**REYSAŞ TRANSPORTATION AND LOGISTICS TRADE INC. AND ITS SUBSIDIARIES**

**CONSOLIDATED FOR THE ACCOUNTING PERIOD 1 JANUARY – 31 DECEMBER 2023**

**FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT**

# INDEPENDENT AUDITOR'S REPORT

Reysaş Transport and Logistics Trade Inc. To the General Assembly

## A) Independent Audit of Consolidated Financial Statements

### 1.Opinion

Reysaş Transport and Logistics Trade Inc. and its subsidiaries (collectively the "Group"), the consolidated statement of financial position prepared as of 31.12.2023 and the consolidated comprehensive income statement of profit or loss, consolidated statement of changes in equity capital and consolidated statement of cash flows for the year ending on the same date, significant accounting We have audited the summary of its policies and consolidated footnotes.

In our opinion, the accompanying consolidated financial statements present the Company's consolidated financial position as of December 31, 2023 and its consolidated financial performance and consolidated cash flows for the accounting period ending on the same date, in accordance with Turkish Accounting Standards (" TFRS "), in all material respects. presents its aspects in a realistic manner.

### 2. Basis of Opinion

We conducted our audit in accordance with Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are described in detail in the "Independent Auditor's Responsibilities for the Independent Audit of the Financial Statements" section of our report. We declare that we are independent of the Group in accordance with the Code of Ethics for Independent Auditors issued by POA ("POA's Code of Ethics") and the ethical requirements in the regulations issued by POA that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### 3. Key Topics of the Audit

Key audit matters are, in our professional judgment, those matters that are of most significance in the independent audit of the current period consolidated financial statements. Key audit matters were addressed within the framework of our independent audit of the consolidated financial statements as a whole and in forming our opinion on the consolidated financial statements, and we do not express a separate opinion on these matters. In addition to the matter described in the Basis for Opinion section, the matters described below have been determined by us as key audit matters and reported in our report.

| Key audit matters | Considerations in determining key audit work |
|---|---|
| ***Valuation studies carried out to determine the fair values of Tangible Fixed Assets*** | |
| The Group accounts its tangible assets such as land, buildings, and vehicles at fair value.<br>As of 31 December 2023, the total fair value of land, buildings and vehicles registered in tangible fixed assets is 3.568.475.296 (31 December 2022: 2.345.567.655) (Footnote 13).<br>As of December 31, 2023, the fair values of land, buildings and vehicles registered in tangible assets are determined by an independent valuation institution authorized by the Capital Markets Board and are taken as basis as the value carried in the balance sheet after the evaluations of the Group management.<br>The fair values of land, buildings and vehicles registered in tangible fixed assets depend on the valuation method adopted and the inputs and assumptions in the valuation model.<br>To reach the valuation result, valuation studies are carried out by considering the detailed characteristics of the real estate according to comparable market information based on current market data and transactions.<br>The study on determining the fair value of land, buildings and vehicles registered in tangible assets has been determined as a key audit matter because the registered value of land, buildings and vehicles constitutes a significant part of the Group's total assets, and the subjective nature of the valuations involves significant assumptions and judgments. | - The design and functional effectiveness of the control activities implemented by the Group management in determining the fair value of land, buildings and vehicles were evaluated.<br>- Regarding the expert organization that carried out the valuation study, we have carried out the following procedures.<br>- The real estate appraisal accreditation and license of the expert organization approved by the Capital Markets Board has been checked.<br>- The competence, capability and impartiality of the expert organization were evaluated.<br>- The valuation reports prepared by the expert organization for each real estate and movable property have been read and the valuation studies have been evaluated.<br>- The suitability of the valuation report prepared by the expert institution that carried out the Group's valuation, the valuation method applied, and the assumptions used was evaluated.<br>- By comparing the consistency of the inputs included in the valuation report that have a significant impact on the determined market value, such as unit sales value, with observable market prices, it was evaluated whether the appraised values were within an acceptable range.<br>- The compliance of the fair values included in the valuation report with the footnotes was checked, and it was evaluated whether the values in the footnotes agreed with the valuation reports and whether the footnote explanations were sufficient in terms of TFRS. |

| *Financial Debts* | |
|---|---|
| In the consolidated financial statements of the Group, there are financial debts amounting to 3.775.635.271 TL (31.12.2022: 4.594.776.215 TL) in the short and long term and constitute the most significant part of the Group's liability size.<br>Short- and Long-Term Financial Liabilities are included in Footnote 8.<br>The Group presents its financial liabilities at discounted cost using exchange rate valuations and the effective interest method. Calculation of financial liabilities and accounting for their cost have been considered as a key audit matter by us. | Our audit procedures are designed to question the accuracy of financial debts.<br>- The accounting policies applied by the Group regarding financial liabilities and their application principles were evaluated.<br>- The authenticity of financial debts has been questioned through external confirmations made with banks and financial institutions.<br>- Exchange rate valuations, discounting and accrual studies carried out by the Group for financial debts were recalculated and tested.<br>The explanations in the footnotes of the consolidated financial statements regarding financial liabilities were examined and the adequacy of the information included in these notes was evaluated. |

**4. Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Group management is responsible for the preparation of consolidated financial statements in accordance with TFRS, their fair presentation, and the internal control deemed necessary to prepare them in a way that does not contain material misstatements due to error or fraud.

When preparing consolidated financial statements, management; He is responsible for evaluating the Group's ability to continue its continuity, explaining the issues related to continuity when necessary, and using the going concern principle unless there is an intention or obligation to liquidate the Group or terminate commercial activities.

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

**5. Independent Auditor's Responsibilities Regarding the Independent Audit of Consolidated Financial Statements**

In an independent audit, the responsibilities of us independent auditors are as follows:

Our aim is to obtain reasonable assurance as to whether the consolidated financial statements do not contain material misstatement, whether due to error or fraud, and to prepare an independent auditor's report containing our opinion. Reasonable assurance provided because of an independent audit conducted in accordance with ISAs; It is a high level of assurance. However, there is no guarantee that a material misstatement will always be detected if it exists. Inaccuracies may be due to error or fraud. Misstatements are considered material if they, individually or collectively, could reasonably be expected to affect the economic decisions taken by users of the financial statements.

As a requirement of an independent audit conducted in accordance with ISAs, we use our professional judgment and maintain our professional skepticism throughout the independent audit. We are also:

· Risks of "material misstatement" due to error or fraud in the consolidated financial statements are identified and evaluated; Audit procedures that respond to these risks are designed and implemented and sufficient and appropriate audit evidence is obtained to provide a basis for our opinion.

Cheat: The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error, as it may involve acts of collusion, fraud, willful negligence, misrepresentation or internal control violation.

· Internal control relevant to the audit is evaluated not for the purpose of expressing an opinion on the effectiveness of the Group's internal control, but for the purpose of designing audit procedures appropriate to the situation.

· It is evaluated whether the explanations regarding the appropriateness of the accounting policies used by the management and the accounting estimates made are reasonable.

· Based on the audit evidence obtained, a conclusion is reached about whether there is a material uncertainty regarding events or conditions that may cast serious doubt on the Group's ability to continue as a going concern and the appropriateness of management's use of the going concern basis. If we conclude that a material uncertainty exists, we are required to draw attention to the relevant disclosures in the consolidated financial statements in our report or, if these disclosures are inadequate, to express an unqualified opinion. Our conclusions are based on the audit evidence obtained up to the date of the independent auditor's report. However, future events or circumstances may cause the Group to cease to exist as a going concern.

· The general presentation, structure, and content of the consolidated financial statements, including their explanations, and whether these statements reflect the underlying transactions and events in a manner that ensures fair presentation are evaluated.

· Sufficient and appropriate audit evidence is obtained about financial information regarding businesses or operating segments within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and execution of the group audit. We are solely responsible for the audit opinion we give.

We communicate to those charged with governance the planned scope and timing of the independent audit and significant audit findings, including, among other things, any significant internal control deficiencies we identify during the audit.

We have informed those charged with senior management that we comply with the ethical provisions regarding independence. In addition, we have communicated to those responsible for senior management all relationships and other matters that may be considered to have an impact on independence and the relevant measures, if any.

Among the matters reported to those charged with governance, we determine the matters that are most important in the independent audit of the consolidated financial statements for the current period, that is, the key audit matters. In cases where the legislation does not allow the matter to be disclosed to the public, or in very exceptional cases where the negative consequences of disclosing the matter to the public are reasonably expected to exceed the public interest of the matter, we may decide not to disclose the relevant matter in our independent auditor's report.

**B) Other Obligations Arising from Legislation**

a) The Auditor Report on the Early Detection of Risk System and Committee prepared in accordance with the fourth paragraph of Article 398 of the Turkish Commercial Code No. 6102 ("TTK") was submitted to the Group Board of Directors on 20/03/2024 .

b) Pursuant to the fourth paragraph of Article 402 of the Turkish Commercial Code No. 6102 ("TTK"), the Group's bookkeeping system and consolidated financial statements for the accounting period of 01.01.-31.12.2023 are not in compliance with the law and the provisions of the Company's articles of association regarding financial reporting. No significant issue was found regarding this issue.

c) In accordance with the fourth paragraph of Article 402 of the Turkish Commercial Code, the Board of Directors made the explanations requested within the scope of the audit and provided us with the requested documents.

INTERNATIONAL INDEPENDENT AUDIT JOINT STOCK COMPANY

Mustafa Ozan MISIRLIOĞLU

T.C.

Responsible Auditor
Istanbul , 20/03/2024

**REYSAŞ TRANSPORTATION AND LOGISTICS TRADE INC.**

**FOR THE ACCOUNTING PERIOD ENDING 31 DECEMBER 2023 AND 31 DECEMBER 2022**
**CONSOLIDATED FINANCIAL STATEMENTS AND FOOTNOTES**

## Contents

**REYSAŞ TRANSPORTATION AND LOGISTICS TRADE INC. AND ITS SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 31.12.2023 AND 31.12.2022**
**(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)**

| | Footnote References | *Independent Audit* Past 31.12.2023 | *Reorganized Independent Audit* Past 31.12.2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **CURRENT ASSETS** | | **3,109,512,597** | **2,268,941,680** |
| Cash and Cash Equivalents | 6 | 1,324,108,393 | 1,025,385,644 |
| Financial Investments | 7 | 344,894,874 | 160,739,458 |
| Commercial debts | | 586,339,787 | 642,488,554 |
| *- Trade Receivables from Related Parties* | *5* | *22,419,315* | *15,672,867* |
| *- Trade Receivables from Non-Related Parties* | *9* | *563,920,472* | *626,815,687* |
| Other Receivables | | 445.154.654 | 258,496,437 |
| *- Other Receivables from Related Parties* | *5* | -- | -- |
| *- Other Receivables from Non-Related Parties* | *10* | *445.154.654* | *258,496,437* |
| Stocks | 15 | 183,594,207 | 68,910,080 |
| Prepaid Expenses | | 104,910,978 | 51,005,230 |
| *- Prepaid Expenses from Related Parties* | *5* | -- | -- |
| *- Prepaid Expenses from Non-Related Parties* | *19* | *104,910,978* | *51,005,230* |
| Assets Related to Current Tax | | 102,535,887 | 32,182,138 |
| Other Current Assets | 20 | 17,973,818 | 29,734,138 |
| **FIXED ASSETS** | | **6,780,900,537** | **4,509,654,338** |
| Financial Investments | 7 | 75,456,192 | 119,667,472 |
| Investment Properties | 12 | 2,914,619,951 | 1,893,339,548 |
| Tangible Assets | 13 | 3,568,475,296 | 2,345,567,655 |
| Prepaid Expenses | 19 | 176,289,989 | 92,683,163 |
| Deferred Tax Asset | 29 | 46,059,108 | 58,396,500 |
| **TOTAL ASSETS** | | **9,890,413,134** | **6,778,596,018** |

The accompanying accounting policies and footnotes form an integral part of the consolidated financial statements.

(*): The above consolidated financial statements were approved by the Board of Directors on 20/03/2024.

**REYSAŞ TRANSPORTATION AND LOGISTICS TRADE INC. AND ITS SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 31.12.2023 AND 31.12.2022**
**(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)**

| | **Footnote References** | ***Independent Audit*** **Past 31.12.2023** | ***Reorganized Independent Audit*** **Past 31.12.2022** |
|---|---|---|---|
| **RESOURCES** | | | |
| **SHORT-TERM LIABILITIES** | | **3,154,031,945** | **2,340,550,092** |
| Short Term Borrowings | | 256,622,337 | 640,946,756 |
| *- Bank credits* | *8* | *256,622,337* | *640,946,756* |
| Short-Term Portions of Long-Term Borrowings | | 2,153,353,318 | 919,025,575 |
| *- Bank credits* | *8* | *1,618,056,342* | *408.182.222* |
| *- Financial leasing* | *8* | *535,296,976* | *510,843,353* |
| Trade payables | | 350,497,084 | 398,260,650 |
| *- Trade Payables to Related Parties* | *5-9* | *8,473,285* | *15,865,125* |
| *- Trade Payables to Non-Related Parties* | *9* | *342,023,799* | *382,395,524* |
| Liabilities Within the Scope of Employee Benefits | 18 | 41,371,868 | 10,378,759 |
| Other debts | | 151,947,914 | 112,915,939 |
| *- Other Payables to Related Parties* | *5-10* | *9,884,344* | -- |
| *- Other Payables to Non-Related Parties* | *10* | *142,063,570* | *112,915,939* |
| Deferred Revenues | 19 | 411,514 | 207,974,071 |
| Period Profit Tax Liability | 29 | 150,424,337 | 15,356,391 |
| Short Term Provisions | | 49,403,573 | 35,691,951 |
| *- Short-Term Provisions for Employee Benefits* | *16* | *7,119,676* | *4,269,807* |
| *- Other Short-Term Provisions* | *16* | *42,283,897* | *31,422,144* |
| **LONG-TERM LIABILITIES** | | **2,409,829,961** | **3,282,126,136** |
| Long Term Borrowings | | 1,365,659,616 | 3,034,803,884 |
| *- Bank credits* | *8* | *1,198,400,973* | *2,852,654,529* |
| *- Financial leasing* | *8* | *167,258,643* | *182,149,355* |
| Trade payables | | -- | -- |
| Other debts | | 50,611,837 | 11,131,186 |
| *- Other Payables to Related Parties* | *5-10* | -- | -- |
| *- Other Payables to Non-Related Parties* | *10* | *50,611,837* | *11,131,186* |
| Deferred Revenues | 19 | 13,250 | 514,647 |
| Long Term Provisions | | 246,393,922 | 65,123,092 |
| *- Long-Term Provisions for Employee Benefits* | *18* | *43,504,410* | *16,044,837* |
| *- Other Long-Term Provisions* | *18* | *202,889,513* | *49,078,255* |
| Deferred Tax Liability | 29 | 747,151,335 | 170,553,327 |
| **EQUITY** | | **4,326,551,228** | **1,155,919,790** |
| **Equity of the Parent Company** | | 3,338,900,738 | 1,203,176,424 |
| Paid-in capital | 22 | 500,000,000 | 250,000,000 |
| Capital Adjustment Positive Differences | 22 | 2,818,478,199 | 2,818,478,199 |
| Stock Issue Premiums | 22 | 33,725,498 | 2,429,718 |
| Effect of Mergers Involving Undertakings or Businesses Under Common Control | | 118,275,133 | 108,713,581 |
| Accumulated Other Comprehensive Income or Expenses That Will Not Be Reclassified to Profit or Loss | | | |
| *- Revaluation and Measurement Gain/Loss* | *22* | *55,931,060* | *(91,957,391)* |
| *- Other Gains/Losses* | *22* | *654,792,429* | *636,646,155* |
| Restricted Reserves Separated from Profit | 22 | 115,650,956 | 112,162,126 |
| Prior Year Profits/Losses | 22 | (1,698,777,141) | (2,882,460,094) |
| Net Profit Loss for the Period | | 740,824,604 | 249.164.129 |
| **TOTAL EQUITY OF THE PARENT PARTNERSHIP** | | **3,338,900,738** | **1,203,176,424** |
| **Non-Controlling Interests** | 22 | **987,650,490** | **(47,256,634)** |
| **TOTAL EQUITY** | | **4,326,551,228** | **1,155,919,789** |
| **TOTAL RESOURCES** | | **9,890,413,134** | **6,778,596,018** |

The accompanying accounting policies and footnotes form an integral part of the consolidated financial statements.

(*): The above consolidated financial statements were approved by the Board of Directors on 20/03/2024.

**REYSAŞ TRANSPORTATION AND LOGISTICS TRADE INC. AND ITS SUBSIDIARIES**
**CONSOLIDATED PROFIT OR LOSS FOR THE ACCOUNTING PERIOD 01.01.- 31.12.2023 AND 01.01.- 31.12.2022**
**COMPREHENSIVE INCOME STATEMENTS**
**(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)**

| **CONTINUED ACTIVITIES** | **Footnote References** | ***Independent Audit*** **Past 01.01.- 31.12.2023** | ***Reorganized Independent Audit*** **Past 01.01.- 31.12.2022** |
|---|---|---|---|
| Revenues | 23 | 6,699,058,797 | 3,124,236,244 |
| Cost of sales (-) | 23 | (3,693,824,789) | (1,796,957,494) |
| **GROSS PROFIT/LOSS** | | **3,005,234,009** | **1,327,278,750** |
| General and administrative expenses (-) | 24 | (371,520,416) | (96,747,367) |
| Marketing, Sales, and Distribution Expenses (-) | 24 | (14,395,806) | (20,223,971) |
| Other Income from Main Activities | 26 | 397,852,687 | 76,049,482 |
| Other Expenses from Main Activities (-) | 26 | (262,813,262) | (83,076,657) |
| **PRINCIPAL OPERATING PROFIT/LOSS** | | **2,754,357,212** | **1,203,280,237** |
| Income from Investing Activities | 27 | 127,500,608 | 9,479,266 |
| Expenses from Investment Activities (-) | 27 | -- | -- |
| Shares of Profits/Loss of Investments Valued by Equity Method | | 13,968,719 | 23,615,315 |
| **OPERATING PROFIT/(LOSS) BEFORE FINANCIAL EXPENSES** | | **2,895,826,539** | **1,236,374,818** |
| Financing Income | 28 | 798,200,256 | 384,021,338 |
| Financing Expenses (-) | 28 | (1,476,213,510) | (1,065,317,481) |
| Monetary Gain Loss | | (667,471,848) | (188,952,307) |
| **PROFIT/LOSS FROM CONTINUED OPERATIONS BEFORE TAX** | | **1,550,341,437** | **366,126,368** |
| **Continuing Operations Tax (Expense) / Income** | | (413,074,095) | (15,179,672) |
| - Period Tax Income/Expense | 29 | (420,772,419) | (16,467,098) |
| - Deferred Tax Income/Expense | 29 | 7,698,324 | 1,287,425 |
| **PROFIT/LOSS FROM CONTINUED OPERATIONS FOR THE PERIOD** | | **1,137,267,341** | **350,946,696** |
| **PROFIT/(LOSS) FOR THE PERIOD** | | **1,137,267,341** | **350,946,696** |
| **Distribution of Profit/Loss for the Period** | | **1,137,267,341** | **350,946,696** |
| Non-Controlling Interests | | 396,442,737 | 101,782,567 |
| Parent Partnership Shares | | 740,824,604 | 249.164.129 |
| **Earnings Per Share** | | | |
| Earnings Per Share from Continuing Operations | 30 | **2.2745** | **1.4038** |
| **Diluted Earnings Per Share** | | | |
| Diluted Earnings Per Share from Continuing Operations | 30 | | |
| **OTHER COMPREHENSIVE INCOME:** | | **118,310,761** | **419,410,348** |
| **Items That Will Not Be Reclassified to Profit or Loss** | | | |
| Tangible Assets Revaluation Increases/Decreases | | 147,888,451 | 544,688,764 |
| Other Comprehensive Income Items That Will Not Be Reclassified to Profit or Loss | | | |
| Taxes on Other Comprehensive Income Not to be Reclassified to Profit or Loss | | | |
| - Deferred Tax Expense (-)/Income | | (29,577,690) | (125,278,416) |
| **Will be Reclassified to Profit or Loss** | | | |
| Taxes on Other Comprehensive Income to be Reclassified to Profit or Loss | | | |
| - Deferred Tax Expense (-)/Income | | | |
| **OTHER COMPREHENSIVE INCOME** | | **118,310,761** | **419,410,348** |
| **TOTAL COMPREHENSIVE INCOME** | | **1,255,578,102** | **770,357,044** |
| **Distribution of Total Comprehensive Income:** | | 1,255,578,102 | 770,357,044 |
| Non-Controlling Interests | | 396,442,737 | 101,782,567 |
| Parent Partnership Shares | | 1,652,020,840 | 668,574,478 |

The accompanying accounting policies and footnotes form an integral part of the consolidated financial statements.
(*): The above consolidated financial statements were approved by the Board of Directors on 20/03/2024.

