

**ALARKO HOLDING A.Ş.
AND ITS SUBSIDIARIES**

CONSOLIDATED FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2024 WITH INDEPENDENT
AUDITORS' REPORT

*(Convenience Translation of Consolidated
Financial Statements and Audit Report
Originally Issued in Turkish)*

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CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH

**To the General Assembly of
Alarko Holding A.Ş.**

A. Report To The Consolidated Financial Statements

1. Opinion

We have audited the accompanying consolidated financial statements of Alarko Holding Anonim Şirketi ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as of 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and a summary of significant accounting policies and consolidated financial statement notes.

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

2. Basis For Opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "ISA") that are part of Turkish Standards on Auditing adopted within the framework of the regulations of the Capital Markets Board and issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (included Independent Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matters	How The Matter was Handled During the Audit
<p>Revenue Recognition</p> <p>The Group generates its revenues from its operations in construction and contracting with industry, trade, energy, tourism and agriculture sectors.</p> <p>Revenue is recognized in accordance with TFRS 15 “Revenue from Customer Contracts” as a result of the realization of the Group’s performance obligations and accordingly the transfer of control over products and services to the buyer in consolidated financial statements. The Group applies the percentage of completion method in determining revenue and cost in relation to ongoing construction and contracting contracts. Significant assumptions are used to determine the percentage of completion and total project cost.</p> <p>Recognition of revenue has been determined as a key audit matter due to the importance of revenue in the consolidated financial statements; its increase compared to the prior year and due to the fact that completion of percentage method contains important estimates and assumptions.</p> <p>Accounting policies and important accounting evaluations, estimates and assumptions used in accounting of the Group’s revenue are presented in Notes 2 and 27.</p>	<p>Our audit procedures performed with regard to recognition of revenue are as follows:</p> <p>In order to test whether the management recognize the revenue in the consolidated financial statements in complete and in the correct period, the internal controls regarding the revenue recognition process have been evaluated.</p> <ul style="list-style-type: none"> - The revenue was analytically tested. - Revenue was tested on a sample basis on invoices. - In the substantive testing, it has been evaluated whether the control of the invoiced products was transferred to the customer and whether it was recognized in the financial statements completely and accurately. - In construction projects, estimated completion cost and reasonableness of the Group Management’s assumptions, expectations and judgements affecting the revenue recognized by percentage of completion method have been evaluated. - It were tested by sending related parties and third parties confirmation letters through sampling. - Post-balance sheet period collections were inspected to measure reliably that receivables are collectible. - The disclosures in the consolidated financial statement notes regarding the recognition of revenue have been examined and the adequacy of the information contained in these notes has been evaluated in terms of TFRS. <p>As a result of the audit works we carried out regarding the revenue recognition, we did not find any significant findings.</p>

Key Audit Matters	How The Matter was Handled During the Audit
Determination of Fair Value of Investment Properties	
<p>The Group presents its investment properties by the fair value method after the initial recognition.</p> <p>The fair values of investment properties are determined by real estate appraisal firms which are authorized by the CMB using their market value. In determining the fair values of the related investment properties, "income reduction", "equal comparison" and "cost approach" methods are used.</p> <p>Since these investment properties constitute a significant part of the Group's total assets and the valuation methods used contain important estimates and assumptions, the valuation of investment properties has been considered as a key audit matter.</p> <p>Accounting policies and important accounting evaluations, estimates and assumptions used in the valuation and recognition of investment properties are presented in Notes 2 and 16.</p>	<p>During our audit, the following audit procedures regarding the fair value of these investment properties were applied:</p> <ul style="list-style-type: none">- The licenses, competencies and independence of the appraisers appointed by the Group Management have been evaluated.- Appraiser expert has evaluated whether the valuation methods, estimations and assumptions used by the valuation companies in the valuation reports are reasonable.- Discussions were held with the Group Management and department manager.- The disclosures in the consolidated financial statements with regard to the investment properties have been examined and the adequacy of the information contained in these notes has been evaluated in terms of TFRS. <p>As a result of the audit works we carried out regarding the determination of fair value of investment properties, we did not find any significant findings.</p>

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

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

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

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

5. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

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

As part of an audit in accordance with ISAs that are adopted within the framework of Capital Markets Board regulations, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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


B. Other Responsibilities Arising From Regulatory Requirements

- 1) No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning from 1 January to 31 December 2024 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
- 2) In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
- 3) In accordance with subparagraph 4 of Article 398 of the TCC, the auditor's report on the early risk identification system and committee was submitted to the Company's Board of Directors on 10 March 2025.

The name of the engagement partner who supervised and concluded this audit is Selçuk Şahin.

Istanbul,
10 March 2025

**BDO Denet Bağımsız Denetim
ve Danışmanlık A.Ş.**
Member, BDO International Network



Selçuk Şahin, SMMM
Partner in charge

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES**AUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF 31 DECEMBER 2024**

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

ASSETS

		Current period		Prior period
		Audited		Audited
	Notes	31 December 2024	31 December 2023	
Current assets		19.439.811	22.674.861	
Cash and cash equivalents	5	8.736.474	4.726.769	
Financial investments	6	4.779.880	9.316.566	
Trade receivables		1.878.332	4.228.632	
-Trade receivables from related parties	8, 36	397.759	36.466	
-Trade receivables from other parties	8	1.480.573	4.192.166	
Other receivables		71.648	28.945	
-Other receivables from related parties	9, 36	31.700	1.226	
-Other receivables from other parties	9	39.948	27.719	
Assets arising from customer contracts		24.647	529.788	
-Contract assets from ongoing construction and contracting works and commitments	12	24.647	529.613	
-Contract assets arising from sales of goods and services	12	-	175	
Inventories	10	1.413.841	1.594.028	
Prepaid expenses	11	1.162.877	1.185.066	
Current income tax assets		106.523	115.962	
Other current assets	25	1.256.355	926.573	
Sub total		19.430.577	22.652.329	
Non-current assets held for sale	17	9.234	22.532	
Non-current assets		74.497.243	63.026.784	
Financial investments	6	4.028.696	2.535.125	
Trade receivables		165	212	
-Trade receivables from other parties	8	165	212	
Other receivables		192.077	139.799	
-Other receivables from related parties	9, 36	187.369	135.053	
-Other receivables from other parties	9	4.708	4.746	
Investments accounted by equity method	15	43.052.722	41.310.451	
Investment properties	16	6.072.844	4.184.298	
Property, plant and equipments	18	14.847.021	9.501.949	
Right of use assets	20	858.479	851.376	
Intangible assets		1.477.450	1.365.921	
-Goodwill	21	608.024	650.001	
-Other intangible assets	19	869.426	715.920	
Prepaid expenses	11	1.521.984	815.181	
Deferred tax asset	34	2.324.300	2.137.626	
Other non-current assets	25	121.505	184.846	
Total assets		93.937.054	85.701.645	

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

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

AUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

LIABILITIES

	Notes	Current period	Prior period
		Audited	Audited
		31 December 2024	31 December 2023
Short term liabilities		19.033.365	19.008.088
Short term financial liabilities	7	7.435.629	7.157.796
Short term portion of long term financial liabilities	7	470.246	228.658
Trade payables		2.545.785	2.806.850
- Trade payables to related parties	8, 36	915.717	4.383
- Trade payables to third parties	8	1.630.068	2.802.467
Payables related to employee benefits	24	102.615	121.794
Other payables		7.162.895	6.430.819
-Other payables to related parties	9, 36	6.745.690	6.239.803
- Other payables to third parties	9	417.205	191.016
Liabilities arising from customer contracts		447.415	1.124.664
- Contract liabilities arising from ongoing construction and commitments	12	441.560	1.107.953
-Contract liabilities arising from sales of goods and services	12	5.855	16.711
Derivative financial instruments	13	-	7.657
Deferred income (Except for obligations arising from customer contracts)	14	398.858	860.150
Current income tax liabilities	34	377.794	204.297
Short-term provisions		82.629	65.395
-Other short term provisions	22	82.629	65.395
Other current liabilities	25	9.499	8
Long term liabilities		10.201.109	3.242.921
Long-term financial liabilities	7	7.722.905	825.499
Other payables		724.264	845.951
-Other payables to third parties	9	724.264	845.951
Liabilities arising from customer contracts		582	207.071
- Contract liabilities arising from ongoing construction and commitments	12	-	206.467
-Contract liabilities arising from sales of goods and services	12	582	604
Investments accounted by equity method liabilities	15	28.900	40.275
Deferred income (Except for obligations arising from customer contracts)	14	313.342	492.791
Long-term provisions		142.313	170.620
- Long-term provisions related to employee benefit obligations	24	142.313	170.620
Deferred tax liabilities	34	1.268.803	660.714
Equity		64.702.580	63.450.636
Attributable to equity holders of the parents		60.064.537	59.193.859
Paid-in share capital	26	435.000	435.000
Inflation adjustment on capital	26	5.736.580	5.736.580
Repurchased shares (-)	26	(1.141.430)	(869.010)
Cross shareholding adjustment (-)	26	(1.536)	(1.536)
The Effect of mergers involving enterprises or businesses under common control	21	(425.944)	-
Share based payments		(53.394)	-
Other comprehensive income / (expenses)		(93.949)	(109.865)
to be reclassified to profit or loss			
Revaluation and measurement gain / (loss)		(93.949)	(109.865)
Accumulated other comp. income/(exp.) to be reclassified to profit or loss		3.304.520	2.873.381
-Foreign currency conversion differences		3.304.520	2.879.338
-Gains / (losses) from financial assets at fair value through other comprehensive income		-	(5.957)
Restricted reserves	26	1.524.470	1.143.455
Dividend advances paid (-)		-	(991.423)
Retained earnings or accumulated losses	26	49.022.950	41.411.719
Net profit or loss for the period		1.757.270	9.565.558
Non-controlling interest	26	4.638.043	4.256.777
Total liabilities		93.937.054	85.701.645

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

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

AUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

		Current period	Prior period
		Audited	Audited
	Notes	1 January 31 December 2024	1 January 31 December 2023
PROFIT OR LOSS			
Revenue	27	7.598.275	11.977.992
Cost of sales (-)	27	(7.273.922)	(10.984.459)
Gross profit		324.353	993.533
General administrative expenses (-)	28	(1.859.621)	(1.398.213)
Marketing expenses (-)	28	(207.644)	(121.781)
Research and development expenses (-)		(24.732)	(343)
Other income from operating activities	30	2.685.982	5.642.363
Other expenses from operating activities (-)	30	(1.041.615)	(1.061.649)
Operating profit / (loss)		(123.277)	4.053.910
Income from investing activities	31	3.815.977	2.618.447
Expenses from investing activities (-)	31	(45.990)	(86.484)
Share of profits / (losses) of investments accounted by equity method	15	2.888.838	8.156.261
Operating profit / (loss) before financial income / (expense)		6.535.548	14.742.134
Financial income	32	922.245	532.245
Financial expenses (-)	32	(3.522.131)	(1.957.600)
Monetary (loss)/gain (Net)	33	(1.214.879)	(3.471.454)
Profit / (loss) before tax from continued operations		2.720.783	9.845.325
Tax (expense) / income of continued operations	34	(628.259)	127.013
- Tax (expense) / income for the period	34	(484.459)	(720.501)
- Deferred tax (expense) / income	34	(143.800)	847.514
Net profit / (loss) from continued operations		2.092.524	9.972.338
Profit / (loss) for the period		2.092.524	9.972.338
Distribution of profit / (loss) for the period			
- Non-controlling interest	26	335.254	406.780
- Parent company shares	35	1.757.270	9.565.558
Earnings per share / (loss)		4,102	22,245
- Earnings / (loss) per share	35	4,102	22,245
OTHER COMPREHENSIVE INCOME			
Items not to be reclassified to profit or loss		15.605	39.649
- Actuarial gain / (loss) arising from defined benefit plans	24	20.851	(7.998)
-Share of other comprehensive income of investments accounted by equity method not to be reclassified to profit / loss		(948)	55.761
-Tax of other comprehensive income not to be reclassified to profit or loss		(4.298)	(8.114)
Deferred tax income / (expense)		(4.298)	(8.114)
Items to be reclassified to profit or loss		434.383	870.999
- Currency translation differences relate to the translation of businesses abroad		825.004	(114.554)
- Other comprehensive income/(expense) related to financial assets whose fair value difference is reflected in other comprehensive income		5.952	(424)
- Share of other comprehensive income of investments accounted by equity method to be reclassified to profit or loss		(396.573)	985.977
Other comprehensive income / (expense)		449.988	910.648
Total comprehensive income / (expense)		2.542.512	10.882.986
Distribution of total comprehensive income / (expense)			
- Non-controlling interest		341.128	463.247
- Parent company shares		2.201.384	10.419.739

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

ALARKO HOLDING A.Ş. AND ITS SUBSIDIARIES

AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

								Other comprehensive income/expenses not to be reclassified to profit or loss		Other comprehensive income/expenses to be reclassified to profit or loss			Retained earnings					
	Notes	Paid-in share capital	Inflation adjustmen ts on capital	Repurchaed shares	Cross shareholding adjustment	Effects of mergers involving enterprises or businesses under common control	Share based payments	Gain / (loss) on remeasurement of defined benefit plans	Currency translation differences	Gain / (loss) from financial assets at fair value through the statement of other comprehensive income	Restricted reserves allocated from profit	Dividend advances paid	Retained earnings / (accumulated losses)	Net profit/(loss)if or the period	Attributable to equity holders of the parent	Non- controlling interest	Total equity	
Balance as of 1 January 2023	26	435.000	5.736.580	(417.365)	(1.536)	-	-	(150.453)	2.064.132	(5.533)	679.509	-	18.078.721	24.120.242	50.539.297	3.874.714	54.414.011	
Transfers		-	-	-	-	-	-	-	-	-	13.880	-	24.106.362	(24.120.242)	-	-	-	
Total comprehensive income / (expense)		-	-	-	-	-	-	39.399	815.206	(424)	-	-	-	9.565.558	10.419.739	463.247	10.882.986	
Net profit/ (loss) for the period		-	-	-	-	-	-	-	-	-	-	-	-	9.565.558	9.565.558	406.780	9.972.338	
Other comprehensive income / (expense)		-	-	-	-	-	-	39.399	815.206	(424)	-	-	-	-	854.181	56.467	910.648	
Divident advances paid during the period		-	-	-	-	-	-	-	-	-	-	(991.423)	-	-	(991.423)	-	(991.423)	
Divident payments	35	-	-	5.978	-	-	-	-	-	-	-	-	(291.476)	-	(285.498)	(109.604)	(395.102)	
Increase (decrease) due to share buyback transactions		-	-	(457.623)	-	-	-	-	-	-	450.066	-	(450.066)	-	(457.623)	(7.204)	(464.827)	
Acquistion or disposal of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	34.612	34.612	
Increase/decrease in shareholding rate changes in subsidiaries that did not result in loss of control		-	-	-	-	-	-	1.189	-	-	-	-	(31.822)	-	(30.633)	762	(29.871)	
Transactions with non-controlling shareholders		-	-	-	-	-	-	-	-	-	-	-	-	-	-	250	250	
Balance as of 31 December 2023	26	435.000	5.736.580	(869.010)	(1.536)	-	-	(109.865)	2.879.338	(5.957)	1.143.455	(991.423)	41.411.719	9.565.558	59.193.859	4.256.777	63.450.636	
Balance as of 1 January 2024	26	435.000	5.736.580	(869.010)	(1.536)	-	-	(109.865)	2.879.338	(5.957)	1.143.455	(991.423)	41.411.719	9.565.558	59.193.859	4.256.777	63.450.636	
Transfers		-	-	-	-	-	-	-	-	-	55.028	991.423	8.519.107	(9.565.558)	-	-	-	
Total comprehensive income / (expense)		-	-	-	-	-	-	15.958	422.199	5.957	-	-	-	1.757.270	2.201.384	341.128	2.542.512	
Net profit/ (loss) for the period		-	-	-	-	-	-	-	-	-	-	-	-	1.757.270	1.757.270	335.254	2.092.524	
Other comprehensive income / (expense)		-	-	-	-	-	-	15.958	422.199	5.957	-	-	-	-	444.114	5.874	449.988	
Effect of mergers involving enterprises or businesses under common control		-	-	-	-	(425.944)	-	-	-	-	-	-	-	-	(425.944)	-	(425.944)	
Dividends	35	-	-	219	-	-	-	-	-	-	-	-	(491.636)	-	(491.417)	(3.972)	(495.389)	
Increase (decrease) due to share buyback transactions		-	-	(325.987)	-	-	-	-	-	-	325.987	-	(325.987)	-	(325.987)	-	(325.987)	
Increase (decrease) due to share-based transactions		-	-	53.394	-	-	(53.394)	-	-	-	-	-	-	-	-	-	-	
Acquisition or disposal of a subsidiary		-	-	-	-	-	-	-	-	-	-	-	-	-	-	180.474	180.474	
Increase/decrease in shareholding rate changes in subsidiaries that did not result in loss of control		-	-	(46)	-	-	-	(42)	2.983	-	-	-	39.580	-	42.475	(13.601)	28.874	
Transactions with non-controlling shareholders		-	-	-	-	-	-	-	-	-	-	-	-	-	-	856	856	
Increase/(Decrease) due to other changes		-	-	-	-	-	-	-	-	-	-	-	(129.833)	-	(129.833)	(123.619)	(253.452)	
Balance as of 31 December 2024	26	435.000	5.736.580	(1.141.430)	(1.536)	(425.944)	(53.394)	(93.949)	3.304.520	-	1.524.470	-	49.022.950	1.757.270	60.064.537	4.638.043	64.702.580	

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

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

		Audited	
		Current period	Prior period
		1 January 2024	1 January 2023
	Notes	31 December 2024	31 December 2023
A. Cash flows arising from principal activities		1.263.675	3.975.876
Profit/ (loss) for the period		2.092.524	9.972.338
Adjustments related to reconciliation of profit/ (loss) for the period		(1.180.775)	(271.871)
-Adjustments related to depreciation and amortization	18,19,20	747.404	602.729
-Adjustments related to provisions		47.148	21.619
-Adjustments related to interest (income) / expense		(364.143)	(563.021)
-Adjustment related to unrealized exchange losses		1.589.426	1.198.022
- Adjustments related to share-based payments		53.394	-
-Adjustments on losses/(gains) of fair value	13,16	(1.190.162)	(628.748)
-Cash flows from investments accounted by equity method	15	(2.888.838)	(8.156.261)
-Adjustments related to tax expense / (income)	34	628.260	(127.013)
-Adjustments related to (gain) / loss on sale of fixed assets		(899.708)	(219.695)
-Adjustments related to losses / (gains) on disposal of non-current assets held for sale or to be distributed to shareholders		(5.294)	(45.944)
-Other adjustments related to cash flows arising from investment and financing activities		(405.701)	(240.699)
Adjustments related to monetary gain / (loss)		1.479.888	7.890.729
-Other adjustments for reconciliation of profit / (loss)		27.551	(3.589)
Net working capital changes		(201.765)	(5.484.505)
- Adjustments in decrease / (increase) in trade receivables	8	2.305.785	(381.984)
- Adjustments in decrease / (increase) in other receivables related to operations	9	(94.981)	19.601
- Adjustments in decrease / (increase) in assets arising from customer contract	12	505.141	(494.553)
- Adjustments in decrease / (increase) in inventories	10	180.187	677.424
- Adjustments in decrease / (increase) in prepaid expense	11	(684.614)	(1.029.026)
- Adjustments in increase / (decrease) in trade payables	8	(244.750)	270.575
- Adjustments in increase / (decrease) in employee benefit payables	24	(19.179)	35.957
- Adjustments in increase / (decrease) in liabilities arising from customer contracts	12	(883.738)	(834.218)
- Adjustments in increase / (decrease) in other payables related to operations	9	556.995	(1.085.976)
- Adjustments in increase / (decrease) in deferred income (except for obligations arising from customer contracts)	14	(640.741)	(662.178)
- Adjustments in other increase / (decrease) in working capital		(1.181.870)	(2.000.127)
Cash flows arising from principal activities		709.984	4.215.962
Interest received	30	901.328	566.273
Cash outflows arising from capital increase of associates and/or joint ventures		-	(74.792)
Payments related to employee benefit obligations	24	(29.299)	(52.834)
Payments for other provisions	22	(7.375)	(1.465)
Tax returns / (payments)		(310.963)	(677.268)
B. Cash flows from investing activities		(1.284.444)	(7.037.828)
Cash outflows related to acquisitions to obtain control of subsidiaries		(1.173.220)	(1.713.893)
Cash outflows due to share purchase or capital increase of subsidiaries and/or joint ventures		(534.385)	-
Cash inflows from the sale of shares or debt instruments of other business or funds		5.004.081	-
Cash disbursements for acquisition of other enterprises' or funds' shares or debt instruments	6	(1.493.571)	(7.024.191)
Cash inflows from the sales of property, plant and equipment and intangible assets		966.586	269.461
Cash disbursements from purchase of property, plant and equipment and intangible assets	18,19	(6.309.121)	(4.632.995)
Cash proceeds from sale of non-current assets held for sale		8.834	63.892
Dividends received		2.246.352	5.999.898
C. Cash flows arising from financing activities		4.658.370	542.349
Cash outflows related to the acquisition of the entity's own interests and other equity instruments		(325.987)	(464.827)
Cash inflows arising from borrowing	7	9.957.406	3.370.037
Cash outflows related to debt payments	7	(3.897.696)	(896.342)
Cash outflows from debt payments arising from rental contracts	7	(31.172)	(45.124)
Dividend paid		(495.389)	(1.386.525)
Interest paid	7	(548.792)	(34.870)
Net increase / (decrease) on cash and cash equivalents before the currency translation differences		4.637.601	(2.519.603)
D. Effect of currency translation differences on cash and cash equivalents		825.006	(114.554)
Increase / (decrease) in cash and cash equivalents		5.462.607	(2.634.157)
Cash and cash equivalents at the beginning of the period	5	4.726.769	12.106.535
Monetary gain (loss) on cash and cash equivalents		(1.452.902)	(4.745.609)
Cash and cash equivalents at the end of the period	5	8.736.474	4.726.769

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

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

1. ORGANIZATION AND PRINCIPLE ACTIVITIES

Alarko Holding A.Ş. (Alarko Holding or the Parent Company) was established in 1972, It's subsidiaries, affiliates, joint operations and jointly controlled entities comprise of companies which operate in various fields, namely, contracting, construction, land development, industry, trade, tourism, agriculture and energy, aviation. In the following sections, Alarko Holding A.Ş. and its subsidiaries, affiliates and jointly controlled entities whose financial statements are subject to consolidation will be referred to as “Alarko Group/the Group”,

Business activities, and in which country they operate, direct and indirect shareholdings of the subsidiaries, affiliates and jointly controlled entities included in the consolidation consist of the following:

		Shareholding of the Group (%)	
Company Name	Principle Activities	31 December 2024	31 December 2023
<u>Subsidiaries (*) :</u>			
Alsım Alarko San. Tes. ve Tic. A.Ş. (Turkey)	Contracting and Construction	99,99	99,91
Aldem Alarko Konut İnşaat ve Tic. A.Ş. (Turkey)	Residence, Construction	100,00	100,00
Attaş Alarko Turistik Tesisler A.Ş. (Turkey)	Tourism Facility Management	99,99	99,91
Alarko Fenni Malzeme Satış ve İmalat A.Ş. (Turkey)	Marketing of Industrial Products and After Sales Services	100,00	99,99
Alen Alarko Enerji Tic. A.Ş. (Turkey)	Electrical Power Purchase and Sale Import and Export	100,00	99,94
Alarko Gayrimenkul Yatırım Ort. A.Ş. (Turkey) (**)	Purchase and Sales of Real Estates and Market Tools Related to Real Estates	51,23	51,20
Alsım – TCDD (Turkey)	TCDD Ankara- Eskişehir High Speed Railway Project	99,99	99,91
Astana Su- Taldykol Göl Arıtma Projesi (Kazakhstan)	Supply of Water and Cleaning of Lake Projects	99,99	99,91
Alarko Tarım Sanayi ve Ticaret A.Ş. (Turkey)	Agriculture and Food Production Processing and Trading Service	100,00	100,00
Alarko Enerji A.Ş. (Turkey)	Power Generation	100,00	99,93
Garanti Koza – Alsım Ortak Girişimi (Turkey)	Subway Construction Project	99,99	99,91
Altek Alarko Elektrik Sant. Tes. İşl. ve Tic. A.Ş. (Turkey)	Production of Electrical Energy	100,00	99,94
Bozshakol Bakır Tesisi Projesi (Kazakhstan)	Copper Facility Project	99,99	99,91
AO Mosalarko (Russia)	Russia-Real Estate Project, Construction and Utilization	51,23	51,20
Aktau Manasha Yol Projesi (Kazakhstan) (***)	Road Construction Project	-	99,91
Aktogay Bakır Konsantr Tesisi Projesi (Kazakhstan)	Copper Processing Plant Project	99,99	99,91
Alarko Konut Projeleri Geliştirme A.Ş. (Turkey)	Purchase and Sales of Real Estates and Market Tools Related to Real Estates	99,99	99,91
Alsım Alarko Sanayi Tes. ve Tic. A.Ş. Astana No: 2 Şubesi(Kazakhstan)	Construction and Montage Work	99,99	99,91
Tüm Tesisat ve İnşaat A.Ş. (Turkey) (****)	Construction and Installation Works	-	50,15
Alsım Alarko S.R.L. (Romania)	Construction	99,99	99,91
Saret KZ (Kazakhstan)	Construction Works	100,00	100,00
Alsım Almaty Şubesi (Kazakhstan) (***)	Construction Works	-	99,91
Alsım Alarko San. Tes. ve Ticaret Bükreş Şubesi (Romania)	Highway Construction Project	99,99	99,91
Alyat Teknoloji Yatırımları Holding A.Ş. (Turkey)	Financial Holding	99,88	99,50

(*) Included in the consolidation by full consolidation method..

(**) It is a public company which is listed on Borsa İstanbul A.Ş. (BIST).

(***) As of December 31, 2024, it was transferred to Alsım Alarko San. Tes. Ve Tic. A.Ş.

(****) As of December 31, 2024, it was transferred to Aldem Alarko Konut İnşaat ve Tic. A.Ş.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

1. ORGANIZATION AND PRINCIPLE ACTIVITIES (CONTINUED)

Business activities, and in which country they operate, direct and indirect shareholdings of the subsidiaries, affiliates and jointly controlled entities included in the consolidation consist of the following (continued):

		Shareholding of the Group (%)	
Company Name	Principle Activities	31 December 2024	31 December 2023
<u>Subsidiaries (*) :</u>			
Alsera Jeotermal Tarım Gıda San.ve Tic. A.Ş. (Turkey)	Greenhouse Based on Geothermal Energy	100,00	100,00
Alser Alarko Sermaye Yatırımları Holding A.Ş. (Turkey)	Financial Holding	100,00	99,97
Palmira Agro Gübre Sanayi ve Ticaret A.Ş. (Turkey)	Micro Granular Fertilizer Production	80,00	80,00
Antsan Tarım Sanayi ve Ticaret A.Ş. (Turkey) (****)	Greenhouse Based on Geothermal Energy	-	100,00
Alarko Gübre Fabrikaları Sanayi ve Ticaret A.Ş. (Turkey)	Manure Production and Marketing	100,00	100,00
Alarko Gıda Sanayi ve Ticaret A.Ş. (Turkey)	Food, Food Management	100,00	100,00
Alarko Havacılık Endüstri Yatırımları A.Ş. (Turkey)	Aviation and Aircraft Technical Maintenance	100,00	100,00
Alden Jeotermal Tarım Gıda Sanayi ve Ticaret A.Ş. (Turkey) (****)	Agriculture, Food, Food Business and Geothermal Energy Activities	-	100,00
Gürlük Jeotermal Enerji Tarım Seracılık Gıda Sanayi ve Ticaret A.Ş. (Turkey) (****)	Agriculture, Food, Food Business and	-	100,00
Alpark Jeotermal Sağlık Turizm ve Depoculuk A.Ş. (Turkey) (****)	Geothermal Energy Activities	-	100,00
Alurla Jeotermal Sağlık Turizm A.Ş. (Turkey) (****)	Geothermal Energy Activities	-	100,00
Albi Bitkisel İlaç Ham Maddeleri Üretim Sanayi ve Ticaret A.Ş. (Turkey)	Herbal Pharmaceutical Raw Materials	100,00	100,00
Hak Gayrimenkul Tarım Sanayi ve Ticaret A.Ş. (Turkey) (****)	Geothermal Energy Activities	-	100,00
Altes Seracılık Tarım Gıda Sanayi ve Ticaret A.Ş. (Turkey) (****)	Greenhouse Cultivation	-	100,00
Alziraat Jeotermal Tarım Gıda Sanayi ve Ticaret A.Ş. (Turkey) (****)	Agriculture, Greenhouse	-	100,00
Genseed Tohum Islah ve Üretim A.Ş. (Turkey)	Seed Breeding and Production	80,00	80,00
Alarko Dijital Teknoloji Çözümleri A.Ş. (Turkey) (***)	Information Technologies	100,00	-
Beybur Tarım ve Hayvancılık A.Ş. (Turkey) (*****)	Agriculture	100,00	-
Nata Tarım Üretim ve Ticaret A.Ş. (Turkey) (*****)	Greenhouse Farming Based on Geothermal Energy	100,00	-
Jedi Tarım Üretim ve Ticaret A.Ş. (Turkey) (*****)	Greenhouse Farming Based on Geothermal Energy	100,00	-
Samdi Tarım Üretim ve Ticaret A.Ş. (Turkey) (*****)	Greenhouse Farming Based on Geothermal Energy	100,00	-
Mekredi Tarım Üretim ve Ticaret A.Ş. (Turkey) (*****)	Greenhouse Farming Based on Geothermal Energy	100,00	-
Camser Tarım Gıda A.Ş. (Turkey) (*****)	Agriculture, Greenhouse Farming	51,00	-
Seraf Tarım ve Hayvancılık A.Ş. (Turkey) (*****)	Agriculture	100,00	-
Too Alsera KZ (Kazakistan) (*****)	Agriculture, Greenhouse Farming	100,00	-
Alfor Aviation and Technical Services Ltd. (England, Galler) (*****)	Aviation and Aircraft Technical Maintenance	51,00	-

(*) Included in the consolidation by full consolidation method.

