same.

37 Financial instruments – Fair values and risk management *(continued)*

Fair value information *(continued)*

Fair value hierarchy

The fair value hierarchy consists of three levels, depending upon whether fair values are determined based on quoted prices in an active market (Level 1), valuation techniques with observable inputs (Level 2) or valuation techniques that incorporate inputs which are unobservable and which have significant impact on the fair value of the instrument (Level 3):

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: This category includes inputs that are quoted market prices (unadjusted) in active markets for identical instruments. These are instruments where the fair value can be determined directly from prices which are quoted in active, liquid markets and where the instrument observed in the market is representative of that being priced in the Group's portfolio.
- Level 2: This category includes inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: This category includes all instruments where the valuation technique uses inputs based on unobservable data, which could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant, unobservable adjustments or assumptions are required to reflect differences between instruments. Unobservable in this context means that there is little or no current market data available from which the price at which an arm's length transaction would be likely to occur can be derived.

Valuation models

The Group uses following assumptions to estimate the fair value of financial instruments:

Equity securities: Fair values of publicly traded equity securities are based on quoted market prices where available. In the case of where no quoted market is available, fair value is determined based on quoted prices for similar securities or other valuation techniques. Valuation techniques include discounted cash flow models and transaction multiple methods.

Valuation of equity securities designated as at fair value through profit or loss was carried out by an independent appraiser firm as at 31 December 2024. Discounted cash flow method was used as valuation method and the fair value of this investment was assessed USD 132.378 (31 December 2023: USD 105.766).

Debt securities: Fair values are based on quoted market prices, where available. Quoted market prices may be obtained from an exchange, dealer, broker, pricing service or regulatory service. If quoted prices in an active market are not available, fair value is based on an analysis of available market inputs, which may include values obtained from one or more pricing services or by a valuation technique that discounts expected future cash flows using a market interest rate curves, referenced credit spreads and maturity of the investment.

37 Financial instruments – Fair values and risk management *(continued)*

Fair value information *(continued)*

Valuation models (continued)

Derivative assets and liabilities: Derivatives are valued using valuation techniques. The valuation techniques and inputs depend on the type of derivative and the nature of the underlying instruments. Observable prices or model inputs are usually available in the market for exchange-traded derivatives and simple over-the-counter derivatives.

Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. The principal technique used to value these instruments are based on discounted cash flows. These valuation models calculate the present value of expected future cash flows. Inputs to valuation models are determined from observable market data where possible. The inputs used include prices available from exchanges, dealers, brokers or providers of consensus pricing, yield curves, credit spreads, default rates, recovery rates, volatility of underlying interest rates, equity prices and foreign currency exchange rates. These inputs are determined with reference to quoted prices, recently executed trades, independent market quotes, where available.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties; to the extent that the Group believes that a third party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and the counterparty where appropriate. For measuring derivatives, fair values taken into account both credit valuation adjustments and debit valuation adjustments.

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(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

38 Group enterprises

The consolidated financial statements aggregate financial information from the following entities:

Subsidiaries

The table below sets out the subsidiaries and their shareholding structure at 31 December:

