

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

**VERUSA HOLDING A.Ş. AND
SUBSIDIARY COMPANIES**

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY – 30 JUNE 2024
TOGETHER WITH THE AUDITORS' REVIEW REPORT

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VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2024**

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

ASSETS	Notes	Reviewed Current Year 30 June 2024	Audited Prior Year 31 December 2023
Current Assests		3.228.461.456	2.857.152.049
Cash and cash equivalents	22	15.966.977	366.514.192
Financial investments	20	2.846.951.663	2.160.316.493
Trade receivables	7	144.402.464	100.081.223
- <i>Trade receivables from third parties</i>		144.402.464	100.081.223
Other receivables	9	23.896.447	11.042.682
- <i>Other receivables from third parties</i>		23.896.447	11.042.682
Inventories	10	123.679.611	128.698.340
Prepaid expenses	8	51.033.920	52.392.029
Assets related to current assets		1.932.258	10.448.156
Other current assets	13	20.598.116	27.658.934
Non-Current Assests		2.268.962.855	2.215.308.309
Financial investments	20	168.177.788	168.178.100
Other receivables		726.739	850.087
- <i>Other receivables from third parties</i>	9	726.739	850.087
Investments accounted through equity method	4	173.569.871	164.729.955
Investment property		138.056.243	138.056.243
Property, plant and equipment	12	1.629.251.878	1.540.830.631
Intangible assets		981.178	465.045
Prepaid expenses	8	2.224.545	19.270.456
Deferred tax assets	18	132.804.450	174.568.182
Other non current assets	13	23.170.163	8.359.610
TOTAL ASSETS		5.497.424.311	5.072.460.358

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

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

		Reviewed Current Year 30 June 2024	Audited Prior Year 31 December 2023
LIABILITIES AND EQUITY	Notes		
Current Liabilities		618.849.020	498.112.124
Short-term borrowings	20	270.564.232	338.812.116
Short-term portion of long term borrowings	20	2.258.824	1.408.766
Trade payables	7	96.524.613	110.551.911
- Trade payables to third parties		96.524.613	110.551.911
Payables related to employee benefits		4.035.234	4.121.257
Other Payables		230.977.117	339.898
- Other payables to related parties	6	230.661.527	-
- Other payables to third parties	9	315.590	339.898
Current tax liabilities	18	2.284.116	31.845.723
Short-term provisions		4.285.905	2.918.715
- Short-term provisions for employee benefits		4.285.905	2.918.715
Other current liabilities	13	7.918.979	8.113.738
Non-Current Liabilities		50.649.337	64.598.482
Long-term borrowings	20	32.433.703	52.299.701
Other payables		187.726	470.853
- Other payables to third parties		187.726	470.853
Long-term provisions		18.027.908	11.827.928
- Long-term provisions for employee benefits		18.027.908	11.827.928
EQUITY		4.827.925.954	4.509.749.752
Equity Attributable to Owners of the Company		3.338.107.900	3.130.496.934
Share capital	14	70.000.000	70.000.000
Treasury shares (-)	14	577.457.881	577.457.881
Share premium		(595.857.613)	(533.041.916)
Other comprehensive income or expenses that will not be reclassified subsequently to profit or loss		6.833.626	6.833.626
Revaluation increases / (decreases) of property, plant and equipment		1.942.829	1.942.829
Defined benefit plans re-measurement gains / (losses)		4.574.836	4.574.836
Restricted reserves from profit	14	(2.632.007)	(2.632.007)
Other reserves	14	30.143.661	30.143.661
Retained earnings		344.578.491	344.578.491
Net profit of the year		2.600.747.356	2.285.545.638
Non-Controlling interests		302.261.669	347.036.724
TOTAL LIABILITIES AND EQUITY		5.497.424.311	5.072.460.358