(**) It is a public company which is listed on Borsa İstanbul A.Ş. (BIST).

(***) Included in the consolidation as of 31 March 2024.

(****) As of June 30, 2024, it was transferred to Alsera Jeotermal Tarım Gıda San.ve Tic. A.Ş.

(*****) Included in the consolidation as of 30 June 2024.

(*****) Included in the consolidation as of 30 June 2024.

(*****) Included in the consolidation as of 31 December 2024

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

1. ORGANIZATION AND PRINCIPLE ACTIVITIES (CONTINUED)

Business activities, and in which country they operate, direct and indirect shareholdings of the subsidiaries, affiliates and jointly controlled entities included in the consolidation consist of the following (continued):

		Shareholding of the Group (%)	
Company Name	Principle Activities	31 December 2024	31 December 2023
<u>Joint Controlled Entities (*) :</u>			
Alarko Carrier Sanayi ve Ticaret A.Ş. (Turkey) (***)	Heating, Cooling , Air Conditioning Equipment Manufacturing	42,03	42,03
Obrascon Huarte Lain SA – Alsim Alarko San.Tes.ve Ticaret A.Ş. (Spain)	TCDD Ankara – Eskişehir High Speed Railway Project	45,00	44,96
Alarko – Makyol Adi Ortaklığı (Turkey)	Subway Construction Project	49,99	49,95
Alcen Enerji Dağıtım ve Perakende Satış Hiz.A.Ş.(Turkey)	Establishing, Transferring or Operating Electrical Power Distribution Facility	50,00	49,96
Meram Elektrik Dağıtım A.Ş. (Turkey)	Electrical Power Distribution	50,00	49,96
Meram Elektrik Enerjisi Toptan Satış A.Ş. (Turkey)	Electrical Power Sale	50,00	49,96
Cenal Elektrik Üretim A.Ş. (Turkey)	Constructing and Administrating		
Meram Elektrik Perakende Satış A.Ş.(Turkey)	Electrical Power Sale	50,00	49,96
Utilitek Bilgi Teknolojileri A.Ş.(Turkey)	Computer Programming Activities	50,00	49,96
Obrascon Huarte Lain SA - Alsim Alarko San.Tes.ve Ticaret A.Ş. (Turkey)	TCDD Ankara-Eskişehir High Speed Train Project	45,00	45,00
Bakad Investment & Operation LLP (Kazakhstan)	Construction Works	33,30	33,27
Bakad International B.V. (Holland)	Non-Financial Holding	33,30	33,27
Barr Operation and Maintenance LLP (Kazakhstan)	Highway Maintenance and Operation	25,00	24,98
İpeks Jeotermal Enerji Tarım Sanayi Ticaret A.Ş. (Turkey) (*****)	Greenhouse Farming Based on Geothermal Energy	49,00	-
Sanrose Tarım Sanayi ve Ticaret A.Ş. (Turkey) (****)	Flower Horticulture Production, Purchase and Sale, and Marketing	25,00	-
<u>Joint Activities (**):</u>			
Alarko Cengiz Metro Ortak Girişimi (Turkey)	Subway Construction Project	49,99	49,95
Bükreş Uluslararası Havalimanı Demiryolu Bağlantısı 6. Metro Kesimi (Romania)	Subway Construction Project	49,99	49,95
(*)	Included in the consolidation by equity method.		
(**)	It has been included in consolidation by proportional consolidation method.		
(***)	Public company listed in the Borsa İstanbul A.Ş. (BIST).		
(****)	Included in the consolidation with 31 March 2024.		
(*****)	Included in the consolidation with 30 June 2024.		

		Shareholding of the Group (%)	
Company Name	Principle Activities	31 December 2024	31 December 2023
<u>Affiliates (*) :</u>			
Al-Riva Projesi Arazi Değ. Konut İnş. ve Tic. A.Ş (Turkey) (**)	Residence, Construction	12,14	12,13
Al-Riva Arazi Değ. Konut İnş. ve Tic. A.Ş. (Turkey) (**)	Residence, Construction	2,63	2,63
Al-Riva Arazi Değ. Konut İnş., Tur. Tes. Golf İşl. ve Tic. A.Ş. (Turkey) (**)	Residence, Construction and Tourism Facility Management	2,28	2,28
(*)	Included in the consolidation by equity method.		
(**)	The Parent Company has a ratio of 40% control and profit owning from affiliates.		

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

1. ORGANIZATION AND PRINCIPLE ACTIVITIES (CONTINUED)

The address of the Parent Company's head office is as follows:

Muallim Naci Cad. No : 69 Ortaköy / ISTANBUL

As of 31 December 2024 and 2023, the shareholding structure is as follows:

	31 December 2024	31 December 2023
Name	Shareholding	Shareholding
Alaton Family	%29,04	%31,54
Garih Family	%30,72	%31,72
Other (*)	%40,24	%36,74
Total	%100,00	%100,00

(*) It shows the total of shareholdings which is share is less than 10%.

The shares of Alarko Holding A.Ş. are traded in the Borsa Istanbul A.Ş. (BIST) since May 24, 1989, and as of 31 December 2024, 37,12 % of the Company shares are offered to public.

Alarko Carrier Sanayi ve Ticaret A.Ş., a jointly controlled entity, is registered at the Capital Markets Board (CMB) and 15,94% of its shares are offered to public. The shares are traded at the BIST since January 27, 1992.

Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. (subsidiary) is registered at the Capital Markets Board (CMB) and 48,77% of its shares are offered to public. The shares are traded at the BIST since 1996.

The average number of employees during the period with respect to categories is as follows:

	31 December 2024	31 December 2023
Salary earners	1.862	1.813
Wage earners	3.944	3.402
Total	5.806	5.215

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

i. Basis of presentation

Statement of compliance to TFRS

The accompanying consolidated financial statements have been prepared based on Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS") and attachments and interpretations of the aforementioned standards in line with international standards published by POA in accordance with "Communique on Principles regarding Financial Reporting in Capital Markets" ("the Communiqué") numbered Seri II, 14,1 of CMB published in Official Gazette dated June 13, 2013 and numbered 28676, TAS consists of Turkish Accounting Standards and attachments and interpretations of aforementioned standards.

The accompanying consolidated financial statements and footnotes have been presented in accordance with the formats determined in the Financial Statement Examples and User Guide published by the CMB and in accordance with the 2024 TFRS taxonomy published by the POA on April 15, 2019 and updated on July 3, 2024.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

i. Basis of presentation (continued)

Statement of compliance to TFRS (continued)

The consolidated financial statements are based on the statutory records, with adjustments and reclassifications for the purpose of fair presentation in accordance with the Turkish Accounting Standards published by the POA. Alarko Holding A.Ş. and its subsidiaries, joint operations, jointly controlled entities and affiliates registered in Turkey maintain their books of account and prepare their statutory financial statements ("Statutory Financial Statements") in accordance with the Turkish Commercial Code ("TCC"), tax legislation and the Uniform Chart of Accounts ("UCA"), issued by the Ministry of Finance. Foreign subsidiaries, joint ventures and associates maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered, These consolidated financial statements have been prepared under the historical cost and fair value conversion.

Restatement Of Financial Statements During The Hyperinflationary Periods

With the statement made by the Public Oversight Accounting and Auditing Standards Authority (POA) on November 23, 2023, businesses applying TFRS have started to apply inflation accounting in accordance with TAS 29 Financial Reporting Standard in Hyperinflationary Economies as of their financial statements for the annual reporting period ending on or after December 31, 2023. TAS 29 is applied to the financial statements of businesses whose functional currency is the currency of a hyperinflationary economy.

The accompanying financial statements are prepared according to the historical cost principle, except for those measured at fair value. All comparative amounts of the financial statements and previous periods have been adjusted according to the changes in the general purchasing power of the Turkish Lira in accordance with TAS 29 and finally expressed in terms of the purchasing power of the Turkish Lira on December 31, 2024.

In the application of TAS 29, the company used the correction coefficients obtained according to the Consumer Price Indexes (CPI) published by the Turkish Statistical Institute in accordance with the guidance of the POA. The indexes and correction coefficients used in the correction of the financial statements as of December 31, 2024 are as follows:

The table in down below shows the development of CPI over the last three years by 31 December 2024:

Date	Index	Three-Year Compound Inflation Rate	Correction Coefficient
31 December 2024	2.684,55	291%	1,00000
31 December 2023	1.859,38	268%	1,44379
31 December 2022	1.128,45	156%	2,37897

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

i. Basis of presentation (continued)

Restatement Of Financial Statements During The Hyperinflationary Periods (continued)

In order to make the necessary adjustments to the financial statements in accordance with IAS 29, assets and liabilities were first separated as monetary and non-monetary, and non-monetary assets and liabilities were subjected to an additional separation as those measured at current value and those measured at cost value.

Monetary items (except those linked to an index) and non-monetary items measured at their current value at the end of the reporting period have not been subject to inflation adjustment since they are currently expressed in the current measurement unit as of December 31, 2024. Non-monetary items not expressed in the measurement unit as of December 31, 2024 have been subject to inflation adjustment using the relevant coefficient. In cases where the inflation-adjusted value of non-monetary items exceeds the recoverable amount or net realizable value, the carrying value has been reduced by applying the relevant TFRS. In addition, inflation adjustments have been made to all items in the statement of equity items and profit or loss and other comprehensive income. Non-monetary items acquired or assumed before January 1, 2005, when the Turkish Lira ceased to be defined as the currency of a hyperinflationary economy, and equity items established or put into operation before this date have been adjusted according to the changes in the CPI from January 1, 2005 to December 31, 2024.

Currency used

The functional currency of the Parent Company is Turkish Lira (TL) and the accompanying consolidated financial statements and related notes are presented in Turkish Lira(TL). The functional currencies of the subsidiaries, joint operations and jointly controlled entities of the Parent Company located in Spain, Russia, Ukraine, Kazakhstan, Romania and Holland are Euro, Ruble, Hryvnia, Tenge, Ron and USD respectively. The items of statements of financial position are translated into TL at the foreign exchange rate at the reporting date, and income and expenses are translated at the yearly average rate. Profits or losses arising from translation are stated in the "foreign currency translation differences" in the statement of profit or loss and other comprehensive income.

Approval of consolidated financial statements

Consolidated financial statements as of 31 December 2024 are approved at 10 March 2025 by the Company's Board of Directors. General Assembly and other regulatory organs reserve their right to modify and change these consolidated financial statements.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

i. Basis of presentation (continued)

Comparative information and restatement of prior period financial statements

Consolidated financial statements of the Group have been prepared comparatively with the prior period in order to give information about financial position and performance trends. In order to maintain consistency with current year consolidated financial statements, comparative information is reclassified and significant changes are disclosed if necessary.

In the consolidated profit/loss and other comprehensive income statement dated December 31, 2023, interest and maturity difference income included in the other income item from main activities, TL 499.182, has been classified as financial income.

In the consolidated profit/loss and other comprehensive income statement dated December 31, 2023, maturity difference expenses included in the other expenses item from main activities, TL 717.857, has been classified as financial expenses.

Going concern

The consolidated financial statements including the accounts of the Parent Company, its associates, joint ventures and subsidiaries have been prepared assuming that the Group will continue as a going concern on the basis that the entity will be able to realize its assets and discharge of liabilities in the normal course of business.

ii. Consolidation principles:

- (a) The consolidated financial statements include the accounts of the parent company, Alarko Holding A.Ş. its Subsidiaries and its Associates on the basis set out in sections (b) to (f) below. The financial statements of the companies included in the scope of consolidation have been prepared as of the date of the consolidated financial statements with adjustments and reclassifications for the purpose of fair presentation in accordance with Turkish Accounting Standards published by the Public Oversight Accounting and Auditing Standards Authority of Turkey and the application of uniform accounting policies and presentation.
- (b) Subsidiaries are companies over which Alarko Holding A.Ş. has the power to control directly and indirectly by themselves. Control is normally evidenced when the Company controls an investee if and only if the company has all the following; a) power over the investee b) exposure, or rights, to variable returns from its involvement with the investee and c) the ability to use its power over the investee to affect the amount of company's returns.

The statements of financial position and statements of profit or loss and other comprehensive income of the Subsidiaries are consolidated on a line-by-line basis and the carrying value of the investment held by Alarko Holding A.Ş. and its Subsidiaries is eliminated against the related equity. Intercompany transactions and balances between Alarko Holding A.Ş. and its Subsidiaries are eliminated during the consolidation. The nominal amount of the shares held by Alarko Holding A.Ş. in its Subsidiaries and the associated dividends are eliminated from equity and income for the period, respectively.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

ii. Consolidation principles (continued)

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.

- (c) Jointly controlled entities are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by Alarko Holding A.Ş. and one or more other parties. Alarko Holding A.Ş. exercises such joint control through the power to exercise the voting rights relating to shares in the companies as a result of ownership interest directly and indirectly by itself. The Group's interest in jointly controlled entities is investments accounted by equity method, the Group's interest in joint operations is accounted by proportional consolidation method.
- (d) Associates are accounted for using the equity method, The Group has power to participate in the financial and operating policy decisions but not control them. Unrealised gains or losses arising from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.
- (e) Available-for-sale financial assets in which the Group does not exercise a significant influence or which are immaterial and do not have quoted market prices in active markets and whose fair values can not be reliably measured, are carried at cost, less any accumulated impairment loss.
- (f) Shares of uncontrollable companies on all balances and transactions of/with the Subsidiaries in the notes to the consolidated financial statements are presented with the Total ownership interest of the Group in the non-controlling interest.
- (g) Business Combinations Under Common Control:

The merger transactions that took place within the Group and the details of which are given in footnote 3 are mergers involving businesses under common control, and the "TFRS 3 Business Combinations" standard has not been applied. Since there is no specific provision in TFRS regarding the accounting of mergers carried out by businesses under common control, a principle decision was published by the POA on October 17, 2018 in order to eliminate the differences in accounting policies that may be seen in practices on this subject. In accordance with the principle decision, the correction explained in Footnote 3 has been made.

iii. Changes in accounting estimates and errors

Consolidated statements of financial position as of 31 December 2024 and 2023 and notes selected in relation to these consolidated statements of financial position as well as the consolidated statements of profit or loss and other comprehensive income, consolidated cash flows and consolidated changes in equity for the years ended have been presented comparatively.

Alarko Group has applied its accounting policies consistently with the previous year. Significant changes in accounting policies and significant accounting errors detected are applied retrospectively and the previous period financial statements are restated. Changes in accounting estimates, if they are related to only one period, are applied in the current period in which the change is made, and if they are related to future periods, they are applied prospectively in both the period in which the change is made and the future period. In the current year, Büyükçekmece land of Alarko Gayrimenkul Yatırım Ortaklığı A.Ş., one of the subsidiaries, was transferred from stocks to investment properties.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

iv. New and revised Turkish Financial Reporting Standards

The accounting policies taken as basis in the preparation of the consolidated financial statements for the accounting period ending as of December 31, 2024 have been applied consistently with those used in the previous year, except for the new and amended Turkish Accounting Standards ("TAS")/Turkish Financial Reporting Standards ("TFRS") and TAS/TFRS interpretations effective as of January 1, 2023, which are summarized below. The effects of these standards and interpretations on the Group's financial position and performance are explained in the relevant paragraphs.

a) New standards, amendments and interpretations effective as of January 1, 2024

TAS 1 Amendments - Classification of liabilities as short-term and long-term;

In March 2020 and January 2023, the POA made amendments to TAS 1 to determine the principles for classifying liabilities as short-term and long-term. According to the amendments made in January 2023, if the entity's right to defer payment of a liability is dependent on compliance with the terms of the credit agreement at a date after the reporting period, it has the right to defer the liability in question as of the end of the reporting period (even if it does not comply with the relevant terms at the end of the reporting period). When a liability arising from a credit agreement is classified as long-term and the entity's right to defer payment is dependent on compliance with the terms of the credit agreement within 12 months, the January 2023 amendments require entities to make various disclosures. These disclosures should include information about the terms of the credit agreement and related liabilities. In addition, the amendments clarified that the right to defer payment for long-term classification must exist as of the end of the reporting period, regardless of whether compliance with the contractual terms will be tested at the reporting date or a later date. The amendments clearly stated that the possibility of the entity not exercising the right to defer payment for at least twelve months after the reporting period will not affect the classification of the liability. The amendments are applied retroactively in accordance with TAS 8. The amendment did not have a significant impact on the Group's financial position and performance.

TAS 7 and TFRS 7 Amendments - Explanations: Supplier Finance Agreements;

The amendments published by the POA in September 2023 introduce explanations that improve existing provisions in order to contribute to the understanding of the effects of supplier financing agreements on the liabilities, cash flows and liquidity risks to which the company is exposed by financial statement users. Supplier financing agreements are defined as agreements under which one or more financing providers undertake to pay the company's debt to its supplier and the company agrees to make payment on or after the date the payment is made to the supplier. These amendments require disclosures on the terms and conditions of such agreements, quantitative information on the obligations arising from them as of the beginning and end of the reporting period, and the nature and effects of non-cash changes in the carrying amount of these obligations. In addition, supplier financing arrangements are shown as examples of other factors that may be required to be disclosed within the scope of quantitative disclosures on liquidity risk required in TFRS 7. This amendment did not have a significant impact on the Group's financial position and performance.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

iv. New and revised Turkish Financial Reporting Standards (continued)

a) New standards, amendments and interpretations effective as of January 1, 2024 (continued)

TFRS 16 Amendments - Lease obligations in sale and leaseback transactions;

In January 2023, the POA published amendments to TFRS 16. These amendments determine the provisions to be applied in the measurement of lease obligations arising from the sale and leaseback transaction by the seller-lessee in a way that will ensure that no gain or loss is recognized in relation to the remaining right of use. In this context, the seller-lessee will determine the "lease payments" or "revised lease payments" in a way that will not recognize any gain or loss in relation to the remaining right of use while applying the provisions of TFRS 16 under the heading "Subsequent measurement of the lease obligation" after the date the sale and leaseback transaction actually begins. The amendments do not include a specific provision for the measurement of lease obligations arising from leasebacks. The initial measurement of such lease obligations may result in the determination of payments as lease payments that are different from those included in the definition of lease payments in TFRS 16. The seller-lessee will be required to develop and implement an accounting policy that will provide reliable and relevant information in accordance with TAS 8. The seller-lessee is applying the amendments retroactively to the sale and leaseback transactions it has entered into after the initial application date of TFRS 16 in accordance with TAS 8. The amendments have not had a significant impact on the Group's financial position and performance.

b) Standards Published as of December 31, 2024, but Not Entered into Force and Not Put into Early Implementation:

Amendments to TFRS 10 and TS 28: Sales or Contributions of Assets by an Investor to an Associate or Joint Venture;

The POA has postponed the effective date of the amendments made to TFRS 10 and TAS 28 in December 2017 indefinitely, to be changed depending on the ongoing research project outputs regarding the equity method. However, it still allows early application. The effects of the amendment on the Group's financial position and performance are being evaluated.

TAS 21 Amendments - Lack of Exchangeability;

In May 2024, the POA published amendments to TAS 21. The amendments determine how to assess whether a currency is fungible and how to determine the applicable exchange rate in cases where the currency is not fungible. According to the amendment, when an estimate of the applicable exchange rate is made because a currency is not fungible, information that enables financial statement users to understand how the inability to fungible currency with another currency affects or is expected to affect the company's performance, financial position and cash flow is disclosed. The amendments shall be applied for annual reporting periods beginning on or after 1 January 2025. Early application is permitted, in which case information shall be provided in the footnotes. When the amendments are applied, comparative information shall not be restated. The Community shall assess the effects of such amendments after the standards have been finalised.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

iv. New and revised Turkish Financial Reporting Standards (continued)

b) Standards Published as of December 31, 2024 but not yet in force or early implementation:

TFRS 17 – New Insurance Contracts Standard;

In February 2019, the POA published TFRS 17, a comprehensive new accounting standard covering recognition and measurement, presentation and disclosure for insurance contracts. TFRS 17 introduces a model that allows both the measurement of liabilities arising from insurance contracts with current balance sheet values and the recognition of profit throughout the period in which the services are provided. With the announcement made by the POA, the mandatory effective date of the Standard has been postponed to accounting periods starting on or after January 1, 2025. The Standard is not applicable to the Group.

c) Changes effective from the moment of publication:

TAS 12 Amendments – International Tax Reform – Second Pillar Model Rules;

In September 2023, the POA published amendments to TAS 12, which introduce a mandatory exception to the recognition and disclosure of deferred tax assets and liabilities related to Second Pillar income taxes. These amendments clarify that TAS 12 will be applied to income data arising from tax laws that have entered into force or are close to entering into force for the purpose of applying the Second Pillar Model Rules published by the Organisation for Economic Co-operation and Development (OECD). These amendments also introduce certain disclosure provisions for businesses affected by such tax laws. The exception that information on deferred taxes in this context will not be recognized and disclosed and the disclosure provision that the exception has been applied will be implemented upon publication of the amendment. The amendment did not have a significant impact on the Group's financial position and performance.

d) Changes published by the International Accounting Standards Board (IASB) but not published by the POA:

The following amendments to TFRS 9 and TFRS 7, Annual Improvements to TFRS Accounting Standards and TFRS 18 and TFRS 19 Standards have been published by the IASB but have not yet been adapted/published to TFRS by the POA. Therefore, they do not constitute a part of TFRS. The Group will make the necessary amendments to the consolidated financial statements and footnotes after this Standard and amendments enter into force in TFRS.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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2. BASIS FOR PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

iv. New and revised Turkish Financial Reporting Standards (continued)

d) Amendments published by the International Accounting Standards Board (IASB) but not published by the POA (continued):

TFRS 9 and TFRS 7 Amendments - Classification and Measurement of Financial Instruments;

In May 2024, the IASB published amendments (related to TFRS 9 and TFRS 7) regarding the classification and measurement of financial instruments. The amendment clarified that financial liabilities will be derecognized on the "delivery date". However, the amendment introduces the accounting policy preference for derecognizing financial liabilities fulfilled through electronic payment systems before the delivery date, provided that certain conditions are met. In addition, the amendment introduces explanatory provisions on how to evaluate the contractual cash flow characteristics of financial assets with environmental, social governance (ESG) or other conditional similar features, as well as applications for non-callable assets and contractually linked financial instruments. In addition, with this amendment, additional explanations have been added to TFRS 7 for financial assets and liabilities that contain contractual provisions that reference a conditional event (including those with ESG links) and equity-based financial instruments measured at fair value through other comprehensive income. The effects of this amendment on the Group's financial position and performance are being assessed.

Annual Improvements to TFRS Accounting Standards – 11th Amendment

Annual improvements are limited to changes that clarify language in an Accounting Standard or correct relatively minor unintended consequences, oversights, or inconsistencies among provisions in an Accounting Standard. The 2024 changes are for the following standards:

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

The effects of these changes on the Group's financial position and performance are being evaluated.

Amendments to TFRS 9 and TFRS 7 – Contracts Concerning Electricity Produced from Natural Resources;

The IASB published the "Contracts Concerning Electricity Produced from Natural Resources" amendment (related to TFRS 9 and TFRS 7) in December 2024. The amendment clarifies the application of the provisions regarding the "own use" exception and allows hedge accounting in cases where such contracts are used as a hedging instrument. The amendment also introduces new disclosure provisions to ensure that investors understand the impact of these contracts on the financial performance and cash flows of the enterprise. The impacts of the amendment on the financial position and performance of the Group are being evaluated.

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2. BASIS FOR PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

iv. New and revised Turkish Financial Reporting Standards (continued)

d) Amendments published by the International Accounting Standards Board (IASB) but not published by the POA (continued):

TFRS 18 – New Standard for Presentation and Disclosure in Financial Statements;

In April 2024, the IASB published TFRS 18, which replaces IAS 1. TFRS 18 introduces new requirements for the presentation of the profit or loss statement, including the presentation of certain totals and subtotals. TFRS 18 requires entities to present all income and expenses included in the profit or loss statement in one of five categories: operating activities, investing activities, financing activities, income taxes and discontinued operations. The standard also requires the disclosure of performance measures determined by the management and also introduces new provisions for the aggregation or separation of financial information in accordance with the roles defined for the primary financial statements and footnotes. With the publication of TFRS 18, certain changes have occurred in other financial reporting standards such as IAS 7, IAS 8 and IAS 34. The effects of these changes on the financial position and performance of the Group are being evaluated.

TFRS 19 – New Non-Publicly Accountable Subsidiaries: Disclosure Standard

In May 2024, the IASB issued TFRS 19, which provides certain entities with the option to provide reduced disclosures when applying the recognition, measurement and presentation requirements in TFRSs. Unless otherwise stated, entities in scope that elect to apply TFRS 19 will not need to apply the disclosure requirements in other TFRSs. An entity that is a subsidiary, does not have public accountability and has a parent (intermediate or final) that prepares consolidated financial statements in accordance with TFRSs for public use may elect to apply TFRS 19. The effects of this amendment on the financial position and performance of the Group are being assessed.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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2. BASIS FOR PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of Significant Accounting Policies and Evaluation Methods

Financial instruments

Financial assets

Financial assets that are bought and sold in the regular way are recorded or removed at the transaction date.

The Group classifies its financial assets as (a) The business model used by the entity to manage the financial assets, (b) Measured at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss, based on the characteristics of the contractual cash flows of the financial asset. When the entity changes only the business model used to manage the financial assets, it reclassifies all financial assets affected by this change. The reclassification of financial assets is applied prospectively from the reclassification date. In such cases, no adjustments are made for the gains, losses (including impairment gains or losses) or interests previously recognized in the financial statements.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held under a business model that aims to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to cash flows that consist solely of payments of principal and interest on the principal amount outstanding on specified dates.

Financial assets that meet the following conditions are measured by reflecting the change in fair value through other comprehensive income:

- the financial asset is held under a business model that aims to collect the contractual cash flows and sell the financial asset; and
- the contractual terms of the financial asset give rise to cash flows that consist solely of payments of principal and interest on the principal amount outstanding on specified dates.

If a financial asset is not measured at amortised cost or FVOCI, it is measured at FVOCI.

At initial recognition, the Group may make an irrevocable choice to present subsequent changes in the fair value of an investment in an equity instrument not held for trading purposes in other comprehensive income.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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2. BASIS FOR PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of Significant Accounting Policies and Evaluation Methods (continued)

Financial instruments (continued)

Financial assets (continued)

(i) Amortised cost and effective interest method

Interest income on financial assets carried at amortized cost is calculated using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. This income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset:

(a) Credit-impaired financial assets when purchased or generated. For such financial assets, the Company applies the effective interest rate on the amortized cost of a financial asset based on the loan from the date of the recognition in the financial statements.

(b) Non-financial assets that are impaired at the time of acquisition or generation but subsequently become a financial asset that has been impaired. For such financial assets, the Company applies the effective interest rate to the amortized cost of the asset in the subsequent reporting periods.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. Interest income is recognized in profit or loss and shown under "finance income - interest income".

(ii) Financial assets classified as at FVTOCI

The fair value change of the bonds held by the Group is reflected in other comprehensive income. The fair value is determined as described in Note 2 (v). Bonds are first measured by adding transaction costs to their fair value. Then, in these private sector bonds, changes arising from exchange rate gains and losses, impairment gains or losses and interest income calculated using the effective interest method are recognized in profit or loss. The amounts recognized in profit or loss are the same as those that would be recognized in profit or loss if these bonds are measured at amortized cost.

All other changes in the carrying amount of these corporate bonds are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When these corporate bonds are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

(iii) Equity instruments designated as at FVTOCI

At initial recognition, the Group may make an irrevocable choice to present subsequent changes in the fair value of an investment in an equity instrument not held for trading purposes in other comprehensive income.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of Significant Accounting Policies and Evaluation Methods (continued)

Financial instruments (continued)

(iii) Equity instruments designated as at FVTOCI (continued)

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument)

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not to be reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with TFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'income from investing activities' line item (Note 31) in profit or loss.

(iv) Financial assets at FVTPL

Financial assets that do not meet the criteria for measurement over amortized costs or by reflecting fair value change to other comprehensive income are measured by reflecting fair value change to profit or loss.

Financial assets whose fair value change is reflected in profit or loss are measured at their fair values at the end of each period and all fair value changes are accounted in profit or loss unless the relevant financial assets are part of hedging transactions.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of Significant Accounting Policies and Evaluation Methods (continued)

Financial instruments (continued)

Financial assets (continued)

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically,

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss;
- for debt instruments measured that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss; Other exchange differences are recognised in other comprehensive income;
- for financial assets measured that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss; and
- for equity instruments measured, exchange differences are recognised in other comprehensive income.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI lease receivables, trade receivables and contract assets, as well as financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group utilizes a simplified approach for trade receivables, contract assets and lease receivables that does not have significant financing component and calculates the allowance for impairment against the lifetime ECL of the related financial assets.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of Significant Accounting Policies and Evaluation Methods (continued)

Financial instruments (continued)

Financial assets (continued)

Measurement and recognition of expected credit losses (continued)

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate (or credit based adjusted effective interest rate for financial assets with credit-value impairment when purchased or incurred).

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities

Financial liabilities are classified as at FVTPL on initial recognition. On initial recognition of liabilities other than those that are recognised at FVPTL, transaction costs directly attributable to the acquisition or issuance thereof are also recognised in the fair value.

The entity classifies all of its financial liabilities, except for the liabilities below, at amortized cost in subsequent recognition.

(a) Financial liabilities at FVTPL: These liabilities including derivative instruments are subsequently measured at fair value.

(b) Financial liabilities arising if the transfer of the financial asset does not meet the conditions of derecognition from the financial statements or if the ongoing relationship approach is applied: When the

Group continues to present an asset based on the ongoing relationship approach, a liability in relation to this is also recognised in the financial statements. The transferred asset and the related liability are measured to reflect the rights and liabilities that the Company continues to hold. The transferred liability is measured in the same manner as the net book value of the transferred asset.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assesment methods (continued)

Financial instruments (continued)

Financial liabilities (continued)

(c) A contingent consideration recognized in the financial statements by the entity acquired in a business combination where TFRS 3 is applied: After initial recognition, the related contingent consideration is measured as at FVTPL.

