

MENDERES TEKSTİL SANAYİ VE TİCARET A.Ş.
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED AT
30 SEPTEMBER 2024

*(CONVENIENCE TRANSLATION OF THE REPORT, THE
FINANCIAL STATEMENTS AND THE EXPLANATORY
NOTES ORIGINALLY ISSUED IN TURKISH.)*

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MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEETS AS OF 30 SEPTEMBER 2024

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

		<i>Unreviewed</i>	<i>Audited</i>
ASSETS	Footnote References	Current Period 30.09.2024	Prior Period 31.12.2023
Current Assets		5.003.349.917	5.178.627.160
Cash and Cash Equivalents	4	733.301.745	594.885.277
Financial Investments	5	-	68.164
Trade Receivables		1.879.776.068	1.359.827.003
<i>Trade Receivables from Related Parties</i>	6-7	1.149.620.381	861.395.524
<i>Trade Receivables from Unrelated Parties</i>	7	730.155.687	498.431.479
Other Receivables		42.229.475	6.978.157
<i>Other Receivables from Related Parties</i>	6-9	10.904.962	7.827
<i>Other Receivables from Unrelated Parties</i>	9	31.324.513	6.970.330
Inventories	11	2.131.326.011	3.112.151.499
Biological Assets	12	96.415.650	42.213.006
Prepaid Expenses	13	103.742.721	51.051.382
Current Tax Assets	14	109.093	2.448.108
Other Current Assets	23	16.449.154	9.004.564
Non-Current Assets		11.432.065.622	11.330.200.017
Financial Investments	5	4.210.934	3.789.577
Other Receivables	9	524.458	216.480
Investments Valued by Equity Pick-up Method	15	638.560.116	644.359.009
Investment Properties	16	1.299.436.730	552.503.247
Tangible Assets	17	9.219.510.212	9.594.398.147
Intangible Assets	19	153.230.437	173.628.643
Prepaid Expenses	13	30.025.185	112.331.794
Deferred Tax Assets	30	86.567.550	248.973.120
TOTAL ASSETS		16.435.415.539	16.508.827.177

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEETS AS OF 30 SEPTEMBER 2024

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

		<i>Unreviewed</i>	<i>Audited</i>
	Footnote	Current Period	Prior Period
LIABILITIES	References	30.09.2024	31.12.2023
Current Liabilities		3.255.666.959	3.174.046.754
Short Term Borrowings	8	2.118.619.075	1.578.465.552
Short-term portion of long-term borrowings	8	239.039.819	438.786.883
Trade Payables		669.064.203	896.185.336
<i>Trade Payables to Related Parties</i>		13.917	65.521
<i>Trade Payables to Unrelated Parties</i>		669.050.286	896.119.815
Employee Benefit Liabilities	22	98.700.504	124.676.075
Other Payables	9	19.998.363	17.050.412
Deferred Income	13	64.713.652	74.027.912
Current Tax Liabilities of Period Profit	30	-	1.155.162
Current Provisions		45.531.343	43.699.422
<i>Provision For Employee Benefits</i>	21	38.287.885	34.349.585
<i>Other Current Provisions</i>	21	7.243.458	9.349.837
Non-Current Liabilities		2.500.817.686	2.538.964.249
Long Term Borrowings	8	1.218.813.526	1.385.544.807
Deferred Income	13	14.735.574	21.659.195
Long Term Provisions		216.572.213	215.726.869
<i>Long Term Provisions for Employee Benefits</i>	21	216.572.213	215.726.869
Deferred Tax Liabilities	30	1.050.696.373	916.033.378
Equity		10.678.930.894	10.795.816.174
Parent Company's Equity		10.583.326.788	10.691.121.811
Issued Capital	24.1	277.292.576	277.292.576
Inflation Adjustments of Capital	24.2	4.414.040.403	4.414.040.403
Share Premium (Discount)	24.3	348.504.678	348.504.678
Accumulated Other Comprehensive Income or Expenses not to be Reclassified on Profit or Loss			
<i>Gains / Losses on Revaluation and Remeasurement</i>			
<i>-Increase / Decrease on Revaluation of Tangible Assets</i>	24.4	2.455.421.094	2.455.421.094
<i>-Defined Benefit Plans Re-Measurement Gains / (Losses)</i>	24.4	577.059	6.521.574
Accumulated Other Comprehensive Income or Expenses to be Reclassified on Profit or Loss			
<i>Gains/(Losses) on Financial Assets Measured at Fair Value through Other Comprehensive Income</i>	24.5	206.682	(214.674)
Restricted Reserves		166.518.498	166.518.498
<i>Legal Reserves</i>	24.6	166.518.498	166.518.498
Retained Earnings / Losses	24.7	3.023.037.662	1.516.588.147
Net Profit / (Loss) for the Period	31	(102.271.864)	1.506.449.515
Non-controlling interests	24.8	95.604.106	104.694.363
TOTAL LIABILITIES AND EQUITY		16.435.415.539	16.508.827.177

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME
STATEMENT FOR THE PERIOD OF 30 SEPTEMBER 2024

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

		<i>Unreviewed</i> Current Period 01.01- 30.09.2024	<i>Unreviewed</i> Prior Period 01.01- 30.09.2023	<i>Unreviewed</i> Prior Period 01.07- 30.09.2024	<i>Unreviewed</i> Prior Period 01.07- 30.09.2023
	Footnote				
Revenue	25.1	5.322.781.972	6.512.153.178	1.768.644.459	2.493.607.189
Cost of Sales (-)	25.2	(5.435.001.162)	(6.104.185.781)	(1.797.610.482)	(2.277.145.490)
Gross Profit / (Loss)		(112.219.190)	407.967.397	(28.966.023)	216.461.699
General Administrative Expenses (-)	26.3	(206.306.729)	(338.227.146)	(55.608.992)	(93.435.936)
Marketing Expenses (-)	26.2	(135.060.639)	(165.228.454)	(45.405.311)	(58.579.389)
Research and Development Expenses (-)	26.1	(30.915.729)	(49.987.907)	(9.488.659)	(10.942.324)
Other Operating Income	27.1	397.723.775	727.389.515	111.684.590	133.016.930
Other Operating Expenses (-)	27.2	(109.598.936)	(264.140.262)	(3.482.720)	(42.389.927)
Operating Profit / (Loss)		(196.377.448)	317.773.143	(31.267.115)	144.131.053
Income from Investment Activities	28.1	748.906.389	4.397.192	402.813	1.014.690
Expenses from Investment Activities (-)	28.2	(1.145.706)	(1.643)	(306.087)	282
Shares of Profit/(Loss) from Investments Valued by Equity Pick-up Method	28.3	(5.798.893)	(49.650.304)	(975.384)	(781.936)
Operating Activity Profit/(Loss) Before Financial Expense		545.584.342	272.518.388	(32.145.773)	144.364.089
Financial Income	29.1	207.210.897	192.280.584	117.398.958	35.322.381
Financial Expenses (-)	29.2	(701.238.629)	(1.345.148.571)	(282.582.799)	(219.851.087)
Net Monetary Position Gains/(Losses)		136.202.723	1.598.581.859	21.763.430	983.212.524
Operating Activity Profit/(Loss) Before Taxation		187.759.333	718.232.260	(175.566.184)	943.047.907
Operating Activity Tax Income/(Expense)					
Current Tax Income/(Expense)	30	-	(2.458.557)	-	(285.860)
Deferred Tax Income/(Expense)	30	(299.044.970)	(439.446.007)	(23.131.079)	(293.745.472)
Current Period Operating Activity Profit / (Loss)		(111.285.637)	276.327.696	(198.697.263)	649.016.575
Profit/(Loss) for the Period		(111.285.637)	276.327.696	(198.697.263)	649.016.575
Distribution of the Period Income/(Loss)					
Minority Interests	24.8	(9.013.773)	10.935.573	933.298	12.049.191
Parent Company's Shares	31	(102.271.864)	265.392.123	(199.630.561)	636.967.384
Earnings Per Share	31	(0,3688)	1,0616	(0,7199)	2,5479

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME
STATEMENT FOR THE PERIOD OF 30 SEPTEMBER 2024

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

		<i>Unreviewed</i>	<i>Unreviewed</i>	<i>Unreviewed</i>	<i>Unreviewed</i>
		Current	Prior	Prior	Prior
		Period	Period	Period	Period
	Footnote	01.01- 30.09.2024	01.01- 30.09.2023	01.07- 30.09.2024	01.07- 30.09.2023
Profit/(Loss) for the Period		(111.285.637)	276.327.696	(198.697.263)	649.016.575
Other Comprehensive Income:					
Income (Expenses) not to be Reclassified on Profit or (Loss)					
- Defined Benefit Plans Re-Measurement Gains (Losses)	21	(7.997.404)	(6.304.096)	(1.097.694)	1.583.265
Accumulated Other Comprehensive Income Taxes not to be Reclassified to Profit or (Loss)					
- Deferred Tax Income / (Expense)	30	1.976.405	1.573.889	266.990	(397.951)
Income or Expenses that will be Reclassified on Profit or (Loss)					
- Gains/(Losses) on Financial Assets Measured at Fair Value through Other Comprehensive Income		421.356	-	377.620	-
Other Comprehensive Income		(5.599.643)	(4.730.207)	(453.084)	1.185.314
Total Comprehensive Income/(Expense)		(116.885.280)	271.597.489	(199.150.347)	650.201.889
Distribution of Total Comprehensive Income					
Minority Interests	24.8	(9.090.257)	10.975.572	908.525	12.039.143
Parent Company's Shares	31	(107.795.023)	260.621.917	(200.058.872)	638.162.746

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
STATEMENT OF CONSOLIDATED CHANGES IN SHAREHOLDER'S EQUITY FOR THE PERIODS OF
30 SEPTEMBER 2024

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

					Accumulated Other Comprehensive Income and Expenses that will not be Reclassified to Profit or Loss	Accumulated Other Comprehensive Income and Expenses that will be Reclassified to Profit or Loss			Accumulated profit				
	Footnote	Paid in Capital	Adjustments of Shareholders' Equity	Bonuses/ Discounts on Shares	Increase / (Decrease) on Revaluation of Tangible Assets	Defined Benefit Plans Re-Measurement Gains / (Losses)	Gains/(Losses) on Financial Assets Measured at Fair Value through Other Comprehensive Income	Restricted Reserves	Accumulated Profit/Loss	Net Profit/Loss For The Period	Parent Company's Equity	Minority Interests	Total Equity
Balances at 01.01.2023		250.000.000	4.400.561.965	-	2.485.621.446	(1.228.930)	-	166.518.498	(1.090.899.614)	2.607.487.761	8.818.061.126	99.396.016	8.917.457.142
Capital Increase	24	27.292.576	13.478.438	348.504.678	-	-	-	-	-	-	389.275.692	-	389.275.692
Transfers	24	-	-	-	-	-	-	-	2.607.487.761	2.607.487.761)	-	-	-
Total Comprehensive Income/(Loss)		-	-	-	-	(4.770.206)	-	-	-	265.392.123	260.621.917	10.975.572	271.597.489
- Profit/(Loss) for the Period	24	-	-	-	-	-	-	-	-	265.392.123	265.392.123	10.935.573	276.327.696
- Other Comprehensive Income/(Expense)	24	-	-	-	-	(4.770.206)	-	-	-	-	(4.770.206)	39.999	(4.730.207)
Balances at 30.09.2023	24	277.292.576	4.414.040.403	348.504.678	2.485.621.446	(5.999.136)	-	166.518.498	1.516.588.147	265.392.123	9.467.958.735	110.371.588	9.578.330.323
Balances at 01.01.2024	24	277.292.576	4.414.040.403	348.504.678	2.455.421.094	6.521.574	(214.674)	166.518.498	1.516.588.147	1.506.449.515	10.691.121.811	104.694.363	10.795.816.174
Transfers	24	-	-	-	-	-	-	-	1.506.449.515	1.506.449.515)	-	-	-
Total Comprehensive Income/(Loss)		-	-	-	-	(5.944.515)	421.356	-	-	(102.271.864)	(107.795.023)	(9.090.257)	(116.885.280)
- Profit/(Loss) for the Period	24	-	-	-	-	-	-	-	-	(102.271.864)	(102.271.864)	(9.013.773)	(111.285.637)
- Other Comprehensive Income/(Expense)	24	-	-	-	-	(5.944.515)	421.356	-	-	-	(5.523.159)	(76.484)	(5.599.643)
Balances at 30.09.2024	24	277.292.576	4.414.040.403	348.504.678	2.455.421.094	577.059	206.682	166.518.498	3.023.037.662	(102.271.864)	10.583.326.788	95.604.106	10.678.930.894

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIODS OF 30 SEPTEMBER 2024

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

		<i>Unreviewed Current Period 01.01- 30.09.2024</i>	<i>Unreviewed Prior Period 01.01- 30.09.2023</i>
	Footnote		
CASH FLOWS FROM THE OPERATING ACTIVITIES		(422.720.494)	236.149.596
Profit/(Loss) for the Period			
Current Period Operating Activity Profit / (Loss)		(111.285.637)	276.327.696
Adjustments Related with Net Profit/Loss for The Period		(355.139.691)	(1.419.657.484)
Adjustments for Depreciation, Amortisation Expenses	17-18-19	525.211.854	472.465.312
Adjustments Related to the Provisions			
- Adjustments for Employee Termination Benefits	21-30	(7.152.060)	(57.448.639)
- Adjustment for Provision for Expenses and Lawsuits	21	(2.106.379)	886.543
- Adjustment for Other Provisions or Reversals	21	3.938.300	360.854
- Deferred Financial Expense Arise from Forward Purchasing	27.2	41.212.380	20.611.345
- Unearned Income from Futures Sale	27.1	(44.074.562)	(30.598.581)
Adjustments for Fair Value Profit or Loss			
- Adjustments for Investment Properties Fair Value Losses /(Profits)	16	(746.933.483)	-
- Adjustments for Financial Instruments Fair Value Losses /(Profits)	10	-	(281.338)
- Adjustments for Fair Value Profit or Loss		421.356	-
Adjustments for unrealised foreign exchange losses (gains)	8	223.760.941	350.269.779
Adjustments for Retained Earnings of Investments Subject to Equity Pick-up Method			
- Adjustment for Retained Earnings of Subsidiaries	28.3	5.798.893	49.650.304
Tax Payments/Returns	30	299.044.970	439.446.008
Monetary profit/loss		(654.261.901)	(2.665.019.071)
Changes In The Company Capital		44.859.996	1.377.832.321
Increase/Decrease in Financial Investments	5	(371.184)	(1.568.492)
Adjustments for Increase/Decrease in Trade Receivables			
- Adjustments for Increase/Decrease in Trade Receivables from Related Parties	6-7	(515.590.229)	(207.430.522)
- Adjustments for Increase/Decrease in Trade Receivables from Unrelated Parties	7	(404.497.590)	(639.393.337)
Adjustments for Increase/Decrease in Other Receivables Related to the Operations			
- Adjustments for Increase/Decrease in Other Receivables from Related Parties Related to the Operations	6-9	(10.899.201)	(514.099)
- Adjustments for Increase/Decrease in Other Receivables from Unrelated Parties Related to the Operations	9	(31.664.695)	159.982.599
Adjustments for Increase/Decrease in Inventories	11	980.825.488	1.292.305.156
Adjustments Related to the Increase/Decrease in Biological Assets	12	(54.202.644)	(20.013.776)
Adjustments for Increase/Decrease in Prepaid Expenses	13	29.615.270	(24.379.706)
Adjustments for Increase/Decrease in Trade Payables			
- Adjustments for Increase/Decrease in Trade Payables to Related Parties	6-7	(34.310)	-
- Adjustments for Increase/Decrease in Trade Payables to Unrelated Parties	7	53.535.882	748.114.848
Increase/Decrease in Employee Benefits Liabilities	22	6.932.682	95.299.580
Adjustments for Increase/Decrease in Other Payables Related to the Operations			
- Adjustments for Increase/Decrease in Other Payables from Unrelated Parties Related to the Operations	9	7.448.408	3.489.533
Increase/Decrease in Deferred Tax	13	(16.237.881)	(28.059.463)
Cash Flow from Operating Activities		(421.565.332)	234.502.533
Tax Payments/Returns	30	(1.155.162)	1.647.063

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIODS OF 30 SEPTEMBER 2024

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

		<i>Unreviewed Current Period 01.01- 30.09.2024</i>	<i>Unreviewed Prior Period 01.01- 30.09.2023</i>
	Footnote		
NET CASH FLOW PROVIDED BY INVESTMENT ACTIVITIES		(129.925.714)	(948.797.248)
Proceeds from Sale of Property, Plant, Equipment and Intangible Assets			
- Proceeds from Sale of Tangible Assets	17	1.369.214	449.150
Proceeds from Purchase of Property, Plant, Equipment and Intangible Assets			
- Proceeds from Purchase of Tangible Assets	17	(127.722.013)	(945.454.891)
- Proceeds from Purchase of Intangible Assets	19	(3.572.915)	(3.791.507)
CASH FLOW PROVIDED BY FINANCIAL ACTIVITIES		848.082.661	1.219.778.451
Cash Inflows from Issuance of Shares and Other Equity Instruments			
- Cash Inflows from Share Issuance		-	389.275.692
Cash Inflows from Financial Liabilities			
- Cash Inflows from Bank Loans	8	1.844.120.664	571.957.345
Cash Outflows from Financial Liabilities			
- Cash Outflows for Bank Loans	8	(991.523.497)	256.096.276
Cash Outflows from Finance Leases	8	(4.514.506)	2.449.138
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN EXCHANGE CURRENCY DIFFERENCES (A+B+C)		295.436.453	507.130.799
EFFECTS OF INFLATION ON CASH AND CAH EQUIVALENTS		(157.019.985)	(145.683.996)
D. THE EFFECT OF FOREIGN CURRENCY DIFFERENCES ON CASH AND CASH EQUIVALENTS		-	-
CASH AND CASH EQUIVALENTS NET INCREASE/DECREASE		138.416.468	361.446.803
CASH AND CASH EQUIVALENTS AT THE BEGINING OF THE PERIOD	4	594.885.277	263.302.891
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	733.301.745	624.749.694

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED AT 30 SEPTEMBER 2024

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

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

Menderes Tekstil Sanayi ve Ticaret Anonim Şirketi (“The Company” or “Menderes Tekstil”), its Subsidiaries and Equity participations are referred as “Group” in the accompanying consolidated financial statements.