	Direct controlling interest of Çalık Holding and its Subsidiaries (%)		*Effective ownership interest of Çalık Holding and its Subsidiaries (%)*	
Company name	***2024***	***2023***	***2024***	***2023***
Adacami Enerji (1)	99,95	99,95	95,38	95,38
Agata Trading (1)	100	100	95,42	95,42
Aktif Portföy (5)	80	80	79,89	79,89
Aktifbank	99,87	99,87	99,87	99,87
Aktiftech (5)	100	100	99,87	99,87
AB Sukuk Varlık (5)	100	100	99,87	99,87
Akuamarin (5)	100	100	99,87	99,87
Ametist Solar (5)	100	100	99,87	99,87
Anateks (4)	100	100	99,93	99,91
Ant Enerji (1)	100	100	95,42	95,42
Asya Center (1)	100	100	95,42	95,42
Atayurt İnşaat (1)	99,75	99,75	95,20	95,20
Attivo (5)	99,88	99,88	99,74	99,74
Aytaşı (5)	100	100	99,87	99,87
Başak Yönetim	100	100	100	100
BKT	100	100	100	100
BKT Kosova (5)	100	100	100	100
Calik Denim B.V. (3)	100	100	99,90	99,80
Calik Renewables AG (1)(*)	100	--	95,42	--
Calik Renewables B.V. (1) (*)	100	--	95,42	--
Calik Renewables O&M B.V(1)(*)	100	--	95,42	--
CE Solaire 1 (1)	95	95	90,65	90,65
CE Solaire 2 (1)	95	95	90,65	90,65
Ce Solar D. Skopje (1)	100	100	95,42	95,42
CLK İpekyolu (4)(***)	100	--	99,93	--
CLK Transport (4)(***)	100	--	99,93	--
Cratoonz (7)(***)	100	--	97,04	--
CME Wakra (1)	25	25	23,86	23,86
Cetel Telekom	100	100	100	100
Cren Yenilenebilir (1)(*)	100	--	95,42	--
Çalık Albania Wind (1)	100	100	95,42	95,42
Çalık Alexandria	2	100	2	99,86
Çalık Altyapı (1)(*)	99,95	--	95,38	--
Çalık Denim	99,9	99,8	99,90	99,80
Çalık Dijital	100	100	100	100
Çalık Enerji	95,42	95,42	95,42	95,42
Çalık Enerji Swiss A.G. (1)	100	100	95,42	95,42
Çalık Georgia (1)	100	100	95,42	95,42
Çalık Hava	100	100	100	100
Çalık İnşaat (2)	100	100	99,60	99,33
Çalık Japan (1)	100	100	95,42	95,42
Çalık Pamuk	98,02	86,39	98,02	86,39
Çalık Petrol	80	80	80	80
Çalık Proje (1)	100	100	96,84	96,75
Çalık Rüzgar (1)	95	95	90,65	90,65
Çalık Tarım (7)	100	100	98,02	86,39
Çalık Yeni Enerji (1) (*)	100	--	95,42	--
Çe Enerji (1) (*)	100	--	95,42	--
ÇE Yenilebilir Enerji (1)	100	100	95,42	95,42
Çiğdem (5)	100	100	99,87	99,87
Defne (5)	100	100	99,87	99,87
Demircili (1)	85	85	81,11	81,11

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

38 Group enterprises *(continued)*

***Subsidiaries** (continued)*

	Direct controlling interest of Çalık Holding and its Subsidiaries (%)		*Effective ownership interest of Çalık Holding and its Subsidiaries (%)*	
Company name	***2024***	***2023***	***2024***	***2023***
Deniz Güneş Enerjisi (5)	100	100	99,87	99,87
Deutsche Tiefbau (2)	100	100	99,60	99,33
Doğal Hayat Jeotermal	50	50	40	40
Duru (5)	100	100	99,87	99,87
E-Kent (5)	100	100	99,87	99,87
E-Kent Europe Gmbh (5)	100	100	99,87	99,87
Eko Biokütle (5)	100	100	99,87	99,87
Emlak Girişim (5)	100	100	99,87	99,87
Enrich Girişim (7)	100	100	98,02	86,39
Enrich Teknoloji (7) (***)	100	--	97,04	--
E-Post (5)	100	100	99,87	99,87
Esen (5)	100	100	99,87	99,87
Eurokos (1)	75	75	71,57	71,57
Gap Construction Co. (2)	100	100	99,60	99,33
Gap İnşaat	99,6	99,33	99,60	99,33
Gap İnşaat Dubai (2)	100	100	99,60	99,33
Gap İnşaat Katar (2)(**)	--	49	--	48,67
Gap İnşaat Sudan (2)	100	100	98,77	98,55
Gap İnşaat Ukraine (2)	99	99	98,60	98,34
Gap Pazarlama	100	100	99,93	99,91
Gap Pazarlama FZE (4)	100	100	99,93	99,91
Gappa (4)	100	100	99,93	99,91
Gelincik (5)	100	100	99,87	99,87
Genvera (1)	99,95	99,95	95,38	95,38
Güneştaşı (5)	100	100	99,87	99,87
Innovative Construction (2)	100	100	99,60	99,33
Irmak Yönetim	100	100	100	100
İkideniz Petrol	99,99	99,99	99,99	99,99
İnovaban İnovasyon (5)(**)	--	67	--	66,91
İpek (5)	100	100	99,87	99,87
Jasper Trading (1)	100	100	95,42	95,42
JSC Georgia (1)	85	85	81,11	81,11
Kaplangözü (5)	100	100	99,87	99,87
Kasımpatı (5)	100	100	99,87	99,87
Kızılırmak (1)	100	100	95,42	95,42
Kuvars (5)	100	100	99,87	99,87
Lapis (5)	100	100	99,87	99,87
Leylak (5)	100	100	99,87	99,87
Lidya Aurasia (6)	100	100	99,29	99,29
Lidya Globus (6) (***)	100	--	99,29	--
Lidya Maden	99,29	99,29	99,29	99,29
Lidya Mali (6)	100	100	99,29	99,29
Lidya Mauritania (6) (***)	100	--	99,29	--
Lilyum (5)	100	100	99,87	99,87
Malatya Boya (3)	100	100	99,90	99,80
Martı (5)	100	100	99,87	99,87