The entity does not reclassify any financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any noncash assets transferred or liabilities assumed, is recognised in profit or loss.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, options and interest rate swaps. Detailed information on derivative financial instruments is given in Note 13.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Borrowing costs

Borrowing costs are recognized as expense. Borrowing costs related to qualifying assets are directly added to the cost of the asset directly associated.

The borrowing costs are no longer capitalized when all activities required to make the qualifying asset ready to use or sale in accordance with the purposes.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assesment methods (continued)

Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of inventories comprises all costs incurred in bringing the inventories to their present location and condition. The components of the cost included in inventories are material, labor and overhead cost. Cost is determined by using the weighted moving average cost method for the raw material, supplies, semi finished products, finished products, merchandise and other inventories.

Real estates in inventories are held for getting sale revenue instead of getting rent or shareholding revenue. In addition to the aforementioned costs that are related to inventory, borrowing costs are included in inventory costs.

Real estates stated within the inventories are recognized at the lower of cost and net realizable value. However, the expertise value which constitutes the basis of fair value of real estates in inventories is compared with the adjusted acquisition costs, and in the case that the expertise value is lower than the adjusted value, provision is made for value decrease as per the conditions stated in the "Impairment of non- financial assets" section. Such impairment is determined and applied separately for each real estates.

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation is provided for property, plant and equipment on a straight-line basis over their estimated useful lives, Land is not depreciated as it is deemed to have an indefinite useful life.

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

Buildings	10-50 years
Land improvements	4-50 years
Machinery, plant and equipment	2-40 years
Motor vehicles	3-25 years
Furniture and fixtures	2-25 years
Leasehold improvements	2-19 years
Other property, plant and equipment	5 years

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.

Repairs and maintenance are charged to the income statements during the period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assesment methods (continued)

Property, plant and equipment (continued)

Machinery and equipment are capitalised and amortised when their capacity is fully available for use and their physical situations meet the determined production capacities.

Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with their restated carrying amounts and are included in the related income and expenses from investing activities accounts, as appropriate.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired seperately are carried at cost less accumulated impairment losses.

Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives.

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

Rights	2-32 years
Leasehold improvements	5-19 years

Intangible assets are initially recognised at acquisition cost and amortised on a straight-line basis over their estimated useful lives. Intangible assets with indefinite useful lives are not amortised, however are tested for impairment annually. Whenever there is an indication that the intangible is impaired, the carrying amount of the intangible asset is reduced to its recoverable amount and the impairment loss is recognised as an expense.

Other intangible assets	5 years
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Derecognition of intangible assets

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

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assesment methods (continued)

Impairment of property, plant and equipment and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible 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 treated as a revaluation increase.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation, including property under construction for such purposes. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value reflecting the market conditions. Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the year in which they arise.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property due to expiration of useful life or disposal is included in profit or loss in the period in which the property is derecognized.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assessment methods (continued)

Investment properties (continued)

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Real estates leased under operating lease are not classified as investment property.

Leased assets and leasing liabilities

Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured through deduction of accumulated depreciations and impairment losses from their cost values. In case of the financial lease payables are revalued, this figure is corrected as well.

The cost of the right-of-use asset includes:

- (a) initial measurement of lease liability,
- (b) lease payments made at or before the commencement date less any lease incentives received,
- and
- (c) all initial direct costs incurred by the Group.

At the end of the lease term of the underlying asset's service, the transfer of the Group is reasonably finalized, and the Group depreciates the asset until the end of the life of the underlying asset on which the lease actually began.

Right-of-use assets are subject to impairment.

Lease liabilities

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

Lease payments included in the measurement of the lease obligation on the date that the lease actually commences, consists of the following payments to be made for the right of use of the underlying asset during the lease period and not paid on the date the lease actually starts:

- (a) Fixed payments,
- (b) Variable lease payments that depend on an index or a rate,
- (c) Amounts expected to be paid under residual value guarantees
- (d) The exercise price of a purchase option reasonably certain to be exercised by the Group and
- (e) Payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assessment methods (continued)

Leased assets and leasing liabilities (continued)

Lease liabilities (continued)

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable, the Group determines the alternative borrowing interest rate at the date of the revaluation.

After the effective date of the lease, the Group measures the lease obligation as follows:

- (a) Increase the carrying amount to reflect the interest on the lease obligation, and
- (b) Decreases book value to reflect rental payments.

In addition, in the situation of a change in the lease term, in essence a change in fixed lease payments or a change in the assessment of the option to buy the underlying asset, the value of the lease obligations is remeasured.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of low value assets. The lease contracts within this scope are accounted for in the profit or loss statement as expense according to the linear method during the lease period.

Effects of changes in exchange rates

Foreign exchange transactions and balances

The individual financial statements of each Group entity are presented in TL which is the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of each entity are expressed in TL, which is the functional currency of Alarko Holding A.Ş., and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than TL (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assessment methods (continued)

Effects of changes in exchange rates (continued)

Foreign exchange transactions and balances (continued)

Exchange differences are recognized in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating 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 those foreign currency borrowings,
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below for hedging accounting policies); and
- Exchange 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.

Financial statements of subsidiaries, joint ventures and associates operated in foreign countries

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into TL using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity.

Business combinations and goodwill

A business combination is evaluated as the bringing together of separate entities or businesses into one reporting entity.

Business combinations realised before 1 January 2011 have been accounted for by using the purchase method in the scope of TFRS 3 "Business combinations" prior to the amendment. Under this method, the cost of a business combination is the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree and in addition, any costs directly attributable to the business combination. If a business combination contract includes clauses that enable adjustments in the cost of business combination depending on events after the acquisition date; in case the adjustment is measurable and more probable than not, than cost of business combination at acquisition date is adjusted.

Any excess of the cost of acquisition over the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is accounted for as goodwill in the consolidated financial statements.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assessment methods (continued)

Business combinations and goodwill (continued)

Goodwill recognised in business combinations is tested for impairment annually (as of 31 December) or more frequently if events or changes in circumstances indicate impairment, instead of amortisation. Impairment losses on goodwill are not reversed. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

Any excess of the Group's share in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of the business combination is accounted for as income in the related period.

Related parties

Parties are considered related to the company (will be used as reporting entity in this standard) if;

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
 - (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
 - (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assessment methods (continued)

Related parties (continued)

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

Board Members, General Manager and Assistant General Managers are stated as executive managers by the Group.

Income taxes

Turkish tax legislation does not permit a parent Group and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss because of items of income or expense that are taxable or deductible in other years and it excludes items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax liability or asset is determined by calculating the tax effects of temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the calculation of the legal tax base according to the balance sheet method, taking into account the enacted tax rates. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated on the condition that it is highly probable to benefit from the said differences by earning taxable profit in the future. The assets and liabilities in question are not recognized if they arise from the initial recognition of temporary differences, goodwill or other assets and liabilities related to transactions that do not affect commercial or financial profit/loss (other than business combinations). In accordance with the letter titled "Reporting Tax Amounts in Real Estate Investment Partnerships and Real Estate Investment Funds" sent to real estate investment trusts by the POA on February 12, 2025, the deferred tax liability arising from the legislative change in the financial statements dated December 31, 2024, the effect of 2023 and before is reflected in the profits or losses of previous years under equity, and the effect of 2024 is reflected in the profit or loss statement.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assessment methods (continued)

Income taxes (continued)

Deferred tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognized as in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity.

Employee benefits

Defined contribution plan

The Group has to compensate the Social Security Contribution of the employees. As long as this is compensated, there is no any other obligation for the Group. Social Security Contributions are classified as personnel expenses as of the accrual date.

Defined benefit plan

Under Turkish Labour Law Article 25/II, the Group is required to pay termination indemnities to each employee who completes one year of service and whose employment is terminated upon causes that qualify the employee to receive retirement pay liability is called up for military service, leaves within one year after marriage (women only), and to those employees who retire or die. The amount payable consists of one month's salary limited to a maximum of TL 41.828,42 for each period of service at 31 December 2024 (31 December 2023: TL 23.489,83(Full TL)).

Ceiling amount of TL 46.625,43(Full TL) which is in effect since 1 January 2025 is used in the calculation of retirement pay liability.

The Group has determined the retirement pay liability stated in the accompanying financial statements as per the recognition and valuation principles stated in TAS 19 "Employee Benefits". As the characteristics of the retirement pay liabilities are similar to the "Post Employment Benefit Plans" stated in this standard, these liabilities are calculated and stated in the financial statements on the basis of below mentioned "Proposed Unit Loan Method" and other various assumptions.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assessment methods (continued)

Employee benefits (continued)

The dates that the employees will gain their pension rights are determined with respect to the prevailing social security laws with consideration to their past employment durations.

In calculating the current value of future liabilities that may arise due to the retirement or contract termination of an employee, it is assumed that the current salaries and wages or, if higher than the value of the retirement pay liability upper limit determined by the Labour Law for 31 December 2024, the retirement pay liability upper limit, to remain constant for restatement purposes and this value is reduced by the actual discount rate of %28,57 (31 December 2023 - %27,47) calculated based upon the assumption that the expected annual interest rate will %25,00 (31 December 2023 - %24,82) and the expected inflation rate will be %2,85 (31 December 2023 - %2,12) which represents the proposed average interest rate per annum of the government bonds, in order to determine the current net value of the retirement pay liability at the balance sheet date.

Revenue

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

- Determination of customer contracts,
- Determination of performance obligations in contracts,
- Determining the transaction price in the contracts,
- Allocating the transaction price to the performance obligations in the contracts,
- Recognition of revenue when each performance obligation is satisfied.

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

- The parties to the contract have approved the contract (written, verbal or in accordance with other commercial practices) and have committed to fulfill their own obligations,
- The Community can define the rights of each party regarding the goods or services to be transferred,
- The Group can define the payment terms for the goods or services to be transferred,
- The contract is commercial in nature,
- It is possible that the Group will collect a price for the goods or services to be transferred to the customer.

At the beginning of the contract, the Group evaluates the goods or services it has committed in the contract with the customer and defines each commitment given to the customer as a performance obligation.

The Group takes into account the contractual provisions and commercial practices in order to determine the transaction price. The transaction price is the price that the Group expects to be entitled to in return for the transfer of the promised goods or services to the customer, excluding the amounts collected on behalf of third parties (for example, some sales taxes). The promised consideration in a contract with a customer can include fixed amounts, variable amounts, or both.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assessment methods (continued)

Revenue (continued)

In case the price promised in the contract is a variable amount, the Group determines the amount that it will be entitled to collect in return for the transfer of the promised goods or services to the customer, by estimating. In order for the Group to include some or all of the estimated variable price in the transaction price, it must be highly probable that there will not be a significant cancellation in the amount of the cumulative revenue taken into the financial statements when the uncertainty regarding the variable price is eliminated later. While assessing whether it is highly probable that there will not be a significant reversal in the amount of the cumulative revenue recognized when the uncertainty regarding the variable price subsequently disappears, the Group considers both the probability and size of the said revenue reversal. The Group includes the revenue obtained from the following sources in its financial statements:

Service sales

When revenue from services can be measured reliably, it is recognized based on the degree of completion of the service. Where the result cannot be measured reliably, revenue is recognized by the recoverable amount of incurred expenses attributable to that revenue. The revenue arising from the sale and delivery of electricity is measured over the fair value of the amount of receivables delivered or to be delivered. The estimated value of the electricity supplied to all subscriber groups but not billed is taken into account in the measurement of revenue. Revenues are recorded on an accrual basis at the invoiced amounts at the time of electricity delivery.

Interest income

Interest income is accrued in the relevant period at the rate of the effective interest rate that reduces the remaining principal balance and the estimated cash inflows to be obtained from the related financial asset during its expected life to the book value of the said asset.

Dividend income

Dividend income from equity investments is recognized when the shareholders' right to receive dividends arises.

Construction contracts revenues

Because the outcome of construction contracts cannot be estimated reliably, contract costs are recognized in full in the period incurred, and contract revenue is recognized only to the extent that the incurred contract costs can be recovered. If there is an important financing element in the sales, the reasonable price is determined by discounting the future cash flows with the hidden interest rate included in the financing element. The difference is recognized in the consolidated financial statements on an accrual basis.

Earnings / (loss) per share

Earnings / (loss) per share is calculated by dividing the net profit or loss for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Companies in Turkey can increase their share capital through distributing shares (bonus shares) from Prior years' income and differences arising from inflation adjustment in changes in equity to their current shareholders on a pro rata basis. When calculating profit/(loss) per share, these bonus shares are recognized as issued shares. Therefore, the weighted average of shares used in the calculation of profit / (loss) per share is derived through retroactive application with respect to bonus shares.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assessment methods (continued)

Events after the reporting period

The Group updates disclosures that relate to conditions that existed at the end of the reporting period to reflect any new information that is received after the reporting period about those conditions. Non-adjusting events should be disclosed if they are of material importance.

Non-current assets held for sale

The Group classifies a non-current asset as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use and does not depreciate a non-current asset while it is classified as held for sale. The Group measures assets held for sale at the lower of its carrying amount and fair value less costs to sell.

Provisions, contingent assets and liabilities

Provisions are recognized when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Segment reportings

For the years ended 31 December 2024 and 2023, the principle activities of Alarko Group is classified in six sectors, namely, holding, tourism, agriculture, industry and merchandising, energy, contracting/land development.

Service concession agreements

TFRS Comment 12 addresses how the infrastructural investments made and services provided by the entities (operators) who have gained operating right for a defined period of time by signing public service concession agreements should be accounted for. TFRS Comment 12 expresses that the investments realized by operators related to projects deemed within the scope of the Comment are required to be accounted for as financial assets and/or intangible assets as per the terms of agreement and not as buildings, fixed assets, or properties.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assessment methods (continued)

Cash flow statement

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

Capital and dividends

Ordinary shares are classified as equity. Dividends on ordinary shares are recognized in equity in the period in which they are declared.

Significant accounting estimates, assumptions and decisions

Preparation of consolidated financial statements requires the usage of estimations and assumptions which may affect the reported amounts of assets and liabilities as of the balance sheet date, disclosure of contingent assets and liabilities and reported amounts of income and expenses during the financial period. The estimations and assumptions may differ from the actual results. Estimations and assumptions are reviewed periodically, adjusted if deemed necessary and reflected to the consolidated statement of profit or loss and other comprehensive income in the period they occurred.

Assumptions which might have a material effect on the amounts reflected in statement of financial position or might have a material effect in the future are summarized below:

- a) The Group's contracts related to contracting works are subject to assessment under Revenue from Contracts with Customers (TFRS 15). The revenue from the construction contracts is recognized in the consolidated financial statements as extended over time if the control of the asset is held by the customer over the construction process after the assessment performed. The Management considers that the method currently used in order to measure prospective development in terms of the complete fulfillment of its performance obligations is in accordance with TFRS 15.
- b) Group management have made significant assumptions on determining useful lives of tangible and intangible assets based on the experiences of the technical employees.
- c) Debtors credibilities, historical payment performances and restructuring conditions if there is debt restructuring is considered to determine the impairment of trade receivables factors.
- d) In order to measure expected loss provisions, the Group uses reasonable and confirmable prospective information based on assumptions on different economic conditions in the future and the possible effects of these conditions to each other. Probability of default is a significant input in the measurement of expected credit losses. Probability of default is an estimate of default in a fixed time; and its calculation includes prior data, assumptions and expectations of future conditions.
- e) The possibilities of losing the case and the liabilities that will arise if the case is lost is evaluated by the Group's legal counselor and by the management team taking into account expert opinions. The management determines the amount of the provisions based on the best estimate to calculate the legal case provisions.

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NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

v. Summary of significant accounting policies and assessment methods (continued)

- f) Discounted inventory price list is used to calculate inventory impairment. Where the sales price cannot be predicted, technical personnel's opinion and inventory waiting time is considered. If expected net realizable value is less than cost, the Company should allocate provisions for inventory impairment.
- g) Group performs impairment test for goodwill annually or if there is an indication of impairment often. Goodwill has been tested for impairment as of 31 December 2024 by comparing book value of the goodwill with recoverable amount. Recoverable amount has been determined by value in use method. Before tax free cash flows which is based on financial budgets approved by the board of directors has been used in the calculation of recoverable amount. Estimated cash flow growth after the five-year period is not provided. Data such as growth rate of the market, gross domestic income per capita and price index has been obtained from external sources. Assumptions regarding sales prices, operating capital necessities and property, plant and equipment investments has been determined using the Group's expectations and actual figures of prior periods.
- h) The Group's derivative financial instruments, comprise forward, options trading and interest rate swaps. Derivative financial instruments are initially recognized at fair value and subsequently fair value is calculated separately for each derivative financial instrument.
- i) The Group uses fair value method as an accounting policy in the recognition of investment properties. The fair values of investment properties are determined by independent valuation firms authorized by CMB. These firms and/or appraisers uses assumptions (such as real discount rates, market rents, market values, etc.) in the works they perform.
- i) The Group's property, plant and equipment and intangible assets are subject to impairment test when there are signs of impairment, in accordance with the accounting policies applied. There is an impairment risk on the assets of the Group's operating natural gas conversion plant due to the increase in natural gas costs, variable market conditions and falling profitability. Accordingly, an impairment analysis has been performed in relation with these assets in the consolidated financial statements as of the end of each year and machinery and plant valuations are made. In the scope of this analysis, the difference between estimated recoverable amount and the value of assets relative to records is considered as impairment when it is negative. If the difference is positive, the previously recorded impairment loss is canceled at this difference amount. The increased book value of an asset due to the cancellation of the impairment loss cannot exceed the book value it would have reached if the impairment loss had not been accounted for the asset in previous periods. The estimated recoverable amount calculation includes basic assumptions such as future production levels and commodity prices, and economic assumptions such as discount rate, inflation rate and exchange rate in the estimation and discounting of future cash flows. In addition, the reports of Independent Valuation Firms contain estimates and assumptions.
- j) The Group only takes into account the previous year losses that can be deducted in determining the tax base within the 5-year legal period in the calculation of deferred tax. In this context, whether the losses can be used or not is evaluated within the framework of the prepared budget and projections. The preparation of the budget and projections is based on many assumptions regarding the future, such as market conditions, weather conditions, inflation rates and foreign currency changes.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

3. BUSINESS COMBINATIONS

The business combinations realized within the accounting period of 1 January – 31 December 2024 are as follows;

Alarko Tarım Sanayi ve Ticaret Anonim Şirketi, one of the subsidiaries; acquired all 1,650 shares (100%) of Seraf Tarım ve Hayvancılık Anonim Şirketi, which operates in the agricultural sector, with a nominal value of TL 16,500 for a price of USD 500 Turkish Lira as of August 6, 2024.

Since the studies to determine the fair values of the identifiable assets and acquired liabilities related to this acquisition are ongoing, the acquisition transaction was temporarily accounted for as of December 31, 2024. According to TFRS 3 "Business Combinations", the acquisition transaction, which is temporarily accounted for, must be corrected within 12 months following the merger date. As a result of the final accounting of the acquisition transaction, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and the liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair value (TL)
Cash and cash equivalents	49
Trade receivables	31
Other current assets	96
Property, plant and equipments	15.027
Deferred taxes	623
Trade payables	(152)
Other payables	(10)
Fair value (TL)	15.664
Purchase price	16.699
Monetary gain/(loss)	1.575
Less : Fair value of net assets acquired	(15.664)
Goodwill, 31 December 2024	2.610

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

3. BUSINESS COMBINATIONS (CONTINUED)

In accordance with the decision of the Board of Directors of Alsera Jeotermal Tarım Gıda Sanayi ve Ticaret A.Ş., one of the Subsidiaries, dated September 24, 2024; it was decided to participate in the capital increase with emission premium, which will increase the capital of Camser Tarım Gıda Anonim Şirketi, which operates in the field of agriculture and greenhouse farming, from TL 3,416 to TL 7,000, to acquire 3,570 shares with a nominal value of TL 3,570, corresponding to 51% of the company's total capital, to be issued with the capital increase, for a total price of TL 30,000, including an emission premium of TL 26,430, and to sign a participation agreement and shareholders' agreement in this regard.

Since the studies to determine the fair values of the identifiable assets and acquired liabilities related to this acquisition are ongoing, the acquisition transaction was temporarily accounted for as of December 31, 2024. According to TFRS 3 "Business Combinations", the acquisition transaction, which is temporarily accounted for, must be corrected within 12 months following the merger date. As a result of the final accounting of the acquisition transaction, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and the liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair value (TL)
Cash and cash equivalents	29.384
Trade receivables	4.670
Other receivables	6.829
Inventories	4.460
Prepaid expenses	920
Other current assets	2.257
Property, plant and equipments	56.800
Intangible assets	11
Short term liabilities	(11.709)
Trade payables	(1.167)
Other payables	(17.922)
Long-term liabilities	(5.651)
Deferred tax asset	(9.418)
Fair value of net assets	59.464
Purchase price	30.000
Monetary gain/(loss)	1.881
Ownership rate	%51
Less : Fair value of net assets acquired	(30.327)
Goodwill, 31 December 2024	1.554

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

3. BUSINESS COMBINATIONS (CONTINUED)

It was announced to the public on March 26, 2024 by Alarko Tarım Sanayi ve Ticaret Anonim Şirketi, one of the subsidiaries; that Beybur Tarım ve Hayvancılık Anonim Şirketi ("Beybur Tarım"), operating in the field of agriculture, has decided to increase its capital from TL 50 to TL 300.000 and that it has decided to participate in the said capital increase, to cover the capital amount of TL 299.950 committed within this scope from Alarko Tarım's cash receivables from Beybur Tarım and to acquire 299.950.000 shares with a nominal value of TL 299.950, which will be issued with the capital increase and correspond to 99.98% of the company's total capital, by Alarko Tarım. In accordance with the new decision of Alarko Tarım Board of Directors dated April 8, 2024 regarding the acquisition of the financial fixed assets in question, it has been decided that before participating in the capital increase, 50.000 shares corresponding to 100% of Beybur Tarım's current capital of TL 50 will be acquired for TL 50; after the share transfer, Beybur Tarım will participate in the capital increase planned to increase its capital from TL 50 to TL 300.000; within this scope, the committed capital of TL 299.950 will be covered from Alarko Tarım's cash receivables from Beybur Tarım; and 299.950.000 shares with a nominal value of TL 299.950 to be issued with the capital increase will be acquired by Alarko Tarım.

Since the studies to determine the fair values of the identifiable assets and liabilities acquired in relation to this acquisition are ongoing, the acquisition transaction has been provisionally accounted for as of December 31, 2024. In accordance with TFRS 3 "Business Combinations", the acquisition transaction, which is provisionally accounted for, must be corrected within 12 months following the merger date. As a result of the final accounting of the acquisition transaction, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and the liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair value (TL)
Cash and cash equivalents	6.110
Other current assets	1.530
Property, plant and equipments	372.879
Trade payables	(20.949)
Other payables	(15.235)
Deferred tax liabilities	(1.092)
Fair value of net assets	343.243
Purchase price	300.000
Monetary gain/ (loss)	52.946
Less : Fair value of net assets acquired	(343.243)
Goodwill, 31 December 2024	9.703

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

3. BUSINESS COMBINATIONS (CONTINUED)

It was announced to the public on December 14, 2023, that a preliminary protocol was signed by Alarko Tarım Sanayi ve Ticaret Anonim Şirketi, one of the subsidiaries, for the acquisition of a company operating in the agriculture and greenhouse farming sectors. Considering the financing need of İpeks Jeotermal Enerji Tarım Sanayi Ticaret Anonim Şirketi ("İpeks Jeotermal"), which is the subject of the preliminary protocol, due to its planned greenhouse construction investment of approximately 182.000 m2; It was decided on May 27, 2024 to participate in the capital increase with emission premium, in which İpeks Jeotermal plans to increase its capital from TL 1.500 to TL 3.000, to acquire 1.470 shares with a nominal value of TL 1.470, corresponding to 49% of İpeks Jeotermal's total capital, for a total price of TL 298.470, including an emission premium of TL 297.000, to terminate the preliminary protocol and to sign a participation agreement and shareholders' agreement in this regard between Alarko Tarım Sanayi ve Ticaret A.Ş. and the current shareholder Lokman Aydemir.

Since the studies to determine the fair values of the identifiable assets and liabilities acquired in relation to this acquisition are ongoing, the acquisition transaction has been provisionally accounted for as of December 31, 2024. In accordance with TFRS 3 "Business Combinations", the acquisition transaction, which is provisionally accounted for, must be corrected within 12 months following the merger date. As a result of the final accounting of the acquisition transaction, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and the liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair value (TL)
Cash and cash equivalents	353.402
Other receivables	373
Prepaid expenses	493
Other current assets	198
Property, plant and equipments	596.616
Intangible assets	120
Trade payables	(724)
Other payables	(119.007)
Deferred tax liabilities	(144.544)
Fair value of net assets	686.927
Purchase price	298.470
Monetary gain/ (loss)	47.005
Ownership rate	49%
Less : Fair value of net assets acquired	(336.594)
Goodwill, 31 December 2024	8.881

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

3. BUSINESS COMBINATIONS (CONTINUED)

Alarko Tarım Sanayi ve Ticaret Anonim Şirketi, one of the subsidiaries, has taken over all (100%) of the 15.050.000 shares with a nominal value of TL 15.050 of Nata Tarım Üretim ve Ticaret Anonim Şirketi, whose main activity is greenhouse farming based on geothermal energy, for the Turkish Lira equivalent of USD 20.285 as of May 7, 2024.

Since the studies to determine the fair values of the identifiable assets and liabilities acquired in relation to this acquisition are ongoing, the acquisition transaction has been provisionally accounted for as of December 31, 2024. In accordance with TFRS 3 "Business Combinations", the acquisition transaction, which is provisionally accounted for, must be corrected within 12 months following the merger date. As a result of the final accounting of the acquisition transaction, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and the liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair value (TL)
Cash and cash equivalents	7.018
Trade receivables	7.311
Other receivables	116
Inventories	27.708
Prepaid expenses	33.942
Other current assets	14.389
Property, plant and equipments	584.698
Intangible fixed assets	194.539
Short term liabilities	(209)
Trade payables	(151.180)
Other payables	(2.465)
Long term liabilities	(107.018)
Deferred tax liabilities	(43.925)
Fair value of net assets	564.924
Purchase price	654.597
Monetary gain/ (loss)	115.523
Less : Fair value of net assets acquired	(564.924)
Goodwill, 31 December 2024	205.196

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(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

3. BUSINESS COMBINATIONS (CONTINUED)

It was announced to the public on January 8, 2024 that the share transfer agreement was signed by Alarko Tarım Sanayi ve Ticaret Anonim Şirketi, one of the subsidiaries, for the purchase of 600 shares with a nominal value of TL 15, corresponding to 25% of the total capital of Sanrose Tarım Sanayi Ticaret Anonim Şirketi, whose main activity is agriculture and greenhouse farming, for a price equivalent to USD 5.000 in TL, provided that the specified closing conditions are met, and that in accordance with the share transfer agreement, the share transfer price will be subject to certain adjustments on the closing date and the final transfer price will be announced when it is finalized. As a result of the adjustments made in accordance with the share transfer agreement, it was decided that the final transfer price would be determined as TL equivalent to USD 4.645, and that the TL equivalent of USD 1.500 paid as advance payment would be deducted from the final transfer price. In this regard, 600 shares with a nominal value of 15 TL, corresponding to 25% of the total capital of Sanrose Tarım Sanayi Ticaret Anonim Şirketi, were taken over as of January 15, 2024.