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

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

		Reviewed Current Year 1 January - 30 June 2024	Reviewed Prior Year 1 January - 30 June 2023	Current Year 1 April - 30 June 2024	Prior Year 1 April - 30 June 2023
	Notes				
Revenue	15	337.652.418	324.378.050	161.730.920	166.845.467
Cost of sales (-)	15	(331.348.428)	(266.645.390)	(176.187.833)	(100.834.648)
Gross profit		6.303.990	57.732.660	(14.456.913)	66.010.819
Administrative expenses (-)		(40.901.366)	(36.154.539)	(19.234.043)	(15.439.074)
Marketing expenses (-)		(5.413.319)	(4.934.289)	(2.719.909)	(2.582.826)
Other income from operating activities	16	564.926.571	379.334.629	89.139.381	136.970.398
Other expenses from operating activities (-)	16	(12.609.344)	(22.818.853)	(5.816.871)	(18.447.645)
Operating profit		512.306.532	373.159.608	46.911.645	166.511.672
Profit / loss (-) from investment activities		-	(59.098.712)	-	(59.114.246)
Share of profit/loss of investments accounted for using the equity method	4	8.839.916	56.173.882	11.260.464	20.764.378
Operating profit before finance expense		521.146.448	370.234.778	58.172.109	128.161.804
Finance income	17	20.622.145	29.761.852	4.524.363	26.682.676
Finance expense (-)	17	(81.552.708)	(39.629.534)	(26.607.183)	(11.885.503)
Moneytary Gain / Loss		46.817.548	(132.476.513)	41.175.529	217.530.397
Profit before tax		507.033.433	227.890.583	77.264.818	360.489.374
Tax expense		(56.939.089)	(53.523.463)	23.274.421	(65.569.673)
Current tax expense	18	(15.175.357)	(91.883.049)	9.841.952	(22.088.260)
Deferred tax income / (expense)	18	(41.763.732)	38.359.586	13.432.469	(43.481.413)
PROFIT FOR THE YEAR		450.094.344	174.367.120	100.539.239	294.919.701
Profit for the year attributable to					
Non-controlling interests		147.832.675	58.648.313	(5.550.412)	60.610.006
Owners of the Company		302.261.669	115.718.807	106.089.651	234.309.695
		450.094.344	174.367.120	100.539.239	294.919.701
Earnings per share					
Earnings per share	19	4,32	1,65	1,52	3,35
Other comprehensive income		-	67.110.186	-	67.110.186
Revaluation profit / loss (-) of tangible assets	12	-	74.566.873	-	74.566.873
Deferred tax expense	18	-	(7.456.687)	-	(7.456.687)
Total comprehensive income		450.094.344	241.477.306	100.539.239	362.029.887
Total comprehensive income attributable to:					
Non-controlling interests		175.013.369	84.016.362	(5.550.412)	85.978.055
Owners of the Company		277.670.785	157.460.944	106.089.651	276.051.832

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

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

	Share capital	Capital structure adjustment	Treasury shares (-)	Share premium	Revaluation increases / (decreases) of property, plant and equipment	Defined benefit plans re-measurement gains / (losses)	Restricted reserves from profit	Other reserves	Retained earnings		Equity Attributable to Owners of the Company	Non-Controlling interests	Total
									Retained earnings	Net profit of the year			
Balances of 1 January 2023	70.000.000	577.457.881	(196.883.507)	6.833.626	4.838.614	(2.388.406)	29.384.357	344.578.491	2.150.495.963	5.617.993	2.989.935.012	1.135.233.873	4.125.168.885
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	41.742.137	-	-	-	5.617.993	(5.617.993)	157.460.944	84.016.362	241.477.306
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to redemption of shares decrease	-	-	(335.009.411)	-	-	-	-	-	-	-	(335.009.411)	-	(335.009.411)
Increase / decrease due to changes in proportion of ownership interest in subsidiaries that does not result in loss of control	-	-	-	-	351.176	(173.345)	-	-	(32.973.800)	-	(32.795.969)	(16.812.262)	(49.608.231)
Balances as of 30 June 2023	70.000.000	577.457.881	(531.892.918)	6.833.626	46.931.927	(2.561.751)	29.384.357	344.578.491	2.123.140.156	115.718.807	2.779.590.576	1.202.437.973	3.982.028.549
Balances of 1 January 2024	70.000.000	577.457.881	(533.041.916)	6.833.626	4.574.836	(2.632.007)	30.143.661	344.578.491	2.285.545.638	347.036.724	3.130.496.934	1.379.252.818	4.509.749.752
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-	347.036.724	(347.036.724)	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	302.261.669	147.832.675	450.094.344
Due to redemption of shares increase	-	-	(62.815.697)	-	-	-	-	-	-	-	(62.815.697)	-	(62.815.697)
Increase / decrease due to changes in proportion of ownership interest in subsidiaries that does not result in loss of control	-	-	-	-	-	-	-	-	(31.835.006)	-	(31.835.006)	(37.267.439)	(69.102.445)
Balances as of 30 June 2024	70.000.000	577.457.881	(595.857.613)	6.833.626	4.574.836	(2.632.007)	30.143.661	344.578.491	2.600.747.356	302.261.669	3.338.107.900	1.489.818.054	4.827.925.954