The entities mentioned below are applied “Full Consolidation Method”:

- Menderes Tekstil Sanayi ve Ticaret A.Ş.
- Smyrna Seracılık Ticaret A.Ş.

The entities mentioned below are applied by “Equity Pick up Method”:

- Aktur İzmir Gayrimenkul A.Ş.

Menderes Tekstil Sanayi ve Ticaret A.Ş.

The Company produces cotton press, electric energy, yarn, fabric, valances, dust ruffles, ruffled and tailored shams, comforter shells, printed towels and linens in integrated cotton and synthetic textile establishment.

The Company address registered on the Trade Registry Gazette is Adalet Mahallesi, Manas Bulvarı, No:47/A 42. Kat Bayraklı, İzmir.

As of 30 September 2024, 2.159 personnel are employed by the Company and the average number of personnel is 2.255 for the period of 01.01-30.09.2024.

Company shares are traded in the Borsa Istanbul since 2000.

Production Capacity (Textile)

According to the capacity report from Denizli Industrial Chamber dated 02 May 2024 numbered 193 and valid until 03 May 2026, the Company annual production capacity is as follows: (Companies production capacity has been calculated with daily 8 hours, yearly 300 days. Company works for 3 shifts in a day):

Products	Unit	Quantity
Cotton yarn (is used in its production)	Kg	5.438.718
Raw fabric woven (is used in its production)	m2	59.151.060
Knitted fabric (is used in its production)	Kg	1.004.400
Linens	Kg	19.477.500
Pillow case	Kg	5.670.000
Sheet	Kg	7.218.750
Quilt	Quantity	180.000
Fabric painting (is used in its production)	Kg	1.670.400
Fabric bleaching (is used in its production)	Kg	9.000.720
Fabric printing (is used in its production)	Kg	14.121.000
Digital fabric printing (is used in its production)	Kg	1.573.719

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Production Capacity (Energy)

According to the capacity report from Denizli Industrial Chamber dated 17 November 2023, numbered 611 and valid until 21 November 2025, the Company annual production capacity is as follows:

	Unit	Quantity
Electricity energy	Kilowatt saat	161.827.000
Steam (is used in its production)	Joule	617.569.920.000
Hot water (is used in its production)	Joule	238.360.320.000

Information about the Group's power plants in operation, together with its current installed powers, is presented in the table below:

Power plants	Company	Location	Type	Electricity Production Capacity (kWh)
<i>Geothermal</i>				
Baklacı	Menderes	Manisa	Geothermal	155.200.000
Tosunlar	Menderes	Denizli	Geothermal	30.456.000
<i>Wind</i>				
Aliağa	Menderes	İzmir	Wind	57.254.400
Bergama	Menderes	İzmir	Wind	75.816.000
<i>Solar</i>				
Sarayköy	Menderes	Denizli	Solar	9.287.600

Smyrna Seracılık Ticaret A.Ş.

Smyrna Seracılık Ticaret A.Ş. was established in 2007 in İzmir. It is engaged in agricultural production. In the Trade Registry Gazette numbered 7296 and dated 21 April 2009, the Company name has been changed from Smyrna Organik Tarım Sanayi ve Ticaret A.Ş. to Smyrna Seracılık Ticaret A.Ş. The Company has been included to the complete consolidation in 2009.

Smyrna Seracılık Ticaret A.Ş. has operated on the existing area which is 258.700 m².

Capacity Report (Sarayköy)

According to the capacity report from Denizli Industrial Chamber dated 8 May 2023, numbered 263 and valid until 11 May 2025, The Company production capacity is as follows:

Product	Unit	Quantity
Tomato	Ton	6.499

The Company recorded address to the trade registry is Köyiçi Mevkii, Tosunlar Kasabası Sarayköy, Denizli.

As of 30 September 2024, 357 personnel are employed by the Company and the average number of personnel is 363 for the period of 01.01.-30.09.2024.

Aktur İzmir Gayrimenkul A.Ş.

Aktur İzmir Gayrimenkul A.Ş. was established by spin-off of Aktur Araç Muayene İşletmeciliği A.Ş. with the resolution of the general assembly published in the Trade Registry Newspaper dated November 23, 2020 and numbered 10208. The company generates rental income from the properties it owns. Head office of the company is in İzmir

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.a. Basis of Presentation

Compliance Statement

The Group is predicate on Turkish Commercial Code ("TCC"), tax legislation of the Republic of Turkey and the Uniform Chart of Accounts issued by the Ministry of Finance while maintaining its legal accounting records and preparing statutory financial statements. Financial statements, except financial assets and liabilities which are signified by the fair value, on the basis of historical cost in Turkish Lira ("TRY") have been prepared. Financial statements prepared in accordance with the historical cost basis and in order to make fair presentation in accordance with IAS / IFRS, to the legal records required adjustments and reclassifications are reflected. Paid in capital, premiums on shares and restricted reserves in equity are reflected with their statutory accounting records.

The Preparation of Financial Statements

The accompanying consolidated financial statements are prepared in accordance with the Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on 13 June 2013. According to the article 5 of the Communiqué, consolidated financial statements are prepared in accordance with Turkish Financial Reporting Standards ("IFRS") and its addendum and interpretations ("IFRIC") issued by Public Oversight Accounting and Auditing Standards Authority ("POA") Turkish Accounting Standards Boards. The consolidated financial statements of the Group are prepared as per the CMB announcement of 4 October 2022 relating to financial statements presentations.

Financial reporting in hyperinflationary economy

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying IFRSs 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 30 September 2024. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy. According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 30 September 2023 and 31 December 2023, on the purchasing power basis as of 30 September 2024.

Pursuant to the decision of the Capital Markets Board ("CMB") dated 28 December 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of TAS 29 starting from their annual financial reports for the periods ending on 31 December 2023

The adjustments made in accordance with TAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index ("CPI") of Turkey published by the Turkish Statistical Institute ("TURKSTAT"). As of 30 September 2024, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follow:

Date	Index	Adjustment coefficient	Three-Year Compound Inflation Rate
30.09.2024	2.526,16	1,0000	%343
31.12.2023	1.859,38	1,2473	%268
30.09.2023	1.691,04	1,4938	%254

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

- Current period consolidated financial statements prepared in TRY are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 “Impairment of Assets” and TAS 2 “Inventories” are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.
- The effect of inflation on the Group's net monetary asset position in the current period is recorded in the monetary gain/loss account in the consolidated income statement.

Approval of Financial Statements

Consolidated financial statements are approved by the Board of Directors and granted authority to publish on 8 November 2024 Boards of Directors have authority to change financial statements.

Currency Measurement and Reporting Currency

As of 30 September 2024 and 31 December 2023 the Group’s functional and reporting currency unit is represented in TRY compared to previous periods.

Rounding of amounts presented in financial statements

The financial information given in TRY has been rounded to the nearest full TRY value.

Offsetting

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

Going Concern

The accompanying consolidated financial statements have been prepared assuming that the group will continue to generate benefit from its assets and fill its liabilities in the following year under the natural course of its activities based on the assumption of continuity of business.

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Basis of Consolidation

The capital structure of subsidiaries and participations are as follows:

Subsidiaries	Consolidation Method	30 September 2024	31 December 2023
Smyrna Seracılık Ticaret A.Ş.	Full Consolidation	79,17%	79,17%

Participations	Consolidation Method	30 September 2024	31 December 2023
Aktur İzmir Gayrimenkul A.Ş.	Equity Pick up	48,00%	48,00%

Investments in associates are accounted via using equity pick up method. These are entities in which the Group generally holds between 20% and 50% of the voting rights, or where the Group has significant influence, as well as not having control over the operations of the Group.

Subsidiaries are included in consolidation as of the date of transition to the controlling the Group and they are excluded from the scope of consolidation as of the date of completion of the control.

The share of minority shareholders in the net assets and operating results of the Subsidiaries are presented as minority interest in the consolidated balance sheet and income statement.

In the accompanying consolidated financial statements, results of operations and assets and liabilities of associates are accounted for using equity pick up method of accounting. According to the equity pick up method, associates in the consolidated financial statements are shown on the basis of the amount obtained by subtracting the cost value from the net assets of the subsidiary after deducting any impairment in the associate. Losses that exceed the share of the Group in the associate are not recognized in the records. Additional loss is due to the fact that the Group has been exposed to legal or implied liability or has made payments on behalf of an affiliate or business partnership.

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As of 30 September 2024 and 31 December 2023, the capital structure of subsidiaries and participations are as follows:

Menderes Tekstil Sanayi ve Ticaret A.Ş.(Parent Company)

	30.09.2024	31.12.2023
	Ratio %	Ratio %
Public Offered Shares	49,79	49,79
Akça Holding A.Ş.	48,06	48,06
Other	2,16	2,16
	%100	%100

Akça Holding A.Ş. (Controlling Shareholder of Menderes Tekstil Sanayi ve Ticaret A.Ş.)

	30.09.2024	31.12.2023
	Ratio %	Ratio %
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	63,19	56,67
Rıza Akça	18,41	21,67
Dilek Göksan	9,20	10,83
Ahmet Bilge Göksan	9,20	10,83
	%100	%100

Smyrna Seracılık Ticaret A.Ş. (Subsidiary)

	30.09.2024	31.12.2023
	Ratio %	Ratio %
Menderes Tekstil Sanayi ve Ticaret A.Ş.	79,17	79,17
Rıza Akça	10,31	10,31
Ahmet Bilge Göksan	5,16	5,16
Dilek Göksan	5,16	5,16
Other	0,20	0,20
	%100	%100

Aktur İzmir Gayrimenkul A.Ş. (Subsidiary)

	30.09.2024	31.12.2023
	Ratio %	Ratio %
Zeybekçi Holding A.Ş.	50,00	50,00
Menderes Tekstil Sanayi ve Ticaret A.Ş.	48,00	48,00
Akça Holding A.Ş.	2,00	2,00
	%100	%100

2.b. Comparative Information and Previous Periods Adjustments

For the purpose of conducting a comparison of financial position and performance trend, the Group’s current financial statements are prepared comparative with previous periods. Comparative information is reclassified to be compatible with the presentation of current financial statements, when necessary.

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2.c. Changes in Accounting Estimates and Errors

The accompanying financial statements necessitate that some predictions about income and expenses regarding possible assets and liabilities in the financial statements prepared by group management to be compatible with statements required by Capital Market Board. Realized amounts can differ from the predictions. These predictions are observed regularly and reported periodically in income statements.

2.d. Changes in Accounting Policies

A group only could change it is accounting policy under following circumstances;

- If a standard or interpretation makes it necessary or
- If the change make effect of operations or incidents on financial position and performance or cash flows more appropriate and reliable.

Financial statements have to be comparable to see trends in the financial position of companies, performance and cash flows for users of financial statements. Accordingly, why, if the change is not granting one of above conditions, each interim and fiscal periods has to be applied same accounting policy.

The accounting policies implemented in the financial statements are the same as those implemented in the financial statements as of 30 September 2024 and 31 December 2023 and for the year ended on the same date, except as stated above.

2.e. The new standards, amendments and interpretations

The accounting policies adopted in preparation of the condensed financial statements as of 30 September 2024 are consistent with those of the previous financial year, except for the adoption of new and amended Turkish Accounting Standards (“TAS”)/IFRS and IFRIC interpretation effective as of 01 January 2024. The effects of these standards and interpretations on the Group’s financial position and performance have been disclosed in the related paragraphs.

Amendments that are mandatorily effective from 2024

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

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

Amendments to TAS 1 : Non-current Liabilities with Covenants

TAS 7 and TFRS 7 : Supplier Finance Arrangements

TSRS 1 : General Requirements for Disclosure of Sustainability- related Financial Information

TSRS 2 : Climate-related Disclosures

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

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non- current. Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2024 and earlier application is permitted.

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Amendments to IFRS 16 Lease Liability in a Sale and Leaseback;

Amendments to IFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

Amendments to TAS 1 Non-current Liabilities with Covenants;

Amendments to TAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

Amendments to TAS 7 and IFRS 7 Supplier Finance Arrangements;

The amendments add disclosure requirements, and ‘signposts’ within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

TSRS 1 General Requirements for Disclosure of Sustainability-related Financial Information;

TSRS 1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

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TSRS 2 Climate-related Disclosures;

TSRS 2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

The Group Management has evaluated that these amendments and interpretations, effective from 2024, have no impact on the Group's consolidated financial statements.

New and revised IFRSs in issue but not yet effective

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

IFRS 17 : Insurance Contracts
Amendments to IFRS 17: Initial Application of IFRS 17 and IFRS 9 - Comparative Information
Amendments to TAS 21: Lack of Exchangeability

IFRS 17 Insurance Contracts

IFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace IFRS 4 Insurance Contracts on 1 January 2025.

Amendments to IFRS 17 Insurance Contracts and Initial Application of IFRS 17 and IFRS 9 — Comparative Information

Amendments have been made in IFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application. The amendment permits entities that first apply IFRS 17 and IFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset before. Amendments are effective with the first application of IFRS 17.

Amendments to TAS 21 Lack of Exchangeability

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

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

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2.f. Summary of Significant Accounting Policy

Revenue Recognition

Group recognizes revenue based on the following five principles in accordance with the IFRS 15 - “Revenue from Contracts with Customers” standard effective from 1 January 2018.

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

Group evaluates each contracted obligation separately and respective obligations, which are committed to deliver the goods or perform services, are determined as separate performance obligations. Group determines at contract inception whether the performance obligation is satisfied over time or at a point in time. When the Group transfers control of a good or service over time, and therefore satisfies a performance obligation over time, then the revenue is recognized over time by measuring the progress towards complete satisfaction of that performance obligation.

The goods or services are transferred when the control of the goods or services is delivered to the customers. Following indicators are considered while evaluating the transfer of control of the goods and services,

- a) presence of Group’s collection right of the consideration for the goods or services,
- b) customer’s ownership of the legal title on goods or services,
- c) physical transfer of the goods or services,
- d) customer’s ownership of significant risks and rewards related to the goods or services,
- e) customer’s acceptance of goods or services.

If Group expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less, the promised amount of consideration for the effects of a significant financing component is not adjusted. On the other hand, when the contract effectively constitutes a financing component, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of the consideration is recognized on an accrual basis as other operating income.

Interest Income

Interest income is accrued using the effective interest method which brings the remaining principal amount and expected future cash flows to the net book value of the related deposit during the expected life of the deposit.

Interest and foreign exchange gains and losses arising from trading transactions are recognized in other operating income and expense.

Dividend income is recorded as income of the collection right transfer date. Dividends payable are recognized as an appropriation of profit in the period in which they are declared.

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Inventories

Inventories are valued at the lower of cost or net realizable value. Inventory costs include purchasing costs. The unit cost of inventories is determined average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

Biological Assets

Group's biological assets consist of planted tomatoes. Uncultivated tomatoes are reflected in the consolidated financial statements after the provision for impairment is booked, if there is a decrease in cost due to the absence of an active market.

Tangible Assets

Lands, buildings, land improvements, machineries and equipment are reflected to the consolidated financial statements at fair values that are determined by an independent real estate appraisal company, which is accredited by CMB as of 31 December 2023.