Since the studies to determine the fair values of the identifiable assets and liabilities acquired in relation to this acquisition are ongoing, the acquisition transaction has been provisionally accounted for as of December 31, 2024. In accordance with TFRS 3 "Business Combinations", the acquisition transaction, which is provisionally accounted for, must be corrected within 12 months following the merger date. As a result of the final accounting of the acquisition transaction, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and the liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair value (TL)
Cash and cash equivalents	1.393
Trade receivables	3.178
Other receivables	10.201
Inventories	6.653
Prepaid expenses	205
Other current assets	2.415
Property, plant and equipments	143.741
Intangible assets	12
Short term liabilities	(2.084)
Trade payables	(4.587)
Other payables	(14.364)
Long-term liabilities	(4.369)
Deferred tax asset	(13.183)
Fair value of net assets	129.211
Purchase price	139.682
Monetary gain/ (loss)	49.320
Ownership rate	25%
Less : Fair value of net assets acquired	(32.304)
Goodwill, 31 December 2024	156.698

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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3. BUSINESS COMBINATIONS (CONTINUED)

Alarko Tarım Sanayi ve Ticaret Anonim Şirketi, one of the subsidiaries; purchased all of the 17.425.000 shares (100%) of Alsera Jeotermal Tarım Gıda Sanayi ve Ticaret Anonim Şirketi, which operates in greenhouse farming based on geothermal energy, with a nominal value of TL 17.425 for TL 76.407 as of March 16, 2023. Since the studies to determine the fair values of the identifiable assets and acquired liabilities related to this acquisition are ongoing, the acquisition transaction was temporarily accounted for as of December 31, 2023. In accordance with TFRS 3 "Business Combinations", the acquisition transaction, which was temporarily accounted for, must be corrected within 12 months following the merger date. As a result of the final accounting of the acquisition transaction, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and the liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair value (TL)
Cash and cash equivalents	5
Other receivables	319
Prepaid expenses	419
Property, plant and equipments	172.866
Intangible assets	2.112
Deferred tax asset	(28.155)
Fair value of net assets	147.566
Purchase price	76.407
Monetary gain/ (loss)	85.135
Less : Fair value of net assets acquired	(147.566)
Goodwill, 31 December 2023	13.976

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3. BUSINESS COMBINATIONS (CONTINUED)

In the Board of Directors meeting of Alarko Tarım Sanayi ve Ticaret A.Ş., one of the subsidiaries, dated May 8, 2023; it was decided to participate in the capital increase with emission premium, which will increase the capital of Palmira Agro Gübre Sanayi ve Ticaret A.Ş., which operates in the field of micro granule fertilizer production and has 1.500.000 shares with a nominal value of 0,001 TL each, from 1.500 TL to 7.500 TL, to acquire 6.000.000 shares with a nominal value of 6.000 TL, corresponding to 80% of the company's total capital, to be issued with the capital increase, for a total price of 60.000 TL, including an emission premium of 54.000 TL, and to sign a participation agreement and shareholders' agreement in this regard. Due to ongoing studies to determine the fair values of identifiable assets and liabilities acquired in relation to this acquisition, the acquisition transaction has been provisionally accounted for as of December 31, 2023. In accordance with TFRS 3 "Business Combinations", the acquisition transaction, which is provisionally accounted for, must be adjusted within 12 months following the merger date. As a result of the final accounting of the acquisition, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and the liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair value (TL)
Cash and cash equivalents	5.234
Trade receivables	35.636
Inventories	17.157
Prepaid expenses	103.802
Other current assets	1.177
Property, plant and equipments	3.279
Intangible assets	21
Deferred tax asset	372
Short term liabilities	(11.460)
Trade payables	(21.448)
Other payables	(125)
Current income tax liabilities	(2.438)
Long term liabilities	(6.522)
Fair value of net assets	124.685
Purchase price	60.000
Monetary gain/ (loss)	59.173
Ownership rate	% 80
Less : Fair value of net assets acquired	(99.745)
Goodwill, 31 December 2023	19.428

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3. BUSINESS COMBINATIONS (CONTINUED)

Alarko Tarım Sanayi ve Ticaret Anonim Şirketi, one of the subsidiaries, has decided to purchase all 20 shares (100%) of Antsan Tarım Sanayi ve Ticaret Anonim Şirketi, which operates in greenhouse farming based on geothermal energy, with a nominal value of TL 1.000, for the Turkish Lira equivalent of USD 1.780, as of May 16, 2023. Since studies are ongoing to determine the fair values of the identifiable assets and liabilities acquired in relation to this acquisition, the acquisition transaction has been provisionally accounted for as of December 31, 2023. In accordance with TFRS 3 "Business Combinations", the acquisition transaction, which is provisionally accounted for, must be corrected within 12 months following the merger date. As a result of the final accounting of the acquisition, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair value (TL)
Cash and cash equivalents	16
Trade receivables	8.108
Other receivables	431
Inventories	2.737
Prepaid expenses	10.721
Other current assets	4.456
Property, plant and equipments	110.505
Short term liabilities	(6.242)
Trade payables	(68.769)
Other payables	(656)
Long-term liabilities	(37.454)
Deferred tax liabilities	(5.233)
Fair value of net assets	18.620
Purchase price	37.357
Monetary gain/ (loss)	36.842
Less : Fair value of net assets acquired	(18.620)
Goodwill, 31 December 2023	55.579

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(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

3. BUSINESS COMBINATIONS (CONTINUED)

It was announced to the public on March 3, 2023 that the subsidiary Alarko Tarım Sanayi ve Ticaret Anonim Şirketi decided to purchase 400.000 shares with a nominal value of 400 TL, corresponding to 40% of the shares of Gürlük Jeotermal Enerji Tarım Seracılık Gıda Sanayi ve Ticaret Anonim Şirketi, for a price of TL 75.468. In the meeting of the Board of Directors dated July 10, 2023, it was decided to purchase all (100%) of the shares of Gürlük Jeotermal Enerji Tarım Seracılık Gıda Sanayi ve Ticaret Anonim Şirketi for a price of TL 9.830 equivalent to Turkish Lira and to set off the advance fee of TL 75.468 previously paid for the purchase of the share with a nominal value of 400 TL, from the determined share purchase price, and the said share transfer transaction was carried out on the same date. Since the studies to determine the fair values of the identifiable assets and liabilities acquired in relation to this acquisition are ongoing, the acquisition transaction has been provisionally accounted for as of December 31, 2023. In accordance with TFRS 3 "Business Combinations", the acquisition transaction, which is provisionally accounted for, must be corrected within 12 months following the merger date. As a result of the final accounting of the acquisition transaction, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and the liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair Value (TL)
Cash and cash equivalents	13.358
Trade receivables	8.157
Other receivables	2.676
Prepaid expenses	92.160
Other current assets	6.595
Property, plant and equipments	476.749
Intangible assets	8
Trade payables	(169.464)
Other payables	(14.250)
Deferred tax liabilities	(95.738)
Fair value of net assets	320.251
Purchase price	256.416
Monetary gain/ (loss)	150.648
Less : Fair value of net assets acquired	(320.251)
Goodwill, 31 December 2023	86.813

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

3. BUSINESS COMBINATIONS (CONTINUED)

It was announced to the public on July 14, 2023 that a preliminary protocol was signed between the subsidiaries Alarko Tarım Sanayi ve Ticaret Anonim Şirketi and Halil Pekdemir Çiftliği Gıda ve İhtiyaç Maddeleri Ticaret ve Sanayi Limited Şirketi for the transfer of the shares of the new company to be established through the partial division of Halil Pekdemir Çiftliği Gıda ve İhtiyaç Maddeleri Ticaret ve Sanayi Limited Şirketi ("Pekdemir") to Alarko Tarım Sanayi ve Ticaret A.Ş. The Share Transfer Agreement regarding the purchase of all (100%) of the shares of Alden Jeotermal Tarım Gıda Sanayi ve Ticaret Anonim Şirketi established through the partial division of Pekdemir for a price of 12.270 US Dollars equivalent in Turkish Lira and the deduction of the previously paid advance price of 2.000 US Dollars equivalent in Turkish Lira from the determined share purchase price was signed on August 4, 2023 and the said share transfer transaction was carried out on the same date. Since the studies to determine the fair values of the identifiable assets and liabilities acquired in relation to this acquisition are ongoing, the acquisition transaction has been provisionally accounted for as of December 31, 2023. In accordance with TFRS 3 "Business Combinations", the acquisition transaction, which is provisionally accounted for, must be corrected within 12 months following the merger date. As a result of the final accounting of the acquisition transaction, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and the liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair value (TL)
Cash and cash equivalents	123
Trade receivables	2.214
Other receivables	79
Inventories	25.371
Prepaid expenses	92.995
Other current assets	1.660
Property, plant and equipments	475.611
Trade payables	(119.957)
Other payables	(3.198)
Deferred tax liabilities	(110.390)
Fair value of net assets	364.508
Purchase price	331.551
Monetary gain/ (loss)	194.791
Less : Fair value of net assets acquired	(364.508)
Goodwill, 31 December 2023	161.834

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

3. BUSINESS COMBINATIONS (CONTINUED)

Alarko Tarım Sanayi ve Ticaret Anonim Şirketi, one of the subsidiaries, acquired all (100%) of the 62.124.000 shares with a nominal value of TL 62.124 of Ereğli Agrosan Doğal Ürünler ve Türevleri Tarım Üretim ve Ticaret Anonim Şirketi, whose main activity is the production of dried powder and piece fruit and vegetable, for a consideration of TL 36.401 as of August 31, 2023. Since the studies to determine the fair values of the identifiable assets and liabilities acquired in relation to this acquisition are ongoing, the acquisition transaction has been accounted for provisionally as of December 31, 2023. In accordance with TFRS 3 "Business Combinations", the acquisition transaction accounted for provisionally must be adjusted within 12 months following the merger date. As a result of the final accounting of the acquisition transaction, it is possible that there will be adjustments in the recorded fair values of the identifiable assets purchased and the liabilities transferred, and accordingly in the recorded amount of goodwill. As of December 18, 2023, the company name of Ereğli Agrosan Doğal Ürünler ve Türevleri Tarım Üretim ve Ticaret A.Ş. has been registered as Alarko Gıda Sanayi ve Ticaret A.Ş.

	Fair value (TL)
Cash and cash equivalents	1.021
Trade receivables	5.647
Other receivables	60
Prepaid expenses	19.921
Other current assets	9.406
Property, plant and equipments	97.843
Intangible assets	454
Short term liabilities	(3.307)
Trade payables	(58.305)
Other payables	(1.374)
Long term liabilities	(3.781)
Deferred tax liabilities	(11.030)
Fair value of net assets	56.555
Purchase price	36.401
Monetary gain/ (loss)	21.390
Less : Fair value of net assets acquired	(56.555)
Goodwill, 31 December 2023	1.236

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(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

3. BUSINESS COMBINATIONS (CONTINUED)

Alarko Tarım Sanayi ve Ticaret A.Ş., one of the subsidiaries, acquired all 50.000.000 shares (100%) of Altes Seracılık Tarım Gıda Sanayi ve Ticaret Anonim Şirketi, whose main activity is greenhouse farming, with a nominal value of 50.000 TL for a consideration of 50.000 TL as of October 12, 2023. Since the studies to determine the fair values of the identifiable assets and liabilities acquired in relation to this acquisition are ongoing, the acquisition transaction was accounted for temporarily as of December 31, 2023. In accordance with TFRS 3 "Business Combinations", the acquisition transaction, which was accounted for temporarily, must be corrected within 12 months following the merger date. As a result of the final accounting of the acquisition transaction, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and the liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair value (TL)
Cash and cash equivalents	619
Trade receivables	5.751
Other receivables	1.778
Inventories	55
Prepaid expenses	107.068
Other current assets	10.916
Property, plant and equipments	154.878
Deferred tax assets	34.915
Trade payables	(334.454)
Other payables	(842)
Fair value of net assets	(19.316)
Purchase price	50.000
Monetary gain/ (loss)	26.740
Less : Fair value of net assets acquired	19.316
Goodwill, 31 December 2023	96.056

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

3. BUSINESS COMBINATIONS (CONTINUED)

Alarko Tarım Sanayi ve Ticaret Anonim Şirketi, one of the subsidiaries; acquired all 77.711.864 shares (100%) of Alziraat Jeotermal Tarım Gıda Sanayi ve Ticaret Anonim Şirketi, whose main activity is agriculture and greenhouse farming, with a nominal value of TL 777 for TL 69.416 as of October 13, 2023. Since the studies to determine the fair values of the identifiable assets and liabilities acquired in relation to this acquisition are ongoing, the acquisition transaction was accounted for temporarily as of December 31, 2023. In accordance with TFRS 3 "Business Combinations", the acquisition transaction, which was accounted for temporarily, must be corrected within 12 months following the merger date. As a result of the final accounting of the acquisition transaction, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and the liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair value (TL)
Cash and cash equivalents	47
Prepaid expenses	1.535
Other current assets	1.714
Property, plant and equipments	125.383
Trade payables	(73.722)
Other payables	(1)
Deferred tax liabilities	(11.397)
Fair value of net assets	43.559
Purchase price	69.416
Monetary gain/ (loss)	37.126
Less : Fair value of net assets acquired	(43.559)
Goodwill, 31 December 2023	62.983

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

3. BUSINESS COMBINATIONS (CONTINUED)

It was announced to the public on September 13, 2023 that the share transfer agreement was signed by the subsidiary Alarko Tarım Sanayi ve Ticaret Anonim Şirketi, which provides for the purchase of 80.000 shares with a nominal value of TL 80, corresponding to 80% of the total capital of Genseed Tohum Islah ve Üretim Anonim Şirketi, for a price equivalent to USD 3.720, provided that the specified closing conditions are met. According to the share transfer agreement, the share transfer price will be subject to certain adjustments on the closing date and the final transfer price will be announced when it is finalized.

As a result of the negotiations and corrections made between the parties, it was decided that the final transfer price would be determined as the equivalent of 4.278 US Dollars in TL and that the amount of 1.000 US Dollars in TL paid as advance would be offset from the final transfer price. Accordingly, 80.000 shares with a nominal value of 80 TL, corresponding to 80% of the total capital of Genseed Tohum Islah ve Üretim A.Ş., were taken over as of October 27, 2023.

Since the studies to determine the fair values of the identifiable assets and liabilities acquired in relation to this acquisition are ongoing, the acquisition transaction has been provisionally accounted for as of December 31, 2023. In accordance with TFRS 3 "Business Combinations", the acquisition transaction, which is provisionally accounted for, must be corrected within 12 months following the merger date. As a result of the final accounting of the acquisition transaction, it is possible that there will be adjustments in the recorded fair values of the identifiable assets acquired and the liabilities acquired, and accordingly, in the recorded amount of goodwill.

	Fair value (TL)
Cash and cash equivalents	256
Other receivables	123
Inventories	676
Other current assets	1.168
Property, plant and equipments	144.865
Trade payables	(31.458)
Other payables	(407)
Long term liabilities	(21.296)
Deferred tax liabilities	(1.075)
Fair value of net assets	92.852
Purchase price	120.213
Monetary gain/ (loss)	64.291
Ownership rate	80%
Less : Fair value of net assets acquired	(74.283)
Goodwill, 31 December 2023	110.221

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

4. SEGMENT REPORTING

The Group, its subsidiaries, joint ventures and affiliates include companies operating in the fields of contracting, construction, land development, industry, trade, agriculture, tourism, energy, aviation and information technologies. Alyat Teknoloji Yatırımları Holding A.Ş., Alser Alarko Sermaye Yatırımları Holding A.Ş. and Alarko Dijital Teknoloji Çözümleri A.Ş., Sanayi ve Ticaret are included in the Holding section, and Alarko Havacılık Endüstri Yatırımları A.Ş and Alfor Aviation and Technical Services Ltd. are included in the Industry and Trade section. These areas of activity are taken as basis when preparing reports by section.

As of 31 December 2024, segment reporting is as follows (TL):

Assets	Holding	Tourism	Industry and merchandising	Energy	Contracting and land development	Agriculture	Elimination and classification	Total
Current assets								
Cash and cash equivalents	48.987	424.089	206.314	1.990.003	2.863.452	3.203.629	-	8.736.474
Financial investments	1.822.199	212.671	-	1.887.315	857.695	-	-	4.779.880
Trade receivables	124.197	14.205	4.003	11.226	5.667.104	3.381.931	(7.324.334)	1.878.332
Other receivables	25.383	12	6	4.222.512	246.208	57.135	(4.479.608)	71.648
Assets arising from customer contracts	-	-	-	-	24.647	-	-	24.647
Inventories	16.524	21.845	9.194	39.024	441.404	901.864	(16.014)	1.413.841
Prepaid expenses	1.928	50.943	2.027	4.953	507.828	595.198	-	1.162.877
Current income tax assets	905	8.204	2.360	21.790	67.811	5.453	-	106.523
Other current assets	167.173	42.330	8.900	260.566	234.426	542.960	-	1.256.355
Non-current assets held for sale	-	176	-	-	8.865	358	(165)	9.234
Non-current assets								
Financial investments	12.645.572	505	370.325	4.477.644	3.793.001	4.857.832	(22.116.183)	4.028.696
Trade receivables	-	-	-	-	165	-	-	165
Other receivables	548	986	-	23	187.990	2.530	-	192.077
Investments accounted for by equity method	4.954.047	-	1.080.173	41.153.248	4.229.263	534.478	(8.898.487)	43.052.722
Investment properties	843.430	-	9.752	1.222.481	16.332.258	-	(12.335.077)	6.072.844
Property, plant and equipment	20.235	798.731	192.173	2.000.842	796.071	6.086.382	4.952.587	14.847.021
Right of use assets	9.455	2.310.004	4.261	68.327	85.470	13.019	(1.632.057)	858.479
Intangible assets	2.861	6.017	-	539.100	68.043	106.147	755.282	1.477.450
Prepaid expenses	96	2.206	-	100	179.906	1.339.676	-	1.521.984
Deferred tax asset	44.831	-	12.046	353.068	1.832.835	171.376	(89.856)	2.324.300
Other non-current assets	-	575	-	-	120.930	-	-	121.505
Total assets	20.728.371	3.893.499	1.901.534	58.252.222	38.545.372	21.799.968	(51.183.912)	93.937.054

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(Amounts are expressed in thousands of TL, based on the purchasing power of one thousand Turkish Lira ("TL") as of December 31, 2024, unless otherwise stated. Currencies other than TL are expressed in thousands unless otherwise stated.)

4. SEGMENT REPORTING (CONTINUED)

As of 31 December 2024, segment reporting is as follows (TL) :

Liabilities	Holding	Tourism	Industry and merchandising	Energy	Contracting and land development	Agriculture	Elimination and classification	Total
Current liabilities								
Short-term financial liabilities	6.335	2.275	1.919	10.117	3.713.544	3.701.439	-	7.435.629
Short-term portion of long-term financial liabilities	-	-	-	-	470.246	-	-	470.246
Trade payables	24.538	342.896	14.940	907.955	5.005.005	7.344.810	(11.094.359)	2.545.785
Payables related to employee benefits	10.919	15.947	483	2.389	31.132	41.745	-	102.615
Other payables	586.992	4.755	30	6.746.448	359.636	175.487	(710.453)	7.162.895
Liabilities arising from customer contracts	-	5.855	-	-	441.560	-	-	447.415
Deferred income (Except for obligations arising from customer contracts)	-	80.434	452	-	313.662	4.310	-	398.858
Current income tax liabilities	-	-	36	22.962	337.022	17.774	-	377.794
Short-term provisions	-	-	-	37.699	44.680	250	-	82.629
Other current liabilities	3.133.456	-	867	861.844	-	375.239	(4.361.907)	9.499
Non-current liabilities								
Long-term financial liabilities	2.177	2.344.002	2.123	30.253	1.891.467	5.752.678	(2.299.795)	7.722.905
Other payables	-	-	-	-	649.512	-	74.752	724.264
Liabilities arising from customer contracts	-	582	-	-	-	-	-	582
Investments accounted for by equity method liabilities	-	-	-	-	28.900	-	-	28.900
Deferred income (excluding obligations arising from customer contracts)	-	-	-	-	313.342	-	-	313.342
Long-term provisions	23.304	62.638	47	7.919	36.553	11.852	-	142.313
Deferred tax liabilities	164.152	18.885	-	129.686	2.978.523	29.638	(2.052.081)	1.268.803
Equity								
Paid-in share capital	2.595.000	21.500	683.061	578.975	4.341.070	2.383.568	(10.168.174)	435.000
Inflation adjustment on capital	6.661.974	178.267.171	99.189	2.724.194	3.029.396	1.563.820	(8.589.164)	5.736.580
Capital advance	-	-	-	-	-	224	(224)	-
Repurchased shares (-)	1.110.561	-	-	-	(164.494)	-	133.625	1.141.430
Cross shareholding adjustment	-	-	-	-	-	-	(1.536)	1.536
Premiums/discounts on shares	-	-	-	-	-	80.430	(80.430)	-
The effect of mergers involving undertakings or businesses under common control	-	-	-	-	-	-	(425.944)	(425.944)
Share-based payment	-	-	-	-	-	-	(53.394)	(53.394)
Gain / (loss) on remeasurement of defined benefit plans	(5.193)	(21.461)	(29.613)	(23.131)	(11.851)	(3.459)	759	(93.949)
Foreign currency translation differences	-	-	20.670	-	3.423.444	98	(139.692)	3.304.520
Gains / (losses) from financial assets at fair value through other comprehensive income	5.124.951	-	1.377	-	1.684.201	-	(6.810.529)	-
Restricted reserves	1.526.215	69.101	6.337	593.832	521.644	8.475	(1.201.134)	1.524.470
Dividend advances paid (-)	-	-	-	(3.508.685)	-	-	3.508.685	-
Retained earnings or accumulated losses	552.228	207.749	978.576	39.380.722	9.029.740	536.543	(1.662.608)	49.022.950
Net profit or loss for the period	1.451.884	471.170	121.040	9.749.043	77.438	(224.953)	(9.888.352)	1.757.270
Non-controlling interest	-	-	-	-	-	-	4.638.043	4.638.043
Total liabilities	20.728.371	3.893.499	1.901.534	58.252.222	38.545.372	21.799.968	(51.183.912)	93.937.054

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4. SEGMENT REPORTING (CONTINUED)

As of 31 December 2024, segment reporting is as follows (TL) :

	Holding	Tourism	Industry and merchandising	Energy	Contracting and land development	Agriculture	Elimination and classification	Total
Revenue (Outside the Group) (net)	215.564	1.924.077	10.343	430.599	4.017.608	1.013.566	(13.482)	7.598.275
Revenue (Within the Group)	353.990	-	-	6.803	532.435	48.687	(941.915)	-
Cost of sales (Outside the Group) (-)	(181.859)	(1.116.217)	(10.213)	(359.048)	(4.526.729)	(1.006.665)	(73.191)	(7.273.922)
Cost of sales (Within the Group) (-)	(372.286)	(237.038)	(7)	(7.716)	(93.229)	(47.437)	757.713	-
Gross profit / (loss)	15.409	570.822	123	70.638	(69.915)	8.151	(270.875)	324.353
General administrative expenses (-)	(273.596)	(332.517)	(27.607)	(105.965)	(652.286)	(390.260)	(77.390)	(1.859.621)
Marketing expenses (-)	-	(131.995)	(5.007)	-	-	(76.129)	5.487	(207.644)
Research and development expenses (-)	-	-	-	-	-	(24.732)	-	(24.732)
Other income from operating activities	246.816	111.527	20.027	924.984	1.022.148	448.077	(87.597)	2.685.982
Other expense from operating activities (-)	(25.094)	(50.598)	(3.461)	(120.545)	(599.378)	(449.053)	206.514	(1.041.615)
Operating profit / (loss)	(36.465)	167.239	(15.925)	769.112	(299.431)	(483.946)	(223.861)	(123.277)
Income from investing activities	2.238.508	6.189	3.523	6.167.058	1.980.788	167.851	(6.747.940)	3.815.977
Expenses from investing activities (-)	-	(4.396)	-	(140)	(40.909)	(665)	120	(45.990)
Share of profits/ (losses) of investments accounted by equity method	-	-	173.549	4.300.566	239.047	(27.758)	(1.796.566)	2.888.838
Operating profit/ (loss) before financial income / (expense)	2.202.043	169.032	161.147	11.236.596	1.879.495	(344.518)	(8.768.247)	6.535.548
Financial income	38.054	180.886	7.207	2.638.330	126.271	1.090.016	(3.158.519)	922.245
Financial expenses (-)	(1.112.490)	(454.215)	(10.089)	(3.128.835)	(853.336)	(2.915.342)	4.952.176	(3,522.131)
Monetary (loss)/gain (Net)	227.583	768.115	(46.080)	(587.822)	(818.805)	1.919.595	(2,677.465)	(1,214.879)
Profit / (loss) before tax from continued operations	1,355,190	663,818	112,185	10,158,269	333,625	(250,249)	(9,652,055)	2,720,783
Tax (expense) / income for the period	-	(57.609)	-	(86.664)	(337.302)	(18.119)	15.235	(484.459)
Deferred tax (expense) / income	96.694	(135.039)	8.855	(322.562)	81.115	43.415	83.722	(143.800)
Tax (expense) / income from continued operations	96,694	(192,648)	8,855	(409,226)	(256,187)	25,296	98,957	(628,259)
Net profit / (loss) from continued operations	1.451.884	471.170	121.040	9.749.043	77.438	(224.953)	(9,553.098)	2.092.524
Net income / (loss) for the period	1.451.884	471.170	121.040	9.749.043	77.438	(224.953)	(9,553.098)	2.092.524
Other comprehensive income not to be reclassified to profit or loss								
Gain / (loss) on remeasurement of defined benefit plans	(888)	18.315	-	(850)	8.886	(4,612)	-	20.851
Share of other comprehensive income of investments accounted by equity method not to be reclassified to profit or loss	-	-	2.305	(3,062)	(11)	(180)	-	(948)
Deferred tax income for other comprehensive income not to be reclassified to profit or loss	286	(4,356)	(576)	1,021	(1,871)	1,198	-	(4,298)
Other comprehensive income to be reclassified to profit or loss								
Foreign currency translation differences	-	-	-	-	824.907	97	-	825.004
Other comprehensive income/(expense) for financial assets at fair value difference is through other comprehensive income	-	-	-	-	5.952	-	-	5.952
Share of other comprehensive income of investments accounted by equity method to be reclassified to profit or loss	-	-	-	-	(396.573)	-	-	(396.573)
Total comprehensive income/ (expense)	1.451.282	485.129	122.769	9.746.152	518.728	(228.450)	(9,553.098)	2.542.512
Distribution of profit / (loss) for the period	-	-	-	-	-	-	335.254	335.254
Non-controlling interest	-	-	-	-	-	-	-	-
Parent company shares	1.451.884	471.170	121.040	9.749.043	77.438	(224.953)	(9,888.352)	1.757.270
Distribution of total comprehensive income/ (expense)	-	-	-	-	-	-	341.128	341.128
Non-controlling interest	-	-	-	-	-	-	-	-
Parent company shares	1.451.282	485.129	122.769	9.746.152	518.728	(228.450)	(9,894.226)	2.201.384

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4. SEGMENT REPORTING (CONTINUED)

As of 31 December 2023, segment reporting is as follows (TL) :

Assets	Holding	Tourism	Industry and merchandising	Energy	Contracting and land development	Agriculture	Elimination and classification	Total
Current assets								
Cash and cash equivalents	175.008	822.832	130.596	2.572.789	903.250	122.294	-	4.726.769
Financial investments	1.747.914	142.941	-	5.926.189	1.499.522	-	-	9.316.566
Trade receivables	89.621	11.296	382	348.665	10.172.098	1.591.908	(7.985.338)	4.228.632
Other receivables	34.443	12	-	3.003.412	344.717	12.525	(3.366.164)	28.945
Assets arising from customer contracts	-	175	-	-	529.613	-	-	529.788
Inventories	128	21.053	2.628	38.827	1.349.831	183.318	(1.757)	1.594.028
Prepaid expenses	6.618	28.045	23	6.201	884.359	259.820	-	1.185.066
Current income tax assets	25.901	1.751	-	30	86.200	2.080	-	115.962
Other current assets	67.376	57.953	1.529	127.768	546.186	125.761	-	926.573
Non-current assets held for sale	-	176	-	-	39.739	-	(17.383)	22.532
Non-current assets								
Financial investments	11.088.068	696	13.196	3.044.269	4.532.477	3.333.747	(19.477.328)	2.535.125
Trade receivables	-	-	-	-	212	-	-	212
Other receivables	164	1.004	-	14	135.223	3.394	-	139.799
Investments accounted for by equity method	6.943.103	-	904.895	39.074.427	4.747.469	-	(10.359.443)	41.310.451
Investment properties	793.809	-	9.356	352.667	14.249.718	-	(11.221.252)	4.184.298
Property, plant and equipment	21.089	663.203	-	2.232.963	1.006.659	2.055.334	3.522.701	9.501.949
Right of use assets	10.614	2.344.994	-	54.132	89.358	18.800	(1.666.522)	851.376
Intangible assets	1.024	5.022	-	553.392	114.331	42.356	649.796	1.365.921
Prepaid expenses	377	3.453	-	105	40.662	770.584	-	815.181
Deferred tax asset	18.385	117.177	4.481	544.634	1.454.863	98.549	(100.463)	2.137.626
Other non-current assets	-	807	-	-	184.039	-	-	184.846
Total assets	21.023.642	4.222.590	1.067.086	57.880.484	42.910.526	8.620.470	(50.023.153)	85.701.645

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4. SEGMENT REPORTING (CONTINUED)

As of 31 December 2023, segment reporting is as follows (TL) :

Liabilities	Holding	Tourism	Industry and merchandising	Energy	Contracting and land development	Agriculture	Elimination and classification	Total
Current liabilities								
Short-term financial liabilities	6.566	1.992	-	7.570	4.440.409	2.701.259	-	7.157.796
Short-term portion of long-term financial liabilities	-	-	-	-	228.658	-	-	228.658
Trade payables	14.163	460.643	1.566	33.387	8.487.649	2.011.033	(8.201.591)	2.806.850
Payables related to employee benefits	9.015	19.761	258	3.889	62.461	26.410	-	121.794
Other payables	2.562.563	2.628	27	6.240.655	695.360	80.119	(3.150.533)	6.430.819
Liabilities arising from customer contracts	-	16.712	-	-	1.107.952	-	-	1.124.664
Derivative instruments	-	-	-	7.657	-	-	-	7.657
Deferred income (Except for obligations arising from customer contracts)	-	105.796	36	-	751.495	2.823	-	860.150
Current income tax liabilities	329	-	3.196	113.549	86.006	1.217	-	204.297
Short-term provisions	-	-	-	40.807	24.588	-	-	65.395
Other current liabilities	1.227.222	129	-	5.156.274	3.558	145.427	(6.532.602)	8
Non-current liabilities								
Long-term financial liabilities	982	2.836.399	-	26.481	708.701	57.016	(2.804.080)	825.499
Other payables	-	-	-	-	845.951	-	-	845.951
Liabilities arising from customer contracts	-	604	-	-	206.467	-	-	207.071
Investments accounted for by equity method liabilities	-	-	-	-	40.275	-	-	40.275
Deferred income (Except for obligations arising from customer contracts)	-	-	-	-	492.791	-	-	492.791
Long-term provisions	13.830	71.490	-	6.021	78.799	480	-	170.620
Deferred tax liabilities	235.072	-	1.290	5.382	208.735	1.538	208.697	660.714
Equity								
Paid-in share capital	1.199.009	21.500	19.721	578.975	402.262	1.582.694	(3.369.161)	435.000
Inflation adjustment on capital	6.559.519	267.170	98.254	2.729.829	4.535.355	1.288.893	(9.742.440)	5.736.580
Capital advance	-	-	-	-	-	56.538	(56.538)	-
Repurchased shares (-)	(784.574)	-	-	-	(164.922)	-	80.486	(869.010)
Cross shareholding adjustment	-	-	-	-	-	-	(1.536)	(1.536)
Premium/discounts on shares	-	-	-	-	-	111.461	(111.461)	-
Gain / (loss) on remeasurement of defined benefit plans	(4.592)	(35.419)	(31.342)	(20.227)	(18.854)	-	569	(109.865)
Foreign currency translation differences	-	-	-	-	3.072.024	-	(192.686)	2.879.338
Gains / (losses) from financial assets at fair value through other comprehensive income	7.411.275	-	1.964	7	2.427.239	-	(9.846.442)	(5.957)
Restricted reserves	555.422	14.730	18	236.761	136.944	1.335	198.245	1.143.455
Dividend advances paid (-)	(1.006.669)	-	-	(1.361.024)	-	-	1.376.270	(991.423)
Retained earnings or accumulated losses	128.515	65.332	1.158.102	33.732.425	12.624.487	174.111	(6.471.253)	41.411.719
Net profit or loss for the period	2.895.995	373.123	(186.004)	10.342.066	1.426.136	378.116	(5.663.874)	9.565.558
Non-controlling interest	-	-	-	-	-	-	4.256.777	4.256.777
Total liabilities	21.023.642	4.222.590	1.067.086	57.880.484	42.910.526	8.620.470	(50.023.153)	85.701.645