**REYSAŞ TRANSPORTATION AND LOGISTICS TRADE INC. AND ITS SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE ACCOUNTING PERIOD 01.01.- 31.12.2023 AND 01.01.- 31.12.2022**
**(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)**

| | | | | | | | | Accumulated Other Comprehensive Income and Expenses That Will Not Be Reclassified to Profit or Loss | | | | Retained Earnings | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Footnote References | Paid-in capital | Capital Adjustment Differences | Mutual Participation Capital Elimination (-) | Repurchased Shares | Stock Issue Premiums | Effect of Mergers Involving Undertakings or Businesses Under Common Control | Revaluation and Measurement Gain/(Loss) | Other Gains/(Losses) | Shares of Other Comprehensive Income of Investments Valued Using the Equity Method That Will Not Be Classified in Profit/Loss | Restricted Reserves Separated from Profit | Prior Years Profit/(Loss) | Net Period Profit/(Loss) | Equity of the Parent Company | Non-Controlling Interests | Total Equity |
| **Balances as of 01.01.2022** | | **248,838,921** | **2,667,792,518** | -- | -- | **1,874,244** | **29,182,814** | **975,932,651** | **402,548,082** | -- | **106,124,258** | **(2,567,984,861)** | **1,498,575,598** | **3,362,884,225** | **17,613,476** | **3,380,497,701** |
| Capital Increase | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Reserves and transfer to retained earnings/(losses) | 19 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | (1,498,575,598) | (1,498,575,598) | -- | (1,498,575,598) |
| Total comprehensive income/(expense) | 26 | 1,161,079 | 150,685,681 | -- | -- | 555,475 | 79,530,767 | (1,067,890,042) | 234,098,073 | -- | 6,037,868 | -314,475,233 | 249.164.129 | (661,132,203) | (64,870,110) | (726,002,313) |
| **Balances as of 31.12.2022** | | **250,000,000** | **2,818,478,199** | -- | -- | **2,429,718** | **108,713,581** | **(91,957,391)** | **636,646,155** | -- | **112,162,126** | **(2,882,460,094)** | **249.164.129** | **1,203,176,424** | **(47,256,634)** | **1,155,919,790** |
| | | | | | | | | | | | | | | | | |
| **01.01. Balances as of 2023** | | **250,000,000** | **2,818,478,199** | -- | -- | **2,429,718** | **108,713,581** | **(91,957,391)** | **636,646,155** | -- | **112,162,126** | **(2,882,460,094)** | **249.164.129** | **1,203,176,424** | **(47,256,634)** | **1,155,919,790** |
| capital increase | | 250,000,000 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 250,000,000 | -- | 250,000,000 |
| Reserves and transfer to retained earnings/(losses) | 19 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | (249,164,129) | (249,164,129) | 1,034,907,124 | 785,742,995 |
| Total comprehensive income/(expense) | 26 | -- | -- | -- | -- | 31,295,780 | 9,561,552 | 147,888,451 | 18,146,273 | -- | 3,488,830 | 1,183,682,953 | 740,824,604 | 2,134,888,443 | -- | 2,134,888,443 |
| **31.12. Balances as of 2023** | | **500,000,000** | **2,818,478,199** | -- | -- | **33,725,498** | **118,275,133** | **55,931,060** | **654,792,429** | -- | **115,650,956** | **(1,698,777,141)** | **740,824,604** | **3,338,900,738** | **987,650,490** | **4,326,551,228** |

The accompanying accounting policies and footnotes form an integral part of the consolidated financial statements.
(*): The above consolidated financial statements were approved by the Board of Directors on 20/03/2024.

**REYSAŞ TRANSPORTATION AND LOGISTICS TRADE INC. AND ITS SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE ACCOUNTING PERIOD 01.01.- 31.12.2023 AND 01.01.- 31.12.2022**
**(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)**

| | **01.01.- 31.12.2023** | **3** |
|---|---|---|
| **A. CASH FLOWS FROM OPERATING ACTIVITIES** | **1,341,564,269** | **1,18** |
| Period Profit/(Loss) | 740,824,604 | 25 |
| **Corrections Regarding Period Net Profit/Loss Reconciliation** | **855,533,685** | **6** |
| Adjustments for Depreciation and Amortization Expenses | 32,492,105 | |
| Corrections Regarding Provisions | 330,050,398 | 9 |
| Adjustments Related to Tax Expense/Income | 492,991,181 | (34 |
| **Changes in Working Capital** | **(254,794,019)** | **87** |
| Adjustments for Increase/Decrease in Stocks | (114,684,127) | (7 |
| Adjustments Regarding Increase/Decrease in Trade Receivables | 56,148,767 | (593 |
| Adjustments for Increase/Decrease in Other Receivables Related to Activities | (186,658,217) | (189 |
| Adjustments Regarding Increase/Decrease in Commercial Debts | (27,831,400) | 33 |
| Adjustments for Increase/Decrease in Other Liabilities Related to Operations | 87,399,633 | 1,46 |
| Adjustments for Other Increases/Decreases in Working Capital | (69,168,675) | (137 |
| **Cash Flows from Operations** | **--** | **32** |
| | | |
| **B. CASH FLOWS ARISING FROM INVESTMENT ACTIVITIES** | **(2,668,398,123)** | **(479** |
| Cash Inflows from the Sale of Tangible and Intangible Assets | (184,155,416) | |
| Cash Outflows from Purchases of Tangible and Intangible Assets | (2,276,680,150) | (683 |
| Cash Inflows from Government Incentives | (207,562,557) | 20 |
| | | |
| **C. CASH FLOWS FROM FINANCING ACTIVITIES** | **1,625,556,606** | **(40** |
| Cash Inflows from Loans Received | (384,324,420) | 36 |
| Cash Outflows Related to Debt Payments | (419,925,813) | 2,14 |
| Other Cash Inflows/Outflows | 2,429,806,839 | (2,551 |
| | | |
| **NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY CONVERSION DIFFERENCES** | | |
| | | |
| **D. THE EFFECT OF FOREIGN CURRENCY CONVERSION DIFFERENCES ON CASH AND CASH EQUIVALENTS** | | |
| **NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS** | | |
| **NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)** | **298,722,752** | **66** |
| **E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD** | **1,025,385,644** | **44** |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD** | **1,324,108,396** | **1,10** |

The accompanying accounting policies and footnotes form an integral part of the consolidated financial statements.
(*): The above consolidated financial statements were approved by the Board of Directors on 20/03/2024.

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

## NOTE 1 – ORGANIZATION AND FIELD OF ACTIVITIES OF THE GROUP

The field of activity of Reysaş Taşımacılık ve Lojistik Ticaret A.Ş. ("Company") is to transport cargo by all kinds of vehicles by land, sea and air. The company also engages in warehousing services through the warehouses it owns.

The company "Abdurrahmangazi Mah. Bahriye St. While it was operating at the address "No:8 Sancaktepe Istanbul", it moved to Küçük Çamlıca Mahallesi Erkan Ocaklı Sokak No:13 Üsküdar/İstanbul as of 21 November 2016. The jointly controlled company Arı Lojistik İnşaat San. and Tic. Inc. is Acıbadem Cad. It continues its activities at Yaprak Sokak No: 5/7 Kadıköy Istanbul. The company has 4 branches within the borders of the Republic of Turkey, in the provinces of Adapazarı, Bursa and Adana, including Istanbul Headquarters.

As of December 31, 2023, the free float rate of Reysaş Taşımacılık ve Lojistik Ticaret Anonim Şirketi is 21.37%. (December 31, 2022: 46.19%).

Reysaş Transportation and Logistics Trade A.Ş. 's partners d casting below has been shown.

| | 31.12.2023 | | 31.12.2022 | |
|---|---|---|---|---|
| | **Share The amount of** | **Share Rate (%)** | **Share The amount of** | **Share Rate (%)** |
| Durmuş Döven | 90,022,631 | 18 | 45,011,320 | 18 |
| Egemen Döven | 63,850,001 | 12.77 | 27,275,000 | 11th |
| Rıfat Vardar | 59,841,531 | 11.97 | 30,480,766 | 12 |
| Other | 286.285.837 | 57.26 | 147,232,914 | 59 |
| **Total** | **500,000,000** | **one hundred** | **250,000,000** | **one hundred** |

The Company's subsidiary, Reymar Tütün Mamülleri Dağıtım ve Pazarlama Ltd. Ltd. (Reymar)'s field of activity is the distribution and marketing of tobacco products.

Reymar Tobacco Products Distribution and Marketing Ltd. Ltd. ' s partners d casting below has been shown.

| | 31.12.2023 | | 31.12.2022 | |
|---|---|---|---|---|
| | **Share The amount of** | **Share Ratio (%)** | **Share The amount of** | **Share Rat (%** |
| Reysas Transportation and Logistics Trade Inc. | 25,492,500 | 99 | 25,492,500 | 9 |
| Durmuş Döven | 257,500 | one | 257,500 | o |
| **Total** | **25,750,000** | **one hundred** | **25,750,000** | **one hundr** |

The Company's subsidiary, Reysaş Taşıt Muayene İstasyonları İşletme A.Ş. (Reysaş Vehicle Inspection)'s field of activity is to operate privatized vehicle inspection stations.

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

Reysaş Transport Inspection Inc. operates vehicle inspection stations in Karabük, Bartın, Kastamonu, Tosya, Karadeniz Ereğli, Zonguldak Eskişehir, Sivrihisar, İnebolu regions.

Reysaş Vehicle Inspection Stations Operation Inc. ' s partners d casting below has been shown.

| | 31.12.2023 | | 31.12.2022 | |
|---|---|---|---|---|
| | Share The amount of | Share Ratio (%) | Share The amount of | Share Ratio (%) |
| Reysas Taş. and Logistics Trade Inc. (*) | 26,418,800 | 75.48 | 26,418,800 | 75.48 |
| Egemen Döven | 8,576,200 | 24.50 | 8,576,200 | 24.50 |
| Other | 5,000 | 0.01 | 5,000 | 0.01 |
| **Total** | **35,000,000** | **100.00** | **35,000,000** | **100.00** |

Reysaş Railway Transportation Inc. (Reysaş Railway), one of the subsidiaries of the Company, is actively engaged in domestic freight transportation with the wagons it owns.

The breakdown of the shareholders of Reysaş Demiryolu Taşımacılığı A.Ş. is as follows:

| | 31.12.2023 | | 31.12.2022 | |
|---|---|---|---|---|
| | Share The amount of | Share Ratio (%) | Share The amount of | Share Ratio (%) |
| Reysas Transportation and Logistics Trade Inc. | 5,700,000 | 100.00 | 5,700,000 | 100.00 |
| **Total** | **5,700,000** | **100.00** | **5,700,000** | **100.00** |

**Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş. ( Reysaş GYO)**

Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş.' 's ("Company") field of activity is to engage in the purposes and subjects written in the regulations of the Capital Markets Board (CMB/Board) regarding real estate investment trusts and to invest mainly in real estate, capital market instruments based on real estate, real estate projects and rights based on real estate. The company was registered at the Istanbul Trade Registry Office on 3 September 2008 with registration number 676891.

Its main shareholder (61.94%) is Reysaş Taşımacılık ve Lojistik Ticaret A.Ş. The Company, (" Reysaş Logistics"), is registered in Turkey and operates at the following address:

Küçük Çamlıca Mah. Erkan Ocaklı St. No:11 34696 Üsküdar/ İstanbul/Türkiye.

The shares subject to the sale of Group B shares with a nominal value of 65,500,000 TL, which were offered to the public by increasing the Company's capital as of 2010, were registered by the CMB on 6 July 2010. The shares in question were offered to the public and started to be traded on Borsa Istanbul (BIST) as of July 12, 2010.

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

As of 31 December 2023, the Company's free float rate is 38.04 % (31 December 2022: 38.53%) and the relevant shares are listed on Borsa Istanbul A.Ş. (BIST) and traded on the National Market.
.

The average number of employees of the Company as of 31 December 2023 is 11 people. (December 31, 2022: 11 people)

Partners of Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş. d casting below has been shown.

| **Capital Structure** | **December 31, 2023** | **Partnership Share (%)** | **December 31, 2022** | **Partnership Share (%)** |
|---|---|---|---|---|
| Reysaş Taş. and Logistics Trade. Inc. | 309,718,981 | 61.94 | 309,718,981 | 61.94 |
| Egemen Döven | 42,500,000 | 8.5 | 40,850,000 | 8.17 |
| Other | 147,781,018 | 29.56 | 149,431,018 | 29.89 |
| **Paid-in capital** | **500,000,000** | **100.00** | **500,000,000** | **100.00** |

## NOTE 2 – PRINCIPLES OF PRESENTATION OF FINANCIAL STATEMENTS

### 2.1) Basic Principles of Presentation and Declaration of Conformity with TMS

The attached consolidated financial statements are published in accordance with the provisions of the "Communiqué on Principles of Financial Reporting in the Capital Markets" ("Communiqué") No. It has been prepared in accordance with the Turkish Accounting Standards ("TMS"), which have been published and entered into force by the Accounting and Auditing Standards Authority ("KGK"). TMS; Turkish Accounting Standards consist of Turkish Financial Reporting Standards ("TFRS") and their annexes and comments.

Consolidated financial statements are presented in accordance with the formats determined in the "Announcement on TMS Taxonomy" published by the POA on April 15, 2019 and in the Financial Statement Samples and User Guide published by the CMB.

The Group's consolidated financial statements as of December 31, 2023, were approved by the Group Board of Directors on./. /2024. The General Assembly and the relevant legal institutions have the right to correct the financial statements prepared in accordance with the legal legislation and these financial statements.

The consolidated financial statements are prepared on the historical cost basis, except for land, buildings, and vehicles, which are shown at fair value.

### 2. 2) Functional and Reporting Currency

The Group's financial statements are presented in the currency valid in the primary economic environment in which it operates (functional currency). The financial position and operating results of the business are expressed in TL, which is the valid currency of the Group and the presentation currency for the financial statements.

### 2.3) Correction of Financial Statements during High Inflation Periods

In accordance with the CMB's decision dated 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations implementing Turkish Accounting/Financial Reporting Standards shall comply with the provisions of TMS 29, starting from their annual financial reports for the accounting periods ending as of 31 December 2023. It was decided to apply inflation accounting by applying.

KGK made a statement regarding the scope and application of TAS 29 on 23 November 2023. It has been stated that the financial statements of businesses applying Turkish Financial Reporting Standards for the annual reporting period ending on or after December 31, 2023 should be presented by adjusting for the effect of inflation in accordance with the relevant accounting principles in TMS 29.
In this context, inflation adjustment was made in accordance with TMS 29 while preparing the consolidated financial statements dated 31 December 2023, 31 December 2022 and 2021.

The financial statements and relevant figures for prior periods have been restated to account for changes in the general purchasing power of the functional currency and, as a result, the financial statements and relevant figures for prior periods have been expressed in the unit of measurement in force at the end of the reporting period in accordance with IAS 29 Financial Reporting in Highly Inflationary Economies. has been made.

IAS 29 applies to the financial statements of any entity whose functional currency is the currency of a hyperinflationary economy, including consolidated financial statements. If hyperinflation exists in an economy, IAS 29 requires that the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy be expressed in the measurement unit valid at the end of the reporting period.

As of the reporting date, since the cumulative change in the general purchasing power of the last three years according to the Consumer Price Index ("CPI") figure is over 100%, businesses operating in Turkey are subject to TAS in the reporting periods ending on or after 31 December 2023. They are required to apply the 29 "Financial Reporting in High Inflation Economies" standard.
The table below includes the inflation rates for the relevant years calculated by considering the Consumer Price Indexes published by the Turkish Statistical Institute (TUIK):

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

| History | Index | Correction coefficient | Three-year cumulative inflation rates |
|---|---|---|---|
| **31.12.2023** | 1,859.38 | 1,000 | 268% |
| **31.12.2022** | 1,128.45 | 1,647 | 156% |
| **31.12.2021** | 686.95 | 2,706 | 74% |

The main outlines of TMS 29 indexing procedures are as follows:

• All items other than those shown with current purchasing power as of the balance sheet date are indexed using the relevant price index coefficients. Amounts from previous years are also indexed in the same way.

• Monetary asset and liability items are not subject to indexation because they are expressed in purchasing power current at the balance sheet date. Monetary items are cash and items to be received or paid in cash.

• Fixed assets, subsidiaries and similar assets are indexed based on their purchase values, not exceeding their market values. Depreciations are adjusted in a similar manner. within equity
The amounts included have been adjusted because of the application of general price indices in the periods when these amounts were added to the company or formed within the company.
• All items in the income statement, except those that affect the income statement of non-monetary items in the balance sheet, are indexed with coefficients calculated over the periods when the income and expense accounts are first reflected in the financial statements.

• The gain or loss resulting from general inflation on the net monetary position is the difference of adjustments made to non-monetary assets, equity items and income statement accounts. This gain or loss, calculated on the net monetary position, is included in the net profit.

The impact of the implementation of TMS 29 Inflation Accounting standard is summarized below:

**Rearrangement of Financial Position Statement**

Amounts in the statement of financial position that are not expressed in the measurement unit valid at the end of the reporting period are rearranged. Accordingly, monetary items are not restated because they are expressed in the currency current at the end of the reporting period. Non-monetary items must be restated unless they are shown at their current amounts at the end of the reporting period.

The gain or loss on the net monetary position resulting from the restatement of non-monetary items is included in profit or loss and presented separately in the statement of comprehensive income.

**Rearrangement of Profit or Loss Statement**

All items in the statement of profit or loss are expressed in the measurement unit valid at the end of the reporting period. Therefore, all amounts have been adjusted by applying changes in the monthly general price index.

The cost of inventory sold has been adjusted using the restated inventory balance.

Depreciation and amortization expenses have been adjusted using the restated balances of property, plant and equipment, intangible assets, investment properties and right-of-use assets.

**Rearrangement of Cash Flow Statement**

All items in the statement of cash flows are expressed in the unit of measurement in effect at the end of the reporting period.

**Consolidated Financial Statements**

The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are restated by applying a general price index before inclusion in the consolidated financial statements prepared by the parent. If such a subsidiary is a foreign subsidiary, its restated financial statements are translated at the closing rate.

If financial statements with different reporting period endings are consolidated, all items, whether monetary or non-monetary, are rearranged according to the unit of measurement in effect at the date of the consolidated financial statements.

**Comparative Figures**

The relevant figures for the previous reporting period are restated by applying the general price index so that comparative financial statements are presented in the unit of measurement valid at the end of the reporting period. Information disclosed for previous periods is also expressed in the measurement unit valid at the end of the reporting period.

Comparative Information and Restatement of Prior Period Consolidated Financial Statements
The Group's financial statements are prepared comparatively with the previous period to enable the determination of financial situation and performance trends. When deemed necessary, comparative information is reclassified and significant differences are disclosed to ensure compliance with the presentation of the current period consolidated financial statements.

**Seasonality**

The Group's activities increase in the spring and summer months, when construction demand increases, and the construction industry revives.

## 2. 4) Changes and Errors in Accounting Estimates

Preparation of consolidated financial statements requires the use of estimates and assumptions that may affect the reported amounts of assets and liabilities as of the balance sheet date, the disclosure of contingent assets and liabilities, and the amounts of income and expenses reported during the accounting period. Although these estimates are based on management's best judgment and information, due to the nature of accounting estimates, they may not result in the same amounts as actual results.

If the effect of a change in an accounting estimate is related to only one period, in the current period in which the change is made; If it is related to future periods, it is reflected in the financial statements in a way that will be taken into account both in the period in which the change is made and in the future period, in determining the net profit or loss for the future.