The valuation company used the Market Value Method in determining the fair values of land, land and buildings. The "Market Value and Cost Method" was used to determine the fair values of land improvements and machinery, plant and equipment.

The revaluation frequency depends on the differences at the fair values of tangible fixed assets.

If net book value of an asset increases as a result of the revaluation, this increase is recognized at statement of other comprehensive income and presented under the revaluation fund account in the equity. However a revaluation value increase can only be recognized in the profit or loss statement to the extent of impairment recorded in the previous periods for the same asset.

If net book value of an asset decreases during the revaluation, this decrease is recognized as expense. However this decrease can only be recognized as much as all kinds of credit balance about this asset in the revaluation surplus.

The subjected decrease recognized in other comprehensive income, decreases the amount accumulated in equity under revaluation surplus. In the case of sales of revalued building or land, revaluation surplus part of revalued asset is classified to accumulated profit/(loss).

Property, plant and equipment are carried at indexed cost less indexed accumulated depreciation. Historical costs include the costs directly related to the acquisition of property plant and equipment. Costs incurred after the acquisition can be added to the net book value of the assets or can be booked as another asset if and only if it is probable that the future economic benefits will flow to the Group and the cost of the asset can be measured reliably. All other repair and maintenance costs are expensed in the consolidated statement of comprehensive income for the period. Depreciation is provided using the straight-line method based on the estimated useful lives of gross book value of assets.

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Economic useful lives of assets approximately are as follows:

	Year
Land improvements	10-40
Buildings	30-50
Machinery, plant and equipment	5-15
Energy facilities	20-25
Motor vehicles	5-10
Fixtures and fittings	3-20

Intangible Assets

Intangible assets are carried at restated acquisition cost less accumulated amortization.

Intangible assets comprise acquired usage rights, information systems, research and development expenses and other identified rights. They are recorded at acquisition cost and amortized on a straight-line based on pro-rata over their estimated useful lives for a period not exceeding between 10% and 20% for a year.

Investment Properties

Investment properties are the real estates which are held to earn rental income and/or for capital appreciation. Investment properties are presented in the financial statements at their fair value determined in the revaluation work. Revaluation work was performed by an independent appraisal company accredited by the Capital Market Board. Appreciation or devaluation in the mentioned properties is accounted in the consolidated profit or loss table.

If an owner-occupied property becomes an investment property that will be carried at fair value, an entity shall apply TAS 16 up to the date of change in use. The entity shall treat any difference at that date between the carrying amount of the property in accordance with TAS 16 and its fair value in the same way as a revaluation in accordance with TAS 16.

Investment properties are derecognized when either they have been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statement of profit or loss in the year of retirement or disposal. A gain or loss arising from a change in the fair value of investment property shall be recognized in profit or loss for the period in which it arises.

Impairment of Assets

The carrying amounts of the Group’s assets other than goodwill are reviewed at each balance sheet date to determine whether there is any indication of impairment. When an indication of impairment exists, the Group compares the carrying amount of the asset with its net realizable value which is the higher of value in use or fair value less costs to sell. Impairment exists if the carrying value of an asset or a cash generating unit is greater than its recoverable amount which is the higher of value in use or fair value less costs to sell. An impairment loss is recognized immediately in the comprehensive statement of income. The increase in carrying value of the assets (or a cash generated unit) due to the reversal of recognized impairment loss shall not exceed the carrying amount of the asset (net of amortization amount) in case where the impairment loss was reflected in the consolidated financial statements in prior periods. Such a reversal is accounted for in the comprehensive statement of income.

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Right-of-Use Assets

The Group recognizes right-of-use assets at the commencement of the lease (i.e., the date of 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.

The cost of right-of-use asset includes:

- (a) the amount of lease liabilities recognized,
- (b) lease payments made at or before the commencement date less any lease incentives received.
- (c) initial direct costs incurred.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized 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.

Lease Liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term.

At the commencement date of the lease, the measurement of the lease liabilities include:

- (a) Fixed payments,
- (b) The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs,
- (c) The amounts expected to be paid by the Group under residual value guarantees.
- (d) The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and
- (e) The 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 recognized 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 Group measures the amount of lease liabilities as follows:

- (a) The amount of lease liabilities is increased to reflect the accretion of interest and
- (b) Reduces 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.

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Short – term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (ie, 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 lease and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Borrowing costs

Borrowings are recognized initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective yield method; any difference between proceeds, net of transaction costs, and the redemption value is recognized in the statement of income over the period of the borrowings.

In case of foreign exchange income in the financing activities, the related income is deducted from the total of capitalized financial expenses.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All of the other borrowing costs are recorded in the income statement in the period in which they are incurred.

Foreign exchange differences relating to borrowings, to the extent that they are regarded as an adjustment to interest costs, are also capitalized. The gains and losses that are an adjustment to interest costs include the interest rate differential between borrowing costs that would be incurred if the entity borrowed funds in its functional currency, and borrowing costs actually incurred on foreign currency borrowings.

Financial Assets

Classification

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

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

Recognition and Measurement

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

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

Group may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, to present subsequent changes in fair value in other comprehensive income. In such cases, dividends from those investments are accounted for under consolidated statement of income.

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

Derecognition

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

Impairment

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

Provision for loss measured as below;

- 12 Month ECL: results from default events that are possible within 12 months after reporting date.
- Lifetime ECL: results from all possible default events over the expected life of financial instrument.

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

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

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Trade Receivables

Trade receivables that are created by way of providing goods or services directly to a debtor are measured at amortized cost, using the effective interest rate method. Short duration receivables with no stated interest rate are measured at the original invoice amount unless the effect of imputing interest is significant.

Group has preferred to apply "simplified approach" for the recognition of impairment losses on trade receivables, carried at amortized cost and that do not comprise of any significant finance component (those with maturity less than 1 year). In accordance with the simplified approach, Group measures the loss allowances regarding its trade receivables at an amount equal to "lifetime expected credit losses" except incurred credit losses in which trade receivables are already impaired for a specific reason.

If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the release of the provision is credited to other operating income.

Unearned finance income/expense due to commercial transactions are accounted for under "Other Operating Income/Expenses" in the consolidated statement of income or loss.

The Group collects some of its receivables through factoring. The receivables that are subject to the factoring transaction are deducted from their respective receivables accounts, if the collection risk is undertaken by the Factoring Group. The amounts at Group's collection risk continue to be transferred to the Consolidated Financial Statements and advances received from the factoring companies are presented as debts from factoring transactions under the "Borrowings" account in the Consolidated Financial Statements.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank deposits with original maturities of more than three months and shorter than 1 year are classified under short-term financial investments.

Financial Liabilities

Financial liabilities are measured initially at fair value. Transaction costs which are directly related to the financial liability are added to the fair value.

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

Financial liabilities are classified as equity instruments and other financial liabilities.

Equity instruments

Financial liabilities related to non-controlling share put options are reflected in the financial statements in conformity with their discounted value of them own redemption plan. The discounted value of the financial liability which is the subject of the put option is estimated to be the fair value of the financial asset.

Other financial liabilities

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

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Trade Payables

Trade payables are payments to be made arising from the purchase of goods and services from suppliers within the ordinary course of business. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

The Effects of Exchange Rates

Foreign currency transactions are entered in the accounts with current rates in transaction date. Foreign currency assets and liabilities in the balance sheet are converted to the TRY as the rates in the balance sheet date. Foreign exchange and losses are reflected to the financial statements.

Effects of Change in Currency Rate

Assets and liabilities in foreign currency and purchase and sale commitments create exchange risk. Foreign exchange risk stemming from depreciation or appreciation of Turkish Lira managed by top management by following the currency position of the Group and taking position according to approved limits.

Earnings per Share / (Loss)

The amount of gain / loss per share is calculated by dividing the period gain/ loss of the Group with weighted average share unit in the period.

In Turkey, companies can increase their share capital by making distribution of “bonus shares” to existing shareholders from Inflation adjustment difference in shareholder’s equity. For the purpose of the earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of “bonus shares” issued without corresponding change in resources by giving them retroactive effect for the period in which they were issued and each earlier period.

Investments Subject to Equity Pick-up Method

Equities valued with equity pick-up method are carried at their initial acquisition cost. This amount is accounted by equity pick-up method by restating subject to Group accounting policies calculating the share of Group from the net assets.

Employee Benefits / Severance Pay

Provision for Severance Pay

Under Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who retires in accordance with social insurance regulations or is called up for military service or dies. As of 30 September 2024, such payments are calculated on the basis of 30 days’ pay limited to a maximum of TRY 41.828 (31 December 2023: TRY 23.490) per year of employment at the rate of pay applicable at the date of retirement.

Group used “Projection Method” to calculate the termination benefits and the duration to be completed based on the past experience and discounted with rate of Treasury bond at balance sheet date. The calculated profits and losses are reflected in income statements.

The ratios of the basic assumptions used on the balance sheet date are as follows:

	30.09.2024	31.12.2023
Discount rate	3,63%	3,20%

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Social Insurance Premium

Group, pays social security contribution to social security organization compulsorily. So long as the Group pays these premiums, it has no liability. These premiums are reflected as personnel expenses in the period in which they are paid.

An obligation is recorded regarding to vacation payments earned by the employees as a result of their past services. In case of termination of employment, the Group is obliged to pay an amount equal to the amount found by multiplying the daily gross wage on the date of termination of the employment contract and the sum of other contractual benefits with the number of earned but unused vacation days. In this context, the Group records the provision for unused vacation as a long-term benefit obligation provided to employees.

Vacation provision is a short-term employee benefit obligation, measured without discount and expensed in profit or loss as the related service is performed.

Taxes

Taxes on income for the period comprise current tax and the change in the deferred taxes. The charge for current tax is based on the results for the period as adjusted for items which are non-assessable or disallowed. It is calculated using tax rates enacted by the balance sheet date. Deferred tax is accounted for using the “liability” method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable (statutory) profit. Deferred tax is accounted by temporary differences between the values of assets and liabilities in financial statements using “liability method” and the values of financial statements for the legal purpose. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit. Net deferred tax assets created from term differences deducted in proportion as tax allowances in conditions of there is no certain information for the coming periods.

Provisions, Conditional Liabilities and Conditional Assets

Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Conditional liabilities and conditional assets

Transactions that may give rise to contingencies and commitments are those where the outcome and the performance of which will be ultimately confirmed only on the occurrence or non occurrence of certain future events, unless the expected performance is not very likely. Accordingly, contingent losses are recognized in the financial statements of Group if a reasonable estimate of the amount of the resulting loss can be made. Contingent gains are reflected only if it is probable that the gain will be realized.

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Derivative Financial Instruments and Instruments to Protect from Risk

The Group’s derivative financial instruments include foreign currency forward contracts and interest rate swap transactions.

At the end of valuation, the derived financial instruments which are appreciated with the reasonable value and associated with income statement will be reflected as a result of valuation to the income sheet.

It has been calculated with comparison of the revalued gains and losses in the forward purchase and sale agreements of foreign currency with the foreign exchange spot rate as of balance sheet date and the revalued original amount calculated with linear method with valid foreign exchange spot rate as of starting date of agreements. Amounts related with income statement have been classified as income/ expense accruals under other receivables and other payables in the balance sheet.

Statement of Cash Flow

The Group prepares statements of cash flows as an integral part of its of financial statements to enable financial statement analysis about the change in its net assets, financial structure and the ability to direct cash flow amounts and timing according to evolving conditions. Cash flows include those from operating activities, working capital, investing activities and financing activities.

Cash flows from operating activities represent the cash flows generated from the Group’s activities. The Group has preferred to present the cash inflows and outflows from operating activities in the financial statements in indirect way.

Cash flows related to investing activities represent the cash flows that are used in or provided from the investing activities of the Group (fixed investments and financial investments).

Cash flows arising from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds.

Subsequent Events

Although subsequent events arise after the explanation of the financial information to the public or any announcement related to profitability, it encloses all the events with balance sheet date and authorization date for the diffusion of the balance sheet. Group adjusts the amounts in the financial statements if there exists any events necessitates adjustment.

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Related Parties

In the presence of one of the following criteria, parties are considered as related to the Group:

- (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 parents, subsidiaries and fellow subsidiaries)
 - (ii) Has an interest in 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, in which the Group is a venture,
- (d) The party is member of the key management personnel of the Group or 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, jointly 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 has a defined benefit plan for the employees of the Group or a related party of the Group.

Transactions with related parties are transfer of resources or obligations between related parties, regardless of whether a price is charged. Group interacts with its related parties within the frame of ordinary business activities (Note 6).

Details of related parties are as follows:

Akça Holding A.Ş. “Akça Holding”

Akça Holding A.Ş. was established in 1994 in İzmir. The Company's field of activity is to provide financial support to group companies.

Osman Akça Tarım Ürünleri İthalat İhracat Sanayi ve Ticaret A.Ş. “Osman Akça Tarım Ürünleri”

Osman Akça Tarım Ürünleri İthalat ve İhracat San. ve Tic. A.Ş. was established on 25 July 1985. Head quarter of The Company is in İzmir. The Company's field of activity is agricultural products and dried fruit processing.

Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti. “Akça Saraylı Tekstil”

Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti. was established in 1990 in İzmir The Company's field of activity is the wholesale and retail sale of textile products.

A trademark lease contract was made between Menderes Tekstil San. ve Tic. A.Ş. and Akça Saraylı Tekstil San. ve Tic. Ltd. Şti. Regarding to this signed contract, Akça Saraylı Tekstil San. ve Tic. Ltd.Şti. is obliged to pay 2% of its annual net sales to Menderes Tekstil San. ve Tic. A.Ş. as a leasing fee. Consequently, Akça Saraylı Tekstil San. ve Tic. Ltd. Şti. leased the trademarks of Mendereshome Store-Menderesstore-Menderestore.

Ak-San Sigorta ve Aracılık Hizmetleri Ltd. Şti. “Aksan Sigorta”

Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti. was established on 13 March 1997. Head quarter of the Company is in İzmir. The Company's field of activity is insurance brokerage services.

Related parties that do not have any significant activity with the Group are as follows:

Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.

Aktur İzmir Gayrimenkul A.Ş.

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Government Grants and Incentives

Government incentives, including non-monetary grants at fair value are included in the consolidated financial statements only if there is reasonable assurance that the Group will fulfill all required conditions and acquire the incentive. A forgivable loan from the government is treated as a government grant when it is probable that the entity will meet the terms for forgiveness of the loan.

The Group has an income from insurance premium employer share incentive based on the Labor Law numbered 4857 and Social Insurance and General Health Insurance Law numbered 5510 This incentive granted by government is not collected in cash but deducted from the accrued insurance premiums by treasury. The mentioned incentive income was off set against cost of goods sold in the financial statements.

2.g. Significant Accounting Estimates and Assumptions

The preparation of consolidated financial statements requires estimates and assumptions to be made regarding the amounts for the assets and liabilities at the balance sheet date, and explanations for the contingent assets and liabilities as well as the amounts of income and expenses realized in the reporting period. The Group makes estimates and assumptions concerning the future. The accounting estimates and assumptions, by definition, may not be equal to the related actual results. The estimates and assumptions that may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial period are addressed below:

Deferred tax

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax bases and statutory tax financial statements. Such differences usually arise from the fact that certain income and expense items are included in the tax base amounts and financial statements prepared in accordance with TAS at different periods. The Group has unused tax losses that can be deducted from future profits and deferred tax assets consisting of other deductible temporary differences. The recoverable amount of deferred tax assets partially or fully is estimated under current conditions. During the assessment, future profit projections, losses incurred in the current period, unused losses and other taxable assets are taken into consideration and tax planning strategies that can be used when necessary are taken into account.

Provision for severance pay

The present value of the retirement pay liability is determined on an actuarial basis using certain assumptions. These assumptions are used in determining the net expense of the termination compensation liabilities and include the rate of reduction. Any change in the underlying assumptions affect the recorded value of the termination indemnity obligation. Actuarial losses and gains are recognized in the statement of comprehensive income in the period in which they are incurred.

The group determines the appropriate reduction rate at the end of each year. This rate is used to calculate the present value of estimated future cash outflows necessary to meet the retirement benefit obligations.

Deferred financing income / expense:

The calculation of the amortized cost of trade receivables and payables by using the effective interest method is based on the expected collection and payment dates of the receivables and payables.

Useful lives:

Tangible and intangible assets are amortized and depreciated on useful lives.

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Provisions for litigation:

When setting aside the provision for legal claims the probability of losing the related case and the results to expect to be suffered in the event that the legal counsel of the Group and management of the Group make their best estimates to calculate the provision.

Investment property impairment:

The Group makes a comparison with the valuation report issued by the licensed real estate valuation company at Capital Market Board when evaluating as to whether any indication that there is a decrease in the value of the investment properties.

Distinction of tangible assets and Investment properties:

The Group has classified the properties which it owns and rented as investment properties.