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4. SEGMENT REPORTING (CONTINUED)

As of 31 December 2023, segment reporting is as follows (TL) :

	Holding	Tourism	Industry and merchandising	Energy	Contracting and land development	Agriculture	Elimination and classification	Total
Revenue (Outside the Group) (net)	146.044	1.958.268	302.644	713.754	8.526.658	398.130	(67.506)	11.977.992
Revenue (Within the Group)	233.832	-	-	10.218	521.196	71.057	(836.303)	-
Cost of sales (Outside the Group) (-)	(121.324)	(956.492)	(191.843)	(455.489)	(8.959.002)	(291.271)	(9.038)	(10.984.459)
Cost of sales (Within the Group) (-)	(251.184)	(313.953)	(2.328)	(12.065)	(157.454)	(73.552)	810.536	-
Gross profit / (loss)	7.368	687.823	108.473	256.418	(68.602)	104.364	(102.311)	993.533
General administrative expenses (-)	(121.296)	(264.261)	(19.022)	(87.796)	(770.038)	(163.698)	27.898	(1.398.213)
Marketing expenses (-)	-	(103.729)	(3.378)	-	-	(15.512)	838	(121.781)
Research and development expenses (-)	-	-	-	-	-	(422)	79	(343)
Other income from operating activities	896.014	223.528	83.075	2.809.127	1.606.080	88.002	(63.463)	5.642.363
Other expenses from operating activities (-)	(26.033)	(157.806)	(30.539)	(134.879)	(655.780)	(130.754)	74.142	(1.061.649)
Operating profit / (loss)	756.053	385.555	138.609	2.842.870	111.660	(118.020)	(62.817)	4.053.910
Income from investing activities	2.713.098	167.984	5.831	1.982.197	2.083.869	204.220	(4.538.752)	2.618.447
Expenses from investing activities (-)	-	(155)	(7)	(6)	(87.598)	(1.640)	2.922	(86.484)
Share of profits/ (losses) of investments accounted by equity method	-	-	(249.652)	8.621.963	502.110	-	(718.160)	8.156.261
Operating profit/ (loss) before financial income / (expense)	3.469.151	553.384	(105.219)	13.447.024	2.610.041	84.560	(5.316.807)	14.742.134
Financial incomes	92.119	74.395	8.137	1.016.685	130.601	246.918	(1.036.610)	532.245
Financial expenses (-)	(656.460)	(1.114.603)	(5.538)	(1.459.832)	(981.234)	(585.139)	2.845.206	(1.957.600)
Monetary (loss)/gain (Net)	135.475	966.097	(57.653)	(2.267.177)	(1.058.312)	539.517	(1.729.401)	(3.471.454)
Profit / (loss) before tax from continued operations	3.040.285	479.273	(160.273)	10.736.700	701.096	285.856	(5.237.612)	9.845.325
Tax (expense) / income for the period	(73.857)	(69.363)	(29.685)	(466.446)	(80.496)	(2.140)	1.486	(720.501)
Deferred tax (expense) / income	(70.433)	(36.787)	3.954	71.812	805.536	94.400	(20.968)	847.514
Tax (expense) / income from continued operations	(144.290)	(106.150)	(25.731)	(394.634)	725.040	92.260	(19.482)	127.013
Net profit / (loss) from continued operations	2.895.995	373.123	(186.004)	10.342.066	1.426.136	378.116	(5.257.094)	9.972.338
Net income / (loss) for the period	2.895.995	373.123	(186.004)	10.342.066	1.426.136	378.116	(5.257.094)	9.972.338
Other comprehensive income not to be reclassified to profit or loss								
Gain / (loss) on remeasurement of defined benefit plans	1.069	(22.409)	2	2.029	11.311	-	-	(7.998)
Share of other comprehensive income of investments accounted by equity method not to be reclassified to profit or loss	-	-	18.441	37.315	5	-	-	55.761
Deferred tax income for other comprehensive income not to be reclassified to profit or loss	(131)	6.071	(3.453)	(8.576)	(2.025)	-	-	(8.114)
Other comprehensive income to be reclassified to profit or loss								
Foreign currency translation differences	-	-	-	-	(114.554)	-	-	(114.554)
Other comprehensive income/(expense) for financial assets at fair value difference is through other comprehensive income	-	-	-	-	(424)	-	-	(424)
Share of other comprehensive income of investments accounted by equity method to be reclassified to profit or loss	-	-	-	-	985.977	-	-	985.977
Total comprehensive income/ (expense)	2.896.933	356.785	(171.014)	10.372.834	2.306.426	378.116	(5.257.094)	10.882.986
Distribution of profit / (loss) for the period								
Non-controlling interest	-	-	-	-	-	-	406.780	406.780
Parent company shares	2.895.995	373.123	(186.004)	10.342.066	1.426.136	378.116	(5.663.874)	9.565.558
Distribution of total comprehensive income/ (expense)								
Non-controlling interest	-	-	-	-	-	-	463.247	463.247
Parent company shares	2.896.933	356.785	(171.014)	10.372.834	2.306.426	378.116	(5.720.341)	10.419.739

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4. SEGMENT REPORTING (CONTINUED)

Distribution of depreciation and retirement pay liability expenses stated by segment in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024 is as follows (TL):

	Holding	Tourism	Industry and merchandising	Energy	Contracting and land development	Agriculture	Elimination	Total
Right of use assets (Note 20, 29)	10.518	56.803	655	4.819	47.173	2.329	(52.066)	70.231
Property, plant and equipment (Note 18, 29)	6.736	75.290	615	241.887	126.183	158.435	-	609.146
Intangible assets (Note 19, 29)	404	1.874	-	14.225	23.297	28.227	-	68.027
Current period depreciation expenses	17.658	133.967	1.270	260.931	196.653	188.991	(52.066)	747.404
Provision no longer required for termination indemnity (Note 30)	(399)	(10.501)	-	(790)	(21.295)	-	-	(32.985)
Current period termination indemnity expense	7.405	37.557	47	3.155	26.442	6.656	-	81.262
Total termination indemnity expense for the period	7.006	27.056	47	2.365	5.147	6.656	-	48.277

Distribution of depreciation and retirement pay liability expenses stated by segment in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023 is as follows (TL):

	Holding	Tourism	Industry and merchandising	Energy	Contracting and land development	Agriculture	Elimination	Total
Right of use assets (Note 20, 29)	6.946	55.903	-	2.994	45.569	1.386	(53.994)	58.804
Property, plant and equipment (Note 18, 29)	5.203	64.397	-	245.359	140.193	65.665	-	520.817
Intangible assets (Note 19, 29)	271	2.040	-	14.260	3.603	2.934	-	23.108
Current period depreciation expenses	12.420	122.340	-	262.613	189.365	69.985	(53.994)	602.729
Provision no longer required for termination indemnity (Note 30)	(4.039)	(25.221)	(15)	(2.183)	(28.433)	-	-	(59.891)
Current period termination indemnity expense	5.654	37.126	2	4.296	35.553	31	-	82.662
Total termination indemnity expense for the period	1.615	11.905	(13)	2.113	7.120	-	-	22.771

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5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following (TL) :

	31 December 2024	31 December 2023
Cash	1.324	278
Checks Received	106.210	22.460
Banks	5.004.458	4.391.330
- TL demand deposits	9.170	9.545
- foreign currency demand deposits	2.951.959	100.688
- TL time deposit	1.466.085	1.510.745
- foreign currency time deposit	577.244	2.770.352
Liquid assets	3.624.482	312.701
Total	8.736.474	4.726.769

As of 31 December 2024, the interest rates applied to time deposits are %29,00– %50,25 for TL deposits (31 December 2023 - %19,00 – %45,00); %1,00 for Euro deposits (31 December 2023 – 2,25%-3,00%); 1,12% – 1,50% for deposits denominated in US dollars (31 December 2023 -3,00%– 4,75%) no deposits GBP (31 December 2023 –2,00%–2,75%.); for RON deposits 18,50% (31 December 2023 ,12,75%)

TL 1.240 consists of blocked deposit loans and has been classified to demand account since it is shorter than 3 months (31 December 2023: TL 1.130).

6. FINANCIAL INVESTMENTS

Short term financial investments consist of the following (TL) :

	31 December 2024	31 December 2023
Financial assets at fair value through profit / (loss)		
-Investment funds (*)	1.642.039	1.200.550
Value increase in marketable securities (Note 31)	854.609	421.404
- Public sector notes, promissory notes and bonds (*)	1.580.203	865.468
- Currency protected deposit account	430.720	2.680.055
- Foreign currency government debt securities (**)	212.671	3.434.942
-Investment debt securities (***)	59.638	-
Financial assets at amortized cost		
- Public sector notes, promissory notes and bonds (*)	-	714.147
Total	4.779.880	9.316.566

(*) As of the 31 December 2024 public sector notes, promissory notes and bonds interest rate varies between 4,81%-9,97% (31 December 2023 -3,18%, 4,75%, 2,38% and 2,88%)

(**) As of the 31 December 2024 foreign currency government debt securities interest rate varies between 4,48%-4,92%. (31 December 2023 3,74%)

(***) It is a repo in foreign currency.

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6. FINANCIAL INVESTMENTS (CONTINUED)

Long term financial assets consist of the following (TL):

	31 December 2024		31 December 2023	
	Participaton rate %	Participation amount	Participation rate %	Participation amount
Financial assets at fair value through other comprehensive income				
-TSKB A.Ş.	-	-	< % 1	4.383
Financial assets at fair value through profit / (loss)				
- Public sector notes, promissory notes and bonds (*)		2.624.887		1.671.132
-Investments in foreign companies		1.403.809		859.610
Total		4.028.696		2.535.125

(*) As of the 31 December 2024 public sector notes, promissory notes and bonds interest rate varies between 4,18% and 9,97%. (31 December 2023 - 3,18%, 4,75%, 2,38% and 2,88%)

7. FINANCIAL LIABILITIES

Short-term financial liabilities consist of the following (TL) :

	31 December 2024	31 December 2023
Short term financial liabilities	7.405.169	7.129.389
Shot term lease obligations	30.460	28.407
Short term parts of long term borrowings	470.246	228.658
Total	7.905.875	7.386.454

Long-term financial liabilities are as follows (TL) :

	31 December 2024	31 December 2023
Long-term borrowings	7.634.111	745.021
Long-term lease obligations	88.794	80.478
Total	7.722.905	825.499

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7. FINANCIAL LIABILITIES (CONTINUED)

As of 31 December 2024 and 2023, the maturities and interest rates of short term bank loans are as follows:

31 December 2024						
	Maturity date	Effective interest rate	Currency	Original amount of foreign currency	Foreign exchange rate	TL Amount
Bank loans	1.01.2025-31.12.2025	%2,25-%36	TL	299.650	-	299.650
Bank loans	17.03.2025-29.09.2025	%6,50	Usd	24.777	35,3438	875.713
Bank loans	10.01.2025-31.12.2025	%4,97-%7,85	Eur	182.055	36,8024	6.700.052
Leases	1.01.2025-31.12.2025	%14,59-%63,10	TL	26.997	-	26.997
Leases	1.01.2025-31.12.2025	%4,00	Ron	466	7,4389	3.463
Total						7.905.875
31 December 2023						
	Maturity date	Effective interest rate	Currency	Original amount of foreign currency	Foreign exchange rate	TL Amount
Bank loans	18.12.2024	%8,32-%36,00	TL	386.254	-	557.669
Bank loans	12.08.2024	%7,20-%8,00	Usd	26.092	29,4913	1.110.967
Bank loans	27.11.2024	%2,10-%8,75	Eur	120.757	32,6326	5.689.411
Leases	31.12.2024	%14,59-%37,94	TL	17.076	-	24.654
Leases	31.12.2024	%4,00	Eur	80	32,6326	3.753
Total						7.386.454

As of 31 December 2024 and 2023, the maturities and interest rates of long term bank loans are as follows:

31 December 2024						
	Maturity date	Effective interest rate	Currency	Original amount of foreign currency	Foreign exchange rate	TL Amount
Bank loans	20.01.2026-15.12.2032	%4,75-%36,00	TL	513.171	-	513.171
Bank loans	1.01.2026-24.09.2029	%5,20	Eur	193.491	36,8024	7.120.940
Leases	1.01.2026-28.02.2062	%14,81-%66,00	TL	85.506	-	85.506
Leases	1.01.2026-31.12.2026	%4,00	Ron	442	7,4389	3.288
Total						7.722.905
31 December 2023						
	Maturity date	Effective interest rate	Currency	Original amount of foreign currency	Foreign exchange rate	TL Amount
Bank loans	18.08.2033	%8,32-%36,00	TL	516.019	-	745.021
Leases	28.02.2062	%14,59-%50,97	TL	50.555	-	72.991
Leases	19.10.2025	%4,00	Eur	159	32,6326	7.487
Total						825.499

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7. FINANCIAL LIABILITIES (CONTINUED)

As of 31 December 2024 and 2023, the distribution of short and long term financial liabilities according to their maturities are as follows (TL):

	Bank loans 31 December 2024 (TL)	Leases 31 December 2024 (TL)	Bank loans 31 December 2023 (TL)	Leases 31 December 2023 (TL)
Within 1 year	7.875.415	30.460	7.358.047	28.407
Within 1 – 2 years	3.508.463	22.195	223.301	21.870
Within 2 – 3 years	1.835.664	13.954	164.004	11.639
Within 3 – 4 years	1.162.148	10.343	117.612	9.503
4 years and longer	1.127.836	42.302	240.104	37.466
Total (Note 37 (ii))	15.509.526	119.254	8.103.068	108.885

As of 31 December 2024, the movement schedule of financial liabilities is as follows (TL) :

	Bank loans	Leases
Opening balance, 1 January 2024	8.103.068	108.885
Uses	12.329.579	54.701
Business combinations effect	96.744	-
Interest accruals	631.880	18.823
Principal payments	(3.897.696)	(31.172)
Interest payments	(548.792)	-
Effective interest rate effect	1.425	-
Adjustments related to unrealized exchange rate differences	1.284.018	936
Rate change	-	6
Monetary gain/(loss)	(2.490.700)	(32.925)
Closing balance, 31 December 2024	15.509.526	119.254

As of 31 December 2023, the movement schedule of financial liabilities is as follows (TL) :

	Bank loans	Leases
Opening balance, 1 January 2023	3.933.895	97.521
Uses	4.832.264	83.816
Business combinations effects	47.759	-
Interest accruals	135.528	21.290
Principal payments	(896.342)	(45.125)
Interest payments	(32.547)	-
Effective interest rate effect	(2.322)	-
Adjustments related to unrealized exchange rate differences	1.631.266	(1.248)
Monetary gain/(loss)	(1.546.433)	(47.369)
Closing balance, 31 December 2023	8.103.068	108.885

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8. TRADE RECEIVABLES AND PAYABLES

Short term trade receivables consist of the following (TL) :

	31 December 2024	31 December 2023
Customers	1.061.042	3.765.220
Rediscount on receivables (-)	(48.575)	(6.799)
Other short term receivables	468.106	433.745
Doubtful trade receivables	19.633	27.398
Provision for doubtful trade receivables (-)	(19.633)	(27.398)
Total	1.480.573	4.192.166
Trade receivables from related parties	397.759	36.466
Total trade receivables from related parties (Note 36)	397.759	36.466
Grand Total (Note 37 (i))	1.878.332	4.228.632

Long term trade receivables consist of the following (TL) :

	31 December 2024	31 December 2023
Customers	165	212
Total (Note 37 (i))	165	212

Changes in provision for doubtful trade receivables are set out in the table below (TL) :

	31 December 2024	31 December 2023
Opening balance	27.398	10.281
Expense for the current period (Note 28)	696	19.306
Collections / provisions no longer required (Note 30)	(432)	(36)
Currency translation difference	-	1.889
Monetary gain/(loss)	(8.029)	(4.042)
Closing balance	19.633	27.398

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8. TRADE RECEIVABLES AND PAYABLES (CONTINUED)

Short term trade payables consist of the following (TL) :

	31 December 2024	31 December 2023
Suppliers	1.627.856	2.734.966
Rediscount for payables (-)	(22.666)	(9.169)
Other trade payables	24.878	76.670
Total	1.630.068	2.802.467
Trade payables to related parties	915.717	4.383
Total trade payables to related parties (Note 36)	915.717	4.383
Grand Total (Note 37(ii))	2.545.785	2.806.850

9. OTHER RECEIVABLES AND PAYABLES

Short term other receivables consist of the following (TL) :

	31 December 2024	31 December 2023
Deposits and guarantees given	12.791	14.628
Other miscellaneous receivables	27.157	13.091
Total	39.948	27.719
Other receivables from related parties	31.700	1.226
Total other receivables from related parties (Note 36)	31.700	1.226
Grand Total (Note 37(i))	71.648	28.945

Long term other receivables consist of the following (TL):

	31 December 2024	31 December 2023
Deposits and guarantees given	4.708	4.746
Total	4.708	4.746
Other receivables from related parties	187.369	135.053
Total other receivables from related parties (Note 36)	187.369	135.053
Grand Total (Note 37(i))	192.077	139.799

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9. OTHER RECEIVABLES AND PAYABLES (CONTINUED)

Short term other payables consist of the following (TL) :

	31 December 2024	31 December 2023
Taxes, duties, and other withholdings payable	286.258	145.726
Deposits and guarantees received	123.636	17.774
Other miscellaneous payables	7.311	27.516
Total	417.205	191.016
Other payables to related parties	6.745.690	6.239.803
Total other receivables from related parties (Note 36)	6.745.690	6.239.803
Grand Total (Note 37(ii))	7.162.895	6.430.819

Long term other receivables consist of the following (TL):

	31 December 2024	31 December 2023
Deposits and guarantees given	649.512	845.951
Other miscellaneous payables	74.752	-
Grand Total (Note 37(ii))	724.264	845.951

10. INVENTORIES

Inventories consist of the following (TL) :

	31 December 2024	31 December 2023
Raw materials and supplies	611.664	443.777
Semi-finished Goods in Production	139.025	22.066
Finished Goods	147.125	49.541
Merchandise (*)	491.994	1.078.397
Other inventories	24.097	311
Inventory impairment provision (-)	(64)	(64)
Total	1.413.841	1.594.028

(*) As of 31 December 2024, 147.527 TL of the total commodity balance of 491.994 TL (31 December 2023 – 1.078.397 TL) consists of real estate (31 December 2023 – 1.046.625 TL).

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

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10. INVENTORIES (CONTINUED)

As of 31 December 2024 and 2023, details of real estates consist of the following (TL) :

	31 December 2024				31 December 2023			
	Adjusted book value (TL)	Sales value (TL)	Expertise value (TL)	Expertise date	Adjusted book value (TL)	Sales value (TL)	Expertise value (TL)	Expertise date
Land in Büyükçekmece (*)								
Land cost (3 parcels)	-	-	-	-	77.137	-	979.451	29.12.2023
Land in Orhanlı and Kocataş								
Land cost of Orhanlı (**)	-	-	-	-	821.961	-	1.903.244	9.10.2023
Land cost of Kocataş	147.527	-	2.072.400	31.12.2024	147.527	-	2.144.025	29.12.2023
Total	147.527	-	2.072.400		1.046.625	-	5.026.720	

Land in Büyükçekmece: There are 3 parcels of land with a total area of 622.478 m². According to the appraisal report dated 29 December 2023, equal comparison and income reduction methods have been used and equal comparison has been taken into consideration

Lands in Kocataş: There is a land of 369.411 m² located in Kocataş Village of Maden District in Sarıyer. In accordance with the appraisal report dated 31 December 2024, cost approach method is used in the determination of appraiser valueequal comparison method is used in the determination of appraiser value

As of 31 December 2024 the real estates in the inventories have been valued by Reel Gayrimenkul Değerleme A.Ş. (31 December 2023 TSKB Gayrimenkul Değerleme A.Ş.).

(*) As of December 31, 2024, Büyükçekmece Land has been transferred from stocks to investment properties.

(**) Regarding the sale of the 95,351.39 m² land registered in the assets of Alarko Konut Projeleri Geliştirme A.Ş., one of the subsidiaries, and located in the Tuzla District of Istanbul Province, Orhanlı Neighborhood, registered in the 7375 island 1 parcel of the land registry, on December 20, 2024, the Board of Directors of Alarko Konut Projeleri Geliştirme A.Ş. decided to sell the land in question in cash to Universal Wind Enerji Elektrik Üretim Anonim Şirketi for a sales price of 1,856,848 TL including VAT.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES

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11. PREPAID EXPENSES

Short-term prepaid expenses consist of the following (TL):

	31 December 2024	31 December 2023
Advances given	582.442	462.109
Advances given to sub-contractors	447.990	560.474
Prepaid expenses	132.445	162.483
Total	1.162.877	1.185.066

Long-term prepaid expenses consist of the following (TL):

	31 December 2024	31 December 2023
Advances given	1.481.571	766.603
Prepaid expenses	40.413	48.578
Total	1.521.984	815.181

12. ASSETS AND LIABILITIES ARISING FROM CUSTOMER CONTRACTS

Costs and estimated earnings related to on-going constructions and commitments are as follows (TL) :

	31 December 2024	31 December 2023
Costs related to on-going constructions	23.476.707	31.646.287
Estimated earnings	(47.189)	1.518.038
Less: Total invoiced progress payment for the end of period	(23.588.503)	(33.536.200)
Total	(158.985)	(371.875)

Net balance reclassified enclosed in the accompanying consolidated statements of financial position is as follows (TL):

	31 December 2024	31 December 2023
Receivables from on-going constructions	24.647	529.613
Progress payments from on-going constructions contracts	(183.632)	(901.488)
Total	(158.985)	(371.875)

Total amount of short and long term advances received by the subsidiaries of the Group related to on-going constructions contracts is TL 626.683 as of 31 December 2024 (31 December 2023 – TL 1.243.947) and aforementioned amounts is recognized under deferred income account.

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12. ASSETS AND LIABILITIES ARISING FROM CUSTOMER CONTRACTS (CONTINUED)

Assets arising from short-term customer contracts are as follows (TL):

	31 December 2024	31 December 2023
Contractual assets arising from ongoing construction and contracting works	24.647	529.613
Contract assets arising from sales of goods and services	-	175
Total	24.647	529.788

Liabilities arising from short-term customer contracts are as follows (TL):

	31 December 2024	31 December 2023
Progress payments for ongoing construction contracts	183.632	901.488
Payables arising from ongoing construction and contracting works	257.928	206.465
Contract liabilities arising from sales of goods and services	5.855	16.711
Total	447.415	1.124.664

Liabilities arising from long-term customer contracts are as follows (TL):

	31 December 2024	31 December 2023
Payables arising from ongoing construction and contracting works	-	206.467
Contract liabilities arising from sales of goods and services	582	604
Total	582	207.071

13. DERIVATIVE INSTRUMENTS

The details of short-term derivative instruments as of 31 December 2024 and 2023 are as follows;

				31 December 2024	31 December 2023
	Contract amount	Currency type	Maturity date	Asset / (liability) amount at fair value (TL)	Asset / (liability) amount at fair value (TL)
Forward transactions	207.250	Usd	31.12.2024	-	(3.976)
Forward transactions	168.200	Usd	30.04.2024	-	(3.681)
Total				-	(7.657)

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14. DEFERRED INCOME (EXCLUDING LIABILITIES FROM CUSTOMER CONTRACTS)

Short-term deferred income consist of the following (TL):

	31 December 2024	31 December 2023
Advances received from commitment works	313.341	751.156
Advances received	85.196	108.656
Deferred income related to following months	321	338
Total	398.858	860.150

Long-term deferred income consist of the following (TL):

	31 December 2024	31 December 2023
Advances received from commitment works	313.342	492.791
Total	313.342	492.791

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15. INVESTMENTS ACCOUNTED BY USING EQUITY METHOD

Investments accounted by equity method assets consist of the following (TL):

	Partnership rate%	31 December 2024 Partnership amount	Partnership rate%	31 December 2024 Partnership amount
Alarko Carrier Sanayi ve Ticaret A.Ş.	42,03	769.634	42,03	904.819
Obrascon Huarte Lain SA – Alsim Alarko San.Tes.ve Ticaret A.Ş. (Spain)	45,00	64.764	44,96	85.849
Alcen Enerji Dağıtım ve Perakende Satış Hiz.A.Ş. (**)	50,00	39.461.974	49,96	37.383.144
Al-Riva Projesi Ar. Değ.Konut İnş. ve Tic. A.Ş. (***)	12,14	103.431	12,13	137.168
Al-Riva Arazi Değ. Konut İnş. Turistik Tes.Golf İşl. ve Tic. A.Ş. (***)	2,28	6.428	2,28	117.465
Al-Riva Arazi Ar. Değ. Konut İnş. ve Tic. A.Ş. (***)	2,63	37.591	2,63	32.489
Bakad International B.V. (*)	33,30	2.260.461	33,27	2.649.517
Sanrose Tarım Sanayi ve Ticaret A.Ş.	25,00	24.894	-	-
İpeks Jeotermal Enerji Tarım Sanayi Ticaret A.Ş.	49,00	316.111	-	-
Barr Operation and Maintenance LLP	25	7.434	-	-
Total		43.052.722		41.310.451

Investments accounted by equity method liabilities consist of the following (TL):

	Partnership rate%	31 December 2024 Partnership amount	Partnership rate%	31 December 2024 Partnership amount
Alarko – Makyol Adi Ortaklığı	49,99	3.140	49,95	2.170
Barr Operation and Maintenance LLP	-	-	24,98	1.472
Obrascon Huarte Lain SA – Alsim Alarko San.Tes.ve Ticaret A.Ş. (Turkey)	45,00	25.760	45,00	36.633
Total		28.900		40.275
Net		43.023.822		41.270.176

- (*) Since Bakad International B.V. owns the % 100 shares of Bakad Investment & Operation LLP these entities are included in the carried investment amount in consolidated financial statements.
- (**) Since Alcen Enerji Dağıtım ve Perakende Satış Hiz. A.Ş., owns the 100% shares of Meram Elektrik Dağıtım A.Ş., Cenal Elektrik Üretim A.Ş., Algiz Enerji A.Ş., Panel Enerji A.Ş., Utilitek Bilgi Teknolojileri A.Ş and 99,99% shares of Meram Elektrik Perakende Satış A.Ş., and 99,60% of Meram Elektrik Enerjisi Toptan Satış A.Ş., these entities are included in the carried investment amount in consolidated financial statements.
- (***) The shareholding and controlling rate of the Parent Company in these affiliates is 40%.

ALARKO HOLDİNG A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024**

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15. INVESTMENTS ACCOUNTED BY USING EQUITY METHOD (CONTINUED)

Changes in investments accounted by using the equity method are as follows (TL) :

	31 December 2024	31 December 2023
Opening balance	41.270.176	38.371.234
Net profit / (loss) for the period	4.685.404	8.874.421
Dividends received	(2.246.352)	(5.999.898)
Other comprehensive income	67.757	1.030.126
Capital increase	-	74.792
Investment valued according to the equity method exiting the consolidation	368.897	-
Effects of rate changes	28.739	(31.892)
Monetary gain/(loss)	(1.150.799)	(1.048.607)
Closing Balance	43.023.822	41.270.176

Shares of profit/loss of investments accounted by using equity method are as follows (TL) :

	31 December 2024 before elimination	Elimination	31 December 2024	31 December 2023 before elimination	Elimination	31 December 2023
Alarko Carrier Sanayi ve Ticaret A.Ş.	173.549	(311.159)	(137.610)	(249.652)	(1.465)	(251.117)
Obrascon Huarte Lain SA – Alsim Alarko San.Tes.ve						
Ticaret A.Ş. (Turkey)	10.873	-	10.873	23.687	-	23.687
Bakad International B.V. (*)	360.250	-	360.250	55.618	-	55.618
Barr Operation and Maintenance LLP	8.565	-	8.565	(1.388)	-	(1.388)
Alarko – Makyol Adi Ortaklığı	(969)	-	(969)	424	-	424
Alcen Enerji Dağıtım ve Perakende Satış Hiz.A.Ş. (**)	4.300.566	(1.570.039)	2.730.527	8.621.963	(730.773)	7.891.190
Al-Riva Projesi Ar. Değ.Konut İnş. ve Tic. A.Ş. (***)	(33.734)	29.916	(3.818)	144.068	12.010	156.078
Al-Riva Arazi Değ. Konut İnş.Turistik Tes.Golf İşl. ve Tic. A.Ş. (***)	(79.876)	797	(79.079)	211.898	394	212.292
Al-Riva Arazi Ar. Değ. Konut İnş. ve Tic. A.Ş. (***)	(26.062)	3.316	(22.746)	67.803	1.674	69.477
Sanrose Tarım Sanayi ve Tic. A.Ş.	(7.275)	1.999	(5.276)	-	-	-
İpeks Jeotermal Enerji Tarım Sanayi Tic. A.Ş.	(20.483)	48.604	28.121	-	-	-
Total	4.685.404	(1.796.566)	2.888.838	8.874.421	(718.160)	8.156.261

(*) Since Bakad International B.V. owns the %100 shares of Bakad Investment & Operation LLP these entities are included in the carried investment amount in consolidated financial statements.

(**) Since Alcen Enerji Dağıtım ve Perakende Satış Hiz. A.Ş., owns the 100% shares of Meram Elektrik Dağıtım A.Ş., Cenal Elektrik Üretim A.Ş., Algiz Enerji A.Ş., Utilitek Bilgi Teknolojileri A.Ş Panel Enerji A.Ş., and 99,99% shares of Meram Elektrik Perakende Satış A.Ş. and 99,60% shares of Meram Elektrik Enerjisi Toptan Satış A.Ş., these entities are included in the carried investment amount in consolidated financial statements.

(***) The shareholding and controlling rate of the Parent Company in these affiliates is 40%.