The correction amount of an error is considered retroactively. An error is corrected by restating comparative amounts for previous periods in which it occurs or, if it occurs before the next reporting period, by restating the retained earnings account for that period.
If rearranging the information causes an excessive cost, comparative information from previous periods is not rearranged, and the retained earnings account of the next period is rearranged with the cumulative effect of the error before the start of the period in question.

## 2.5) Going concern assumption

As of 31 December 2023, the Group's current assets are 3.109.512.597 TL (31 December 2022: 2.268.941.680 TL), short-term liabilities are 3.154.031.945 TL (31 December 2022: 2.340.550.092 TL), and short-term liabilities are current liabilities. assets exceeded (44,519,348) TL (31 December 2022: (71,608,412) TL) and the total of current and previous year losses is (1,845,409,390) TL (31.12.2022: (3,566,135,143) TL). Although this situation shows the existence of uncertainty regarding the continuity of the business, decision number 682 was given at the Board of Directors meeting dated 01 September 2023 to increase the company's capital from 250,000,000 TL to 500,000,000 TL. The application for capital increase was approved by the CMB, and the announcement regarding this approval was published on the Public Disclosure Platform on 21 June 2023. The amendment of Article 6 titled "Capital" of our Company's Articles of Association was registered by the Istanbul Trade Registry Office on 02 October 2023 and was published in the Trade Registry Gazette No. 10926.

Consolidated financial statements have been prepared on a going concern basis.

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

## 2. 6) Comparative Information

The attached consolidated financial statements are prepared comparatively with the previous period to determine the trends in the Group's financial position, performance and cash flow.

To ensure comparability when the presentation or classification of the items of the individual financial statements' changes, the previous period individual financial statements are reclassified accordingly, and an explanation is made regarding these matters.

## 2.7) Consolidation Principles

3 1 December 2023 and 3 1 December 2022, the title of the partnership consolidated according to the full consolidation method with the Parent Company and the effective share rates in this partnership are as follows:

| Title of the Partnership | of the company Share in Capital (%) 31.12.2023 | of the company Share in Capital (%) 31.12.2022 |
|---|---|---|
| Reysaş Vehicle Inspection Stations Operation Inc. | 75.48 | 75.48 |
| Reymar Tobacco Mam . Mountain. and Sun. Ltd. Ltd. | 99 | 99 |
| Reysaş Railway Transportation Inc. | one hundred | one hundred |
| Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş. | 61.94 | 61.94 |
| Rey Hotel Tourism Management and Trade Inc. | 61.47 | 61.47 |

The consolidated financial statements include the financial statements of the Company and its subsidiaries. The basis of preparation of consolidated financial statements is as follows.

- connected partnerships , mother of partnership , directly or to other connected partnerships or through its subsidiaries , capital and management relationships in its frame than 50 % more there feeling , o y right to or management the majority of right to choose or management having the majority was businesses t e ms il It does . Control power mother by the partnership connected partnerships get finance And activity their policies management power with benefit from activities power to provide aspect is being defined .

- connected partnerships , on the activities control to the group transfer was from history from the beginning to the scope of consolidation taken And control from the middle got up In history consolidate outside He will let go .connected by partnerships applied accounting the consistency of political areas ensuring for the purpose of group by applicated an accounting political areas with compatible It has been made available .

- connected partnerships get finance tables full consolidated method by using con soli d e It has been done . This depending on the scope partnerships registered value with its own resources made clear , of the Group owner was of feelings registered value with these from caused dividends , relating to equity And income table from their accounts It has been made clear .

- in the scope of consolidation connected partnerships from each other will take And debts with to each other take the things they have done And service sales, with each other the one which due to transactions has been created income And expense items mutually m a h s up It has been done.

- CONSOLIDATION in the scope connected partnerships paid / issued capital including all essence capital h e s ap g r u b u from the pens to the main partnership And connected partnerships outside share hit the mark from amounts is downloaded And its consolidated balance sheet self In the account group , " Shares Without a Control Day " bill group by name is shown .

**equity method**

Under the equity method, an investment in associate is initially recognized at cost. After the acquisition date, the carrying amount of the investment is increased or decreased to recognize the investor's share of the investee's profit or loss. The investor's share of the investee's profit or loss is recognized as the investor's profit or loss. Distributions (such as dividends) received from an investee reduce the carrying amount of the investment. Changes in other comprehensive income of an investee resulting from amounts not yet recognized in profit or loss of the investee may also require an adjustment to the carrying amount of the investment in proportion to the investor's share of the investee's profit or loss. Such changes include changes resulting from the revaluation of property, plant, and equipment or from currency translation adjustments. The investor's share of these changes is recognized in the investor's own other comprehensive income.

Reysaş Taşımacılık ve Lojistik Ticaret A.Ş., its subsidiary Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş., as of March 28, 2013, by the decision of the board of directors. ' s and its subsidiary Arı Lojistik İnşaat Sanayi ve Ticaret A.Ş. ' s shares with a total nominal value of 3,050,000 TL, corresponding to 33.33% of its capital, were sold to Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş. at a value of 16,836,000 TL determined by the independent company valuation study. He sold it to. After this sale, Reysaş Logistics became Arı Logistics İnş. San.ve Tic. He has no shares left in Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş. ' s partnership share has reached 50%. After the sale, Reysaş Taşımacılık ve Lojistik Ticaret A.Ş. ' s Arı Logistics Cons. San.ve Tic. He has no shares left in A.Ş. Due to these changes, Arı Logistics İnş. San.ve Tic. A.Ş. is included in the scope of consolidation with the subsidiary Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş. using the equity method. included in the financial statements (Footnote 11)

**Business Combinations Subject to Common Control**

A business combination involving enterprises or enterprises subject to common control is a business combination in which all the merging enterprises or enterprises are controlled by the same person or persons before and after the business combination and this control is not temporary.

Business combinations subject to common control are accounted for using the pooling of rights method, so goodwill is not included in the consolidated financial statements.

Shares purchased from businesses under common management are accounted for at book value. The difference between the amount paid and the book value of the net asset obtained is accounted for in the "merger effect involving businesses under common control" account in equity.

## 2.8) Summary of Significant Accounting Policies

The significant accounting policies followed in the preparation of the financial statements are summarized below:

### Revenues

The Group records revenue in its consolidated financial statements when or as it fulfills its performance obligation by transferring a promised good or service to its customer. When control of an asset passes (or passes) into the hands of the customer, the asset is transferred. The Group records revenue in its consolidated financial statements in line with the following basic principles:

(a) Determining contracts with customers,
(b) Determining the performance obligations in the contract,
(c) Determining the transaction price in the contract,
(d) Dividing the transaction price among the performance obligations in the contract,
(e) Recognizing revenue as each performance obligation is satisfied.

The Group recognizes a contract with its customer as revenue if all the following conditions are met:

(a) The parties to the contract have approved the contract (in writing, verbally or in accordance with other commercial practices) and undertake to perform their own obligations,
(b) The Group can define the rights regarding the goods or services to be transferred by each party,
(c) The Group can define payment terms for the goods or services to be transferred,
(d) The contract is essentially commercial in nature,

It is possible that the Group will collect fees for goods or services to be transferred to the customer. When assessing whether a fee is likely to be collectible, the entity only considers the customer's ability and intention to pay the fee on maturity.

*Sale of Real Estate*

In cases where the risks and benefits of the sold real estate are transferred to the buyer and the amount of income can be calculated reliably, income is deemed to have occurred when the title deed is transferred. Income is realized if it is deemed possible that the economic benefits arising from this transaction will flow to the Company and the amount of this income can be measured reliably.

*Rental Income from Real Estate Leases*

Rental income from rented real estate is recorded on a straight-line accrual basis throughout the lease term. If there are benefits provided by the Company to its tenants, these are recorded in a way that reduces rental income during the lease period.

*Service Revenues*

Revenue arising from the sale of services is deemed to have occurred when it reaches a measurable degree of completion. In cases where the income from the agreement cannot be measured reliably, the income is accepted as the amount that can be recovered from the expenses incurred.

*Interest income*

In cases where collection is not doubtful, income is deemed to have been earned on an accrual basis.

*sales cost*

It is the item in which the costs of the revenue elements are shown, which is reflected in the Statement of Profit or Loss and Other Comprehensive Income simultaneously with the receipt of the revenue in the financial statements, in accordance with the principle of directly associating the expenses with the relevant revenue accounts. Cost of sales is shown separately as commercial activities and financial sector activities (Footnote 23).

**Associated Organizations**

For the purposes of the accompanying consolidated financial statements, the Group's key management personnel and members of the Board of Directors, their families and companies controlled by or affiliated with them, affiliates and subsidiaries are considered and taken into account as related entities.

For these consolidated financial statements, real and legal person partners, subsidiaries, affiliates who have a share in the Group's capital, affiliates of the Company with whom the partners have a direct or indirect capital and management relationship, and organizations other than its subsidiaries, are responsible for the planning, execution and management of the Company's activities. Executive personnel such as board members and general managers of the Company or the Company's parent company who are directly or indirectly authorized and responsible for auditing, close family members of these persons and companies directly or indirectly controlled by these persons are considered as related parties. Transactions with related parties are disclosed in the footnotes of the financial statements (Footnote 5).

**Cash and Cash Equivalents**

Cash refers to cash in the business and demand deposits. Cash equivalents are assets held for short-term cash obligations and not used for investment or other purposes. For an asset to be considered a cash equivalent, it must be convertible into cash whose value can be determined with certainty and the risk of change in its value must be insignificant.

Cash and cash equivalents are an integral part of a business' cash management. Financial instruments to be included within the scope of cash equivalents; checks (demand), liquid funds and short-term bond and bill funds, receivables from reverse-repo transactions, deposits with a maturity of less than 3 months (deposits with a maturity of more than 3 months are shown among financial investments), government bonds and treasury with less than 3 months to maturity at the date of acquisition. It consists of bonds or other liquid debt instruments with an active market and receivables from money markets (Footnote 6).

**Trade Receivables and Provision for Doubtful Receivables**

Trade receivables arising because of the Group providing a product or service to a buyer are shown net of unaccrued financing income.
Trade receivables after unaccrued financing income are calculated by discounting the amounts to be obtained in the following periods from the original invoice value of the receivables recorded with the effective interest method. Short-term receivables without a determined interest rate are stated at cost unless the effect of the original effective interest rate is significant.

The Group allocates a provision for doubtful receivables for the relevant trade receivables if there is objective evidence that there is no possibility of collection. The amount of this provision is the difference between the registered value of the receivable and the collectible amount. Collectible amount is the discounted value of all cash flows, including amounts collectable from guarantees and guarantees, based on the original effective interest rate of the trade receivable.

Following the provision for the doubtful receivable amount, if all or part of the doubtful receivable amount is collected, the collected amount is deducted from the doubtful receivable provision and recorded in other income.

The "simplified approach" is applied within the scope of impairment calculations of trade receivables that are recognized at amortized cost in the financial statements and do not contain a significant financing component (with a maturity of less than 1 year). With this approach, in cases where trade receivables are not impaired for certain reasons (except for realized impairment losses), loss provisions for trade receivables are measured at an amount equal to "lifetime expected credit losses" (Note 9).

**Trade payables**

Trade payables are debts incurred by purchasing products and services directly from sellers. Trade payables and other liabilities are shown net of unaccrued financing expenses. Trade payables and other liabilities after unaccrued financing expenses are calculated by discounting the amounts to be paid in subsequent periods of the debts recorded from the original invoice value using the effective interest method. Short-term liabilities without a determined interest rate are stated at cost unless the effect of the original effective interest rate is significant (Note 9).

**Stocks**

Stocks , cost d a n et it may happen value low what is with is being evaluated . of the group stocks , fuel stocks , spare piece stocks with other from stocks is occurring .Stocks , cost y a d a n et Realizable value low what is with is being evaluated . stocks the cost in the calculation First entering First Interest ( FIFO ) method It is being implemented . stocks cost ; all buy it a l m a their

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

costs , conversion their costs And current status of stocks And to the person to be delivered other attended costs It contains .
Conversion costs of stocks; direct labor expenses like, by production directly relationship costs cover . This costs Moreover first m a d d e And of the material ma m u le those involved in the conversion still And variable general production systematic among expenses One in the way distributed amounts d a It contains .

net it may come true value, ordinary commercial activity what occurs within prediction from sales price prediction completion cost And sales to actualize for uploading ESTIMATE COSTS NEEDED total of by downloading get it It is possible.

Stocks, due date from purchases because of it contains f i n a n s m a n d from cost by purifying It was reflected.

Order advances given do not constitute inventory and are shown in "Prepaid Expenses" until the relevant inventory is accounted for.

**Investments Valued by Equity Method**
Subsidiaries and joint ventures valued using the equity method in accordance with TMS 28 Investments in Subsidiaries and Joint Ventures Standard are shown in this item (Note 11).

As of 31 December 2023, and 31 December 2022, the share percentages of the Group in its subsidiaries and affiliates are shown in the table below:

| | **Direct or indirect shares of the company (%)** | |
|---|---|---|
| | **31.12.2023** | **31.12.2022** |
| Bee Logistics | 50.00 | 50.00 |

**Investment Properties**

Investment properties are properties held for the purpose of earning rent and/or capital appreciation and are measured primarily at their cost values and the transaction costs involved. After initial accounting, investment properties are subject to pro rata depreciation using the straight-line depreciation method according to their expected useful lives.

Investment properties are excluded from the balance sheet if they are sold or become unusable and it is determined that no future economic benefit will be obtained from their sale. Profit/loss arising from the expiry or sale of investment real estate is included in the income statement in the period in which it occurs.

***Cost Method***

The cost value of an investment property represents the amount of cash or cash equivalents paid during the acquisition or construction of an asset, or the fair value of other payments other than these, or, if applicable, the price attributed to the relevant asset during initial recognition.

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

In the cost method, after a tangible asset item is recognized as an asset, it is shown in the financial statements at its cost, less accumulated depreciation, and accumulated impairment losses, if any.
Investment properties are examined to detect a possible impairment in value, and if the registered value of investment properties is more than their recoverable value at the end of this examination, they are reduced to their recoverable value by setting a provision.
The recoverable value is the higher of the future net cash flows from the current use of the relevant investment property and its fair value less cost of sale.

**Tangible Assets**

Tangible fixed assets are shown as deducted from the purchase cost value, accumulated redemption and depletion shares and permanent Decapitation losses, except for land and land, buildings and vehicles for use measured at their fair value in accordance with the TAS 16 revaluation model. The cost value of a property, plant and equipment consists of the purchase price and non-refundable taxes and expenses incurred to make the property, plant, and equipment ready for use.

Land and investments that are being made, the cost amounts of tangible fixed assets are Decoupled using the linear depreciation method according to their expected useful lives. The expected useful life, residual value and depreciation method are reviewed annually for the possible effects of changes in forecasts and are accounted for prospectively if there is a change in forecasts.

In the Group's depreciation application, the values of tangible assets are calculated linearly based on their useful lives. It is separated by depreciation method.

| | **Years** |
|---|---|
| Underground land systems | 5-50 |
| Buildings | 10-50 |
| Machinery and devices | 5-10 |
| motor vehicles | 4-10 |
| fixed assets | 5-10 |
| Other Tangible Assets | 5-10 |
| Special Cost | 10-20 |

Expenses arising from changing any part of tangible fixed assets can be activated if they are of a nature that increases the future economic benefit of the asset with maintenance and repair costs. All other expenses are accounted for in profit or loss and other expense items in the comprehensive income statement as soon as they occur.

Article stop by in assets impairment created sign from conditions available to be in case of that's possible One unified determination of impairment for the purpose of examination makes And This examination finally your existence registered value , at its recoverable value more whereas , to disagree by way of registered value back to its earnable value It is downloaded . Back can be won value, the item of interest is the existing entity of the moment from the use future n et cash currents with n et from sales price high what is aspect acceptance It is done.

Article stop by of assets sales therefore formed snow And damages investment income from activities And expenses go to their accounts including They can be made.

The Group decided to apply the revaluation model for its land and plots, buildings, and vehicles under tangible fixed assets, effective from 31 December 2020, and changed its forward-looking accounting policy within the scope of TFRS.

Fair value studies of the Company's tangible assets measured in accordance with the revaluation model were carried out by a licensed real estate valuation company authorized by the CMB. Valuation differences between the historical cost value and fair value of land, land, buildings, and vehicles measured in accordance with the revaluation model; The deferred tax effect has been accounted as netted in the "Property, plant and equipment revaluation and measurement gains (losses)" account under equity through other comprehensive income/expense accounts.

Advances given for the purchase of tangible fixed assets are shown under the "Prepaid Expenses" item, not in this item, until the relevant asset is capitalized.

**Non-material assets**

Article those who are not stop by assets , be definable , relating to source on control to be found And the future will also be available to be done what is expected One economic benefit from existence to the criteria according to get finance tables is being taken . immaterial stop by assets , obtained from the cost a lot depreciation and there is a permanent value losses expression with thoughts These are the things that have been done . Depreciation , all those who are not stop by assets for get it right depreciation method used in some cases It has been calculated .economics done rights , information systems and computer It includes software .

**Impairment of Assets**

At the end of each reporting period, the Group evaluates whether there is any indication of impairment in the book value of its assets, excluding investment properties. If such an indicator exists, the recoverable amount of that asset is estimated to determine the impairment amount. In cases where it is not possible to calculate the recoverable amount of the asset on its own, the recoverable amount of the cash-generating unit to which that asset belongs is calculated.

The recoverable amount is the greater of fair value less costs to sell or value in use. When calculating value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the time value of money and risks specific to the asset. If the recoverable amount of the asset (or cash-generating unit) is less than it carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

In this case, impairment losses are recognized in profit or loss. The increase in the book value of the asset (or cash-generating unit) due to cancellation of impairment should not exceed the book value (net amount remaining after depreciation) that would have occurred if the impairment had not been recognized in the financial statements in previous years. The reversal of the impairment loss is recorded in profit or loss.

**Financial Instruments**
*Classification*

The Group accounts for its financial assets in three classes: "financial assets recognized at amortized cost", "fair value differences reflected in the other comprehensive income statement" and "financial assets whose fair value differences are reflected in profit or loss". The classification is made based on the business model used by the enterprise for the management of financial assets and the characteristics of the contractual cash flows of the financial asset. The company classifies its financial assets on the date they are purchased. Financial assets are not reclassified after their initial recognition, except in cases where the business model used by the Company in the management of financial assets changes; In case of a business model change, financial assets are reclassified on the first day of the following reporting period following the change.

*Recognition and Measurement*

"Financial assets measured at amortized cost" are non-derivative financial assets that are held within the scope of a business model that aims to collect contractual cash flows and whose cash flows include only principal and interest payments arising from the principal balance on certain dates under the contractual terms. The Company's financial assets, which are accounted for at amortized cost, include the items "cash and cash equivalents", "trade receivables", "other receivables" and "financial investments". The relevant assets are at their fair values when they are first recorded in the financial statements; In subsequent accounting, they are measured at discounted values using the effective interest rate method. Gains and losses resulting from the valuation of non-derivative financial assets measured at amortized cost are recognized in the individual income statement.

"Financial assets at fair value through other comprehensive income" are non-derivative instruments that are held within the scope of a business model that aims to collect contractual cash flows and sell the financial asset and whose cash flows include only principal and interest payments arising from the principal balance on certain dates under the terms of the contract. are financial assets. Gains or losses arising from relevant financial assets, excluding impairment gains or losses and foreign exchange gains or losses, are reflected in other comprehensive income. If the assets in question are sold, the valuation differences classified in other comprehensive income are classified in retained earnings. For investments in equity-based financial assets, the Company may irrevocably choose the method of reflecting subsequent changes in fair value to other comprehensive income at the time of initial recognition. If this choice is made, dividends from the relevant investments are accounted for in the individual income statement.

"Financial assets at fair value through profit or loss" consist of financial assets other than financial assets measured at amortized cost and at fair value through other comprehensive income. Gains and losses resulting from the valuation of these assets are recognized in the individual income statement.

**Rental Transactions**
A lease transaction in which a significant portion of the risks and gains of ownership belongs to the lessee is classified as financial leasing. All other leases are classified as operating leases.

*Company as lessor*

Rental income arising from operating leases is recognized as income on a straight-line basis over the lease term, unless another systematic method exists that better reflects the timing of the decrease in the benefit from the leased asset. Rental income arising from the Company's operating leases are accrued at the end of each month at the rates determined based on the gross revenue or gross operating profit obtained by the operators in accordance with the agreements made with the operating companies.