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

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

	Notes	Reviewed 1 January - 30 June 2024	Reviewed 1 January - 30 June 2023
A. Cash flows from operating activities			
Profit for the year		450.094.344	174.367.120
Adjustments to reconcile profit for the year			
-Adjustments related to depreciation and amortization expenses		24.432.783	21.579.931
			59.144.503
-Adjustments related to provision for/reversal for employee benefit termination		6.528.235	2.645.904
-Adjustments related to interest income and expenses		60.202.128	9.659.520
-Adjustments related to unrealized currency translation differences		1.700.860	1.425.677
-Adjustments related to (gain)/loss on fair value		(533.973.431)	(248.717.441)
-Adjustments related to undistributed profits of subsidiaries	4	(8.839.916)	(56.173.882)
-Adjustments related to tax expense	18	56.939.089	53.523.463
		(55.764.886)	(36.212.229)
Changes in working capital			
-Adjustments related to (increase) / decrease trade receivables		(64.167.122)	(74.710.862)
-Adjustments related to increase in other receivables related to operations		(15.088.726)	(4.250.788)
-Adjustments related to (increase) / decrease in inventories		5.018.729	19.563.934
-Adjustments related to (increase) / decrease in prepaid expenses		18.404.020	14.741.399
-Adjustments related to (increase) / decrease in trade payables		7.894.897	(343.012)
-Increase / (decrease) in payables due to employee benefits		731.213	367.273
-Adjustments related to increase in other payables related to activities		230.514.862	(136.581.768)
-Increase / (decrease) in other assets related to activities		(8.446.002)	1.570.929
-Increase in other liabilities related to activities		1.414.177	(1.231.911)
Cash generated/(used) from operations		177.595.254	(199.632.240)
Interest received		20.622.145	29.761.852
Payments made under the provisions for employee benefits		(3.642.706)	(1.732.640)
Income taxes paid	18	(44.736.964)	(1.864.124)
		149.837.729	(173.467.152)
B. Cash Flows from Investing Activities			
Cash inflows on disposal of subsidiaries that does not result in loss of control		(69.102.445)	(49.608.231)
Cash inflows from the sale of shares of other enterprises or funds or debt instruments	21	400.215.347	1.988.341.432
Cash outflows for the acquisition of shares of other enterprises or funds or borrowing instruments	21	(552.878.851)	(13.962.034)
Payments for purchase of tangible and intangible assets		(113.370.163)	(125.149.780)
		(335.136.112)	1.799.621.387
C. Cash Flows from Financing Activities			
Payments for the acquisition of own shares		(62.815.697)	(335.009.411)
Cash inflows for the disposal of own shares		-	59.895.800
Cash outflows for borrowings		(11.352.020)	(271.811.551)
Interest paid		(80.824.273)	(39.421.372)
		(154.991.990)	(586.346.534)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(340.290.373)	1.039.807.701
D. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR		366.514.192	45.151.334
E. INFLATION EFFECT ON CASH AND CASH EQUIVALENTS		(10.256.842)	(61.588.939)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (A+B+C+D)		15.966.977	1.023.370.096

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

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

1. GENERAL INFORMATION

Verusa Holding A.Ş. ("Verusa Holding") was established in Turkey on October 6, 2006.