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

38 Group enterprises *(continued)*

***Subsidiaries** (continued)*

	Direct controlling interest of Çalık Holding and its Subsidiaries (%)		*Effective ownership interest of Çalık Holding and its Subsidiaries (%)*	
Company name	***2024***	***2023***	***2024***	***2023***
Mehtap (5)	100	100	99,87	99,87
Momentum Enerji (1)	100	100	95,42	95,42
Nilüfer (5)	100	100	99,87	99,87
N-Kolay (5)	90,04	90,04	89,92	89,92
Oniks (5)	100	100	99,87	99,87
Onyx (1)	100	100	95,42	95,42
OOO GAP (2)	100	100	99,6	99,33
Opal (5)	100	100	99,87	99,87
Passo Spor (5)	100	100	99,87	99,87
Pavo (5)	100	100	99,87	99,87
Polimetal (*****)	--	100	--	99,29
Saudi Jalik (1)	100	100	95,42	95,42
Seher (5)	100	100	99,87	99,87
Sigortayeri (5)	100	100	99,87	99,87
Tanyeri (5)	100	100	99,87	99,87
TCB İnşaat (1)	100	100	95,42	95,42
Technological Energy (1)	100	100	95,42	95,42
Trilliant (1)(*)	100	--	95,42	--
Tunçpınar Madencilik (6)	70	70	69,50	69,50
Tura Moda (4)	100	100	99,93	99,91
Turkuvaz (5)	100	100	99,87	99,87
Türkmen'in Altın Asrı (1)	97	97	92,63	92,63
Ufuk (5)	100	100	99,87	99,87
UPT (5)	100	100	99,87	99,87
Uption Europe Gmbh (5)	100	100	99,87	99,87
Uztur (****)	100	100	100	95,42
White Construction N.V (2)	100	100	99,6	99,33
Yakamoz (5)	100	100	99,87	99,87
YEDAŞ (1)	100	100	95,38	95,38
Yeni Malatya (3) (**)	--	100	--	99,8
YEPAŞ (1)	100	100	95,38	95,38
Yeşilçay Enerji (1)	100	100	95,42	95,42
300K Teknoloji (7) (***)	100	--	97,05	--

Joint ventures

The table below sets out the joint ventures and their shareholding structure at 31 December:

	Direct controlling interest of Çalık Holding and its subsidiaries		*Effectiveownership interest of Çalık Holding and its Subsidiaries*	
Company name	***2024***	***2023***	***2024***	***2023***
ACG	35	--	34,75	--
Artmin	60	60	59,57	59,57
Bakırtepe	30	30	29,79	29,79
CYK Enerji	100	100	95,42	95,42
Çalık Limak	50	50	47,71	47,71
Doğu Aras	40	45,34	38,17	43,26
Dtm Enerji	50	50	47,71	47,71
Kartaltepe	20	20	19,86	19,86
Kosova Çalık Limak	50	50	47,71	47,71
LC Electricity	50	50	46,31	46,31
Machinego	66,67	66,67	65,10	65,10
Pkn Enerji	50	50	47,71	47,71
Workindo	66,67	66,67	65,10	65,10

(Amounts expressed in thousands of United States Dollar ("USD") unless otherwise stated.)

