DURAN DOĞAN BASIM VE AMBALAJ SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024 TOGETHER WITH THE INDEPENDENT AUDITORS' REPORT

(CONVENIENCE TRANSLATION INTO ENGLISH OF THE INDEPENDENT AUDITORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DURAN DOĞAN BASIM VE AMBALAJ SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR 1 JANUARY- 31 DECEMBER 2024

CONTENTS **PAGE**

DURAN DOĞAN BASIM VE AMBALAJ SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024 AND 2023
(Amounts on tables expressed in Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)

	Notes	***Audited current period*** **31.12.2024**	***Audited prior period*** **31.12.2023**
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	34.469.673	37.880.193
Financial Investments		--	1.569.725
Trade Receivables		535.737.670	640.778.460
Third Parties	7	*535.737.670*	*640.778.460*
Other Receivables		13.971.212	9.503.564
Third Parties	*8*	*13.971.212*	*9.503.564*
Inventories	9	408.833.936	454.688.816
Prepaid Expenses	10	39.352.848	54.589.172
Current Income Tax Assets	25	3.057.175	--
Other Current Assets	11	9.747.827	1.139.878
TOTAL CURRENT ASSETS		**1.045.170.341**	**1.200.149.808**
Non-Current Assets			
Other Receivables		1.597.680	2.051.679
Third Parties	*8*	*1.597.680*	*2.051.679*
Prepaid Expenses	10	92.775	422.019
Property, Plant and Equipment	12	1.188.247.012	548.573.596
Right of Use Assets	12	164.842.529	761.826.310
Intangible Assets		10.543.354	10.673.804
Other Intangible Assets	13	*10.543.354*	*10.673.804*
Deferred Tax Assets	25	--	108.253.070
TOTAL NON-CURRENT ASSETS		**1.365.323.350**	**1.431.800.478**
TOTAL ASSETS		**2.410.493.691**	**2.631.950.286**

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

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DURAN DOĞAN BASIM VE AMBALAJ SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024 AND 2023
(Amounts on tables expressed in Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)

	Notes	*Audited current period* 31.12.2024	*Audited prior period* 31.12.2023
LIABILITIES			
Current Liabilities			
Short-Term Borrowings	27	243.902.516	112.186.705
Short-Term Portion of Long-Term Borrowings	27	140.172.175	164.813.678
Lease Liabilities	27	22.170.665	50.374.621
Trade Payables		324.057.901	317.789.681
Related Parties	*6*	*13.151.518*	*13.517.842*
Third Parties	*7*	*310.906.383*	*304.271.839*
Employee Benefits	15	35.799.149	17.117.616
Other Payables		38.093.786	130.623.490
Related Parties	*6*	*17.531.450*	*58.893.184*
Third Parties	*8*	*20.562.336*	*71.730.306*
Deferred Income		35.914.050	61.313.583
Third Parties	*10*	*35.914.050*	*61.313.583*
Current Income Tax Liabilities	25	--	24.110.507
Short-Term Provisions		6.345.619	20.062.258
Short-Term Provisions for Employee Benefits	*15*	*6.184.457*	*19.873.062*
Other Short-Term Provisions	*14*	*161.162*	*189.196*
Other Current Liabilities	11	14.601.230	24.815.373
TOTAL CURRENT LIABILITIES		**861.057.091**	**923.207.512**
Non-Current Liabilities			
Long-Term Borrowings	27	108.065.007	71.457.024
Lease Liabilities	27	40.159.833	13.078.430
Deferred Income		--	934.662
Third Parties	*10*	--	*934.662*
Long-Term Provisions		34.075.587	54.299.538
Long-Term Provisions for Employee Benefits	*15*	*34.075.587*	*54.299.538*
Deferred Tax Liabilities	25	12.560.602	--
TOTAL NON-CURRENT LIABILITIES		**194.861.029**	**139.769.654**
EQUITY			
Equity Holders of the Parent			
Paid-in Share Capital	16	100.000.000	100.000.000
Adjustment to Share Capital	16	578.585.755	578.585.755
Treasury Shares (-)		(6.001.775)	(6.001.775)
Share Premium		86.423	86.423
Other Comprehensive Income or Expenses not to be reclassified to Profit or Loss		227.439.017	270.990.075
Gains/(losses) on revaluation and remeasurements	*16*	*253.751.512*	*307.402.580*
Gains/(losses) on remeasurements of defined benefit plans	*16*	*(26.312.495)*	*(36.412.505)*
Other Comprehensive Income or Expenses to be reclassified to Profit or Loss		(52.562.149)	(50.097.450)
Currency Translation Differences		*(52.562.149)*	(50.097.450)
Restricted Reserves	16	36.034.765	27.831.987
Retained Earnings	16	630.202.168	479.066.651
Profit for the Period		(159.201.057)	168.517.538
TOTAL EQUITY HOLDERS OF THE PARENT		**1.354.583.147**	**1.568.979.204**
Non-Controlling Interests		(7.576)	(6.084)
TOTAL LIABILITIES AND EQUITY		**1.354.575.571**	**1.568.973.120**
TOTAL EQUITY		**2.410.493.691**	**2.631.950.286**

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

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts on tables expressed in Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)

	Notes	***Audited current period*** **01.01.- 31.12.2024**	***Audited prior period*** **01.01.- 31.12.2023**
PROFIT OR LOSS			
Revenue	17	2.003.012.837	2.176.592.843
Cost of Sales (-)	17	(1.577.889.771)	(1.703.718.369)
GROSS PROFIT		**425.123.066**	**472.874.474**
Marketing, Sales and Distribution Expenses (-)	18	(207.730.549)	(186.953.298)
General Administrative Expenses (-)	18	(189.189.069)	(171.129.214)
Other Operating Income	20	139.936.819	523.041.746
Other Operating Expenses (-)	20	(142.114.829)	(378.475.788)
OPERATING PROFIT		**26.025.438**	**259.357.920**
Gains from Investment Activities	21	1.360.855	18.159.693
Losses from Investment Activities (-)	21	(74.854)	(198.052)
Operating profit before financial income/(expenses)		**27.311.439**	**277.319.561**
Financial Income	22	5.559.625	5.484.882
Financial Expenses (-)	22	(139.994.133)	(262.482.544)
Net Monetary Position Gains / (Losses)	23	77.286.620	100.969.251
PROFIT BEFORE TAX		**(29.836.449)**	**121.291.150**
Tax income/(expense)		**(129.366.130)**	**47.220.161**
- Current period tax expense	25	--	(32.627.509)
- Deferred income tax	25	(129.366.130)	79.847.670
PROFIT FOR THE PERIOD		**(159.202.579)**	**168.511.311**
OTHER COMPREHENSIVE INCOME			
Items not to be reclassified to profit or loss		**(42.103.283)**	**5.563.294**
Gains/(losses) on remeasurements of defined benefit plans	*24*	*13.466.720*	(6.844.833)
Taxes relating to other comprehensive income items	*24*	*(3.366.680)*	1.711.209
Property, plant and equipment revaluation surplus	*24*	*(64.122.461)*	*54.015.880*
Taxes relating to other comprehensive income items	*24*	*11.919.138*	*(43.318.962)*
Items to be reclassified to profit or loss		**(2.464.699)**	**(862.347)**
Currency translation differences	*24*	*(2.464.699)*	(862.347)
Other comprehensive income/(expenses)		**(44.567.982)**	**4.700.947**
Total comprehensive income		**(203.770.561)**	**173.212.258**
Attributable to			
Non-Controlling Interests		(1.522)	(6.227)
Equity Holders of the Parent	26	(159.201.057)	168.517.538
Other comprehensive income attributable to			
Non-Controlling Interests		(1.492)	(6.224)
Equity Holders of the Parent		(203.769.069)	173.218.482
Earnings per share	26	**(0.0159)**	**0.0303**
Earnings per share from continuing operations (TL)		**(0.0159)**	**0.0303**

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

DURAN DOĞAN BASIM VE AMBALAJ SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts on tables expressed in Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)

					Items not to be reclassified to profit or loss		Items to be reclassified to profit or loss		Retained earnings				
Audited prior period	Paid-in share capital	Adjustment to share capital	Share premium	Treasury shares (-)	Gains/(losses) on remeasurements of defined benefit plans	Gains/(losses) on revaluation and remeasurements	Currency translation differences	Restricted reserves	Prior years' income	Profit for the period	Equity holders of the parent	Non-controlling interests	Total equity
Balances at 1 January 2023 (Beginning of the Period)	**35.000.000**	**540.397.333**	**86.423**	**--**	**(31.278.878)**	**253.215.895**	**(49.235.103)**	**13.214.511**	**(16.708.195)**	**719.519.412**	**1.464.211.398**	**140**	**1.464.211.538**
Transfers	--	--	--	--	--	(4.502.409)	--	13.959.952	710.061.869	(719.519.412)	--	--	--
Capital increases	65.000.000	38.188.422	--	--	--	--	--	--	(103.188.422)	--	--	--	--
Dividends paid	--	--	--	--	--	--	--	--	(46.563.176)	--	(46.563.176)	--	**(46.563.176)**
Gains/(losses) on treasury shares	--	--	--	(6.001.775)	--	--	--	--	--	--	(6.001.775)	--	**(6.001.775)**
Acquisition of a subsidiary	--	--	--	--	--	47.992.176	--	657.524	(64.535.425)	--	(15.885.725)	--	**(15.885.725)**
Total comprehensive income	**--**	**--**	**--**	**--**	**(5.133.627)**	**10.696.918**	**(862.347)**	**--**	**--**	**168.517.538**	**173.218.482**	**(6.224)**	**173.212.258**
Property, plant and equipment revaluation surplus	--	--	--	--	--	*10.696.918*	--	--	--	--	***10.696.918***	--	***10.696.918***
Gains/(losses) on remeasurements of defined benefit plans	--	--	--	--	*(5.133.627)*	--	--	--	--	--	*(5.133.627)*	*3*	***(5.133.624)***
Currency translation differences	--	--	--	--	--	--	*(862.347)*	--	--	--	*(862.347)*	--	***(862.347)***
Profit for the period	--	--	--	--	--	--		--	--	*168.517.538*	*168.517.538*	*(6.227)*	***168.511.311***
Balances at 31 December 2023 (End of the Period)	**100.000.000**	**578.585.755**	**86.423**	**(6.001.775)**	**(36.412.505)**	**307.402.580**	**(50.097.450)**	**27.831.987**	**479.066.651**	**168.517.538**	**1.568.979.204**	**(6.084)**	**1.568.973.120**
Balances at 1 January 2024 (Beginning of the Period)	**100.000.000**	**578.585.755**	**86.423**	**(6.001.775)**	**(36.412.505)**	**307.402.580**	**(50.097.450)**	**27.831.987**	**479.066.651**	**168.517.538**	**1.568.979.204**	**(6.084)**	**1.568.973.120**
Transfers	--	--	--	--	--	(1.447.745)	--	8.202.778	161.762.505	(168.517.538)	--	--	--
Dividends paid	--	--	--	--	--	--	--	--	(10.626.988)	--	**(10.626.988)**	--	**(10.626.988)**
Total comprehensive income	**--**	**--**	**--**	**--**	**10.100.010**	**(52.203.323)**	**(2.464.699)**	**--**	**--**	**(159.201.057)**	**(203.769.069)**	**(1.492)**	**(203.770.561)**
Property, plant and equipment revaluation surplus	--	--	--	--	--	*(52.203.323)*	--	--	--	--	***(52.203.323)***	--	***(52.203.323)***
Gains/(losses) on remeasurements of defined benefit plans	--	--	--	--	*10.100.010*	--	--	--	--	--	*10.100.010*	*30*	***10.100.040***
Currency translation differences	--	--	--	--	--	--	*(2.464.699)*	--	--	--	*(2.464.699)*	--	***(2.464.699)***
Profit for the period	--	--	--	--	--	--	--	--	--	*(159.201.057)*	*(159.201.057)*	*(1.522)*	***(159.202.579)***
Balances at 31 December 2024 (End of the Period)	**100.000.000**	**578.585.755**	**86.423**	**(6.001.775)**	**(26.312.495)**	**253.751.512**	**(52.562.149)**	**36.034.765**	**630.202.168**	**(159.201.057)**	**1.354.583.147**	**(7.576)**	**1.354.575.571**

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

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts on tables expressed in Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)

	Notes	*Audited current period* **01.01.- 31.12.2024**	*Audited prior period* **01.01.- 31.12.2023**
A) CASH FLOWS FROM OPERATING ACTIVITIES		**219.329.554**	**507.390.119**
Profit for the Period		(159.202.579)	168.511.311
Adjustments to reconcile profit for the period to cash generated from operating activities		**193.236.877**	**(63.762.313)**
-Depreciation and amortisation	12,13	155.064.761	160.602.108
-Adjustments for impairment on inventories (reversal)	9	4.829.582	13.925.136
-Adjustments for tax income/expenses	25	129.366.130	(47.220.161)
-Adjustments for unrealized currency translation differences		42.912.449	112.321.081
-Adjustments for provisions			
- Employment termination benefits	15	17.139.933	57.053.434
- Doubtful receivables	7	(544.200)	(715.450)
- Unused vacation	15	(13.688.605)	14.701.430
- Other provisions		(28.034)	(60.002)
-Adjustments for interest income and expenses			
- Interest income	22	(5.559.625)	(5.484.882)
- Interest expenses	22	83.373.098	50.038.553
Net monetary position gains /losses	23	(77.286.620)	(100.969.251)
-Adjustments for non-cash items		(142.341.994)	(317.954.311)
Changes in Working Capital		**56.249.414**	**303.290.134**
-Changes in inventories	9	39.762.638	316.211.443
-Changes in trade receivables	7	105.887.227	(137.250.059)
-Changes in other receivables		(4.013.649)	14.342.745
-Changes in trade payables	7	6.268.220	30.806.142
-Changes in other payables		(92.529.704)	21.692.711
-Changes in prepaid expenses	10	15.565.568	4.585.981
-Changes in other current/non-current assets		(8.607.949)	(1.124.969)
-Changes in financial investments		1.569.725	24.318.235
-Changes in deferred income	10	(26.334.195)	30.357.534
-Changes in due to employee benefits	15	18.681.533	(649.629)
Cash flows from Operating Activities		**90.283.710**	**408.039.130**
Dividends paid		(10.626.988)	(46.563.176)
Income Taxes Refund/Paid		(37.381.825)	(94.340.743)
Inflation effect on operating activities	23	184.261.370	277.145.028
Other cash inflows/outflows		(7.206.713)	(36.890.120)
B) CASH FLOWS FROM INVESTING ACTIVITIES		**37.284**	**311.915.249**
-Cash inflows from sale of property, plant and equipment and intangible assets	12,13	6.754.933	256.399
-Cash outflows from purchase of property, plant and equipment and intangible assets	12,13	(268.556.660)	(120.850.173)
Inflation effect on investing activities	23	261.839.011	493.088.958
Business combinations		--	(60.579.935)
C) CASH FLOWS FROM FINANCING ACTIVITES		**(220.312.659)**	**(904.227.801)**
Cash outflows from treasury shares or capital reduction		--	(6.001.775)
Cash inflows from borrowings	27	941.609.830	654.932.840
Cash outflows from repayments of borrowings	27	(693.051.741)	(665.057.355)
Cash outflows from lease liabilities	27	(51.030.470)	(192.697.478)
Inflation effect on financing activities	23	(368.813.761)	(669.264.735)
Interest received		5.559.625	5.484.882
Interest paid		(54.586.142)	(31.624.180)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		**(945.821)**	**(84.922.433)**
D) EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**(2.464.699)**	**(862.347)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(3.410.520)**	**(85.784.780)**
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**26.236.678**	**85.653.155**
Inflation effect on cash and cash equivalents		**11.643.515**	**38.011.818**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**34.469.673**	**37.880.193**