The primary business activity of Verusa Holding is to participate in the capital of various companies and ensure that the companies in which it holds equity are managed in a more profitable and efficient manner. The members of the Board of Directors of Verusa Holding actively serve on both the Holding's Board of Directors and the Boards of Directors of its subsidiaries.

The companies in which Verusa Holding has direct and indirect investments (collectively referred to as the "Group") operate in the energy, mining, cellulose production, iron and steel, and venture capital sectors.

The Group's registered office in Turkey is located at Maslak Mah. Saat Sk. Spine Tower No:5/91, Sarıyer, İstanbul.

The Company's authorized capital is 1,000,000,000 TL, and its issued capital is 70,000,000 TL (as of December 31, 2023: 70,000,000 TL).

As of June 30, 2024, the Group's total number of employees is 167 (December 31, 2023: 162).

63.56% of the Company's shares are owned by Investco Holding A.Ş.

The subsidiaries included in the consolidated financial statements on a full consolidation basis are as follows:

<u>Company Name</u>	<u>Country</u>	<u>Nature of Operations</u>	<u>Stock Exchanges Where Traded</u>
Standard Boksit İşletmeleri A.Ş.	Turkey	Mining	-
Galata Altın İşletmeleri A.Ş.	Turkey	Mining	-
Verusaturk Girişim Sermayesi Yatırım Ortaklığı A.Ş.	Turkey	Venture Capital	BIST
Pamukova Elektrik Üretim A.Ş.	Turkey	Renewable Energy Production	-
Pamel Yenilenebilir Elektrik Üretim A.Ş.	Turkey	Renewable Energy Production	BIST
Ata Elektrik Enerjisi Toptan Satış A.Ş.	Turkey	Electricity	-
Acıselsan Acıpayam Selüloz San. ve Tic. A.Ş.	Turkey	Cellulose Production	BIST

Standard Boksit İşletmeleri A.Ş. ("Standard") was established in 2014 and operates in the mining sector. The Group holds 100% of Standard's capital of 250,000,000 TL.

Galata Altın İşletmeleri A.Ş. ("Galata") was established in 2020 with a capital of 50,000,000 TL and operates in the mining sector.

Verusaturk Girişim Sermayesi Yatırım Ortaklığı A.Ş. ("Verusaturk") has a registered capital ceiling of 250,000,000 TL, and the Company's issued capital is 52,000,000 TL. The Company operates as a venture capital investment partnership, with Verusa Holding A.Ş. holding a controlling stake in the Company.

Pamukova Elektrik Üretim A.Ş. ("Pamukova") was established in 2015, with a paid-in capital of 1,150,000,000 TL. It operates in the energy sector. Verusaturk holds a 51% stake in the company, while Verusa Holding holds a 49% stake, with Verusa Holding's effective ownership ratio being 78.95%.

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

1. GENERAL INFORMATION (cont'd)

Pamel Yenilenebilir Elektrik Üretim A.Ş. ("Pamel") was established in 2007 to construct, operate, and perform other activities specified in its articles of association related to energy facilities. Pamukova Elektrik Üretim A.Ş. holds a 76.07% stake in the Company (as of December 31, 2023: 76.07%). It operates in the renewable energy sector. It owns two hydroelectric power plants with a total installed capacity of 6,946 MW located in Adıyaman Province and 7,49 MW located in Tortum District, Erzurum Province. Pamel holds 100% of the capital of Sun Yenilenebilir Enerji Üretim A.Ş., a subsidiary engaged in renewable energy production. On December 30, 2022, Sun acquired 100% of Şişli Enerji A.Ş. and Ortaköy Enerji A.Ş., which operate solar power plants with a total capacity of 4.02 MW. Verusa Holding A.Ş. holds a controlling stake in the company, and the Group's effective ownership ratio in the company is 60.05%.

