ONCOSEM ONKOLOJİK SİSTEMLER SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE NINE MONTHS PERIODS ENDED 1 JANUARY – 30 SEPTEMBER 2024 TOGETHER WITH THE INDEPENDENT AUDITOR'S REPORT

ONCOSEM ONKOLOJİK SİSTEMLER
SANAYİ VE TİCARET
ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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ONCOSEM ONKOLOJİK SİSTEMLER SANAYİ VE TİCARET A.Ş.

CONSOLIDATED BALANCE SHEETS AT 30 SEPTEMBER 24

(All amounts in Turkish Lira "TL" unless otherwise indicated)

ASSETS	Notes	Audited Current Period 30 September 2024 TL	Audited Prior Period 31 December 2023 TL
Current Assets			
Cash and cash equivalents	4	46.017.661	79.538.367
Trade receivables			
- Other trade receivables	7	92.856.908	73.925.994
Inventories	9	74.992.070	105.480.380
Prepaid expenses	10	6.433.833	4.330.812
Current income tax asset	25	696.633	1.707.896
Other current assets	18	161.541	233.238
Total Current Assets		**221.158.646**	**265.216.687**
Non Current Assets			
Other receivables			
- Other receivables	8	391.080	167.047
Financial investments	6	3.087.006	2.509.970
Right-of-use assets	13	3.966.401	4.334.613
Property, plant and equipment	11	140.723.926	156.177.609
Intangible assets	12	5.104.993	6.592.479
Prepaid expenses	10	2.458.181	13.713.876
Deferred tax assets	25	7.476.140	10.914.896
Total Non Current Assets		**163.207.727**	**194.410.490**
TOTAL ASSETS		**384.366.373**	**459.627.177**

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

ONCOSEM ONKOLOJİK SİSTEMLER SANAYİ VE TİCARET A.Ş.
CONSOLIDATED BALANCE SHEETS AT 30 SEPTEMBER 2024
(All amounts in Turkish Lira "TL" unless otherwise indicated)

LIABILITIES	**Notes**	**Audited Current Period 30 September 2024 TL**	**Audited Prior Period 31 December 2023 TL**
Current Liabilities			
Financial liabilities	5	61.233.639	79.224.024
Current portions of non-current borrowings	5	1.389.486	1.940.898
Operational lease liabilities	13	2.812.873	1.744.762
Trade payables			
- Trade payables to third parties	7	16.475.179	22.933.528
Liabilities for employee benefits	16	8.441.900	7.319.436
Other payables			
- Due to related parties	27	320.000	88.309
- Other payables to third parties.	8	494.675	1.040.863
Deferred income	10	5.379.934	3.784.175
Current income tax liabilities	25	--	--
Current provisions			--
- Provisions for employee benefits	16	1.009.012	1.228.294
- Other current provisions	17	1.785.906	2.497.544
Other current liabilities	18	3.607.372	1.254.822
Total Current Liabilities		**102.949.976**	**123.056.655**
Non Current Liabilities			
Financial liabilities	5	--	1.372.991
Operational lease liabilities	13	34.432	450.012
Long term provisions			
- Provisions for employee benefits	16	4.749.170	4.908.301
Deferred tax liabilities	25	12.750.253	15.046.906
Total Non Current Liabilities		**17.533.855**	**21.778.210**
EQUITY			
Equity Attributable to Owners of the Parent			
Share capital	19	23.850.000	23.850.000
Capital adjustment differences	19	79.105.106	79.105.106
Share premiums		130.301.436	130.301.436
Other comprehensive income/expense not to be reclassified to profit		--	
- Actuarial gain / loss	19	(3.120.603)	(1.805.334)
Other comprehensive income/expense to be reclassified to profit		--	--
- Currency translation differences			--
- Revaluation and reclassification gains / (loss)			--
Restricted reserves	19	184.602.676	184.602.676
Retained earnings	19	(101.261.572)	7.169.924
Net profit for the period		(49.594.501)	(108.431.496)
Non controlling interests			
Total Equity		**263.882.542**	**314.792.312**
TOTAL LIABILITIES AND EQUITY		**384.366.373**	**459.627.177**

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

ONCOSEM ONKOLOJİK SİSTEMLER SANAYİ VE TİCARET A.Ş.
CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE YEARS ENDED 30 SEPTEMBER 2024
(All amounts in Turkish Lira "TL" unless otherwise indicated)

	Notes	Audited Current Period 1 January - 30 SEPTEMBER 2024 TL	Audited Prior Period 1 January - 30 SEPTEMBER 2023 TL
Revenue	20	277.935.120	245.258.460
Cost of sales (-)	20	(170.422.422)	(195.963.320)
Gross profit		107.512.698	49.295.140
General administrative expenses (-)	21	(86.808.757)	(69.147.039)
Marketing, selling and distribution expenses (-)	21	(11.888.375)	(14.864.927)
Other operating income	22	3.465.132	9.638.405
Other operating expenses (-)	22	(1.932.446)	(15.519.437)
Operating profit		**10.348.252**	**(40.597.858)**
Income from investing activities	23	37.200	523.532
Operating profit / (loss) before financial income and (expenses)		**10.385.452**	**(40.074.326)**
Financial income	24	13.569.506	18.342.537
Financial expenses (-)	24	(34.790.468)	(12.703.746)
Monetary loss / gain		(37.862.833)	(57.533.654)
Profit before tax		**(48.698.343)**	**(91.969.189)**
Tax expense			
Tax for the period	25	--	(276.591)
Deferred tax income / (expense)	25	(896.158)	(5.382.261)
PROFIT FOR THE PERIOD		**(49.594.501)**	**(97.628.041)**
Non controlling interest		--	--
Equity holders of the parent		(49.594.501)	(97.628.041)
Earnings per share	25	**(2,1)**	**(4,1)**

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

ONCOSEM ONKOLOJİK SİSTEMLER SANAYİ VE TİCARET A.Ş.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE NINE-MONTH INTERIM ACCOUNTING PERIODS ENDING 01 JANUARY - 30 SEPTEMBER 2024 AND 2023

(Amounts are expressed in terms of the purchasing power of Turkish Lira ("TL") as of September 30, 2024, unless otherwise stated.)

	Paid in Capital	Capital adjustment differences	Share issue premiums	Actuarial gain/(loss)	Restricted reserves set aside from profits	Prior years' profit	Net profit/(loss) for the period	Equity attributable to equity holders of the parent	Total
Opening Balance at 1 January 2022	**19.900.000**	**74.763.878**	**--**	**(737.285)**	**165.766.741**	**72.951.877**	**(28.210.175)**	**304.435.036**	**304.435.036**
Capital Increase									
- Cash	3.950.000	4.341.228	--	--	--	--	--	8.291.228	8.291.228
- Transfer from general reserves	--	--	--	--	--	--	--	--	--
to general reserves	--	--	--	--	16.514.421	(44.724.596)	28.210.175	--	--
Impact of the change in IAS 19 "Employee benefits" (Note 2)	--	--	--	(2.701.980)	--	--	--	(2.701.980)	(2.701.980)
Share premiums	--	--	130.301.436	--	--	--	--	130.301.436	130.301.436
Net loss for the period	--	--	--	--	--	--	(97.628.041)	(97.628.041)	(97.628.041)
Closing balance as of September 30, 2023	**23.850.000**	**79.105.106**	**130.301.436**	**(3.439.265)**	**182.281.162**	**28.227.281**	**(97.628.041)**	**342.697.679**	**342.697.679**
Opening balance as of January 01, 2024	**23.850.000**	**79.105.106**	**130.301.436**	**(1.805.334)**	**184.602.676**	**7.169.924**	**(108.431.496)**	**314.792.312**	**314.792.312**
Transfer to general reserves	--	--	--	--	--	(108.431.496)	108.431.496	--	--
Impact of the amendment to IAS 19 "Employee benefits" (Note 2)	--	--	--	(1.315.269)	--	--	--	(1.315.269)	(1.315.269)
Net loss for the period	--	--	--	--	--	--	(49.594.501)	(49.594.501)	(49.594.501)
Closing balance as of September 30, 2024	**23.850.000**	**79.105.106**	**130.301.436**	**(3.120.603)**	**184.602.676**	**(101.261.572)**	**(49.594.501)**	**263.882.542**	**263.882.542**

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

CONSOLIDATED STATEMENTS OF CASH FLOW AT 30 SEPTEMBER 2024

(Amounts are expressed in terms of the purchasing power of Turkish Lira ("TL") as of September 30, 2024, unless otherwise stated.)

		Bağımsız Denetimden Geçmemiş	
	Notlar	1 Ocak - 30 Eylül 2024	1 Ocak - 30 Eylül 2023
A. CASH FLOW FROM OPERATING ACTIVITIES			
Loss for the Period		(49.594.501)	(97.628.041)
Adjustments Related to Net Profit Reconciliation for the Period			
Adjustments Related to Depreciation and Amortization Expenses	11,12,13	38.948.742	39.509.468
Severance compensation provision expense	16	2.191.104	4.940.534
Expected credit loss provision	7	497.569	277.108
Doubtful trade receivables provision	7	285.130	1.839.421
Litigation provision expense	17	(79.140)	(343.879)
Adjustments Related to rediscount interest (expense)/income	22	(2.262.474)	1.208.166
Adjustments Related to interest expenses	24	27.979.838	7.155.204
Adjustments Related to leave provisions	16	104.926	856.202
Profit / loss on sale of tangible fixed assets	11	(37.200)	(523.532)
Monetary loss / gain		15.298.062	17.321.029
Deferred tax asset / (liability), net	25	896.158	5.382.261
Changes in Working Capital			
Increase / (decrease) in inventories	9	30.488.310	16.882.761
Increase / (decrease) in trade receivables	7	(19.713.613)	(819.914)
Increase / (decrease) in other receivables related to activities	8	(224.033)	118.683
Increase / (decrease) in prepaid expenses	10	9.152.674	3.001.323
Increase / (decrease) in other current assets	18	71.697	8.274.405
Increase / (decrease) in trade payables	7	(4.195.875)	(15.481.316)
Increase / (decrease) in other payables related to activities increase/(decrease)	8,0	807.967	(21.317.325)
Increase/(decrease) in other payables related to advances received	10	1.595.759	(7.423.066)
Tax payments/(refunds)	25	1.011.263	(4.599.977)
Other short-term liabilities	17	2.352.550	1.140.109
Cash flow from operations after change in working capital		**55.574.913**	**(40.230.376)**
Severance payments paid	16	(2.124.012)	(1.960.202)
Net Cash Flows from Operating Activities		53.450.901	(42.190.578)
B. CASH FLOWS FROM FINANCING ACTIVITIES			
Cash inflows and outflows from borrowing	5	(19.914.788)	29.755.583
Interest paid	24	(27.803.333)	(6.899.730)
Cash outflows from operating leases	13	(860.977)	(1.590.402)
Capital increase		--	8.291.228
Share premiums		--	130.301.436
Net Cash Flows Generated From Financing Activities		(48.579.098)	159.858.115
C. CASH FLOWS FROM INVESTMENT ACTIVITIES			
Cash outflows from tangible fixed asset purchases	11	(16.772.800)	(21.926.965)
Cash inflows from tangible fixed asset sales	11	341.109	913.458
Cash outflows from intangible fixed asset purchases	12	(1.837.665)	(1.027.966)
Financial investments	6	(577.036)	(57.798)
Net Cash Outflows Used in Investing Activities		(18.846.392)	(22.099.271)
D. INFLATION EFFECT ON CASH AND CASH EQUIVALENTS		(19.546.117)	(24.114.693)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(33.520.706)**	**71.453.573**
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**79.538.367**	**26.154.510**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**46.017.661**	**97.608.083**

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

(Currency –Turkish Lira “TL” unless otherwise expressed)

1. ORGANIZATION AND NATURE OF ACTIVITIES OF THE COMPANY

Oncosem Group consists of Oncosem Onkolojik Sistemler Sanayi ve Ticaret Anonim Şirketi, which is the main company, and majority or effective management of its affiliated companies.

The Company was established in Turkey in 2008 as a limited company and changed its status to a joint-stock company in 2018. The main business activity of the Company is to buy, sell, lease, rent, and produce all kinds of mechanical, electrical, and electronic devices for medical and health services, all types of imaging and medical devices, and all necessary spare parts, consumables, and medical supplies for these devices.

The Group conducts its activities in three main categories: chemotherapy drug preparation services, device sales, and test kit sales.

The registered address of the Company is as follows;

Mutlukent 1988 Cad. No:12 Çankaya/Ankara, Türkiye

As of 30 September 2024 and 31 December 2024, the shareholding structure of the Company is as follows:

	30 September 2024 Share Percentage (%)	**31 December 2023 Share Percentage (%)**
Erol Çelik	63,71	66,71
EC Yatırımlar Holding A.Ş.	1,17	4,17
Bulls Girişim Sermayesi Yatırım Ort. A.Ş.	1,17	4,17
Publicly traded part	33,95	24,95
	100	**100**

Consolidated Subsidiaries

As of 30 September 2024 and 31 December 2023 the direct and indirect ownership shares of the companies included in consolidation by the Group are provided below;

	30 September 2024		**31 December 2023**	
	Direct	**Indirect**	**Direct**	**Indirect**
Santek Sağlık Turz. Teks. San. A.Ş.	%100	--	%100	--

The operations of the consolidated entities in the accompanying consolidated financial statements are summarized below:

Santek Sağlık Turz. Teks. San. A.Ş. (“SantekSağlık”); The company was established in Ankara in 2006. The main business activity of the company revolves around health services, involving the procurement, sale, leasing, and rental of various mechanical, electrical, and electronic devices, all types of imaging and medical equipment, as well as acquiring, selling, and marketing all necessary spare parts and medical consumables for these devices. Additionally, the company engages in tenders for disinfection, sterilization, meal, and cleaning services for hospitals and various public and private enterprises, and it also deals with the procurement, sale, and marketing of their consumables.