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

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

NOTE 1 – GROUP'S ORGANISATION AND NATURE OF OPERATIONS

Duran Doğan Basım ve Ambalaj Sanayi Anonim Şirketi (the "Company" or "Duran Doğan") and its subsidiaries together collectively referred as the "Group" with Duran Doğan Dış Ticaret Anonim Şirketi, Duran Doğan Europe B.V., Avantgarde Sürdürülebilir Kağıtçılık Sanayi ve Ticaret Anonim Şirketi and Dudo UK Ltd. and Atlas Ofset Matbaacılık Ambalaj Sanayi ve Ticaret Anonim Şirketi (the "Group"). Duran Doğan's business activities include production of all kinds of packaging; printing, cutting, gluing and laminating works on aluminum, metal, tin materials, sales, purchase and sale of paper, cardboard packages, all kinds of plastic materials in rolls and sheets and other works written in the articles of association.

The Group was established in 1975 and the registered address of Duran Doğan is as follows:

Hadımköy Mahallesi Mustafa İnan Cad. No:41 Arnavutköy / İSTANBUL

The Group has subsidiaries registered and incorporated in Türkiye, United Kingdom and the Netherlands.

Duran Doğan is registered with CMB and subject to regulations of the Capital Markets Board ("CMB") and its shares have been quoted on the Borsa İstanbul ("BIST").

Total end of the year and average number of personnel employed by Duran Doğan is 395 (31 December 2023: 353).

The equity holders of the parent and the ultimate controlling parties of the Group are LGR International Societe Anonyme (30.00%), Dikran Mihran Acemyan (9.28%), İbrahim Okan Duran (7.95%), Oktay Duran (8.04%) and Dikran Acemyan (7.19%), respectively (Note 16).

As of 31 December 2024 and 2023, the subsidiaries ("Subsidiaries") included in the scope of consolidation of Duran Doğan, their direct and indirect ownership interests and nature of business are as follows:

	31.12.2024		31.12.2023		
Subsidiaries	**Direct ownership interest held by Duran Doğan (%)**	**Indirect ownership interest held by Duran Doğan (%)**	**Direct ownership interest held by Duran Doğan (%)**	**Indirect ownership interest held by Duran Doğan (%)**	**Nature of business**
Duran Doğan Dış Ticaret A.Ş.	99.92	99.92	99.92	99.92	Domestic and international purchase and sale of printed and unprinted cardboards
Dudo UK Ltd.	100.00	100.00	100.00	100.00	Domestic and international purchase and sale of printed and unprinted cardboards
Duran Doğan Europe B.V.	100.00	100.00	100.00	100.00	Domestic and international purchase and sale of printed and unprinted cardboards
Avantgarde Sürdürülebilir Kağıtçılık Sanayi ve Ticaret A.Ş.	100.00	100.00	100.00	100.00	Sales of barrier properties of paper and cardboard such as oxygen and moisture for use in the production of sustainable flexible packaging
Atlas Ofset Matbaacılık Ambalaj Sanayi ve Ticaret A.Ş.	100.00	100.00	100.00	100.00	Manufacturing, purchase, sale, marketing, storage, distribution, import and export of optical bleaching substances and other chemical substances detected on all kinds of fibres needed by

industries such as printing, printing and cutting of packaging boxes, publishing works, paper and detergent textile

Approval of the consolidated financial statements

These consolidated financial statements as at and for the year ended 31 December 2024 have been approved for issue by the Board of Directors ("BOD") on 11 March 2025. These consolidated financial statements will be finalised following the approval by the General Assembly.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

Statement of compliance with TAS

The accompanying consolidated financial statements of the Group have been prepared in accordance with Turkish Financial Reporting Standards ("TFRS")/Turkish Accounting Standards ("TAS") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") that are set out in the 5th article of the communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") announced by the Capital Markets Board ("CMB") on 13 June 2013 and published in Official Gazette numbered 28676.

The consolidated financial statements are presented in accordance with the "TAS Taxonomy" issued by POA and the formats specified in the "Financial Statement Examples and User Guide" issued by the CMB.

The Group's registered office in Türkiye and its subsidiaries maintain their books of account and prepare their statutory financial statements in Turkish Lira ("TL") in accordance with the Turkish Commercial Code No. 6102 ("TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Treasury and Finance ("Ministry of Finance"). The foreign subsidiaries maintain their books of account and prepare their statutory financial statements in accordance with the laws and regulations in force in the countries in which they are registered and in the currencies of the countries in which they operate.

These consolidated financial statements have been prepared under the historical cost conversion except for revaluation of land and buildings. Historical cost has been determined at the fair value for the amount paid for the assets considered.

Restatements of the financial statements in hyperinflationary periods

Financial reporting in hyperinflationary economies

In accordance with the CMB's resolution number 81/1820 on 28 December 2023, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 beginning with the annual financial statements for the accounting periods ending on 31 December 2023.

Entities applying TFRSs have started to apply inflation accounting under TAS 29 "Financial Reporting in Hyperinflation Economies" as of financial statements for the annual reporting period ending on or after 31 December 2023 with the announcements made by the Public Oversight Accounting and Auditing Standards Authority ("POA") on 23 November 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy. According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of and for the year ended 31 December 2024 and 2023, on the purchasing power basis on 31 December 2024.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

The restatement in accordance with TAS 29 has been made by using the adjustment factor derived from the Consumer Price Index ("CPI") in Türkiye published by the Turkish Statistical Institute ("TURKSTAT"). As of 31 December 2024, the indices and adjustment factors used in the restatement of the financial statements are as follows:

Date	**31.12.2024**	**31.12.2023**	**31.12.2022**
Index	2.684,55	1.859,38	1.128,45
Adjustment coefficient	1.00000	1.44379	2.37897
Three-year cumulative inflation rates	291%	268%	156%

The main components of the Group's restatement for financial reporting purposes in hyperinflationary economies are as follows:

- The consolidated financial statements for the current period presented in TL are expressed in terms of the purchasing power of TL at the balance sheet date and the amounts for the previous reporting periods are restated in accordance with the purchasing power of TL at the end of the reporting period.

- Monetary assets and liabilities are not restated as they are currently expressed in terms of the purchasing power at the balance sheet date. Where the inflation-adjusted carrying amounts of non-monetary items exceed their recoverable amounts or net realisable values, the provisions of TAS 36 Impairment of Assets and TAS 2 Inventories are applied, respectively.

- Non-monetary assets, liabilities and equity items that are not expressed in the current purchasing power at the statement of financial position date are restated by using the relevant adjustment factors.

- All items in the statement of comprehensive income, except for the non-monetary items in the statement of financial position that have an effect on the statement of comprehensive income, are restated by applying the coefficients calculated over the periods in which the income and expense accounts were initially recognised in the financial statements.

- The effect of inflation on the Group's net monetary asset position in the current period is recognised in the gains/(losses) on net monetary position in the consolidated statement of profit or loss.

Comparatives and adjustment of prior periods consolidated financial statements

The current period consolidated financial statements of the Group include comparative financial information to enable the determination of the trends in financial position and performance. Comparative figures are reclassified, where necessary, to conform to the changes in the presentation of the current period consolidated financial statements.

Business combinations

The acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the

Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with TAS 12 Income Taxes and TAS 19 Employee Benefits respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree, or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with TFRS 2 Share-based Payment at the acquisition date,
- Assets (or disposal groups) that are classified as held for sale in accordance with TFRS 5 are measured in accordance with TFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations".

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized in profit or loss as a gain on bargain purchase.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another TAS/TFRS. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e., the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period or additional assets, or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

The assets and liabilities that were not previously recognized as identifiable assets and liabilities assumed in the acquiree's financial statements are recognized.

As of the acquisition date, the identifiable assets, identifiable liabilities and minority interests of the acquired entity are carried at their fair values. Relevant calculations are realised based on the relevant assumptions and evaluations.

Basis of consolidation

Consolidated financial statements include subsidiaries are the entities controlled directly and indirectly by Duran Duğan and its subsidiaries.

Control is achieved when the Group:

i) has power over the investee;
ii) is exposed, or has rights, to variable returns from its involvement with the investee; and
iii) has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

i) the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
ii) potential voting rights held by the Group, other vote holders or other parties;
iii) rights arising from other contractual arrangements; and
iv) any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date on which the control is transferred to the Group and are no longer consolidated from the date that the control ceases. Income and expenses of the subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the date of acquisition until the date of disposal.

The accounting policies of the subsidiary have been changed when deemed necessary in order to comply with the policies accepted by the Group. In the matter of a reverse balance in non-controlling interests, total comprehensive income has been transferred to the parent company shareholders and non-controlling interests.

The necessary adjustments have been realised to the accounting policies in the financial statements of subsidiaries to ensure conformity with the Group.

Intra-group assets and liabilities, equity, income and expenses and cash flows relating to transactions between the Group companies are eliminated during consolidation.

2.2 Changes in accounting policies

Whether there are changes and errors in accounting policies and accounting estimates, the amended significant changes and the identified significant accounting errors are implemented retrospectively and the previous periods Group's consolidated financial statements are restated. There are no changes in the accounting policies expected to have a material influence on the results of the end of the annual reporting period.

2.3 Changes in accounting estimates and errors

Accounting estimates are based on reliable information and reasonable estimation methods. However, estimates are revised as a result of changes in circumstances, estimating new information or additional developments. If changes in accounting forecasts are related to only one period, amendments are made in the current period. If amendments are related to the forthcoming periods, changes are applied in both current period and forthcoming periods.

New and Revised Turkish Financial Reporting Standards

The new standards, amendments, and interpretations

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

The new standards, amendments and interpretations and interpretations to the existing previous standards which are effective as of 31 December 2024 are as follows:

- Classification of Liabilities as Current or Non-Current (Amendments to TAS 1)
- Lease liability in a sale and leaseback- Amendments to TFRS 16 Leases
- Amendments to TAS 7 Statement of Cash Flows and TFRS 7 Financial Instruments: Amendments to Disclosures - Supplier Financing Agreements
- TSRS S1 General requirements for disclosure of sustainability-related financial information and TSRS S2 Climate-related disclosures

Standards and amendments to standards issued but not yet effective as of 31 December 2024:

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

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

In December 2017, the POA postponed the effective date of the amendments to TFRS 10 and TAS 28 indefinitely, pending the outcome of an ongoing research project on the equity method. However, early adoption is still permitted. The Group will assess the material influence of these amendments when the standards are finalised.

Lack of Exchangeability - Amendments to TAS 21 – The Effects of Changes in Foreign Exchange Rates

In May 2024, the POA issued amendments to TAS 21. The amendments clarify how to assess whether a currency is not exchangeable and how to determine the exchange rate when a currency is not exchangeable. According to the amendments, when estimating the exchange rate because a currency is not exchangeable, information that enables users of financial statements to understand how the inability to exchange one currency for another currency has affected, or is expected to affect, an entity's performance, financial position and cash flows is disclosed.

The amendments are effective for annual periods beginning on or after 1 January 2025.

Early application is permitted, in which case information is provided in the notes. When the amendments are applied, comparative information is not restated.

The amendments are not applicable for the Group and will not have a material influence on the financial position or performance of the Group.

TFRS 17 - New Insurance Contracts Standard

In February 2019, the POA issued TFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 introduces a model that enables both the measurement of liabilities arising from insurance contracts at current balance sheet values and the recognition of profit over the period in which the services are provided.

In accordance with the announcement realised by POA, the mandatory effective date of the standard has been postponed to accounting periods beginning on or after 1 January 2025.

The standard is not applicable for the Group and will not have a material influence on the financial position or performance of the Group.

TFRS 18 - Presentation and Disclosures in Financial Statements

On 9 April 2024, the POA issued TFRS 18 Presentation and Disclosures of Financial Statements, which will replace TAS 1 Presentation of Financial Statements. TFRS 18 carries forward many of the provisions of TAS 1 without changing.

The objective of TFRS 18 is to set out the requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help provide relevant information that fairly reflects an entity's assets, liabilities, equity, income and expenses.

TFRS 18 introduces three defined categories for income and expenses (operating, investing and financing) to improve the structure of the statement of profit or loss and requires all entities to present newly defined subtotals, including operating profit.

TFRS 18 is effective for annual periods beginning on or after 1 January 2027 and will be applied retrospectively. Early application is permitted.

The Group is in the process of assessing the potential material influence of adopting TFRS 18 on its consolidated financial statements.

TFRS 19 Subsidiaries that are not accountable to the public: Disclosures

Subsidiaries of entities that apply TAS/TFRS may significantly reduce their disclosures and focus more on the needs of users after TFRS 19 is issued.

A subsidiary may elect to apply the new standard in its separate or individual financial statements if it meets the following criteria:

- Lack of public accountability,
- The parent company prepares financial statements in accordance with TAS/TFRS.

A subsidiary that applies the reduced disclosure standards in accordance with TFRS 19 will fully comply with the recognition, measurement and presentation requirements of TFRSs, but will reduce disclosures and will be required to clearly and unambiguously state that it has applied TFRS 19 in its statement of compliance with TASs/TFRSs.