Ata Elektrik Enerjisi Toptan Satış A.Ş. ("Ata Elektrik") operates in the wholesale electricity market with a Wholesale Sales License obtained from the Energy Market Regulatory Authority (EMRA). It conducts its activities in the wholesale electricity trade by purchasing electricity from other producers and commercial companies in Turkey and/or the electricity pool system and selling it to customers.

Acıselsan Acıpayam Selüloz Sanayi ve Ticaret A.Ş. ("Acıselsan") Acıselsan was established in Denizli in 1973. The company's issued capital is TL 10,721,700. It is engaged in cellulose production, and the Group's effective ownership stake in the company is 50.73%.

Subsidiaries included in the consolidated financial statements using the equity method:

<u>Company Name</u>	<u>Country</u>	<u>Nature of Operations</u>	<u>Stock Exchanges Where Traded</u>
Aldem Çelik Endüstri Sanayi ve Ticaret A.Ş..	Turkey	Steel Production	-

Aldem Çelik Endüstri Sanayi ve Ticaret A.Ş. ("Aldem Çelik") engages in the production, processing, design, import, and export of various steel products for sectors such as renewable energy, nuclear energy, technology, maritime, construction, healthcare, and defense.

The Group holds 16,096,250 TL of the total capital of 39,500,000 TL in Aldem Steel.

Approval of Financial Statements

The consolidated financial statements have been approved by the Board of Directors and authorized for publication on September 13, 2024. The General Assembly has the authority to amend the consolidated financial statements.

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 Basis of Presentation

Statement of Compliance in Turkish Accounting Standards ("TAS")

The Company and its subsidiaries established in Turkey maintain and prepare their legal books and statutory financial statements in accordance with the accounting principles established by the Turkish Commercial Code ("TCC") and tax legislation.

The consolidated financial statements attached hereto have been prepared in accordance with the provisions of the Capital Markets Board's ("CMB") Series II, No. 14.1 "Regulations on the Principles of Financial Reporting in the Capital Markets" ("Regulation") and have been prepared in accordance with the Turkish Financial Reporting Standards ("TFRS") and related amendments and interpretations issued by the Public Oversight Accounting and Auditing Standards Authority ("POA") pursuant to Article 5 of the Regulation. Additionally, the financial statements and notes have been prepared in accordance with the formats announced by the Capital Markets Board ("CMB") in its announcement dated October 4, 2022, and the TMS taxonomy published by the Public Oversight Authority ("POA").

The consolidated financial statements and notes have been prepared in accordance with the TFRS taxonomy published by the Public Oversight Authority ("POA").

Consolidated financial statements are prepared at historical cost, adjusted for the purchasing power at the balance sheet date in economies with high inflation, except for the revaluation of financial instruments, land, buildings, hydroelectric power plants, and solar power plants. In determining historical cost, the fair value of the amount paid for assets is generally used as the basis.

Functional and Presentation Currency

Each entity within the Group prepares its financial statements in the currency of the primary economic environment in which it operates (functional currency). The financial position and results of operations of each entity are expressed in Turkish Lira, which is the Company's functional currency and the presentation currency for consolidated financial statements.

Financial reporting in hyperinflationary economy

The Group has prepared its consolidated financial statements as of June 30, 2024, and for the year ended on the same date, in accordance with the "Application Guide on Financial Reporting in High Inflation Economies" announced and published by the POA on November 23, 2023, and in accordance with IFRS 29 "Financial Reporting in High Inflation Economies." In accordance with the aforementioned standard, consolidated financial statements prepared using the currency of a high inflation economy must be prepared based on the purchasing power of that currency as of the balance sheet date, and comparative information for prior periods must be reported in the current measurement unit as of the reporting period end for comparative purposes. The Group has therefore presented the consolidated financial statements as of December 31, 2023, and June 30, 2023, based on the purchasing power principle as of June 30, 2024.