On 21 December 2021, Santek Sağlık Turizm Tekstil Sanayi A.Ş. transferred the shares owned by Erol Çelik and Fatma Çelik to Oncosem Onkolojik Sistemler Sanayi ve Ticaret A.Ş. With this transfer, Oncosem became the sole owner of all shares of Santek Sağlık, holding a 100% stake.

The principles for accounting for business combinations are regulated by the "TFRS 3 Business Combinations" standard. However, as explained in Note 2.3, the situation at hand involves the merger of two companies subject to joint control, and the accounting for this situation is detailed in paragraphs 10 and 12 of the "TMS 8 Accounting Policies; Changes in Accounting Estimates and Errors" standard.

(Currency –Turkish Lira "TL" unless otherwise expressed)

1. ORGANIZATION AND NATURE OF ACTIVITIES OF THE COMPANY (CONTINUED)

As of 30 September 2023 and 31 December 2022, the number of personnel employed by Group are as follows;

	30 September 2024	31 December 2023
Oncosem Onkolojik Sis. San. ve Tic. A.Ş.	171	219
Santek Sağlık Turz. Teks. San. A.Ş.	88	105
Total	**259**	**324**

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with the provisions of the Capital Markets Board ("CMB") Communiqué No. II-14.1, "Principles of Financial Reporting in Capital Markets," published in the Official Gazette No. 28676 dated June 13, 2013. The consolidated financial statements are based on the Turkish Financial Reporting Standards ("TFRS"), which include additional provisions and interpretations issued by the Public Oversight, Accounting, and Auditing Standards Authority ("KGK"), in line with Article 5 of the Communiqué. Additionally, these financial statements have been presented in compliance with the TMS taxonomy published by KGK on October 4, 2022.

The Company and its subsidiaries registered in Turkey prepare their statutory financial records in accordance with the principles and requirements set by the CMB, as well as the Turkish Commercial Code ("TCC"), tax regulations, and the Uniform Chart of Accounts issued by the Turkish Ministry of Finance ("Ministry of Finance"). The consolidated financial statements are prepared by reflecting necessary adjustments and reclassifications, including those related to changes in the purchasing power of the Turkish Lira, to ensure fair presentation in accordance with TFRS.

Functional and reporting presentation currency

The currency of the Group's country of residence and the functional currency is the Turkish Lira ("TL"). The Group uses the Turkish Lira as the functional currency for measurement items in its financial reports.

The financial statements of each of the Group's businesses are presented in the currency of the primary economic environment in which they operate ("functional currency").

Correction of financial statements in periods of high inflation

With the statement made by the Public Oversight Accounting and Auditing Standards Authority (KGK) 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, including the consolidated financial statements, of businesses whose functional currency is the currency of a hyperinflationary economy.

In accordance with the said standard, financial statements prepared based on the currency of a hyperinflationary economy are prepared in the purchasing power of this currency on the balance sheet date. In the previous period financial statements, comparative information is expressed in terms of the current measurement unit at the end of the reporting period for comparison purposes. For this reason, the Group has also presented its consolidated financial statements as of 30 September 2023 and 31 December 2023 on the purchasing power basis as of 30 September 2024

(Currency –Turkish Lira "TL" unless otherwise expressed)

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

2.1 Basis of Presentation (continued)

Correction of financial statements in periods of high inflation (Continued)

In accordance with the decision of the CMB dated December 28, 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of TAS 29 starting from their annual financial reports for accounting periods ending as of December 31, 2023.

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

Date	Index	Regulation Coefficient	Three-year cumulative inflation rates
30 September 2024	2.526,16	1,00000	%343
31 December 2023	1.859,38	1,35860	%268
30 Semptember 2023	1.691,04	1,49385	%254

The main elements of the adjustment transactions made by the Group for financial reporting purposes in high inflation economies are as follows;

- Current period consolidated financial statements prepared in TL are expressed by adjusting the purchasing power of money valid at the balance sheet date, and the amounts of previous reporting periods are also expressed by adjusting the purchasing power of money at the latest balance sheet date.

- Monetary assets and liabilities (cash and cash equivalents, trade receivables and payables, borrowings, etc.) are not adjusted since they are currently expressed by the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items (inventories, tangible and intangible fixed assets, capital items, etc.) exceed the recoverable amount or net realizable value, the provisions of TAS 36 and TAS 2 have been applied, respectively.

- Non-monetary assets and liabilities and equity items not expressed by the current purchasing power at the statement of financial position date have been adjusted using the relevant adjustment coefficients.

- All items in the income statement, except for those that have an impact on the income statement from non-monetary items in the statement of financial position, are indexed with coefficients calculated over the periods in which the income and expense accounts were first reflected in the financial statements.

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

Going Concern

The accompanying consolidated financial statements have been prepared based on the going concern principle. According to this principle, the Group will continue its activities in the foreseeable future and will be able to use its assets and fulfill its liabilities when due in the normal course of business.

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

2.2 Restatement and Errors in the Accounting Policies Estimates

Accounting policy changes resulting from the first application of a new standard, if any, are applied retrospectively or prospectively in accordance with the transitional provisions. Changes that do not include any transitional provisions, optional significant changes in accounting policy or accounting errors detected are applied retrospectively and prior period financial statements are restated. Changes in accounting estimates are applied in the current period if the change is made, if it relates to only one period, and both in the period when the change is made and prospectively if it is related to future.

2.3 Accounting of business combinations under common control

The principles regarding the accounting of business combinations are regulated in the “TFRS 3 Business Combinations” Standard. In TFRS 3, a business combination is defined as; “A transaction or other event in which an acquirer acquires control of one or more businesses. Transactions sometimes referred to as “true mergers” or “mergers of equals” are also business combinations as this term is used in this TFRS.”

In addition, in TFRS 3, business combinations under common control are defined as “A business combination involving enterprises or businesses under common control is a business combination in which all the merging enterprises or businesses are controlled by the same person or persons before and after the business combination and this control is not temporary.” and there is no provision regarding the accounting of these combinations in TFRS 3. In addition, it is stated in the 2nd paragraph of TFRS 3 that business combinations under common control are outside the scope of this TFRS. Although TFRS 3 has paragraphs that provide guidance on this issue, there is no determination regarding accounting in the provisions included here (Paragraphs B1-B4 of TFRS 3).

Within the framework of the provisions stated above, it is seen that there is no specific provision in TFRS regarding the accounting of entities under common control. In this respect, entities entering into business combinations under common control are required to select an appropriate accounting policy within the framework of the hierarchy in paragraphs 10-12 of the standard “TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors”.

In order to eliminate the differences in accounting policies in practice, the following accounting principles should be applied in accordance with the hierarchy given in the relevant paragraphs.

i) Goodwill should not be included in the financial statements due to the pooling of interest method used in accounting for business combinations under common control,

ii) When applying the pooling of interest method, the financial statements should be adjusted as if the merger had occurred as of the beginning of the reporting period in which the joint control was formed and presented comparatively as of the beginning of the reporting period in which the joint control was formed,

iii) Since it would be appropriate to look at the financial statements from the perspective of the parent company, the financial statements should be re-arranged in accordance with the provisions of the TAS, including merger accounting, as if the financial statements were prepared in accordance with the TAS on and before the date on which the company that holds control of the group acquired control of the companies under common control in the consolidation process,

i) In order to eliminate the possible asset-liability mismatch that may arise due to the business combination under common control, the “Effect of Mergers Involving Enterprises or Businesses Under Common Control” account should be used as an equalizing account under equity.

Effect of combinations of businesses under common control

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

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

2.4 Principles of Consolidation

The consolidated financial statements, parent company Oncosem Onkolojik Sistemler San. Ve Tic. A.Ş. and its subsidiaries, affiliates, joint ventures and financial investments accounts prepared according to the principles set forth in the following articles. During the preparation of the financial statements of the companies included in the consolidation, necessary adjustments and classifications were made in terms of compliance with the TAS/TFRS, which was put into effect by the POA in accordance with the provisions of the Communiqué Serial II, No. 14.1, and compliance with the accounting policies and presentation styles applied by the Group.

Subsidiaries

Subsidiaries refer to companies in which the Company is exposed to or has rights to variable returns from its involvement with the investee, and over which it has control because it has the ability to affect these returns through its power over the investee.

Subsidiaries are included in the scope of consolidation from the date on which control over their activities is transferred to the Group and are excluded from the scope of consolidation on the date that control ceases.

Consolidated financial statements include the financial statements of the companies controlled by the Company and its subsidiaries. Control is provided by the Company's fulfilment of the following conditions:

i.) has power over the investee/asset,
ii.) is open to or entitled to variable returns from the investee/asset, and
iii.) can use its power to have an impact on returns.

In the event of a situation or event that may cause any change in at least one of the criteria listed above, the Company re-evaluates whether it has control over its investment.

The financial position statements and profit or loss statements of the subsidiaries are consolidated using the full consolidation method, and the book values of the subsidiaries owned by the Company and their equity are mutually offset. Intra-group transactions and balances between the Company and its subsidiaries are deducted during consolidation. The book values of the shares owned by the Company and the dividends arising from them have been netted off from the related equity and profit or loss statement accounts.

Non-controlling interests

Non-controlling interests are measured in their proportional share of the acquirer's net assets at the acquisition date. Changes in the shares of subsidiaries without losing the Group's control power are accounted for as equity transactions. Accordingly, in additional share purchase transactions from non-controlling interests, the difference between the acquisition cost and the book value of the company's net assets in proportion to the purchased shares is accounted for under equity. In the sale of shares to non-controlling interests, losses or gains resulting from the difference between the sales price and the book value of the company's net assets in proportion to the sold share are also accounted for under equity.

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

2.4 Principles of Consolidation (Continued)

Transactions eliminated on consolidation

Intra-group balances and transactions and unrealized income and expenses arising from intra-group transactions are eliminated. Unrealized gains from transactions with equity are eliminated in proportion to the Group's interest in the investee. In the absence of any impairment, unrealized losses are eliminated in the same way as unrealized gains.

2.5 Comparative Information and Adjustment of Financial Statements of Previous Period

The consolidated financial statements of the Group are prepared comparatively with the previous period in order to enable the determination of financial position and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is reclassified when deemed necessary and significant differences are disclosed.

2.6. The New Standards, Amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of September 30, 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2024 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

i) New standards, amendments and interpretations effective January 1, 2024

Amendments to TAS 1 - 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 the related liabilities. In addition, these 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 terms of the agreement will be tested at the reporting date or at a later date. The amendments clearly state that the possibility of the entity not exercising its right to postpone 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 or performance.

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

2.6. The New Standards, Amendments and interpretations (continued)

i) New standards, amendments and interpretations effective January 1, 2024 (continued)

Amendments to TFRS 16 – Lease obligations in sale and leaseback transactions

In January 2023, the KGK published amendments to TFRS 16. These amendments determine the provisions to be applied by the seller-lessee in measuring lease obligations arising from sale and leaseback transactions in a way that will ensure that no gain or loss is recognized regarding the remaining right of use. In this context, the seller-lessee will determine “lease payments” or “revised lease payments” in a way that will not recognize any gain or loss regarding 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 regarding the measurement of lease obligations arising from leasebacks. The initial measurement of the lease obligation in question may cause payments other than those included in the definition of lease payments in TFRS 16 to be determined as lease payments. The seller-lessee will be required to develop and implement an accounting policy that will provide reliable and relevant information in accordance with IAS 8. The seller-lessee applies the amendments retroactively to the sale and leaseback transactions it has entered into after the initial application date of IFRS 16 in accordance with IAS 8.

The amendment did not have a significant impact on the Group's financial position or performance.

Amendments to TMS 7 and TFRS 7 - 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 finance agreements on the liabilities, cash flows and liquidity risks to which the entity is exposed by financial statement users. Supplier finance agreements are defined as agreements in which one or more financing providers undertake to pay the entity's debt to its supplier and the entity agrees to pay 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, within the scope of quantitative disclosures on liquidity risk stipulated in TFRS 7, supplier finance agreements are shown as examples of other factors that may need to be disclosed.

The amendment did not have a significant impact on the Group's financial position or performance.

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

The new standards, interpretations and amendments that have been published as of the approval date of the consolidated financial statements but have not yet entered into force for the current reporting period and have not been implemented early by the Group are as follows. Unless otherwise stated, the Group will make the necessary changes that will affect the consolidated financial statements and footnotes after the new standards and interpretations enter into force.

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

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

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

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

2.6. The New Standards, Amendments and interpretations (continued)

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

TFRS 17 - The new Standard for insurance contracts

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. Certain changes in the estimates of future cash flows and the risk adjustment are also recognised over the period that services are provided. Entities will have an option to present the effect of changes in discount rates either in profit and loss or in OCI. The standard includes specific guidance on measurement and presentation for insurance contracts with participation features. In accordance with amendments issued by POA in December 2021, entities have transition option for a "classification overlay" to avoid possible accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of TFRS 17.

The mandatory effective date of the Standard for the following entities has been postponed to accounting periods beginning on or after January 1, 2024 with the announcement made by the POA:

- Insurance, reinsurance and pension companies.
- Banks that have ownership/investments in insurance, reinsurance and pension companies and
- Other entities that have ownership/investments in insurance, reinsurance and pension companies.

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

Amendments to TMS 21 - Lack of Exchangeability

In May 2024, the KGK published amendments to TMS 21. The amendments determine how to assess whether a currency is exchangeable and how to determine the applicable exchange rate in the event that the currency is not exchangeable. According to the amendment, when an estimate of the applicable exchange rate is made because a currency is not exchangeable, information is disclosed that enables financial statement users to understand how the inability to exchange the relevant currency with another currency affects or is expected to affect the performance, financial position and cash flow of the enterprise. The amendments will be applied in annual reporting periods beginning on or after January 1, 2025. Early application is permitted and information is provided in the notes in this case. When the amendments are applied, comparative information will not be restated.