Fair value measurements of land and buildings

While the fair values of land and buildings have been determined within the scope of TAS 16, real estate valuation reports prepared by Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş. accredited by the Capital Markets Board were used (Note 17).

Fair value measurements of property, plant and equipment

While the fair values of machinery, plant and equipments have been determined within the scope of TAS 16, real estate valuation reports prepared by Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş. accredited by the Capital Markets Board were used (Note 17).

The estimates used are shown in the relevant accounting policies or footnotes.

2.h. Segment Reporting

The Group has three business segments determined by the management based on information available for the evaluation of performances and the allocation of resources. These divisions are; textile (Menderes Tekstil), agriculture sector (Menderes Tekstil and Smyrna) and energy sector (Menderes Tekstil). These segments are managed separately because they are affected by the economic conditions and geographical positions in terms of risks and returns. When evaluating the segments’ performance, Group Management is utilizing the financial statements prepared in accordance with IFRS (Note 3).

Operating segments are reported in a manner consistent with the reporting provided to the Group’s chief operating decision-maker. The Group’s chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

For an operating segment to be identified as a reportable segment, its reported revenue, including both sales to external customers and intersegment sales or transfers, is 10% or more of the combined revenue, internal and external, of all operating segments; the absolute amount of its profit or loss is 10% or more of the combined profit or loss or its assets are 10% or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

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NOT 3 – SEGMENT REPORTING

30 September 2024	Textile Sector	Agricultural Sector	Energy Sector	Elimination	Total
Revenue	2.372.160.508	2.272.211.718	678.409.746	-	5.322.781.972
Cost of Sales (-)	(2.687.049.046)	(2.360.489.657)	(395.947.439)	8.484.980	(5.435.001.162)
GROSS PROFIT/LOSS	(314.888.538)	(88.277.939)	282.462.307	8.484.980	(112.219.190)
General Administrative Expenses (-)	(167.346.456)	(26.914.272)	(12.075.241)	29.240	(206.306.729)
Marketing Expenses (-)	(129.621.892)	(5.438.747)	-	-	(135.060.639)
Research and Development Expenses (-)	(30.915.729)	-	-	-	(30.915.729)
Other Operating Income	177.066.022	228.692.187	479.786	(8.514.220)	397.723.775
Other Operating Expenses (-)	(96.860.282)	(12.730.868)	(7.786)	-	(109.598.936)
OPERATING PROFIT/LOSS	(562.566.875)	95.330.361	270.859.066	-	(196.377.448)
Income from Investing Activities	748.859.412	46.977	-	-	748.906.389
Expense from Investing Activities (-)	(1.145.706)	-	-	-	(1.145.706)
Shares of Profit/(Loss) from Investments Valued by Equity Pick-up Method	(5.798.893)	-	-	-	(5.798.893)
OPERATING PROFIT/LOSS BEFORE FINANCING EXPENSES	179.347.938	95.377.338	270.859.066	-	545.584.342
Financial Income (+)	201.052.196	10.853.536	-	(4.694.835)	207.210.897
Financial Expenses (-)	(395.583.049)	(16.530.254)	(293.820.161)	4.694.835	(701.238.629)
Gains /(Losses) on Net Monetary Position	(680.239.907)	134.849.577	681.593.053	-	136.202.723
OPERATING ACTIVITY PROFIT/(LOSS) BEFORE TAXATION	(695.422.822)	224.550.197	658.631.958	-	187.759.333
Operating Activity Tax Income / (Expense)					
- Income/Expense Tax for the period	-	-	-	-	-
- Deferred Tax Income/Expense	(353.791.943)	54.746.973	-	-	(299.044.970)
PROFIT/(LOSS) FOR THE PERIOD	(1.049.214.765)	279.297.170	658.631.958	-	(111.285.637)

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30 September 2024	Textile Sector	Agricultural Sector	Energy Sector	Elimination	Total
Total Assets	10.440.764.058	2.595.079.691	3.594.843.001	(195.271.211)	16.435.415.539
Total Liabilities	4.118.456.669	257.741.531	1.427.458.778	(47.172.333)	5.756.484.645
Assets by Segments					
Investment Property	1.299.436.730	-	-	-	1.299.436.730
Total Tangible Assets (Net Book Value)	5.076.790.608	548.171.057	3.594.548.547	-	9.219.510.212
Total Intangible Assets (Net Book Value)	-	-	-	-	-
Purchases of Tangible and Intangible Assets	152.893.226	42.757	294.454	-	153.230.437
Depreciation Expenses	72.696.523	55.898.699	2.699.705	-	131.294.927
Investment Property	-	-	-	-	-
Total Tangible Assets (Net Book Value)	266.502.433	42.144.983	216.564.438	-	525.211.854
Detail of the Group's foreign currency assets and liabilities by segments					
Total Assets	2.042.014.532	98.405	-	-	2.042.112.937
Total Liabilities	467.712.976	2.136.342	1.427.458.778	-	1.897.308.096
Net Asset / (Liability) position of off-balance sheet derivative instruments denominated in foreign currencies	-	-	-	-	-
Net Foreign Currency Asset/ Liabilities	1.574.301.556	(2.037.937)	(1.427.458.778)	-	144.804.841
Detail of the Group's financial liabilities by division in currency					
Financial Payables	2.029.974.136	119.039.506	1.427.458.778	-	3.576.472.420
- USD	177.363.284	-	182.246.338	-	359.609.622
- EUR	179.999.626	-	1.245.212.440	-	1.425.212.066
- GBP	-	-	-	-	-
- TRY	1.672.611.226	119.039.506	-	-	1.791.650.732
Export	1.672.153.726	262.721.371	-	-	1.934.875.097
Import	430.310.354	8.534.748	-	-	438.845.102
Total Debt	4.118.456.669	257.741.531	1.427.458.778	(47.172.333)	5.756.484.645
Cash Equivalents	(733.075.027)	(226.718)	-	-	(733.301.745)
Net Debt	3.385.381.642	257.514.813	1.427.458.778	(47.172.333)	5.023.182.900
Total Equity	10.368.130.059	458.899.713	--	(148.098.878)	10.678.930.894
Total Capital	13.753.511.701	716.414.526	1.427.458.778	(195.271.211)	15.702.113.794
Net Debt/Total Capital Ratio	24,61%	35,94%	100,00%		31,99%

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30 September 2023	Textile Sector	Agricultural Sector	Energy Sector	Elimination	Total
Revenue	3.641.316.378	2.109.958.283	760.878.517	-	6.512.153.178
Cost of Sales (-)	(3.515.399.112)	(2.202.379.830)	(389.411.070)	3.004.231	(6.104.185.781)
GROSS PROFIT/LOSS	125.917.266	(92.421.547)	371.467.447	3.004.231	407.967.397
General Administrative Expenses (-)	(320.880.471)	(11.933.038)	(5.434.469)	20.832	(338.227.146)
Marketing Expenses (-)	(156.874.697)	(8.353.757)	-	-	(165.228.454)
Research and Development Expenses (-)	(49.987.907)	-	-	-	(49.987.907)
Other Operating Income	366.757.699	361.600.175	2.056.704	(3.025.063)	727.389.515
Other Operating Expenses (-)	(251.190.864)	(12.892.448)	(56.950)	-	(264.140.262)
OPERATING PROFIT/LOSS	(286.258.974)	235.999.385	368.032.732	-	317.773.143
Income from Investing Activities	1.811.538	2.585.654	-	-	4.397.192
Expense from Investing Activities (-)	(1.643)	-	-	-	(1.643)
Shares of Profit/(Loss) from Investments Valued by Equity Pick-up Method	(49.650.304)	-	-	-	(49.650.304)
OPERATING PROFIT/LOSS BEFORE FINANCING EXPENSES	(334.099.383)	238.585.039	368.032.732	-	272.518.388
Financial Income (+)	183.172.315	11.799.008	-	(2.690.739)	192.280.584
Financial Expenses (-)	(603.959.971)	(7.175.084)	(736.704.255)	2.690.739	(1.345.148.571)
Gains /(Losses) on Net Monetary Position	(117.620.071)	108.411.677	1.607.790.253	-	1.598.581.859
OPERATING ACTIVITY PROFIT/(LOSS) BEFORE TAXATION	(872.507.110)	351.620.640	1.239.118.730	-	718.232.260
Operating Activity Tax Income / (Expense)					
- Income/Expense Tax for the period	-	(2.458.557)	-	-	(2.458.557)
- Deferred Tax Income/Expense	(397.150.949)	(42.295.058)	-	-	(439.446.007)
GROSS PROFIT/LOSS	(1.269.658.059)	306.867.025	1.239.118.730	-	276.327.696

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31 December 2023	Textile Sector	Agricultural Sector	Energy Sector	Elimination	Total
Total Assets	10.624.572.559	2.269.139.806	3.809.547.354	(194.432.542)	16.508.827.177
Total Liabilities	3.883.751.380	343.701.843	1.531.891.444	(46.333.664)	5.713.011.003
Assets by Segments					
Investment Property	552.503.247	-	-	-	552.503.247
Total Tangible Assets (Net Book Value)	5.250.906.683	534.401.547	3.809.089.917	-	9.594.398.147
Total Intangible Assets (Net Book Value)	-	-	-	-	-
Purchases of Tangible and Intangible Assets	173.112.655	58.552	457.436	-	173.628.643
Depreciation Expenses	91.998.457	181.925.736	650.846.984	-	924.771.177
Investment Property	-	-	-	-	-
Total Tangible Assets (Net Book Value)	350.045.849	26.835.974	261.730.172	-	638.611.995
Detail of the Group's foreign currency assets and liabilities by segments					
Total Assets	1.600.929.995	69.410.424	-	-	1.670.340.419
Total Liabilities	624.173.949	11.556.714	1.531.891.444	-	2.167.622.107
Net Asset / (Liability) position of off-balance sheet derivative instruments denominated in foreign currencies	-	-	-	-	-
Net Foreign Currency Asset/ Liabilities	976.756.046	57.853.710	(1.531.891.444)	-	(497.281.688)
Detail of the Group's financial liabilities by division in currency					
Financial Payables	1.777.316.403	93.589.395	1.531.891.444	-	3.402.797.242
- USD	63.236.949	-	260.327.368	-	323.564.317
- EUR	48.906.307	-	1.271.564.076	-	1.320.470.383
- GBP	-	-	-	-	-
- TRY	1.665.173.147	93.589.395	-	-	1.758.762.542
Export	3.135.467.274	450.386.470	-	-	3.585.853.744
Import	1.154.073.067	3.673.074	-	-	1.157.746.141
Total Debt	3.883.751.380	343.701.843	1.531.891.444	(46.333.664)	5.713.011.003
Cash Equivalents	(588.485.785)	(6.467.656)	-	-	(594.953.441)
Net Debt	3.295.265.595	337.234.187	1.531.891.444	(46.333.664)	5.118.057.562
Total Equity	10.074.940.711	868.974.341	--	(148.098.878)	10.795.816.174
Total Capital	13.370.206.306	1.206.208.528	1.531.891.444	(194.432.542)	15.913.873.736
Net Debt/Total Capital Ratio	24,65%	27,96%			32,16%

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Information On the Geographical Region

On a country basis distribution of revenue obtained from the Group’s textile sector export activities are as follows:

Region	01.01.- 30.09.2024	01.01.- 30.09.2023
Germany	44%	36%
U.S.A.	26%	32%
Italy	15%	15%
Netherland	4%	6%
France	3%	2%
Switzerland	1%	1%
Poland	1%	1%
Austria	1%	1%
Romania	1%	0%
Canada	1%	1%
Other	4%	4%
	100%	100%

Information About Major Clients

The sales activities of the Group are determined according to fluctuations in the domestic and overseas markets and competition conditions. It is taken care of to not to concentrate on a specific sector, country, person and Group in terms of dissolving risks. Even so, as of 30 September 2024 the share of the largest buyer in the revenue from textile sector operations is 34,27% (30 September 2023: 30,60%). The customer mentioned is a major international supplier and the commercial relation between the customer and the Group has been maintained for many years.

The share of the largest buyers in the revenue from agriculture sector operations is 78,96% (30 September 2023: 78,64%). The sales of dried fruits (raisin, fig and apricot) from Group to Osman Akça Tarım Ürünleri İthalat İhracat Sanayi ve Ticaret A.Ş. are made in accordance with the "Sales Agreement" signed between the Group and Osman Akça Tarım Ürünleri İthalat İhracat Sanayi ve Ticaret A.Ş. is the exporter and sub contractor of Group for dried fruits.

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NOTE 4 – CASH AND CASH EQUIVALENTS

As of 30 September 2024 and 31 December 2023 the details of cash and cash equivalents are as follows:

	30.09.2024	31.12.2023
Cash	336.069	248.811
Banks	109.910.948	246.367.912
<i>Demand deposits</i>	108.680.948	218.043.432
<i>Time deposits</i>	1.230.000	28.324.480
Other liquid assets	623.054.728	348.268.554
	733.301.745	594.885.277

As of 30 September 2024 and 31 December 2023 maturity schedule of time deposits in the cash and cash equivalents are as follows:

	30.09.2024	31.12.2023
Within 1 month	1.230.000	28.324.480
	1.230.000	28.324.480

As of 30 September 2024 effective interest rates of time deposits in TRY 53,01% (31 December 2023: TRY 52,63%).

As of 30 September 2024 there is no deposit pledge on the Group's bank deposits (31 December 2023: None).

NOTE 5 - FINANCIAL INVESTMENTS

Short Term Financial Investments

Financial assets at fair value through profit or loss

	30.09.2024	31.12.2023
Investment fund	-	68.164
	-	68.164

Long Term Financial Investments

	30.09.2024	31.12.2023
Maxis Girişim Sermayesi Portföy Yönetimi A.Ş.		
Maxis Ventures Venture Capital Investment Fund	1.999.033	1.878.618
Ünlü Portföy Yönetimi Anonim Şirketi		
AR-GE Venture Capital Investment Fund	2.211.901	1.910.959
	4.210.934	3.789.577

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NOTE 6 – RELATED PARTY TRANSACTIONS

i) Due from / to related parties:

a) Trade receivables from related parties (Note 7):

	30.09.2024	31.12.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	1.078.152.953	793.643.329
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	73.974.664	70.141.659
Rediscount	(2.507.236)	(2.389.464)
	1.149.620.381	861.395.524

b) Trade payables to related parties (Note 9):

	30.09.2024	31.12.2023
Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti.	-	27.103
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	22.145	43.890
Rediscount	(8.228)	(5.472)
	13.917	65.521

c) Non-trade receivables from related parties (Note 9):

	30.09.2024	31.12.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	10.904.962	7.827
	10.904.962	7.827

ii) Major sales to related parties and major purchases from related parties:

a) Sales to related parties:

	01.01.- 30.09.2024	01.01.- 30.09.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	1.793.379.798	1.615.344.222
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	44.207.514	39.178.328
	1.837.587.312	1.654.522.550

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b) Purchases from related parties:

	01.01.- 30.09.2024	01.01.- 30.09.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	326.110.649	420.080.964
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	6.961	1.926
	326.117.610	420.082.890

iii) Other income and expenses resulting from transactions with related parties:

a) Benefits provided to senior management (Member of the board of directors, general manager and deputy general manager), gross:

	01.01.- 30.09.2024	01.01.- 30.09.2023
Benefits provided to senior management	11.284.712	8.242.484
	11.284.712	8.242.484

b) Service expenses paid to related parties:

	01.01.- 30.09.2024	01.01.- 30.09.2023
Akça Holding A.Ş.	2.758.867	1.757.455
Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti.	13.343.222	8.011.547
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	5.283	58.044
	16.107.372	9.827.046

c) Rent income from related parties:

	01.01.- 30.09.2024	01.01.- 30.09.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	434.705	517.464
Akça Holding A.Ş.	434.705	465.452
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	391.594	419.291
	1.261.004	1.402.207

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d) Service income from related parties:

	01.01.- 30.09.2024	01.01.- 30.09.2023
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	556.867	354.376
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	1.936	-
Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.	65.228	653.450
Akça Holding A.Ş.	53.185	86.843
	677.216	1.094.669

e) Foreign exchange income from related parties:

	01.01.- 30.09.2024	01.01.- 30.09.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	125.053.496	304.954.522
	125.053.496	304.954.522

f) Maturity difference received from related parties:

	01.01.- 30.09.2024	01.01.- 30.09.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	39.849.129	22.327.706
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	14.381.652	2.183.670
	54.230.781	24.511.376

g) Interest income from related parties:

	01.01.- 30.09.2024	01.01.- 30.09.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	4.314.149	781.158
	4.314.149	781.158

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h) Interest expenses paid to related parties:

	01.01.- 30.09.2024	01.01.- 30.09.2023
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	2.925.393	747.648
	2.925.393	747.648

i) Rent expenses paid to related parties:

	01.01.- 30.09.2024	01.01.- 30.09.2023
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	1.031.771	1.565.122
	1.031.771	1.565.122

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NOTE 7 – TRADE RECEIVABLES AND TRADE PAYABLES

Short Term Trade Receivables

	30.09.2024	31.12.2023
Trade receivables	673.723.143	413.543.145
Cheques and notes	6.752.250	32.546.047
Unearned interest on trade receivables	(16.492.863)	(16.675.830)
Doubtful trade receivables	7.085.297	660.295
Provision for doubtful receivables (-)	(7.085.296)	(660.295)
Income accruals	66.173.156	69.018.117
Trade Receivables from Unrelated Parties	730.155.687	498.431.479
Trade receivables from related parties	1.152.127.617	863.784.988
Unearned interests on related party receivables	(2.507.236)	(2.389.464)
Trade Receivables from Related Parties	1.149.620.381	861.395.524
Total Short-Term Trade Receivables	1.879.776.068	1.359.827.003

As of 30 September 2024 the average maturity of trade receivables are 82 days (31 December 2023: 57 days).