Amendments to Classification and Measurement of Financial Instruments - Amendments to TFRS 9 Financial Instruments and TFRS 7 Financial Instruments: Disclosures

Classification of Financial Assets with Contingent Characteristics

The amendments introduce an additional SPPI (principal and interest payment only) test to clarify the classification of financial assets with contingent features that are not directly related to a change in the underlying credit risks or costs - for example, where cash flows vary depending on whether the borrower meets an ESG (environmental, social and governance) objective specified in the loan contract, the classification of that contingent financial asset would be based on the SPPI test. The SPPI test determines whether the asset is recognised at amortised cost or fair value.

Under the amendments, certain financial assets, including those with ESG-related characteristics, may now meet the SPPI criterion, provided that their cash flows are not materially different from an identical financial asset without such a characteristic. However, companies will need to undertake additional work to prove this, which will require judgement.

The amendments also include additional disclosures for all financial assets and financial liabilities with the following specific contingent characteristics:

- that are not directly related to a change in the underlying credit risks or costs; and

- not measured at fair value through profit or loss.

Electronic Payments Settlement

A company that settles a trade payable using an electronic payment system generally derecognises the trade payable on the settlement date. The amendments introduce an exception to derecognition for such financial liabilities. This exception allows a company to derecognise a trade payable before the settlement date if the company uses an electronic payment system that meets all of the following criteria:

- The payment order cannot be withdrawn, suspended or cancelled;

- There is no ability to access cash to be used for payment as a result of the payment instruction; and

- The settlement risk associated with the electronic payment system is insignificant.

Other Changes

Contractual Instruments (CLIs) and Non-Recourse Features

The amendments clarify the key features of contractual instruments and how they differ from financial assets with non-recourse features. The amendments also set out the factors that an entity should consider when assessing the cash flows that comprise its financial assets with non-recourse features (review test).

Disclosures on Investments in Equity Instruments

The amendments require additional disclosures for investments in equity instruments measured at fair value with gains or losses recognised in other comprehensive income (FVOCI).

The amendments are effective for annual periods beginning on or after 1 January 2026. Entities may choose to early adopt these amendments (including the related disclosure requirements) separately from the amendments on the recognition and derecognition of financial assets and financial liabilities.

The Group does not expect that application of these amendments to TFRS 9 and TFRS 7 will have significant material influence on its consolidated financial statements.

2.5 Summary of significant accounting policies

Revenue

In accordance with "TFRS 15 Revenue from Contracts with Customers" is that the entity reflects the proceeds to the consolidated financial statements from an amount that reflects the cost that the Group expects to qualify for the transfer of the goods or services it commits to its customers.

Following indicators are considered while evaluating the transfer of control of the goods and services:

a) Presence of Group's collection right of the consideration for the goods or services,
b) Customer's ownership of the legal title on goods or services,

c) Physical transfer of the goods or services,
d) Customer's ownership of significant risks and rewards related to the goods or services,
e) Customer's acceptance of goods or services.

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

Interest income

Interest income is accrued in the relevant period in accordance with effective interest method, which determines the remaining principal balance and the estimated cash inflows to be obtained from the relevant financial asset over its estimated useful life to the net book value of the relevant asset.

Inventories

Inventories are evaluated at the lower of cost or net realizable value, restated at equivalent purchasing power on 31 December 2024. Cost of inventories includes all purchasing costs, covering costs and other costs incurred to make the inventories ready to sell. The covering costs of inventories include costs which are directly related to production such as direct labor expense. Those costs also include systematically distributed costs from fixed and variable general production expenses incurred in covering direct raw material to the goods. The cost of inventories is determined by the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. In cases where the inventories to be reduced to net realizable value or an increase in net realizable value is determined due to changing economic conditions, the provision is reversed. The amount is limited to reversal of the impairment.

Related parties

In accordance with TAS 24 "Related Party Disclosures" and for the purpose of these consolidated financial statements, shareholders, parents of Duran Doğan Basım ve Ambalaj Sanayi Anonim Şirketi, key management personnel and Board of Directors members, their close family members and the legal entities over which these related parties exercise control and significant influence, are considered and expressed as "related parties".

Property, plant and equipment

Land and buildings for administrative purposes and production are carried at their amounts subject to revaluation. The amount is determined less the accumulated depreciation and impairment in subsequent periods from the fair value determined on the revaluation date.

The relevant revaluations are realised at regularly so that the fair value determined at the balance sheet date does not differ significantly from the book value.

The increase resulting from the revaluation of the land and buildings is recognised in the revaluation fund in equity. The increase resulting from revaluation is initially recognised in the statement of profit or loss in proportion to the impairment, in case there is an impairment on the property, plant and equipment previously presented in the statement of profit or loss. The decrease in the book value resulting from the revaluation of the machinery, equipment is recognised in the statement of profit or loss if it exceeds the balance in the revaluation fund related to the previous revaluation of the property, plant and equipment.

Property, plant and equipment considered as construction in progress for administrative purposes or other purposes not yet determined are carried at cost in the equivalent purchasing power of TL on 31 December 2024, less any impairment losses. Legal fees are also included in the relevant cost. In the case of property, plant and equipment that require significant time to be ready for use and sale, borrowing costs are capitalized. When the construction of the property, plant and equipment is completed and they are ready for use, they are classified into the relevant property, plant and equipment item. Such property, plant and equipment are depreciated when they are ready for use, as is the depreciation method used for other property, plant and equipment.

Depreciation of buildings subject to revaluation is included in the statement of profit or loss. When land and buildings subject to revaluation are sold or disposed, the remaining balance in the revaluation fund is transferred directly to retained earnings.

Land is not depreciated as it is deemed to have an indefinite useful life. Property, plant and equipment other than buildings are carried at cost, expressed in the equivalent purchasing power of TL, less accumulated depreciation and impairment on 31 December 2024.

Useful life and the depreciation method are constantly reviewed, and accordingly, parallels are sought between the depreciation method and the period and the useful life to be derived from the related asset and accounted prospectively.

Depreciation is provided for property, plant and equipment on a straight-line basis over their estimated useful lives except for land and constructions in progress. Useful life and the depreciation method are constantly reviewed, and accordingly, parallels are sought between the depreciation method and the period and the useful life to be derived from the related asset and accounted prospectively.

Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with their net carrying amounts and are classified under "gains/(losses) from investing activities" in the current period. Repairs and maintenance expenses are charged to the statement of profit or loss during the period in which they are incurred. Machinery and equipment are capitalised and amortised when their capacity is fully available for use.

Intangible assets

Acquired intangible assets

Intangible assets with definite useful lives are initially recognized at the purchasing power on 31 December 2024 less accumulated depreciation and impairment. These assets are amortized using the straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being recognized for on a prospective basis.

Computer software

Acquired computer software is capitalized based on the costs incurred during its acquisition and the period from purchase until it is ready for use. Depreciation is provided according to their economic useful lives.

Internally generated intangible assets– research and development expenses

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

• The technical feasibility of completing the intangible asset so that it will be available for use or sale,
• The intention to complete the intangible asset and use or sell it,
• The ability to use or sell the intangible asset,
• How the intangible asset will generate probable future economic benefits,
• The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
• The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is charged to profit or loss in the period in which it is incurred.

After initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from the derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Intangible assets and impairment on intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.
If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is considered as a revaluation increase.

Borrowing costs

Borrowing costs recognized in the statement of profit or loss in which period they incurred.

Financial instruments

Financial assets

A financial asset or a financial liability is recognized in the statement of financial position only when it is a party to the contractual provisions of the instrument. Normal purchases or sales of financial instruments are recognized in the consolidated financial statements or excluded from the consolidated financial statements by using one of the accounting methods on the transaction date or delivery date. Trading transactions are accounted for at the date of delivery with the initial recognition and classification of financial instruments depends on the contractual terms and the relevant business model. A financial asset or financial liability other than TFRS 15" Revenue from Contracts with Customers" is measured at fair value when first recognized in the consolidated financial statements. Transaction costs directly attributable to the acquisition or the issuance of financial assets and liabilities, except for the fair value changes recognized in profit or loss, are also added to the fair value or deducted from the fair value. The classification of financial instruments during the initial recognition depends on the characteristics of the contractual cash flows.

Financial assets and liabilities under TFRS 9 are as follows:

Financial assets

Financial investments are recognized and derecognized on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Investments are recorded or derecognized on the date of the transaction on the basis of a contract with the condition of delivery of the investment instruments in accordance with the period determined by the relevant market.

Financial assets classified as "financial assets at fair value through profit or loss", "financial assets at amortized cost" and" financial assets at fair value through other comprehensive income".

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading and not acquired for trading purposes but recognized in this category at initial recognition. When a financial asset is acquired for the purpose of disposal in the short term, it is classified in that category. Derivative financial instruments which are not designated as effective hedging instruments are also classified as financial assets measured at fair value through profit or loss. Financial assets are carried at fair value and any gains or losses arising from the valuation are recognized in profit or loss.

Financial assets at amortized cost

"Financial assets at amortised cost", are non-derivative assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets carried at amortised cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets measured at amortised cost are accounted for under the statement of income. Interest income from financial assets held to maturity recognized in the statement of profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income" are assets that are either equity securities or debt securities. The Group measures related financial assets at fair value. Gains or losses on a financial asset measured at fair value through other comprehensive income is recognised in other comprehensive income, except for foreign exchange gains and losses. When an equity security is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to retained earnings. When a debt security is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss.

Subsequent valuation of financial assets measured at fair value through other comprehensive income is carried at fair value. However, if the fair value cannot be measured reliably, for those with a fixed maturity, discounted price is calculated using the internal rate of return method; for those who do not have a fixed maturity, fair value is valued using pricing models or discounted cash flow techniques. Unrealized gains or losses arising from changes in the fair values of financial assets at fair value through other comprehensive income and expressing the difference between the amortized cost and fair value of the securities calculated using the effective interest method, are included in the "Financial Assets Under Management Fund" which is recognized in equity. When the financial assets at fair value through profit or loss are disposed of, the value in equity resulting from the application of fair value is recognised in the period profit/loss.

Recognition and derecognition of financial assets and liabilities

The Group reflects the financial assets or liabilities in the statement of financial position when it becomes a party to the related financial instrument contracts. The Group writes-off a financial asset or a portion of its financial asset only when it loses its control over the rights arising from the contract. The Group derecognizes a financial liability only if the obligation defined in the contract is eliminated, cancelled or expired.

Impairment of financial assets/expected credit loss

At each reporting date, it is evaluated whether there is a significant increase since the financial instrument within the scope of the impairment has been included in the consolidated financial statements for the first time. When making this assessment, the change in the risk of default of the financial instrument is taken into consideration. The expected credit loss estimate is unbiased, weighted according to probabilities, and includes information that can be supported about past events, current conditions, and forecasts for future economic conditions.

In all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of a provision account, the impairment is offset directly from the carrying amount of the related financial asset. In the event that the trade receivable cannot be collected, the said amount is offset from the provision account. Fair value difference other than equity instruments recognised in other comprehensive income, if the impairment loss is reduced in the subsequent period and if the impairment can be attributed to an event that occurred after the recognition of the impairment loss, an impairment loss recognized in advance if the impairment of the investment has never been recognized at the time the impairment loss is reversed will not exceed the amount of amortized cost in the statement of profit or loss is reversed.
An increase in the fair value of the equity instruments recognised in other comprehensive income after the impairment loss, recognized directly in equity.

Trade receivables

Trade receivables arising as a result of providing products or services to the buyer are recognized at amortized cost of the amounts to be obtained in subsequent periods, recognised at the original invoice, using the effective interest method. Short-term receivables with no imputed interest rate are carried at the invoice amount unless the effect of the original effective interest rate is immaterial.

Trade receivables carried at amortized cost in the consolidated financial statements and do not contain a significant financing component (less than 1 year as short term) value within the scope of trade receivables impairment calculations applied "simplified approach". In cases where trade receivables are not impaired due to certain reasons (except for realized impairment losses), provisions for losses related to trade receivables "is measured from an equal amount of lifetime expected credit losses".

In case of collecting all or part of the receivable amount that is impaired following the provision for impairment, the collected amount is deducted from the other operating income by offset the amount deducted from the provision for impairment.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held in banks with maturities of 3 months or less, government bonds/treasury bills classified as available for sale financial assets with original maturities of 3 months or less, other short-term liquid investments and blocked deposits. Cash and cash equivalents include cash on hand, deposits at banks and highly liquid short-term investments, credit card slips with maturity periods of less than three months, which has insignificant risk of change in fair value.

Financial liabilities

Financial liabilities are initially recognized with their fair values free from transaction costs. Financial liabilities are recognized over their amortized costs using the effective interest method and with interest costs calculated over effective interest rate in subsequent periods. The effective interest method is the calculation of the amortized costs of the financial liabilities and the distribution of the related interest expenses to related periods. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net present value of the financial liability.

Earnings per share

Earnings per share disclosed in the statement of profit or loss are determined by dividing net income attributable to equity holders of the parent by the weighted average number of shares outstanding during the period concerned.

In Türkiye, companies can increase their share capital through a pro-rata distribution of shares (“bonus shares”) to existing shareholders from retained earnings and inflation adjustment to equity. For the purpose of earnings per share computations, the weighted average number of shares in existence during the period has been adjusted in respect of bonus share issues without a corresponding change in resources, by giving them retroactive effect for the period in which they were issued and each earlier period as if the event had occurred at the beginning of the earliest period reported.

Foreign currency translation

Foreign currency transactions and balances
Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The consolidated financial statements are presented in TL, which is Duran Doğan’s functional and presentation currency.

During the preparation of the financial statements of each entity, foreign currency transactions are translated into Turkish Lira (currencies other than TL) using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Turkish Lira using the exchange rates at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to functional currency as Turkish Lira using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Currency translation differences are accounted for the period in profit or loss in which they are incurred except for the following cases:

- Currency translation differences which relate to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency denominated borrowings;

- Currency translation differences on transactions entered into in order to hedge certain foreign currency risks (see below for hedging accounting policies); and

- Currency translation differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognized in the foreign currency translation reserve and recognized in profit or loss on disposal of the net investment.

The financial statements of the subsidiaries operating in foreign countries

Assets and liabilities of the subsidiaries operating in foreign countries are translated into TL at the exchange rates prevailing at the balance sheet dates. Comprehensive income items of those subsidiaries are translated into TL using average exchange rates for the period (if the average exchange rates for the period do not reasonably reflect the exchange rate fluctuations, transactions are translated using the exchange rates prevailing at the date of the transaction). Exchange differences arising from using average and balance sheet date rates are included in “currency translation differences” under the equity.