The amendment is not applicable to the Group and does not have an impact on its financial position or performance.

iii) 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 that introduce a mandatory exception to the recognition and disclosure of deferred tax assets and liabilities related to Second Pillar income taxes. These amendments clarified 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 Organization for Economic Co-operation and Development (OECD).

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

2.6. The New Standards, Amendments and interpretations (Continued)

iii) Changes effective from the moment of publication (continued)

Amendments to IAS 12 – International Tax Reform – Second Pillar Model Rules (continued)

These amendments also introduce certain disclosure requirements for entities 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 or performance.

iv) Amendments published by the International Accounting Standards Board (IASB) but not published by the KGK

The amendments to IFRS 9 and IFRS 7 specified below, Annual Improvements to IFRS Accounting Standards and IFRS 18 and IFRS 19 Standards have been published by the IASB but have not yet been adapted/published to TFRS by the KGK. Therefore, they do not form 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.

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments

In May 2024, the IASB published amendments (related to IFRS 9 and IFRS 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 an accounting policy preference for derecognizing financial liabilities fulfilled through an electronic payment system 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 similar conditional features, as well as applications for non-callable assets and contractually interconnected financial instruments. In addition, with this amendment, additional disclosures have been added to IFRS 7 for financial assets and liabilities that contain contractual provisions that reference a contingent event (including ESG-related) and equity-based financial instruments measured at fair value through other comprehensive income.

This amendment is not applicable to the Group and does not have an impact on its financial position or performance.

Annual Improvements to IFRS Accounting Standards – 11th Amendment

The IASB published "Annual Improvements to IFRS Accounting Standards / 11th Amendment" in July 2024, which includes the following amendments:

- *IFRS 1 First-time Adoption of International Financial Reporting Standards* – Hedge accounting performed by an entity that adopts IFRSs for the first time: The amendment was made to eliminate the potential confusion that would arise from the inconsistency between the statements in IFRS 1 and the provisions regarding hedge accounting in IFRS 9.

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

2.6. The New Standards, Amendments and interpretations (Continued)

iv) Amendments published by the International Accounting Standards Board (IASB) but not published by the KGK (continued)

Annual Improvements to IFRS Accounting Standards – 11th Amendment (continued)

- *IFRS 7 Financial Instruments: Disclosures* – Gains or losses on derecognition: IFRS 7 has amended the expression of unobservable inputs and added a reference to IFRS 13.

- *IFRS 9 Financial Instruments* – Transaction price upon derecognition of the lease obligation by the lessee: IFRS 9 has been amended to clarify that the gain or loss arising from the lessee's obligation to apply the derecognition provisions in IFRS 9 when the lease obligation is extinguished will be recognized in profit or loss. IFRS 9 has also been amended to remove the reference to "transaction price".

- *IFRS 10 Consolidated Financial Statements* – Determination of the "actual agent": The Standard has been amended to eliminate inconsistencies in the paragraphs of IFRS 10.

- *IAS 7 Cash Flow Statement – Cost method*: After the removal of the term "cost method" with previous amendments, the term in question in the Standard has been deleted.

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

IFRS 18 – New Standard for Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1. IFRS 18 introduces new requirements for the presentation of the profit or loss statement, including the presentation of certain totals and subtotals. IFRS 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 management, as well as new requirements for the aggregation or disaggregation of financial information in accordance with the roles defined for the primary financial statements and footnotes. With the publication of IFRS 18, certain changes have also occurred in other financial reporting standards such as IAS 7, IAS 8 and IAS34.

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

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

In May 2024, the IASB issued IFRS 19, which provides certain entities with the option to provide reduced disclosures when applying the recognition, measurement and presentation requirements in IFRSs.

Unless otherwise stated, covered entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRSs. An entity that has a parent (intermediate or ultimate) that is a subsidiary, does not have public accountability and prepares consolidated financial statements that comply with IFRSs for public use may elect to apply IFRS 19.

This does not apply to the relevant Standard Group.

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

2.7 Summary of Significant Accounting Policies

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts (Note 4). Bank deposits with original maturities of more than three months are classified under short-term financial investments.

Financial instruments

Financial assets and liabilities are recognized in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition or issuance of financial assets and liabilities (excluding financial assets and liabilities at fair value through profit or loss) are added to or subtracted from the fair value of those financial assets and liabilities at initial recognition, as appropriate. Transaction costs directly related to the acquisition or issuance of financial assets and liabilities are recognized directly in profit or loss.

Financial assets

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

The Group manages its financial assets (a) the business model used by the entity to manage financial assets, (b) the amortized cost at subsequent recognition based on the characteristics of the contractual cash flows of the financial asset, through fair value through other comprehensive income or at fair value through profit or loss. classifies as measured through loss. Only when an entity changes its business model for the management of financial assets, it reclassifies all affected financial assets. The reclassification of financial assets is applied prospectively from the date of reclassification. In such cases, no adjustments are made for gains, losses (including impairment gains or losses) or interest previously recognized.

Classification of financial assets

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

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

Financial assets that meet the following conditions are measured at fair value through other comprehensive income:

- The financial asset is held within a business model whose objective is to collect contractual cash flows and sell the financial asset, and
- The contractual terms of the financial asset result in cash flows that solely consist of payments of principal and interest on the principal amount at specific dates.

If a financial asset is not measured at amortized cost or at fair value through other comprehensive income, the change in fair value is recognized in profit or loss.

Upon initial recognition, the Group may irrevocably elect to present subsequent changes in the fair value of an equity instrument, not held for trading, in other comprehensive income.

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

2.7 Summary of Significant Accounting Policies (Continued)

Financial instruments (continued)

Financial assets (continued)

(i) Amortized Cost and Effective Interest Method

Interest income on financial assets measured at amortized cost is calculated using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial asset and distributing the 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, except in the following cases:

a) Financial assets with credit impairment at the time of purchase or creation. For such financial assets, the entity applies the effective interest rate, adjusted for credit, to the amortized cost of the financial asset from the time of initial recognition.

b) Financial assets that were not impaired at the time of purchase or creation but later become credit-impaired. For such financial assets, the entity applies the effective interest rate to the amortized cost of the asset in subsequent reporting periods.

Interest income is recognized using the effective interest method for borrowing instruments whose amortized cost and fair value changes are recognized in other comprehensive income in subsequent accounting.

Interest income is recognized in the consolidated profit or loss statement and is presented under the "finance income – interest income" line item.

(ii) Financial Assets Measured at Fair Value through Profit or Loss

Financial assets that do not meet the criteria for being measured at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss.

Financial assets measured at fair value through profit or loss are measured at their fair value at the end of each reporting period, and all fair value changes are recognized in profit or loss, unless the financial assets are part of financial hedging transactions.

Equity Instruments Measured at Fair Value through Other Comprehensive Income

Upon initial recognition, the Group may irrevocably elect to present subsequent changes in the fair value of each equity instrument, not held for trading, in other comprehensive income.

A financial asset is presumed to be held for trading purposes in the following cases:

- If it was acquired with the intention of being sold in the near future,
- If, at the time of initial recognition, it forms part of a portfolio of financial instruments that are jointly managed by the Group, and there is evidence that the Group has a recent history of taking short-term profit-oriented actions,
- If it is a derivative instrument (excluding financial collateral contracts or derivative instruments that are part of a designated and effective hedging instrument).

Investments in equity instruments measured at fair value through other comprehensive income are initially measured at fair value plus transaction costs. Subsequently, gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated in the revaluation reserve. In the event of disposal of equity investments, the accumulated gains or losses are transferred to retained earnings.

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

2.7 Summary of Significant Accounting Policies (Continued)

Financial instruments (continued)

Financial assets (continued)

Foreign Exchange Gains and Losses

The carrying amount of financial assets denominated in foreign currencies is determined in the relevant foreign currency and translated at the exchange rate prevailing at the end of each reporting period. Specifically:

- For financial assets measured at amortized cost and not part of a designated hedging relationship, foreign exchange differences are recognized in profit or loss.
- For debt instruments measured at fair value through other comprehensive income and not part of a designated hedging relationship, foreign exchange differences calculated on the amortized cost are recognized in profit or loss for the period. All other foreign exchange differences are recognized in other comprehensive income.
- For financial assets measured at fair value through profit or loss and not part of a designated hedging relationship, foreign exchange differences are recognized in profit or loss for the period.
- For equity instruments measured at fair value through other comprehensive income, foreign exchange differences are recognized in other comprehensive income.

Impairment of Financial Assets

The Group recognizes an impairment provision for expected credit losses on financial assets measured at amortized cost or at fair value through other comprehensive income, including debt instruments, lease receivables, trade receivables, assets arising from contracts with customers, and investments in financial guarantee contracts. The amount of expected credit losses is updated each reporting period to reflect changes in credit risk since the initial recognition of the relevant financial asset.

For trade receivables, assets arising from contracts with customers, and lease receivables that do not contain a significant financing component, the Group applies the simplified approach and recognizes impairment provisions equal to the lifetime expected credit losses of the respective financial assets.

For all other financial instruments, the Group recognizes lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition. However, if the credit risk of the financial instrument has not significantly increased since initial recognition, the Group recognizes a loss provision for the 12-month expected credit losses for that financial instrument.

Measurement and Recognition of Expected Credit Losses

The measurement of expected credit losses is a function of the probability of default, the loss given default (e.g., the size of the loss in case of default), and the exposure at default. The evaluation of the probability of default and the loss given default is based on historical data adjusted for forward-looking information. The exposure at default for financial assets is reflected by their gross carrying amount as of the reporting date.

The expected credit loss of financial assets is the present value of the difference between the contractual cash flows due under the contract and the cash flows the Group expects to receive, discounted at the original effective interest rate (or, for credit-impaired financial assets at initial recognition, the effective interest rate adjusted for credit impairment).

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

2.7 Summary of Significant Accounting Policies (Continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition of Financial Assets

The Group derecognizes a financial asset from the financial statements only when the contractual rights to the cash flows from the financial asset expire or when the financial asset and substantially all the risks and rewards of ownership of the financial asset are transferred to another entity.

When a financial asset measured at amortized cost is derecognized, the difference between its carrying amount and the consideration received or receivable is recognized in profit or loss. In the case of derecognition of a debt instrument measured at fair value through other comprehensive income, any cumulative gain or loss previously recognized in the revaluation reserve related to that instrument is reclassified to profit or loss. However, if an equity instrument for which the Group has elected at initial recognition to measure changes in fair value through other comprehensive income is derecognized, the cumulative gain or loss in the revaluation reserve is not reclassified to profit or loss but is transferred directly to retained earnings.

Financial Liabilities

At initial recognition, the Group measures financial liabilities at their fair value. For liabilities not designated as fair value through profit or loss, transaction costs directly attributable to the acquisition or issuance of the liability are added to the fair value.

Subsequent to initial recognition, the Group classifies all financial liabilities as measured at amortized cost, except for the following:

a) Financial liabilities measured at fair value through profit or loss: These liabilities, including derivatives, are subsequently measured at fair value.

b) Financial liabilities arising from the transfer of a financial asset that does not qualify for derecognition or when the continuing involvement approach applies: If the Group retains a continuing involvement in the transferred asset, it recognizes an associated liability. The transferred asset and associated liability are measured to reflect the rights and obligations retained by the Group. The associated liability is measured on the same basis as the transferred asset's net carrying amount.

c) Contingent consideration recognized by an acquirer in a business combination under IFRS 3: After initial recognition, such contingent consideration is subsequently measured at fair value with changes recognized in profit or loss.

The Group does not reclassify any financial liability after initial recognition.

Derecognition of Financial Liabilities

The Group derecognizes a financial liability when the obligation specified in the contract is discharged, canceled, or expires. Upon derecognition of a financial liability, the difference between its carrying amount and the consideration paid, including non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

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

2.7 Summary of Significant Accounting Policies (Continued)

Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the ‘reporting entity’).

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;
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 (continued):

(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 defined 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).

Transaction with related party is a transfer of resources, services or liabilities between the reporting entity and the related party, disregarding it is with or without a value.

The Group's senior management consists of the Chairman of the Board of Directors.

Trade receivables

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

A doubtful receivable provision for trade receivables is established if there is objective evidence that the Group will not be able to collect all amounts due. The amount of provision is the difference between the carrying amount and the recoverable amount, being the present value of all cash flows, including amounts recoverable from guarantees and collateral, discounted based on the original effective interest rate of the originated receivables at inception.

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

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

2.7 Summary of Significant Accounting Policies (Continued)

Trade receivables (continued)

Following the recognition of an impairment provision, if all or part of the impaired receivable amount is subsequently collected, the collected amount is deducted from the impairment provision and recorded as other operating income.

For trade receivables accounted for at amortized cost and that do not contain a significant financing component (short-term receivables with a maturity of less than one year), the Group has opted for the "simplified approach" defined in IFRS 9 for impairment calculations. Under this approach, unless specific reasons indicate that trade receivables have been impaired (excluding realized impairment losses), the Group measures loss allowances for trade receivables at an amount equal to the lifetime expected credit losses.

Inventories

Inventories are valued at the lower of cost or net realizable value. Cost elements included in inventories are materials, labor and an appropriate amount for factory overheads. The cost of borrowings is not included in the costs of inventories. The cost of inventories is determined on the weighted average basis for each purchase. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

Property, plant and equipment

Property, plant and equipment are presented at cost less accumulated depreciation and accumulated impairment losses. Land and lands are not subject to depreciation and are shown at cost less accumulated impairment losses.

In cases where the assets cannot be converted into money over the value they carry, it is checked whether there is any impairment in the assets. If there is such an indication and the value of the assets exceeds the estimated amount to be realized, the assets or cash generating units are brought to their realizable values.

The realizable amount is the higher of the asset's net selling price and net book value in use. To determine the amount of net book value in use, estimated future cash flows are discounted using the pre-tax discount rate, which measures the time value of money and the risk nature of the asset. The net book value in use of a non-independent cash-generating asset is determined for the cash-generating group to which the asset belongs. Provision for impairment expenses are recognized in the consolidated statement of profit or loss.