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15. INVESTMENTS ACCOUNTED BY USING EQUITY METHOD (CONTINUED)

Investments accounted by using equity method financial statement summary consist of the following (TL) :

	31 December 2024								
	Cash and cash equivalents	Other current assets	Other non-current assets	Total assets	Short-term financial liabilities	Other short- term liabilities	Long-term financial liabilities	Other long- term liabilities	Total liabilities
Alarko Carrier Sanayi ve Ticaret A.Ş.	383.809	3.937.762	1.098.660	5.420.231	817.024	1.079.934	808.065	145.324	2.850.347
Obrascon Huarte Lain SA – Alsım Alarko San.Tes.ve Ticaret A.Ş.(Spain)	155	1.672.233	-	1.672.388	-	594.224	-	-	594.224
Alarko – Makyol Adi Ortaklığı	95	-	-	95	-	6.261	-	116	6.377
Alcen Enerji Dağıtım ve Perakende Satış Hiz.A.Ş. (*)	9.525.743	26.509.104	63.090.011	99.124.858	4.992.200	8.378.097	445.291	6.385.336	20.200.924
Al-Riva Projesi Ar. Değ.Konut İnş. ve Tic. A.Ş. (**)	-	24.617	1.108.210	1.132.827	-	161.782	-	828	162.610
Al-Riva Arazı Değ. Konut İnş. Turistik Tes.Golf İşl. ve Tic. A.Ş. (**)	-	3.087	535.294	538.381	-	20.809	-	30	20.839
Al-Riva Arazı Ar. Değ. Konut İnş. ve Tic. A.Ş. (**)	-	773	1.707.535	1.708.308	-	5.162	-	69	5.231
Obrascon Huarte Lain SA – Alsım Alarko San.Tes.ve Ticaret A.Ş.(Turkey)	8	-	-	8	-	57.252	-	-	57.252
Bakad International B.V. (***)	1.858.571	70.653	23.263.535	25.192.759	194.904	50.409	17.570.245	588.309	18.403.867
Barr Operation and Maintenance LLP	73.532	31.692	152.018	257.242	-	227.501	-	-	227.501
Sanrose Tarım Sanayi ve Ticaret A.Ş.	791	14.725	132.490	148.006	1.548	94.590	1.935	3.451	101.524
İpeks Jeotermal Enerji Tarım Sanayi Ticaret A.Ş.	185.088	173.262	565.659	924.009	1.596	345.100	231.590	15.474	593.760

	31 December 2023								
	Cash and cash equivalents	Other current assets	Other non-current assets	Total assets	Short-term financial liabilities	Other short- term liabilities	Long-term financial liabilities	Other long-term liabilities	Total liabilities
Alarko Carrier Sanayi ve Ticaret A.Ş.	538.479	3.763.217	1.273.811	5.575.507	1.434.769	1.620.123	221.531	146.242	3.422.665
Obrascon Huarte Lain SA – Alsım Alarko San.Tes.ve Ticaret A.Ş.(Spain)	1.140	2.139.856	-	2.140.996	-	760.728	-	-	760.728
Alarko – Makyol Adi Ortaklığı	40	-	998	1.038	-	5.141	-	242	5.383
Alcen Enerji Dağıtım ve Perakende Satış Hiz.A.Ş. (*)	1.795.704	31.536.766	66.201.837	99.534.307	8.076.502	9.840.803	2.139.443	4.657.459	24.714.207
Al-Riva Projesi Ar. Değ.Konut İnş. ve Tic. A.Ş. (**)	-	15.999	1.153.858	1.169.857	-	113.966	-	1.267	115.233
Al-Riva Arazı Değ. Konut İnş. Turistik Tes.Golf İşl. ve Tic. A.Ş. (**)	-	2.343	597.828	600.171	-	17.232	-	243	17.475
Al-Riva Arazı Ar. Değ. Konut İnş. ve Tic. A.Ş. (**)	-	577	1.906.825	1.907.402	-	4.080	-	556	4.636
Obrascon Huarte Lain SA – Alsım Alarko San.Tes.ve Ticaret A.Ş.(Turkey)	12	-	-	12	-	81.418	-	-	81.418
Bakad International B.V. (***)	1.458.820	424.875	30.287.178	32.170.873	274.154	49.210	23.417.528	466.229	24.207.121
Barr Operation and Maintance LLP	52.847	51.598	226.155	330.600	-	336.493	-	-	336.493

(*) Since Alcen Enerji Dağıtım ve Perakende Satış Hiz. A.Ş., owns the 100% shares of Meram Elektrik Dağıtım A.Ş., Cenal Elektrik Üretim A.Ş., Algiz Enerji A.Ş., Panel Enerji A.Ş., 99,99% shares of Meram Elektrik Perakende Satış A.Ş.and 99,60% shares of Meram Elektrik Enerjisi Tопtan Satış A.Ş. ,these entities are included in the carried investment amount in consolidated financial statements.

(**) The shareholding and controlling rate of the Parent Company in these affiliates is 40%.

(***) Since Bakad International B.V. owns the %100 shares of Bakad Investment & Operation LLP these entities are included in the carried investment amount in consolidated financial statements

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15. INVESTMENTS ACCOUNTED BY USING EQUITY METHOD (CONTINUED)

Investments accounted by using equity method financial statement summary consist of the following (TL) :

	1 January 2024- 31 December 2024		1 January 2023- 31 December 2023	
	Revenue	Net profit / loss	Revenue	Net profit / loss
Alarko Carrier Sanayi ve Ticaret A.Ş.	6.527.261	412.927	7.890.246	(593.998)
Obrascon Huarte Lain SA – Alsim Alarko San.Tes.ve Ticaret A.Ş.(Turkey)	-	24.162	-	52.637
Alarko – Makyol Adi Ortaklığı	77	(1.937)	-	849
Alcen Enerji Dağıtım ve Perakende Satış Hiz.A.Ş.	65.870.941	8.601.130	92.962.729	17.256.337
Al-Riva Projesi Ar. Değ.Konut İnş. ve Tic. A.Ş.	5	(84.335)	-	360.169
Al-Riva Arazi Değ. Konut İnş.Turistik Tes.Golf İşl. ve Tic. A.Ş.	-	(65.155)	-	169.507
Al-Riva Arazi Ar. Değ. Konut İnş. ve Tic. A.Ş.	-	(199.690)	-	529.746
Bakad International B.V.	1.731.593	1.081.946	1.779.049	167.172
Barr Operation and Maintenance LLP	298.765	34.262	152.888	(5.555)
Sanrose Tarım Sanayi ve Ticaret A.Ş	44.243	(29.099)	-	-
İpeks Jeotermal Enerji Tarım Sanayi Ticaret A.Ş	-	(41.802)	-	-

	1 January 2024- 31 December 2024		1 January 2023- 31 December 2023	
	Other comprehensive income	Deferred tax expense / income	Other comprehensive income	Deferred tax expense / income
Alarko Carrier Sanayi ve Ticaret A.Ş.	5.485	(1.371)	42.771	(8.007)
Obrascon Huarte Lain SA – Alsim Alarko San.Tes.ve Ticaret A.Ş.(Spain)	11.010	-	47.907	-
Obrascon Huarte Lain SA – Alsim Alarko San.Tes.ve Ticaret A.Ş.(Turkey)	-	-	-	-
Alarko – Makyol Adi Ortaklığı	-	-	-	-
Alcen Enerji Dağıtım ve Perakende Satış Hiz.A.Ş.	(6.124)	1.531	74.683	(16.329)
Al-Riva Projesi Ar. Değ.Konut İnş. ve Tic. A.Ş.	(94)	23	41	(10)
Al-Riva Arazi Değ. Konut İnş.Turistik Tes.Golf İşl. ve Tic. A.Ş.	-	-	-	-
Al-Riva Arazi Ar. Değ. Konut İnş. ve Tic. A.Ş.	-	-	-	-
Bakad International B.V.	191.071	-	2.900.104	-
Barr Operation and Maintenance LLP	(438)	-	(1.670)	-
Sanrose Tarım Sanayi ve Ticaret A.Ş.	(717)	179	-	-

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16. INVESTMENT PROPERTIES

As of 31 December 2024 and 2023, investment properties are as follows (TL):

Fair value	Investment properties
As of 1 January 2023	3.735.434
Increase arising from change in fair value (Note 31)	651.583
Foreign currency translation difference	(202.719)
As of 31 December 2023	4.184.298
Increase arising from change in fair value (Note 31,32)	1.182.506
Additions	852.900
Transfers	77.137
Foreign currency translation difference	(223.997)
As of 31 December 2024	6.072.844

As of 31 December 2024 and 2023, fair values of investment properties are as follows:

Name of Property	31 December 2024		31 December 2023	
	Expertise report date	Fair Value (TL)		Fair Value (TL)
	Expertise report date	Fair Value (TL)		Fair Value (TL)
Maslak Land	31.12.2024	845.900	29.12.2023	810.080
Eyüp Topçular – Factory	31.12.2024	600.000	29.12.2023	600.616
Ankara Çankaya Business Center	31.12.2024	67.960	29.12.2023	63.815
İstanbul Karaköy Business Center	31.12.2024	170.920	29.12.2023	157.084
Büyükkçekmece Alkent 2000-Stores	31.12.2024	103.704	29.12.2023	98.235
Antalya Land	31.12.2024	342.481	29.12.2023	325.957
İstanbul Sarıyer Land	31.12.2024	843.430	29.12.2023	793.809
Etiler Alkent Site Stores	31.12.2024	511.848	29.12.2023	509.368
İstanbul Büyükkçekmece Land	31.12.2024	9.296	29.12.2023	9.760
Sanayi Mah. Store	31.12.2024	27.100	29.12.2023	26.710
Adana Office Building	31.12.2024	9.752	29.12.2023	9.356
Mosalarko Office Building	25.12.2024	653.376	22.12.2023	690.715
Tuzla Land	31.12.2024	86.600	29.12.2023	88.793
Büyükkçekmece Land (*)	31.12.2024	947.577	-	-
Tuzla Land (**)	23.12.2024	852.900	-	-
Total		6.072.844		4.184.298

(*) As no immediate development plans exist for the Büyükkçekmece land, it has been duly reclassified from inventory to investment properties as of 31 December 2024.

(**) The Board of Directors of Alarko Carrier Sanayi ve Ticaret A.Ş. has, by unanimous resolution, approved the sale of a 29.865 m² parcel of land, duly registered in the land registry under block 0, parcel no. 4723, situated in Merkez Mahallesi, Tuzla District, Istanbul Province, and designated as farmland, to its subsidiary, Alarko Enerji A.Ş., for the sum of 895.000 TL.

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16. INVESTMENT PROPERTIES (CONTINUED)

As of 31 December 2024, the methods of the fair value of the investment properties calculation as follows:

Name of Property	Valuation Methods Applied	Basis of Valuation Method
Maslak Land	Equal Comparison	Equal Comparison
Eyüp Topçular – Factory	Equal Comparison , Cost Analysis	Cost Approach
Ankara Çankaya Business Center	Equal Comparison, Income Reduction	Equal Comparison
İstanbul Karaköy Business Center	Equal Comparison	Equal Comparison
Büyüçekmece Alkent 2000-Stores	Equal Comparison, Income Reduction	Income Reduction
Antalya Land	Equal Comparison	Equal Comparison
İstanbul Sarıyer Land	Equal Comparison	Equal Comparison
Etiler Alkent Site Stores	Equal Comparison, Income Reduction	Income Reduction
İstanbul Büyüçekmece Land	Equal Comparison	Equal Comparison
Sanayi Mah Store	Equal Comparison, Income Reduction	Equal Comparison
Adana Office Building	Equal Comparison	Equal Comparison
Mosalarko Office Building	Equal Comparison, Income Reduction	Average
Tuzla Land	Equal Comparison	Equal Comparison
Büyüçekmece Land	Equal Comparison, Income Reduction	Equal Comparison
Tuzla Land	Equal Comparison, Income Reduction	Equal Comparison

As of 31 December 2023, the methods of the fair value of the investment properties calculation as follows:

Name of Property	Valuation Methods Applied	Basis of Valuation Method
Maslak Land	Equal Comparison	Equal Comparison
Eyüp Topçular – Factory	Income Reduction, Cost Analysis	Cost Approach
Ankara Çankaya Business Center	Equal Comparison, Income Reduction	Equal Comparison
İstanbul Karaköy Business Center	Equal Comparison, Income Reduction	Income Reduction
Büyüçekmece Alkent 2000-Stores	Equal Comparison, Income Reduction	Income Reduction
Antalya Land	Equal Comparison	Equal Comparison
İstanbul Sarıyer Land	Equal Comparison	Equal Comparison
Etiler Alkent Site Stores	Equal Comparison, Income Reduction	Income Reduction
İstanbul Büyüçekmece Land	Equal Comparison	Equal Comparison
Sanayi Mah Store	Equal Comparison, Income Reduction	Equal Comparison
Adana Office Building	Equal Comparison, Income Reduction	Equal Comparison
Mosalarko Office Building	Equal Comparison, Income Reduction	Average
Tuzla Land	Equal Comparison	Equal Comparison

In years 2024 and 2023 Mosalarko Office Building that is an investment property has been valued by Nexia Pacioli Consulting LLC. In years 2024 other investment properties have been valued by Reel Gayrimenkul Değerleme A.Ş. (31 December 2023 TSKB Gayrimenkul Değerleme A.Ş.)

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16. INVESTMENT PROPERTIES (CONTINUED)

As of 31 December 2024, the Group's investment properties and fair value hierarchy of the related assets are as follows (TL):

Name of Property	Fair Value	Level 1	Level 2	Level 3
Maslak Land	845.900	-	845.900	-
Eyüp Topçular – Factory	600.000	-	600.000	-
Ankara Çankaya Business Center	67.960	-	67.960	-
İstanbul Karaköy Business Center	170.920	-	170.920	-
Büyükkçekmece Alkent 2000-Stores	103.704	-	-	103.704
Antalya Land	342.481	-	342.481	-
İstanbul Sarıyer Land	843.430	-	843.430	-
Etiler Alkent Site Stores	511.848	-	-	511.848
İstanbul Büyükkçekmece Land	9.296	-	9.296	-
Sanayi Mah. Store	27.100	-	27.100	-
Adana Office Building	9.752	-	9.752	-
Mosalarko Office Building	653.376	-	-	653.376
Tuzla Land	86.600	-	86.600	-
Büyükkçekmece Land	947.577	-	947.577	-
Tuzla Land	852.900	-	852.900	-
Total	6.072.844	-	4.803.916	1.268.928

As of 31 December 2023, the Group's investment properties and fair value hierarchy of the related assets are as follows (TL):

Name of Property	Fair Value	Level 1	Level 2	Level 3
Maslak Land	810.080	-	810.080	-
Eyüp Topçular – Factory	600.616	-	600.616	-
Ankara Çankaya Business Center	63.815	-	63.815	-
İstanbul Karaköy Business Center	157.084	-	157.084	-
Büyükkçekmece Alkent 2000-Stores	98.235	-	-	98.235
Antalya Land	325.957	-	325.957	-
İstanbul Sarıyer Land	793.809	-	793.809	-
Etiler Alkent Site Stores	509.368	-	-	509.368
İstanbul Büyükkçekmece Land	9.760	-	9.760	-
Sanayi Mah. Store	26.710	-	26.710	-
Adana Office Building	9.356	-	9.356	-
Mosalarko Office Building	690.715	-	-	690.715
Tuzla Land	88.793	-	88.793	-
Total	4.184.298	-	2.885.980	1.298.318

17. NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale are as follows (TL) :

	31 December 2024	31 December 2023
Property, plant and equipment	9.234	22.532
Total	9.234	22.532

Property, plant and equipment with net carrying value of TL 9.234 is classified as non-current assets held for sale as of 31 December 2024 (31 December 2023- TL 22.532).

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18. PROPERTY, PLANT AND EQUIPMENT

Movements of cost and accumulated depreciation of property, plant and equipment for the years ended 31 December 2024 and 2023 are as follows (TL):

As of 31 December 2024;

Cost	Opening 1 January 2024	Additions	Currency translation difference	Disposals and transfers	Business combinations effect	Total 31 December 2024
Land	815.042	487.515	(3.814)	-	247.238	1.545.981
Land improvements	89.746	11.765	-	987	148.184	250.682
Buildings	3.700.934	237.365	(25.216)	964.364	55.157	4.932.604
Plant, machinery and equipment	6.351.633	(37.253)	(140.868)	385.811	321.252	6.880.575
Motor vehicles	46.075	15.879	(3.521)	(8.370)	282	50.345
Furniture and fixtures	915.981	262.363	(14.819)	(44.730)	64.254	1.183.049
Leasehold improvements	488.026	24.075	-	(1.341)	4.485	515.245
Other tangible assets	102.665	-	(8.313)	(16.947)	-	77.405
Construction in progress	2.733.241	4.139.911	-	(1.495.185)	39.550	5.417.517
Total	15.243.343	5.141.620	(196.551)	(215.411)	880.402	20.853.403

Accumulated Depreciation	Opening 1 January 2024	Depreciation expense for the period	Currency translation difference	Depreciation of sales and transfers	Business combinations effect	Total 31 December 2024
Land improvements	63.987	9.165	-	-	-	73.152
Buildings	565.255	133.590	(16.669)	(21.772)	12.506	672.910
Plant, machinery, and equipment	3.868.559	344.421	(69.874)	(200.193)	34.791	3.977.704
Motor vehicles	23.350	6.440	(3.352)	(4.505)	195	22.128
Furniture and fixtures	719.372	86.052	(8.279)	(61.450)	602	736.297
Leasehold improvements	451.618	15.198	-	(543)	-	466.273
Other tangible assets	49.253	14.280	-	(5.615)	-	57.918
Total accumulated depreciation (Note 29)	5.741.394	609.146	(98.174)	(294.078)	48.094	6.006.382
Property, plant, and equipment, (net)	9.501.949					14.847.021

As of 31 December 2024, capitalized borrowing costs is 20.285 TL.

As of 31 December 2024, total insurance amount of asset values is TL 21.805.476.

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18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As of 31 December 2023;

Cost	Opening 1 January 2023	Additions	Currency translation difference	Disposals and transfers	Business combination effect	Total 31 December 2023
Land	67.925	766.499	(1.970)	(45.762)	28.350	815.042
Land improvements	68.552	2.451	-	(24.407)	43.150	89.746
Buildings	3.237.074	125.579	(3.641)	(23.400)	365.322	3.700.934
Plant, machinery and equipment	5.796.549	301.085	33.583	(111.331)	331.747	6.351.633
Motor vehicles	35.808	21.471	(805)	(14.235)	3.836	46.075
Furniture and fixtures	832.681	63.878	(6.799)	(25.874)	52.095	915.981
Leasehold improvements	462.095	25.931	-	-	-	488.026
Other tangible assets	71.540	37.985	-	(6.860)	-	102.665
Construction in progress	488.961	2.127.112	-	-	117.168	2.733.241
Total	11.061.185	3.471.991	20.368	(251.869)	941.668	15.243.343

Accumulated Depreciation	Opening 1 January 2023	Depreciation expense for the period	Currency translation difference	Depreciation of sales and transfers	Business combination effect	Total 31 December 2023
Land improvements	59.174	4.586	-	-	227	63.987
Buildings	475.349	96.737	(6.583)	(248)	-	565.255
Plant, machinery, and equipment	3.493.035	320.510	(70.525)	(6.637)	132.176	3.868.559
Motor vehicles	34.165	3.896	(12.336)	(2.515)	140	23.350
Furniture and fixtures	677.218	64.591	(3.392)	(24.467)	5.422	719.372
Leasehold improvements	422.746	28.872	-	-	-	451.618
Other tangible assets	48.162	1.625	-	(534)	-	49.253
Total accumulated depreciation (Note 29)	5.209.849	520.817	(92.836)	(34.401)	137.965	5.741.394
Property, plant, and equipment, (net)	5.851.336					9.501.949

As of 31 December 2023, there is no capitalized borrowing costs.

As of 31 December 2023, total insurance amount of asset values is 22.617.510 TL.

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19. INTANGIBLE ASSETS

Movements of the cost and accumulated amortization of Group's intangible assets for the year ended 31 December 2024 (TL):

Cost	Rights	Other intangible assets	Total
As of 1 January 2024	912.140	3.781	915.921
Additions	243.243	55	243.298
Disposals	(2.825)	-	(2.825)
Currency translation difference	(25.880)	-	(25.880)
Business combinations effect	3.628	-	3.628
As of 31 December 2024	1.130.306	3.836	1.134.142

Accumulated amortization	Rights	Other intangible assets	Total
As of 1 January 2024	196.568	3.433	200.001
Charge for the current period (Note 29)	67.861	166	68.027
Disposal	(2.338)	-	(2.338)
Currency translation difference	(980)	-	(980)
Business combinations effect	6	-	6
As of 31 December 2024	261.117	3.599	264.716
Intangible assets (net)	869.189		869.426

Movements of the cost and accumulated amortization of Group's intangible assets for the year ended 31 December 2023 (TL):

Cost	Rights	Other intangible assets	Total
As of 1 January 2023	807.441	3.773	811.214
Additions	156.497	8	156.505
Disposals	(55.561)	-	(55.561)
Business combination effect	4.934	-	4.934
Currency translation difference	(1.171)	-	(1.171)
As of 31 December 2023	912.140	3.781	915.921

Accumulated amortization	Rights	Other intangible assets	Total
As of 1 January 2023	172.646	3.302	175.948
Charge for the current period (Note 29)	22.977	131	23.108
Business combination effect	2.495	-	2.495
Currency translation difference	(1.550)	-	(1.550)
As of 31 December 2023	196.568	3.433	200.001
Intangible assets (net)	715.572		715.920

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20. RIGHT OF USE ASSETS

As of 31 December 2024 and 2023, Right of use assets are as follows (TL) :

	1 January 2024			Currency	31 December 2024
Cost value	Opening balance	Additions	Disposals	translation difference	Closing balance
Right of use assets	1.786.696	88.273	(14.168)	(2.136)	1.858.665
Accumulated depreciation (-)	(935.320)	(71.818)	6.240	712	(1.000.186)
Net book value	851.376	16.455	(7.928)	(1.424)	858.479

	1 January 2023			Currency	31 December 2023
Cost value	Opening balance	Additions	Disposals	translation difference	Closing balance
Right of use assets	1.613.962	198.354	(24.950)	(670)	1.786.696
Accumulated depreciation (-)	(879.895)	(59.850)	4.608	(183)	(935.320)
Net book value	734.067	138.504	(20.342)	(853)	851.376

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21. GOODWILL

As of 31 December 2024 and 2023, goodwill consists of the following (TL) :

	31 December 2024	31 December 2023
Opening balance	650.001	41.200
Additions (*)	384.642	608.801
Transfer to the effect of mergers involving undertakings or businesses under common control	(425.944)	-
Adjustments (***)	(675)	-
Closing Balance	608.024	650.001

(*) Goodwill amounting to TL 156.698 was calculated for the purchase of Sanrose Tarım Sanayi Ticaret A.Ş. shares (25%) on January 15, 2024; TL 9.703 for the purchase of Beybur Tarım ve Hayvancılık A.Ş. shares (100%) on April 8, 2024; TL 205.196 for the purchase of Nata Tarım Üretim ve Ticaret A.Ş. shares (100%) on May 7, 2024; TL 8.881 for the purchase of İpeks Jeotermal Enerji Tarım Sanayi Ticaret A.Ş. shares (49%) on May 27, 2024; TL 2.610 for the purchase of Seraf Tarım ve Hayvancılık A.Ş. shares (100%) on August 6, 2024; and TL 1.554 for the purchase of Camser Tarım Gıda A.Ş. shares (51%) on September 24, 2024. (December 31, 2023 - TL 13.976 from the purchase of Seraf Tarım ve Hayvancılık A.Ş. shares (%100) on March 16, 2023, TL 19.428 from the purchase of Palmira Agro Gübre Sanayi ve Ticaret A.Ş. shares (%80) on May 8, 2023, TL 55.579 from the purchase of Antsan Tarım Sanayi ve Ticaret A.Ş. shares (%100) on May 16, 2023, TL 86.813 from the purchase of Gürlük Jeotermal Enerji Tarım Seracılık Gıda Sanayi ve Ticaret A.Ş. shares (%100) on July 10, 2023, TL 86.813 from the purchase of Alden Jeotermal Tarım Gıda Sanayi ve Ticaret A.Ş. shares (%100), which was established through the partial division of Halil Pekdemir Çiftliği Gıda ve İhtiyaç Maddeleri Ticaret ve Sanayi Limited Şirketi on August 4, 2023. 161.834 TL, 1,236 TL from the purchase of Ereğli Agrosan Doğal Ürünler ve Derivatives Tarım Üretim ve Ticaret A.Ş. shares (100%) on August 31, 2023, 96.056 TL from the purchase of Altes Seracılık Tarım Gıda Sanayi ve Ticaret A.Ş. shares (100%) on October 12, 2023, 62,983 TL from the purchase of Alziraat Jeotermal Tarım Gıda Sanayi ve Ticaret A.Ş. shares (100%) on October 13, 2023, 110.221 TL goodwill has been calculated from the purchase of Genseed Tohum Islah ve Üretim A.Ş. shares (80%) on October 27, 2023.)

(**)Antsan Tarım Sanayi ve Ticaret Anonim Şirketi, Gürlük Jeotermal Enerji Tarım Seracılık Gıda Sanayi ve Ticaret Anonim Şirketi, Hak Gayrimenkul Tarım Sanayi ve Ticaret Anonim Şirketi, Alurla Jeotermal Sağlık ve Turizm Anonim Şirketi, Alpark Jeotermal Sağlık Turizm ve Depoculuk Anonim Şirketi, Altes Seracılık Tarım Gıda Sanayi ve Ticaret Anonim Şirketi, Alziraat Jeotermal Tarım Gıda Sanayi ve Ticaret Anonim Şirketi and Alden Jeotermal Tarım Gıda Sanayi ve Ticaret Anonim Şirket have been transferred to the subsidiary Alsera Jeotermal Tarım Gıda Sanayi ve Ticaret Anonim Şirket with all their assets and liabilities, and the said merger transaction was announced in the Turkish Trade Registry Gazette dated 17 April 2024 and numbered 11064. As a result of the merger transaction, the control of Alarko Holding A.Ş. over the merging companies has not changed and has been evaluated within the scope of the principle decision titled "Accounting for business combinations subject to joint control" published by the POA. The mergers of companies under common control should be accounted for using the merger of rights method and goodwill should not be included in the financial statements. For this reason, the goodwill of TL 425.944 calculated from the acquisitions of these companies has been transferred to the effect of the mergers involving enterprises or businesses under common control.

(***) A correction has been made to the goodwill amount for Alarko Gıda Sanayi ve Ticaret A.Ş.

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22. PROVISIONS, CONDITIONAL ASSETS AND LIABILITIES

Short term debt provisions consist of the following (TL) :

	31 December 2024	31 December 2023
Provisions for litigation	82.629	65.395
Total	82.629	65.395

Changes in provisions for litigation as of 31 December 2024 and 2023 are set out below (TL) :

	31 December 2024	31 December 2023
Opening balance	65.395	93.301
Charge for the current period (Note 28)	43.905	8.501
Payments during the year	(7.375)	(1.465)
Provisions no longer required	(6.571)	(2.550)
Monetary gain/(loss)	(12.725)	(32.392)
Provision for litigation at the end of the period	82.629	65.395

Contingent assets and liabilities are as follows (TL) :

a) Amount of mortgage on asset values: As of December 31, 2024, in relation to the shops located in Etiler Alkent Site, Beşiktaş District, which are shown in the investment property account of the subsidiary Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. (Alarko Gayrimenkul), there is a right of easement established in favor of the 1411 island 1 parcel and against the 1408 island 1 parcel in order to benefit from the central heating facilities with the journal number 6430 dated October 14, 1987 and a right of easement established for a period of 49 years for a price of 7,72 (Full TL) in order to pass a 1,5 m wide channel for the heating facilities in some parts. In addition, in relation to the same parcel, there is a personal right of easement established in favor of the owners of 1410 island and 1 parcel against this parcel with the journal number 784 dated February 26, 1992 in order to benefit from the excess parking lot specified in the project.

b) As of December 31, 2024, the amount of collateral received for short-term trade receivables is TL 2 (December 31, 2023 - TL 3).

c) As of 31 December 2024, the provision amount set aside for receivables that are due but could not be collected in the Group's records is TL 19.633 (31 December 2023 - TL 27.398).

d) As of 31 December 2024, the mortgage on the group assets is 3.910.509 TL (31 December 2023 – 3.364.106 TL).

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23. COMMITMENTS

As of 31 December 2024 and 2023, the Group's guarantees-sureties-mortgage ("GSM") position is as follows (TL):

	31 December 2024		31 December 2023	
Guarantee letters given	5.709.142		10.913.799	
Mortgages given	3.910.509		3.364.106	
Sureties given	17.271.794		6.600.489	
Guarantee letters given	1.537.879		2.396.183	
Total	28.429.324		23.274.577	
Sureties received	12.244.106		3.841.582	
Guarantee letters received	2.177.249		1.697.218	
Mortgages received	13		19	
Notes received	10.688		41.491	
Total	14.432.056		5.580.310	

	31 December 2024		31 December 2023	
Guarantees, sureties, mortgages given by the Company				
A. Total guarantees, sureties, mortgages given in the name of its own corporate body	Foreign Currency	TL Equivalent	Foreign Currency	TL Equivalent
	-	-	-	-
B. Total guarantees, sureties, mortgages given in the name of entities included in the consolidation by full consolidation method	Foreign Currency	TL Equivalent	Foreign Currency	TL Equivalent
TL	2.384.417	2.384.417	2.074.417	2.995.018
USD	120.000	4.233.636	20.000	850.050
EURO	154.958	5.692.571	1.958	92.088
		12.310.624		3.937.156
C. Total guarantees, sureties, mortgages given as collateral for other third parties' liabilities to ensure continuity of ordinary trade operations	Foreign Currency	TL Equivalent	Foreign Currency	TL Equivalent
TL	5.565.645	5.565.645	3.979.035	5.744.882
USD	74.413	2.625.312	84.312	3.583.463
EURO	142.724	5.243.145	130.558	6.140.131
RON	365.605	2.684.598	411.549	3.868.945
		16.118.700		19.337.421
D. Total other guarantees, sureties, mortgages given	Foreign Currency	TL Equivalent	Foreign Currency	TL Equivalent
i. in the name of the Parent Company	-	-	-	-
ii. in the name of other group companies that are not included in the scope of items B and C	-	-	-	-
iii. in the name of third parties that are not included in the scope of item C	-	-	-	-
Grand Total		28.429.324		23.274.577

The rate of other guarantees, sureties and mortgages given by the Group to the equity of the Group is 0% as of 31 December 2024 (31 December 2023: 0%).