Maturity schedule of notes receivables as of 30 September 2024 and 31 December 2023 are as follows:

	30.09.2024	31.12.2023
1-30 days	3.326.900	8.878.474
31-60 days	425.350	6.245.872
61-90 days	-	7.660.978
91-120 days	1.450.000	8.879.525
121-150 days	1.550.000	543.441
151-180 days	-	337.757
	6.752.250	32.546.047

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As of 30 September 2024 and 31 December 2023 provision for doubtful receivables movement schedule is as follows:

	30.09.2024	31.12.2023
Opening balance	660.295	1.087.987
Collections made during the period	(360.356)	-
Provisions made during the period	6.959.642	-
Monetary gain / (loss)	(174.285)	(427.692)
Closing Balance	7.085.296	660.295

Short Term Trade Payables

	30.09.2024	31.12.2023
Trade payables	593.704.965	784.218.639
Notes payables	37.808.185	39.331.275
Unearned interests on payables	(25.009.268)	(22.206.809)
Expense accruals	62.560.321	94.776.710
Trade Payables from Unrelated Parties	669.064.203	896.119.815
Trade payables to related parties	22.145	70.994
Unearned interests on payables to related parties	(8.228)	(5.473)
Trade Payables to Related Parties	13.917	65.521
Total Short Term Trade Payables	669.064.203	896.185.336

As of 30 September 2024, the average maturity of trade payables are 39 days (31 December 2023: 48 days).

As of 30 September 2024, The Group has letter of credits amounting to USD 654.214 (TRY 24.871.902) in trade payables (Note 20).

As of 30 September 2024 and 31 December 2023 maturity breakdown of notes payables are as follows:

	30.09.2024	31.12.2023
1 – 30 days	20.662.400	17.626.090
31 – 60 days	10.418.491	9.997.033
61 – 90 days	5.257.681	11.082.127
91 – 120 days	966.352	626.025
121 – 150 days	503.261	-
	37.808.185	39.331.275

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NOTE 8 – FINANCIAL BORROWINGS

	30.09.2024	31.12.2023
Short Term Borrowings:		
TRY borrowings	1.744.860.027	1.575.144.495
USD borrowings	155.231.460	-
EUR borrowings	217.828.909	2.717.313
Direct debit system and credit card liabilities (TRY)	698.679	603.744
Short Term Financial Borrowings	2.118.619.075	1.578.465.552
Lease Payables:		
TRY lease payables, net	6.892.270	8.349.943
Bank Borrowings:		
TRY borrowings	23.201.549	90.657.440
USD borrowings	37.161.854	75.546.527
EUR borrowings	171.784.146	264.232.973
Current Installments of Long-Term Borrowings	239.039.819	438.786.883
Long Term Lease Payables:		
TRY lease payables, net	-	7.147.342
Long Term Bank Borrowings:		
TRY borrowings	15.998.207	76.859.578
USD borrowings	167.216.308	248.017.790
EUR borrowings	1.035.599.011	1.053.520.097
Long Term Financial Borrowings	1.218.813.526	1.385.544.807
Total Financial Liabilities	3.576.472.420	3.402.797.242

As of 30 September 2024 and 31 December 2023 maturity analysis of borrowings and other financial borrowings are as follows:

	30.09.2024	31.12.2023
Within 3 months	798.052.744	281.915.728
Between 3 - 12 months	1.552.713.880	1.726.986.764
Between 1 - 5 years	891.420.583	1.098.111.234
More than 5 years	327.392.943	280.286.231
	3.569.580.150	3.387.299.957

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As of 30 September 2024 and 31 December 2023 maturity schedule of long term bank borrowings are as follows:

	30.09.2024	31.12.2023
Between 1-2 years	333.462.767	429.044.923
Between 2-3 years	270.677.437	295.088.041
Between 3-4 years	184.807.808	235.375.792
Between 4-5 years	102.472.551	138.602.451
Between 5-6 years	83.358.475	70.311.297
Between 6-7 years	91.302.976	67.812.633
Between 7-8 years	68.673.997	42.766.951
Between 8-9 years	51.168.451	41.397.805
Between 9-10 years	32.889.064	40.047.413
Between 10-11 years	-	17.950.159
	1.218.813.526	1.378.397.465

As of 30 September effective interest rates for TRY, USD and EUR bank loans are 25,38% - 7,11% and 3,13% (31 December 2023: TRY 22,01% USD 6,97% and EUR 3,47%).

The Group has guarantee by its shareholders and related companies in lending.

Total amount of mortgage on lands and buildings for fixed assets of the Group given to financial institutions is USD 64.750.000 (TRY 2.211.303.150), EUR 25.000.000 (TRY 952.162.500) and TRY 2.140.000.000.

As of 30 September 2024 and 31 December 2023 the details of financial leasing borrowings of Group are as follows:

	30.09.2024	31.12.2023
Short term lease payables	7.488.719	10.187.935
Cost of deferred lease payables (-)	(596.449)	(1.837.992)
	6.892.270	8.349.943
	30.09.2024	31.12.2023
Long term lease payables	30	7.620.848
Cost of deferred lease payables (-)	(30)	(473.506)
	-	7.147.342

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As of 30 September 2024, the repayment schedule of lease payables are as follows:

	Lease payables	Cost of deferred lease payables	Total liabilities
Between 0 – 1 years	7.488.719	(596.449)	6.892.270
Between 1 – 2 years	30	(30)	-
	7.488.749	(596.479)	6.892.270

As of 31 December 2023, the repayment schedule of lease payables are as follows:

	Lease payables	Cost of deferred lease payables	Total liabilities
Between 0 – 1 years	10.187.935	(1.837.992)	8.349.943
Between 1 – 2 years	7.620.848	(473.506)	7.147.342
	17.808.783	(2.311.498)	15.497.285

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NOTE 9 – OTHER RECEIVABLES AND PAYABLES

Other Current Receivables

	30.09.2024	31.12.2023
Deposit and guarantees given	451.689	435.691
VAT and corporate tax refund receivables	530.221	6.526.406
Other receivables	30.342.603	8.233
Other Receivables from Unrelated Parties	31.324.513	6.970.330
Receivables from shareholders	10.904.962	7.827
Other Receivables from Related Parties	10.904.962	7.827
Total Other Current Receivables	42.229.475	6.978.157

Other Non-Current Receivables

	30.09.2024	31.12.2023
Deposits and guarantees given	524.458	216.480
	524.458	216.480

Other Current Payables

	30.09.2024	31.12.2023
Deposit and guarantees received	6.389.171	460.202
Taxes and funds payable	13.609.192	16.590.084
Other various debts	-	126
	19.998.363	17.050.412

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NOTE 10 – DERIVATIVE INSTRUMENTS

As of 30 September 2024 and 31 December 2023, there are no derivative instruments

NOTE 11 – INVENTORIES

	30.09.2024	31.12.2023
Raw materials	436.101.828	953.689.385
Semi-finished products	170.937.358	137.496.679
Finished goods	724.001.331	1.278.682.360
Dried agricultural products (Figs, Apricot and Raisin)	800.285.494	742.283.075
	2.131.326.011	3.112.151.499

All inventories of the Group are covered by insurance coverage.

NOTE 12 – BIOLOGICAL ASSETS

Current Biological Assets

	30.09.2024	31.12.2023
Biological assets (Tomato)	96.415.650	42.213.006
	96.415.650	42.213.006

The Group’s biological assets consist of tomatoes. Tomatoes in growing process have been shown in the consolidated financial statements with their cost and after impairment provisions (if any) since they do not have any active markets.

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NOTE 13 – PREPAID EXPENSES AND DEFERRED INCOME

Short Term Prepaid Expenses

	30.09.2024	31.12.2023
Order advances given	83.641.949	21.941.073
Prepaid expenses	19.776.244	29.105.993
Advances given for business purposes	324.528	4.316
	103.742.721	51.051.382

Long Term Prepaid Expenses

	30.09.2024	31.12.2023
Advances given for purchases of tangible assets	-	109.764.137
Prepaid expenses	30.025.185	2.567.657
	30.025.185	112.331.794

Short Term Deferred Income

	30.09.2024	31.12.2023
Advances received	37.214.431	46.403.107
Deferred income	27.499.221	27.624.805
	64.713.652	74.027.912

Long Term Deferred Income

	30.09.2024	31.12.2023
Deferred income	14.735.574	21.659.195
	14.735.574	21.659.195

NOTE 14 – ASSETS RELATED TO CURRENT PERIOD TAX

	30.09.2024	31.12.2023
Prepaid taxes and funds	109.093	2.448.108
	109.093	2.448.108

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NOTE 15 – INVESTMENTS VALUED BY EQUITY PICK-UP METHOD

As of 30 September 2024 and 31 December 2023 the companies accounted by equity pick up method are as follows:

	30.09.2024	Share (%)	31.12.2023	Share (%)
Aktur İzmir Gayrimenkul A.Ş.	638.560.116	48%	644.359.009	48%
	638.560.116		644.359.009	

The total assets, liabilities and owner’s equity of the investments which are evaluated by equity pick up method with their summary of income statement related to the periods ended 30 September 2024 and 31 December 2023 are as follows:

	30.09.2024	31.12.2023
Current assets	17.411.764	13.655.105
Non-current assets	1.557.258.601	1.557.175.094
Total Assets	1.574.670.365	1.570.830.199
Current liabilities	3.906.082	6.905.375
Non-current liabilities	240.430.707	221.510.221
Parent company’s equity	1.330.333.576	1.342.414.603
Total Liabilities	1.574.670.365	1.570.830.199
Sales, net	9.525.513	13.122.263
Net profit / (loss)	(12.081.026)	227.088.439

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NOTE 16 – INVESTMENT PROPERTIES

Cost Value	Lands	Buildings	Total
01 January 2023 opening balance	467.032.132	-	467.032.132
Fair value	85.471.115	-	85.471.115
31 December 2023 closing balance	552.503.247	-	552.503.247
Fair value	-	746.933.483	746.933.483
Transfers	(474.152.588)	474.152.588	-
30 September 2024 closing balance	78.350.659	1.221.086.071	1.299.436.730
31.12.2023, Net Book Value	552.503.247	--	552.503.247
30.09.2024, Net Book Value	78.350.659	1.221.086.071	1.299.436.730

The Group’s investment properties consist of lands with zoning permits. The details of the properties are as follows;

	Manisa	İzmir
As of 01 January 2023	12.983.941	454.048.191
Value Decrease/increase	1.688.976	83.782.139
As of 31 December 2023	14.672.917	537.830.330
Value Decrease/increase	-	746.933.483
As of 30 September 2024	14.672.917	1.284.763.813

The Group's lands that are shown as investment property are revaluated by Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş. The fair values determined in the valuation studies carried out on 30 June 2024 and 31 December 2023 are reflected in the accompanying consolidated financial statements.

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NOTE 17 – TANGIBLE ASSETS

Cost Values	Land	Land Improvements	Buildings	Property, plant and equipment	Vehicles	Fixtures and fittings	Construction in progress	Total
01 January 2023 opening balance	887.385.196	884.873.368	2.170.492.519	5.737.537.625	65.542.195	197.438.050	47.179.177	9.990.448.130
Additions	-	1.130.851	365.655	59.490.394	22.471.571	866.496	812.113.784	896.438.751
Disposals	-	-	-	(2.260.996)	(2.123.130)	(393.092)	-	(4.777.218)
Transfers	-	-	-	779.766.574	-	-	(824.155.302)	(44.388.728)
31 December 2023 closing balance	887.385.196	886.004.219	2.170.858.174	6.574.533.597	85.890.636	197.911.454	35.137.659	10.837.720.935
Additions	13.303.184	-	862.776	9.487.377	5.242.451	20.430.130	78.396.094	127.722.012
Disposals	-	-	-	(642.832)	(1.289.636)	(173.756)	(839.619)	(2.945.843)
Transfers	-	-	-	8.156.336	-	-	(9.894.213)	(1.737.877)
30 September 2024 closing balance	900.688.380	886.004.219	2.171.720.950	6.591.534.478	89.843.451	218.167.828	102.799.921	10.960.759.227
Accumulated Depreciation								
01 January 2023 opening balance	-	42.708.103	45.178.112	342.045.354	34.929.046	170.940.034	-	635.800.649
Additions	-	84.174.305	72.838.001	434.581.813	9.993.612	8.593.182	-	610.180.913
Disposals	-	-	-	(154.159)	(2.123.130)	(381.485)	-	(2.658.774)
31 December 2023 closing balance	-	126.882.408	118.016.113	776.473.008	42.799.528	179.151.731	-	1.243.322.788
Additions	-	63.173.135	54.649.364	366.982.403	8.384.685	6.313.269	-	499.502.856
Disposals	-	-	-	(113.237)	(1.289.636)	(173.756)	-	(1.576.629)
30 September 2024 closing balance	-	190.055.543	172.665.477	1.143.342.174	49.894.577	185.291.244	-	1.741.249.015
31.12.2023, Net Book Value	887.385.196	759.121.811	2.052.842.061	5.798.060.589	43.091.108	18.759.723	35.137.659	9.594.398.147
30.09.2024, Net Book Value	900.688.380	695.948.676	1.999.055.473	5.448.192.304	39.948.874	32.876.584	102.799.921	9.219.510.212

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As of 30 September 2024 the depreciation expense of tangible assets for the period is TRY 499.502.856 (31 December 2023: TRY 610.180.913)

The valuation company used the Market Value Method in determining the fair values of land, land and buildings. The "Market Values and Cost Method" was used to determine the fair values of land improvements and machinery, plant and equipment.

As of 30 September 2024, fixed assets are insured by TRY 383.738.779 EUR 24.777.957 (TRY 942.008.387), USD 196.062.354 (TRY 6.683.765.639). (31 December 2023: TRY 124.848.424, EUR 25.183.025 (TRY 820.309.338), USD 286.373.450 (TRY 8.430.318.896).

Total amount of mortgage on lands and buildings for fixed assets of the Group given to financial institutions are USD 64.750.000 (TRY 2.211.303.150), EUR 25.000.000 (TRY 952.162.500) and TRY 2.140.000.000.

As of 30 September 2024, the net book value of leasing machines is TRY 111.974.223 (31 December 2023: TRY 117.222.626).

As of 30 September 2024 and 31 December 2023, the Group has no borrowing costs.

The structures in the production facility located in Denizli Sarayköy, which is accounted for with the revaluation model in TAS 16 Property, Plant and Equipment, currently have a closed area of 172.168,67 m2. The parcels subject to valuation in the production facility are in common use and 78.289,67 m2 of them have building use permit certificates; 49.450 m2 of them have building registration certificates and the remaining 44.429 m2 of them have not yet been licensed. If the legal processes of the 49.450 m2 of buildings with building registration certificates are completed, 127.739,67 m2 of the buildings in the production facility will be licensed, leaving 44.429 m2 of buildings that need to be licensed.

NOTE 18- RIGHT OF USE ASSETS

None.

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NOTE 19 – INTANGIBLE ASSETS

Cost Value	Rights	Research and Development Expenses	Other Intangible Assets	Total
01 January 2023 opening balance	39.173.250	144.034.953	9.265.596	192.473.799
Additions	7.566.907	20.765.519	-	28.332.426
Transfers	-	44.388.728	-	44.388.728
31 December 2023 closing balance	46.740.157	209.189.200	9.265.596	265.194.953
Additions	39.175	3.533.740	-	3.572.915
Transfers	-	1.737.877	-	1.737.877
30 September 2024 closing balance	46.779.332	214.460.817	9.265.596	270.505.745
Accumulated Depreciation				
01 January 2023 opening balance	12.831.400	41.612.438	8.691.390	63.135.228
Additions	12.401.337	15.974.797	54.948	28.431.082
31 December 2023 closing balance	25.232.737	57.587.235	8.746.338	91.566.310
Additions	9.601.295	16.068.629	39.074	25.708.998
30 September 2023 closing balance	34.834.032	73.655.864	8.785.412	117.275.308
31.12.2023, Net Book Value	21.507.420	151.601.965	519.258	173.628.643
30.09.2024, Net Book Value	11.945.300	140.804.953	480.184	153.230.437

As of 30 September 2024, the amortization expense of intangible assets for the period is TRY 25.708.998 (31 December 2023: TRY 28.431.082).