Except for land and investments in progress, the cost or valued amounts of tangible assets are depreciated using the straight-line method over their expected useful lives or production volumes. The expected useful life, residual value and depreciation method are reviewed each year for the possible effects of changes in estimates, and if there is a change in estimates, they are accounted for prospectively.

The rates used in the amortization of tangible fixed assets are as follows;

	Useful Life
Buildings	50 years
Machinery and equipment	4-15years
Motor vehicles	4-5 years
Furniture, fixtures and office equipment	3-18 years
Leasehold improvements	5 years
Diğer maddi duran varlıklar	3-15 years

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

2.7 Summary of Significant Accounting Policies (Continued)

Property, plant and equipment (continued)

The carrying amount of a tangible asset is the higher of its recoverable amount or the net selling price after deducting costs to sell. The recoverable amount is determined as the higher of the asset's value in use or its fair value less costs to sell. The useful lives of the assets are reviewed as of the reporting date and adjusted if necessary.

Maintenance and repair costs are recorded as expenses in the income statement for the period in which they are incurred. The Group derecognizes the carrying amounts of replaced parts in accordance with renewals, regardless of whether these parts are depreciated separately from other components. Major renewals are depreciated over the shorter of the remaining useful life of the related tangible asset or the economic life of the renewal.

Advances paid for the acquisition of tangible assets are classified under prepaid expenses in the non-current assets section until the related asset is capitalized or transferred to construction-in-progress accounts.

Subsequent expenditures are capitalized if it is highly probable that they will provide future economic benefits and the cost of the expenditure can be reliably measured. Otherwise, such expenditures are recognized as expenses in the period they are incurred. Tangible assets are reviewed for impairment when there are indications that their carrying amounts may exceed their recoverable amounts. For the purpose of impairment testing, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units).

Intangible assets and amortization

Intangible assets which are mainly software licenses and mining extraction rights are measured initially at cost. An intangible asset is recognized if it meets the identifiability criterion of intangibles, control exists over the asset; it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the costs can be measured reliably. Intangible assets are carried at cost less accumulated amortization and impairment. Amortization of intangible assets is allocated on a systematic pro-rata basis using the straight-line method over their estimated useful economic lives (3-5 years).

Evaluation of research expenses and development costs within the scope of Articles 52 to 67 of TAS 38 "Intangible Assets"

Planned activities to obtain new technological information or findings are defined as research and research expenses incurred at this stage are recorded as expense when incurred.

The application of research findings or other information to a plan prepared to produce new or significantly improved products, processes, systems or services is defined as development and is recognized as intangible assets resulting from development if all of the following conditions are met.

Internally generated intangible assets resulting from development activities (or the development phase of an internal project) are recognized only when all of the following conditions are met;

- It is technically possible to complete the intangible asset so that it is ready for use or ready for sale.
- Intention to complete, use or sell the intangible asset.
- Whether the intangible asset can be used or sold, and it is clear how the asset will generate possible future economic benefits.
- Availability of appropriate technical, financial and other resources to complete the development of the intangible asset, use or sell the asset.
- The development cost of the intangible asset can be measured reliably during the development process.

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

2.7 Summary of Significant Accounting Policies (Continued)

Property, plant and equipment (continued)

The amount of intangible assets created internally is the total amount of expenses incurred since the intangible asset meets the above-mentioned recognition conditions. When internally generated intangible assets cannot be recognized, development expenditures are recorded as expense in the period in which they are incurred. After initial recognition, internally generated intangible assets are reported at cost less accumulated depreciation and accumulated impairment losses, just like intangible assets purchased separately.

The Group acquires a portion of certain intangible assets under paragraphs 27 and 32 of IAS 38. In this context, it capitalizes the costs that are obtained separately from the outside and directly associated with the asset. In particular, the costs incurred within the framework of paragraph 28 of TAS 38 are capitalized.

The amortization rates for intangible assets are as follows:

	Useful Life Years
Development costs	5 years
Other intangible assets	3 years

Finance leases

The Group - as the lease

The Group evaluates whether a contract is a lease or contains lease terms at the inception of the contract. The Group recognizes the right-of-use asset and the related lease liability for all leases of which it is a lessee, except for short-term leases (leases with a lease term of 12 months or less) and leases of low value assets.

For these leases, the Group recognizes the lease payments as operating expense on a straight-line basis over the lease term, unless there is another systematic basis that better reflects the timing structure in which the economic benefits from the leased assets are used.

In the initial recognition, lease obligations are accounted for at the present value of the lease payments that were not paid at the contract inception date, discounted at the lease rate. If this rate is not specified beforehand, the Group uses the alternative borrowing rate to be determined by itself.

The lease payments included in the measurement of the lease liability consist of:

- fixed lease payments (substantially fixed payments) less any lease incentives;
- variable lease payments based on an index or rate, initially measured using an index or rate at the commencement date of the lease;
- The amount of debt expected to be paid by the lessee under residual value guarantees,
- The enforcement price of the payment options, where the lessee will reasonably implement the payment options; and
- penalty payment for the cancellation of the rental if there is a right to cancel the rental during the rental period.

The lease liability is presented as a separate item in the consolidated statements of financial position.

Lease liabilities are measured by increasing the net carrying amount (using the effective interest method) to reflect the interest on the subsequent lease liability and decreasing the carrying amount to reflect the lease payment made. The Group remeasures the lease liability (and makes appropriate changes to the related right-of-use asset) if:

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

2.7 Summary of Significant Accounting Policies (Continued)

Finance leases (continued)

- When the lease liability is remeasured by discounting the revised lease payments using the revised discount rate when a change occurs in the assessment of the lease term or exercise of a purchase option.
- When the lease payments change due to changes in the index, rate, or expected payment change in the promised residual value, the restated lease payments are discounted using the initial discount rate and the lease liability is remeasured (the revised discount rate is used if the change in lease payments is due to a change in the variable interest rate).
- When a lease is changed and the lease modification is not accounted for as a separate lease, the revised lease payments are discounted using the revised discount rate and the lease liability is restated.

The Group has not made such changes during the periods presented in the consolidated financial statements.

Right-of-use assets include the initial measurement of the corresponding lease liability, lease payments made on or before the lease commencement date, and other direct initial costs. These assets are measured at cost less accumulated depreciation and impairment losses.

A provision is recognized in accordance with IAS 36 when the group incurs costs to disassemble and dispose of a lease asset, restore the area on which the asset is located, or restore the main asset in accordance with the terms and conditions of the lease. These costs are included in the relevant right-of-use asset unless they are incurred to produce inventory.

Right-of-use assets are depreciated over the shorter of the lease term and useful life of the main asset. When ownership of the main asset is transferred in a lease or when the Group plans to exercise a purchase option based on the cost of the right-of-use asset, the associated right-of-use asset is depreciated over the useful life of the main asset. Depreciation begins on the date the lease actually begins.

Group - as a lessor

The Group, as a lessor, signs lease agreements for some of its investment properties.

Leases in which the Group is the lessor are classified as finance leases or operating leases. The contract is classified as a finance lease if, according to the terms of the lease, all the ownership risks and rewards are transferred to the lessee to a significant extent. All other leases are classified as operating leases.

If the Group is the lessor of the vehicle, it accounts for the main lease and the sublease as two separate contracts. A sublease is classified as a finance lease or an operating lease with respect to the right-of-use asset arising from the main lease.

Rental income from operating leases is accounted for using the straight-line method over the relevant lease period. The direct initial costs incurred in realizing and negotiating the operating lease are included in the cost of the leased asset and amortized on a straight-line basis over the lease term.

Finance lease receivables from lessees are accounted for as receivables for the Group's net investment in leases.

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

2.7 Summary of Significant Accounting Policies (Continued)

Impairment of Assets

Assets with an indefinite useful life, such as goodwill, are not amortized but are tested annually for impairment. For amortized assets, impairment testing is performed when events or circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets subject to impairment, other than goodwill, are reviewed at each reporting date for possible reversal of impairment losses.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction, or production of assets that require a substantial period to be prepared for their intended use or sale are capitalized as part of the cost of the respective asset. Any income earned on the temporary investment of borrowings not yet used in qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are expensed in the period in which they are incurred and recognized in the income statement.

Trade Payables

Trade payables represent obligations to pay for goods or services acquired from suppliers in the ordinary course of business. Trade payables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method.

Revenue

The Group recognizes revenue in its consolidated financial statements when (or as) it satisfies a performance obligation by transferring a promised good or service to a customer. A good or service is transferred when (or as) control of the good or service passes to the customer.

In evaluating the transfer of control, the Group considers the following:

a) The Group's right to payment for the good or service,
b) Legal title to the good or service,
c) Transfer of physical possession of the good or service,
d) Significant risks and rewards of ownership of the good or service,
e) Customer acceptance of the good or service.

If, at the inception of the contract, the Group expects that the period between transferring the promised good or service to the customer and when the customer pays for it will be one year or less, the Group does not adjust the promised amount of consideration for the effects of a significant financing component. Conversely, when there is a significant financing component within the transaction, the revenue amount is determined by discounting future cash inflows at the interest rate included in the financing component. The difference is recognized on an accrual basis as other income from operations in the relevant periods.

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

2.7 Summary of Significant Accounting Policies (Continued)

Revenue (continued)

Revenue Recognition from the Group's Various Activities

Sale of Goods (Chemotherapy Drug Preparation Sets, Devices, and Test Kits)

Revenue is recognized when the significant risks and rewards of ownership are transferred to the customer, the likelihood of recovery of the goods is certain, and associated costs and potential returns can be reliably estimated. Additionally, there must be no continuing managerial involvement with the goods, and the revenue amount must be reliably measurable. Revenue is measured after deducting returns, sales discounts, and volume rebates.

The timing of risk and reward transfer depends on the terms of the sales agreement.

Device Sales Revenue

Revenue from device sales is recognized when it can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the Group.

Employee Benefits

In accordance with applicable social legislation, the Group is obligated to make severance payments to employees who have completed at least one year of service and whose employment is terminated due to retirement, resignation (excluding misconduct or resignation for just cause), or other reasons not attributable to fault.

Under Turkish law and union agreements, a lump sum is paid to employees who retire or are involuntarily dismissed from the Group. These payments are considered part of a defined benefit plan under the revised "Turkish Accounting Standard 19 (TAS 19) Employee Benefits."

The Group calculates its severance payment obligations in the consolidated financial statements in accordance with the recognition and measurement principles of TAS 19. As these obligations are similar to "Defined Benefit Plans" as described in the standard, the liabilities are calculated using certain assumptions and are included in the financial statements.

TAS 19 ("Employee Benefits") was revised and became effective for financial periods beginning on or after January 1, 2013. Under the revised standard, actuarial gains/(losses) on employee benefits are recognized in the statement of comprehensive income.

Provisions, Contingent Assets, and Liabilities

Provisions

A provision is recognized in the financial statements when there is a present obligation arising from past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

The amount of the provision is calculated by estimating the expenditure required to settle the obligation as of the balance sheet date, taking into account risks and uncertainties related to the obligation.

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

2.7 Summary of Significant Accounting Policies (Continued)

Provisions, Contingent Assets, and Liabilities (continued)

Provisions (continued)

When the effect of the time value of money is significant, the amount of a provision is determined as the present value of the expenditures expected to be required to settle the obligation. The discount rate used for calculating the present value of the provision is determined based on the interest rate prevailing in the relevant markets and the specific risks associated with the obligation. This discount rate is determined before tax and does not include risks associated with estimating future cash flows.

Contingent Assets and Liabilities

Obligations or assets arising from past events, whose existence can only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not entirely under the Group's control, are considered contingent liabilities and contingent assets. These are not recognized in the financial statements.

Taxes on Corporate Income and Deferred Tax

Since Turkish tax legislation does not permit the parent company and its subsidiaries to file a consolidated tax return, tax liabilities have been calculated separately for each entity, as reflected in the consolidated financial statements.

The tax expense in the income statement comprises the current tax expense and deferred tax expense.

Current Tax

The current tax liability is calculated based on the portion of taxable profit for the period. Taxable profit differs from the profit reported in the income statement as it excludes items that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s current tax liability is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred Tax

Deferred tax liabilities or assets are determined using the balance sheet method based on the temporary differences between the carrying amounts of assets and liabilities in the financial statements and their tax bases. Deferred tax is calculated using the tax rates that have been enacted or substantively enacted as of the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets arising from deductible temporary differences are recognized only to the extent that it is probable that sufficient taxable profit will be available against which the temporary differences can be utilized. However, no deferred tax liability or asset is recognized for temporary differences arising from goodwill or the initial recognition of other assets and liabilities in a transaction that does not affect either taxable profit or accounting profit (other than in a business combination).

Deferred tax liabilities are recognized for all taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group can control the timing of 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 recognized only to the extent that it is probable that sufficient taxable profit will be available to utilize the benefits of the temporary differences and that they are expected to reverse in the foreseeable future.

The carrying amount of a deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

(Currency –Turkish Lira “TL” unless otherwise expressed)

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

2.7 Summary of Significant Accounting Policies (Continued)

Provisions, Contingent Assets, and Liabilities (continued)

Deferred Tax (continued)

Deferred tax assets and liabilities are calculated using the tax rates (tax regulations) that are expected to be effective in the period when the assets are realized, or the liabilities are settled, based on the rates enacted or substantially enacted as of the reporting date.

In calculating deferred tax assets and liabilities, the Group considers the tax consequences of the methods it expects to use for the recovery of the carrying amount of its assets or settlement of its liabilities as of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or different taxable entities intending to settle current tax assets and liabilities on a net basis.

Current and Deferred Tax

Except for items directly recognized in equity (in which case the related deferred tax is also recognized directly in equity) or those arising from the initial recognition of business combinations, current and deferred tax expenses are recognized as income or expense in profit or loss. In business combinations, the tax effect is considered in calculating goodwill or determining the excess of the acquirer’s interest in the net fair value of the acquiree’s identifiable assets, liabilities, and contingent liabilities over the acquisition cost.