Events after the reporting period

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue.

The Group adjusts the amounts recognised in its consolidated financial statements to reflect the adjusting events after the balance sheet date. If non-adjusting events after the balance sheet date have material influence on the economic decisions of users of the consolidated financial statements, they are disclosed in the notes to the consolidated financial statements.

Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Contingent liabilities are consistently reviewed prior to the probability of any cash out-flow. In case of the cash outflow is probable, provision is allocated in the consolidated financial statements of the year the probability of contingent liability accounts is changed. A provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and reliable estimate can be made for the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount of provision shall be the present value of the expenditures expected to be required to settle the obligation. The discount rate reflects current market assessments of the time value of money and the risks specific to the liability. The discount rate shall be a pre-tax rate and shall not reflect risks for which future cash flow estimates have been adjusted.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in the consolidated financial statements and treated as contingent assets or liabilities.

Taxes on income

Turkish tax legislation does not permit a parent company to file a consolidated tax return. Therefore, tax liabilities, as recognised in consolidated financial statements, have been calculated on a separate-entity basis.

Income tax expense (or income) is the sum of the current tax expense and the deferred tax expense (or income).

Current tax

Current year tax liability is calculated over the taxable profit for the period. Taxable profit differs from profit as recognised in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it excludes items that cannot be taxed or deducted. The Group's liability for current tax is calculated using legal statutory tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax assets and liabilities are determined by calculating the temporary differences between the amounts shown in the consolidated financial statements and the amounts considered in the statutory tax base in accordance with the balance sheet method. Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized. Deferred tax liability or asset is not calculated in respect of temporary timing differences arising from the initial recognition of assets or liabilities other than goodwill or business combinations and which do not affect both commercial and financial profit /loss.

Deferred tax liabilities are calculated for all taxable temporary differences related to the investments in subsidiaries and associates and shares in joint ventures, except in cases where the Group is able to control the discontinuation of temporary differences and in the near future it is unlikely that such difference will be eliminated. Deferred tax assets resulting from taxable temporary differences related to such investments and shares are calculated on the condition that it is highly probable that future taxable profit will be available and that it is probable that future differences will be eliminated.

The carrying amount of the deferred tax asset is reviewed at each balance sheet date. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that financial profit will be available to allow the benefit of some or that entire amount.
Deferred tax assets and liabilities are calculated over the tax rates that are expected to be valid in the period when the assets are realized or the liabilities are fulfilled and legalized or substantially legalized as of the balance sheet date (tax regulations). During the calculation of deferred tax assets and liabilities, the tax consequences of the methods that the Group expects to recover or settle the carrying amount of the assets as of the balance sheet date are taken into consideration

Deferred tax assets and liabilities are recognized when there is a legal right to offset current tax assets and current tax liabilities, or if such assets and liabilities are associated with the income tax collected by the same tax authority, or if the Group intends to pay off the current tax assets and liabilities.

Current and deferred tax for the period

The taxes included in the consolidated financial statements include current period tax and the change in deferred taxes. The Group calculates current and deferred tax on the results for the period.

Employee benefits/Employment termination benefits

Employment termination benefits

The provision for employment termination benefits, as required by Turkish Labour Law represents the present value of the future probable obligation of the Group arising from the retirement of its employees based on the actuarial projections. TAS 19 "Employee Benefits" requires actuarial assumptions (net discount rate, turnover rate to estimate the probability of retirement etc.) to estimate the entity's obligation for employment termination benefits.

The effects of differences between the actuarial assumptions and the actual outcome together with the effects of changes in actuarial assumptions compose the actuarial gains/(losses) recognised in the accompanying consolidated financial statements. Actuarial gains and losses recognized under consolidated statement of other comprehensive income.

Dividend and bonus payments

The Group recognises dividends and bonuses calculated based on a method that considering the profit of the shareholders after adjustments, as liabilities and expenses. The Group recognizes provisions where there is a contractual obligation incurred.

Statement of cash flows

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

Capital and dividends

Common shares are classified under equity. Dividends from common shares recognised in the period which they approved and declared less retained earnings.

2.6 Significant accounting estimates and assumptions

The significant accounting estimates and assumptions applied by the Group are as follows:

In the process of applying the accounting policies disclosed in Note 2.5, the Group management realised the following estimates and assumptions that had significant material influence on the amounts recognized in the consolidated financial statements:

Economic useful lives of property, plant and equipment

The Group provides depreciation and amortisation charges on property, plant and equipment, considering the useful lives disclosed in Note 12 and 13.

Inventory impairment

The Group has determined inventories with lower of acquisition cost or net realizable value. Accordingly, the Group allocated provision for impairment on inventories amounting to TL 7.674.770 (31 December 2023: TL 4.107.848).

Provision for doubtful receivables

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 less than 1 year). With this approach, in cases where trade receivables are not impaired for certain reasons (except for the impairment losses incurred), the provisions for losses related to trade receivables are measured at an amount equal to "lifetime expected credit losses". As of 31 December 2024, the Group allocated provision for doubtful trade receivables amounting to TL 136.840 (31 December 2023: TL 983.277).

Revaluation of land and buildings

The land and building leased by the Group in Hadımköy under finance leases are carried at cost in the accompanying consolidated financial statements less accumulated depreciation and impairment. The land and buildings acquired through finance leases have been subject to revaluation by independent appraisal firm "1A Grup" on 25 December 2024. 1A Grup has been authorised by Capital Markets Board ("CMB") and provides property valuation services in accordance with the legislation of Capital Markets Board and has adequate experience and qualifications in the fair value measurement of properties in the relevant geographical areas.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

NOTE 3 – OPERATING SEGMENTS

The Group has applied TFRS 8 "Operating Segments" effective from 1 January 2013 and reportable segments have been determined in accordance with the internal reporting system reviewed by the General Assembly regarding the operations of the Group regularly.

The revenue arising from the reportable segments mainly include sales to Türkiye, Europe, United States, Middle East and Africa and Asia Pacific geographical areas. The amounts reported considering the reportable segments of the Group in the accompanying consolidated financial statements for the year ended 31 December 2024 and 2023 are as follows:

01.01.2024 - 31.12.2024

Türkiye	Europe	United States	Middle East and Africa	Asia Pacific	Other	Total
1.241.074.463	635.529.054	67.411.441	49.742.347	--	9.255.532	2.003.012.837

01.01.2023 - 31.12.2023

Türkiye	Europe	United States	Middle East and Africa	Asia Pacific	Other	Total
1.155.752.683	847.590.223	67.515.114	97.918.862	446.936	7.369.025	2.176.592.843

NOTE 4 – BUSINESS COMBINATIONS

The Group acquired the 100% effective ownership interest of Atlas Ofset Matbaacılık ("Atlas Ofset") amounting to TL 62.303.346 on 4 December 2023. As a result of the related abovementioned acquisition, the transaction has been accounted for in the accompanying consolidated financial statements as at and for the year ended 31 December 2023 in accordance with TFRS 3 "Business Combinations" over the financial statements of Atlas Ofset on 30 November 2023.

	30.11.2023
Cash and cash equivalents	1.723.410
Financial investments	1.479.734
Trade receivables	31.784.509
Other receivables	404.591
Inventories	35.792.140
Prepaid expenses	2.337.303
Current income tax assets	3.096.128
Other current assets	1.180.353
Property, plant and equipment and intangible assets	73.761.587
Borrowings	(15.048.211)
Trade payables	(28.690.396)
Other payables	(1.771.109)
Employee benefits	(2.024.992)
Short-term provisions for employee benefits	(1.167.242)
Deferred income	(2.421.254)
Current income tax liabilities	(2.909.450)
Long-term provisions for employee benefits	(7.841.055)
Deferred tax liabilities	(11.496.975)
Fair value of assets acquired (100%)	**78.189.071**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

Acquirer's ownership interest (100%)	78.189.071
Non-controlling interests (0%))	--
Bargain purchase gains (-)	(15.885.725)
Consideration transferred, net	**62.303.346**
Cash and cash equivalents acquired (-)	(1.723.411)
Cash outflows in the statement of cash flows, net	**60.579.935**

In accordance with TFRS 3, the acquisition method has been applied for the acquired entity and the fair value of the identifiable assets acquired and the identifiable liabilities assumed is considered as a "bargain purchase" since the fair value of the consideration transferred exceeds the fair value. The gain arising on the bargain purchase is recognised in profit or loss and included and recognised in the consolidated financial statements.

Acquired entity	Effective date of business combination	Effective ownership interest (%)	Fair value of assets acquired (A)	Consideration transferred (B)	Non-controlling interests (c)	Bargain purchase gains A-(B+C)
Atlas Ofset Matbaacılık Ambalaj Sanayi ve Ticaret A.Ş.	30.11.2023	100,00	78.189.071	62.303.346	--	15.885.725

NOTE 5 – CASH AND CASH EQUIVALENTS

As of 31 December 2024 and 2023, the functional breakdown and details of cash and cash equivalents are as follows:

	31.12.2024	31.12.2023
Cash on hand	166.497	106.244
Banks		
- Demand deposits	20.205.644	37.854.051
- Time deposits (*)	14.395.385	61.271
Expected credit losses	(315.334)	(166.327)
Other cash and cash equivalents	17.481	24.954
	34.469.673	**37.880.193**

(*) The effective maturity of time deposits is 2 January 2025 and the annual effective interest rate is 40%.

As of 31 December 2024, the Group has cash and cash equivalents amounting to TL 34.469.673. The amount of TL 17.415.771 is denominated in foreign currencies (EUR 273.288, USD 40.074 and GBP 134.874).

As of 31 December 2023, the Group has cash and cash equivalents amounting to TL 37.880.193. The amount of TL 28.669.867 is denominated in foreign currencies (EUR 174.102, USD 56.307 and GBP 334.618).

NOTE 6– RELATED PARTY DISCLOSURES

a) Related party balances are as follows:

	31.12.2024	31.12.2023

Short-term trade payables due to related parties		
LGR International Societe Anonyme (*)	12.943.608	11.912.254
Koenig Bauer Duran Amb.Kar.Tek.San.	207.910	1.605.588
	13.151.518	**13.517.842**

	31.12.2024	**31.12.2023**
Other payables due to related parties		
LGR International Societe Anonyme (*)	17.531.450	58.893.184
	17.531.450	**58.893.184**

(*) Represents entities managed and controlled by the shareholders

b) Related party transactions are as follows:

	01.01.-31.12.2024	**01.01.-31.12.2023**
Sales		
Koenig Bauer Duran Amb.Kar.Tek.San. A.Ş. (***)	--	102.053
	--	**102.053**

	01.01.-31.12.2024	**01.01.-31.12.2023**
Purchases		
LGR International Societe Anonyme (*) (**)	4.156.094	11.658.356
Koenig Bauer Duran Amb.Kar.Tek.San. A.Ş. (***)	4.918.262	6.104.926
	9.074.356	**17.763.282**

(**) Represents LGR International Societe Anonyme purchases which consist of interest charged to the Group

(***) Represents consumables and maintenance services received from Koenig Bauer

c) The key management compensation provided by Duran Doğan to key management personnel is as follows:

Key management compensation	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Performance premium	16.200.262	16.602.792
Wages and salaries	34.354.198	31.875.171
Bonuses	5.484.058	5.183.698
Allowances	2.149.892	1.777.567
Other	1.103.080	1.225.852
	59.291.490	**56.665.080**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

The key management of Duran Doğan is identified as the Chairman of the Board, Vice Chairman of the Board, other members of the Board of Directors and General Manager.

NOTE 7– TRADE RECEIVABLES AND PAYABLES

a) Trade receivables

As of 31 December 2024 and 2023, the functional breakdown and details of trade receivables are as follows:

	31.12.2024	31.12.2023
Short-term trade receivables		
Trade receivables (current account balances)	531.472.254	573.965.282
Notes and cheques receivables	40.140.567	69.612.073
Doubtful trade receivables	136.840	983.277
	571.749.661	**644.560.632**
Deferred financial expenses (-)	(35.875.151)	(2.798.895)
Provision for doubtful trade receivables (-)	(136.840)	(983.277)
Short-term trade receivables, net	**535.737.670**	**640.778.460**

The details of trade receivables are as follows:

The average maturity of trade receivables from domestic and foreign customers is 90 and 120 days, respectively (31 December 2023: 90 and 120 days, respectively). As of 31 December 2024, provision for doubtful trade receivables amounting to TL 136.840 (31 December 2023: TL 983.277) has been allocated in the accompanying consolidated financial statements.

The Group allocated provision for doubtful receivables considered as uncollectible. The provision has been determined considering the past payment performances of the customers. The Group assesses whether there has been a change in the credit quality of the receivables from the date of initial recognition to the reporting date while deciding trade receivables.

The Group management estimated that there is no provision required to be allocated exceeding the provision for doubtful receivables included in the accompanying consolidated financial statements.

The movement of provision for doubtful trade receivables is as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Beginning of the period – 1 January	**983.277**	**2.799.042**
Provisions no longer required	(544.200)	(1.330.178)
Additions	--	614.727
Monetary gains/(losses)	(302.237)	(1.100.314)
End of the period – 31 December	**136.840**	**983.277**

The detailed analysis of guarantees and collaterals obtained against trade receivables is as follows:

	31.12.2024	31.12.2023

Credit insurance	140.499.761	84.848.251
	140.499.761	**84.848.251**

b) Trade payables

As of 31 December 2024 and 2023, the functional breakdown of trade payables is as follows:

	31.12.2024	31.12.2023
Short-term trade payables		
Trade payables (current account balances)	325.096.475	303.668.433
Notes payable	--	5.212.591
Expense accruals	261.529	35.867
Deferred financial income (-)	(14.451.621)	(4.645.052)
Trade receivables due to third parties, net	**310.906.383**	**304.271.839**
Due to related parties	13.151.518	13.517.842
Short-term trade payables, net	**324.057.901**	**317.789.681**

The average maturity of the purchase of the raw materials and supplies is 64 days (31 December 2023: 100 days).