*Company as Tenant*

Since the rights to lands leased to develop investment properties are classified as investment properties, the rights to these lands are accounted for as in financial leasing. For this reason, the discounted values of the rental fees to be paid for these lands are accounted in the "Financial borrowings" account as operating lease borrowings in the individual financial statements.

At the beginning of a contract, the Group evaluates whether the contract is a lease or contains a lease. If the contract conveys the right to control the use of an identified asset for a specified period in exchange for consideration, the contract is a lease or includes a lease.

The Group considers the following conditions when assessing whether a contract transfers the right to control the use of an identified asset for a specified period:

• The contract contains a defined asset (an asset is defined explicitly or implicitly in the contract),

• A functional part of the asset is physically separate or represents nearly all the asset's capacity (the asset is not identified if the supplier has a substantive right to replace the asset during its useful life and derive economic benefit from it),

• The Group has the right to obtain almost all the economic benefits to be obtained from the use of the identified asset,

• The Group has the right to manage the use of the identified asset. The Group has the right to manage the use of the asset in the event of any of the following situations:

a) The Group has the right to manage and change how and for what purpose the asset will be used throughout its useful life, or

b) The following decisions regarding how and for what purpose the asset will be used have been determined in advance:

I. The Group has the right to operate the asset (or direct others to operate the asset as it determines) throughout its useful life and the supplier does not have the right to change these operating instructions, or

ii. The Group has designed the asset (or certain features of the asset) in a way that determines in advance how and for what purpose the asset will be used throughout its useful life.

After the evaluations mentioned above, the Group reflects a right-of-use asset and a lease liability in its consolidated financial statements on the date the lease begins.

**Financial Debts**
Financial debts are recorded at their value on the date they are received, after deducting transaction expenses from the financial debt amount received. Financial liabilities are followed in the individual financial statements with their discounted values calculated with the effective interest rate on the following dates (Note 8).

**Borrowing Cost**
In the case of assets that require significant time to be ready for use or sale, borrowing costs directly associated with the purchase, construction or production are included in the cost of the asset until the relevant asset is made ready for use or sale. Financial investment income obtained by temporarily using the unspent portion of the investment-related loan in financial investments is offset against borrowing costs eligible for capitalization. All other borrowing costs are recorded in the individual income statement in the period in which they are incurred.

**Taxes Calculated on Corporate Earnings**
Income tax expenses, institutions tax And delayed tax go to from the total It occurs .

*Institutions t a x*

Institutions tax , period your wife tax subject to the one which part It is calculated based on . And subject to snow , other can also be taxed for years or from tax downloadable pens with taxation or taxation from tax download impossible pens not including holding because of , profit or damage And other comprehensive income in the table place given difference from profit It shows . Group's institutions tax balance sheet of liability date as of legalized tax using the ratio has been calculated .

*Postponed tax*

A deferred tax liability or asset is determined by calculating the temporary differences between the amounts of assets and liabilities shown in the consolidated financial statements and the amounts considered in the legal tax base account, taking into account the Decriminalized tax rates of tax effects according to the balance sheet method.

A deferred tax liabilities are calculated for all taxable temporary differences, while deferred tax assets consisting of deductible temporary differences are calculated on the condition that it is highly likely to benefit from these differences by making taxable profits in the future. The assets and liabilities in question are not recognized if the temporary difference related to the transaction, which does not affect commercial or financial profit/loss, is due to goodwill or other assets and liabilities being included in the financial statements for the first time (other than business mergers).

Postponed tax liabilities , Group's temporary the differences from the middle to get up control what he could do And in the near future This from the middle of the difference get up the possibility of low was Except for situations , connected partnership and investments in subsidiaries And work in their partnerships shares with associated with taxable temporary differences all for It is calculated .This type investment And shares with linked to taxable temporary from the difference caused er tel en en tax assets , close in the future tax subject to sufficient snow get it to do by the way promise subject with the power of benefiting from the differences possible to be And in the future the differences from the middle get up likely to be It is calculated according to the conditions .

The carrying amount of the deferred tax asset is reviewed as of each balance sheet date. The carrying amount of a deferred tax asset is reduced to the extent that it is unlikely to generate a financial profit at a level that will allow obtaining the benefit that some or all of it will provide.

Postponed tax their assets And liabilities of assets will happen or instead of obligations in the period in which it will be delivered valid to be expected And b to n so date as of has been shaken or important to the extent outlawed tax rates ( tax It is calculated based on the regulations . Postponed tax their assets and during the calculation of its liabilities , Group's balance sheet date as of now book of assets its value back to win or their obligations in its place to bring for guess did methods tax results pay attention is taken .

Deferred tax assets and liabilities are offset if there is a legal right to offset current tax assets and current tax liabilities, or if these assets and liabilities are related to income tax collected by the same tax authority, or if the Group intends to pay by clarifying current tax assets and liabilities.

Items that are directly accounted for as receivables or liabilities in equity (in which case, deferred tax on related items is also directly accounted for in equity) are accounted for as expenses or income in corporate taxes and deferred taxes, profit or loss and other comprehensive income statements for the period, except for those related to or arising from the initial registration of business combinations. In business mergers, the tax effect is taken into account when calculating goodwill or determining the portion of the share obtained by the acquirer at the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary that exceeds the purchase cost.

**Employee Benefits / Severance Pay**

*Severance Pay Provision*

According to the laws in force, the Company is obliged to make a certain lump sum payment to employees whose employment ends due to reasons other than retirement or resignation and behaviors specified in the labor law. Provision for severance pay is calculated according to the present net value of future liability amounts due to the retirement of all employees and is reflected in the accompanying individual financial statements (Footnote 18).

*Unused Leave Rights*

Unused vacation rights accrued in the financial statements represent the estimated total provision for possible future liabilities related to employees' unused earned vacation days as of the balance sheet date (Note 18).

**Operating expenses**
Operating expenses are transferred to the income statement on the date the service is performed, or the expense is incurred.

**Sharpening**
All items that are significant in terms of content and amount are shown separately in the financial statements, even if they are similar in nature. Amounts that are not material are shown by adding them up as items that are similar in terms of their principles and functions. As a result of the nature of the transactions and events requiring offset, showing these transactions and events over their net amounts, or monitoring the assets at their amounts after deducting the impairment loss is not considered a violation of the non-offset rule.

**Transactions in Foreign Currency**
When converting transactions and balances in foreign currencies into TL, the relevant exchange rates valid on the transaction date are taken as basis. Monetary assets and liabilities in foreign currencies in the balance sheet have been converted into TL using the exchange rates on the balance sheet date. Exchange rate difference expenses or income arising from the conversion of foreign currency transactions into TL, or the expression of monetary items are reflected in the income statement in the relevant period.

As of the balance sheet date, the foreign exchange rates used by the Company are as follows:

| | **31.12.2023** |
|---|---|
| ***buying foreign currency*** | |
| US$ | 29.4382 |
| EURO | 32.5739 |
| ***foreign exchange sales*** | |
| US$ | 29.4913 |
| EURO | 32.6326 |

**Provisions, Contingent Liabilities and Contingent Assets**
For any provision amount to be included in the financial statements; The Company must have a current legal or implied obligation arising from past events, it must be probable that resources containing economic benefits will be released from the business in order to fulfill this obligation,

and the amount of the obligation in question must be estimated reliably. If the criteria in question are not met, the Company explains the issues in question in the relevant footnotes.

If it becomes probable that economic benefits will flow to the business, an explanation is made in the footnotes of the financial statements regarding the contingent asset. If it is certain that economic benefits will flow to the business, the asset in question and its related income are included in the financial statements on the date of the change (Footnote 18).

**Commitments and Obligations**
Commitments and transactions that give rise to possible obligations refer to situations whose realization depends on the outcome of one or more events in the future. Therefore, some transactions are recognized as off-balance sheet items because they carry possible loss, risk or uncertainty that may arise in the future. If an estimate is made for liabilities or losses that may occur in the future, these liabilities are considered as expenses and debts for the Company (Note 15).

**Cash Flow Statement**
In the cash flow statement, cash flow statements for the period are classified and reported based on operating, investment, and financing activities. Cash flows arising from operating activities represent the cash flows arising from the Company's activities. Cash flows related to investing activities show the cash flows used and obtained by the Company in its investment activities (fixed investments and financial investments). Cash flows related to financing activities show the resources used by the Company in financing activities and the repayments of these resources.

**Events After the Reporting Period**
It refers to the events that occur in favor or against the Company between the reporting period and the authorization date for the publication of the balance sheet. Events after the reporting period are divided into two:

- there is new evidence that relevant events existed as of the end of the reporting period (events requiring correction after the reporting period),

- there is evidence showing that the relevant events occurred after the reporting period (events that do not require adjustment after the reporting period).

If there is new evidence regarding the existence of such events as of the end of the reporting period or if the relevant events occur after the reporting period and these events require correction of the financial statements, the Company corrects its financial statements in accordance with the new situation. If the events in question do not require adjustment of the financial statements, the Company discloses the relevant issues in the relevant footnotes (Footnote 28).

**Repurchased Shares**
If the entity purchases its own shares within the scope of paragraph 33 of TAS 32, the purchase prices for these shares are deducted from equity and shown in the "Repurchased Shares (-)" item.

Although the shares purchased by other parties included in the consolidation are included in this scope, these amounts are shown in the "Mutual Participation Capital Adjustment" item within the scope of TMS 32, and the differences arising because of the purchase and sale of repurchased shares are not shown in profit or loss (Footnote 22).

**2.9) New and Revised Standards and Comments**

The accounting policies used in the preparation of consolidated financial statements for the accounting period ending 31 December 2023 have been applied consistently with those used in the previous year, except for the new and amended TMS / TFRS and TMS / TFRS interpretations valid as of 1 January 2023, summarized below.

Explanations regarding the effects of the new TMS/ TFRS on financial statements:

a) Title of TAS/ TFRS
b) The accounting policy change has been made in accordance with the relevant transitional provisions, if any,
c) explanation of the change in accounting policy,
d) Explanation of transitional provisions, if any,
e) Possible effects of transitional provisions, if any, on future periods
f) Adjustment amounts for the current and each previous period presented to the extent possible:

    i. must be presented for each financial statement item affected, and
    ii. If the "TAS 33, Earnings per Share" standard is applicable for the company, the ordinary share and diluted earnings per share amounts must be recalculated.

g) If possible, adjustment amounts for periods prior to the periods not presented; and
h) If retrospective application is not possible for any period or periods, the events that led to this situation should be explained and the date and how the change in accounting policy was applied should be explained.

***New standards in force as of December 31, 2022, and amendments and interpretations to existing previous standards:***

- in TFRS 7, TFRS 4 and TFRS 16 - Benchmark interest rate reform Phase 2; It is valid for annual reporting periods beginning on or after January 1, 2023. These Phase 2 changes address issues arising from the implementation of the reforms, including the replacement of one benchmark interest rate with an alternative. The Phase 2 amendments provide temporary additional relief in the application of certain IAS 39 and IFRS 9 hedge accounting requirements to hedging relationships directly affected by the IBOR reform.

- Amendments to TFRS 4 "Insurance Contracts" - Postponement of the implementation of TFRS 9; These changes postponed the implementation date of TFRS 17 for 2 years to 1 January 2023. These changes postponed the determined date of the temporary exemption regarding the implementation of the TFRS 9 Financial Instruments standard in TFRS 4 to 1 January 2023.

***Standards and amendments that have been published but have not yet entered into force as of December 31, 2022:***

- Amendments to TFRS 16 'Leases - COVID 19 Lease privileges' regarding the extension of the facilitating practice; As of March 2021, this change has been extended until June 2022 and is effective from April 1, 2021. Due to the COVID-19 pandemic, tenants have been provided with some privileges in rent payments. These concessions can take various forms, including suspension or postponement of rent payments. On 28 May 2020, with the amendment published in the IASB IFRS 16 Leases standard, it introduced an optional facilitating practice for tenants not to evaluate whether the privileges granted due to COVID-19 in their rent payments are a change in the lease. Lessees may elect to account for such lease privileges in accordance with the provisions that would apply absent a modification of the lease. This ease of implementation often causes the lease concession to be accounted for as a variable lease payment in periods when an event or condition triggering a decrease in lease payments occurs.

  TFRS 17, "Insurance Contracts"; It is valid for annual reporting periods beginning on or after January 1, 2023. This standard replaces TFRS 4, which already allows a wide range of applications. TFRS 17 will fundamentally change the accounting of all businesses that issue insurance contracts and investment contracts with optional participation features.

- TMS 1, amendment of the "Presentation of financial statements" standard regarding the classification of liabilities; The effective date has been postponed to annual reporting periods beginning on or after January 1, 2024. These narrow-scope amendments to TAS 1, "Presentation of financial statements" standard explain that liabilities are classified as current or non-current, depending on the rights existing at the end of the reporting period. The classification is not affected by events after the reporting date or by the business's expectations (for example, the receipt of a concession or the conclusion of a contract). The amendment also clarifies what IAS 1 means by "payment" of a liability.

- Narrow-scope changes made in TFRS 3, TMS 16, TMS 37 and some annual improvements made in TFRS 1, TFRS 9, TMS 41 and TFRS 16; It is valid for annual reporting periods beginning on or after January 1, 2022.

  - Amendments to TFRS 3 'Business combinations'; This amendment updates a reference to the Conceptual Framework for Financial Reporting in TFRS 3 without changing the accounting requirements for business combinations.

  - Changes made in TAS 16 'Tangible fixed assets'; It prohibits a company from deducting the proceeds from the sale of manufactured products from the amount of a property, plant and equipment until the asset is ready for use. Instead, the company will recognize such sales proceeds and the associated cost in profit or loss.

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

- Amendments to IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets' This amendment sets out which costs a company will include when deciding whether to make a loss on a contract.

  The annual improvements make minor changes to TFRS 1 'First-time adoption of International Financial Reporting Standards', TFRS 9 'Financial Instruments', TAS 41 'Agricultural Activities' and illustrative examples of TFRS 16.

- The narrow-scope amendments to TMS 1, Application Statement 2 and TAS 8 are effective for annual reporting periods beginning on or after 1 January 2023. These changes are intended to improve accounting policy disclosures and help users of financial statements distinguish between changes in accounting estimates and changes in accounting policies.

- TMS 12, The amendment regarding deferred tax on assets and liabilities arising from a single transaction is valid for annual reporting periods starting on or after January 1, 2023. These changes require companies to recognize deferred tax on transactions that cause taxable and deductible temporary differences to occur in equal amounts when first recognized in the financial statements.

The Group will evaluate the effects of the above changes on its operations and implement them from the effective date. It is expected that the application of the above standards and interpretations will not have a significant impact on the Group's consolidated financial statements in future periods. Standards and amendments that were published as of December 31, 2021, but have not yet entered into force and are not related to the Group's activities are not listed above.

## NOTE 3 – BUSINESS COMBINATIONS

Reysaş Turizm has acquired the entire shares of Rey Hotel, whose field of activity is the operation of hotels and accommodation places, by Bizim Menkul Değerler A.Ş. It was purchased for 560,167 TL based on the valuation study conducted by. Rey Hotel operates the Eskişehir hotel in the Reysaş GYO portfolio and the Erzincan hotels in the Reysaş Tourism portfolio.

This transaction, which is a business combination under common control, was accounted for by the "Combination of Rights" method in accordance with the KGK's principal decision numbered 2013-2. Therefore, Rey Hotel Tourism Management and Trade Inc.' 's assets and liabilities were recorded at cost, and the difference between the amount paid and the net asset amount was accounted for in the "effect of merger involving businesses under common control" account.

| | |
|---|---|
| Total Current Assets | 4,452,278 |
| Total Fixed Assets | 462,552 |
| Total Short-Term Liabilities | (5,469,832) |
| Total Long-Term Liabilities | (154,836) |
| **Net Assets Acquired** | **(709,838)** |
| Purchase Price | 560,167 |

| | |
|---|---|
| **Effect of Merger Involving Entities Under Common Control** | **(1,270,005)** |

## NOTE 4 – SEGMENT REPORTING

A reportable segment is an industrial segment or geographic segment for which segment information must be disclosed. Industrial departments are departments that have different characteristics from other departments of the Company in terms of providing a certain good or service or a group of related goods or services or in terms of risk and benefit. Geographical divisions are divisions of the Company that provide goods or services in a certain economic environment and have different characteristics from other divisions operating in another economic environment in terms of risk and benefit.

The requirement for an industrial division or geographical division to be designated as a reportable segment is that most of the segment's revenues must be earned from sales to external customers and that the segment's revenues from sales to external customers and transactions with other segments must be at least the total internal and external revenues of all segments. constitute at least 10% of the segment's results resulting in profit/loss, or at least 10% of the absolute greater of the total results of the segments that made a profit and the total results of the segments that made losses, or the segment's assets are at least 10% of the total assets of all segments. is to create flour.

Group intensely five mother at that activity has shown. G r u p u n mother activity subject; Real estate , Transportation , Storage v e Logistics Service Activities .G roup ' s One other activity subjects whereas vehicle Peak Services , Tobacco products distribution And Marketing and Hotel Management .

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

| **01.01-31.12.202 3** | **Real Estate Rental Activities** | **Transportation Storage Logistics Services** | **Vehicle Inspection Service . Activities** | **Tobacco Product. Mountain. And Sun. Activities** | **Railway** | **Total** | **Elimination** | **31.12.2023 Income Statement** |
|---|---|---|---|---|---|---|---|---|
| Revenues | 1,765,760,071 | 2,366,644,914 | 720,693,690 | 543,412,974 | 33,902,564 | 5,430,414,213 | 1,268,644,584 | 6,699,058,797 |
| Cost of sales (-) | (364,397,678) | (1,395,730,400) | (729,189,389) | (537,839,297) | (26,834,851) | (3,053,991,615) | (639,833,174) | (3,693,824,789) |
| **Gross Profit (Loss)** | **1,401,362,393** | **970,914,514** | **(8,495,700)** | **5,573,677** | **7,067,713** | 2,376,422,597 | 628,811,412 | **3,005,234,009** |
| Marketing Expenses (-) | (2003.102) | -- | -- | (12,392,703) | -- | (14,395,805) | (one) | (14,395,806) |
| General and administrative expenses (-) | (65,501,647) | (159,830,629) | (29,544,682) | (5,192,094) | (7,924,401) | (267,993,453) | (103,526,963) | (371,520,416) |
| Other Operating Income | 414,215,358 | 181,603,575 | 67,252,083 | 22,212,975 | 1,132,277 | 686,416,268 | (288,563,581) | 397,852,687 |
| Other Operating Expenses (-) | (47,554,414) | (164,441,353) | (62,036) | (1,855,813) | (1,439,675) | (215,353,291) | (47,459,971) | (262,813,262) |
| **Main Activity Profit/Loss** | **1,700,518,587** | **828.246.107** | **(32,824,442)** | **8,346,043** | **(1,164,085)** | **2,503,122,210** | **251,235,002** | **2,754,357,212** |
| Income from Investing Activities | 16,581,224,173 | -- | -- | -- | -- | 16,581,224,173 | (16,453,723,565) | 127,500,608 |
| Shares of Profits / Losses of Investments Valued by Equity Method | 159,347,596 | -- | -- | -- | -- | 159,347,596 | (145,378,877) | 13,968,719 |
| **Operating Profit/(Loss) Before Financing Income and Expense** | **18,441,090,356** | **828.246.107** | **(32,824,442)** | **8,346,043** | **(1,164,085)** | **19,243,693,979** | **(16,347,867,440)** | **2,895,826,539** |
| Financing Income | 533,476,063 | -- | -- | -- | -- | 533,476,063 | 264,724,193 | 798,200,256 |
| Financing Expenses (-) | (1,205,898,859) | (81,572,595) | (9,707,372) | (3,641,356) | (1,528,781) | (1,302,348,963) | (173,864,547) | (1,476,213,510) |
| **Profit (Loss) Before Tax from Continuing Operations** | **17,409,440,275** | **746,673,512** | **(42,531,813)** | **4,704,687** | **(2,692,866)** | **18,115,593,795** | **(16,207,528,270)** | **1,908,065,525** |
| **Continuing Activities Tax Income/(Expense)** | **(1,892,612)** | (253,239,087) | 7,639,592 | (1,610,376) | 58,732 | (249,043,751) | (521,754,432) | (770,798,183) |
| -Term Tax Income/(Expense) | -- | (141,516,633) | -- | (1,164,545) | -- | (142,681,178) | (635,815,329) | (778,496,507) |
| -Deferred Tax Income/(Expense) | (1,892,612) | (111,722,454) | 7,639,592 | (445,831) | 58,732 | (106,362,573) | 114,060,897 | 7,698,324 |
| **NET PERIOD PROFIT/LOSS** | **17,407,547,663** | **493,434,425** | **(34,892,221)** | **3,094,310** | **(2,634,134)** | **17,866,550,043** | **(16,729,282,702)** | **1,137,267,341** |
| - Total Assets | 34,177,413,986 | 10,504,434,263 | 357,096,054 | 115,861,041 | 121,607,768 | 45,276,413,112 | (30,584,332,984) | 14,692,080,128 |
| - Total Resources | 3,748,892,252 | 3,322,509,723 | 225,149,713 | 84,034,253 | 32,993,831 | 7,413,579,772 | (603,871,520) | 6,809,708,252 |
| **TOTAL EQUITY** | **30,428,521,734** | **7,181,924,540** | **131,946,341** | **31,826,788** | **88,613,937** | **37,862,833,340** | **(29,980,461,464)** | **7,882,371,876** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