Effects of Exchange Rate Changes

The Company translates transactions in foreign currencies into Turkish Lira (TRY) at the exchange rates prevailing on the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into TRY using the exchange rates at the reporting date. Exchange gains or losses arising from the settlement of such transactions or the translation of monetary items into TRY are recognized in profit or loss for the period.

Non-monetary assets and liabilities measured at fair value in foreign currencies are translated into TRY at the exchange rates prevailing on the date when the fair value is determined.

The exchange rates used by the Company as of the reporting dates are as follows:

Currency	September 30, 2024	December 31, 2023
USD	34.1210	29.4382
EUR	38.1714	32.5739
GBP	45.6460	37.4417

Cash Flow Statement

The consolidated cash flow statement reports the cash flows for the period classified based on operating, investing, and financing activities.

Cash flows from operating activities reflect the Group's cash inflows and outflows arising from its sales of chemotherapy drug preparation sets, devices, and test kits.

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

2.7 Summary of Significant Accounting Policies (Continued)

Cash Flow Statement (continued)

Cash flows from investing activities reflect the cash inflows and outflows resulting from the Group's investment activities, including its use and receipt of cash for fixed and financial investments.

Cash flows from financing activities show the sources used by the Group in its financing activities and the repayments of these sources.

Cash and cash equivalents include cash on hand, demand deposits, and other short-term investments that are highly liquid, easily convertible into cash within three months from the acquisition date, and not subject to significant risk of value fluctuation.

Differences arising from the translation of the cash flow statement from the functional currency to the presentation currency are shown as translation differences in the cash flow statement.

EBITDA

This financial data is an indicator of the measured income of a business without taking into account financing, tax, depreciation and amortization expenses. This financial data is separately stated in the financial statements because it is used by some investors to measure the ability of the enterprise to repay its loans and/or to borrow additional money. EBITDA should not be taken into account independently of other financial data, it is derived from financial indicators such as net profit (loss), net cash flow from operating, investment and financing activities, financial data obtained from investment and financial activities or prepared in accordance with TFRS, or the operating performance of the business. It should not be considered as an alternative to other data obtained. This financial information should be evaluated together with other financial data in the cash flow statement.

Earnings Per Share

Earnings per share for the period is calculated by dividing the portion of the net profit or loss attributable to common shareholders by the weighted average number of common shares outstanding during the period. The weighted average number of shares outstanding during the period is determined by multiplying the number of shares outstanding at the beginning of the period and the number of shares issued during the period by a time-weighted factor, and then summing these figures.

In Turkey, companies can increase their capital by issuing bonus shares to their shareholders from retained earnings. These bonus shares are considered as issued shares for the calculation of earnings per share. Therefore, the weighted average number of shares used in these calculations takes into account the retroactive effect of such bonus share distributions.

Dividends

Dividend liabilities are recognized as a liability in the consolidated financial statements when declared as part of the profit distribution for the period.

Events After the Reporting Date

Events after the reporting date include all events that occur between the reporting date and the authorization date for the publication of the financial statements, even if they affect the profit or loss or other financial information that was disclosed publicly after the reporting date.

In case of events requiring adjustments after the reporting date, the amounts recognized in the financial statements are adjusted to reflect the new circumstances. Events that do not require adjustments but occur after the reporting date are disclosed in the notes based on their materiality.

(Currency –Turkish Lira "TL" unless otherwise expressed)

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

2.8 Use of Estimates

In the preparation of the consolidated financial statements, the Group management is required to make assumptions and estimates that will affect the reported amounts of assets and liabilities, determine the probable liabilities and commitments as of the date of the consolidated financial statements, and the income and expense amounts as of the reporting period. Actual results may differ from estimates. Estimates are reviewed regularly; necessary corrections are made and reflected in the comprehensive income statement in the period they are realized. However, actual results may differ from these results.

The assumptions made by considering the interpretations that may have a material effect on the amounts reflected in the consolidated financial statements and the main sources of the existing or future estimates at the date of the financial statements are as follows:

a) Severance pay liability is determined using actuarial assumptions (discount rates, future salary increases and employee turnover rates).

b) Provisions for litigation are determined by the management in each period by taking the opinions of the Company's legal advisors on the possible consequences of ongoing lawsuits as of the date of preparation of the financial statement, which may lead to cash outflows.

c) The Group management has made important assumptions in the determination of the useful economic lives of the tangible assets in line with the experience of the technical team.

d) The Group reviews its assets in order to set aside a provision for impairment when it is revealed that the assets may not be sold at their book value, in line with the developing events or changing conditions. If there is such an indication and the carrying value of the assets exceeds the estimated recoverable value, the assets and cash-generating units are presented at their estimated recoverable value. The recoverable value of the assets is the higher of the net selling price or value in use.

e) The impairment loss in trade receivables and other receivables is based on the Company management's assessment of the volume of trade receivables, past experiences and general economic conditions.

3. Segment reporting

The Group operates in a single area related to chemotherapy drug preparation kits, device sales and test kit sales. Therefore, the Group does not have reporting according to industrial divisions.

4. CASH AND CASH EQUIVALENTS

	30 September 2024	31 December 2023
Cash on hand	*451.641*	*677.701*
Cash at banks		
- Demand deposit	*23.904.036*	*28.190.169*
- Time deposit	*21.348.926*	*49.764.531*
İnterest accrual	*313.058*	*905.966*
Cash and cash equivalents in the cash flow statement	**46.017.661**	**79.538.367**

As of 30 September 2024, there are no mortgages, pledges or blockages on the Group's cash and cash equivalents (31 December 2022: None).

(Currency –Turkish Lira "TL" unless otherwise expressed)

5 FINANCIAL LIABILITIES

The details of the Group's financial liabilities are as follows;

Current financial liabilities	**30 September 2024**	**31 December 2023**
Current bank borrowings	59.159.624	77.055.873
Current portion of non-current borrowings and interest rates	1.389.486	1.940.898
Interest accruals	1.474.124	1.694.058
Credit card payables	599.891	474.093
Total current financial liabilities	**62.623.125**	**81.164.922**

Non-current financial liabilities	**30 September 2024**	**31 December 2023**
Non-current borrowings	-	1.372.991
Total non-current financial liabilities	**-**	**1.372.991**
Total financial liabilities	**62.623.125**	**82.537.913**

The repayment schedule of the financial liabilities are as follows;

Time of payment	**30 September 2024**	**31 December 2023**
Within 1 year	62.623.125	81.164.922
1 - 2 years	--	1.372.991
Total	**62.623.125**	**82.537.913**

	TL Equivalent	
	30 September 2024	**31 December 2023**
Current bank borrowings		
-TL	60.549.110	75.269.511
-ABD$	--	3.002.766
-EURO	--	724.494
Credit card payables	599.891	474.093
Interest accruals	1.474.124	1.694.058
	62.623.125	**81.164.922**
Non-current borrowings		
-TL	--	1.372.991
	--	**1.372.991**

The guarantees and obligations given by the Group in relation to the loans received are explained in Note 15.

(Currency –Turkish Lira "TL" unless otherwise expressed)

6. FINANCIAL INVESTMENTS

	Percentage	30 September 2024	31 December 2023
Oncosem Gmbh (Germany)	100	3.040.482	2.463.446
Oncosem CA LLC	100	5.012	5.012
Oncosem UK Limited	100	41.512	41.512
		3.087.006	**2.509.970**
Unpaid share capital		--	--
		3.087.006	**2.509.970**

Oncosem GmbH started its establishment procedures in Germany on November 29, 2021, with the aim of providing chemotherapy drug preparation services and selling COVID-19 kits. The incorporation and registration procedures were completed on July 28, 2022, and product registrations began thereafter. As of September 30, 2024, no sales have been made.

Oncosem UK Limited commenced its establishment procedures in the United Kingdom on October 19, 2023, for the purpose of providing chemotherapy drug preparation services. The incorporation and registration procedures were completed on October 19, 2023, and product registrations began thereafter.

As of September 30, 2024, since no active production activities have been conducted, Oncosem UK Limited has not been included in the consolidation.

7. TRADE RECEIVABLES AND PAYABLES

(a) Trade receivables

Current trade receivables	30 September 2024	31 December 2023
Trade receivables from unrelated parties;		
- Currents accounts	92.440.020	74.656.093
- Post-dated check and notes receivables	2.407.777	3.671.586
Doubtful receivables	14.732.938	19.628.836
Current trade receivables (gross)	**109.580.735**	**97.956.515**
Less: Expected credit losses	*(1.314.134)*	*(1.109.388)*
Less: Deferred finance income	*(676.759)*	*(3.292.297)*
Less: Provision for doubtful receivables	*(14.732.934)*	*(19.628.836)*
Current trade receivables (net)	**92.856.908**	**73.925.994**

Trade receivables consist of receivables from the customer for products sold in the normal course of business. The average collection period of trade receivables is between 40-100 days and they are classified as current trade receivables. The Group holds trade receivables for the purpose of collecting cash flows arising from the contract.

(Currency –Turkish Lira "TL" unless otherwise expressed)

7. TRADE RECEIVABLES AND PAYABLES (CONTINUED)

As of 30 September 2024 and 2023 the movements details of the provisions for expected credit losses are as follows;

	1 January – 30 September 2024	1 January – 30 September 2022
Opening balance, 01 January	**1.109.388**	**6.062.303**
Provisions during the period (Note 22)	*497.569*	*277.108*
Monetary gain/(loss)	*(292.823)*	*(2.016.861)*
Closing balance, 30 September December	**1.314.134**	**4.322.550**

(b) Trade payables

Current trade payables	**30 September 2024**	**31 December 2023**
Trade payables to unrelated parties;		
- Current accounts	9.454.448	13.910.405
- Notes payables	7.557.674	9.511.091
Current trade payables (gross)	**17.012.122**	**23.421.496**
Less: Deferred finance expense	(536.943)	(487.968)
Current trade payables (net)	**16.475.179**	**22.933.528**

The payables and maturities of commercial debts vary according to the contracts concluded with suppliers and the average maturity is between 40-120 days.

8. OTHER RECEIVABLES AND PAYABLES

(a) Other Receivables

Other current receivables	**30 September 2024**	**31 December 2023**
Deposits and guarantees given	391.080	167.047
Total	**391.080**	**167.047**

(Currency –Turkish Lira "TL" unless otherwise expressed)

8. OTHER RECEIVABLES AND PAYABLES (CONTINUED)

(b) Other Payables

Other current payables	30 September 2024	31 December 2023
Current payables to related parties (Note 27)	320.000	88.309
Other (*)	494.675	1.040.863
Total	**814.675**	**1.129.172**

9. INVENTORIES

As of the reporting period the details of the Group's inventories are as follows;

	30 September 2024	31 December 2023
Raw materials and supplies inventory	33.250.147	76.230.796
Finished Goods	21.745.719	4.162.852
Trade goods	17.703.239	23.022.497
Other inventories	2.292.965	2.064.235
Total	**74.992.070**	**105.480.380**

The Group's semi-finished products and finished products belong to chemotherapy kits, test kits and devices from which it receives sales revenue.

There are no guarantees or pledges on the Group's stocks.

10. PREPAID EXPENSES AND DEFERRED INCOME

a) Prepaid expenses in current assets

	30 September 2024	31 December 2023
Advances given for inventories	5.821.886	3.225.789
Prepaid expenses (*)	611.947	1.105.023
Total	**6.433.833**	**4.330.812**

(*) Prepaid expenses in current assets are comprised of insurance expenses.

b) Prepaid expenses in non-current assets

	30 September 2024	31 December 2024
Advances given for tangible and intangible assets	2.458.181	13.713.876
Total	**2.458.181**	**13.713.876**

c) Current deferred income

	30 September 2024	31 December 2024
Current advances received (*)	5.379.934	3.784.175
Total	**5.379.934**	**3.784.175**

(Currency –Turkish Lira "TL" unless otherwise expressed)

11. PROPERTY, PLANT AND EQUIPMENT

As of 30 September 2023 and 31 December 2023 the movements details of the tangible fixed assets are as follows;

	31.12.2022	Inputs	Outputs	31.12.2023	Inputs	Outputs	30.09.2024
Maliyet							
Buildings	1.862.213	--	--	1.862.213	--	--	1.862.213
Plant, machinery and equipment	263.890.734	33.414.420	(21.389.014)	275.916.140	16.559.846	(16.480.001)	275.995.985
Vehicles	18.754.434	3.575.378	(688.106)	21.641.706	--	--	21.641.706
Fixed assets	13.586.668	676.593	--	14.263.261	212.954	(5.437.229)	9.038.986
Special costs	28.622.192	--	--	28.622.192	--	--	28.622.192
Other tangible fixed assets	7.767.069	--	--	7.767.069	--	--	7.767.069
	334.483.310	**37.666.391**	**(22.077.120)**	**350.072.581**	**16.772.800**	**(21.917.230)**	**344.928.151**
Accumulated depreciation							
Buildings	384.857	37.245	--	422.102	27.933	--	450.035
Plants, machinery and equipment	113.919.279	35.347.740	(7.598.825)	141.668.194	25.620.653	(16.202.770)	151.086.077
Vehicles	12.735.686	2.671.338	(298.182)	15.108.842	2.026.325	--	17.135.167
Fixed assets	7.764.556	1.584.550	--	9.349.106	1.168.957	(5.410.551)	5.107.512
Special costs	15.296.921	5.076.586	--	20.373.507	2.977.192	--	23.350.699
Other tangible fixed assets	6.837.867	135.354	--	6.973.221	101.514	--	7.074.735
	156.939.166	**44.852.813**	**(7.897.007)**	**193.894.972**	**31.922.574**	**(21.613.321)**	**204.204.225**
Net book value	**177.544.144**			**156.177.609**			**140.723.926**

As of 30 September 2024, the total insurance cost on the Group's property, plant and equipment are TL 314.128.800. (31 December 2022: TL 167.254.500)

As of 30 September 2024, there are no mortgages or guarantees on the Group's tangible fixed assets (31 December 2022: None).