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24. EMPLOYEE BENEFITS

Long term debt provisions consist of the following (TL) :

	31 December 2024	31 December 2023
Provision for unused vacation	34.294	54.260
Provision for termination indemnity	108.019	116.360
Total	142.313	170.620

i) Provision for termination indemnity

Movements of provision for termination indemnity during the year are as follows (TL) :

	31 December 2024	31 December 2023
Opening balance	116.360	143.112
Interest cost	23.025	23.847
Current service cost	31.157	22.880
Payments during the year	(29.299)	(52.834)
Gain / (loss) on remeasurement of defined benefit plans	(20.851)	7.998
Monetary gain/(loss)	(12.373)	(28.643)
Provision for termination indemnity at the end of the period	108.019	116.360

ii) Provision for unused vacation

Movements of provision for unused vacation during the year are as follows (TL) :

	31 December 2024	31 December 2023
Unused vacation allowance at the beginning of the period	54.260	43.591
Increase / (decrease) during the period	12.677	27.681
Monetary gain/(loss)	(32.643)	(17.012)
Provision for unused vacation at the end of the period	34.294	54.260

Payables related to employee benefits are as follows (TL):

	31 December 2024	31 December 2023
Social security withholding payable	24.558	26.827
Reverse charge taxes and funds withheld	60.516	64.281
Payables related to other employee benefits	17.541	30.686
Total	102.615	121.794

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25. OTHER ASSETS AND LIABILITIES

Other current assets consist of the following (TL) :

	31 December 2024	31 December 2023
Deferred VAT	1,245.251	917.561
Other current assets	11.104	9.012
Total	1.256.355	926.573

Other non-current assets consist of the following (TL)

	31 December 2024	31 December 2023
Prepaid taxes and funds	120.929	184.846
Other miscellaneous non-current assets	576	-
Total	121.505	184.846

Other short term liabilities consist of the following (TL):

	31 December 2024	31 December 2023
Provisions for other liabilities and expenses	9.499	8
Total	9.499	8

26. EQUITY

(a) Share capital :

As of 31 December 2024 and 2023, the Parent Company's shareholding structure is as follows (TL) :

Name	31 December 2024		31 December 2023	
	Shareholding	Nominal value	Shareholding	Nominal value
Alaton Family	29,04%	126.328	31,54%	137.203
Garih Family	30,72%	133.649	31,72%	137.999
Other	40,24%	175.023	36,74%	159.798
Total	100,00%	435.000	100,00%	435.000

As of December 31, 2024 and 2023, the difference arising from the inflation-adjusted nominal capital is TL 5.736.580.

The registered capital ceiling of the Parent Company is TL 500.000. As of December 31, 2024, the paid-in capital is TL 435.000 (December 31, 2023 - TL 435.000) and consists of 43.500.000.000 shares (December 31, 2023 – 43.500.000.000) with a nominal value of 1 Kr (Full TL).

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26. EQUITY (CONTINUED)

(a) Share capital (Continued)

Alarko Holding A.Ş. Board of Directors; It has been unanimously decided by the participants to revise the Amendment Text regarding the amendment to the Articles of Association accepted in accordance with the decision dated 14 March 2024 and numbered 929; to obtain permission for an extension since the registered capital ceiling permission granted by the Capital Markets Board will expire in 5 years in 2024; to increase the registered capital ceiling of the Company from 500.000 TL to 2.000.000 TL; therefore, to obtain permission from the Capital Markets Board again in accordance with the "Registered Capital System Communiqué" numbered II-18.1 of the Capital Markets Board; to amend Article 8 of the Company's Articles of Association within the framework of the regulations of the Capital Markets Board regarding the registered capital system as specified in the Amendment Text; and to submit the registered capital ceiling to the approval of the first General Assembly to be held following the receipt of the necessary approvals regarding the amendment to the Articles of Association.

The Company applied to the Capital Markets Board on September 25, 2024 regarding the increase of the current registered capital ceiling and the update of its validity date, and this application was accepted by the Capital Markets Board with the permission letter dated November 29, 2024 and numbered E-29833736-110.03-63592. It was notified that the amendment to Article 8 of the Articles of Association was approved with the permission letter dated December 23, 2024 and numbered E-50035491-431.02-00104290944 of the General Directorate of Domestic Trade of the Ministry of Commerce of the Republic of Turkey. The said amendment text will be submitted to the approval of the general assembly at the Ordinary General Assembly meeting for 2024.

(b) Cross shareholding adjustment (-) :

Capital adjustment made upon participation of subsidiaries having interest in the Parent Company capital is as follows (TL) :

	31 December 2024	31 December 2023
Parent Company capital	435.000	435.000
Parent Company shares acquired by the Subsidiary at nominal value (-)	(1.536)	(1.536)
Total share capital	433.464	433.464

There are shares amounting to TL 1.184 acquired by Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. in 2003 and belonging to the Parent Company as of December 31, 2024, shares amounting to TL 349 acquired by Alsım Alarko San. Tes. ve Tic. A.Ş. and belonging to the Parent Company as of December 31, 2024 and shares amounting to TL 3 acquired by Tüm Tesisat ve İnşaat A.Ş. (transferred to Aldem Alarko Konut İnşaat ve Tic. A.Ş. as of December 31, 2024) and belonging to the Parent Company as of December 31, 2024.

(c) Restricted reserves:

As of 31 December 2024 and 2023, restricted reserves consist of legal reserves.

Restricted reserves are as follows (TL) :

	31 December 2024	31 December 2023
Legal reserves	732.847	384.698
Legal reserves inflation difference	791.623	758.757
Total	1.524.470	1.143.455

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26. EQUITY (CONTINUED)

(c) Restricted reserves (Continued):

Legal reserves, which are divided as First Legal Reserve and Second Legal Reserve as per the Turkish Commercial Code, are appropriated as below :

- First Legal Reserve: Appropriated out of net profit at the rate of 5% until such reserve is equal to 20% of issued and fully paid capital.
- Second Legal Reserve: Appropriated out of net profit at the rate of 10% of distributions after providing for First Legal Reserve and an amount equal to 5% of capital as dividends.

Legal reserves which do not exceed one half of share capital may only be used to absorb losses or for purposes of continuity of the business in times of business difficulties and to prevent unemployment or lessen its effects.

(d) Repurchased shares (-)

On March 18, 2022, by the Board of Directors of Alarko Holding A.Ş., considering the economic developments experienced worldwide, in order to protect the interests of all stakeholders, especially small stakeholders, and to contribute to healthy price formation; it was unanimously decided to carry out share buybacks within the framework of the Capital Markets Board's Communiqué on Buyback Shares numbered II-22.1 and its announcements dated July 21, 2016 and July 25, 2016, to determine the maximum fund amount that can be allocated for share buyback as TL 180.000 to be covered by internal resources, to determine the maximum share amount that can be subject to share buyback as a nominal value of 8.700.000 (Full TL), and to present the share buyback program and the purchases to be made within the scope of the program to the shareholders at the first General Assembly Meeting. It was unanimously decided to present it to the shareholders at the Board Meeting. Within the scope of the said buyback program; 334.508 TL worth of purchases corresponding to 2.601.787 shares were made in 2022. Purchases worth TL 104.244 corresponding to 629.586 shares were made between January 3, 2023 and February 2, 2023. By the Board of Directors of Alarko Holding A.Ş. on February 16, 2023; Within the framework of the Capital Markets Board's announcement made with the Communiqué on II-22.1 Buyback Shares and the principle decision numbered 9/177 dated February 14, 2023, it has been unanimously decided that in order to protect the interests of all our stakeholders and to contribute to the formation of a healthy price in the value of our Company's shares, share buybacks will be carried out in addition to the existing share buyback program, the maximum fund amount that can be allocated for share buyback determined as TL 180.000 will be revised as TL 380.000 to be covered by internal resources, the maximum share amount that can be subject to share buyback will be revised as TL 5.600.000 (Full TL) nominal value, and the share buyback program and the purchases to be made within the scope of the program will be presented to the shareholders at the first General Assembly Meeting. Within the scope of the said buyback program; Between March 15, 2023 and April 17, 2023, purchases worth TL 345.822 were made for 2.368.627 shares, and the ratio of the repurchased shares to the company's capital reached 1.287%. The share purchase transaction was completed as of April 17, 2023.

Alarko Holding A.Ş. Board of Directors has decided on May 29, 2024; to carry out share buybacks in accordance with the Capital Markets Board's Communiqué on II-22.1 Buyback Shares and its principle decision numbered 9/177 dated February 14, 2023, in order to protect the interests of all stakeholders and contribute to healthy price formation; to determine the maximum fund amount that can be allocated for share buyback as TL 550.000 to be covered by internal resources, to determine the maximum share amount that can be subject to share buyback as TL 4.350.000 (Full TL) nominal value, to determine the maximum period foreseen for share buyback as one year, to present the share buyback program and purchases to be made within the scope of the program to the shareholders at the first General Assembly Meeting. Within the scope of the said buyback program; purchases worth TL 325.987 corresponding to 3.107.343 shares were made between June 5, 2024 and December 26, 2024 and the ratio of the buyback shares within the company capital has reached 2.002%. The total of purchases provided by the internal resources of the subsidiary Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. is TL 219.889 corresponding to 14.539.680 shares and is shown in the "Buyback Shares (-)" account. As of December 31, 2024, there are TL 1.141.430 worth of buyback shares (December 31, 2023 - TL 869.010). The Company has allocated reserves equal to the buyback price of the buyback shares and classified them as restricted reserves allocated from profit under equity.

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26. EQUITY (CONTINUED)

(e) Retained earnings or accumulated losses :

Distribution of retained earnings or accumulated losses is as follows (TL) :

	31 December 2024	31 December 2023
Retained earnings or accumulated losses	42.448.039	32.183.536
Extraordinary reserves inflation differences	1.743.854	993.265
Extraordinary reserves	4.831.057	8.234.918
Total	49.022.950	41.411.719

Inflation adjustment differences can be used in free capital increase and loss offset. In addition, inflation adjustment differences arising from reserve items that do not have any records preventing profit distribution can be used in profit distribution.

Due to the use of different indexes in the Tax Procedure Law and TAS 29 inflation accounting application and the adjustment of amounts from previous reporting periods in the TAS 29 application and bringing them to the purchasing power of December 31, 2024; There have been differences between the amounts in the balance sheet prepared in accordance with the Tax Procedure Law regarding the items "Capital Adjustment Differences", "Premiums (Discounts) Related to Shares", "Restricted Reserves Separated from Profit" and "Other Reserves" and the amounts in the financial statements prepared in accordance with TAS/IFRS. The said differences are reflected in the "Previous Years' Profits or Losses" item in the TAS/IFRS financial statements, and these differences are detailed below:

31 December 2024							
	Capital adjustment differences	Premiums Related to Shares	Legal reserves	Reserves for repurchased shares	Extraordinary reserves	Special spares	Capital Advances
According to TAS/IFRS Financial Statements	5.736.580	-	791.623	532.942	4.831.057	-	-
According to Tax Procedural Law	8.318.776	38.845	362.495	518.508	3.086.257	252.247	43
31 December 2023							
	Capital adjustment differences		Legal reserves	Reserves for repurchased shares	Extraordinary reserves		
According to TAS/IFRS Financial Statements		5.736.580	758.757	508.326			8.234.918
According to Tax Procedural Law		8.359.489	389.380	383.988			11.069.573

Within the scope of the first transition to inflation, retained earnings in the balance sheet prepared after TAS 29 inflation adjustment is TL 4.802.013.149 as of 1 January 2022 and the amount calculated on the purchasing power basis as of 31 December 2024 is TL 18.765.014

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26. EQUITY (CONTINUED)

(f) Non-controlling interest :

Non-controlling interest consists of the following (TL) :

	31 December 2024	31 December 2023
Share capital	310.474	73.682
Adjustment to share capital	762.966	761.807
Repurchased shares(-)	(80.231)	(80.486)
Premiums/discounts for shares	35.243	15.440
Legal reserves	223.716	215.528
Other comprehensive income	139.190	192.501
Retained earnings or (accumulated losses)	2.911.431	2.671.525
Profit / (loss) for the period	335.254	406.780
Total	4.638.043	4.256.777

As of December 31, 2024, the portion of the profit of the period attributable to non-controlling interests in the amount of TL 335.254 (December 31, 2023 - TL 406.780) in the consolidated statement of profit or loss and other comprehensive income of TL 309.038 (December 31, 2023 - TL 391.733) represents the unowned share of Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. in the amount of 48,77% (December 31, 2023 – 48,80%).

As of December 31, 2024, the portion of TL 4.026.582 (December 31, 2023 - TL 3.359.255) of the non-controlling interests in the consolidated financial position statement amounting to TL 4.638.043 (December 31, 2023 - TL 4.256.777) represents the unowned share of Alarko Gayrimenkul Yatırım Ortaklığı A.Ş., one of the Subsidiaries, at the rate of 48,77% (December 31, 2023 – 48,80%).

As of December 31, 2024 and 2023, the total assets, liabilities and equity of Alarko Gayrimenkul Yatırım Ortaklığı A.Ş. and the summary profit or loss statements for the years ending on the same dates are as follows:

	31 December 2024	31 December 2023
Current assets	1.829.578	2.586.690
Non-current assets	6.425.980	5.352.434
Total assets	8.255.558	7.939.124
Short term liabilities	540.289	346.876
Long term liabilities	1.834.235	708.831
Equity	5.881.034	6.883.417
Total liabilities	8.255.558	7.939.124

	31 December 2024	31 December 2023
Gross profit / (loss)	210.921	323.326
Operating income / (expenses)	422.689	479.371
Net income / (loss)	633.610	802.697

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26. EQUITY (CONTINUED)

(g) Share-based payments (-):

The Company has put into effect the "Limited Share Acquisition Bonus Plan" ("Plan") with the Board of Directors' Resolution dated April 26, 2023 and numbered 894. The purpose of the Plan is to establish a system whereby certain employees within the ("Company") (i) are given additional bonuses by giving Shares in return for their performance, subject to certain limits and restrictions, if they meet the performance criteria to be determined for them, and (ii) are given the right to choose to pay a portion of the bonuses they are entitled to within the scope of their employment by giving Shares instead of cash.

The Company has allocated performance-based restricted stock shares to certain executives and key employees ("Participants"). Participants' definitive entitlement to the allocated shares is dependent on reaching certain market conditions and fulfilling the specified working hours. In case of definitive entitlement, the vested shares are given to participants free of charge. 1.738.131 restricted stock shares were allocated during the period. There are 65.861 restricted shares whose allocations were cancelled/invalidated or definitive entitlements were acquired during the period. There are 1.672.270 restricted stock shares available as of the end of the period. The fair values (option prices) of the restrictedly allocated shares were calculated as a weighted average of 107,72 (Full TL) per share as a result of valuations made using the Black-Scholes-Merton pricing model and market data for the dates the shares were allocated.

The amount expensed under the "Limited Stock Acquisition Bonus Plan" in the company's 2024 income statements is TL 53.394, excluding tax provisions. The TL 126.147 that has not yet been expensed under the plan will be expensed over the 2.5-year weighted average amortization period.

27. REVENUE AND COST OF SALES

Revenues consist of the following (TL) :

	31 December 2024	31 December 2023
Domestic sales	3.537.821	3.656.901
Exports sales	4.325.621	8.562.199
Other sales	54.335	61.055
Sales returns (-)	(16.800)	(6.152)
Sales discounts (-)	(302.598)	(295.994)
Other discounts (-)	(104)	(17)
Total	7.598.275	11.977.992

Cost of sales consists of the following (TL) :

	31 December 2024	31 December 2023
Cost of goods sold	766.269	248.882
Cost of trade goods sold	272.459	317.609
Cost of services sold	6.235.194	10.417.968
Total	7.273.922	10.984.459

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28. MARKETING EXPENSES, GENERAL ADMINISTRATION EXPENSES

Marketing expenses and general administrative expenses are as follows (TL) :

Marketing expenses consist of the following (TL) :

	31 December 2024	31 December 2023
Personnel expenses (Note 29)	61.222	35.211
Outsourced benefits and services	41.401	29.884
Exhibition, advertisement, presentation expenses	13.817	5.025
Transportation and travelling expenses	9.340	3.459
Material expenses	10.147	6.148
Transportation expenses	20.552	-
Miscellaneous expenses	51.165	42.054
Total	207.644	121.781

General administration expenses consist of the following (TL):

	31 December 2024	31 December 2023
Personnel expenses (Note 29)	872.356	709.012
Outsourced benefits and services	262.384	300.773
Depreciation and amortisation (Note 29)	90.905	104.242
Rental expenses	42.724	31.363
Provision for termination indemnity (Note 29)	51.243	31.343
Taxes, duties, and fees	65.662	54.466
Provision for litigation (Note 22)	43.905	8.501
Doubtful receivables expense (Note 8)	696	19.306
Communication expenses	3.998	1.708
Bank expenses	40.616	18.315
Provision for unused vacation (Note 29)	12.677	27.681
Miscellaneous expenses	372.455	91.503
Total	1.859.621	1.398.213

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29. EXPENSES BY NATURE

Depreciation and amortisation expenses consist of the following (TL) :

	31 December 2024	31 December 2023
General production expenses	275.580	66.549
Cost expenses	380.919	431.938
General administrative expenses (Note 28)	90.905	104.242
Total	747.404	602.729

	31 December 2024	31 December 2023
Right of use assets (Note 20)	70.231	58.804
Depreciation of plant, property and equipment (Note 18)	609.146	520.817
Amortisation of intangible assets (Note 19)	68.027	23.108
Total	747.404	602.729

Benefits provided to employees are as follows (TL):

	31 December 2024	31 December 2023
General production expenses	132.638	81.235
Cost of production of services	405.591	401.902
Research and Development Expenses (-)	11.918	422
General administration expenses (Note 28)	936.276	768.036
Marketing, sales, and distribution expenses (Note 28)	61.222	35.211
Total	1.547.645	1.286.806

Wages and salaries	1.103.561	942.533
Social security premiums	139.414	81.811
Other personnel expenses	253.427	231.119
Provision for termination indemnity (Note 28)	51.243	31.343
Total	1.547.645	1.286.806

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30. OTHER INCOME/EXPENSES FROM OPERATING ACTIVITIES

Other income from operating activities is as follows (TL):

	31 December 2024	31 December 2023
Foreign exchange income	1.869.000	5.093.549
Interest income	62.870	119.827
Rental income	32.631	27.232
Provisions for termination indemnity no longer required	32.985	59.891
Rediscounted interest income	25.484	10.885
Provisions for doubtful trade receivables no longer required (Note 8)	432	36
Maturity differences received	61.099	24.613
Compensation received	8.528	1.244
Other income and profit	592.953	305.086
Total	2.685.982	5.642.363

Other expense from operating activities is as follows (TL):

	31 December 2024	31 December 2023
Foreign exchange losses	522.153	696.062
Expenses before the commitment	42.500	8
Commercial cost	54.382	208.541
Rediscounted interest expense	53.990	6.434
Commitment costs for completed projects	145.799	58.673
Other expenses and losses	222.791	91.931
Total	1.041.615	1.061.649

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31. INCOME / EXPENSE FROM INVESTING ACTIVITIES

Income from investing activities are as follows (TL) :

	31 December 2024	31 December 2023
Fair value increase (Note 16)	1.185.779	651.583
Value increase in marketable securities (Note 6)	854.609	421.404
Gain on sale of marketable securities	201.917	129.845
Investment property sales profit	935.925	109.205
Gain on sale of fixed assets	-	243.608
Exchange rate protected deposits fair value difference	517.753	872.330
Income from public sector bonds, notes and shares	119.994	190.472
Total	3.815.977	2.618.447

Expenses from investing activities are as follows (TL) :

	31 December 2024	31 December 2023
Investment property sales loss	30.924	86.484
Loss on sale of fixed assets	8.285	-
Fair value decrease (Note 16)	3.273	-
Exchange rate protected deposits fair value difference	3.508	-
Total	45.990	86.484

32. FINANCIAL EXPENSES

Financial income is as follows (TL):

	31 December 2024	31 December 2023
Derivative instrument income	7.495	33.063
Interest income	850.066	478.065
Received maturity differences	54.525	21.117
Other financial income	10.159	-
Total	922.245	532.245

Financial expenses consist of the following (TL) :

	31 December 2024	31 December 2023
Borrowing expenses	1.716.152	1.204.529
Given maturity differences	1.558.714	717.857
Interest expenses related to leases	246.465	18.346
Derivative instrument expenses	800	16.868
Total	3.522.131	1.957.600

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33. TAX ASSETS AND LIABILITIES

The Net Monetary Position Gains/(Losses) item reported in the statement of profit or loss results from the following monetary/non-monetary financial statement items:

NON-MONETARY ITEMS	1 January – 31 December 2024
Financial Position Statement Items	(4.280.229)
Other receivables	1.496
Inventories	146.471
Prepaid expenses	60.355
Other current assets	(116.697)
Long term financial investments	(1.061.238)
Non-Current Assets Classified for Sale	126
Investment Properties	419.223
Tangible Fixed Assets	2.387.972
Right-of-Use Assets	(106.812)
Intangible Fixed Assets	231.033
Deferred Tax Asset/Liability	770.057
Deferred Income	(21.397)
Other Current Liabilities	548.340
Other Liabilities	(27.755)
Capital Adjustment Differences	(6.583.621)
Repurchased Shares (-)	530.262
Effect of Combinations Involving Enterprises or Businesses Under Common Control (-)	23.101
Other Accumulated Comprehensive Income or Expense Not to be Reclassified to Profit/Loss	226.017
- Gains (Losses) on Investments in Equity-Based Financial Instruments	216.480
- Defined Benefit Plans Remeasurement Gains/(Losses)	9.537
Restricted reserves	(1.226.886)
Retained earnings or accumulated losses	(480.276)
Profit or Loss Statement Items	3.065.350
Revenue	(583.144)
Cost of Sales	1.037.199
General Administrative Expenses	326.831
Marketing, Sales and Distribution Expenses (-)	26.608
Research and Development Expenses	3.801
Other Income from Main Activities	2.663.885
Other Expenses from Main Activities	275.495
Income from Investment Activities	519.913
Expenses from Investment Activities (-)	194
Shares of Profits (Losses) of Investments Valued by Equity Method	(1.860.158)
Financing Income	(2.192)
Financing Expenses	656.918
NET MONETARY GAINS / (LOSSES)	(1.214.879)

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34. TAX ASSETS AND LIABILITIES (CONTINUED)

a) Corporate tax;

The effective tax rate applied in 2024 is 25% (2023: 25%).

The corporate tax rate to be accrued on taxable corporate income is calculated on the remaining tax base after adding the expenses that cannot be deducted from the tax base recorded as expenses in determining commercial income and deducting tax-exempt earnings, non-taxable income and other deductions (previous year losses, if any, and investment deductions used if preferred).

In Turkey, provisional tax is calculated and accrued on a three-month basis. With the "Law on the Amendment of Certain Laws and Legislative Decree No. 375 and the Establishment of Additional Motor Vehicle Tax for the Compensation of Economic Losses Caused by the Earthquakes Occurring on February 6, 2023" published in the Official Gazette dated July 15, 2023, the corporate tax rate was increased from 20% to 25%. Accordingly, the calculated corporate tax provision and deferred tax calculations were made by taking into account the corporate tax rate valid in the relevant year. Losses can be carried forward for a maximum of 5 years to be deducted from the taxable profit to be generated in future years. However, the losses incurred cannot be deducted retroactively from the profits in previous years.

The Law No. 7061 on the Amendment of Certain Tax Laws and Other Laws was published in the Official Gazette dated December 5, 2017 and numbered 30261. Article 89 of this Law amends Article 5 of the Corporate Tax Law titled "Exceptions". With subparagraph (a) of the first paragraph of the article, the 75% exemption applied to the profits of the institutions arising from the sale of real estates included in their assets for two full years was reduced to 50%. This regulation entered into force as of December 5, 2017.

There is no definitive and final reconciliation procedure regarding tax assessment in Turkey. Companies prepare their tax returns between April 1-30 of the year following the accounting closing period of the relevant year. These returns and the accounting records that form the basis for them may be reviewed and changed by the Tax Office within 5 years. As of January 1, 2025, certain conditions have been introduced for the corporate tax exemption to be applied to the earnings of REITs with Law No. 7524. Accordingly, if at least 50% of the earnings obtained from real estate are distributed as dividends, the tax rate applied to corporate earnings will be applied as 10%. For this reason, the tax rate of 30% valid for undistributed profits is used in the calculation of period taxes and deferred tax assets and liabilities. The corporate tax rate is applied to the tax base that will be found by adding expenses that are not accepted as deductions according to the tax laws to the commercial earnings of the companies and deducting the exemptions and discounts included in the tax laws.

Income Tax Withholding

In addition to corporate tax, income tax withholding must also be calculated on dividends, except for those distributed to full-fledged taxpayers who receive dividends and declare them by including them in corporate income, and to branches of foreign companies in Turkey. Income tax withholding was applied as 10% for all companies between April 24, 2003 and July 22, 2006. This rate has been applied as 15% since July 22, 2006, with the Council of Ministers Decision numbered 2006/10731. Dividends that are not distributed but added to the capital are not subject to income tax withholding.

A 19.8% withholding tax must be made on the investment discount amount used based on investment incentive certificates received before April 24, 2003. No withholding tax is made on investment expenditures without incentive certificates after this date.

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34. TAX ASSETS AND LIABILITIES (CONTINUED)

a) Corporate tax (continued)

Taxation of Activities of Foreign Subsidiaries

In the accompanying consolidated financial statements, the tax rate used in the calculation of corporate tax and deferred tax for subsidiaries, affiliates and joint operations abroad, which are consolidated using the equity share and full consolidation method, as of December 31, 2024, is 20%, 16%, 18% and 25% for companies in Russia, Romania, Ukraine and Spain, respectively, and 28% for companies in Kazakhstan.

The tax liability for the period profit is as follows (TL):

	31 December 2024	31 December 2023
Current period corporation tax (*)	499.450	732.506
Prepaid taxes and funds	(121.656)	(528.209)
Total	377.794	204.297

Tax income and expenses recognized in the consolidated statement of profit or loss and other comprehensive income are summarized in the following (TL) :

	31 December 2024	31 December 2023
Current period corporation tax (*)	(484.459)	(720.501)
Deferred tax income / (expense) (Note 34(b))	(143.800)	847.514
Total tax expense	(628.259)	127.013

(*) The difference between foreign subsidiaries' current tax provision and current period corporate tax is the effect of currency translation differences.

As of 31 December 2024 and 2023, the reconciliation between the tax expense calculated by applying the legal tax rate on the profit before tax and the total tax provision stated in the consolidated statement of profit or loss and other comprehensive income is as follows (TL) :

	31 December 2024	31 December 2023
Profit/ (loss) before tax	2.720.783	9.845.325
Share of profits / (losses) of investments accounted by equity method	2.888.838	8.156.261
Profit/(loss) before tax (share of profits / (losses) of investments accounted by equity method excluded)	(168.055)	1.689.064
Local tax rate	%25	%25
Tax expense calculated by using the tax rate	(42.014)	422.266
Disallowable expenses and other additions	800.166	116.068
Tax-exempt earnings and other deductions	(151.461)	(815.452)
The effect of changes in tax rates	21.568	150.105
Total tax expense	628.259	(127.013)

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34. TAX ASSETS AND LIABILITIES (CONTINUED)

b) Deferred tax assets and liabilities;

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from differences between its tax-based financial statements and its financial statements prepared in accordance with TFRS. These differences generally arise from the fact that some income and expense items are included in different periods in the tax-based financial statements and the financial statements prepared in accordance with TFRS, and these differences are specified below. The tax rate used in the calculation of deferred tax assets and liabilities was 25% based on temporary timing differences expected to reverse. The tax exemption granted to real estate investment trusts by Article 5, subparagraph d-4 of the Corporate Tax Law was made conditional on the distribution of at least 50% of the profits obtained from real estate through dividends as of January 1, 2025, by Law No. 7524 dated 2/8/2024. Since the profit distribution decision is under the authority of the general assembly, the tax rate used in the calculation of 2024 deferred tax assets and liabilities is 30%.

Temporary differences creating a basis for deferred tax calculations and deferred tax assets/liabilities and deferred tax income/expenses are as follows (TL) :

Temporary income / (expense) differences

	Accumulated temporary differences		Deferred tax assets / liabilities	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Tax assets				
Tax losses of carry forward (*)	1.815.075	424.459	451.119	102.051
Cost of long term construction	25.133.760	27.393.581	6.272.461	6.848.395
Temporary differences on inventories	436.236	-	129.440	-
Provision for litigation expenses	82.629	65.395	20.657	16.349
Derivative instruments	-	7.657	-	1.914
Unused vacation provision	34.294	53.165	8.675	13.291
Termination indemnity	76.224	54.988	19.155	13.747
Difference between carrying value and tax bases of property, plant and equipment and intangible assets	13.264.024	1.552.629	3.940.822	388.066
Leases	112.503	97.646	28.126	24.411
Other	249.386	417.470	69.718	104.368
Total			10.940.173	7.512.592

	Accumulated temporary differences		Deferred tax assets / liabilities	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Tax liabilities				
Temporary differences on inventory	-	(189.336)	-	(47.537)
Right of use asset	(254.319)	(162.584)	(67.050)	(40.646)
Cost of long term construction	(18.212.135)	(21.892.068)	(4.550.786)	(5.495.758)
Investment properties	(18.135.851)	(1.945.099)	(5.266.840)	(451.739)
Total			(9.884.676)	(6.035.680)

Net deferred tax liability			1.055.497	1.476.912
Deferred tax asset on financial position			2.324.300	2.137.626
Deferred tax liability on financial position			(1.268.803)	(660.714)
Net effect of deferred tax			1.055.497	1.476.912

(*) As of December 31, 2024, of the prior year and current period losses subject to deferred tax calculation, TL 67.941 belongs to energy group companies, TL 53.404 to contracting group companies, TL 420.581 to holding group companies, TL 54.658 to industry and trade group companies, and TL 1.218.491 to agriculture group companies. (As of December 31, 2023, of the prior year and current period losses subject to deferred tax calculation, TL 1.197 belongs to energy group companies, TL 81.412 to contracting group companies, TL 17.923 to holding group companies, and TL 323.927 to agriculture group companies.)