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NOTE 20 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

As of 30 September 2024 and 31 December 2023, the Group's collateral / pledge / mortgage (“CPM”) position are as follows:

Collaterals, Pledges and Mortgages “(CPM)” given by the Group	30.09.2024	31.12.2023
A. Total Amount of CPM given on behalf of its own legal entity	7.483.905.795	9.440.092.369
B. Total Amount of CPM given for partnerships which included in full consolidation	None	None
C. Total Amount of CPM given for the purpose of guaranteeing unrelated party loans to carry the regular trade activities	None	None
D. Total Amount of other CPM given	None	None
i. Total Amount of CPM given for the Parent Group	None	None
ii. Total Amount of CPM Given for Other Group Companies not Included in B and C Clauses	None	None
iii. Total Amount of CPM Given for Unrelated Parties not Included in C Clause	None	None
Total	7.483.905.795	9.440.092.369

As of 30 September 2024, details of mortgage on lands and buildings given to financial institutions are as follows:

	FX Currency	FX Amount	FX Rate	TRY Equivalent
Türkiye Vakıflar Bankası T.A.O	TRY	1.575.000.000	1,0000	1.575.000.000
Türkiye Vakıflar Bankası T.A.O	USD	64.750.000	34,1514	2.211.303.150
Türkiye Vakıflar Bankası T.A.O	EUR	25.000.000	38,0865	952.162.500
Türkiye Cumhuriyeti Ziraat Bankası A.Ş.	TRY	565.000.000	1,0000	565.000.000
				5.303.465.650

As of 30 September 2024, details of the guarantee letters given are as follows:

Details of Guarantee Letters Given	FX Currency	FX Amount	FX Rate	TRY Equivalent
Electricity and Natural Gas Distribution Companies	TRY	25.320.593	1,0000	25.320.593
Energy Market Regulatory Authority	TRY	29.353.488	1,0000	29.353.488
Customs Administration	TRY	29.770.582	1,0000	29.770.582
Credit Guarantee	TRY	757.292.000	1,0000	757.292.000
Public Institutions	TRY	14.653.482	1,0000	14.653.482
				856.390.145

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As of 30 September 2024, bank details of the guarantee letters given are as follows:

Details of Guarantee Letters Given	FX Currency	FX Amount	FX Rate	TRY Equivalent
Türkiye Vakıflar Bankası T.A.O.	TRY	478.471.373	1,0000	478.471.373
Halk Bank A.Ş.	TRY	375.797.000	1,0000	375.797.000
Ziraat Bankası A.Ş.	TRY	2.121.772	1,0000	2.121.772
				856.390.145

As of 30 September 2024, avals and letter of credits which are given to trade receivables by the Group are as follows:

	FX Currency	FX Amount	FX Rate	TRY Equivalent
Türkiye Vakıflar Bankası T.A.O	USD	75.151	34,1514	2.566.502
Türkiye İş Bankası A.Ş.	USD	579.063	34,1514	19.775.817
				22.342.319

As of 30 September 2024, bank details of the general borrowing contracts are as follows:

General Borrowing Contracts:	FX Currency	FX Amount	FX Rate	TRY Equivalent
Denizbank A.Ş	USD	9.000.000	34,1514	307.362.600
Eximbank A.Ş	USD	45.000.000	34,1514	1.536.813.000
Halk Bankası A.Ş.	TRY	500.000.000	1,0000	500.000.000
Halk Bankası A.Ş.	USD	40.000.000	34,1514	1.366.056.000
Türkiye İş Bankası A.Ş.	USD	9.500.000	34,1514	324.438.300
Türkiye Cumhuriyeti Ziraat Bankası A.Ş.	TRY	198.000.000	1,0000	198.000.000
Vakıfbank A.Ş	USD	65.000.000	34,1514	2.219.841.000
Vakıfbank A.Ş	USD	25.000.000	34,1514	853.785.000
Garanti Bankası A.Ş	USD	6.500.000	34,1514	221.984.100
				7.528.280.000

As at 30 September 2024 details of bonds are as follows:

Bond	FX Currency	FX Amount	FX Rate	TRY Equivalent
Türkiye Cumhuriyeti Merkez Bankası	TRY	1.324.050.000	1,0000	1.324.050.000
				1.324.050.000

There is no guarantee given by the Group for the loans in favor of related parties. For credit contracts of the Group USD 200.000.000 (TRY 6.830.280.000) and TRY 698.000.000 guarantee are provided by related parties (Akça Holding and Osman Akça).

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NOTE 21 – PROVISIONS

Short Term Provisions

	30.09.2024	31.12.2023
Provision for the lawsuits	7.243.458	9.349.837
Provision for unused vacation	38.287.885	34.349.585
	45.531.343	43.699.422
	30.09.2024	31.12.2023
Lawsuits provision at the beginning of the period	9.349.837	8.647.128
Provisions during the period/reversal	361.511	4.101.931
Monetary gain / (loss)	(2.467.890)	(3.399.222)
Closing balance	7.243.458	9.349.837

Long Term Provisions for Employee Benefits

	30.09.2024	31.12.2023
Provisions for severance pay	216.572.213	215.726.869
	216.572.213	215.726.869

For the period of 01 January – 30 September 2024, the average personnel number including subcontractors employed by the Group is 2.618 (01.01-31.12.2023: 2.824). The rate of retirement probability used is 96% (01.01-31.12.2023: 96%).

For the period ended at 30 September 2024 and 31 December 2023 the movement schedule of severance pay provision is as follows:

	30.09.2024	31.12.2023
Balance of 01 January	215.726.869	265.687.788
Increase in the period	53.567.753	127.384.133
Interest cost	3.812.685	5.890.222
Payments during the period	(7.591.385)	(68.393.133)
Actuarial profit/(loss)	7.997.404	(10.399.169)
Monetary gain / (loss)	(56.941.113)	(104.442.972)
Balance at the end of the period	216.572.213	215.726.869

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NOTE 22 – EMPLOYEE BENEFIT LIABILITIES

	30.09.2024	31.12.2023
Due to personnel	79.173.685	89.547.870
Social security deductions payable	19.526.819	35.128.205
	98.700.504	124.676.075

NOTE 23 – OTHER CURRENT ASSETS AND LIABILITIES

Other Current Assets

	30.09.2024	31.12.2023
VAT carried forward	16.449.154	9.004.564
	16.449.154	9.004.564

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NOTE 24 – SHARE CAPITAL

24.1 Issued Capital

As of 30 September 2024, and 31 December 2023, the issued capital of the Company is TRY 277.292.576, divided into 27.729.257.642 shares each with a nominal value of TRY 0.01.

As of 30 September 2024, and 31 December 2023, Group's paid in capital is as follows:

	30.09.2024		31.12.2023	
Shareholders:	Share (%)	TRY	Share (%)	TRY
Public Offered Shares	49,79%	138.056.176	49,79%	138.056.176
Akça Holding A.Ş.	48,06%	133.255.845	48,06%	133.255.845
Other	2,16%	5.980.555	2,16%	5.980.555
Total	100,00%	277.292.576	100,00%	277.292.576

According to Group's main article of association, more than half of the Members of Board required to be elected from the candidates which are pointed out from A Group shareholders (TRY 100.000).

TRY 27.292.576 nominal valued shares, issued by increasing the Company's issued capital from TRY 250.000.000 to TRY 277.292.576 were sold through private placement to Akça Holding A.Ş. at TRY 9,16 price per share on Borsa İstanbul A.Ş. equity market within the scope of wholesale transactions on 14.08.2023. Capital increase was registered in accordance with the Turkish Commercial Code on date 22.09.2023 and published in the Turkish Trade Registry Gazette dated 22.09.2023 and numbered 10920.

24.2 Inflation Adjustments of Shareholders' Equity

	30.09.2024	31.12.2023
Inflation adjustment of shareholders' equity (*)	4.414.040.403	4.414.040.403
	4.414.040.403	4.414.040.403

(*)Capital adjustment differences represent the difference between the inflation-adjusted total amounts of cash and cash-like additions to paid-in capital and the amounts before inflation adjustment.

24.3 Share Premium / (Discount)

	30.09.2024	31.12.2023
Share Premiums/Discounts	348.504.678	348.504.678
	348.504.678	348.504.678

TRY 27.292.576 nominal valued shares, issued by increasing the Company's issued capital from TRY 250.000.000 to TRY 277.292.576 were sold through private placement to Akça Holding A.Ş. at TRY 9,16 price per share with total sales proceeds amounting TRY 250.000.000. The Company's shares consists of share premium amounting to TRY 256.516.859 resulting from the private placement.

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24.4 Accumulated Other Comprehensive Income/(Expenses) not to be reclassified on Profit or Loss

24.4.1 Gain on revaluation of properties

	30.09.2024	31.12.2023
Gain on revaluation of properties	2.455.421.094	2.455.421.094
	2.455.421.094	2.455.421.094

The movement schedule for gains/(losses) on revaluation and remeasurement is as follows.

	01.01.- 30.09.2024	01.01.- 31.12.2023
01 January (Beginning of period)	2.455.421.094	2.485.621.445
Transfer to minority shares	-	1.415.445
Deferred tax effect	-	(31.615.796)
	2.455.421.094	2.455.421.094

The valuation company used the Market Value Method in determining the fair values of land, land and buildings. The "Market Values and Cost Method" was used to determine the fair values of land improvements and machinery, plant and equipments.

The fair value increases TRY 2.455.421.094 (31 December 2023: TRY 2.455.421.094) from revaluation of tangible assets are recognized in gain on revaluation of properties account which is under equity, after the netting of the deferred tax effect.

Valuation studies of the land and buildings of Aktur İzmir Gayrimenkul A.Ş., which is consolidated by equity pick up method, were carried out by Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş., an organization accredited to the CMB. The group's valuation of machinery, plant and equipments was carried out by Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş., an organization accredited to the CMB.

24.4.2 Defined Benefit Plans Re-Measurement Gains (Losses)

	30.09.2024	31.12.2023
Defined Benefit Plans Re-Measurement Gains (Losses)	577.059	6.521.574
	577.059	6.521.574

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24.5 Other Accumulated Comprehensive Income or Expenses to be Reclassified to Profit or Loss

24.5.1 Gains/(Losses) on Financial Assets Measured at Fair Value through Other Comprehensive Income

	30.09.2024	31.12.2023
Gains/(Losses) on Financial Assets Measured at Fair Value through Other Comprehensive Income	206.682	(214.674)
	206.682	(214.674)

24.6 Restricted Reserves

	30.09.2024	31.12.2023
Legal reserves	166.518.498	166.518.498
	166.518.498	166.518.498

Restricted reserves appropriated from profit are composed of legal reserves. Legal reserves comprise of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all cash dividend distributions. According to the Turkish Commercial Code, legal reserves can be only used to offset losses unless they exceed the 50% of paid-in capital. Other than that, legal reserves must not be used whatsoever.

In accordance with the CMB's requirements which were effective until 1 January 2008, the amount generated from the first-time application of inflation adjustments on financial statements and followed under the "accumulated loss" item was taken into consideration as a reduction in the calculation of profit distribution based on the inflation adjusted financial statements within the scope of the CMB's regulation issued on profit distribution. The related amount that was followed under the "accumulated loss" item could also be offset against the profit for the period (if any) and undistributed retained earnings and the remaining loss amount could be offset against capital reserves arising from the restatement of extraordinary reserves, legal reserves and equity items, respectively.

In addition, in accordance with the CMB's requirements which were effective until 1 January 2008, at the first-time application of inflation adjustments on financial statements, equity items, namely "Capital", "Premium on capital stock", "Capital" issue premiums", "Legal reserves", "Statutory reserves", "Special reserves" and "Extraordinary reserves" were carried at nominal value in the balance sheet and restatement differences of such items were presented in equity under the "Shareholders' equity inflation restatement differences" line item in aggregate. "Shareholders' equity inflation restatement differences" related to all equity items could only be subject to the capital increase by bonus issue or loss deduction, while the carrying value of extraordinary reserves could be subject to the capital increase by bonus issue, cash profit distribution or loss deduction.

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However, in accordance with the CMB's Decree Volume: XI; No: 29 issued on 1 January 2008 and other related CMB's announcements, "Paid-in capital", "Restricted reserves" and "Premium in excess of par" should be carried at their registered amounts in statutory records. Restatement differences (e.g. inflation restatement differences) arising from the application of the Decree should be associated with:

- "Capital restatement differences" account, following the "Paid-in capital" line item in the financial statements, if such differences are arising from "Paid-in Capital" and not added to capital;
- The difference arising from "Restricted reserves" and "Share Premium" and not yet subject to profit distribution or capital increase should be recognised under "Retained earnings". Other equity items are recognised in accordance with CMB Financial Reporting Standards.

Capital adjustment differences have no use other than being added to capital.

Profit Distribution:

Publicly listed companies distribute dividends in accordance with the requirements of CMB as explained below: In accordance with the Capital Markets Board's (the "Board") Decree issued on 23 January 2014, in relation to the profit distribution of earnings derived from 2013 operations, minimum profit distribution is not required for listed companies, and accordingly, profit distribution should be made based on the requirements set out in the Board's Communiqué Serial:II, No: 19.1 "Principles of Dividend Advance Distribution of Companies That Are Subject To The CMB Regulations", terms of articles of corporations and profit distribution policies publicly disclosed by the companies. Differences arising in the evaluations made within the framework of IFRS and arising from inflation adjustments that are not subject to profit distribution or capital increase as of the report date have been associated with previous years' profit / loss.

24.7 Retained Earnings/ Losses

The accumulated profits other than net period profit are shown in this item. Extraordinary reserves which are essentially accumulated profits and therefore unrestricted are also considered to be accumulated profits and are shown in this item.

	30.09.2024	31.12.2023
Previous Years Profits/(Losses)	3.023.037.662	1.516.588.147
	3.023.037.662	1.516.588.147

24.8 Minority Interest

The details of the minority interests as of 30 September 2024 are as follows:

30 September 2024	Total Shareholders' Equity	Profit/(Loss) of the Period	Parent Group Share	Minority Interest	Minority part of Shareholders' Equity	Minority part of Profit/(Loss)	Minority Total comprehensive income / (loss)
Smryna	458.899.713	(43.266.109)	79,17%	20,83%	95.604.106	(9.013.773)	(9.090.257)
					95.604.106	(9.013.773)	(9.090.257)

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The details of the minority interests as of 31 December 2023 are as follows:

31 December 2023	Total Shareholders' Equity	Profit/(Loss) of the Period	Parent Group Share	Minority Interest	Minority part of Shareholders' Equity	Minority part of Profit/(Loss)	Minority Total comprehensive income / (loss)
Smryna	502.532.945	31.891.082	79,17%	20,83%	104.694.363	6.643.977	5.298.351
					104.694.363	6.643.977	5.298.351

As of 30 September 2024 and 31 December 2023, the details of non-controlling interests are as follows:

	30.09.2024	31.12.2023
Shares in capital	38.973.389	38.973.389
Revaluation fund	29.113.955	29.113.955
Actuarial loss / (gain)	(53.614)	22.870
Shares in accumulated profits / (losses)	36.584.149	29.940.172
Share in profit / (loss) for the period	(9.013.773)	6.643.977
	95.604.106	104.694.363

24.9 Additional Information for Capital, Legal Reserves and Other Equity Items

A comparison of the Group's equity items restated for inflation in the consolidated financial statements as of 30 September 2024 and the restated amounts in the financial statements prepared in accordance with statutory accounting are as follows:

30.09.2024	Inflation adjusted amounts in the financial statements prepared in accordance with statutory accounting	Inflation adjusted amounts in the financial statements prepared in accordance with TAS/IFRS	Differences recognized in retained earnings
Share Capital Adjustment Differences	6.037.186.047	4.414.040.403	1.623.145.644
Share Premiums/Discounts	306.465.276	348.504.678	(42.039.402)
Restricted Reserves Appropriated from Profit	240.970.488	166.518.498	74.451.990

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NOTE 25 – SALES AND COST OF SALES