(Currency –Turkish Lira "TL" unless otherwise expressed)

11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The distribution details of depreciation expenses are as follows;

	1 January – 30 September 2024	**1 January – 30 September 2024**
Depreciation of property, plant and equipment	31.922.574	33.590.376
Depreciation of right-of-use assets (Note 13)	3.701.017	3.673.853
Amortization of intangible assets (Note 12)	3.325.151	2.245.239
Total	**38.948.742**	**39.509.468**

The distribution details of depreciation and amortization of property, plant and equipment and intangible assets and right-of-use assets is as follows;

	1 January – 30 September 2024	**1 January – 30 September 2024**
General administrative expenses (Note 21)	38.639.310	27.610.102
Cost of services sold (Note 20)	309.432	11.899.366
Total	**38.948.742**	**39.509.468**

12. INTANGIBLE ASSESTS

As of 30 September 2023 and 31 December 2022 for the periods ended, the movements of intangible assets are as follows;

	31.12.2022	**Additions**	**31.12.2022**	**Additions**	**30.09.2024**
Cost					
Development expenses ()	9.155.308	--	9.155.308	1.301.134	10.456.442
Other intangible assets (*)	12.777.332	5.223.082	18.000.414	536.531	18.536.945
	21.932.640	**5.223.082**	**27.155.722**	**1.837.665**	**28.993.387**
Accumulated Amortization (-)					
Development expenses	9.155.308	--	9.155.308	84.432	9.239.740
Other intangible assets	8.168.794	3.239.141	11.407.935	3.240.719	14.648.654
	17.324.102	**3.239.141**	**20.563.243**	**3.325.151**	**23.888.394**
Net Book Value	**4.608.538**		**6.592.479**		**5.104.993**

(*) The Group's other intangible assets consist of computer software programs.

As of 30 September 2024, there are no mortgages or guarantees on the Group's intangible assets (31 December 2023: None).

(Currency –Turkish Lira "TL" unless otherwise expressed)

13. RIGHT OF USE ASSETS AND LIABILITIES FROM OPERATIONAL LEASING TRANSACTIONS

As of 30 September 2024 and 31 December 2023 for the periods ended, the movements of the right-of-use assets are as follows;

	31.12.2022	Girişler	31.12.2023	Inputs	30.09.2024
Cost					
Building	24.242.251	815.002	25.057.253	3.332.805	28.390.058
	24.242.251	**815.002**	**25.057.253**	**3.332.805**	**28.390.058**
Accumulated depreciation					
Building	15.756.250	4.966.390	20.722.640	3.701.017	24.423.657
	15.756.250	**4.966.390**	**20.722.640**	**3.701.017**	**24.423.657**
Net book value	**8.486.001**		**4.334.613**		**3.966.401**

The maturity distinction for operational lease payables is as follows;

	30 Setember 2024	31 December 2023
Short-term lease obligations	2.812.873	1.744.762
Long-term lease obligations	34.432	450.012
	2.847.305	**2.194.774**

14. GOVERTMENT GRANTS

As of September 30, 2024, the Group holds an investment incentive certificate dated September 14, 2021, with the number 527532, related to its manufacturing of medical and surgical equipment. The total investment amount specified in the certificate is 43,972,925 TL, and it remains valid until September 7, 2024. The investment incentive certificate provides the following benefits:

- VAT exemption
- Interest support
- Employer's share of insurance premiums
- Tax reduction of 80% with an Investment Contribution Rate (YKO) of 40%.

(Currency –Turkish Lira "TL" unless otherwise expressed)

15. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Collaterals, pledges and mortgages "CPM" given by the Group are as follows:

	30 September 2024	31 December 2024
A. CPM's given in the name of own legal personality	53.976.127	24.205.749
B. CPM's given on behalf of the fully consolidated companies	17.500.000	23.775.560
C. CPM's given on behalf of third parties for ordinary course of business	--	--
D. Total amount of other CPM's given		
i. Total amount of CPM's given on behalf of the majority shareholder	--	--
ii. Total amount of CPM's given on behalf of the group companies which are not in scope of B and C	--	--
iii. Total amount of CPM's given on behalf of third parties which are not in scope of C	--	--
Total	**71.476.127**	**47.981.309**

The details of the guarantees, pledges and mortgages (CPM) given by the Group on behalf of its own legal entity are as follows;

Deposits and guarantee given	30 September 2024	31 December 2023
Letters of guarantee	53.976.127	24.205.750
	53.976.127	**24.205.750**

There are personal guarantees of the Company partner Erol Çelik regarding the loans and other transactions used by the Group.

16. EMPLOYEE BENEFITS

a) Current liabilities for employee benefits

	30 September 2024	31 December 2023
Due to personnel	5.622.772	4.864.224
Social security premiums payable	2.819.128	2.455.212
Total	**8.441.900**	**7.319.436**

b) Current provisions for employee benefits

	30 September 2024	31 December 2023
Current provisions	1.009.012	1.228.294
Non-current provisions	4.749.170	4.908.301
Total	**5.758.182**	**6.136.595**

(Currency –Turkish Lira “TL” unless otherwise expressed)

16. EMPLOYEE BENEFITS (CONTINUED)

b) Current provisions for employee benefits (Continued)

b.1) Current provisions

	30 September 2024	31 December 2023
Provision for unused vacations	1.009.012	1.228.294
Total	**1.009.012**	**1.228.294**

As of 30 September 2024 and 2022 movements in the provision for unused vacations are as follows:

	1 January – 30 September 2023	1 January – 30 September 2022
Provision as of the beginning of the period, 1 January	**1.228.294**	**1.034.322**
Current year equivalent (Note 21)	*136.097*	*856.202*
Current year cancelled leave equivalent	*(31.171)*	--
Monetary gain / (loss)	*(324.208)*	*(344.107)*
Closing balance, 30 September	**1.009.012**	**1.546.417**

b.2) Non-Current provisions

	30 September 2024	31 December 2024
Provision for employee termination benefits	4.749.170	4.908.301
Total	**4.749.170**	**4.908.301**

Provision for employee termination benefits

The Group is obligated to pay severance pay to each employee who has completed at least one year of service and has retired after 25 years of employment, whose employment relationship has been terminated, who has been called for military service, or who has passed away, in accordance with the Turkish Labor Law.

As of September 30, 2024, the severance pay ceiling to be paid is subject to a monthly limit of 41,828.42 TRY per year of service (December 31, 2023: 35,058.58 TRY). The severance pay ceiling will be raised to 41,828.42 TRY per month as of October 1, 2024.

Severance pay obligations are not subject to any legal funding.

The severance pay obligation is calculated by estimating the present value of the future potential obligation arising from the employees’ retirement. According to TAS 19 ("Employee Benefits"), the Group's obligations are developed using actuarial valuation methods within the framework of defined benefit plans.

The actuarial assumptions used to calculate the present value of the obligations are as follows:

	30 September 2024	31 December 2024
Discount rate	%25,05	%25,05
Inflation rate	%21,41	%21,41

(Currency –Turkish Lira “TL” unless otherwise expressed)

16. EMPLOYEE BENEFITS (CONTINUED)

As of 30 September 2023 and 2022 movements in the provision for employment termination benefits are as follows:

	1 January – 30 September 2024	**1 January – 30 September 2024**
Beginning of the period. 1 January	**4.908.301**	**3.864.963**
Increase during the period (Note 21)	*1.755.311*	*4.525.810*
Actuarial gain / (loss)	*1.069.325*	*2.196.732*
Interest expense (Note 22)	*435.793*	*414.724*
Payments during the period (-)	*(2.124.012)*	*(1.960.202)*
	(1.295.548)	*(1.285.830)*
Closing balance, 30 September	**4.749.170**	**7.756.197**

17. OTHER CURRENT AND NON-CURRENT PROVISIONS

a) Current provisions

	30 September 2024	**31 December 2024**
Provision for litigations	1.785.906	2.497.544
Total	**1.785.906**	**2.497.544**

As of 30 September 2024 and 2023, movements details of the provisions for litigations are as follows;

	1 January– 30 September 2024	**1 January – 30 September 2023**
As of January 1	**2.497.544**	**5.853.199**
Monetary loss / gain	*(632.498)*	*(1.947.293)*
No longer a subject (-)(Note 22)	*(79.140)*	--
Provision made during the period (Note 22)	--	*2.751.538*
Paid lawsuit amounts (-)	--	*(3.095.417)*
Closing balance, 30 September	**1.785.906**	**3.562.027**

18. OTHER ASSETS AND LIABILITIES

a) Other current assets

	30 September 2024	**31 December 2024**
VAT receivables	161.541	233.238
Total	**161.541**	**233.238**

(Currency –Turkish Lira "TL" unless otherwise expressed)

18. OTHER ASSETS AND LIABILITIES (CONTINUED)

b) Other non-current assets

The Group has no other non-current assets.

c) Other current liabilities

	30 September 2024	31 December 2024
Taxes and funds payable	3.607.372	1.254.822
Total	**3.607.372**	**1.254.822**

d) Other non-current liabilities

The Group has no other non-current liabilities.

19. EQUITY

a) Capital

As of 30 September 2024 and 31 December 2023 capital structure of the Group are as follows;

	30 Eylül 2024		31 Aralık 2023	
	TL	**Hisse (%)**	**TL**	**Hisse (%)**
Erol Çelik	15.195.000	63,71	15.910.000	66,71
Publicly traded part	8.095.000	33,95	5.950.000	24,95
EC Yatırımlar Holding A.Ş.	280.000	1,17	995.000	4,17
Bulls Girişim Sermayesi Yatırım Ortaklığı A.Ş.	280.000	1,17	995.000	4,17
	23.850.000	**100**	**23.850.000**	**100**
Capital adjustment differences	79.105.106		79.105.106	
Total	**102.955.106**		**102.955.106**	**100**

	30 Eylül 2024	31 Aralık 2023
Previous years' losses	(101.261.572)	7.169.924
	(101.261.572)	**7.169.924**

Oncosem Onkolojik Sitemler Sanayi ve Ticaret A.Ş..of, the Capital Markets Board and Borsa Istanbul A.Ş. following the approvals of; Shares representing a nominal capital amount of TL 3.950.000, increased due to the increase of the issued capital of TL TL 19.900.000 within the registered capital ceiling of TL 99.000.000 to TL 23.850.000 by completely restricting the priority rights of existing partners, and shares with a nominal value of TL 5.950.000 in total, including shares with a nominal value of TL 2.000.000 as part of the joint sale, including shares with a nominal value of TL 2.950.000, on December 28 – 29 it was offered to the public at a price of TL 17,50 on the dates of 2022 and the company's shares have started trading on the Borsa Istanbul Main Market since 04.01.2023 with the ONCSM code.

The issued capital of the Company has increased to TL 23.850.000 in this direction.

(Currency –Turkish Lira "TL" unless otherwise expressed)

19. EQUITY (CONTINUED)

b) Other equity items

Other Comprehensive Income not to be Reclassified to Profit or Loss

	30 September 2024	31 December 2024
Actuarial gain / (loss) funds	(3.120.603)	(1.805.334)
Total	**(3.120.603)**	**(1.805.334)**

(*) Due to the fact that business combinations under common control are accounted for using the pooling of interests method (on December 21, 2021, Oncosem acquired 100% of the shares of Santek Sağlık Turizm Tekstil Sanayi A.Ş., which were previously held by Erol Çelik with 99% and Fatma Çelik with 1%), goodwill is not recognized in the financial statements. Therefore, the goodwill arising from the acquisition of businesses under common control is presented as a reconciling account under equity, titled "Effect of Mergers Involving Enterprises or Businesses Under Common Control."

(**) Legal reserves are set aside as first-order legal reserves until 5% of the "profit" reaches 20% of the paid/issued capital, pursuant to the first paragraph of Article 519 of the New TCC No. 6102. After deducting the amount set aside as the first-order reserve fund from the "profit", the first dividend is set aside for the shareholders from the remaining amount. The General Assembly is authorized to decide whether to allocate or distribute the remaining balance after the first legal reserve fund and the first dividend, taking into account the profit distribution policy of the Company. II. the legal reserve fund, pursuant to the 3rd subparagraph of the 2nd paragraph of the 519th article of the New TCC; One tenth of the amount found after deducting 5% of the issued/paid-up capital from the portion that has been decided to be distributed is set aside. In case it is decided to distribute bonus shares by adding the profit to the capital, II. legal reserves are not set aside.

c) Dividend Distribution

Partnerships distribute their profits in accordance with the profit distribution policies determined by their general assemblies and in compliance with the relevant legal provisions. No minimum distribution rate has been specified under this regulation. Companies distribute dividends as specified in their articles of association or profit distribution policies. Additionally, dividends may be paid in equal or varying installments, and an interim dividend may be distributed in cash based on the profit reflected in the interim consolidated financial statements.

Details of restricted reserves allocated from profit are as follows:

	30 September 2024	31 December 2023
Legal reserve	17,398,578	17,398,578
Extraordinary reserve	167,204,098	167,204,098
	184,602,676	**184,602,676**

d) Share premiums/ (discounts)

Share premiums represent cash inflows from the sale of stocks at market prices. These premiums are shown under equity and cannot be distributed. However, it can be used for future capital increases.