| 01.01-31.12.2022 | Real Estate Rental Activities | Transportation Storage Logistics Services | Vehicle Inspection Service . Activities | Tobacco Product. Mountain. And Sun. Activities | Railway | Total | Elimination | 31.12.2022 Income Statement |
|---|---|---|---|---|---|---|---|---|
| Revenues | 1,026,663,021 | **1,022,407,208** | 322,507,386 | 303,794,978 | 83,678,560 | 2,759,051,153 | 365.185.091 | 3,124,236,244 |
| Cost of sales (-) | (150,142,019) | **(736,093,660)** | (335,139,211) | (298,254,253) | (66,349,191) | (1,585,978,334) | (210,979,160) | (1,796,957,494) |
| **Gross Profit (Loss)** | **876,521,002** | **286,313,548** | **(12,631,825)** | **5,540,725** | **17,329,369** | **1,173,072,819** | **154,205,931** | **1,327,278,750** |
| Marketing Expenses (-) | (1,089,424) | -- | 0 | (6,789,929) | 0 | (7,879,353) | (12,344,618) | (20,223,971) |
| General and administrative expenses (-) | (38,891,906) | (30,274,831) | (12,344,625) | (3,602,943) | (7,671,932) | (92,786,237) | (3,961,139) | (96,747,376) |
| Other Operating Income | 83,229,414 | 61,823,700 | 48,142,649 | 11,460,542 | 2,210,142 | 206,866,447 | (130,816,965) | 76,049,482 |
| Other Operating Expenses (-) | (28,397,433) | (63,569,046) | (42,420,362) | (368,992) | (475,695) | (135,231,528) | 52,154,871 | (83,076,657) |
| **Main Activity Profit/Loss** | **891,371,654** | **254,293,371** | **(19,254,163)** | **6,239,410** | **11,391,883** | **1,144,042,155** | **59,238,082** | **1,203,280,237** |
| Income from Investing Activities | 8,145,633,164 | -- | -- | -- | -- | 8,145,633,164 | (8,136,153,898) | 9,479,266 |
| Shares of Profits / Losses of Investments Valued by Equity Method | 69,256,163 | -- | -- | -- | -- | 69,256,163 | (45,640,848) | 23,615,315 |
| **Operating Profit/(Loss) Before Financing Income and Expense** | **9,106,260,980** | **254,293,371** | **(19,254,163)** | **6,239,410** | **11,391,883** | **9,358,931,481** | **(8,122,556,663)** | **1,236,374,818** |
| Financing Income | 175,797,658 | -- | -- | -- | -- | 175,797,658 | 208,223,680 | 384,021,338 |
| Financing Expenses (-) | (855,386,151) | (72,692,936) | (7,479,991) | (1,883,386) | (2,330,651) | (939,773,115) | (125,544,366) | (1,065,317,481) |
| **Profit (Loss) Before Tax from Continuing Operations** | **8,326,196,053** | **181,600,435** | **(26,734,155)** | **4,356,024** | **9,061,232** | **8,494,479,589** | **(8,128,353,221)** | **366,126,368** |
| **Continuing Activities Tax Income/(Expense)** | **(2,122,741)** | **(8,376,468)** | 1,192,517 | (.1456.397) | 94,908 | (10,668,181) | (4,511,491) | (15,179,672) |
| -Term Tax Income/(Expense) | -- | **(6,235,168)** | -- | -- | 0 | (6,235,168) | (10,231,930) | (16,467,098) |
| -Deferred Tax Income/(Expense) | (2,122,741) | **(2,141,300)** | 1,192,517 | (1,456,397) | 94,908 | (4,433,013) | 5,720,438 | 1,287,425 |
| **NET PERIOD PROFIT/LOSS** | **8,324,073,312** | **173,223,967** | **(25,541,637)** | **2,899,627** | **9,156,140** | **8,483,811,409** | **(8,132,864,713)** | **350,946,696** |
| - Total Assets | 15,953,218,669 | 3,042,683,575 | 364,406,721 | 68,734,679 | 142,353,526 | 19,571,397,170 | (12,792,801,154) | 6,778,596,016 |
| - Total Resources | 4,175,966,844 | 771,920,424 | 289,982,340 | 44,392,386 | 53,256,609 | 5,335,518,603 | (287,157,624) | 5,622,676,227 |
| **TOTAL EQUITY** | **11,777,251,825** | **2,270,763,151** | **74,424,381** | **24,342,293** | **89,096,917** | **14,235,878,567** | **(13,079,958,778)** | **1,155,919,789** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

## FOOTNOTES 5 – RELATED PARTY DISCLOSURES

| Trade Receivables from Related Entities | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Emir İstif Makinaları San. Ve Tic.A.Ş. | 5,953,273 | 7,604,675 |
| Reysaş Antrepo İşletmesi A.Ş. | 1,258,961 | 7,925,225 |
| Reyline International Transportation Inc. | 9,284,403 | -- |
| Egemence Construction Inc. | 4,155,162 | -- |
| Other | 1,767,516 | 142,967 |
| **Total** | **22,419,315** | **15,672,867** |

Interest is charged at an annual rate of 10.75% - 44.25% in TL for the Group's current and promissory note receivables from related companies.

| Trade Payables to Related Entities | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Debts to Partners | 2,183,805 | 1,347,169 |
| Payables to Subsidiaries | 6,289,480 | 14,517,957 |
| **Total** | **8,473,285** | **15,865,125** |

| Other Short-Term Payables to Related Parties | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Egemen Döven | 9,699,113 | -- |
| Other | 185,231 | -- |
| **Total** | **9,884,344** | **--** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

Purchases made from related companies within the accounting period 01.01.-3 1.12.2023:

| | **fixed asset** | **Other** | **Goods/Serv ice** | **Maturity Difference** | **Investmen t** | **Rent** | **Total** |
|---|---|---|---|---|---|---|---|
| Reysaş Real Estate Investment Partnership . | -- | 1,021,039 | 82,301 | 15,189,297 | 20,060 | 243,079,925 | 259,392,621 |
| Persco Personnel Supply Management Dan.Tic.Ltd.Şti . | -- | -- | 69,642,542 | 1,902,778 | -- | -- | 71,545,319 |
| Egemen Oto Kiralama A.Ş. | -- | -- | 819,600 | -- | -- | 51,638,327 | 52,457,927 |
| Egemence Construction Inc. | -- | -- | 6,892,493 | -- | 7,758,627 | -- | 14,651,122 |
| Other | 69,495 | 5,213,022 | 291,933 | 7,831,050 | -- | 412,492 | 13,817,992 |
| **Total** | **69,495** | **6,234,061** | **77,728,868** | **24,923,124** | **7,778,688** | **295,130,743** | **411,864,980** |

Sales made to related companies within the accounting period 01.01.-31.12.2023:

| | **fixed asset** | **Freight** | **Goods/Service** | **Maturity Difference** | **Other** | **Rent** | **Total** |
|---|---|---|---|---|---|---|---|
| Reyline International Stone. Inc. | 537,616 | 46,757,628 | 2,320,737 | 1,019,799 | 96,424 | 11,453,498 | 62,185,702 |
| Reysaş Real Estate Investment Partnership . | -- | -- | 13,003,044 | -- | 3,016,340 | -- | 16,019,384 |
| Rey Hotel Tourism Management and Tic.AŞ. | -- | -- | 7,498,442 | 166,140 | 1,135,614 | -- | 8,800,196 |
| Egemen Oto Kiralama A.Ş. | -- | -- | 1,344,419 | 5,328,189 | 309,564 | -- | 6,982,172 |
| Emir İstif Makinaları Sanayi ve Tic. Inc. | -- | -- | -- | 1,396,965 | -- | 5,389,343 | 6,786,308 |
| Reysaş Railway Stone. Inc. | -- | 3,074,775 | 134,234 | 1,805,765 | -- | -- | 5,014,774 |
| Other | -- | -- | 1,982,832 | 5,297,038 | 2,197,122 | 60,040 | 9,537,032 |
| **Total** | **537,616** | **49,832,403** | **26,283,708** | **15,013,896** | **6,755,064** | **16,902,881** | **115,325,568** |

Purchases made from related companies within the accounting period 01.01.-31.12.2022:

| | **fixed asset** | **Freight** | **Goods/Service** | **Maturity Difference** | **Rent** | |
|---|---|---|---|---|---|---|
| Egemence Construction Joint Stock Company | 4,112,450 | -- | 28,563 | 371,891 | -- | |
| Egemen Oto Kiralama A.Ş. | -- | -- | -- | -- | 2,711,522 | |
| Persco Personnel Supply Management Dan.Tic.Ltd.Şti . | -- | -- | 82,201,495 | 837,656 | -- | |
| Reyline International Transport Inc. | -- | 72,815,284 | 11,210,587 | 846,044 | -- | |
| Other | 39,530 | -- | 36,942,107 | 31,291,681 | 124,962,739 | 1 |
| **Total** | **4,151,980** | **72,815,284** | **130,382,752** | **33,347,272** | **127,674,261** | **3** |

Sales made to related companies within the accounting period 01.01.-31.12.2022:

| | **Rent** | **Maturity Difference** | **Service** | **Other** | **Total** |
|---|---|---|---|---|---|
| Persco Personnel Supply Management Dan.Tic.Ltd.Şti . | -- | -- | -- | -- | -- |
| Reysaş Antrepo İşletmesi A.Ş. | 7,080 | 418,472 | 21,240 | -- | 446,792 |
| Emir İstif Makinaları Sanayi ve Tic.Aş. | 21,519,593 | -- | -- | 18,328 | 21,537,921 |
| Egemen Oto Kiralama A.Ş. | -- | 1,527,328 | -- | 736,029 | 2,263,357 |
| Reyline International Transportation Ltd. Ltd. | 20,373,106 | 302,320 | 29,205 | 32,948,024 | 53,652,655 |
| Other | 48,326 | 4,288,113 | 4,910,547 | 9,355,515 | 18,602,501 |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

| | | | | | | |
|---|---|---|---|---|---|---|
| **Total** | **41,948,105** | | **6,536,233** | **4,960,992** | **43,057,896** | **96,503,226** |

**Senior Managers:**

The total amount of benefits and wages provided to senior managers within the accounting period of 01.01.-31 December 2023 is 1.625.004 TL and consists entirely of wage payments (01.01.-31 December 2022: 1.188.234 TL).

## NOTE 6 – CASH AND CASH EQUIVALENTS

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Till | 2,919,351 | 1,772,173 |
| - Turkish lira | 2,919,351 | 1,772,173 |
| - Foreign Currency | -- | -- |
| Banks - Current accounts | 146,502,624 | 873,358,901 |
| - Turkish lira | 78,023,543 | 782,823,227 |
| - Foreign Currency | 68,479,081 | 90,535,674 |
| Banks - Current accounts (*) | 1,163,531,964 | 143,361,956 |
| - Turkish lira | 788,932,114 | 143,361,956 |
| - Foreign Currency | 374,599,850 | -- |
| Other literals | 11,154,454 | 6,892,614 |
| Total | **1,324,108,393** | **1,025,385,644** |

(*) Details regarding time deposits are as follows:

| **December 31, 2023** | **Average Maturity** | **Interest rate** | **Foreign Exchange Amount** | **TL Equivalent** |
|---|---|---|---|---|
| TL | 1-35 days | 35.00%-49.50% | -- | 788,932,114 |
| EURO | 3 days | 0.01% -0.10% | 11,500,000 | 374,599,850 |
| **Total** | | | | **1,163,531,964** |

| **December 31, 2022** | **Average Maturity** | **Interest rate** | **Foreign Exchange Amount** | **TL Equivalent** |
|---|---|---|---|---|
| TL | 1-35 days | 17.00%-25.00% | -- | 143,361,956 |
| **Total** | | | | **143,361,956** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

## NOTE 7 – FINANCIAL INVESTMENTS

Group's 3 1 Short-term financial investments classified as other financial assets measured at fair value through profit or loss as of December 2 02 3 and 31 December 20 22 are as follows:

| | December 31, 2023 | December 31, 2022 |
|---|---|---|
| Exchange Rate Protected Deposits | 335,625,250 | 152,943,969 |
| Stocks | 1,911,877 | 7,795,489 |
| **Total** | **344,894,874** | **160,739,458** |

As of 31.12.2023, the company has 8,000,000 USD and 2,500,000 EUR foreign currency convertible KKM.

## NOTE 8 – FINANCIAL LIABILITIES

The Group's short and long-term financial liabilities as of 31 December 2023 and 31 December 2022 are as follows:

| **Short-Term Financial Borrowings** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Short-term bank loans | 256,622,337 | 640,946,756 |
| **Total** | **256,622,337** | **640,946,756** |

| **Short-Term Portions of Long-Term Borrowings** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Short-term parts of long-term bank loans | 1,618,056,342 | 408.182.222 |
| Short-term financial lease liabilities, net | 535,296,976 | 510,843,353 |
| **Total** | **2,153,353,318** | **919,025,575** |

| **Long-term financial debts** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Long-term bank loans | 1,198,400,973 | 2,852,654,529 |
| Long-term financial lease liabilities, net | 167,258,643 | 182,149,355 |
| **Total** | **1,365,659,616** | **3,034,803,884** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

The breakdown of financial debts by currency is as follows:

| **Short-term financial liabilities** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| TL Bank loans | 1,656,968,270 | 893.207.257 |
| EURO Bank loans | 217,710,409 | 155,921,721 |
| **Total** | **1,874,678,679** | **1,049,128,978** |

| **Long-term financial debts** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| TL Bank loans | 1,182,714,753 | 2,738,903,951 |
| EURO Bank loans | 15,686,220 | 113,750,578 |
| **Total** | **1,198,400,973** | **2,852,654,529** |

Repayment terms of loan debts are as follows:

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Payments to be made within 0-3 months | 256,622,337 | 640,946,756 |
| Payments to be made within 4-12 months | 1,618,056,342 | 408.182.222 |
| To be paid within 1-5 years | 1,198,400,973 | 2,852,654,529 |
| Payments to be made within more than 5 years | -- | -- |
| **Total** | **3,073,079,652** | **3,901,783,507** |

| **Short-term financial lease liabilities** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| TL financial leasing | 493,450,394 | 477,454,371 |
| EURO financial leasing | 41,846,582 | 33,388,982 |
| **Total** | **535,296,976** | **510,843,353** |

| **Long-term financial lease liabilities** | **31.12.2023** | **31.12.2022** |
|---|---|---|

| | | |
|---|---|---|
| TL financial leasing | 135,129,440 | 171,416,957 |
| EURO financial leasing | 32,129,203 | 10,732,398 |
| **Total** | **167,258,643** | **182,149,355** |

Repayment terms of financial lease debts are as follows:

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Payments to be made within 0-3 months | 468,695,541 | 5,660,630 |
| Payments to be made within 4-12 months | 66,601,435 | 505.182.723 |
| To be paid within 1-5 years | 167,258,643 | 182,149,355 |
| **Total** | **702,555,619** | **692,992,708** |

Effective interest (internal rate of return) * rates of financial debts are as follows:

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| TL Bank loans | 7.84% - 45.00% | 7.84% - 27.96% |
| EURO Bank loans | 5.05% - 8.147% | 4.38% - 5.48% |

* **Internal rate of return;** It is the ratio that makes the present value of cash inflows in a project equal to the present value of cash outflows. Therefore, the internal rate of return announced for bank loans and financial leasing obligations does not represent the interest rate used in loans and financial leasing.

The amount of guarantees given by the Group for its financial debts is included in footnote 17.

Some of the financial ratios of the Group as of 31 December 2023 and 31 December 2022 are as follows:

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Current rate | 99% | 97% |
| Ready Values Ratio | 42% | 44% |
| Financial Leverage Ratio | 56% | 83% |
| Financing Rate | 78% | 21% |

**NOTE 9 – TRADE RECEIVABLES AND PAYABLES**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Commercial debts | 586,339,787 | 642,488,554 |
| - Non-group trade receivables | 563,920,472 | 626,815,687 |
| -Trade receivables from related parties (Footnote 5) | 22,419,315 | 15,672,867 |
| Notes receivable | 5,733,808 | 8,836,995 |
| Deferred financing income (-) | (5,995,780) | (29,033,861) |
| Doubtful trade receivables | 28,286,346 | 34,264,594 |
| Provision for doubtful trade receivables (-) | (28,024,374) | (34,044,002) |
| **Total** | **586,339,787** | **642,488,554** |

The Group allocates loss provisions on a customer basis for its problematic trade receivables. Provision amounts include receivables that are thought to be uncollectible from relevant customers. The movement of the allowance for doubtful receivables for the periods ending 31.12.2023 and 31.12.2022 is as follows:

| | **01.01.-31.12.2023** | **01.01.-31.12.2022** |
|---|---|---|
| January 01 | (34,044,002) | (35,348,092) |
| Provision allocated during the period | (7,363,210) | (12,078,748) |
| Inflation Effect | 13,382,838 | 13,382,838 |
| **end of term** | **(28,024,374)** | **(34,044,002)** |

| **Short Term Trade Payables** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Trade payables | 350,497,084 | 398,260,650 |
| -non-group commercial payables | 342,023,799 | 382,395,524 |
| -Trade payables to related parties (Note 5) | 8,473,285 | 15,865,125 |
| Notes payable | 10,863,574 | 266,255,784 |
| Deferred finance expenses (-) | (31,598,661) | (7,739,612) |
| **Total** | **350,497,084** | **398,260,650** |

## NOTE 10 – OTHER RECEIVABLES AND PAYABLES

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

| **Other Short-Term Receivables** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Deposits and guarantees given | 264,333,723 | 236.105.981 |
| Other Receivables (*) | 180,820,931 | 22,390,456 |
| **Total** | **445.154.654** | **258,496,437** |

(*) 166.530.000 TL to Ziraat Bankası A.Ş. is the amount of receivables.

| **Other Short-Term Debts** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Other Payables to Related Parties (Note 5) | 9,884,344 | -- |
| Other Payables to Non-Related Parties | 142,063,570 | 112,915,939 |
| Deposits and guarantees received | -- | 7,773,963 |
| Taxes and funds payable | 66,034,826 | 4,788,572 |
| Overdue, Postponed or Installment Debts to the Public | 62,936,156 | 920,896 |
| Received advances | 13,092,588 | 99,432,508 |
| **Total** | **151,947,914** | **112,915,939** |

| **Other Long-Term Debts** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Debts to Personnel | 50,611,837 | 11,131,186 |
| **Total** | **50,611,837** | **11,131,186** |

## NOTE 11 – INVESTMENTS VALUED USING THE EQUITY METHOD

There is no comment.

### NOTE 12 – INVESTMENT PROPERTIES

Movements in investment real estate during the periods ending 31 December 2023 and 31 December 2022 are as follows:

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Investment Properties | 2,914,619,951 | 1,893,339,548 |
| **Total** | **2,914,619,951** | **1,893,339,548** |

As of December 31, 2023, the fair value of the Group's warehouses and warehouses under construction is determined by Reel Gayrimenkul Değerleme A.Ş., which is not affiliated with the Company. Obtained according to the valuation carried out by the title real estate appraisal company. Valuations made in accordance with International Valuation Standards were determined using the Market Method, Cost (Expense) Method and Income (Yield) Method. Reel Gayrimenkul Değerleme A.Ş. is a real estate appraisal company authorized by the Capital Markets Board.