NOTE 8– OTHER RECEIVABLES AND PAYABLES

As of 31 December 2024 and 2023, the functional breakdown and details of other receivables and payables are as follows:

	31.12.2024	31.12.2023
Short-term other receivables		
Due from tax office	13.313.466	8.668.953
Deposits and guarantees given	54.013	11.243
Due from employee	419.449	446.158
Other	184.284	377.210
Short-term other receivables, net	**13.971.212**	**9.503.564**

	31.12.2024	31.12.2023
Long-term other receivables		
Deposits and guarantees given	1.597.680	2.051.679
Long-term other receivables, net	**1.597.680**	**2.051.679**

	31.12.2024	31.12.2023
Short-term other payables		
Due to acquisition of Atlas Ofset	19.560.921	71.252.568
Other	1.001.415	477.738

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

Short-term other payables due to third parties, net	**20.562.336**	**71.730.306**
Due to related parties	17.531.450	58.893.184
Short-term other payables due to related parties, net	**17.531.450**	**58.893.184**
Short-term other payables, net	**38.093.786**	**130.623.490**

NOTE 9 - INVENTORIES

As of 31 December 2024 and 2023, the details of inventories are as follows:

	31.12.2024	**31.12.2023**
Raw materials and supplies	190.263.064	187.521.626
Semi-finished goods	49.848.071	60.889.668
Goods	176.064.500	206.737.919
Merchandise	333.012	119.351
Other inventories	59	3.528.100
Provision for impairment	(7.674.770)	(4.107.848)
	408.833.936	**454.688.816**

Inventories are carried at cost in the accompanying consolidated financial statements and provision for impairment is also presented for the inventories subject to impairment.

Total insurance coverage on inventories is amounting to EUR 6.715.000 equivalent of TL 246.683.583) (31 December 2023: EUR 7.700.000 equivalent of TL (362.129.434).

As of 31 December 2024 and 2023, the movement of provision for impairment on inventories is as follows:

	01.01.-31.12.2024	**01.01.-31.12.2023**
Beginning of the period – 1 January	(4.107.848)	(29.713.473)
Carried at cost	--	13.925.136
Increases during the period	(4.829.582)	--
Monetary gains/(losses)	1.262.660	11.680.489
End of the period – 31 December	**(7.674.770)**	**(4.107.848)**

NOTE 10 – PREPAID EXPENSES AND DEFERRED INCOME

As of 31 December 2024 and 2023, the functional breakdown and details of prepaid expenses and deferred income are as follows:

	31.12.2024	**31.12.2023**
Short-term prepaid expenses		
Advances given for inventories	28.848.038	12.584.904
Advances given for non-current assets	--	24.869.287
Insurance expenses	5.707.224	6.615.937
Subscription costs	2.225.677	4.613.332
Other	2.185.758	5.635.884
Cash advances	21.862	38.655

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

Advances given for employees	364.289	231.173
	39.352.848	**54.589.172**

	31.12.2024	**31.12.2023**
Long-term prepaid expenses		
Prepaid expenses	92.775	422.019
	92.775	**422.019**

	31.12.2024	**31.12.2023**
Short-term deferred income		
Advances received	35.914.050	56.238.973
Short-term deferred income	--	5.074.610
	35.914.050	**61.313.583**
Long-term deferred income		
Long-term deferred income	--	934.662
	--	**934.662**

NOTE 11 – OTHER ASSETS AND LIABILITIES

As of 31 December 2024 and 2023, the breakdown of other assets and liabilities are as follows:

	31.12.2024	**31.12.2023**
Other current assets		
Deferred VAT	26.731	1.028.606
Other	9.721.096	111.272
	9.747.827	**1.139.878**

	31.12.2024	**31.12.2023**
Other current liabilities		
Taxes payable	14.601.230	24.815.373
	14.601.230	**24.815.373**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

NOTE 12 – PROPERTY, PLANT AND EQUIPMENT AND RIGHT OF USE ASSETS

a) Property, plant and equipment

As of 31 December 2024 and 2023, the movements for property, plant and equipment, and related depreciation are as follows:

	Opening balance – 1 January 2024	Additions	Business combinations	Disposals	Revaluation surplus	Transfers	Closing balance – 31 December 2024
Cost							
Land	--	--	--		(65.783.632)	394.575.632	328.792.000
Land improvements	305.866	--	--	--	--	--	305.866
Buildings	--	--	--	--	1.661.171	320.968.246	322.629.417
Plant, machinery and equipment	1.589.783.314	120.857.039	--	(730.336)	--	19.543.867	1.729.453.884
Motor vehicles	12.205.319	7.157.457	--	(1.895.129)	--	--	17.467.647
Furniture and fixtures	257.126.417	31.311.253	--	(2.763.676)	--	--	285.673.994
Leasehold improvements	93.397.289	4.155.687	--	--	--	--	97.552.976
Constructions in progress	22.678.448	24.993.166	--	(3.134.581)	--	(19.543.867)	24.993.166
	1.975.496.653	**188.474.602**	**--**	**(8.523.722)**	**(64.122.461)**	**715.543.878**	**2.806.868.950**
Accumulated depreciation (-)							
Land improvements	214.108	30.585	--	--	--	--	244.693
Buildings	--	1.248.912	--	--	--	70.023.505	71.272.417
Plant, machinery and equipment	1.156.921.294	92.092.402	--	(24.349)	--	--	1.248.989.347
Motor vehicles	3.013.173	3.403.424	--	(1.895.129)	--	--	4.521.468
Furniture and fixtures	202.139.650	21.630.582	--	(2.763.676)	--	--	221.006.556
Leasehold improvements	64.634.832	7.952.625	--	--		--	72.587.457
	1.426.923.057	**126.358.530**	**--**	**(4.683.154)**	**--**	**70.023.505**	**1.618.621.938**
Net book value	**548.573.596**						**1.188.247.012**

	Opening balance – 1 January 2023	Additions	Business combinations	Disposals	Revaluation surplus	Transfers	Closing balance – 31 December 2023
Cost							
Land improvements	--	--	305.866	--	--	--	305.866
Plant, machinery and equipment	1.081.872.591	13.492.547	463.558.469	(22.202.534)	--	53.062.241	1.589.783.314
Motor vehicles	660.114	5.837.778	5.707.427	--	--	--	12.205.319
Furniture and fixtures	225.451.696	13.206.710	18.271.118	(431.436)	--	628.329	257.126.417
Leasehold improvements	64.299.933	21.895.725	7.383.236	(181.605)	--	--	93.397.289
Constructions in progress	11.431.313	14.092.377	50.137	--	--	(2.895.379)	22.678.448
	1.383.715.647	**68.525.137**	**495.276.253**	**(22.815.575)**	**--**	**50.795.191**	**1.975.496.653**
Accumulated depreciation (-)							
Land improvements	--	2.550	211.558	--	--	--	214.108
Plant, machinery and equipment	687.857.050	77.612.599	394.107.904	(22.202.534)	--	19.546.275	1.156.921.294
Motor vehicles	660.120	137.844	2.215.209	--	--	--	3.013.173
Furniture and fixtures	168.283.507	16.490.864	17.630.080	(264.801)	--	--	202.139.650
Leasehold improvements	48.596.874	8.836.327	7.383.236	(181.605)	--	--	64.634.832
	905.397.551	**103.080.184**	**421.547.987**	**(22.648.940)**	**--**	**19.546.275**	**1.426.923.057**
Net book value	**478.318.096**						**548.573.596**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

Total insurance coverage on property, plant and equipment is amounting to EUR 56.517.135 equivalent of TL 2.157.338.167 (31 December 2023: EUR 44.374.023 equivalent of TL 1.963.772.897).

NOTE 12 – PROPERTY, PLANT AND EQUIPMENT AND RIGHT OF USE ASSETS (continued)

b) Right of use assets

As of 31 December 2024 and 2023, the movements for right of use assets, and related depreciation are as follows:

	Opening balance – 1 January 2024	Additions	Business combinations	Disposals	Revaluation surplus	Transfers	Closing balance – 31 December 2024
Cost							
Land	394.575.632	--	--	--	--	(394.575.632)	--
Buildings	434.514.144	61.753.997	--	--	--	(320.968.246)	175.299.895
Motor vehicles	10.287.256	15.345.323	--	(10.162.675)	--	--	15.469.904
Machinery and equipment	144.300.992	--	--	(2.914.365)	--	--	141.386.627
	983.678.024	**77.099.320**	**--**	**(13.077.040)**	**--**	**(715.543.878)**	**332.156.426**
Accumulated depreciation (-)							
Buildings	153.191.718	9.621.695	--	--	--	(70.023.505)	92.789.908
Motor vehicles	9.078.085	3.188.252	--	(10.162.675)	--	--	2.103.662
Machinery and equipment	59.581.911	12.838.416	--	--	--	--	72.420.327
	221.851.714	**25.648.363**	**--**	**(10.162.675)**	**--**	**(70.023.505)**	**167.313.897**
Net book value	**761.826.310**						**164.842.529**

	Opening balance – 1 January 2023	Additions	Business combinations	Disposals	Revaluation surplus	Transfers	Closing balance – 31 December 2023
Cost							
Land	390.091.796	--	--	--	4.483.836	--	394.575.632
Buildings	337.854.830	47.348.319	--	(221.044)	49.532.042	--	434.514.147
Motor vehicles	28.719.609	86.621	--	(18.518.974)	--	--	10.287.256
Machinery and equipment	194.276.300	3.948.895	--	(3.129.013)	--	(50.795.191)	144.300.991
	950.942.535	**51.383.835**	**--**	**(21.869.031)**	**54.015.878**	**(50.795.191)**	**983.678.026**
Accumulated depreciation (-)							
Buildings	116.729.705	36.593.291	--	(131.279)	--	--	153.191.717
Motor vehicles	23.063.484	4.533.576	--	(18.518.974)	--	--	9.078.086
Machinery and equipment	68.792.981	13.464.220	--	(3.129.013)	--	(19.546.275)	59.581.913
	208.586.170	**54.591.087**	**--**	**(21.779.266)**	**--**	**(19.546.275)**	**221.851.716**

Net book value	**742.356.365**	**761.826.310**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

NOTE 12 – PROPERTY, PLANT AND EQUIPMENT AND RIGHT OF USE ASSETS (continued)

b) Right of use assets (continued)

The fair value measurement of land and buildings

The land and building leased by the Group in Hadımköy under finance leases are carried at cost in the accompanying consolidated financial statements less accumulated depreciation and impairment. The land and buildings acquired through finance leases have been subject to revaluation by independent appraisal firm "1A Grup" on 25 December 2024. 1A Grup has been authorised by Capital Markets Board ("CMB") and provides property valuation services in accordance with the legislation of Capital Markets Board and has adequate experience and qualifications in the fair value measurement of properties in the relevant geographical areas.

The fair value of the land has been determined in accordance with Market Approach ("MA") which is a property appraisal method that compares one property to comparable or other recently sold properties in the area with similar characteristics. The fair value of the building has been determined in accordance with Cost Approach ("CA"). The cost approach assumes that the fair value would not exceed what it would cost a market participant to acquire or construct a substitute asset of comparable utility, adjusted for obsolescence.

As of 31 December 2024 and 2023, the detailed analysis and the measurement of fair value hierarchy categories of the land and building are as follows:

	31.12.2024	**Level 1**	**Level 2**	**Level 3**
Land	328.792.000	--	328.792.000	--
Building	251.357.000	--	251.357.000	--
	580.149.000	**--**	**580.149.000**	**--**

	31.12.2023	**Level 1**	**Level 2**	**Level 3**
Land	394.575.632	--	394.575.632	--
Building	250.944.741	--	250.944.741	--
	645.520.373	**--**	**645.520.373**	**--**

The depreciation periods for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

	Economic useful lives (years)
Land improvements	10 - 50
Buildings	5 - 50
Plant, machinery and equipment	4 - 20
Motor vehicles	1 - 5
Furniture and fixtures	4 - 20
Leasehold improvements	5 - 9

As of 31 December 2024, total depreciation and amortisation charges on property, plant and equipment is amounting to TL 152.006.893 (31 December 2023: TL 157.671.271). The amount of TL 132.156.536 (31 December 2023: TL 145.268.550) of total depreciation and amortisation charges have been included in cost of sales, the amount TL 1.861.230 (31 December 2023: TL 1.253.908) have been included in marketing, sales and distribution expenses, and the amount of TL 17.989.126 (31 December 2023: TL 11.148.813) have been included in general administrative expenses.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

NOTE 13 – INTANGIBLE ASSETS

As of 31 December 2024 and 2023, the movements for intangible assets, and related depreciation are as follows:

	Opening balance – 1 January 2024	Additions	Disposals	Business combinations	Currency translation differences	Closing balance – 31 December 2024
Cost						
Rights	80.729.221	2.982.738	--	--	--	83.711.959
Capitalised development costs	9.247.835	--	--	--	(55.320)	9.192.515
	89.977.056	**2.982.738**	**--**	**--**	**(55.320)**	**92.904.474**
Accumulated depreciation (-)						
Rights	71.878.051	2.582.098		--	--	74.460.149
Capitalised development costs	7.425.201	475.770	--	--	--	7.900.971
	79.303.252	**3.057.868**	**--**	**--**	**--**	**82.361.120**
Net book value	**10.673.804**					**10.543.354**

	Opening balance – 1 January 2023	Additions	Disposals	Business combinations	Currency translation differences	Closing balance – 31 December 2023
Cost						
Rights	74.764.064	941.199	--	5.023.958	--	80.729.221
Capitalised development costs	9.244.695	--	--	--	3.140	9.247.835
	84.008.759	**941.199**	**--**	**5.023.958**	**3.140**	**89.977.056**
Accumulated depreciation (-)						
Rights	64.845.864	2.039.598	--	4.992.589	--	71.878.051
Capitalised development costs	6.533.962	891.239	--	--	--	7.425.201
	71.379.826	**2.930.837**	**--**	**4.992.589**	**--**	**79.303.252**
Net book value	**12.628.933**					**10.673.804**

As of 31 December 2024, total depreciation and amortisation charges on intangible assets is amounting to TL 3.057.868. Depreciation and amortisation charges amounting to TL 2.658.546, TL 37.442 and TL 361.881 have been included in cost of sales, marketing, sales and distribution expenses and general administrative expenses, respectively (31 December 2023: TL 2.700.292, TL 23.308 and TL 207.237, respectively).