As of 30 September 2024 and 31 December 2024 the details of the premiums (discounts) account for the shares are as follows;

	30 September 2024	31 December 2024
Share premiums/ (discounts)	130.301.436	130.301.436
Total	**130.301.436**	**130.301.436**

(Currency –Turkish Lira "TL" unless otherwise expressed)

20. REVENUE AND COST OF SALES

For the accounting periods ending on 30 September 2023 and 2022, the details of revenue are as follows;

	1 January – 30 September 2024	1 January – 30 September 2023	1 July– 30 September 2024	1 July– 30 September 2023
Domestic sales	276.107.001	226.349.172	103.926.266	68.964.296
Export sales	918.990	14.276.132	722.606	--
Other incomes	909.129	4.633.156	833.505	1.256.678
Revenue	**277.935.120**	**245.258.460**	**105.482.377**	**70.220.974**
Cost of goods sold	(20.233.032)	(70.332.376)	(6.942.958)	(16.502.712)
Cost of trade goods sold	(6.076.789)	(3.374.028)	(1.511.480)	(2.019.702)
Cost of services sold	(144.112.601)	(122.256.916)	(47.052.923)	(38.964.962)
Cost of sales (-)	**(170.422.422)**	**(195.963.320)**	**(55.507.361)**	**(57.487.376)**
Gross profit	**107.512.698**	**49.295.140**	**49.975.016**	**12.733.598**

For the accounting periods ending on 30 September 2024 and 2022, the detailed distribution of the costs of sales is as follows;

	1 January – 30 September 2024	1 January – 30 September 2023	1 July– 30 September 2024	1 July– 30 September 2024
Direct raw materials and supplies expenses	16.610.721	33.453.187	3.216.069	7.537.898
Direct labour cost	13.337.265	19.220.305	1.381.825	6.536.950
Other production expenses	8.789.646	7.875.559	3.382.452	(1.577.605)
Total production cost	**38.737.632**	**60.549.051**	**7.980.346**	**12.497.243**
Change in stocks of semi-finished goods	(18.504.602)	9.783.323	(1.037.389)	4.005.467
I. Cost of goods sold	**20.233.030**	**70.332.374**	**6.942.957**	**16.502.710**
II. Cost of trade goods	6.076.789	3.374.027	1.511.480	2.019.701
III. Cost of services provided	143.803.171	110.357.553	46.916.881	37.948.641
Depreciation and amortization expenses (Note 11)	309.432	11.899.366	136.043	1.016.324
Cost of sales (-)	**170.422.422**	**195.963.320**	**55.507.361**	**57.487.376**

21. GENERAL ADMINISTRATIVE EXPENSES, MARKETING, SELLING AND DISTRIBUTION EXPENSES

	1 January – 30 September 2024	1 January – 30 September 2023	1 July– 30 September 2024	1 July– 30 September 2023
Marketing, sales and distribution expenses (-)	11.888.375	14.864.927	2.988.433	3.547.217
General administrative expenses (-)	86.808.757	69.147.039	28.102.631	27.488.881
Total	**98.697.132**	**84.011.966**	**31.091.064**	**31.036.098**

(Currency –Turkish Lira "TL" unless otherwise expressed)

21. GENERAL ADMINISTRATIVE EXPENSES, MARKETING, SELLING AND DISTRIBUTION EXPENSES (CONTINUED)

As of the reporting period, the Group's marketing, sales and distribution expenses are detailed below, according to their nature:

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Personnel expenses	5.750.524	4.841.780	1.539.895	1.657.092
Advertisement, advertising and fair expenses	4.736.873	6.933.255	1.109.229	475.383
External benefits	1.307.540	1.749.716	317.348	717.026
Export expenses	88.550	10.346	20.792	--
Consultancy expenses	2.390	489.771	556	484.792
Accommodation, travel expenses	--	794.470	--	52.768
Other	2.498	45.589	613	160.156
Total	**11.888.375**	**14.864.927**	**2.988.433**	**3.547.217**

As of the reporting period, the details of the Group's general administrative expenses by nature are as follows;

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Depreciation and amortization expenses (Note 11)	38.639.310	27.610.099	12.723.364	12.476.949
Personnel expenses	25.418.401	18.715.851	8.542.949	7.531.348
Benefits provided from outside	3.516.041	1.803.437	933.873	507.369
Accommodation-travel expenses	2.452.937	2.210.465	664.695	948.753
Donations and aids	2.332.086	4.993.740	216.373	843.761
Office expenses	2.174.221	2.082.461	664.506	736.219
Tax, duty and fee expenses	2.042.614	792.062	284.201	303.735
Severance pay expense (Note 16)	1.755.311	4.525.810	-254.532	1.734.943
Fuel-Vehicle expenses	1.274.887	974.377	332.268	342.787
Insurance expenses	1.203.727	1.476.382	650.298	499.585
Consultancy, advisory expenses	548.787	787.822	167.088	297.864
Communication expenses	178.636	244.209	60.334	72.034
Leave provision expense (Note 16)	136.097	856.202	-236.195	282.865
Other	5.135.702	2.074.122	3.353.409	910.669
Total	**86.808.757**	**69.147.039**	**28.102.631**	**27.488.881**

22. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

a) Other expenses from operating activities

	01.01.- 30.09.2024	01.01.- 30.09.2023	01.07.- 30.09.2024	01.07.- 30.09.2023
Rediscount income	2.262.474	396.096	1.932.937	379.595
Exchange rate difference arising from trade receivables and payables	1.123.518	4.192.862	100.890	93.540
Cancellation of litigation provision expense (Note 17)	79.140	3.095.417	--	3.095.417
No longer subject to doubtful receivables provision	--	--	-83.595	--
Other	--	1.954.030	--	1.202.920
Total	**3.465.132**	**9.638.405**	**1.950.232**	**4.771.472**

(Currency –Turkish Lira “TL” unless otherwise expressed)

22. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

b) Other expense from operating activities

	01.01.-30.09.2024	01.01.-30.09.2023	01.07.-30.09.2024	01.07.-30.09.2023
Exchange rate difference arising from trade receivables and payables	708.114	4.211.786	69.841	769.094
Expected credit loss provision (Note 7)	497.569	277.108	260.808	-2.468.922
Interest expense of severance pay liability (Note 16)	435.793	414.724	13.962	69.447
Doubtful receivables provision expenses (Note 7)	285.130	1.839.421	285.130	-392.483
Rediscount expenses	--	1.604.262	-188.213	-1.598
Litigation provision expenses (Note 17)	--	2.751.538	--	-691.047
Other	5.840	4.420.598	-521	3.063.566
Total	**1.932.446**	**15.519.437**	**441.007**	**348.057**

23. INCOME AND EXPENSES FROM INVESTING ACTIVITIES

a) Income from investing activities

	1 January – 30 September 2024	1 January – 30 September 2023	1 July– 30 September 2024	1 July– 30 September 2023
Profit on sale of property, plant and equipment	37.200	523.532	1.281	37.200
Total	**37.200**	**523.532**	**1.281**	**37.200**

b) Expenses from investing activities

The Group has no expenses from investing activities.

24. FINANCIAL INCOME AND EXPENSES

a) Financial income

	1 January – 30 September 2024	1 January – 30 September 2023	1 July– 30 September 2024	1 July– 30 September 2023
Interest income	13.336.626	18.047.282	3.981.976	4.957.142
Foreign exchange income	232.880	295.255	99.614	146.931
Total	**13.569.506**	**18.342.537**	**4.081.590**	**5.104.073**

b) Financial expenses

	1 January – 30 September 2024	1 January – 30 September 2023	1 July– 30 September 2024	1 July– 30 September 2023
Interest expenses	(27.803.333)	(6.899.730)	(9.272.181)	(4.357.315)
Bank commission expenses	(5.449.668)	(3.807.973)	(116.643)	(2.926.537)
Foreign exchange expenses	(1.060.014)	(1.543.896)	(234.767)	(756.187)
Operational lease interest expense	(176.505)	(255.474)	294.188	(24.292)
Letter of guarantee expense	(300.948)	(196.673)	(120.752)	(134.526)
Total	**(34.790.468)**	**(12.703.746)**	**(9.450.155)**	**(8.198.857)**

(Currency –Turkish Lira "TL" unless otherwise expressed)

25. TAXES ON INCOME

The corporate tax rate is applied to the tax base, which is determined by adding back expenses not deductible under tax laws and subtracting exemptions and deductions specified in the tax laws from the commercial profit. No additional tax is payable if the profit is not distributed. However, if all or part of the profit is distributed as dividends to:

- Individuals,
- Real and legal persons exempt from or excluded from Income and Corporate Tax,
- Non-resident individuals and legal entities,

A 15% Income Tax Withholding (Stopaj) is calculated. If the profit is added to capital instead of being distributed, it is not considered as a dividend distribution and no withholding tax is applied.

Corporate tax must be declared by the last day of the fourth month following the end of the relevant fiscal period and is paid on the same day. The temporary tax paid during the year is offset against the corporate tax to be calculated on the corporate tax return of the following year.

Under Turkish tax law, 75% of the gains from the sale of shares in subsidiaries held for at least two full years and 50% of the gains from the sale of real estate held for the same duration are exempt from corporate tax, provided that these amounts are added to the capital as required by the Corporate Tax Law.

According to Turkish tax legislation, declared financial losses can be deducted from the corporate profit for a period of up to five years. However, financial losses cannot be offset against profits from previous years. There is no practice of obtaining mutual agreement with the tax authorities regarding taxes payable in Turkey. Corporate tax returns must be submitted to the relevant tax office by the last day of the fourth month following the close of the fiscal period. Additionally, the tax authorities have the right to review accounting records within a five-year period, and if any errors are identified, the payable tax amounts may change.

Corporate tax is applied to the tax base, which is calculated by adding back non-deductible expenses and subtracting the exemptions provided by the tax regulations from the commercial profit. As of 30 September 2024, the general corporate tax rate is 25%. Companies are required to submit their corporate tax return to the tax authorities by the last day of the fourth month following the relevant fiscal period.

	1 January – 30 September 2024	**1 January – 31 December 2025**
Current tax provision	--	--
Prepaid taxes (-)	(696.633)	(1.707.896)
Total	**(696.633)**	**(1.707.896)**

For the accounting periods ending on 30 September 2023 and 31 December 2022, the details of tax provision in the statements of income are as follows;

	1 January – 30 September 2024	**1 January – 30 September 2023**	**1 July– 30 September 2024**	**1 July– 30 September 2023**
Provision for Corporate Tax for current period	--	(276.591)	--	2.062.803
Deferred tax income / (expense)	(896.158)	(5.382.261)	4.751.144	(4.233.586)
Tax income / (expense)	**(896.158)**	**(5.658.852)**	**4.751.144**	**(2.170.783)**

(Currency –Turkish Lira "TL" unless otherwise expressed)

25. TAXES ON INCOME (CONTINUED)

The breakdown of accumulated temporary differences and deferred tax assets and liabilities as of the balance sheet dates, prepared using the current tax rates, is as follows;

	30.09.2024		31.12.2023	
	Accumulated timing differences	**Deferred Tax**	**Accumulated timing differences**	**Deferred Tax**
Deferred tax asset				
Provision for doubtful receivables	14.732.934	3.683.234	19.628.836	4.907.209
Provision for severance pay	4.749.170	1.187.293	4.908.301	1.227.076
Expensed assets	3.366.855	841.714	5.707.811	1.426.953
Provision for lawsuits	1.785.906	446.477	2.497.340	624.335
Credit interest accrual	1.474.124	368.531	1.694.058	423.515
Expected credit losses	1.314.134	328.534	1.109.388	277.347
Used leave provision	1.009.012	252.253	1.228.294	307.074
Discount of trade receivables	676.759	169.190	3.292.297	823.075
Exchange rate difference	570.348	142.587	3.266.327	816.582
Right of use assets	117.619	29.402	180.412	45.150
Participation provision	107.700	26.925	146.322	36.580
Deferred tax asset		**7.476.140**		**10.914.896**

	30.09.2024		31.12.2023	
	Accumulated timing differences	**Deferred Tax**	**Accumulated timing differences**	**Deferred Tax**
Deferred tax liability				
Adjustment of tangible and intangible assets	-20.402.833	-5.100.708	-28.680.657	-7.170.164
Temporary differences of stocks	-15.154.275	-3.788.569	-26.579.631	-6.644.912
Right-of-use assets	-1.236.715	-309.179	-2.320.251	-580.063
Discount of trade payables	-536.943	-134.236	-487.968	-121.992
Interest income accrual	-313.058	-78.265	-905.966	-226.490
Prepaid expenses temporary differences	--	--	-1.213.141	-303.285
Other	-13.357.184	-3.339.296	--	--
Deferred tax liability		**-12.750.253**		**-15.046.906**
Net deferred tax		**-5.274.113**		**-4.132.010**

(Currency –Turkish Lira "TL" unless otherwise expressed)

25. TAXES ON INCOME (CONTINUED)

Deferred tax asset/(liability) movements for the periods ending September 30, 2024 and 2023 are as follows;

	1 Ocak – 30 September 2024	1 Ocak – 31 December 2023
Opening balance	**-4.132.010**	**-23.623.655**
Period deferred tax income/(expense)	-896.158	-5.382.261
Actuarial gain/(loss) tax effect	-245.945	-505.248
Total	**-5.274.113**	**-29.511.164**

26. EARNINGS PER SHARE

	1 January – 30 September 2024	1 January – 30 September 2023	1 July– 30 September 2024	1 July– 30 September 2023
Profit for the period	(49.594.501)	(97.628.041)	8.927.743	(62.062.749)
Weighted average number of shares with nominal value	23.850.000	23.687.671	23.850.000	23.687.671
Total	**(2,1)**	**(4,1)**	**0,4**	**(2,6)**

27. RELATED PARTY DISCLOSURES

Transactions between the Group and its subsidiaries, which are related parties of the Group, are not disclosed in this note since they are eliminated during consolidation.

The current account works for trade receivables and debts from related parties. The number of receivables and payables are in the range of 40-120 days.

The balance details of the Group and other related parties are described below.

a) Other current payables to related parties

	30 September 2024	31 December 2023
Current		
Erol Çelik	320.000	88.309
Total	**320.000**	**88.309**

(Currency –Turkish Lira "TL" unless otherwise expressed)

27. RELATED PARTY DISCLOSURES (CONTINUED)

Related party purchases

	1 January – 30 September 2024	1 January – 30 September 2023
Plüton Özel Tanı Ted. Lab. Tah. Paz. Tic. Ltd. Şti.	511.376	--
Total	**511.376**	**--**

The Group has no sales transactions with related parties.