38 Group enterprises *(continued)*

Associates

The table below sets out the associates and their shareholding structure at 31 December:

	Direct controlling interest of Çalık Holding and its subsidiaries		*Effectiveownership interest of Çalık Holding and its Subsidiaries*	
Company name	***2024***	***2023***	***2024***	***2023***
Aktif Bank Sukuk	100	100	99,87	99,87
Aktif Fortis	50	50	49,93	49,93
Albania Leasing	29,99	29,99	29,99	29,99
Balkan Dokuma	31	31	31	31
Cydev	99,90	99,85	99,77	99,72
Dome Zero Inc.	2,02	2,02	2,01	2,01
Emyap	13,03	13,02	13,01	13,00
Euro-Mediterranean	25,57	25,57	25,54	25,54
Halk Yenilenebilir	50	50	49,93	49,93
Idea Farm	30	30	29,96	29,96
Kazakhistan Ijara	14,32	14,32	14,30	14,30
Marem Trading	50	50	12,77	12,77
Secom Aktif Elektronik	100	100	49,93	49,93
Secom Aktif Güvenlik	50	50	49,93	49,93
Serdar Pamuk	10	10	10	10
Haliç Yönetim	32	32	31,96	31,96
TJK	33,56	34,80	33,53	34,73
TTK	32	32	32	32

(*) Established in 2024.

(**) Closed in 2024.

(***) Consolidated in 2024

(****) Ownership changed in 2024.

(*****) Exited the partnership in 2024.

1 Consolidated first under Çalık Enerji and then under the Group.

2 Consolidated first under Gap İnşaat and then under the Group.

3 Consolidated first under Çalık Denim, then under the Group.

4 Consolidated first under Gap Pazarlama and then under the Group.

5 Consolidated first under Finance sector and then under the Group.

6 Consolidated first under Lidya Maden and then under the Group.

7 Consolidated first under Çalık Pamuk and then under the Group.

39 Fees for services received from independent auditor/independent audit firm

The explanation of the services fee provided by independent audit firms prepared by the Group regarding the Board decision of the POA published in the Official Gazette on March 30, 2021 is as follows. The preparation principles are based on the POA letter dated August 19, 2021.

	31 December 2024	**31 December 2023**
Independent audit fee for the reporting period	2.083	1.920
Fee for other assurance services	208	78
Fees for tax consultancy services	381	302
Total	**2.672**	**2.300**

40 Subsequent events

On March 12, 2025 a new company named Lidya Globus Swiss AG, based in Switzerland was established under the Company's subsidiary Lidya Globus B.V. The share capital of the newly established company consists of 120.000 shares with a nominal value of USD 1 (full amount) each.

Within the scope of the Qatar Project, there is a dispute between the Gap İnşaat and the subcontractor InVeris Training Solutions, Inc (InVeris). As of March 24, 2025, InVeris has submitted a request for arbitration to the International Chamber of Commerce Paris and has submitted its claims and demands. Gap İnşaat have responded to these claims and assert counterclaims. Once the arbitral tribunal is constituted, a procedural timetable will be determined and the parties will present their defenses accordingly. The process is ongoing and the Gap İnşaat management has not recognized any provision in the consolidated financial statements.

On 16 April 2025, Kayserigaz shares (10%) and Bursagaz shares (10%) owned by Çalık Enerji were sold to Koni Teknik Mühendislik Anonim Şirketi, a subsidiary of Aksa Doğalgaz Dağıtım A.Ş. amounting to USD 35.000.000.

On 29 April 2025, Çalık Enerji became the main contractor of the MVM Tisza Combined Cycle Gas Turbine (CCGT) project with a capacity of 1,000 MW in Tiszaújváros, Hungary. Within the scope of the consortium established with Ansaldo Energia, an official agreement was signed with the group company Calik Enerji Swiss AG following the public tender won.

On April 14, 2025, Genvera Elektrik Ticaret ve Enerji Yönetimi Anonim Şirketi was established and registered with a fully paid-in capital of TRY 50,000,000, as a wholly owned subsidiary of Genvera Enerji Anonim Şirketi.