The depreciation periods for intangible assets, which approximate the economic useful lives of such assets, are as follows:

	Economic useful lives (years)
Rights	3 - 15
Capitalised development costs	5

NOTE 14 – PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Guarantees and collaterals given

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

Collaterals/pledges/mortgages/bill of guarantees ("CPMB") position of the Group as of 31 December 2024 and 2023 is as follows:

31.12.2024	TL equivalent	TL	USD	EUR
A. Total amount of CPMB's given in the name of its own legal personality				
-Collaterals	293.905.880	68.406.815	--	6.138.334
-Pledges	337.973.040	--	--	9.200.000
-Mortgages	--	--	--	--
-Bill of guarantees	--	--	--	--
B. Total amount of CPMB's given on behalf of the fully consolidated companies	--	--	--	--
C. Total amount of CPMB's given on behalf of third parties for ordinary course of business	--	--	--	--
D. Total amount of other CPMB's given	--	--	--	--
i. Total amount of CPMB's given on behalf of the majority shareholder	--	--	--	--
ii. Total amount of CPMB's given on behalf of other companies which are not in scope of B and C above	--	--	--	--
iii. Total amount of CPMB's given on behalf of third parties which are not in scope of C	--	--	--	--
	631.878.920	**68.406.815**	**--**	**15.338.334**
Other CPMB's to Group's equity	**0%**	**0%**	**0%**	**0%**

31.12.2024	Issued to institution/Organization/Entity	Currency	Original currency amount	TL equivalent
Type				
Letter of guarantee	Banks	EUR	6.138.334	225.499.065
Letter of guarantee	Banks	TL	64.210.801	64.210.801
Letter of guarantee	Government offices	TL	4.196.014	4.196.014
Pledges	Banks	EUR	9.200.000	337.973.040
Total				**631.878.920**

31.12.2023	TL equivalent	TL	USD	EUR
A. Total amount of CPMB's given in the name of its own legal personality				
-Collaterals	196.774.918	3.886.346	--	4.101.412
-Pledges	432.674.129	--	--	9.200.000
-Mortgages	--	--	--	--
-Bill of guarantees	--	--	--	--
B. Total amount of CPMB's given on behalf of the fully consolidated companies	--	--	--	--
C. Total amount of CPMB's given on behalf of third parties for ordinary course of business	--	--	--	--
D. Total amount of other CPMB's given	--	--	--	--
i. Total amount of CPMB's given on behalf of the majority shareholder	--	--	--	--
ii. Total amount of CPMB's given on behalf of other companies which are not in scope of B and C above	--	--	--	--
iii. Total amount of CPMB's given on behalf of third parties which are not in scope of C	--	--	--	--
	629.449.047	**3.886.346**	**0**	**13.301.412**
Other CPMB's to Group's equity	**0%**	**0%**	**0%**	**0%**

31.12.2023	Issued to institution/Organization/Entity	Currency	Original currency amount	TL equivalent
Type				
Pledges	Banks	EUR	9.200.000	432.674.129
Letter of guarantee	Government offices	TL	3.886.346	3.886.346
Letter of guarantee	Banks	EUR	4.101.412	192.888.572
Total				**629.449.047**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

As of 31 December 2024, the ratio of collaterals, pledges and mortgages to equity given by the Group is 0% (31 December 2023: 0%).

As of 31 December 2024, the Group has guarantees given for its bank borrowings amounting to TL 627.682.906 which includes letter of guarantees amounting to TL 289.709.866 and the remaining guarantees were pledges given to European Bank for Reconstruction and Development ("EBRD") and Sudwestbank AG amounting to TL 337.973.040 (31 December 2023: letter of guarantee amounting to TL 192.888.572 and pledges amounting to TL 432.674.129).

In addition, the Group has bill of guarantees given to European Bank for Reconstruction and Development ("EBRD") amounting to EUR 4.500.000 for the year ended 31 December 2024 (31 December 2023: EUR 4.500.000).

NOTE 15 – EMPLOYEE BENEFITS

As of 31 December 2024 and 2023, the brekdown of employee benefits provided by Duran Doğan is as follows:

Employee benefits

	31.12.2024	31.12.2023
Employee benefits		
Social security premiums payable	8.376.255	6.796.376
Taxes payable	9.381.497	--
Due to employee	18.041.397	10.321.240
	35.799.149	**17.117.616**

Short-term provisions for employee benefits

	31.12.2024	31.12.2023
Short-term provisions		
Provision for unused vacation	6.184.457	5.796.526
Provision for premium	--	14.076.536
	6.184.457	**19.873.062**

Long-term provisions for employee benefits

	31.12.2024	31.12.2023
Long-term provisions		
Provision for employment termination benefits	34.075.587	54.299.538
	34.075.587	**54.299.538**

Provision for employment termination benefits

Under Turkish Labour Law, Duran Doğan and its subsidiaries incorporated in Türkiye are required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). As of 31 December 2024, the amount payable consists of one month's salary limited to a maximum of TL 46.655,43 (31 December 2023: TL 35.058) for each year of service.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

The liability is not funded as there is no funding requirement. The provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. TAS 19 ("Employee Benefits") requires actuarial valuation methods to be developed to estimate the entity's obligation under defined benefit plans.

The principal assumption is that the maximum liability for each year of service increases in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for future inflation effects.

As of 31 December 2024, the provisions in the accompanying consolidated financial statements are calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. As of 31 December 2024, the provisions at the respective balance sheet dates have been calculated assuming an annual inflation rate of 23.06% and an interest rate of 29.04%, resulting in a discount rate of 4.86% (31 December 2023: 1.30%).

TFRS require actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, the following actuarial assumptions have been used in the calculation of the total liabilities:

	31.12.2024	**31.12.2023**
Net discount rate (%)	4.86	1.30
Annual effective interest rate (%)	29.04	28.65
Inflation rate (%)	23.06	27.00
Turnover rate to estimate the probability of retirement (%)	96.88	96.66
Asset ceiling	46.655,43	35.058,58

The movement of provision for employment termination benefits is as follows:

	01.01.- 31.12.2024	**01.01 - 31.12.2023**
Beginning of the period – 1 January	**54.299.538**	**44.968.821**
Service cost	8.504.183	49.235.689
Interest cost	8.635.750	7.817.745
Payments during the period (-)	(7.206.713)	(36.890.120)
Actuarial gains/(losses)	(13.466.720)	6.844.833
Monetary gains/(losses)	(16.690.451)	(17.677.430)
End of the period – 31 December	**34.075.587**	**54.299.538**

NOTE 16 - EQUITY

a) Share capital

As of 31 December 2024 and 2023, the principal shareholders and their respective shareholding rates in Duran Doğan are as follows:

	31.12.2024		**31.12.2023**	
	Share (%)	**Amount**	**Share (%)**	**Amount**

LGR International Societe Anonyme	30.00	30.000.003	30.00	30.000.003
Dikran Mihran Acemyan	9,28	9.277.538	9,28	9.277.538
Oktay Duran	8.04	8.039.803	8.04	8.039.803
İbrahim Okan Duran	7.95	7.952.433	7.95	7.952.433
Dikran Acemyan	7.19	7.189.006	7.19	7.189.006
Other	37.54	37.541.217	37.54	37.541.217
	100	**100.000.000**	**100**	**100.000.000**
Adjustment to share capital		578.585.755		578.585.755
Total share capital		**678.585.755**		**678.585.755**

As of 31 December 2024, the current issued paid-in share capital consists of 10.000.000.000 (2023: 10.000.000.000) outstanding shares each with a nominal value of TL 0.01 (2023: TL 0.01).

b) Restricted reserves

	31.12.2024	31.12.2023
Legal reserves	30.032.990	21.830.212
Treasury reserves	6.001.775	6.001.775
	36.034.765	**27.831.987**

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The TCC stipulates that the first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group's historical paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the historical paid-in share capital. Under TCC, the legal reserves are not available for distribution unless they exceed 50% of the historical paid-in share capital but may be used to offset losses in the event that historical general reserve is exhausted.

c) Retained earnings

As of 31 December 2024 and 2023, the movement of retained earnings is as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Beginning of the period – 1 January	**479.066.651**	**(16.708.195)**
Revaluation of depreciation and amortisation charges reclassification	1.447.745	4.502.409
Profit for the period	168.517.538	719.519.412
Capital increases	--	(103.188.422)
Dividends paid	(10.626.988)	(46.563.176)
Acquisition of a subsidiary	--	(64.535.425)
Transfer to profit reserves	(8.202.778)	(13.959.952)
End of the period – 31 December	**630.202.168**	**479.066.651**

d) Gains/(losses) on revaluation and remeasurements

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

As of 31 December 2024 and 2023, the movement of gains/(losses) on revaluation and remeasurements is as follows:

	01.01.-31.12.2024	01.01.-31.12.2023
Beginning of the period – 1 January	**307.402.580**	**253.215.895**
Land and building revaluation surplus	(64.122.461)	54.015.880
Deferred tax, net	11.919.138	(43.318.962)
Acquisition of a subsidiary	--	47.992.176
Transfer from retained earnings	(1.447.745)	(4.502.409)
End of the period – 31 December	**253.751.512**	**307.402.580**

e) Gains/(losses) on remeasurements of defined benefit plans

As of 31 December 2024 and 2023, the movement of gains/(losses) on remeasurements of defined benefit plans is as follows:

	01.01.-31.12.2024	01.01.-31.12.2023
Beginning of the period – 1 January	**(36.412.505)**	**(31.278.878)**
Gains/(losses) on remeasurements of defined benefit plans during the period	13.466.720	(6.844.833)
Taxes relating to other comprehensive income	(3.366.680)	1.711.209
Transfer to non-controlling interests	(30)	(3)
End of the period – 31 December	**(26.312.495)**	**(36.412.505)**

f) Comparison of TPL-TFRS

As of 31 December 2024, the comparison of the inflation adjusted equity items presented in the consolidated financial statements of the Group with the inflation adjusted amounts in the financial statements prepared in accordance with the Tax Procedure Law and the "Retained earnings" in the consolidated statement of financial position and the indexed amount in the relevant period is as follows:

Equity	PPI Indexed Statutory Records	CPI Indexed Statutory Records	Retained earnings, net
Adjustment to share capital	188.437.123	578.585.755	390.148.632
Treasury shares (-)	(4.999.367)	(6.001.775)	(1.002.408)
Share premium	154.903	86.423	(68.480)
Restricted reserves	31.146.583	36.034.765	4.888.182
	214.739.242	**608.705.168**	**393.965.926**

NOTE 17 – REVENUE AND COST OF SALES

As of 31 December 2024 and 2023, the functional breakdown of revenue is as follows:

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

Revenue	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Domestic sales	1.251.484.114	1.167.034.719
Foreign sales	761.938.374	1.020.840.158
Other sales	4.263.945	6.160.739
Gross sales	**2.017.686.433**	**2.194.035.616**
Sales returns (-)	(13.429.082)	(15.652.199)
Sales discounts (-)	(1.244.514)	(1.790.574)
Net sales	**2.003.012.837**	**2.176.592.843**

As of 31 December 2024 and 2023, the functional breakdown of cost of sales is as follows:

Cost of sales	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Raw materials and supplies	649.074.401	812.921.755
Direct labor costs	184.105.748	162.394.149
General administrative expenses	416.455.484	306.547.814
Depreciation and amortisation charges	134.815.081	147.968.842
Cost of inventories, net	**1.384.450.714**	**1.429.832.560**
Changes in semi-finished goods		
- Beginning of the period	60.889.668	117.579.086
- Acquisition of a subsidiary	--	17.415.975
- End of the period (-)	(49.848.071)	(60.889.668)
Changes in goods		
- Beginning of the period	206.737.919	337.814.482
- Acquisition of a subsidiary	--	5.350.093
- End of the period (-)	(176.064.500)	(206.737.919)
Cost of goods sold, net	**1.426.165.730**	**1.640.364.609**
Changes in merchandise - Beginning of the period	119.351	45.876
Additions	124.347.632	4.319.543
- Acquisition of a subsidiary	--	71.934
- End of the period (-)	(333.012)	(119.351)
Cost of merchandise sold, net	**124.133.971**	**4.318.002**
Cost of services sold	12.667.500	--
Other cost of sales	14.922.570	59.035.758
Cost of sales, net	**1.577.889.771**	**1.703.718.369**

NOTE 18 – GENERAL ADMINISTRATIVE AND MARKETING EXPENSES

As of 31 December 2024 and 2023, the functional breakdown of general administrative expenses and marketing expenses is as follows:

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

Marketing, sales and distribution expenses	**01.01.- 31.12.2024**	**01.01.- 31.12.2023**
Personnel expenses	20.638.052	21.711.423
Transportation costs	119.086.958	107.447.064
Export commissions	13.302.433	12.635.250
Royalty fees and charges	1.389.375	1.297.772
Travel and accommodation expenses	4.006.732	2.114.798
Communication and IT expenses	1.111.822	1.139.034
International marketing expenses	14.412.154	26.419.886
Representation and hospitality expenses and fair and exhibition costs	5.187.011	5.107.195
Depreciation and amortisation charges	1.898.672	1.277.216
Other	26.697.340	7.803.660
	207.730.549	**186.953.298**

General administrative expenses	**01.01.- 31.12.2024**	**01.01.- 31.12.2023**
Personnel expenses	125.671.221	114.404.391
Consultancy expenses	10.873.475	9.791.088
Travel and accommodation expenses	3.296.421	6.839.325
Stationery expenses	6.693.389	4.149.274
Insurance expenses	1.421.410	1.291.149
Maintenance and repair expenses	1.781.047	1.672.744
Communication and IT expenses	1.283.249	426.667
Litigation and notary costs, fees and charges	222.132	407.139
Taxes, duties and charges	195.395	2.941.297
Depreciation and amortisation charges	18.351.008	11.356.050
Other	19.400.322	17.850.090
	189.189.069	**171.129.214**

NOTE 19 – EXPENSES BY NATURE

Expenses by nature represents the total of cost of sales, marketing expenses and general administrative expenses.