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

## NOTE 13 – TANGIBLE ASSETS

31st of December 202 Movements in property, plant and equipment and related accumulated depreciation for the periods ending 3 and 31 December 20 22 are as follows:

| | 31.12.2022 | Entries | Revaluation | Outputs (-) | 31.12.2023 |
|---|---|---|---|---|---|
| plots of land | 298,718,268 | -- | -- | (162,726,654) | 135,991,614 |
| Underground and surface layouts | 123,790,134 | -- | -- | (10,087,183) | 65,071,398 |
| Buildings | 1,193,074,008 | 674,775,690 | -- | -- | 1,867,849,698 |
| Plant, machinery and equipment | 220,076,601 | 759,769 | -- | -- | 163,572,138 |
| vehicles | 982,377,929 | 679,628,496 | 178,729,825 | -- | 1,503,769,757 |
| fixed assets | 104,671,657 | 91,480,832 | -- | -- | 172,806,292 |
| Ongoing investments | 339,367,731 | 240,899,549 | -- | -- | 574,529,452 |
| **Cost Value** | **3,262,076,328** | **1,687,544,336** | **178,729,825** | **(172,813,837)** | **4,483,590,349** |
| **Accumulated depreciation (-)** | **(916,508,674)** | | | | **(915.115.053)** |
| **Net Book Value** | **2,345,567,655** | | | | **3,568,475,296** |

3 As of December 1 , 2023 , the total insurance coverage amount established on the buildings is 3.949.003.834 TL (31 December 20 22 : 3.106.483.596 TL).

Movements in property, plant and equipment and related accumulated depreciation for the periods ended 31 December 202 2 and 31 December 202 1 are as follows:

| | 31.12.2021 | Entries | Outputs (-) | 31.12.2022 |
|---|---|---|---|---|
| plots of land | 1,105,121,265 | -- | (806,402,997) | 298,718,268 |
| Underground and surface layouts | 75,367,570 | 48,422,564 | -- | 123,790,134 |
| Buildings | 1,552,408,021 | -- | (359,334,013) | 1,193,074,008 |
| Plant, machinery and equipment | 246,360,665 | -- | (26,284,064) | 220,076,601 |
| vehicles | 868,985,296 | 113,392,633 | -- | 982,377,929 |
| fixed assets | 85,086,945 | 19,584,712 | -- | 104,671,657 |
| Ongoing investments | 148,639,273 | 190,728,458 | -- | 339,367,731 |
| **Cost Value** | **4,081,969,036** | **372,128,367** | **(1,192,021,074)** | **3,262,076,328** |
| **Accumulated depreciation (-)** | **(708,451,211)** | | | **(916,508,674)** |
| **Net Book Value** | **3,373,517,826** | | | **2,345,567,655** |

**Effect of Revaluation of real estate used for logistics services.**

**Vehicles Revaluation Impact**

**31.12.2023:**

the Reysaş Logistics portfolio was revalued on 21.02.2024 by a valuation company authorized by the Capital Markets Board. The revaluation amount of the vehicles in the Reysaş Logistics portfolio is 1,460,540,000 TL and the total net book value is 675,172,962 TL. Valuation differences of 785,367,038 TL resulting from revaluation were accounted in the Tangible Asset Revaluation Increases (Decreases) account under Equity.

**31.12.2022:**

the Reysaş Logistics portfolio was revalued on December 12, 2022 by a valuation company authorized by the Capital Markets Board. The revaluation amount of the vehicles in the Reysaş Logistics portfolio is 786,615,000 TL and the total net book value is 203,733,431 TL. Valuation differences of 582,881,569 TL resulting from revaluation were accounted in the Tangible Asset Revaluation Increases (Decreases) account under Equity.

**31.12.2023:**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

The following parts of the following real estate in the Reysaş GYO portfolio are used by Reysaş Logistics in Logistics services. In this context, the revalued parts of the real estates, which were classified as tangible assets and whose cost was 7,374,199,000 TL, were realized as 2,572,532,006 TL. Valuation differences of 2,427,849,892 TL resulting from the revaluation were accounted in the Tangible Asset Revaluation Increases (Decreases) account under Equity.

| Real estate | Total Revaluation amount of the property | Logistics Service-% Percent usage | Logistics Service-Revalued Amount | Logistics Service-Net Book Value | Revaluation Differences |
|---|---|---|---|---|---|
| Adana 2 Warehouse 156 Island 2 Plot | 999,400,000 | one hundred % | 999,400,000 | 76,299,559 | 923.100.441 |
| Adana 3 Warehouse 622 Island 4 Plot | 243,200,000 | 37% | 89,984,489 | 1,875,079 | 88.109.410 |
| Çayırova 2 Warehouse 2079 Island 1 Plot | 693,000,000 | 48% | 335,115,000 | 4,293,719 | 330,821,281 |
| Çayırova 3 Warehouse 2085 Island 3 Plot | 843,000,000 | 14% | 117,782,499 | 7,524,734 | 110,257,765 |
| Sakarya Arifiye 2587 Island 47 Plot | 112,040,000 | one hundred % | 112,040,000 | 9,565,000 | 102,475,000 |
| Sakarya Arifiye Adp . Warehouse 2587 Block 46 Plot | 112,859,000 | 43% | 48,034,545 | 6,613,181 | 41,421,363 |
| Sakarya Arifiye Adp . Warehouse 2586 Block 70 Plot | 43,300,000 | 54% | 23,486,665 | 1,514,157 | 21,972,507 |
| Çayırova 6 Warehouse 2087 Block 3 Plot | 1,384,000,000 | 13% | 174,505,107 | 8,076,487 | 166,428,619 |
| Çayırova 9 Warehouse 2080 Island 1 Plot | 1,730,000,000 | 21% | 361,754,404 | 12,009,836 | 349,744,568 |
| Ankara-Kazan Saray Mah. Block 693, Plot 1 | 272,400,000 | 3% | 9,452,180 | 384,987 | 9,067,193 |
| Çayırova 12 Warehouse 2085 Island 4 Plot | 941,000,000 | 32% | 300,977,119 | 16,525,374 | 284,451,745 |
| **TOTAL** | **7,374,199,000** | | **2,572,532,006** | **144,682,114** | **2,427,849,892** |

## 31.12.2022:

The following parts of the following real estate in the Reysaş GYO portfolio are used by Reysaş Logistics in Logistics services. In this context, the revalued parts of the real estates, which were classified as tangible assets and whose cost was 2,274,541,000 TL, were realized as 701,825,625 TL. Valuation differences of 621,300,518 TL resulting from revaluation were accounted in the Tangible Asset Revaluation Increases (Decreases) account under Equity.

| Real estate | Total Revaluation amount of the property | Logistics service-% Percent usage | Logistics service - Revalued Amount | Logistics service-Net Book Value | Revaluation Differences |
|---|---|---|---|---|---|
| Adana Warehouse 156 Block 2 Plot | 113,511,000 | one hundred% | 113,511,000 | 3,990,713 | 109,520,287 |
| Çayırova 2 Warehouse 2079 Island 1 Plot | 299,676,000 | 48% | 144,914,751 | 2,456,561 | 142,458,190 |
| Çayırova 3 Warehouse 2085 Island 3 Plot | 344,658,000 | 10% | 32,982,889 | 4,659,617 | 28,323,272 |
| Sakarya Arifiye Map 2587 Island 47 Pars | 53,219,000 | one hundred% | 53,219,000 | 9,565,000 | 43,654,000 |
| Sakarya Arifiye Adp. Warehouse 2587 Block 46 Plot | 100,246,000 | 43% | 42,666,256 | 1,877,894 | 40,788,362 |
| Çayırova 6 Warehouse 2087 Block 3 Plot | 136,641,000 | 13% | 17,228,723 | 1,178,114 | 16,050,609 |
| Çayırova 9 Warehouse 2080 Island 1 Plot | 715,717,000 | 21% | 152.155.495 | 8,792,043 | 143,363,452 |
| Ankara-Kazan-Saray Mh . Loj693 Island 1 Pr | 121,140,000 | 17% | 20,492,128 | 1,378,597 | 19,113,531 |
| Çayırova 12 -2085 Block 4 Plot | 389,733,000 | 32% | 124,655,383 | 46,626,568 | 78,028,815 |
| **TOTAL** | **2,274,541,000** | | **701,825,625** | **80,525,107** | **621,300,518** |

Mortgages established on asset values and similar information are included in Footnote 17 .

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

## NOTE 15 – INVENTORIES

3 1 Short as of December 202 3 and 31 December 202 2 And long- term of stocks The detail is as follows:

| **Short term stocks** | **31.12.2023** | **31.12.2022** |
|---|---:|---:|
| Raw material and material | 724,365 | 834,007 |
| Semi-finished Products | 2,437,886 | 3,524,285 |
| finished goods | 124,819 | 317,521 |
| Trade goods | 175,658,964 | 61,101,664 |
| Other Stocks | 4,648,174 | 3,132,603 |
| **Total** | **183,594,207** | **68,910,080** |

## NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

**Provisions:**

Explanations regarding provisions as of 31 December 2023 and 31 December 2022 are as follows:

| | **31.12.2023** | **31.12.2022** |
|---|---:|---:|
| Unused Personnel Leave Provisions | 7,119,676 | 4,269,807 |
| Other Short-Term Provisions | 42,283,897 | 31,422,144 |
| **Total** | **49,403,573** | **35,691,951** |

31.12.2023 , the explanation about the lawsuits and disputes involving the Group is as follows:

| | **Number of Cases** | **Total Amount** |
|---|---:|---:|
| 1-Various lawsuits filed and ongoing in favor of the Group | 11th | 615,384 |
| 2-Various lawsuits filed and ongoing against the Group | 99 | 35,751,126 |

(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

## NOTE 1 7 – COMMITMENTS

### a) Guarantees, pledges and mortgages given by the Group:

| **Guarantees, Pledges and Mortgages Given by the Group (GPM)** | **31.12.20233** | **31.1** |
|---|---|---|
| Total Amount of GPMs Given on Behalf of Its Own Legal Entity | 5,393,866,201 | 5,037, |
| B. Gave in Favor of Partnerships Included in the Scope of Full Consolidation | | |
| Total Amount of GPMs | -- | |
| C. Other Third Parties for the Purpose of Carrying Out Ordinary Commercial Activities | -- | |
| Total Amount of GPMs Given for the Purpose of Covering Its Debt | -- | |
| Total Amount of Other GPMs Given | -- | |
| I. Total Amount of GPMs Given in Favor of the Main Partner | -- | |
| ii. Other Companies Not Included in the Scope of Articles B and C | -- | |
| Total Amount of GPMs Given in His Favor | -- | |
| iii. Given on behalf of third parties not included in Article C | -- | |
| Total Amount of CPMs | -- | |
| **Total** | **5,393,866,201** | **5,037,** |
| **The ratio of other CPMs given by the Group to the Company's equity capital** | **--** | |

| **Type of collateral** | **YP. breed** | **YP. The amount of** | **31.12.2023** |
|---|---|---|---|
| Mortgage | TL | -- | 180,000,000 |
| Mortgage | EURO | -- | 3,800,000 |
| Letter of guarantee | TL | -- | 58,541,543 |
| Letter of guarantee | EURO | 75,000 | 2,443,042 |
| **Total** | | **75,000** | **244,784,585** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

| Type of collateral | YP. breed | YP. The amount of | 31.12.2022 |
|---|---|---|---|
| Mortgage | TL | -- | 4,984,500,000 |
| Letter of guarantee | TL | -- | 16,665,825 |
| **Total** | | -- | **5,001,165,825** |

**b) Guarantees, pledges and mortgages received by the Group:**

| Type of collateral | FC Type | FC Amount | 31.12.2023 |
|---|---|---|---|
| Letter of guarantee | TL | -- | 13,535,875 |
| Guarantee bond | TL | -- | 5,533,395 |
| Guarantee bond | EURO | 430,416 | 14,020,328 |
| Guarantee checks | TL | -- | 3,479,178 |
| Guarantee checks | EURO | 440,000 | 14,332,516 |
| **Total** | | | **50,901,292** |

| Type of collateral | FC Type | FC Amount | 31.12.2022 |
|---|---|---|---|
| Letter of guarantee | TL | -- | 825,000 |
| Guarantee bond | US$ | 470,300 | 8,793,810 |
| Guarantee bond | TL | -- | 5,533,395 |
| Guarantee bond | EURO | 430,416 | 8,580,300 |
| Guarantee checks | TL | -- | 3,479,178 |
| Guarantee checks | EURO | 440,000 | 8,771,356 |
| **Total** | | | **35,983,040** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

## NOTE 18 – PROVISIONS FOR EMPLOYEE BENEFITS

### a) Debts within the Scope of Employee Benefits

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Liabilities Within the Scope of Employee Benefits | 41,371,868 | 10,378,759 |
| **Total** | **41,371,868** | **10,378,759** |

### b) Provision for Severance Pay

In accordance with the current labor law in Turkey, the Group is obliged to pay a certain amount of severance pay to personnel who quite due to retirement or whose employment is terminated for reasons other than resignation and misconduct. These compensations are calculated based on 30 days of wages for each year worked, based on the wage on the date of resignation or dismissal (as of December 31, 2023 and December 31, 2022, the ceiling of severance pay payments is 23,489.83 TL/year and 15,371 TL/year, respectively).

Actuarial calculation is required to calculate the Company's liabilities in accordance with the TAS 19 "Employee Benefits" standard. The Company has calculated the severance pay provision by using the "Projected Unit Credit Method" in accordance with TMS 19 , based on the Company's experiences in completing the personnel service period in the past years and being entitled to severance pay, and reflected it in the financial statements. Provision for severance pay is set aside by calculating the present value of the possible liability that will need to be paid in case of retirement of the employees.

Accordingly, the actuarial assumptions used in calculating total liabilities are stated below.

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Discount rate | 23.00% | 23.00% |
| Expected fee/limit increases | 22.00% | 22.00% |
| Discount rate | 0.82% | 0.82% |

The basic assumption is that the ceiling provision for each year of service increases in proportion to inflation. Thus, the applied discount rate represents the real rate, adjusted for the expected effects of inflation. The Group's severance pay provision is calculated based on the full ceiling amount of 23,489.83 TL, effective as of July 1, 2023, since the severance pay ceiling is adjusted every six months.

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

The movement table of severance pay obligations is as follows:

| | **01.01.-31.12.2023** | **01.01.-31.12.2022** |
|---|---|---|
| Beginning of term | 16,044,837 | 7,525,130 |
| Current period service cost | 44,263,379 | 2,283,415 |
| Payments made during the current period (-) | (22,405,305) | (159,679) |
| interest cost | (13,362) | 26,268 |
| Actuarial gain/(loss) | (498,016) | 256,826 |
| Inflation Effect | 6,112,877 | 6,112,877 |
| **end of term** | **43,504,410** | **16,044,837** |

**c) Other Long-Term Provisions**

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Other Long-Term Provisions | 202,889,513 | 49,078,255 |
| **Total** | **202,889,513** | **49,078,255** |

## NOTE 19 – PREPAID EXPENSES AND DEFERRED REVENUES

The details of prepaid expenses as of 31 December 2023 and 31 December 2022 are as follows:

| **short term** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Insurance expenses for the coming months | 100,571,213 | 50,568,727 |
| Income accruals | 4,339,764 | 436,502 |
| **Total** | **104,910,978** | **51,005,230** |

| **Long term** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Advances Given | 173,115,920 | 87,618,732 |
| Expenses for Future Years | 3,174,069 | 5,064,431 |
| **Total** | **176,289,989** | **92,683,163** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

3 1 Postponed as of 31 December 202 3 and 31 December 202 2 Details of income are as follows:

| **Short-term deferred revenues** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Income for Future Months | 411,514 | 700,167 |
| Expense Accruals | -- | 207,273,904 |
| **Total** | **411,514** | **207,974,071** |

| **Long-term deferred revenues** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Income for Future Years | 13,250 | 514,647 |
| **Total** | **13,250** | **514,647** |

## NOTE 20 – OTHER ASSETS AND LIABILITIES

| **Other current assets** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| deferred VAT | 12,302,518 | 27,517,380 |
| VAT to be deducted | 1,107,017 | 1,568,304 |
| Personnel Advances | 4,564,283 | 648,453 |
| **Total** | **17,973,818** | **29,734,138** |

## NOTE 21 – GOVERNMENT INCENTIVES AND AID

The Group has one Investment Incentive Certificate as of 2023, and the details of the incentive certificate are as follows:

| **Document Date** | **Document no** | **Subject** | **Investment Start Date** | **Investment End Date** | **Total Investment Amount** |
|---|---|---|---|---|---|
| 06.06.2014 | F/109795 | Railway Transportation | 13.03.2013 | 14.03.2014 | 8,830,915 |

With the Investment Incentive Certificate dated 12 April 2013 and numbered B/109795, Reysaş Railway Transportation Inc. has decided to invest in the purchase of wagons for railway transportation. With this investment incentive certificate, the Company will benefit from interest support, reduced corporate tax and other exemptions. Within the scope of this investment incentive certificate, TCDD ordered 60 platform wagons from TÜDEMSAŞ, which is the only industrial investment in the Eastern Anatolia Region. It is planned to use the leasing financing method for wagon purchases, and the total investment cost will be 3,510,000 Euros. Reysaş Railway Transportation Inc. On 10 September 2013, 60 wagons worth 9,066,916 TL were delivered.

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

Pursuant to the company's application dated 20.12.2013 and numbered 1116785, the fixed investment amount registered as 7.500.000 TL should be revised to 8.830.915 TL. Decision numbered 2012/3305 and the provision of Article 17 of the Communiqué numbered 20128/1 regarding the implementation of the said Decision. was deemed appropriate within the framework.

As a result of the examination of the company's application dated 14.01.2014 and numbered 4524, it was understood that the investment was started by making an investment expenditure of at least 10% of the fixed investment amount registered in the Investment Incentive Certificate until 31.12.2013 (including this date).

The investment completion visa was granted based on the company's application dated 11.04.2014 and numbered 33073 and the Sworn Financial Consultancy Investment Incentive Certificate Closing report dated 12.03.2014 and numbered YMM.232/1706-15.

In summary, the subject of the incentive certificate is wagon investment and the Company; It benefits from incentives regarding interest support, reduced corporate tax and other exemptions. Among the incentive topics benefited from, the interest support incentive was completed in 2016. The total amount of the company's contribution to the investment earned due to the actual investment expenditure, calculated within the scope of the said incentive certificate, is 3,532,366 TL; As of 31.12.2023, the total amount of transferred contribution is 2,540,712.87 TL (31.12.2022: 3,112,139 TL) .

## NOTE 22 – EQUITY AKLAR

### Paid-in capital.

Shareholders and share rates of Reysaş Taşımacılık ve Lojistik Ticaret Anonim Şirketi as of December 31, 2023 and December 31, 2022 are as follows:

| | **31.12.2023** | | **31.12.2022** | |
|---|---|---|---|---|
| | **Share The amount of** | **Share Rate (%)** | **Share The amount of** | **Share Rate (%)** |
| Durmuş Döven | 90,022,631 | 18.00 | 45,011,320 | 18.00 |
| Egemen Döven | 63,850,001 | 12.77 | 27,275,000 | 10.91 |
| Rıfat Vardar | 59,841,531 | 11.97 | 30,480,766 | 12,19 |
| Other (*) | 179,456,056 | 57.26 | 147,232,914 | 58.89 |
| **Paid-in capital** | **500,000,000** | **100.00** | **250,000,000** | **100.00** |
| Capital Adjustment Differences (**) | 2,818,478,199 | | 2,818,478,199 | |
| | **3,318,478,199** | | **3,068,478,199** | |

(*) Shows the total of partners holding less than 10% of the capital.