The POA issued a statement on November 23, 2023, regarding the scope and application of IFRS 29. It stated that companies applying Turkish Financial Reporting Standards must present their financial statements for the annual reporting period ending on or after December 31, 2023, adjusted for inflation in accordance with the relevant accounting principles set forth in IFRS 29.

Pursuant to the decision of the Capital Markets Board of Turkey dated December 28, 2023, numbered 81/1820, Issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards have decided to implement inflation accounting by applying the provisions of TMS 29 starting with the annual financial reports for the accounting periods ending on or after December 31, 2023.

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

The restatements made in accordance with TMS 29 have been made using the adjustment factor obtained from the Consumer Price Index ("CPI") published by the Turkish Statistical Institute ("TÜİK"). As of December 31, 2023, the indices and adjustment factors used in the adjustment of the financial statements are as follows:

Date	Index	Adjustment Factor	Inflation rates for consecutive three years
30 June 2024	2.319,29	1.000	%324
31 December 2023	1.859,38	1,247	%268
30 June 2023	1.351,59	1,716	%190

The Group has prepared its financial statements for the period ending June 30, 2024, in accordance with Turkish Accounting Standard No. 34 "Interim Financial Reporting." Additionally, the summary interim financial statements as of June 30, 2024, have been prepared using accounting policies consistent with those applied in the preparation of the financial statements for the year ended December 31, 2023. Therefore, these summary interim financial statements should be evaluated together with the financial statements for the year ended December 31, 2023.

Currency Used

Each entity within the Group prepares its own financial statements in the currency of the primary economic environment in which it operates (functional currency). The financial position and results of operations of each entity are expressed in Turkish Lira, which is the Company's functional currency and the presentation currency for the consolidated financial statements.

Basis of consolidation

Subsidiaries

Subsidiaries	Group's effective shares (%)		Effective Shareholding and Voting Rights	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Galata	100,00	100,00	100,00	100,00
Standard	100,00	100,00	100,00	100,00
Verusaturk	61,71	58,72	61,71	58,17
Pamukova	80,47	78,95	100,00	100,00
Pamel	61,21	60,05	76,07	76,07
Ata Elektrik	100,00	100,00	100,00	100,00
Aciselsan	50,73	50,73	50,73	50,73

Consolidated financial statements include the financial statements of the Company and its subsidiaries. Control is achieved when the Company meets the following conditions:

- Having control over the invested company/asset;
- Exposure to variable returns from the investee company/asset or the right to such returns; and
- The ability to use its control power in a manner that could affect the returns.

If any change occurs that could result in a change in any of the criteria listed above, the Company reassesses whether it has control over the investment.

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Basis of consolidation (cont'd)

In cases where the Company does not have a majority of voting rights in the invested company/asset, control over the invested company/asset exists if the Company has sufficient voting rights to direct/manage the activities of the relevant investment on its own. The Company considers all relevant events and conditions, including the following factors, when assessing whether the majority of voting rights in the relevant investment is sufficient to provide control:

- A comparison of the voting rights held by the company with those held by other shareholders;
- The potential voting rights held by the company and other shareholders;
- Rights arising from other contractual agreements; and
- Other circumstances and conditions that may demonstrate whether the Company has the ability to manage the relevant activities in situations requiring decision-making (including votes cast at general meetings in previous periods).

The inclusion of a subsidiary in the scope of consolidation begins when the Company gains control over the subsidiary and ends when it loses control. The revenues and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated income statement and other comprehensive income statement from the date of acquisition to the date of disposal.

Each item of profit or loss and other comprehensive income is attributable to the parent company's shareholders and non-controlling interests. Even if non-controlling interests result in a negative balance, the total comprehensive income of subsidiaries is transferred to the parent company's shareholders and non-controlling interests.

Where necessary, adjustments have been made to the financial statements of the subsidiaries to align their accounting policies with those followed by the Group.