As of 31 December 2024 and 2023, the details of expenses by nature are as follows:

Expenses by nature	**01.01.- 31.12.2024**	**01.01.- 31.12.2023**
Personnel expenses	146.309.273	136.115.814
Depreciation and amortisation charges	155.064.761	160.602.108
Raw materials and supplies	649.074.401	812.921.755
Direct labor costs	184.105.748	162.394.149
Consumable costs	76.543.469	56.342.716
Maintenance and repair expenses	73.958.369	54.801.592
Utility expenses	74.278.804	54.675.724
Distribution and storage expenses	124.941.517	111.756.534
Subcontractor labor costs	36.862.481	27.134.024

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

Export commissions	13.302.433	12.635.250
International marketing expenses	14.412.154	26.419.886
Consultancy expenses	14.405.821	12.391.205
Travel and accommodation expenses	9.073.864	10.257.522
Communication expenses	4.030.974	2.769.869
Stationery expenses	8.532.731	5.503.191
IT expenses	7.803.049	5.743.729
Security costs	11.445.482	8.424.880
Transportation costs	24.663.377	18.154.412
Representation and hospitality expenses and fair and exhibition costs	5.187.011	5.107.195
Insurance expenses	26.519.442	19.765.505
Changes in inventories	165.848.987	214.850.051
Other	148.445.241	143.033.770
	1.974.809.389	**2.061.800.881**

NOTE 20 – OTHER OPERATING INCOME/(EXPENSES)

As of 31 December 2024 and 2023, the breakdown of other operating income is as follows:

Other operating income	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Foreign exchange gains	120.680.406	510.760.537
Insurance income	1.840.927	--
Deferred financial income	3.115.272	4.033.599
Provisions no longer required	1.756.272	1.330.178
Income from scrap sales	1.200.352	207.700
Rent income	428.638	58.696
Other	10.914.952	6.651.036
	139.936.819	**523.041.746**

As of 31 December 2024 and 2023, the breakdown of other operating expenses is as follows:

Other operating expenses	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Foreign exchange losses	109.509.798	360.972.690
Provision for doubtful receivables	200.132	663.784
Non-accrued financial expenses	26.384.959	2.798.895
Other	6.019.940	14.040.419
	142.114.829	**378.475.788**

NOTE 21 - GAINS/(LOSSES) FROM INVESTMENT ACTIVITES

As of 31 December 2024 and 2023, the detailed analysis of gains and losses from investment activities are as follows:

Gains from investment activities	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Gain on sale of non-current assets	1.360.855	2.273.968

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

Gain on bargain purchase	--	15.885.725
	1.360.855	**18.159.693**

Losses from investment activities	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Loss on sale of non-current assets	74.854	198.052
	74.854	**198.052**

NOTE 22 - FINANCIAL INCOME/(EXPENSES)

As of 31 December 2024 and 2023, the detailed analysis and functional breakdown of financial income are as follows:

Financial income	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Interest income	5.559.625	5.484.882
	5.559.625	**5.484.882**

As of 31 December 2024 and 2023, the detailed analysis and functional breakdown of financial expenses are as follows:

Financial expenses	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Foreign exchange losses	39.191.150	185.733.810
Interest expenses	64.330.376	40.806.933
Bank commissions, fees and charges	1.965.574	12.602.943
Interest expenses arising from finance leases	19.042.722	9.231.621
Factoring expenses	10.729.420	13.638.507
Other	4.734.891	468.730
	139.994.133	**262.482.544**

NOTE 23 – NET MONETARY POSITION GAINS/(LOSSES)

As of 31 December 2024, the details of net monetary position gains/(losses) are as follows:

Monetary position gains/(losses)	**01.01.-31.12.2024**
Inventories	(3.626.237)
Prepaid expenses	(87.102)
Property, plant and equipment	140.547.514
Intangible assets	16.953.907
Right of use assets	43.792.914
Deferred tax assets	(2.581.318)
Deferred income tax	408.197
Actuarial gains/(losses)	11.192.409
Share capital	(275.732.026)
Profit reserves	(9.785.395)
Revaluation surplus	60.544.676

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

Share premium	(26.564)
Profit distribution	--
Treasury shares	1.844.810
Other capital reserves	(46.646.825)
Retained earnings	(49.660.170)
Statement of profit or loss items	190.147.830
Net monetary position gains/(losses)	**77.286.620**

NOTE 24 – OTHER COMPREHENSIVE INCOME ITEMS

As of 31 December 2024 and 2023, the details of other comprehensive income items are as follows:

Items not to be reclassified to profit/loss	**01.01.- 31.12.2024**	**01.01.- 31.12.2023**
Gains/(losses) on remeasurements of defined benefit plans	13.466.720	(6.844.833)
Taxes relating to other comprehensive income not to be reclassified to profit/(loss)	(3.366.680)	1.711.209
Property, plant and equipment revaluation surplus	(64.122.461)	54.015.880
Taxes relating to other comprehensive income not to be reclassified to profit/(loss)	11.919.138	(43.318.962)
	(42.103.283)	**5.563.294**

Items to be reclassified to profit/loss	**01.01.- 31.12.2024**	**01.01.- 31.12.2023**
Currency translation differences	(2.464.699)	(862.347)
	(2.464.699)	**(862.347)**
Total other comprehensive income	**(44.567.982)**	**4.700.947**

NOTE 25 – INCOME TAXES

Corporate tax

The Group operating in Türkiye, are subject to the tax legislation and practices in force in Türkiye. Therefore, provisions for taxes, as recognised in the accompanying consolidated financial statements. Turkish tax legislation does not permit a parent company to file a consolidated tax return. Therefore, tax liabilities, as recognised in consolidated financial statements, have been calculated on a separate-entity basis.

Advance tax in Türkiye is calculated and accrued on a quarterly basis. Accordingly, the Group has been calculated tax in accordance with the 2024 corporate earnings in the first advance tax period, an advance tax of 25% was calculated on corporate earnings (31 December 2023: 25%).

The corporate tax to be accrued on the taxable income is calculated on the basis of the deduction of the expenses that cannot be deducted from the tax base expense in the determination of the earnings, and the amount of dividends received from domestic companies is calculated over taxable income and investment allowances.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

According to Turkish Corporate Tax Law, losses can be carried forward to offset the future taxable income for a maximum period of 5 years. On the other hand, such losses cannot be carried back to offset prior years' profits.

The effective corporate tax rate applied in the United Kingdom in 2024 is 19% (2023: 19%).

Deferred tax

Duran Doğan and its subsidiaries recognise deferred tax assets and liabilities based upon temporary differences arising between their financial statements prepared in accordance with TFRS and the Turkish tax legislations. These differences usually due to the recognition of revenue and expenses in different reporting periods for the TFRS and tax purposes, the differences explained as below.

Turkish tax legislation does not permit a parent company to file a consolidated tax return. Therefore, tax liabilities, as recognised in consolidated financial statements, have been calculated on a separate-entity basis. Accordingly, deferred tax assets and liabilities of the consolidated entities are also presented separately without offsetting in the accompanying consolidated financial statements.

The applicable tax rates used in the calculation of deferred tax assets and liabilities are 25% as of and for the year ended 31 December 2024 in the accompanying consolidated financial statements (31 December 2023: 25%).

As of 31 December 2024 and 2023, the breakdown of tax income/(expense) recognised in the consolidated statement of profit or loss is as follows:

	01.01.-31.12.2024	**01.01.-31.12.2023**
Current period corporate tax expense	--	(32.627.509)
Deferred income tax	(129.366.130)	79.847.670
	(129.366.130)	**47.220.161**

As of 31 December 2024 and 2023, the breakdown of tax assets/(liabilities) recognised in the consolidated statement of financial position is as follows:

	31.12.2024	**31.12.2023**
Current period corporate tax expense	--	36.175.702
Prepaid taxes (-)	(3.057.175)	(12.065.195)
Corporate tax expense, net	**(3.057.175)**	**24.110.507**
Deferred tax liabilities	12.560.602	--
Deferred tax assets	--	(108.253.070)
Total tax income/(expense)	**9.503.427**	**(84.142.563)**

Temporary differences arising from the differences between the years in the income and expense items recognised for accounting and tax purposes. As of 31 December 2024 and 2023, the breakdown of cumulative temporary differences and deferred tax assets and liabilities provided using principal tax rates are as follows:

	Cumulative temporary differences	**Deferred tax assets/(liabilities)**

	31.12.2024	**31.12.2023**	**31.12.2024**	**31.12.2023**
Deferred tax assets				
Temporary differences arising from tax bases and carrying value of property, plant and equipment and intangible assets	282.007.068	788.118.862	73.635.841	197.029.716
Gain on fair value of property, plant and equipment	(417.984.315)	(463.491.057)	(88.508.736)	(95.773.941)
Provision for employment termination benefits	34.075.588	54.299.538	8.518.897	13.536.134
Provision for unused vacation	6.184.458	5.796.526	1.546.115	1.449.133
Adjustments for TFRS 9 – Expected credit losses	315.336	166.327	78.834	41.583
Adjustments for TFRS 15	--	764.421	--	191.105
Inventories (Adjustments for profit elimination and discharge)	36.972.700	25.267.626	9.243.175	6.316.906
Provision for inventories	(27.675.782)	4.107.847	(6.918.946)	1.026.962
Provision for doubtful receivables	--	785.709	--	196.427
Cut-off	--	3.935.056	--	983.765
Adjustments for TAS 29	--	(34.180.870)	--	(8.545.218)
Adjustments for interest income on borrowings	(3.848.292)	1.357.640	(962.073)	339.410
Adjustments for currency translation differences	--	2.083.312	--	499.991
Deferred financial income and expenses (net)	21.423.529	(1.846.157)	5.355.882	(461.540)
Adjustments for TFRS 16	(44.002.796)	(12.427.606)	(11.000.699)	(3.106.901)
Other	(14.195.569)	(21.881.842)	(3.548.892)	(5.470.462)
Deferred tax assets/(liabilities), net	**(126.728.075)**	**352.855.332**	**(12.560.602)**	**108.253.070**

Movements in deferred tax assets/(liabilities) are as follows:

	01.01.- 31.12.2024	**01.01. - 31.12.2023**
Beginning of the period – 1 January	**108.253.070**	**80.790.289**
Deferred income tax during the period	(129.366.130)	79.847.670
Business combinations, net	**--**	(10.777.136)
Charge to equity	8.552.458	(41.607.753)
End of the period – 31 December	**(12.560.602)**	**108.253.070**

NOTE 26 – EARNINGS PER SHARE

Basic earnings per share disclosed in the profit or loss and other comprehensive income is determined by dividing the net income by the weighted average number of shares that have been outstanding during the relevant period. Number of total shares and calculation of earnings per share for the year ended 31 December 2024 and 2023 is as follows:

	01.01.- 31.12.2024	**01.01.- 31.12.2023**
Profit for the period attributable to equity holders of the parent	(159.201.057)	168.517.538
Weighted average number of shares	10.000.000.000	5.565.753.425
Earnings per share	**(0.0159)**	**0.0303**

NOTE 27 – FINANCIAL INSTRUMENTS

Financial liabilities

As of 31 December 2024 and 2023, the details of financial liabilities are as follows:

Short-term borrowings	**31.12.2024**	**31.12.2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

Bank borrowings	242.403.093	107.405.892
Lease liabilities	22.170.665	50.374.621
Credit card payables	1.499.423	4.780.813
	266.073.181	**162.561.326**

Short-term portion of long-term borrowings	**31.12.2024**	**31.12.2023**
Bank borrowings	140.172.175	164.813.678
	140.172.175	**164.813.678**

Long-term borrowings	**31.12.2024**	**31.12.2023**
Bank borrowings	108.065.007	71.457.024
Lease liabilities	40.159.833	13.078.430
	148.224.840	**84.535.454**

	31.12.2024	
Currency	**Short-term**	**Long-term**
Lease liabilities		
TL	11.626.899	40.159.833
EUR	10.543.766	--
Credit card payables		
TL	1.499.423	--
Bank borrowings		
TL	107.812.240	3.499.304
EUR	274.469.534	81.465.671
USD	293.494	23.100.032
	406.245.356	**148.224.840**

	31.12.2023	
Currency	**Short-term**	**Long-term**
Lease liabilities		
TL	18.617.415	--
EUR	26.826.832	13.078.430
USD	4.930.375	--
Credit card payables		
TL	4.780.813	--
Bank borrowings		
TL	20.464.485	--
EUR	249.901.203	43.624.912
USD	1.853.881	27.832.112
	327.375.004	**84.535.454**

As of 31 December 2024 and 2023, the repayment schedule of financial liabilities is as follows:

Maturity schedule	**31.12.2024**	**31.12.2023**

0 - 1 year	406.245.356	327.375.003
1 - 2 years	96.875.312	57.052.522
2 - 3 years	22.747.259	344.850
3 - 4 years	6.362.599	340.575
4 - 5 years	22.239.670	338.177
5 years and over	--	26.459.331
Total	**554.470.196**	**411.910.458**

As of 31 December 2024 and 2023, the detailed analysis of the annual effective interest rate of financial liabilities is as follows:

	31.12.2024	**31.12.2023**
TL	27.41% - 74.70%	12.54% - 25.38%
EUR	4.61% - 13.44%	2.07% - 10.27%
USD	1.25%	1.25%

NOTE 28 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation arising from debt instruments. The Group's credit risk arises from trade receivables. Trade receivables of the Group is trying to be managed as the credit risk by limiting the transactions with certain parties and continuously evaluating the reliability of the related parties with guarantees and collaterals received. Trade receivables are evaluated by taking into consideration the Group's accounting policies and procedures. Total credit risk of the Group is presented in the consolidated statement of financial position less provision for doubtful receivables. The credit risks incurred by financial instruments are as follows.