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

(**) Capital adjustment differences represent the difference between the total amounts of cash and cash equivalent additions to capital adjusted in accordance with CMB Financial Reporting Standards and their pre-adjustment amounts. Capital adjustment differences have no use other than being added to capital.
The company's capital increase procedures for increasing its issued capital of 119,350,000 TL to 250,000,000 TL by increasing the amount of 130,650,000 TL (109.46795%) within the registered capital ceiling of 600,000,000 TL have been completed within the framework of the conditions specified in the prospectus and the newly issued Its capital increased to 250,000,000 TL. Capital Markets Board, to obtain an appropriate opinion regarding the amendment of Article 6 of the Company's articles of association, titled "Type of Capital and Shares", in accordance with subparagraph (c) of the 1st paragraph of Article 25 of the Capital Markets Board's Share Communiqué numbered VII-128.1. An application was made to, on 18/05/2021, and was approved by the CMB on 31.05.2021. The registration of the new capital was made by the Istanbul Trade Registry Directorate on 02.06.2021.

of the company capital each someone one T L nominal price fifty 250,000,000 piece from feeling is occurring . Company capital shares 14,000,000,000 worth in the name of written A. group , 3,500,000,000 worth in the name of written B. group And 232,500,000 piece written to the bearer C. group to be 3 separated into group o lo p A. And B. Group of shares management established in your choice privilege is available .

7 from member formed BOARD OF DIRECTORS 3 member of A. group p month Most of the owners love themselves what will be represented candidates between , 2 member of whereas B. group p month Most of the owners consider themselves what it will represent among the candidates , 2 member of Independent aspect is selected . C. group the shares are secured he was dead any time unit writes right It is not available. Group ' s management privileged pay of the owners representatives means It is carried out with .

Of the firm opposite capital subject to correction will be connected lack of partnership for whatever reason period as of the end capital / mutual participation capital correction It is not available.

**Capital Adjustment Positive Differences**

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Capital Adjustment Differences | 2,818,478,199 | 2,818,478,199 |
| **Total** | **2,818,478,199** | **2,818,478,199** |

**Stock Issue Premiums**

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Share issue premiums | 33,725,498 | 2,429,718 |
| **Total** | **33,725,498** | **2,429,718** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

**Prior Year Profits / (Loss)**

| | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Prior Year Profits / (Loss) | (1,698,777,141) | (2,882,460,094) |
| **Total** | **(1,698,777,141)** | **(2,882,460,094)** |

**Accumulated Other Comprehensive Income or Expenses That Will Not Be Reclassified to Profit or Loss**

| | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Revaluation and Measurement Gain/Loss | 55,931,060 | (91,957,391) |
| Other Gains/Losses | 654,792,429 | 636,646,155 |
| **Total** | **710,723,489** | **544,688,764** |

**Restricted Reserves Separated from Profit**

Restricted reserves from profit; It consists of legal reserves, gains from real estate sales exempt from corporate tax, and reserves of repurchased shares of the enterprise. According to the Turkish Commercial Code, the general legal reserve fund is allocated as 5% of the annual profit until 20% of the company's paid capital is reached. Other legal reserves are allocated as 10% of the total amount to be distributed to those who will receive a share of the profit, after a five percent dividend is paid to the shareholders. According to the Turkish Commercial Code, if the general legal reserve fund does not exceed half of the capital or issued capital, it can only be used to cover losses, to continue the business when things are not going well, or to take measures suitable for preventing unemployment and mitigating its consequences.

| | 31.12.2023 | 31.12.2022 |
|---|---|---|
| legal reserves | 115,650,956 | 112,162,126 |
| **Total** | **115,650,956** | **112,162,126** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

### Non-Controlling Interests

The parts of the net assets of the subsidiaries corresponding to the shares outside the direct and/or indirect control of the parent company are classified under the "Non-Controlling Interests" item in the consolidated statement of financial position.

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Balance at the beginning of the period | (47,256,634) | 506,430,358 |
| The part of the period (loss) / profit attributable to non-controlling interests | 396,442,737 | 101,782,567 |
| Defined benefit plans remeasurement gains (including tax impact) | 91,957,391 | 91,957,391 |
| Revaluation and classification gains/losses | 25,197,729 | 25,197,729 |
| Foreign currency conversion differences | 10,642,820 | (53,373) |
| Change in non-controlling interests | 510,666,447 | (772,571,306) |
| **Total** | **987,650,490** | **(47,256,634)** |

## NOTE 23 – REVENUE AND COST OF SALES

| | **01.01.-31.12.2023** | **01.01.-31.12.2022** |
|---|---|---|
| ***Sales*** | | |
| Domestic | 6,012,213,022 | 2,731,693,967 |
| Abroad | 35,942,467 | 172,661,715 |
| Other income | 737,406,375 | 239,741,789 |
| Returns from sales (-) | (84,345,898) | (19,035,198) |
| Sales Discounts (-) | (2,557) | (822,983) |
| Other Discounts (-) | (2,154,612) | (3,046) |
| **Net Sales** | **6,699,058,797** | **3,124,236,244** |
| ***Cost*** | | |
| Cost of services sold (-) | (3,693,824,789) | (1,796,957,494) |
| **Gross profit** | **3,005,234,009** | **1,327,278,750** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

## NOTE 24 – GENERAL ADMINISTRATION EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES

| **General and administrative expenses** | **01.01.-31.12.2023** | **01.01.-31.12.2022** |
|---|---|---|
| Inflation Effect | 138,874,114 | 1,751,901 |
| personnel expenses | 120,498,888 | 11,050,350 |
| Electricity and water expenses | 33,869,827 | 8,964,792 |
| Operating expenses | 31,632,909 | 33,947,752 |
| Other Miscellaneous Expenses | 23,823,715 | 8,176,023 |
| Tax and duty expenses | 6,539,859 | 2,208,726 |
| Advertisement and advertising expenses | 5,876,779 | 7,393,707 |
| Consultancy and audit expenses | 3,720,089 | 11,346,989 |
| Vehicle expenses | 2,968,494 | 3,227,610 |
| Communication expenses | 792,850 | 450,830 |
| Stationery Expenses | 742,224 | 335,915 |
| Travel expenses | 661,462 | 882,979 |
| Maintenance and Repair Expenses | 496,375 | 403,605 |
| Insurance expenses | 455,605 | 5,865,070 |
| CMB Registration Expenses | 415,285 | 638,417 |
| Bank and Provisioning Expenses | 149,376 | 97,210 |
| Depreciation and amortization | 2,277 | 2,277 |
| Security Expenses | 288 | 3,214 |
| **Total** | **371,520,416** | **96,747,367** |

| **Marketing Expenses** | **01.01.-31.12.2023** | **01.01.-31.12.2022** |
|---|---|---|
| personnel expenses | 4,936,815 | 3,988,110 |
| External benefits | 3,885,161 | 4,733,599 |
| Vehicle expenses | 1,210,875 | 416,924 |
| Other | 1,125,516 | 1,429,292 |
| Commission expenses | 1,089,424 | 2,003,102 |
| Advertisement and advertising expenses | 686,238 | 495,338 |
| Inflation Effect | 524,150 | 6,699,664 |
| Insurance expenses | 470,397 | 99,721 |
| Depreciation and amortization | 319,381 | 301,959 |
| Maintenance and repair expenses | 129,934 | 36,016 |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

| | | |
|---|---|---|
| Taxes and duties | 17,915 | 20,246 |
| **Total** | **14,395,806** | **20,223,971** |

## NOTE 25 – FEES FOR SERVICES RECEIVED FROM THE INDEPENDENT AUDITOR/INDEPENDENT AUDITING COMPANY

| | **01.01.-31.12.2023** | **01.01.-31.12.2022** |
|---|---|---|
| Independent audit fee for the reporting period (*) | 193,427 | 75,000 |
| Fees for tax consultancy services (*) | 305,720 | 164,916 |
| **Total** | **499,147** | **239,916** |

(*) Relevant services are shown excluding VAT.

## NOTE 26 – OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

| **Other Income from Main Activities** | **01.01.-31.12.2023** | **01.01.-31.12.2022** |
|---|---|---|
| Provisions that are off topic | 7,775,559 | 11,131,973 |
| Rediscount income | 98,256,476 | 4,371,916 |
| Other income and profits | 291,820,652 | 60,545,593 |
| **Total** | **397,852,687** | **76,049,482** |

| **Other Expenses from Main Activities** | **01.01.-31.12.2023** | **01.01.-31.12.2022** |
|---|---|---|
| Provision expenses | (41,458,236) | (6,898,421) |
| Rediscount expenses | (60,936,188) | (21,342,310) |
| Other expenses and losses | (160,418,838) | (54,835,926) |
| **Total** | **(262,813,262)** | **(83,076,657)** |

## NOTE 27 – INCOME / (EXPENSES) FROM INVESTMENT ACTIVITIES

| **Income from Investing Activities** | **01.01.-31.12.2023** | **01.01.-31.12.2022** |
|---|---|---|
| Income from Investing Activities | 127,500,608 | 9,479,266 |
| **Total** | **127,500,608** | **9,479,266** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

## NOTE 28 – FINANCIAL INCOME / (EXPENSES)

| Financing Income | 01.01.- 31.12.2023 | 01.01.- 31.12.2022 |
|---|---|---|
| Interest income | 445,152,505 | 120,995,538 |
| foreign exchange profits | 353,047,751 | 263,025,800 |
| **Total** | **798,200,256** | **384,021,338** |

| Financing Expenses | 01.01.- 31.12.2023 | 01.01.- 31.12.2022 |
|---|---|---|
| Interest expenses | (1,068,151,893) | (730,163,628) |
| Foreign exchange losses | (408,061,617) | (335,153,854) |
| **Total** | **(1,476,213,510)** | **(1,065,317,481)** |

## NOTE 29 – TAX ASSETS AND LIABILITIES

Profit tax liabilities for the accounting periods ending on 31.12.2023 and 31.12.2022 are as follows:

| | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Corporate tax provision – Current period | (420,772,419) | (16,467,098) |
| Deferred tax income / (expense) | 7,698,324 | 1,287,425 |
| **Total** | **(413,074,095)** | **(15,179,672)** |

In Turkey, the corporate tax rate is 25% for 2023. (2022: 23%). The corporate tax rate is applied to the tax base to be found as a result of adding expenses that are not deductible in accordance with tax laws to the commercial income of institutions, and deducting exemptions (participation earnings exemption, investment discount exemption, etc.) and deductions (such as R&D discount) included in the tax laws. No further tax is paid if the profit is not distributed.

from the sale of participation shares, real estate, priority rights, founding shares and usufruct shares that have been in the assets of the institutions for at least two full years are exempt from corporate tax, starting from 21.06.2006. To benefit from the exemption, the earnings in question must be kept in a passive fund account and must not be withdrawn from the business for 5 years. The sales price must be collected by the end of the second calendar year following the year in which the sale was made.

There is no withholding tax on dividends paid to non-limited taxpayer institutions that generate income through a workplace or permanent representative in Turkey and to institutions resident in

Turkey. Dividend payments made to individuals and institutions other than these are subject to 15% withholding tax. Addition of profit to capital is not considered profit distribution.

Companies calculate provisional tax at the rate of 25% on their quarterly financial profits and declare it by the 14th day of the second month following that period and pay it by the evening of the 17th day. The provisional tax paid during the year belongs to that year and is deducted from the corporate tax to be calculated on the corporate tax return to be submitted in the following year. If the amount of advance tax paid remains despite the offset, this amount can be refunded in cash or offset against any other financial debt to the state.

In Turkey, there is no practice of reaching an agreement with the tax authority regarding the taxes to be paid. Corporate tax returns are submitted to the relevant tax office by the evening of the 25th day of the fourth month following the month in which the accounting period is closed.

Authorities authorized for tax inspection may examine accounting records within five years, and if incorrect transactions are detected, tax amounts may change due to tax assessment. According to Turkish tax legislation, financial losses shown on the declaration can be deducted from the period corporate income for a period not exceeding 5 years. However financial losses can not be offsetted from last year's profits.

There are many exceptions for corporations in the Corporate Tax Law. Among these exceptions, those related to the Group are explained below:

Dividend earnings obtained by institutions from participation in the capital of another institution subject to full liability (except dividends obtained from participation certificates of investment funds and shares of investment trusts) are exempt from corporate tax.

75% of the profits earned by corporations from the sale of priority right coupons and the emission premium gains resulting from the sale of shares above the nominal values of joint stock companies during their establishment or when they increase their capital are exempt from corporate tax. Therefore, the above-mentioned gains / (losses) included in the commercial profit / (loss) figure are considered in the corporate tax calculation.

In determining the Corporate Tax base, in addition to the above-mentioned exceptions, the deductions specified in Article 8 of the Corporate Tax Law and Article 40 of the Income Tax Law, as well as other deductions specified in Article 10 of the Corporate Tax Law, are also considered.

*Transfer Pricing*

Article 13 of the Corporate Tax Law No. 5520, which introduces new regulations regarding transfer pricing, came into force as of 01.01.2007. Significant changes have been made in the regulations regarding transfer pricing with the relevant article based on the EU and OECD transfer pricing guide. In this context, institutions are required to use prices or prices that they determine in accordance with their arm's length when purchasing or selling goods or services with related parties. The arm's length principle states that the price or price applied in the purchase or sale of goods or services with related parties should be in line with the price or price that would occur if there was no such relationship between them. Institutions will determine the arm's length price or amounts to be applied in transactions with related parties by using the method most appropriate to the nature of the transaction among the methods specified in the relevant law. It is mandatory for institutions to keep the records, tables, and documents regarding the calculations regarding the prices and costs determined in line with the principle of arm's length, as proof papers. In addition, institutions will prepare a report containing information and documents regarding their transactions with related parties within an accounting period.

Goods or services are purchased or sold at a price or price determined in violation of the arm's length principle, the profit will be deemed to have been distributed implicitly, in whole or in part, through transfer pricing. The profit distributed wholly or partially through transfer pricing will be considered as distributed dividends or the amount transferred to the headquarters for limited taxpayers as of the last day of the accounting period in which the conditions specified in Article 13 are met.

At the rates determined according to the legal nature of the partners, on the amount calculated because of accepting the dividend distributed through transfer pricing as the net dividend amount and completing it to gross. Previous taxation transactions will be corrected accordingly by the taxpayers who are parties.

However, for this correction to be made, the taxes assessed on behalf of the institution distributing disguised profits must be finalized and paid. The amount to be considered in the correction to be made by the institution to which the disguised earnings are distributed will be the finalized and paid amount.

**Reysaş GYO**

Profits obtained from real estate investment trust activities are exempt from corporate tax according to Article 5/(1) (d) (4) of the Corporate Tax Law (KVK) No. 5520. According to KVK Article 15/(3), a tax deduction of 15% is made on the income exempt from corporate tax. The Council of Ministers may reduce the tax withholding rates specified in Article 15 to zero separately for each payment and income, increase it up to the corporate tax rate, and within the same limits, for the earnings specified in the third paragraph, according to the fund or partnership types or the quality and distribution of the assets in their portfolios. is authorized to differentiate. In accordance with the Council of Ministers Decision 2003/6577, a 0% tax withholding is made on the portfolio management profits of Real Estate Investment Trusts, which are exempt from corporate tax, within the scope of clause 6/(a) (i) of the first paragraph of Article 94 of the Income Tax Law. In this context, earnings subject to tax withholding are not subject to dividend withholding tax in accordance with the provision of KVK Article 15/(2). Reysaş GYO A.Ş. Since 's earnings from real estate investment trust activities are exempt from corporate tax, deferred tax assets and liabilities have not been calculated.

**Deferred Tax Assets and Liabilities**

Calculates deferred tax assets and liabilities based on temporary differences between the recorded values of assets and liabilities in the balance sheet and their tax values, using the tax rates enacted as of the balance sheet date. The rate applied to deferred tax assets and liabilities calculated according to the liability method based on temporary differences that will occur in subsequent periods is 25%.

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

3 Temporary differences subject to deferred tax as of 1.12.2023 and 31.12.2022 and the distribution of deferred tax liability calculated using effective tax rates are summarized below:

| | **31.12.2023** | | **31.12.2022** | |
|---|---|---|---|---|
| | cumulative Valuation Differences | entity / (Obligation) | cumulative Valuation Differences | entity / (Obligation) |
| Deferred financing income/expense | 6,409,965 | 1,602,491 | 3,890,105 | 894,724 |
| Tangible/Intangible assets | 189,304,169 | 47,326,042 | 25,387,868 | 5,839,210 |
| Deferred finance expenses | | | (1,142,680) | (262,816) |
| Severance Pay Provision | (45,916,145) | (11,479,036) | 9,330,106 | 2,145,924 |
| Provision for Unused Leave | (6,118,366) | (1,529,591) | 2,395,702 | 551,011 |
| Expense Accrual | (36,803) | (9,201) | 1,069,653 | 246,020 |
| Tangible Asset Value Increase | (2,991,556,520) | (747,889,130) | (460,309,304) | (105,871,140) |
| Provision for Doubtful Receivables | -- | -- | 12,526,352 | 2,881,061 |
| Inflation Effect | 43,544,790 | 10,886,198 | 80,786,183 | 18,580,822 |
| **Deferred Tax Asset / (Liability), Net** | **(2,804,368,910)** | **(701,092,227)** | **(326,066,015)** | **(112,156,827)** |

| | **01.01.-31.12.2023** | **01.01.-31.12.2022** |
|---|---|---|
| Deferred Tax Asset | 46,059,108 | 58,396,500 |
| Deferred Tax (Liability) | (747,151,335) | (170,553,327) |
| **Net** | **(701,092,227)** | **(112,156,827)** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

## NOTE 30 – EARNINGS PER SHARE

Earnings per share calculations were made by dividing the net profit for the period in the income statement presented within the scope of this report by the weighted average number of shares.

| | **01.01.-31.12.2023** | **01.01.-31.12.2022** |
|---|---|---|
| Net (loss)/profit attributable to shareholders | 1,137,267,341 | 350,946,696 |
| Weighted average number of ordinary shares issued | 500,000,000 | 250,000,000 |
| (Loss)/profit per share in full TL | 2.2745 | 1.4038 |

## NOTE 31 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

### Capital Risk Management

In capital management, the Group aims to increase its profitability by using the balance of debt and equity in the most efficient way, while trying to ensure the continuity of its activities. The capital structure of the Group consists of debts including loans explained in footnote 7, cash and cash equivalents explained in footnote 6 and equity items including issued capital, capital reserves, profit reserves and retained earnings explained in footnote 19, respectively.

The risks associated with each capital class, along with the Group's cost of capital, are evaluated by senior management. Based on senior management evaluations, it is aimed to balance the capital structure through dividend payments and new share issuances, as well as by acquiring new debt or repaying existing debt. The Group monitors capital using the financial debt/total capital ratio. This ratio is found by dividing financial debt by total capital. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (which includes loans, lease payables, trade payables and other payables as shown in the balance sheet). Total capital is calculated by adding equity capital and net debt as shown in the balance sheet.

The Group's strategy in 2022 has not changed since 2019, and the ratio of equity to debt as of 31 December 2023 and 31 December 2022 is as follows:

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Total Financial Debts | 3,775,635,271 | 4,594,776,215 |
| Less: Cash and Cash Equivalents | (1,324,108,393) | (1,025,385,644) |
| Net Debt | 2,451,526,878 | 3,569,390,571 |
| Total Equity | 4,326,551,228 | 1,155,919,789 |
| **Financial Debt/Equity Ratio** | **57%** | **309%** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

### Important Accounting Policies

The Group's significant accounting policies regarding financial instruments are explained in Note 2 (Principles of Presentation of Financial Statements).

### Credit Risk

Credit risk is the risk that one of the parties in a mutual relationship may suffer financial loss because of the failure of one of the parties in a mutual relationship to fulfill its obligations regarding a financial instrument.

Holding financial instruments also carries the risk that the counterparty may not fulfill the requirements of the agreement. The Group's collection risk arises mainly from its trade receivables. Trade receivables are evaluated considering. Group policies and procedures and are shown net in the balance sheet after provision for doubtful receivables is made accordingly (Note 8).