All intra-group assets and liabilities, equity, income, and expenses, as well as cash flows related to transactions between Group companies, are eliminated in consolidation.

The Group fully consolidates its subsidiary Pamukova Elektrik Üretim A.Ş., whose fair value differences are recognized in profit or loss, at the level of Verusaturk Girişim Sermayesi Yatırım Ortaklığı A.Ş., in accordance with IFRS 10 paragraph 33.

Changes in the Group's equity interest in its current subsidiaries

Changes in the Group's equity interest in subsidiaries that do not result in loss of control are accounted for as equity transactions. The carrying amounts of the Group's equity interest and non-controlling interests are adjusted to reflect changes in the equity interests of subsidiaries. The difference between the amount by which non-controlling interests are adjusted and the fair value of the consideration received or paid is recognized directly in equity as the Group's share.

Associates

Associates	Group's effective shares (%)		Effective Shareholding and Voting Rights	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Aldem	40,75	40,75	40,75	40,75

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Basis of consolidation (cont'd)

An associate is an entity in which the Group has significant influence. Significant influence is the power to participate in the financial and operational policy decisions of an entity, but not control.

In the financial statements attached hereto, the results of operations and the assets and liabilities of the associates are accounted for as assets held for sale in accordance with IFRS 5, except for those accounted for as equity investments in accordance with IFRS 28, and the shares held by Verusaturk Girişim Sermayesi Yatırım Ortaklığı A.Ş. except for investments in associates where the fair value difference is recognized in profit or loss in accordance with paragraph 18 of TMS 28, are accounted for using the equity method. Under the equity method, subsidiaries are recognized in the consolidated financial statements at the amount determined by adjusting the cost basis by the Group's share of changes in the subsidiary's net assets after acquisition, less any impairment losses recognized in the subsidiary. Losses of the subsidiary that exceed the Group's share in the subsidiary (including any long-term investments that constitute part of the Group's net investment in the subsidiary) are not recognized in the financial statements. Additional loss provisions are only recognized if the Group is subject to a legal or constructive obligation arising from acceptance or has made payments on behalf of the associate. Gains and losses arising from transactions between a Group company and the Group's associate are eliminated through the Group's investment in the associate or its share.

2.2 Changes in Accounting Policies

Changes in accounting policies resulting from the first-time adoption of a new IFRS are applied retrospectively and prospectively in accordance with the transition provisions of the relevant IFRS, if any.

Significant changes in accounting policies are applied retrospectively, and previous period financial statements are restated. There are no changes in the Group's accounting policies during the current period.

2.3 Changes in Accounting Estimates and Errors

Changes in accounting estimates are applied prospectively to the period in which the change is made if the change relates to a single period, and to both the period in which the change is made and future periods if the change relates to future periods. There have been no significant changes in the Group's accounting estimates during the current period.

Significant accounting errors identified are applied retrospectively, and prior-period financial statements are restated.

2.4 New and Revised Turkish Accounting Standards

a. As of June 30, 2024, the new standards in effect, along with changes and interpretations made to existing previous standards:

- **TMS 1, Application Statement 2, and limited scope amendments to TMS 8;** effective for annual reporting periods beginning on or after January 1, 2023. These amendments aim to improve the disclosure of accounting policies and assist users of financial statements in distinguishing between changes in accounting estimates and changes in accounting policies.
- **IAS 12, Changes related to deferred taxes arising from a single transaction;** effective for annual reporting periods beginning on or after January 1, 2023. These amendments require deferred tax accounting for transactions that result in taxable and deductible temporary differences of equal amounts when first recognized in the financial statements.