As of 31 December 2024 and 2023, the exposure of consolidated financial assets to credit risk is as follows:

	Trade receivables		**Other receivables**		
31.12.2024	**Related party**	**Other**	**Related party**	**Other**	**Bank deposits**
Maximum exposure to credit risk as of reporting date (A+B+C+D) (1)	**--**	**535.737.670**	**--**	**15.568.892**	**34.601.029**
- Maximum risk secured with guarantees and collaterals	**--**	**3.000.000**	**--**	**--**	**--**
A. Net book value of neither past due nor impaired financial assets	--	410.468.889	--	15.568.892	34.601.029
B. Net book value of past due but not impaired financial assets (2)	--	125.268.781	--	--	--
- Maximum risk secured with guarantees and collaterals	--	--	--	--	--
C. Net book value of impaired assets					
- Past due (gross book value)	--	136.840	--	--	--
- Impairment (-)	--	(136.840)	--	--	--
D. Off-balance sheet expected credit losses (-) (3)	--	--	--	--	--

	Trade receivables		**Other receivables**		
31.12.2023	**Related party**	**Other**	**Related party**	**Other**	**Bank deposits**
Maximum exposure to credit risk as of reporting date (A+B+C+D) (1)	**--**	**640.778.461**	**--**	**11.555.242**	**37.915.322**
- Maximum risk secured with guarantees and collaterals	**--**	**4.331.363**	**--**	**--**	**--**
A. Net book value of neither past due nor impaired financial assets	--	490.948.533	--	11.555.242	37.915.322
B. Net book value of past due but not impaired financial assets (2)	--	149.829.928	--	--	--
- Maximum risk secured with guarantees and collaterals	--	--	--	--	--
C. Net book value of impaired assets					
- Past due (gross book value)	--	983.277	--	--	--

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

- Impairment (-)	--	(983.277)	--	--	--
D. Off-balance sheet expected credit losses (-) (3)	--	--	--	--	--

Aging analysis of receivables

As of 31 December 2024 and 2023, the breakdown of the aging analysis of trade receivables is as follows:

	31.12.2024			
	Trade receivables		Other receivables	
	Related party	Other	Related party	Other
Aging analysis				
Not past due	--	410.468.889	--	15.568.892
Past due 1 – 30 days	--	63.689.974	--	--
Past due 1 – 3 months	--	13.101.267	--	--
Past due 3 – 12 months	--	48.477.540	--	--
	--	**535.737.670**	**--**	**15.568.892**

	31.12.2023			
	Trade receivables		Other receivables	
	Related party	Other	Related party	Other
Aging analysis				
Not past due	--	490.948.532	--	11.555.243
Past due 1 – 30 days	--	76.177.513	--	--
Past due 1 – 3 months	--	15.670.001	--	--
Past due 3 – 12 months	--	57.982.414	--	--
	--	**640.778.460**	**--**	**11.555.243**

Liquidity risk

Liquidity risk is the risk that a Group will be unable to meet its funding needs. Prudent liquidity risk management is to provide sufficient cash and cash equivalents, to enable funding with the support of credit limits provided by reliable credit institutions and to close funding deficit. The Group provides funding by balancing cash inflows and outflows through the provision of credit lines in the business environment.

The responsibility for liquidity risk management belongs to the Board of Directors. The Board of Directors has established a liquidity risk management for the short, medium and long-term funding and liquidity requirements of the Group management. Prudent liquidity risk management signifies maintaining sufficient cash, the utility of fund sources by sufficient credit transactions and the ability to close out market positions. The ability to fund existing and prospective debt requirements is managed by maintaining the availability of adequate and high-quality lenders.

Contractual cash flows of the consolidated financial liabilities in TL as of 31 December 2024 and 2023 are as follows:

31.12.2024	Carrying value	Total contractual cash outflows	Demand or up to 3 months	3-12 months	1 – 5 years	5 years and over
Contractual maturities						
Bank borrowings	490.640.275	544.303.716	143.832.408	273.660.388	126.810.920	--
Lease liabilities	62.330.498	62.420.578	2.535.759	19.724.986	40.159.833	--
Credit card payables	1.499.423	1.499.423	1.499.423	--	--	--
Trade payables	324.057.901	338.509.522	324.043.794	14.465.728	--	--
Other payables	38.093.786	38.093.786	20.562.336	17.531.450	--	--

Non-derivative consolidated financial liabilities, net	**916.621.883**	**984.827.025**	**492.473.720**	**325.382.552**	**166.970.753**	--

31.12.2023	Carrying value	Total contractual cash outflows	Demand or up to 3 months	3-12 months	1 – 5 years	5 years and over
Contractual maturities						
Bank borrowings	343.676.594	363.266.106	52.202.108	231.722.435	50.845.320	28.496.243
Lease liabilities	63.453.051	64.835.077	10.106.758	41.673.964	13.054.355	--
Credit card payables	4.780.813	4.780.813	4.780.813	--	--	--
Trade payables	317.789.681	322.434.734	308.117.298	14.317.436	--	--
Other payables	130.623.490	130.623.490	71.730.306	58.893.184	--	--
Non-derivative consolidated financial liabilities, net	**860.323.629**	**885.940.220**	**446.937.283**	**346.607.019**	**63.899.675**	**28.496.243**

Market risk

The Group is exposed to financial risks arising from the changes in foreign exchange rates and interest rates due to its operations.

Market risks at the Group level are measured on the basis of sensitivity analysis.

There has been no change incurred in the market risk that the Group is exposed to in the current period and prior period.

Foreign exchange risk

Foreign exchange risk arises from the fact that the Group has financial instruments denominated in USD, EUR and GBP exchange rates.

As of 31 December 2024 and 2023, the foreign exchange position of the Group is as follows.

31.12.2024	TL equivalent	USD	EUR	GBP
1. Trade Receivables	147.686.386	642.496	2.243.525	963.649
2a. Monetary Financial Assets (Cash on hand and banks included)	17.415.804	40.074	273.288	134.874
2b. Non-Monetary Financial Assets	--	--	--	--
3. Other	--	--	--	--
4. Total Current Assets (1+2+3)	**165.102.190**	**682.570**	**2.516.813**	**1.098.524**
5. Trade Receivables	--	--	--	--
6a. Monetary Financial Assets	--	--	--	--
6b. Non- Monetary Financial Assets	--	--	--	--
7. Other	--	--	--	--
8. Total Non-Current Assets (5+6+7)	--	--	--	--
9. Total Assets (4+8)	**165.102.190**	**682.570**	**2.516.813**	**1.098.524**
10. Trade Payables	(125.511.700)	(554.020)	(2.640.509)	(195.662)
11. Financial Liabilities	(285.220.094)	(8.304)	(7.742.066)	--
12a. Other Monetary Liabilities	--	--	--	--
12b. Other Non- Monetary Liabilities	--	--	--	--
13. Total Current Liabilities (10+11+12)	**(410.731.794)**	**(562.324)**	**(10.382.574)**	**(195.662)**
14. Trade Payables	(4.315.925)	--	--	(96.472)
15. Financial Liabilities	(104.565.703)	(653.581)	(2.213.597)	--
16a. Other Monetary Liabilities	--	--	--	--
16b. Other Non- Monetary Liabilities	--	--	--	--
17. Total Non-Current Liabilities (14+15+16)	**(108.881.628)**	**(653.581)**	**(2.213.597)**	**(96.472)**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

18. Total Liabilities (13+17)	**(519.613.422)**	**(1.215.904)**	**(12.596.171)**	**(292.133)**
19. Off-Balance Sheet Derivative Instruments Net Asset / (Liability) Position (19a-19b)	--	--	--	--
19a. Total Asset Amount of Hedged	--	--	--	--
19b. Total Liabilities Amount of Hedged	--	--	--	--
20. Net Foreign Exchange Asset / (Liability) Position (9-18+19)	**684.715.612**	**1.898.475**	**15.112.984**	**1.390.657**
21. Monetary Items Net Foreign Exchange Asset / (Liabilities) Position (1+2a+3+5+6a-10-11-12a-14-15-16a) (TFRS 7.B23)	**684.715.612**	**1.898.475**	**15.112.984**	**1.390.657**

31.12.2023	**TL equivalent**	**USD**	**EUR**	**GBP**
1. Trade Receivables	168.726.867	799.835	2.315.684	477.742
2a. Monetary Financial Assets (Cash on hand and banks included)	28.669.867	56.307	174.102	334.618
2b. Non-Monetary Financial Assets	--	--	--	--
3. Other	--	--	--	--
4. Total Current Assets (1+2+3)	**197.396.734**	**856.142**	**2.489.786**	**812.360**
5. Trade Receivables	--	--	--	--
6a. Monetary Financial Assets	--	--	--	--
6b. Non- Monetary Financial Assets	--	--	--	--
7. Other	--	--	--	--
8. Total Non-Current Assets (5+6+7)	**--**	**--**	**--**	**--**
9. Total Assets (4+8)	**197.396.734**	**856.142**	**2.489.786**	**812.360**
10. Trade Payables	124.700.397	509.324	1.991.044	265.061
11. Financial Liabilities	283.454.424	159.333	5.872.288	--
12a. Other Monetary Liabilities	13.207.491	1.315	272.769	5.523
12b. Other Non- Monetary Liabilities	--	--	--	--
13. Total Current Liabilities (10+11+12)	**421.362.312**	**669.972**	**8.136.101**	**270.584**
14. Trade Payables	5.196.667	--	--	95.633
15. Financial Liabilities	84.511.379	653.656	1.203.010	--
16a. Other Monetary Liabilities	58.893.184	--	1.250.000	--
16b. Other Non- Monetary Liabilities	--	--	--	--
17. Total Non-Current Liabilities (14+15+16)	**148.601.230**	**653.656**	**2.453.010**	**95.633**
18. Total Liabilities (13+17)	**569.963.542**	**1.323.628**	**10.589.111**	**366.217**
19. Off-Balance Sheet Derivative Instruments Net Asset / (Liability) Position (19a-19b)	--	--	--	--
19a. Total Asset Amount of Hedged	--	--	--	--
19b. Total Liabilities Amount of Hedged	--	--	--	--
20. Net Foreign Exchange Asset / (Liability) Position (9-18+19)	**(372.566.808)**	**(467.486)**	**(8.099.325)**	**446.143**
21. Monetary Items Net Foreign Exchange Asset / (Liabilities) Position (1+2a+3+5+6a-10-11-12a-14-15-16a) (TFRS 7.B23)	**(372.566.808)**	**(467.486)**	**(8.099.325)**	**446.143**

Sensitivity analysis of foreign exchange risk

The sensitivity analysis of Duran Doğan regarding the fluctuations in foreign exchange rate which results in foreign exchange risk of liabilities in denominated in USD, EUR and GBP. The table presented below represents sensitivity analysis of 10% increase or decrease in USD, EUR and GBP exchange rates. The sensitivity analysis of 10% is the rate used when reporting the foreign exchange risk of the Group to the key management personnel, and the rate indicates the possible change expected by the Group management in the foreign exchange rates. The sensitivity analysis includes foreign currency denominated monetary assets and liabilities at the end of the year and presents the effects of 10% change in foreign exchange rates at the end of the year. The decrease in foreign exchange risk has the positive material influence on the Group's profit/loss and other equity items.

	31.12.2024		**31.12.2023**	
	Original currency amount	**TL equivalent**	**Original currency amount**	**TL equivalent**
USD Net Asset/Liability	1.898.475	67.055.966	(467.486)	(19.970.779)
EUR Net Asset/Liability	15.112.984	556.027.468	(8.099.325)	(381.807.043)
GBP Net Asset/Liability	1.390.657	61.632.178	446.143	29.211.014
Short-term position	**18.402.116**	**684.715.612**	**(8.120.668)**	**(372.566.808)**
Appreciation of Foreign Currency				
Change in USD against TL by 10%		6.705.597		(1.997.078)

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

Change in EUR against TL by 10%	55.602.747	(38.180.704)
Change in GBP against TL by 10%	6.163.218	2.921.101
Profit/(loss), net	**68.471.561**	**(37.256.681)**
Depreciation of Foreign Currency		
Change in USD against TL by 10%	(6.705.597)	1.997.078
Change in EUR against TL by 10%	(55.602.747)	38.180.704
Change in GBP against TL by 10%	(6.163.218)	(2.921.101)
Profit/(loss), net	**(68.471.561)**	**37.256.681**

Capital risk

The Group, while trying to maintain the continuity of its operations in capital management on one hand, aims to increase its profitability by using the balance between debts and equity on the other hand.

The Group monitors capital on the basis of the net financial debt/total equity ratio. This ratio calculated as dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (includes borrowings and finance leases as disclosed in the consolidated statement of financial position). Total capital is calculated as equity, as presented in the consolidated statement of financial position, plus net debt.

Consolidated net financial debt/invested capital ratio as of 31 December 2024 and 2023 is as follows:

	31.12.2024	**31.12.2023**
Total borrowings	554.470.196	411.910.458
Less: Cash and cash equivalents	(34.469.673)	(37.880.193)
Net financial debt	**520.000.523**	**374.030.265**
Equity	1.354.575.571	1.568.973.118
Invested capital	**1.874.576.094**	**1.943.003.383**
Net financial debt/invested capital ratio	**28%**	**19%**

NOTE 29 - FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR/ INDEPENDENT AUDIT FIRMS

	01.01.-31.12.2024	**01.01.-31.12.2023**
a. Audit fee for the reporting period	**1.455.000**	**1.010.485**
b. Other service fee apart from audit	**780.000**	**1.655.158**
Other assurance fee		274.055
Tax consulting fee	*780.000*	623.295
Other		757.808
Total (a+b)	**2.235.000**	**2.665.643**

NOTE 21 – OTHER SUPPLEMENTARY INFORMATION

As of 31 December 2024 and 2023, the details of earnings before interest, tax, depreciation and amortization statement are as follows:

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2024, unless otherwise indicated.)

EBITDA	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Domestic sales	1.251.484.114	1.167.034.717
Foreign sales	761.938.374	1.020.840.160
Other sales	4.263.945	6.160.739
Sales returns (-)	(13.429.082)	(15.652.199)
Sales discounts (-)	(1.244.514)	(1.790.574)
Net sales	**2.003.012.837**	**2.176.592.843**
Cost of sales (-)	(1.577.889.771)	(1.703.718.369)
Gross profit	**425.123.066**	**472.874.474**
Marketing, sales and distribution expenses (-)	(207.730.549)	(186.953.298)
General administrative expenses (-)	(189.189.069)	(171.129.214)
Other operating income	139.936.819	523.041.746
Other operating expenses (-)	(142.114.829)	(378.475.788)
OPERATING PROFIT	**26.025.438**	**259.357.920**
Depreciation and amortisation charges	155.064.761	160.602.108
EBITDA, net	**181.090.199**	**419.960.028**

NOTE 31 – EVENTS AFTER THE REPORTING PERIOD

In accordance with the decision of the Board of Directors on 17 February 2025 and numbered 2025/01, it was decided to to accept the voluntary resignation of Board Member Mr. Dikran Mihran Acemyan and to appoint Mr. Dikran Acemyan to the Board Membership, in accordance with article numbered 363 of the TCC, subject to approval by the first General Assembly.

The application regarding the capital increase of the issued share capital by 400% from TL 100.000.000 (One hundred million) to TL 500.000.000 (Five hundred million), the capital increase amounting to TL 365.906.724.00 (Three hundred and sixty-five million nine hundred and sixty-six million nine hundred and sixty-six thousand seven hundred and twenty-four) was paid from adjustment to share capital and the remaining amount of TL 34.093.276,00 (Thirty four million ninety three thousand two hundred seventy six) was paid from retained earnings, was approved by the Capital Markets Board and announced in the bulletin on 6 March 2025 and numbered 2025/13.

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