25.1 Sales

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Domestic sales	3.386.667.173	3.658.264.228	952.101.643	1.152.024.150
Export sales	1.934.875.097	3.019.943.481	837.633.243	1.359.589.086
Other sales	58.632.873	11.147.539	6.172.148	1.319.278
	5.380.175.143	6.689.355.248	1.795.907.034	2.512.932.514
Sales returns	(5.380.035)	(4.357.592)	(2.161.333)	(2.107.926)
Other discounts	(52.013.136)	(172.844.478)	(25.101.242)	(17.217.399)
Sales Income, (net)	5.322.781.972	6.512.153.178	1.768.644.459	2.493.607.189

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25.2 Cost of Sales

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Direct material expenses	895.806.971	1.157.031.540	348.150.470	281.606.985
Direct labor expenses	407.073.932	421.501.110	91.660.843	151.658.702
General production expenses	611.802.755	820.795.366	194.892.675	238.792.721
Depreciation expenses	250.512.287	244.614.199	83.967.286	81.909.119
<u>Change in semi-finished goods</u>				
1. Beginning semi-finished goods (+)	137.496.679	251.480.608	-	-
2. Ending semi-finished goods (-)	(170.937.358)	(188.269.486)	71.597.339	98.870.279
Cost of finished goods produced	2.131.755.266	2.707.153.337	790.268.613	852.837.806
<u>Changes in finished goods inventory</u>				
1. Beginning inventory (+)	1.278.682.360	1.926.569.870	-	-
2. Ending inventory (-)	(724.001.331)	(1.120.691.853)	262.688.150	563.043.138
Cost of finished goods sold	2.686.436.295	3.513.031.354	1.052.956.763	1.415.880.944
<u>Cost of merchandises</u>				
1. Beginning merchandise inventory (+)	-	-	-	-
2. Purchases during the period (+)	713.873	2.326.758	-	11.585
3. End of the period merchandise inventory (-)	-	-	-	-
Cost of merchandises sold	713.873	2.326.758	-	11.585
Other service cost	-	64.971	-	47.619
Cost of other sales	2.070.913.402	1.878.798.823	592.885.359	711.010.400
Cost of biological assets	239.253.448	303.073.002	1.458.576	17.121.756
Depreciation of biological assets	41.736.705	17.479.803	14.213.973	5.883.536
Energy costs	179.545.985	194.850.408	63.908.815	56.823.289
Energy depreciation	216.401.454	194.560.662	72.186.996	70.366.361
Cost of sales, net	5.435.001.162	6.104.185.781	1.797.610.482	2.277.145.490

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As of 01 January – 30 September 2024 and 2023, for each main production group, quantities of goods and services:

	Unit	01.01.- 30.09.2024	01.01.- 30.09.2023
Yarn	Kg	4.462.233	4.666.595
Raw Clothing	Mt2	38.684.956	37.892.662
Finishing Cloth	Mt2	55.950.385	84.576.636
Lining	Mt2	10.328.717	13.268.764
Linens, Sheets, Curtains, Pillows.	Quantity	6.796.430	7.460.287
Electricity	Kwh	214.432.648	194.844.862
Cotton Waste	Kg	393.577	349.506
Piece of Cloth	Kg	501.472	1.443.109
Yarn Waste	Kg	187.463	187.153
Textile Trash Powder	Kg	58.427	125.837
Tomato	Kg	2.820.243	2.616.299
Dried Figs	Kg	4.021.398	4.558.547
Dried Apricot	Kg	274.221	308.460
Raisin	Kg	11.290.603	14.239.974
Dry Food By-Product	Kg	2.546.931	4.358.262

As of 01 January – 30 September 2024 and 2023, for each main sales group, quantities of goods and services:

	Unit	01.01.- 30.09.2024	01.01.- 30.09.2023
Yarn	Kg	7.102	2.320
Finishing Cloth	Mt2	4.261.095	9.460.417
Lining	Mt2	9.619.425	13.656.394
Linens, Sheets, Curtains, Pillows.	Quantity	6.642.524	7.580.358
Electricity	Kwh	194.862.141	177.554.147
Cotton Waste	Kg	301.680	71.720
Piece of Cloth	Kg	413.583	786.635
Yarn Waste	Kg	189.000	174.155
Textile Trash Powder	Kg	55.660	119.140
Tomato	Kg	3.912.518	3.965.268
Dried Figs	Kg	4.021.398	4.558.547
Dried Apricot	Kg	274.221	308.460
Raisin	Kg	11.290.603	14.239.974
Dry Food By-Product	Kg	2.546.931	4.358.262

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NOTE 26 – RESEARCH AND DEVELOPMENT GENERAL ADMINISTRATIVE EXPENSES AND MARKETING EXPENSES

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Research and development expenses	30.915.729	49.987.907	9.488.659	10.942.324
Marketing, sales and distribution expenses	135.060.639	165.228.454	45.405.311	58.579.389
General administrative expenses	206.306.729	338.227.146	55.608.992	93.435.936
	372.283.097	553.443.507	110.502.962	162.957.649

26.1 Research and Development Expenses

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Personnel expenses	27.764.379	42.497.040	8.153.465	9.927.233
Direct material expenses	133.795	2.617.348	117.356	66.190
Other expenses	3.017.555	4.873.519	1.217.838	948.901
	30.915.729	49.987.907	9.488.659	10.942.324

26.2 Marketing Expenses

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Personnel expenses	52.178.201	58.382.757	13.258.379	19.254.154
Export expenses	52.130.062	74.501.251	22.736.799	32.108.436
Domestic sales transportation expense	4.548.076	7.007.283	655.109	893.751
Depreciation expenses	2.665.195	2.602.279	893.321	871.373
Other expenses	15.719.723	15.125.057	7.300.673	4.815.067
Fair expenses	7.819.382	7.609.827	561.030	636.608
	135.060.639	165.228.454	45.405.311	58.579.389

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26.3 General administrative expenses

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Personnel expenses	145.826.737	271.006.382	39.527.881	71.407.262
Insurance expenses	3.928.466	4.097.892	774.198	1.042.463
Consultancy expenses	11.662.861	10.630.288	3.520.544	3.177.498
Repair and maintenance expenses	2.827.045	2.989.352	921.523	1.087.253
Travelling expenses	2.757.327	3.221.301	895.601	1.030.510
Membership expenses	5.071.875	6.830.133	2.036.366	2.588.517
Tax and duty expenses	3.620.020	5.924.240	1.132.754	1.520.786
Provision for litigation expenses	926.786	7.294.271	13.972	518.638
Depreciation expenses	13.896.213	13.208.369	4.651.635	4.425.990
Provision for doubtful receivables	6.959.642	-	(724.120)	-
Other expenses	8.829.757	13.024.918	2.858.638	6.637.019
	206.306.729	338.227.146	55.608.992	93.435.936

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NOTE 27 – OTHER OPERATING INCOME/ (EXPENSES)

27.1 Other Income From Operating Activities

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Foreign exchange gains related to commercial activities	232.750.720	580.364.631	62.947.939	93.237.447
Discount income / expenses on payables, net	44.074.562	30.598.581	7.537.208	10.215.412
Maturity difference income	62.991.544	25.339.229	22.812.412	10.577.302
Rental income	3.839.631	4.752.327	1.157.669	1.520.087
Incentive and promotion income	22.323.321	44.859.308	10.504.355	15.247.359
Reversal of unnecessary provision	436.315	24.815.691	43.854	-
Other income and profit	31.307.682	16.659.748	6.681.153	2.219.323
	397.723.775	727.389.515	111.684.590	133.016.930

27.2 Other Expenses From Operating Activities (-)

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Foreign exchange expenses related to commercial activities	43.719.938	196.190.844	3.279.986	31.788.079
Discount income/expenses on receivables, net	41.212.380	20.611.345	(3.262.461)	2.638.501
Donation expenses	487.347	16.483.769	266.705	240.137
Other expenses and losses	24.179.271	30.854.304	3.198.490	7.723.210
	109.598.936	264.140.262	3.482.720	42.389.927

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NOTE 28 – INVESTMENT ACTIVITIES INCOME / EXPENSE

28.1 Income from Investment Activities

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Investment property value increase	746.933.483	-	-	-
Currency protected deposit fair value income (*)	397.503	2.709.213	116.634	1.008.212
Profit on sale of fixed assets	1.575.403	1.687.979	286.179	6.478
	748.906.389	4.397.192	402.813	1.014.690

(*) Pursuant to the "Announcement on the Accounting of Currency/Gold Conversion Currency/Price Protected TRY Deposit Accounts" announced by POA on March 1, 2022, the company has classified its currency protected deposits under financial investments and, as a result of the fair value calculation, interest income and future foreign exchange gains are accounted for under income from investment activities.

28.2 Expense from Investment Activities

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Loss on sale of fixed assets	1.145.706	1.643	306.087	(282)
	1.145.706	1.643	306.087	(282)

28.3 Profit / Loss From Investments Evaluated by Equity Pick-up Method

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Shares related with investment valued by equity pick-up method	(5.798.893)	(49.650.304)	(975.384)	(781.936)
	(5.798.893)	(49.650.304)	(975.384)	(781.936)

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NOT 29 – FINANCIAL INCOME / EXPENSES

29.1 Financial Income

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Interest income	124.886.279	26.130.195	94.559.499	7.252.193
Foreign exchange income regarding financial activities	61.882.221	166.150.389	11.478.029	28.070.188
Other financial income	20.442.397	-	11.361.430	-
	207.210.897	192.280.584	117.398.958	35.322.381

29.2 Financial Expenses (-)

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Interest expenses	378.517.713	297.301.726	143.064.304	119.304.303
Foreign exchange losses regarding financial activities	263.097.480	1.012.200.414	120.011.872	86.203.028
Commission expenses of credit	59.623.436	35.646.431	19.506.623	14.343.756
	701.238.629	1.345.148.571	282.582.799	219.851.087

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NOTE 30 – TAX ASSETS AND LIABILITIES

With the "Law on Amendments to the Decree Law No. 375" published in the official gazette of the Republic of Türkiye dated 15 July 2023, the corporate tax rate has been increased from 20% to 25%, and the corporate tax rate is applied with a 5-point discount on the earnings of exporting institutions derived exclusively from exports. This rate has come into force to be applied to corporate earnings for accounting periods starting from 01 January 2023 and declarations that must be submitted as of 01 October 2023. The corporation tax rate is applied to net income of the companies after adjusting for certain disallowable expenses, exempt income and allowances. The corporation tax rate is applied to net income of the companies after adjusting for certain disallowable expenses, exempt income and allowances.

Group is liable to corporation tax valid in Turkey. The necessary provisions are made on the attached financial statements for expected tax liabilities related to the group's current period activity results. Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, tax liabilities, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis.

Corporation tax rate that will be accrued over corporation tax base is calculated over the tax base that remains after adding expenses recorded as expense in determination of commercial earnings that are non-deductible from tax base and subtracting tax-exempt profit, tax-free income and other deductions (if there are losses from previous years and used investment allowances if preferred).

There is no absolute and certain confirmation procedure related to tax evaluation in Turkey. Losses may be carried forward for a maximum of 5 years to be deducted from taxable profits in future years. However, losses cannot be deducted retroactively from profits made in previous years. Companies prepare their tax returns between 01-25 April of the year following the accounting closing period of the relevant year. These declarations and the accounting records underlying them may be reviewed and changed by the Tax Office within 5 years.

There are some exceptions on Corporation Tax Law. These exceptions that Group will possibly utilize are explained as below;

Taxable losses

According to the Turkish tax legislation, financial losses on the declaration can be deducted from the corporate income for the period, provided that they do not exceed 5 years. However, financial losses can not be offsetted from last year's profits.

The Real Estate and Subsidiary Share Sales Gain Exemption

75% of the gains arising from the sale of participation shares, founders' shares, redeemed shares and preemptive rights held by corporations for at least two full years are exempt from corporate tax. However, according to the CTL (Corporate Tax Law) numbered 5520; 25% of the gains arising from the sale of properties (in assets before 15.07.2023) that have been in assets for at least two full years are exempt from corporate tax.

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Deferred Tax:

The potential deferred tax assets /(liabilities) of the Group represents the tax effects of temporary differences, arising between the financial statements reported for Communiqué purposes and the statutory tax financial statements. Such differences arise due to the different treatment of certain items of income and expense included in the Communiqué financial statements compared to the local tax return, in accordance with applicable tax laws.

As of balance sheet date, accumulated temporary differences and deferred tax assets and liabilities prepared by using current applicable tax rate is as follows:

	30.09.2024		31.12.2023	
	Cumulative temporary differences	Deferred tax / (liability))	Cumulative temporary differences	Deferred tax / (liability)
<u>Deferred tax assets:</u>				
Unearned interests on receivables	19.000.099	4.750.025	19.065.294	4.766.324
Severance pay provision	216.572.213	54.143.053	215.726.869	53.931.719
Unused vacation provisions	38.287.885	9.571.972	34.349.585	8.587.397
Differences on tangible and intangible assets	23.171.767	5.792.942	592.451.525	148.112.882
Adjustments to inventories	-	-	19.024.143	4.756.036
Provision for doubtful trade receivables	66.144	16.536	-	-
Expense accruals	-	-	1.990.520	497.631
Adjustments to financial liabilities	-	-	702.592	175.648
Adjustments to provisions of lawsuits	6.981.947	1.745.487	9.349.836	2.337.459
Foreign exchange	-	-	5.640.203	1.410.051
Deferred income	42.190.139	10.547.535	49.178.043	12.294.511
Effect of other corrections	-	-	48.485.419	12.103.462
Deferred tax assets		86.567.550		248.973.120
<u>Deferred tax liabilities:</u>				
Differences on tangible and intangible assets	504.481.959	126.120.490	1.700.250	425.062
Difference in revaluation of land and buildings	1.786.843.851	335.033.223	1.786.843.853	335.033.223
Difference in revaluation of machinery, plant and equipment	1.376.965.895	344.241.474	1.376.965.893	344.241.474
Adjustments to inventories	2.957.765	739.441	556.037.185	139.009.297
Unearned interests on payables	25.009.268	6.252.318	22.212.281	5.553.070
Adjustments related to financial debts	1.172.523	293.131	18.801.502	4.700.375
Investment property increase in value	1.252.124.439	234.773.332	463.502.217	86.906.666
Effect of other corrections	363.865	90.966	656.847	164.211
Foreign exchange	12.607.998	3.151.998	-	-
Deferred tax liabilities		1.050.696.373		916.033.378
Deferred tax assets / (liabilities), net		(964.128.823)		(667.060.258)

The Group calculates deferred tax assets and liabilities considering the effect of temporary differences arising from the different evaluations between the statutory financial statements prepared in accordance with TAS / IFRS issued by the Group and its financial statements. These temporary differences usually result from the recognition of income and expenses in different reporting periods according to TAS / IFRS and Tax Code.

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For the period ended at 30 September 2024 and 31 December 2023 movements of deferred tax assets and liabilities are as follows:

	01.01.- 30.09.2024	01.01.- 31.12.2023
Current corporation tax	-	(1.155.162)
Deferred tax assets/(liabilities), net	(299.044.970)	326.724.088
	(299.044.970)	325.568.926

Deferred Tax (Asset) / Liability Movements

	01.01.- 30.09.2024	01.01.- 31.12.2023
Opening balance	667.060.258	959.661.262
Gain on revaluation of properties	-	31.615.798
Actuarial (gain) / loss effect prior periods	(1.976.405)	2.578.846
Tax effect on Financial Assets Measured at Fair Value through Other Comprehensive Income	-	(71.560)
Deferred tax assets / (liabilities), net	(964.128.823)	(667.060.258)
Closing balance	(299.044.970)	326.724.088

NOTE 31 – EARNINGS PER SHARE

	01.01.- 30.09.2024	01.01.- 30.09.2023
Net profit / (loss) for the period	(102.271.864)	265.392.123
Weighted-average number of shares outstanding (per share with TRY 1 value)	277.292.576	277.292.576
Simple earnings and divided earnings per share (TRY)	(0,3688)	0,9571

NOTE 32 – FINANCIAL INSTRUMENTS

Financial assets	30.09.2024	31.12.2023
Liquid assets	733.301.745	594.885.277
Trade receivables	1.879.776.068	1.359.827.003
Other receivables	42.753.933	7.194.637
Financial assets	4.210.934	3.857.741
Financial liabilities		
Financial borrowings	3.569.580.150	3.387.299.957
Lease payables	6.892.270	15.497.285
Other payables	19.998.363	17.050.412
Trade payables	669.064.203	896.185.336

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NOTE 33 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Financial Instruments

Credit Risk

Group is subject to credit risk arising from trade receivables related to credit sales and deposits at banks. These risks are managed by limiting the aggregate risk from any individual counterparty and obtaining sufficient collateral where necessary and making only cash based sales to customer considered as having a higher risk. Collect ability of trade receivables are evaluated by management depending on their past experiences and current economic condition, and presented in the financial statements net of adequate doubtful provision.