Salaries, Bonuses, and Other Benefits Provided to Key Management Personnel

The Group's key management consists of the Chairman of the Board and the members of the Board of Directors. The amounts of short-term salaries, bonuses, and other benefits provided to the Group's key management personnel during the reporting periods are as follows:

	30 September 2024	30 September 2023
Benefits for senior executives	4.935.500	2.543.000
	4.935.500	**2.543.000**

28. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The main financial instruments of the Group consist of cash, marketable securities and short-term deposits. The main purpose of these financial instruments is to finance the Group's operating activities.

a) Capital Management Policies and Procedures

When managing its capital, the Group's objectives are to maintain the most optimal capital structure in order to provide value to its shareholders and reduce its cost of capital, as well as to ensure the continuity of the Group's operations.

As of 30 September 2024 and 31 December 2023, the debt-to-equity ratio, calculated by subtracting cash and cash equivalents from financial debts and dividing by total equity, is as follows:

	1 January – 30 September 2024	1 January – 31 December 2023
Total financial liabilities	62.623.125	82.537.913
Less: Cash and cash equivalents	(46.017.661)	(79.538.367)
Net financial debt	**16.605.464**	**2.999.546**
Total equity	263.882.542	314.792.312
Total equity used	**280.488.006**	**317.791.858**
Net financial debt / Total equity used	**6%**	**1%**

b) Financial Risk Factors

The main risks posed by the Group's financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. The Group management and board of directors examine and accept the policies regarding the management of the following risks. The Group also considers the market value risk of all its financial instruments

(Currency –Turkish Lira "TL" unless otherwise expressed)

28. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial Risk Factors (Continued)

b.1) Credit risk management (Continued)

The registered values of financial assets indicate the maximum credit risk exposed. As of 30 September 2023, the credit risks exposed are as follows;

	Receivables					
	Trade Receivables		Other Receivables		Deposits in Bank	Cash
Prior period (September 30, 2024)	**Related Party**	**Other Party**	**Related Party**	**Other Party**		
Maximum Credit Risk Exposure as of Reporting Date (A+B+C+D) (*)	**--**	**92.856.904**	**--**	**391.080**	**45.566.020**	**451.641**
-Part of maximum risk secured by collateral, etc. (**)"						
A. Net Book Value of Financial Assets That Are Not Past Due or Not Impaired	--	94.171.038	--	391.080	45.566.020	451.641
B. Net Book Value of Assets Past Due but Not Impaired	--	--	--	--	--	--
C. Net Book Value of Assets Impaired	--	--	--	--	--	--
- Past Due (Gross Book Value)	--	14.732.938	--	--	--	--
- Impairment (-)	--	-14.732.934	--	--	--	--
- Part of Net Value Secured by Collateral, etc.	--	--	--	--	--	--
- Not Past Due (Gross Book Value)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
- Part of Net Value Secured by Collateral, etc.	--	--	--	--	--	--
D. Expected credit losses	--	-1.314.134	--	--	--	--

(*) In determining the amount, elements that increase credit reliability, such as collateral received, have not been taken into account.
(**) Collateral consists of collateral notes, letters of guarantee and mortgages received from customers.

(Currency –Turkish Lira "TL" unless otherwise expressed)

28. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial Risk Factors (Continued)

b.1) Credit risk management (Continued)

The registered values of financial assets indicate the maximum credit risk exposed. As of 31 December 2022, the credit risks exposed are as follows;

	Receivables					
	Trade Receivables		Other Receivables		Deposits in Bank	Cash
Prior period (December 31, 2023)	**Related Party**	**Other Party**	**Related Party**	**Other Party**		
Maximum Credit Risk Exposure as of Reporting Date (A+B+C+D) (*)	**--**	**73.925.994**	**--**	**167.047**	**78.860.666**	**677.701**
-Part of maximum risk secured by collateral, etc. (**)						
A. Net Book Value of Financial Assets That Are Not Past Due or Not Impaired	--	75.035.382	--	167.047	78.860.666	677.701
B. Net Book Value of Assets Past Due but Not Impaired	--	--	--	--	--	--
C. Net Book Value of Assets Impaired	--	--	--	--	--	--
- Past Due (Gross Book Value)	--	19.628.836	--	--	--	--
- Impairment (-)	--	-19.628.836	--	--	--	--
- Part of Net Value Secured by Collateral, etc.	--	--	--	--	--	--
- Not Past Due (Gross Book Value)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
- Part of Net Value Secured by Collateral, etc.	--	--	--	--	--	--
D. Expected credit losses	--	-1.109.388	--	--	--	--

(*) In determining the amount, elements that increase credit reliability, such as collateral received, have not been taken into account.
(**) Collateral consists of collateral notes, letters of guarantee and mortgages received from customers.

28. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial Risk Factors (Continued)

b.2) Liquidity Risk Table

Liquidity risk is the risk that a company may not be able to meet its funding needs. The Group aims to ensure the continuity and variability of cash inflows through long-term bank loans.

b.3) Market Risk Management

The Group's operations are primarily exposed to financial risks related to fluctuations in exchange rates and interest rates, as detailed below.

Market risks are also assessed through sensitivity analyses.

b.3.1) Exchange Rate Risk Management

Foreign currency transactions give rise to exchange rate risk. Exchange rate risk is managed through forward foreign exchange purchase/sale contracts based on approved policies.

The distribution of the Group's monetary and non-monetary assets and liabilities in foreign currencies as of the balance

(Currency –Turkish Lira "TL" unless otherwise expressed)

28. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial Risk Factors (Continued)

b.3) Market risk (Continued)

b.3.1) Foreign currency risk (Continued)

	30 September 2024			
	TL Equivalent	USD	EURO	
1 Trade receivables	--	--	--	
2a. Monetary financial assets, (cash and banks account included)	12.164.083	355.109	1.242	
2b. Non-monetary financial assets	--	--	--	
3. Other	1.356.039	--	35.525	
4. Current assets (1+2+3)	**13.520.122**	**355.109**	**36.767**	
5. Trade receivables	**--**	**--**	**--**	
6. Other	**--**	**--**	**--**	
7. Non-current assets (5+6)	**--**	**--**	**--**	
8. Total assets (4+7)	**13.520.122**	**355.109**	**36.767**	
9. Trade payables	2.222.342	263	57.985	
10. Financial liabilities	--	--	--	
11a. Other monetary liabilities	--	--	--	
11b. Other non-monetary liabilities	--	--	--	
12. Current liabilities (9+10+11)	**2.222.342**	**263**	**57.985**	
13. Trade payables	--	--	--	
14. Financial liabilities	--	--	--	
15. Non-current liabilities (13+14)	--	--	--	
16. Total liabilities (12+15)	**2.222.342**	**263**	**57.985**	
17. Net assets of off balance sheet derivative items (liability) position (18a - 18b)	**--**	**--**	**--**	
18a. Total amount of assets hedged	**--**	**--**	**--**	
18b. Total amount of liabilities hedged	**--**	**--**	**--**	
19. Net foreign currency assets / (liability) position (8-16+17)	**11.291.263**	**354.655**	**(21.218)**	

(Currency –Turkish Lira "TL" unless otherwise expressed)

28. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial Risk Factors (Continued)

b.3) Market risk (Continued)

b.3.1) Foreign currency risk (Continued)

	31 December 2022			
	TL Equivalent	**TL Equivalent Historical Value**	**USD**	**EURO**
1 Trade receivables	29.918.594	22.021.580	449.795	269.554
2a. Monetary financial assets, (cash and banks account included)	14.461.544	10.644.419	360.523	960
2b. Non-monetary financial assets	--	--	--	--
3. Other	4.046.934	2.978.746	58.508	38.570
4. Current assets (1+2+3)	**48.427.072**	**35.644.745**	**868.826**	**309.084**
5. Trade receivables	--	--	--	--
6. Other	--	--	--	--
7. Non-current assets (5+6)	--	--	--	--
8. Total assets (4+7)	**48.427.072**	**35.644.745**	**868.826**	**309.084**
9. Trade payables	5.664.863	4.169.622	5.890	122.682
10. Financial liabilities	5.589.850	4.114.409	--	126.310
11a. Other monetary liabilities	--	--	--	--
11b. Other non-monetary liabilities	--	--	--	--
12. Current liabilities (9+10+11)	**11.254.713**	**8.284.031**	**5.890**	**248.992**
13. Trade payables	--	--	--	--
14. Financial liabilities	3.727.271	2.743.458	75.079	16.371
15. Non-current liabilities (13+14)	**3.727.271**	**2.743.458**	**75.079**	**16.371**
16. Total liabilities (12+15)	**14.981.984**	**11.027.489**	**80.969**	**265.363**
17. Net assets of off balance sheet derivative items (liability) position (18a - 18b)	--	--	--	--
18a. Total amount of assets hedged	--	--	--	--
18b. Total amount of liabilities hedged	--	--	--	--
19. Net foreign currency assets / (liability) position (8-16+17)	**33.445.088**	**24.617.256**	**787.857**	**43.721**

28. THE NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial Risk Factors (Continued)

b.3) Market risk (Continued)

b.3.1) Foreign currency risk (Continued)

Currency Risk Sensitivity

The Group is primarily exposed to currency risk in US Dollars and Euros.

The table below shows the Group's sensitivity to a 10% increase and decrease in US Dollar and Euro exchange rates. The 10% rate is used by senior management when reporting currency risk within the Group and represents the potential change in exchange rates that management expects. The sensitivity analysis only covers foreign currency denominated monetary items as of the year-end and demonstrates the effects of a 10% change in exchange rates at year-end.

Exchange Rate Sensitivity Analysis Table

30.09.2024	**Profit and Loss (Historical Value)**		**Profit and Loss (Indexed Value)**	
	Foreign currency appreciation	**Foreign currency depreciation**	**Foreign currency appreciation**	**Foreign currency depreciation**
If the US$ exchange rate changes by 10%:				
1- US$ net asset/(liability)	1.210.770	-1.210.770	1.210.770	-1.210.770
2- Part protected from US$ risk (-)				
3- US$ net effect (1+2)	**1.210.770**	**-1.210.770**	**1.210.770**	**-1.210.770**
If the EURO exchange rate changes by 10%:				
4- EURO net asset/(liability)	-80.992	80.992	-80.992	80.992
5- Part protected from EURO risk (-)				
6- EURO net effect (4+5)	**-80.992**	**80.992**	**-80.992**	**80.992**
Total (3+6)	**1.129.778**	**-1.129.778**	**1.129.778**	**-1.129.778**

Exchange Rate Sensitivity Analysis Table

31.12.2023	**Profit and Loss (Historical Value)**		**Profit and Loss (Indexed Value)**	
	Foreign currency appreciation	**Foreign currency depreciation**	**Foreign currency appreciation**	**Foreign currency depreciation**
ABD$ kurunun %10 değişmesi halinde:				
1- ABD$ net varlık/(yükümlülüğü)	2.319.309	-2.319.309	3.151.021	-3.151.021
2- ABD$ riskinden korunan kısım (-)				
3- ABD$ net etki (1+2)	**2.319.309**	**-2.319.309**	**3.151.021**	**-3.151.021**
EURO kurunun %10 değişmesi halinde:				
4- EURO net varlık/(yükümlülüğü)	142.416	-142.416	193.487	-193.487
5- EURO riskinden korunan kısım (-)				
6- EURO net etki (4+5)	**142.416**	**-142.416**	**193.487**	**-193.487**
Toplam (3+6)	**2.461.725**	**-2.461.725**	**3.344.508**	**-3.344.508**

(Currency –Turkish Lira "TL" unless otherwise expressed)

29. FINANCIAL INSTRUMENTS (FAIR VALUE EXPLANATIONS AND DISCLOSURES WITHIN THE FRAMEWORK OF HEDGE ACCOUNTING)

Classes and fair value of financial instruments

30.09.2024	Financial assets and liabilities shown at amortized value	Registered Value	Fair Value
Financial assets			
Cash and cash equivalents	46.017.661	46.017.661	46.017.661
Trade receivables	92.856.908	92.856.908	92.856.908
Financial liabilities			
Financial debts	62.623.125	62.623.125	62.623.125
Trade payables	16.475.179	16.475.179	16.475.179

31 Aralık 2023	Financial assets and liabilities shown at amortized value	Registered Value	Fair Value
Financial assets			
Cash and cash equivalents	79.538.367	79.538.367	79.538.367
Trade receivables	73.925.994	73.925.994	73.925.994
Financial liabilities			
Financial debts	82.537.913	82.537.913	82.537.913
Trade payables	22.933.528	22.933.528	22.933.528

Fair Value **is** defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The estimated fair values of financial instruments have been determined by the Group using current market information and appropriate valuation techniques. However, estimating fair value requires assumptions in interpreting market data. Therefore, the estimates presented here may not reflect the amount that the Group could obtain in a current market transaction.

The following methods and assumptions have been used to estimate the fair value of financial instruments:

Monetary Assets
The carrying values of financial assets, including cash and cash equivalents, are expected to approximate their fair values due to their short-term nature.

Trade Receivables
It is expected that the carrying values of trade receivables, including the related impairment provisions, reflect their fair values.

Monetary Liabilities
The fair values of short-term bank loans and other monetary liabilities are expected to be close to their carrying values due to their short-term nature.

Long-term Financial Liabilities
As most long-term financial liabilities bear variable interest rates and are repriced in the short term, it is expected that the carrying values as of the reporting date approximate their fair values.

29. FINANCIAL INSTRUMENTS (FAIR VALUE EXPLANATIONS AND DISCLOSURES WITHIN THE FRAMEWORK OF HEDGE ACCOUNTING) (CONTINUED)

Classes and fair value of financial instruments

First level: Valuation techniques that use the active market price (unadjusted) for identical assets and liabilities.

Second level: Valuation techniques that include inputs used to find the price of the relevant asset or liability that can be directly or indirectly observed in the market, other than the market price specified in the first level.

Third level: Valuation techniques that include inputs that are not based on observable data in the market used to find the fair value of the asset or liability.

30. STATUS AFTER REPORTING DATE

No update is available