Credit and receivable risk details as of 31 December 2023 and 31 December 2022 are as follows:

| | receivables | | | | | |
|---|---|---|---|---|---|---|
| | Commercial debts | | Other Receivables | | | |
| | Related party | Other side | Related party | Other side | Deposits in banks | Other |
| **31.12.2023** | | | | | | |
| Maximum credit risk exposure as of reporting date (A+B+C+D+E) | **22,419,315** | **563,910,472** | **--** | **183.171.013** | **1,324,108,393** | |
| - The part of the maximum risk secured by collateral, etc. | -- | -- | -- | -- | -- | |
| A. Net book value of financial assets that are not overdue or impaired | **22,419,315** | **563,910,472** | **--** | **183.171.013** | **1,324,108,393** | |
| B. Book value of financial assets whose terms have been renegotiated, which would otherwise be deemed overdue or impaired | -- | -- | -- | -- | -- | |
| C. Net book value of assets that are overdue but not impaired | -- | -- | -- | -- | -- | |
| - The part secured by collateral, etc. | -- | -- | -- | -- | -- | |
| D. Net book values of impaired assets | -- | -- | -- | -- | -- | |
| - Overdue (gross book value) | -- | -- | -- | -- | -- | |
| - Impairment (-) | -- | -- | -- | -- | -- | |
| - The part of the net worth secured by collateral, etc. | -- | -- | -- | -- | -- | |
| - Not overdue (gross book value) | -- | -- | -- | -- | -- | |
| - Impairment (-) | -- | -- | -- | -- | -- | |
| - The part of the net worth secured by collateral, etc. | -- | -- | -- | -- | -- | |
| E. Off-balance sheet elements involving credit risk | -- | -- | -- | -- | -- | |

| | receivables | | | | | |
|---|---|---|---|---|---|---|
| | Commercial debts | | Other Receivables | | Deposits in banks | Other |
| | Related party | Other side | Related party | Other side | | |
| **31.12.2022** | | | | | | |
| Maximum credit risk exposure as of reporting date (A+B+C+D+E) | **15,672,867** | **626,815,687** | -- | **258,496,437** | **1,025,385,644** | -- |
| - The part of the maximum risk secured by collateral, etc. | -- | -- | -- | -- | -- | -- |
| A. Net book value of financial assets that are not overdue or impaired | **15,672,867** | **626,815,687** | -- | **258,496,437** | 1,025,385,644 | -- |
| B. Book value of financial assets whose terms have been renegotiated, which would otherwise be deemed overdue or impaired | -- | -- | -- | -- | -- | -- |
| C. Net book value of assets that are overdue but not impaired | -- | -- | -- | -- | -- | -- |
| - The part secured by collateral, etc. | -- | -- | -- | -- | -- | -- |
| D. Net book values of impaired assets | -- | -- | -- | -- | -- | -- |
| - Overdue (gross book value) | -- | -- | -- | -- | -- | -- |
| - Impairment (-) | -- | -- | -- | -- | -- | -- |
| - The part of the net worth secured by collateral, etc. | -- | -- | -- | -- | -- | -- |
| - Not overdue (gross book value) | -- | -- | -- | -- | -- | -- |
| - Impairment (-) | -- | -- | -- | -- | -- | -- |
| - The part of the net worth secured by collateral, etc. | -- | -- | -- | -- | -- | -- |
| E. Off-balance sheet elements involving credit risk | -- | -- | -- | -- | -- | -- |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

**Liquidity risk**

The Group manages liquidity risk by regularly monitoring cash flows and ensuring the continuation of sufficient funds by matching the maturities of financial assets and liabilities.

Liquidity risk is the possibility that the Group will not meet its net funding obligations. Events that result in a decrease in fund resources, such as disruptions in the markets or a decrease in credit score, cause liquidity risk to occur. Group management manages liquidity risk by distributing fund resources and keeping sufficient cash and similar resources to fulfill its current and potential obligations. The table below shows the maturity distribution of the Group's non-derivative financial liabilities:

The maturity distribution of non-derivative financial liabilities as of December 31, 2023 is given below.

| **Maturities under contract** | **Book Value** | **Total cash outflows under the contract (=I+II+III+IV+V)** | **Less than 3 months (I)** | **Between 3-12 months (II)** | **1-5 years (III)** | **More than 5 years (IV)** | **Current (V)** |
|---|---|---|---|---|---|---|---|
| **Non-Derivative Financial Liabilities** | | | | | | | |
| Financial debts | 3,073,079,652 | 3,073,079,652 | 256,622,337 | 1,618,056,342 | 1,198,400,973 | -- | -- |
| Financial lease obligations | 702,555,619 | 702,555,619 | -- | 535,296,976 | 167,258,643 | -- | -- |

| **Expected maturities** | **Book Value** | **expected cash Total of outputs (=I+II+III+IV+V)** | **Less than 3 months (I)** | **Between 3-12 months (II)** | **1-5 years (III)** | **More than 5 years (IV)** | **Current (V)** |
|---|---|---|---|---|---|---|---|
| **Non-Derivative Financial Liabilities** | | | | | | | |
| Trade payables | 350,497,084 | 350,497,084 | -- | 350,497,084 | -- | -- | -- |
| Other debts | 202,559,751 | 202,559,751 | -- | 151,947,914 | 50,611,837 | -- | -- |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

The maturity distribution of non-derivative financial liabilities as of December 31 , 2022 is given below.

| **Maturities under contract** | **Book Value** | **Total cash outflows under the contract (=I+II+III+IV+V)** | **Less than 3 months (I)** | **Between 3-12 months (II)** | **1-5 years (III)** | **More than 5 years (IV)** | **Current (V)** |
|---|---|---|---|---|---|---|---|
| **Non-Derivative Financial Liabilities** | | | | | | | |
| Financial debts | 3,901,783,507 | 3,901,783,507 | 640,946,756 | 408.182.222 | 2,852,654,529 | -- | -- |
| Financial lease obligations | 692,992,708 | 692,992,708 | -- | 510,843,353 | 182,149,355 | -- | -- |

| **Expected maturities** | **Book Value** | **expected cash Total of outputs (=I+II+III+IV+V)** | **Less than 3 months (I)** | **Between 3-12 months (II)** | **1-5 years (III)** | **More than 5 years (IV)** | **Current (V)** |
|---|---|---|---|---|---|---|---|
| **Non-Derivative Financial Liabilities** | | | | | | | |
| Trade payables | 398,260,650 | 398,260,650 | -- | 398,260,650 | -- | -- | -- |
| Other debts | 124,047,125 | 124,047,125 | -- | 112,915,939 | 11,131,186 | -- | -- |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

### market risk

Market risk refers to the change in market prices such as interest rate, exchange rate and share prices. The Group is exposed to market risk as changes in market prices affect the Company's revenues. The purpose of market risk management; is to optimize the returns of the risks taken while keeping the risk elements under control within acceptable parameters.

### Exchange rate risk

The Group is exposed to exchange rate risk primarily due to various income and expense items denominated in foreign currencies and the resulting foreign currency debts, receivables, and financial liabilities.

To minimize the exchange rate risk arising from foreign currencies in the balance sheet, the Company sometimes keeps its idle cash in foreign currencies. The company tries to manage exchange rate risk by holding US Dollar, Euro, and TL cash.

The Group realizes its medium and long-term loans in the currency of the project revenues it obtains. For short-term loans, borrowings are carried out in balance in TL, Euro, and US Dollars under the pool/portfolio model.

### a) Currency position table and related sensitivity analysis

The table below summarizes the Group's foreign currency position risk as of 31 December 2023 and 31 December 2022. The registered amounts of foreign currency assets and liabilities held by the Group, in total and in foreign currency, are as follows:

| | **31.12.2023** | **31.12.2022** |
|---|---:|---:|
| Assets in foreign currency | 856,712,527 | 277,553,250 |
| Liabilities in foreign currency (-) | (432,981,645) | (241,391,858) |
| **Net short position** | **423,730,882** | **36,161,393** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

| FOREIGN EXCHANGE POSITION TABLE | | | |
|---|---|---|---|
| | 31.12.2023 | | |
| **CONSOLIDATED** | TL Equivalent (Functional currency) | US Dollar | Euro |
| 1. Trade Receivables | 52,862,632 | 306,906 | 1,345,490 |
| 2 a. Monetary Financial Assets (including cash, bank accounts) | 759,692,595 | 9,266,252 | 14,947,882 |
| 2b. Non-Monetary Financial Assets | -- | -- | -- |
| 3. Other | -- | -- | -- |
| **4. Current Assets (1+2+3)** | **812,555,227** | **9,573,159** | **16,293,372** |
| 5. Trade Receivables | -- | -- | -- |
| 6a. Monetary Financial Assets | -- | -- | -- |
| 6b. Non-Monetary Financial Assets | -- | -- | -- |
| 7. Other | 44,157,300 | 1,500,000 | -- |
| **8. Fixed Assets (5+6+7)** | **44,157,300** | **1,500,000** | -- |
| **9. Total Assets (4+8)** | **856,712,527** | **11,073,159** | **16,293,372** |
| 10. Commercial Debts | 125,604,815 | 3,908,777 | 323,494 |
| 11. Financial Obligations | 259,556,991 | -- | 7,968,250 |
| 12a. Other Monetary Liabilities | 4,416 | 150 | 0 |
| 12b. Other Non-Monetary Liabilities | -- | -- | -- |
| **13. Short-Term Liabilities (10+11+12)** | **385,166,222** | **3,908,927** | **8,291,745** |
| 14. Commercial Debts | -- | -- | -- |
| 15. Financial Obligations | 47,815,423 | -- | 1,467,906 |
| 16 a. Other Monetary Liabilities | -- | -- | -- |
| 16 b. Other Non-Monetary Liabilities | -- | -- | -- |
| **17. Long Term Liabilities (14+15+16)** | **47,815,423** | -- | **1,467,906** |
| **18. Total Liabilities (13+17)** | **432,981,645** | **3,908,927** | **9,759,651** |
| **19. Off-Balance Sheet Foreign Currency** | -- | -- | -- |
| **Net Asset of Derivative Instruments /** | -- | -- | -- |
| **(Liability) Position (19a-19b)** | -- | -- | -- |
| **19a. Off-Balance Sheet with Active Character** | -- | -- | -- |
| **Foreign Currency Derivative Products** | -- | -- | -- |
| **The amount of** | -- | -- | -- |
| **19b. Passive Character Off-Balance Sheet Currency Derivative** | -- | -- | -- |
| **Amount of Products** | -- | -- | -- |
| **20. Net Foreign Currency Asset/(Liability) Position (9-18+19)** | **423,730,882** | **7,164,232** | **6,533,721** |
| **21. Monetary Items Net Foreign Currency Asset / (Liability) Position (=1+2a+5+6a-10-11-12a-14-15-16a)** | **423,730,882** | **7,164,232** | **6,533,721** |
| **22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedging** | -- | -- | -- |
| **23. Hedging of Foreign Exchange Assets** | -- | -- | -- |
| **Amount of Part** | -- | -- | -- |
| **24. Hedge of Foreign Currency Liabilities** | -- | -- | -- |
| **Amount of the Part Supplied** | -- | -- | -- |
| **25. Export** | -- | -- | -- |
| **26. Import** | -- | -- | -- |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

| FOREIGN EXCHANGE POSITION TABLE | | | |
|---|---|---|---|
| | 31.12.2022 | | |
| **CONSOLIDATED** | TL Equivalent (Functional currency) | US Dollar | Euro |
| 1. Trade Receivables | 39,118,366 | 961,545 | 1,060,407 |
| 2 a. Monetary Financial Assets (including cash, bank accounts) | 238,434,884 | 7,469,153 | 4,954,850 |
| 2b. Non-Monetary Financial Assets | -- | -- | -- |
| 3. Other | -- | -- | -- |
| **4. Current Assets (1+2+3)** | **277,553,250** | **8,430,698** | **6,015,256** |
| 5. Trade Receivables | -- | -- | -- |
| 6a. Monetary Financial Assets | -- | -- | -- |
| 6b. Non-Monetary Financial Assets | -- | -- | -- |
| 7. Other | -- | -- | -- |
| **8. Fixed Assets (5+6+7)** | -- | -- | -- |
| **9. Total Assets (4+8)** | **277,553,250** | **8,430,698** | **6,015,256** |
| 10. Commercial Debts | 12,214,291 | 1,368,142 | (670,564) |
| 11. Financial Obligations | -- | -- | -- |
| 12a. Other Monetary Liabilities | -- | -- | -- |
| 12b. Other Non-Monetary Liabilities | -- | -- | -- |
| **13. Short-Term Liabilities (10+11+12)** | **12,214,291** | **1,368,142** | **(670,564)** |
| 14. Commercial Debts | -- | -- | -- |
| 15. Financial Obligations | 213,866,751 | -- | 10,728,258 |
| 16 a. Other Monetary Liabilities | -- | -- | -- |
| 16 b. Other Non-Monetary Liabilities | 15,310,815 | -- | 768,041 |
| **17. Long Term Liabilities (14+15+16)** | **229,177,566** | -- | **11,496,299** |
| **18. Total Liabilities (13+17)** | **241,391,858** | **1,368,142** | **10,825,734** |
| **19. Off-Balance Sheet Foreign Currency** | -- | -- | -- |
| **Net Asset of Derivative Instruments /** | -- | -- | -- |
| **(Liability) Position (19a-19b)** | -- | -- | -- |
| **19a. Off-Balance Sheet with Active Character** | -- | -- | -- |
| **Foreign Currency Derivative Products** | -- | -- | -- |
| **The amount of** | -- | -- | -- |
| **19b. Passive Character Off-Balance Sheet Currency Derivative** | -- | -- | -- |
| **Amount of Products** | -- | -- | -- |
| **20. Net Foreign Currency Asset/(Liability) Position (9-18+19)** | **36,161,393** | **7,062,556** | **(4,810,478)** |
| **21. Monetary Items Net Foreign Currency Asset / (Liability) Position (=1+2a+5+6a-10-11-12a-14-15-16a)** | **36,161,393** | **7,062,556** | **(4,042,437)** |
| **22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedging** | -- | -- | -- |
| **23. Hedging of Foreign Exchange Assets** | -- | -- | -- |
| **Amount of Part** | -- | -- | -- |
| **24. Hedge of Foreign Currency Liabilities** | -- | -- | -- |
| **Amount of the Part Supplied** | -- | -- | -- |
| **25. Export** | -- | -- | -- |
| **26. Import** | -- | -- | -- |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

The effect of exchange rate changes as of the balance sheet date and report date on the Company's foreign currency position:

| **Exchange Rate Sensitivity Analysis Table** | | | | |
|---|---|---|---|---|
| **31.12.2023** | | | | |
| | Profit and loss | | own resources | |
| | Foreign currency appreciation | Foreign currency depreciation | Foreign currency appreciation | Foreign currency depreciation |
| | | | | |
| **If the US Dollar changes by 10% against TL:** | | | | |
| | | | | |
| 1- US Dollar net asset/liability | 21.090.210 | (21,090,210) | - | - |
| 2- The part protected from US Dollar risk (-) | - | - | - | - |
| **3- US Dollar Net Effect (1+2)** | **21.090.210** | **(21,090,210)** | - | - |
| | | | | |
| **Euro changes by 10% against TL:** | | | | |
| | | | | |
| 4- Euro net asset/liability | 21,282,878 | (21,282,878) | - | - |
| 5- The part protected from Euro risk (-) | - | - | - | - |
| **6- Euro Net Effect (4+5)** | **21,282,878** | **(21,282,878)** | - | - |
| **TOTAL (3+6)** | **42,373,088** | **(42,373,088)** | - | - |

| **Exchange Rate Sensitivity Analysis Table** |
|---|
| **31.12.2022** |

(Amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

| | Profit and loss | | own resources | |
|---|---|---|---|---|
| | Foreign currency appreciation | Foreign currency depreciation | Foreign currency appreciation | Foreign currency depreciation |
| | | | | |
| **If the US Dollar changes by 10% against TL:** | | | | |
| | | | | |
| 1- US Dollar net asset/liability | 13,205,779 | (13,205,779) | -- | -- |
| 2- The part protected from US Dollar risk (-) | -- | -- | -- | -- |
| **3- US Dollar Net Effect (1+2)** | **13,205,779** | **(13,205,779)** | -- | -- |
| | | | | |
| **Euro changes by 10% against TL:** | | | | |
| | | | | |
| 4- Euro net asset/liability | (9,589,640) | 9,589,640 | -- | -- |
| 5- The part protected from Euro risk (-) | -- | -- | -- | -- |
| **6- Euro Net Effect (4+5)** | **(9,589,640)** | **9,589,640** | -- | -- |
| **TOTAL (3+6)** | **3,616,139** | **(3,616,139)** | | |

**b) Interest position table and related sensitivity analysis:**

**Interest rate risk**

Since there is no borrowing resulting from loan usage, there is no interest risk for interest-sensitive liabilities. Within the scope of fund management, sensitivity analysis is performed to measure the interest rate risk of interest-sensitive assets in the portfolio. By determining the average maturity and interest rate of interest-sensitive assets, its sensitivity to changes in market interest rates is calculated. By monitoring the markets, the interest risk arising from the securities portfolio created within the scope of fund management is managed within the framework of the decisions taken to move, increase or decrease the existing securities portfolio within the framework of expectations in market interest rates. The interest position table is as follows.

**Interest Position Table**

| | | **31.12.2023** | **31.12.2022** |
|---|---|---|---|
| **Fixed interest financial instruments** | | | |
| Financial assets | Term deposits | 1,163,531,964 | 143,361,956 |
| | Financial assets available for sale | | |
| Financial obligations | | 2,409,975,655 | 1,559,972,331 |
| **Financial instruments with variable interest rates** | | | |
| Financial assets | Assets held to maturity | | |
| Financial obligations | | 1,365,659,616 | 3,034,803,884 |

## NOTE 32 – FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND DISCLOSURES WITHIN THE FRAMEWORK OF HEDGE ACCOUNTING)

Fair (fair) value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company has determined the estimated fair values of financial instruments using currently available market information and appropriate valuation methods. However, being able to evaluate market information and estimate fair values requires interpretation and judgment. As a result, the estimates presented herein are not indicative of the amounts the Company could realize in a current market transaction.

The following methods and assumptions were used to estimate the fair values of financial instruments whose fair values can be estimated in practice:

**Monetary assets**

Foreign money from the point of view balances period finally in effect foreign exchange buy rules by using Turkish It is converted to Turkish lira. This the balances registered value close was It is predicted.

cash And cash like in their values including he was dead clear get finance assets cost values with they are moved And short term be for whatever reason registered of the values approximately aspect reasonable to the values equal he was dead It is predicted.

commercial those who will open their eyes registered of values, relating to suspicious will take in return together reasonable value It is expected to reflect this .

**Monetary Obligations**

Short due date be for some reason bank credits And other par prime debts registered of the values reasonable approaches to its values It is assumed.

Year the end with their rules translated foreign exchange from ci n s to n the one which the balances reasonable of values, registered to the values accept the approach It is being done .

**Real Suitable Value Prediction:**

The Company's fair value classifications are as follows:

Level 1: Quoted prices in active markets for certain assets and liabilities.

Level 2: These are direct or indirect observable inputs for assets and liabilities other than the quoted prices contained in Level 1.

Level 3: Inputs for assets and liabilities that cannot be determined based on observable market data

## NOTE 33 – EVENTS AFTER THE REPORTING PERIOD

Events that occurred after the reporting period of the Group are as follows:

Reysaş Transportation and Logistics Trade Joint Stock Company.

Within the scope of the issuance limit deemed appropriate by the Capital Markets Board's decision dated 08.02.2024 and numbered 9/186, our Company has an initial amount of 750 million TL (with a maturity of 734 days, payment of TRLEF + 3 points every 6 months, to be sold to qualified investors without public offering in the country). As a result of the book building process for the bond issuance with ISIN code TRSREYS22613, the issue amount was finalized as 1,000,000,000 TL and the sales transaction was completed on 20.02.2024. The transaction clearing was carried out on 21.02.2024. Processing: Bizim Menkul Değerler A.Ş. He mediated.

Reysaş Real Estate Investment Partnership Joint Stock Company.

Our company's Board of Directors dated 23.01.2024 and numbered 784; İzmir Province Kemalpaşa District Yukarımahalle The 32,071.23 m² land belonging to Rüstem Harmandalı, located on Block 849, Plot 11, was purchased for 224,498,610 TL, excluding VAT. It is planned to develop a facility on the land in question to be rented to our existing or new customers. Emek Real Estate Appraisal and Consultancy Inc. The valuation report prepared by is attached to this article.

## NOTE 34 – ISSUES THAT SIGNIFICANTLY AFFECT THE FINANCIAL STATEMENTS OR SHOULD BE DISCLOSED IN ORDER TO MAKE THE FINANCIAL STATEMENTS CLEAR, INTERPRETABLE AND UNDERSTANDABLE

There is no.