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34. TAX ASSETS AND LIABILITIES (CONTINUED)

b) Deferred tax assets and liabilities (continued);

Deferred tax income / (expense) (TL) :

	31 December 2024	31 December 2023
Prior period deferred tax liability	1.476.912	757.188
Deferred tax (expense) / income (Note 34(a))	(143.800)	847.514
Business combinations effect	(52.011)	(168.418)
Deferred tax expense accounted for in prior years' profit/ (loss)	(253.452)	-
Foreign currency translation differences	32.373	37.129
Actuarial deferred tax income / (expense)	(4.535)	3.499
Impact of tax rate change	10	-
Current period deferred tax liability (-)	1.055.497	1.476.912

35. EARNINGS / (LOSS) PER SHARE

Earnings / (loss) per share is calculated as follows :

	31 December 2024	31 December 2023
Parent company profit / (loss) for the period (TL)	1.757.270	9.565.558
Weighted average number of ordinary shares at the beginning of the period *	428.365	430.003
Earnings / (loss) per share		
Earnings / (loss) per parent company share (TL)	4,102	22,245

(*) Per share of TL 1 nominal.

At the ordinary general assembly meeting of Alarko Holding A.Ş. held on May 27, 2024; after separating the non-controlling shares of TL 281.745 and the first legal reserve fund of TL 46.773 from the period profit of TL 6.907.066 in the consolidated financial statements for 2023, the remaining net period profit is TL 6.578.548 in accordance with the Capital Markets Legislation, the Company's Articles of Association and other legislation. It has been decided by majority vote that the portion of TL 978.141 (Gross), corresponding to 14,85% of the TL 6.582.930 formed by the addition of donations amounting to TL 4.382 to the net profit for the period, will be allocated as dividend to be distributed to the partners; the dividend advance of TL 556.800 (Gross) paid in cash in 2023 will be offset from the dividend to be distributed; the remaining portion of TL 421.341 (Gross) will be distributed to the partners as dividend in cash; the necessary tax withholding will be made on the dividend portion subject to withholding tax; the remaining amount will be added to the extraordinary reserve funds; and the dividend distribution will start on May 30, 2024. (The total value of the dividend advance of 556.800 TL brought to the purchasing power of 31 December 2024 is 1.006.669 TL.)

According to the attached consolidated financial statements of Alarko Group as of December 31, 2024, the Parent Company's net profit for the period is TL 1.757.270 and the total amount of other resources that may be subject to profit distribution is TL 49.814.573 (Note 26). According to the Parent Company's legal records as of December 31, 2024, the Parent Company's net profit for the period is TL 1.248.922 and the total amount of other resources in its legal records that may be subject to profit distribution is TL 387.027.

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36. RELATED PARTY DISCLOSURES

Trade receivables from related parties consist of the following (TL) :

	31 December 2024	31 December 2023
Meram Elektrik Perakende Satış A.Ş.(1)	26.685	19.016
Alarko Carrier San. ve Tic. A.Ş.(1)	15.264	5.386
Cenal Elektrik Üretim A.Ş. (1)	8.399	3.703
Alcen Enerji Dağ. Ve Perak. Sat. Hizm. A.Ş. (1)	977	-
Meram Elektrik Enerjisi Toptan Satış A.Ş.(1)	4.907	3.085
Alarko Cengiz Metro Ortak Girişimi (2)	4.112	5.275
Alarko-Makyol Adi Ortaklığı (1)	-	1
İpeks Jeotermal Enerji Tarım Sanayi Tic. A.Ş. (1)	286.472	-
Sanrose Tarım Sanayi ve Tic. A.Ş. (1)	50.943	-
Total (Note 8)	397.759	36.466

Trade payables to related parties consist of the following (TL) :

	31 December 2024	31 December 2023
Alarko Carrier San. ve Tic. A.Ş. (1)	902.941	1.780
Meram Elektrik Dağıtım A.Ş.(1)	65	157
Meram Elektrik Enerjisi Toptan Satış A.Ş.(1)	711	2.446
İpeks Jeotermal Enerji Tarım Sanayi Ticaret A.Ş. (1)	12.000	-
Total (Note 8)	915.717	4.383

Other short-term receivables from related parties consist of the following (TL) :

	31 December 2024	31 December 2023
Alarko-Makyol Adi Ortaklığı (1)	1.846	1.220
Al-Riva Projesi .Ar.Değ.Konut İnş. Tic. A.Ş. (3)	71	2
Al-Riva Arazi Değer.Konut İnş.ve Tic. A.Ş. (3)	36	1
Al-Riva Ar.Değ.Kon. İnş. Tur. Tes. Golf A.Ş. (3)	114	3
İpeks Jeotermal Enerji Tarım Sanayi Ticaret A.Ş.(1)	61	-
Sanrose Tarım Sanayi ve Ticaret A.Ş.(1)	29.572	-
Total (Note 9)	31.700	1.226

Non-trade long term receivables from related parties is as follows (TL):

	31 December 2024	31 December 2023
Al-Riva Projesi Ar.Değ.Konut İnş. Tic. A.Ş. (3)	161.564	113.750
Al-Riva Arazi Değer.Konut İnş.ve Tic. A.Ş. (3)	20.764	17.228
Al-Riva Ar.Değ.Kon. İnş. Tur. Tes. Golf A.Ş. (3)	5.041	4.075
Total (Note 9)	187.369	135.053

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36. RELATED PARTY DISCLOSURES (CONTINUED)

Short term non-trade payables to related parties are as follows (TL):

	31 December 2024	31 December 2023
Alcen Enerji Dağıtım ve Perak. Sat. Hizm. A.Ş. (1)	6.745.690	6.239.803
Total (Note 9)	6.745.690	6.239.803

Sales to related parties consist of the following (TL) :

As of 31 December 2024	Rent	Service	Trade good	Maturity difference	Other	Total
Al-Riva Projesi Ar. Değ. Konut Ins. Tic. A.Ş. (3)	74	39	-	46.221	-	46.334
Al-Riva Arazi Değ. Konut Ins. ve Tic. A.Ş. (3)	5	18	-	4.974	-	4.997
Al-Riva Ar. Değ. Kon. İnş. Tur. Tes. Golf A.Ş. (3)	5	57	-	1.195	-	1.257
Alarko Carrier San. ve Tic. A.Ş. (1)	2.676	26.146	-	-	-	28.822
Alcen Enerji Dağıtım ve Perakende Satış Hiz. A.Ş. (1)	4	562	-	-	-	566
Meram Elektrik Enerjisi Toptan Satış A.Ş. (1)	4	23.465	6.804	-	-	30.273
Cenal Elektrik Üretim A.Ş. (1)	4	35.842	-	-	-	35.846
Meram Elektrik Perakende Satış A.Ş. (1)	-	119.475	-	-	-	119.475
Sanrose Tarım Sanayi ve Ticaret A.Ş. (1)	6	857	2.375	2.423	-	5.661
İpeks Jeotermal Enerji Tarım Sanayi Ticaret A.Ş. (1)	-	67	97.820	545	-	98.432
Alarko Cengiz Metro Ortak Girişimi (2)	-	306	-	-	-	306
Total	2.778	206.834	106.999	55.358	-	371.969
As of 31 December 2023	Rent	Service	Trade good	Maturity difference	Other	Total
Al-Riva Projesi Ar. Değ. Konut Ins. Tic. A.Ş. (3)	4	3	-	17.993	-	18.000
Al-Riva Arazi Değ. Konut Ins. ve Tic. A.Ş. (3)	4	1	-	2.511	-	2.516
Al-Riva Ar. Değ. Kon. İnş. Tur. Tes. Golf A.Ş. (3)	4	4	-	591	-	599
Alarko Carrier San. ve Tic. A.Ş. (1)	808	24.910	3	-	2.568	28.289
Alcen Enerji Dağıtım ve Perakende Satış Hiz. A.Ş. (1)	3	29	-	-	-	32
Alarko-Makyol Adi Ortaklığı (1)	-	11	-	-	-	11
Meram Elektrik Enerjisi Toptan Satış A.Ş. (1)	3	15.910	9.584	-	-	25.497
Cenal Elektrik Üretim A.Ş. (1)	3	18.102	-	-	-	18.105
Meram Elektrik Perakende Satış A.Ş. (1)	-	86.855	-	-	-	86.855
Alhan Holding A.Ş. (4)	7	-	-	-	-	7
Bükrüş Uluslararası Havalimanı Demiryolu Bağlantısı 6.metro (2)	-	-	139.466	-	-	139.466
Alarko Cengiz Metro Ortak Girişimi (2)	-	305	-	-	-	305
Total	836	146.130	149.053	21.095	2.568	319.682

Purchases from related parties consist of the following (TL) :

As of 31 December 2024	Rent	Service	Trade good	Maturity difference	Other	Total
Alarko Carrier San. ve Tic. A.Ş. (1)	350	505	8.828	-	518.958	528.641
Meram Elektrik Dağıtım A.Ş. (1)	-	-	-	-	188	188
Meram Elektrik Enerjisi Toptan Satış A.Ş. (1)	-	9.454	10.541	-	-	19.995
Alcen Enerji Dağıtım ve Perakende Satış Hiz. A.Ş. (1)	-	-	-	1.558.714	-	1.558.714
Sanrose Tarım Sanayi ve Tic. A.Ş. (1)	-	-	23.445	-	-	23.445
	-	-	-	-	45.925	45.925
Total	350	9.959	42.814	1.558.714	519.146	2.130.983
As of 31 December 2023	Rent	Service	Trade good	Maturity difference	Other	Total
Alarko Carrier San. ve Tic. A.Ş. (1)	336	1.160	43.072	-	111	44.679
Alcen Enerji Dağıtım ve Perakende Satış Hiz. A.Ş. (1)	-	-	-	718.479	5	718.484
Alarko-Makyol Adi Ortaklığı (1)	-	9	-	-	-	9
Meram Elektrik Dağıtım A.Ş. (1)	-	-	-	-	138	138
Meram Elektrik Enerjisi Toptan Satış A.Ş. (1)	-	11.227	21.624	-	-	32.851
Alarko Cengiz Metro Ortak Girişimi (2)	-	-	-	-	66	66
Total	336	12.396	64.696	718.479	320	796.227

- (1) Jointly controlled entity
- (2) Joint operation
- (3) Affiliate
- (4) Parent company's shareholder

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36. RELATED PARTY DISCLOSURES (CONTINUED)

As of 31 December 2024, remuneration provided to top executives such as the General Manager, Assistant General Manager and members of the Board of Directors amount to TL 562.886 (31 December 2023 – TL 614.268). The entire amount consists of short term benefits.

As of 31 December 2024, the guarantees, mortgages, and sureties received from Group companies amount to TL 12.244.106 (31 December 2023 – TL 3.841.582). As of 31 December 2024 the guarantees, mortgages, and sureties given to Group companies amount to TL 19.777.751 (31 December 2023 – TL 9.957.448)

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37. NATURE AND EXTENT OF RISK ARISING FROM FINANCIAL INSTRUMENTS

i. Credit risk

Credit risks incurred by type of financial instruments are as follows (TL) :

31 December 2024	Trade receivables		Other receivables		Banks	Other (*)
	Related party	Third party	Related party	Third party		
Maximum credit risk incurred as of the reporting date (A+B+C+D+E)(**) (Note 5, 8 and 9)	397.759	1.480.738	219.069	44.656	5.004.458	11.135.459
- Part of the maximum risk covered by collaterals	-	-	-	-	-	-
A. Net book value of financial assets that are neither overdue nor impaired (Note 5, 8 and 9)	397.759	1.477.450	31.700	43.658	5.004.458	11.135.459
B. Book value of financial assets with conditions revised which otherwise would be considered as overdue or impaired	-	-	-	-	-	-
C. Net book value of overdue assets that are not impaired (Note 8)	-	3.288	187.369	998	-	-
- Portion covered by collaterals	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Overdue (gross book value)	-	19.633	-	-	-	-
- Impairment (-) (Note 8)	-	(19.633)	-	-	-	-
- Part of net value covered by collaterals	-	-	-	-	-	-
- Not overdue (gross book value)	-	-	-	-	-	-
- Impairment (-) (Note 8)	-	-	-	-	-	-
- Part of net value covered by collaterals	-	-	-	-	-	-
E. Derecognized elements involving credit risk (***)	-	-	-	-	-	-

(*) Consists of the sum of cheques received, other liquid assets, financial assets held for trading in cash and cash equivalents, short term financial assets, long-term public sector notes, promissory notes and bonds.

(**) In determining the amount of credit risk to be incurred, factors that increase credit reliability, i.e. the guarantees received, are not taken into consideration.

(***) The related amounts consist of guarantees and sureties given.

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37. NATURE AND EXTENT OF RISK ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

i. Credit Risk (continued)

Credit risks incurred by type of financial instruments are as follows (TL) :

	Trade receivables		Other receivables			
	Related party	Third party	Related party	Third party	Banks	Other (*)
31 December 2023						
Maximum credit risk incurred as of the reporting date						
(A+B+C+D+E)(**) (Note 5, 8 and 9)	36.466	4.192.378	136.279	32.465	4.391.330	11.322.859
- Part of the maximum risk covered by collaterals	-	-	-	-	-	-
A. Net book value of financial assets that are neither overdue nor impaired (Note 5, 8 and 9)	36.466	4.177.415	1.226	32.465	4.391.330	11.322.859
B. Book value of financial assets with conditions revised which otherwise would be considered as overdue or impaired	-	-	-	-	-	-
C. Net book value of overdue assets that are not impaired (Note 8)	-	14.963	135.053	-	-	-
- Portion covered by collaterals	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Overdue (gross book value)	-	27.398	-	-	-	-
- Impairment (-) (Note 8)	-	(27.398)	-	-	-	-
- Part of net value covered by collaterals	-	-	-	-	-	-
- Not overdue (gross book value)	-	-	-	-	-	-
- Impairment (-) (Note 8)	-	-	-	-	-	-
- Part of net value covered by collaterals	-	-	-	-	-	-
E. Derecognized elements involving credit risk (***)	-	-	-	-	-	-

(*) Consists of the sum of cheques received, other liquid assets, financial assets held for trading in cash and cash equivalents, short term financial assets, long-term public sector notes, promissory notes and bonds.

(**) In determining the amount of credit risk to be incurred, factors that increase credit reliability, i.e. the guarantees received, are not taken into consideration.

(***) The related amounts consist of guarantees and sureties given.

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37. NATURE AND EXTENT OF RISK ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

i. Credit Risk (continued)

Distribution of net book values by maturity of the overdue assets that are not impaired is as follows (TL):

31 December 2024	Trade receivables		Other receivables	
	Related party	Third party	Related party	Third party
1-30 days past due (*)	-	3.070	-	-
1-3 months past due	-	184	-	-
3-12 months past due	-	34	-	-
1-5 years past due	-	-	-	364
More than 5 years past due (***)	-	-	187.369	634
Total	-	3.288	187.369	998
Portion covered by collaterals	-	-	-	-

31 December 2023	Trade receivables		Other receivables	
	Related party	Related party	Related party	Related party
1-30 days past due	-	13.459	-	-
1-3 months past due	-	411	-	-
3-12 months past due	-	1.093	-	-
1-5 years past due (**)	-	-	-	-
More than 5 years past due (***)	-	-	135.053	-
Total	-	14.963	135.053	-
Portion covered by collaterals	-	-	-	-

The credit risk of Alarko Group may arise basically from its trade receivables. The Group management evaluates trade receivables taking into consideration the collaterals received, past experience, and current economic outlook; and states them as net in the statement of financial position after making provisions for doubtful receivables when deemed necessary. The Group has made provisions for doubtful receivables formed until the reporting date.

(*) Other receivables that are more than 5 years past due consist of Al-Riva Project, Land Value Housing Construction and Trade Inc., Al-Riva Land Value Housing Construction and Trade Inc., Al-Riva Land Value Housing Construction, Tour. Facilities Golf Business and Trade Inc. receivables.

ii. Liquidity risk

Holding financial instruments may lead to failure of the counterparty to fulfill the terms and conditions of the agreement. The Group management takes measures to prevent such risks through limiting the average risk for the counterparty (except for the related parties) at each agreement, and receiving collaterals if necessary.

The Group creates funds by converting its short-term financial instruments, such as trade receivables, into cash. The portion of the Group's liquid assets (current assets – inventories) exceeding its short-term liabilities is (1.007.395) TL as of 31 December 2024 and 2.072.745 TL as of 31 December 2023.

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37. NATURE AND EXTENT OF RISK ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

ii. Liquidity risk (continued)

31 December 2024

Maturities per contract	Book value	Total cash outflows per contract (I+II+III+IV+V)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)	Eliminations and adjustments (V)
Non-derivative financial liabilities							
Lease liabilities (Note 7)	119.254	460.642	27.873	23.854	88.753	320.162	-
Bank loans (Note 7)	15.509.526	17.213.018	2.356.522	5.996.731	8.510.269	349.496	-
Trade payables (Note 8)	521.160	525.799	1.744.491	1.042.341	-	-	(2.261.033)
Other payables (Note 9)	7.591.522	7.591.522	7.354.057	126.474	725.909	660	(615.578)

Expected maturities	Book value	Expeced cash outflows (I+II+III+IV+V)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)	Eliminations and adjustments (V)
Non-derivative financial liabilities							
Trade payables (Note 8)	2.024.625	2.042.653	1.003.945	9.822.489	-	-	(8.783.781)
Other payables (Note 9)	295.637	295.637	391.975	48.037	45	-	(144.420)

31 December 2023

Maturities per contract	Book value	Total cash outflows per contract (I+II+III+IV+V)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)	Eliminations and adjustments (V)
Non-derivative financial liabilities							
Lease liabilities (Note 7)	108.885	254.074	10.477	22.277	76.127	145.193	-
Bank loans (Note 7)	8.103.068	9.480.310	552.971	6.988.322	1.208.084	730.933	-
Trade payables (Note 8)	1.354.334	1.358.758	2.859.463	765.671	2.046.026	-	(4.312.402)
Other payables (Note 9)	7.121.174	7.121.174	8.671.959	17.960	845.951	-	(2.414.696)

Expected maturities	Book value	Expeced cash outflows (I+II+III+IV+V)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)	Eliminations and adjustments (V)
Non-derivative financial liabilities							
Trade payables (Note 8)	1.452.516	1.457.261	266.167	5.816.119	-	-	(4.625.025)
Other payables (Note 9)	155.596	155.596	108.371	47.225	-	-	-

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37. NATURE AND EXTENT OF RISK ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

iii. Interest risk

Interest risk arises from the probability of interest rate changes to affect financial statements. The loan agreements made by the Group are denominated in USD, TL and Euro with fixed interest rates, and their average maturities vary between 1 months and 10 years. As the payments are denominated in foreign currency, it is assumed that the interest rate will not be subject to material changes during the maturity period; hence, the interest rate risk is regarded immaterial.

	31 December 2024	31 December 2023
Financial instruments with fixed interest		
Financial assets		
Time deposits (Note 5)	2.043.329	4.281.097
Currency protected deposit account (Note 6)	430.720	2.680.055
Assets of which the fair value differences are reflected to profit/loss (Note 6)	4.477.399	5.971.542
Assets Measured at Amortized Cost	-	714.147
Financial liabilities (Note 7) (*)	12.754.959	4.904.155
	31 December 2024	31 December 2023
Financial instruments with variable interest		
Financial liabilities (Note 7)	2.873.821	3.307.798
Investment funds (Note 5)	3.624.482	312.701

(*) Financial liabilities stated under financial instruments with fixed interests consist of short and long term bank loans, other financial liabilities and lease obligations.

By 31 December 2024, if interest rates on foreign currency borrowings with floating interest rates had increased/decreased by 0,5% and interest rates on TL borrowings had increased/decreased by 0,5% with all other variables held constant, profit/(loss) before tax would have decreased/increased by TL 838 as a result of the change in interest expense (31 December 2023 – 1.158 TL).

iv. Foreign currency risk

Balances of foreign currency transactions of Alarko Group originating from operating, investing, and financing activities as of the reporting date are stated below. In relation to the foreign currency receivables and payables, the Group may be exposed to foreign currency risk in parallel with the exchange rate fluctuations. The foreign currency risk is controlled through continuous analysis and monitoring of the foreign exchange position.

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37. NATURE AND EXTENT OF RISK ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

iv. Foreign currency risk (continued)

As of 31 December 2024, the foreign currency assets and liabilities of the Group consist of the following (TL):

Foreign currency position table					
31 December 2024					
	TL Equivalent (Functional currency)	USD	EURO	GBP	Other
1. Trade receivables	2.135.919	13.468	38.502	-	33.551
2a. Monetary financial assets (Incl. Cash and Banks)	4.800.904	80.097	53.735	20	18
2b. Non-monetary financial assets	121.306	3.381	55	-	-
3. Other	308	-	8	-	-
4. Current assets (1+2+3)	7.058.437	96.946	92.300	20	33.569
5. Trade receivables	165	-	5	-	-
6a. Monetary financial assets	2.624.887	74.401	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current assets (5+6+7)	2.625.052	74.401	5	-	-
9. Total assets (4+8)	9.683.489	171.347	92.305	20	33.569
10. Trade payables	2.321.156	8.858	52.501	14	10.119
11. Financial liabilities	7.575.765	24.777	182.055	-	-
12.a Other monetary liabilities	6.401	-	174	-	-
12.b Other non-monetary liabilities	253.787	506	5.899	422	-
13. Short term liabilities (10+11+12)	10.157.109	34.141	240.629	436	10.119
14. Trade payables	-	-	-	-	-
15. Financial liabilities	7.120.940	-	193.491	-	-
16a. Other monetary liabilities	-	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-	-
17. Long term liabilities (14+15+16)	7.120.940	-	193.491	-	-
18. Total liabilities (13+17)	17.278.049	34.141	434.120	436	10.119
19. Net foreign currency asset / (liability) position (9-18)	(7.594.560)	137.206	(341.815)	(416)	23.450
20. Monetary items net foreign currency asset / (liability) position (1+2a+5+6a-10-11-12a-14-15-16a)	(7.462.387)	134.331	(335.979)	6	23.450
21. Exports (*)	167.040	1	3.868	-	-
22. Imports (*)	704.501	8.618	10.389	176	38.500

(*) Average exchange rate is used and represents pre-elimination balances.

As of 31 December 2023, the foreign currency assets and liabilities of the Group consist of the following (TL):

Foreign currency position table					
31 December 2023					
	TL Equivalent (Functional currency)	USD	EURO	GBP	Other
1. Trade receivables	706.439	7.865	1.204	3	33.551
2a. Monetary financial assets (Incl. Cash and Banks)	7.352.402	158.203	11.766	1.384	19
2b. Non-monetary financial assets	47.554	1.119	-	-	-
3. Other	697	7	9	-	-
4. Current assets (1+2+3)	8.107.092	167.194	12.979	1.387	33.570
5. Trade receivables	212	-	5	-	-
6a. Monetary financial assets	1.671.132	39.318	-	-	-
6b. Non-monetary financial assets	2	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current assets (5+6+7)	1.671.346	39.318	5	-	-
9. Total assets (4+8)	9.778.438	206.512	12.984	1.387	33.570
10. Trade payables	558.800	1.991	7.999	14	10.119
11. Financial liabilities	6.804.131	26.092	120.837	-	-
12.a Other monetary liabilities	131	3	-	-	-
12.b Other non-monetary liabilities	355.755	491	6.184	801	-
13. Short term liabilities (10+11+12)	7.718.817	28.577	135.020	815	10.119
14. Trade payables	-	-	-	-	-
15. Financial liabilities	7.487	-	159	-	-
16a. Other monetary liabilities	-	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-	-
17. Long term liabilities (14+15+16)	7.487	-	159	-	-
18. Total liabilities (13+17)	7.726.304	28.577	135.179	815	10.119
19. Net foreign currency asset / (liability) position (9-18)	2.052.134	177.935	(122.195)	572	23.451
20. Monetary items net foreign currency asset / (liability) position (1+2a+5+6a-10-11-12a-14-15-16a)	2.359.636	177.300	(116.020)	1.373	23.451
21. Exports (*)	423.885	6	9.064	-	-
22. Imports (*)	47.402	599	450	167	-

(*) Average exchange rate is used and represents pre-elimination balances.

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37. NATURE AND EXTENT OF RISK ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

iv. Foreign currency risk (continued)

The following table details the Group's sensitivity to a 10% appreciation in the exchange rate of foreign currency against TL. 10% is the sensitivity rate used when reporting foreign currency risk interially to key management personnal and represent management's assesment of the possible change in the foreign exchange rates.

As of 31 December 2024 and 2023, the currency risk analysis of Alarko Group is as follows (TL):

Foreign currency sensitivity analysis chart				
31 December 2024				
	Profit / Loss		Equity	
	Value increase in foreign currency	Value decrease in foreign currency	Value increase in foreign currency	Value decrease in foreign currency
When USD changes by 10% against TL				
1- Net Assets/ Liabilities in USD	483.849	(483.849)	-	-
2- Hedged from USD risk (-)	-	-	-	-
3- USD Net Effect (1+2)	483.849	(483.849)	-	-
When Euro changes by 10% against TL				
4- Net Assets/ Liabilities in Euro	(1.258.575)	1.258.575	-	-
5- Hedged from Euro risk(-)	-	-	-	-
6- Euro Net Effect (4+5)	(1.258.575)	1.258.575	-	-
When GBP changes by 10% against TL				
7- Net Assets/ Liabilities in GBP	(1.851)	1.851	-	-
8- Hedged from GBP risk (-)	-	-	-	-
9- GBP Net Effect (7+8)	(1.851)	1.851	-	-
When other foreign currencies changes by 10% against TL				
10- Net Assets/ Liabilities in other currencies	17.123	(17.123)	-	-
11- Hedged from other currency risks(-)	-	-	-	-
12- Net Effect of Other Currencies (10+11)	17.123	(17.123)	-	-
Total (3+6+9+12)	(759.456)	759.456		

Foreign currency sensitivity analysis chart				
31 December 2023				
	Profit / Loss		Equity	
	Value increase in foreign currency	Value decrease in foreign currency	Value increase in foreign currency	Value decrease in foreign currency
When USD changes by 10% against TL				
1- Net Assets/ Liabilities in USD	756.056	(756.056)	-	-
2- Hedged from USD risk (-)	-	-	-	-
3- USD Net Effect (1+2)	756.056	(756.056)	-	-
When Euro changes by 10% against TL				
4- Net Assets/ Liabilities in Euro	(575.831)	575.831	-	-
5- Hedged from Euro risk(-)	-	-	-	-
6- Euro Net Effect (4+5)	(575.831)	575.831	-	-
When GBP changes by 10% against TL				
7- Net Assets/ Liabilities in GBP	3.067	(3.067)	-	-
8- Hedged from GBP risk (-)	-	-	-	-
9- GBP Net Effect (7+8)	3.067	(3.067)	-	-
When other foreign currencies changes by 10% against TL				
10- Net Assets/ Liabilities in other currencies	21.921	(21.921)	-	-
11- Hedged from other currency risks(-)	-	-	-	-
12- Net Effect of Other Currencies (10+11)	21.921	(21.921)	-	-
Total (3+6+9+12)	205.213	(205.213)		

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37. NATURE AND EXTENT OF RISK ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

v. Capital risk management

For proper management of capital risk, the Group aims;

- To maintain continuity of operations so as to provide earnings to partners and benefits to other shareholders.
- To increase profitability through determining a service pricing policy that is commensurate with the level of risks inherent in the market.

The Group determines the amount of share capital in proportion to the risk level. The equity structure of the Group is arranged in accordance with the economic outlook and the risk attributes of assets.

The Group monitors capital management by using the debt/equity ratio. This ratio is calculated by dividing the debt, net, by the total share capital. The net debt is calculated by deducting the value of cash and cash equivalents from the total debt (the sum of short and long term liabilities stated in the statement of financial position). The total share capital is the sum of all equity items stated in the statement of financial position.

The Group's general strategy has not changed with respect to last year. As of 31 December 2024 and 2023, the ratios of the total share capital to total net liabilities are as follows (TL):

	31 December 2024	31 December 2023
Total debt	29.234.474	22.251.009
Less: cash and cash equivalents	(8.736.474)	(4.726.769)
Net debt	20.498.000	17.524.240
Total capital	64.702.580	63.450.636
Debt / equity ratio	32%	28%

38. AUDIT FEES

As of December 31, 2024 and 2023, the services and related fees received by the Company from the independent audit firm are as follows:

	31 December 2024	31 December 2023
Independent audit fee for the reporting period (*)	18.092	15.146
Fee for other assurance services	87	77
Fee for tax consultancy services	-	-
Fees for other non-audit services	-	-
Total	18.179	15.223

(*) Foreign currency fees of foreign subsidiaries have been converted into TL using the annual average rates of the relevant years.

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39. SUBSEQUENT EVENTS

- a) It was announced to the public on February 19, 2025, by the Alarko Tarım Sanayi ve Ticaret Anonim Şirket, one of the subsidiaries, that a joint stock company with a capital of 250.000 (Full TL) was established to operate in the agricultural and greenhouse sector and that a decision was made to participate in the said company with 250.000 (Full TL). The said company was established with the title of "Seraverde Jeotermal Tarım Gıda Sanayi ve Ticaret Anonim Şirket". This matter was registered by the Istanbul Trade Registry Directorate and announced in the Turkish Trade Registry Gazette on February 24, 2025.
- b) It was announced to the public on 27 November 2024 by the Board of Directors of Alfor Aviation and Technical Services Limited, one of the Subsidiaries; that a joint stock company with a capital of 18.000.000 (Full TL) was established to operate in the aviation sector and that a participation of 18.000.000 (Full TL) was made to the said company. The said company was established with the title of "Alfor Havacılık ve Teknik Hizmetler Anonim Şirket". This matter was registered by the Istanbul Trade Registry Directorate and announced in the Turkish Trade Registry Gazette on 24 February 2025.
- c) Within the scope of the share buyback transactions initiated by the decision of the Board of Directors of Alarko Holding A.Ş. dated 29 May 2024; 17.818.715 (Full TL) worth of ALARK shares corresponding to a total of 1.242.657 shares were bought back between 30 December 2024 and 8 January 2025. With this transaction, the ALARK shares owned by Alarko Holding A.Ş. reached 9.950.000 and the ratio of these shares to the capital is 2,287%. The share buyback transaction was completed as of 8 January 2025.