As of 30 September 2024 and 31 December 2023, maximum net credit risk is as follows:

	Trade Receivables		Other Receivables		Bank Deposit
	Related Party	Other Party	Related Party	Other Party	
30.09.2024					
Maximum net credit risk as of balance sheet date (A+B+C+D+E)	1.149.620.381	730.155.687	10.904.962	31.848.971	109.910.948
The part of maximum risk under guarantee with collateral	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	406.073.545	730.155.687	10.904.962	31.848.971	109.910.948
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	743.546.836	-	-	-	-
The part secured by collateral	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
Past due (gross carrying amount)	-	7.085.297	-	-	-
Impairment (-)	-	(7.085.297)	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-
Not past due (gross carrying amount)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-
E. The part of maximum risk under guarantee with collateral	-	-	-	-	-
31.12.2023					
Maximum net credit risk as of balance sheet date (A+B+C+D+E)	861.395.524	498.431.479	7.827	7.186.810	246.367.912
The part of maximum risk under guarantee with collateral	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	707.880.745	498.431.479	-	7.186.810	246.367.912
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	153.514.779	-	7.827	-	-
The part secured by collateral	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
Past due (gross carrying amount)	-	660.295	-	-	-
Impairment (-)	-	(660.295)	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-
Not past due (gross carrying amount)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-
E. The part of maximum risk under guarantee with collateral	-	-	-	-	-

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Liquidity risk

Liquidity risk is the Group's possibility of not fulfilling net funding liabilities. Occurrence of events like deteriorations in markets or decrease in credit score that causes decreases in fund resources, are reasons of liquidity risk.

As of 30 September 2024, Group's liquidity risk table is as follows:

30 September 2024						
Maturities according to agreement	Book Value	Contractual total cash outflow (=I+II+III+IV)	Less than 3 months (I)	3 – 12 months (II)	1- 5 Years (III)	More than 5 Years (IV)
Financial Liabilities Non Derivatives	4.443.684.716	4.817.940.874	1.503.764.842	1.956.497.582	992.446.393	365.232.057
Financial borrowings	3.569.580.150	3.904.480.018	791.898.435	1.769.729.305	977.620.221	365.232.057
Financial leasing	6.892.270	7.488.749	1.879.424	5.609.295	30	-
Trade payables	669.064.203	694.073.471	668.865.703	25.117.200	90.568	-
Other liabilities	198.148.093	211.898.636	41.121.280	156.041.782	14.735.574	-
	4.443.684.716	4.817.940.874	1.503.764.842	1.956.497.582	992.446.393	365.232.057

As of 31 December 2023, Group's liquidity risk table is as follows:

31 December 2023						
Maturities according to agreement	Book Value	Contractual total cash outflow (=I+II+III+IV)	Less than 3 months (I)	3 – 12 months (II)	1- 5 Years (III)	More than 5 Years (IV)
Financial Liabilities Non Derivatives	4.536.396.174	5.031.925.751	1.087.667.843	2.337.874.240	1.286.788.185	319.595.483
Financial borrowings	3.387.299.957	3.858.305.758	281.896.614	1.999.305.520	1.257.508.141	319.595.483
Financial leasing	15.497.285	17.808.783	2.567.127	7.620.807	7.620.849	-
Trade payables	896.185.337	918.397.615	794.615.094	123.782.521	-	-
- Related parties	65.521	70.994	70.994	-	-	-
- Unrelated parties	896.119.816	918.326.621	794.544.100	123.782.521	-	-
Other liabilities	237.413.595	237.413.595	8.589.008	207.165.392	21.659.195	-
	4.536.396.174	5.031.925.751	1.087.667.843	2.337.874.240	1.286.788.185	319.595.483

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Foreign currency risk

The effects occurring from exchange rate fluctuation, in case of having foreign currency assets, liabilities, off-balance sheet liabilities, are foreign currency risk. Transactions in foreign currencies during the year have been translated at the exchange rate prevailing at dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the balance sheet dates. Foreign exchange gains or losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities are recognized in the statement of profit/loss. Monetary liabilities of the Group exceed monetary assets of the Group; in case of exchange rate rise, the Group is exposed to foreign currency risk.

As of 30 September 2024 if TRY evaluates / devaluates against foreign currency by 10% and all other variables remains the same, profit before tax which occurs as a result of the foreign exchange loss / gain arising from net foreign exchange exposure would have been TRY 14.480.484 more/less.

Foreign currency risk sensitivity

	Profit/ (Loss)		Shareholders' Equity	
	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY
In the case of increasing / losing value of TRY by 10% against USD				
1- USD net asset / liability	131.703.402	(131.703.402)	131.703.402	(131.703.402)
2- Part of hedged from USD risk (-)	-	-	-	-
3- USD net effect (1+2)	131.703.402	(131.703.402)	131.703.402	(131.703.402)
In the case of increasing / losing value of TRY by 10% against EUR				
4- EUR net asset / liability	(117.987.339)	117.987.339	(117.987.339)	117.987.339
5- Part of hedged from EUR risk (-)	-	-	-	-
6- EUR net effect (4+5)	(117.987.339)	117.987.339	(117.987.339)	117.987.339
In the case of increasing / losing value of TRY by 10% against GBP				
7- GBP net asset / liability	764.421	(764.421)	764.421	(764.421)
8- Part of hedged from GBP risk (-)	-	-	-	-
9- GBP net effect (7+8)	764.421	(764.421)	764.421	(764.421)
TOTAL (3+6+9)	14.480.484	(14.480.484)	14.480.484	(14.480.484)

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As of 31 December 2023, if TRY evaluates / devaluates against foreign currency by 10% and all other variables remains the same, profit before tax which occurs as a result of the foreign exchange loss / gain arising from net foreign exchange exposure would have been TRY 36.602.417 more/less.

Foreign currency risk sensitivity

	Profit/ (Loss)		Shareholders' Equity	
	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY
In the case of increasing / losing value of TRY by 10% against USD				
1- USD net asset / liability	66.956.054	(66.956.054)	66.956.054	(66.956.054)
2- Part of hedged from USD risk (-)	-	-	-	-
3- USD net effect (1+2)	66.956.054	(66.956.054)	66.956.054	(66.956.054)
In the case of increasing / losing value of TRY by 10% against EUR				
4- EUR net asset / liability	(103.974.834)	103.974.834	(103.974.834)	103.974.834
5- Part of hedged from EUR risk (-)	-	-	-	-
6- EUR net effect (4+5)	(103.974.834)	103.974.834	(103.974.834)	103.974.834
In the case of increasing / losing value of TRY by 10% against GBP				
7- GBP net asset / liability	416.363	(416.363)	416.363	(416.363)
8- Part of hedged from GBP risk (-)	-	-	-	-
9- GBP net effect (7+8))	416.363	(416.363)	416.363	(416.363)
TOTAL (3+6+9)	(36.602.417)	36.602.417	(36.602.417)	36.602.417

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Interest Rate Risk

The Group's financial liabilities exposure the Group to interest rate risk. The Group's financial liabilities mainly consist of fixed rate borrowings. As of 30 September 2024, according to the current balance sheet position, in the case of 1% decrease / increase and keeping fixed all the variables the Group's net profit will increase / decrease TRY 2.949.499 (31 December 2023: TRY 4.623.096).

Risk of intensification of sales

During the reporting periods ending on 30 September 2024 and 2023, the risk of intensification of the Group's sales is due to sales from textile sector operations.

The sales activities of the Group are determined according to fluctuations in the domestic and overseas markets and competition conditions. It is taken care of to not to concentrate on a specific sector, country, person and Group in terms of dissolving risks. Even so, as of 30 September 2024, the share of the largest buyer in the revenue from textile sector operations is 34,27% (30 September 2023: 30,60%). The customer mentioned is a major international supplier and the commercial relation between the customer and the Group has been maintained for many years.

The share of the largest buyers in the revenue from agriculture sector operations is 78,96% (30 September 2023: 78,64%). Domestic sales of dried fruits (risen, fig and apricot) produced by Menderes on contract manufacturing basis are made in accordance with the "Sales Agreement" signed with Osman Akça Tarım Ürünleri İthalat İhracat Sanayi ve Ticaret A.Ş., who is the related party of the Group and Osman Akça exports these products to different customers abroad.

Percentage of total sales of two buyers with the largest share in total sales of the Group is given below.

Textile:

Customer	01.01.- 30.09.2024	01.01.- 30.09.2023
A Company	34,27%	30,60%

Agriculture:

Customer	01.01.- 30.09.2024	01.01.- 30.09.2023
B Company	78,96%	78,64%

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As of 30 September 2024, amounts of assets and liabilities of the Group in foreign currency are as follows:

30.09.2024	TRY equivalent functional currency	USD	EUR	GBP
1. Trade Receivables	1.745.373.898	44.656.575	5.664.987	168.196
2a. Monetary Financial Assets (including cash and banks)	296.739.039	6.905.998	1.612.739	10
2b. Non-monetary financial assets	-	-	-	-
3. Other	-	-	-	-
4. Current Assets (1+2+3)	2.042.112.937	51.562.573	7.277.726	168.206
5. Trade Receivables	-	-	-	-
6a. Monetary financial receivables	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-
7. Other	-	-	-	-
8. Non-Current Assets (5+6+7)	-	-	-	-
9. Total Assets (4+8)	2.042.112.937	51.562.573	7.277.726	168.206
10. Trade Payables	109.019.578	2.273.771	823.155	350
11. Financial Liabilities	582.001.182	5.633.541	10.229.553	-
12a. Other monetary financial liabilities	3.472.002	101.665	-	-
12b. Other non-monetary financial liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	694.492.762	8.008.977	11.052.708	350
14. Trade Payables	-	-	-	-
15. Financial Liabilities	1.202.815.334	4.896.324	27.190.711	-
16a. Other monetary financial liabilities	-	-	-	-
16b. Other non-monetary financial liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	1.202.815.334	4.896.324	27.190.711	-
18. Total Liabilities	1.897.308.096	12.905.301	38.243.419	350
19. Net asset/(liabilities) position of off-balance sheet derivative instruments(19a-19b)	-	-	-	-
19a. Off-balance sheet foreign currency derivative assets	-	-	-	-
19b. Off-balance sheet foreign currency derivative liabilities	-	-	-	-
20. Net foreign currency asset / liabilities (9-18+19)	144.804.839	38.657.272	(30.965.693)	167.856
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	144.804.840	38.657.272	(30.965.693)	167.856
22. Fair value of derivative instruments used in foreign currency hedge	-	-	-	-
23. Exports	1.934.875.097	35.627.431	16.736.939	120.912
24. Imports	438.845.102	11.343.650	762.032	20.274

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As of 31 December 2023, amounts of assets and liabilities of the Group in foreign currency are as follows:

31.12.2023	TRY equivalent functional	USD	EUR	GBP	CHF
1. Trade Receivables	1.133.500.838	23.122.926	4.588.169	111.143	-
2a. Monetary Financial Assets (including cash and banks)	535.557.590	11.296.788	1.892.245	60	-
2b. Non-monetary financial assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current Assets (1+2+3)	1.669.058.428	34.419.714	6.480.414	111.203	-
5. Trade Receivables	-	-	-	-	-
6a. Monetary financial receivables	1.281.992	3.425	25.873	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-Current Assets (5+6+7)	943.610	3.425	25.873	-	-
9. Total Assets (4+8)	1.670.002.038	34.423.139	6.506.287	111.203	-
10. Trade Payables	515.720.088	3.512.264	8.458.245	-	-
11. Financial Liabilities	342.498.500	1.885.506	6.021.279	-	-
12a. Other monetary financial liabilities	7.865.678	69.647	114.473	-	-
12b. Other non-monetary financial liabilities	-	-	-	-	-
13. Current Liabilities (10+11+12)	866.084.266	5.467.417	14.593.997	-	-
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	1.301.537.841	6.190.079	23.762.845	-	-
16a. Other monetary financial liabilities	-	-	-	-	-
16b. Other non-monetary financial liabilities	-	-	-	-	-
17. Non-Current Liabilities (14+15+16)	1.301.537.841	6.190.079	23.762.845	-	-
18. Total Liabilities	2.167.622.107	11.657.496	38.356.842	-	-
19. Net asset/(liabilities) position of off-balance sheet derivative instruments(19a-19b)	-	-	-	-	-
19a. Off-balance sheet foreign currency derivative assets	-	-	-	-	-
19b. Off-balance sheet foreign currency derivative liabilities	-	-	-	-	-
20. Net foreign currency asset / liabilities (9-18+19)	(497.281.687)	22.765.643	(31.850.555)	111.203	-
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(497.281.687)	22.765.643	(31.850.555)	111.203	-
22. Fair value of derivative instruments used in foreign currency hedge	-	-	-	-	-
23. Exports	3.585.853.744	59.912.905	25.853.236	113.060	-
24. Imports	1.157.746.141	21.231.100	6.788.085	3.255	300

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NOTE 34 – FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING DISCLOSURES)

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists. The estimated fair values of financial instruments have been determined by the Group using available markets information in Turkey and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented here in are not necessarily indicative of the amounts the Group could realize in a current market exchange:

The following methods and assumptions are utilized for the current values of financial instruments which are predictable in practice:

Financial Assets

Monetary assets for which fair value approximates carrying value:

- Balances denominated in foreign currencies are converted at period exchange rates.
- The fair value of certain financial assets carried at cost, including cash and cash equivalents are considered to approximate their respective carrying amounts in the financial statements.
- The carrying value of trade receivables, net of allowances for possible non-recovery of uncollectible are considered to approximate their fair values.

Financial Liabilities

Monetary liabilities for which fair value approximates carrying value:

- The fair value of short-term bank loans and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.
- The fair values of long-term bank borrowings, which are denominated in foreign currencies and converted at period exchange rates, are considered to approximate their carrying values.
- The carrying amount of accounts payable and accrued expenses reported in the financial statements for estimated third party payer set TRY amounts approximates its fair values.

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
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Capital Risk Management

In capital management, the Group aims at enhancing profitability while keeping a reasonable leverage, on the other hand rendering sustainability in its operations.

The Group follows capital by using debt to equity ratio. This rate is found by dividing net debt to total equity. Net debt is calculated by deducting cash and cash equivalents from total payable amount (as shown in balance sheet, trade and other payables and loans). Total capital, as shown in balance sheet, is calculated by adding up equity and net debt.

As of 30 September 2024 and 31 December 2023, net debt / total equity ratio is as follows:

	30.09.2024	31.12.2023
Total debts	5.756.484.645	5.713.011.003
Liquid assets	(733.301.745)	(594.953.441)
Net debt	5.023.182.900	5.118.057.562
Total equity	10.678.930.894	10.795.816.174
Total capital	15.702.113.794	15.913.873.736
Net Debt/Total Capital	32%	32%

Fair Value Estimate

Classification of the group's financial assets and liabilities measured at fair value is represented below:

Level 1: Market price valuation techniques for the determined assets and liabilities traded in markets (unadjusted);

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: Inputs for the asset or liability that are not based on observable market (unobservable inputs).

The group's assets/(liabilities) measured at fair value are presented below:

30.09.2024	Level 1	Level 2
Assets		
Lands	-	900.688.380
Underground and above ground layouts	-	695.948.676
Buildings	-	1.999.055.473
Machinery, plant and devices	-	5.448.192.304
31.12.2023	Level 1	Level 2
Assets		
Lands	-	814.716.255
Underground and above ground layouts	-	696.956.499
Buildings	-	1.884.732.584
Machinery, plant and devices	-	5.323.251.078

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As of 30 September 2024, the classes and fair values of financial instruments are as follows;

30.09.2024	Financial assets and liabilities shown at amortized value	Financial assets at fair value differences in income statement	Book Value	Note
Financial Assets				
Cash and cash equivalents	733.301.745	-	733.301.745	4
Financial investments	-	4.210.934	4.210.934	5
Trade receivables	1.879.776.068	-	1.879.776.068	7
Other receivables	42.753.933	-	42.753.933	9
Financial Liabilities				
Financial borrowings	3.576.472.420	-	3.576.472.420	8
Trade payables	669.064.203	-	669.064.203	7
Other payables	19.998.363	-	19.998.363	9

As of 31 December 2023, the classes and fair values of financial instruments are as follows;

31.12.2023	Financial assets and liabilities shown at amortized value	Financial assets at fair value differences in income statement	Book Value	Note
Financial Assets				
Cash and cash equivalents	594.885.277	-	594.885.277	4
Financial investments	3.857.741	-	3.857.741	5
Trade receivables	1.359.827.003	-	1.359.827.003	7
Other receivables	7.194.637	-	7.194.637	9
Financial Liabilities				
Financial borrowings	3.402.797.242	-	3.402.797.242	8
Trade payables	896.185.336	-	896.185.336	7
Other payables	17.050.412	-	17.050.412	9

NOTE 35 – POST BALANCE SHEET EVENTS

None.