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

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(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

2. PRINCIPLES FOR THE PRESENTATION OF FINANCIAL STATEMENTS (continued)

2.4 New and Revised Turkish Accounting Standards (continued)

- **The amendment to IFRS 12, International Tax Reform;** Temporary Exemption, is effective for the year-end of December 2023, with disclosure requirements applicable to accounting periods beginning on or after January 1, 2023, and early application is permitted. These amendments provide companies with temporary relief in accounting for deferred taxes arising from the international tax reform. Additionally, the amendments include disclosure requirements for affected companies.
- b. Standards, amendments, and interpretations published as of June 30, 2024, but not yet effective:*
 - **17, 'Insurance Contracts';** effective for annual reporting periods beginning on or after January 1, 2023. This standard replaces TFRS 4, which currently allows for a wide range of applications. TFRS 17 will fundamentally change the accounting for all entities that enter into insurance contracts and investment contracts with optional participation features. However, in its letter dated April 6, 2023, addressed to the Turkish Insurance, Reinsurance, and Pension Companies Association, the Public Oversight Authority (POA) stated that insurance, reinsurance companies, and pension companies, banks with joint ventures/investments in these companies, and other companies with joint ventures/investments in these companies, it has been concluded that the application of IFRS 17 from January 1, 2024, in the consolidated and individual financial statements of these companies is appropriate. On the other hand, the implementation date of IFRS 17 has been postponed to January 1, 2025, by the Capital Markets Board (CMB).
- b. Standards, amendments, and interpretations published as of June 30, 2024, but not yet effective: (continued)*
 - **IFRS 16, Sales and Leases;** effective for annual reporting periods beginning on or after January 1, 2024. These amendments include provisions on sales and leases that explain how an entity accounts for a sale and lease transaction under IFRS 16 after the transaction date. Sales and leasebacks involving variable lease payments that are not based on an index or rate may be affected.
 - **IFRS 1, Amendments to Long-Term Liabilities with Contractual Terms;** effective for annual reporting periods beginning on or after January 1, 2024. These amendments clarify how conditions that must be met within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve the information provided by the entity regarding liabilities subject to such conditions.
 - **Amendments to IAS 7 and IFRS 7 regarding supplier financing agreements;** effective for annual reporting periods beginning on or after January 1, 2024. These amendments require disclosure to enhance transparency regarding the effects of supplier financing agreements on an entity's liabilities, cash flows, and liquidity risks. The disclosure requirements are the IASB's response to concerns raised by investors that certain companies' supplier financing agreements were not sufficiently transparent and hindered investor analysis.
 - **IFRS 21 Insufficient Convertibility** applies to annual reporting periods beginning on or after January 1, 2025. An entity is affected by these changes if it has a transaction or activity denominated in a foreign currency that cannot be converted into another currency for a specific purpose at a specific measurement date. A currency is convertible if it can be exchanged for another currency (with a normal administrative delay) through a market or exchange mechanism that creates enforceable rights and obligations.
 - **TSRS 1, "General Provisions on the Disclosure of Financial Information Related to Sustainability,"** is effective for annual reporting periods beginning on or after January 1, 2024. This standard provides a basic framework for the disclosure of all significant risks and opportunities related to sustainability that a company is exposed to within its value chain.

The effects of these changes on the financial position and performance of the Company are being evaluated.

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

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2. PRINCIPLES FOR THE PRESENTATION OF FINANCIAL STATEMENTS (continued)

2.5 Comparative Information and Restatement of Consolidated Financial Statements of of Prior Period

To enable the identification of trends in financial position and performance, the Group's consolidated financial statements are prepared on a comparative basis with the prior period. Comparative information is restated when necessary to ensure consistency with the presentation of the current period's consolidated financial statements, and significant differences are disclosed. The Group has no significant prior-period reclassifications in the current period.

2.6 Critical Accounting Judgments and Key Sources of Estimation Uncertainty

Critical judgments in applying the Group's accounting policies

During the application of accounting policies, management made the following judgments that have a significant effect on the amounts recognized in the financial statements:

Deferred Tax

The Group recognizes deferred tax assets and liabilities arising from temporary timing differences between the tax-basis financial statements and the financial statements prepared in accordance with TFRS. The Group has deferred tax assets consisting of unused tax losses of its subsidiaries that may be offset against future profits and other deductible temporary differences. The amount of deferred tax assets that is partially or fully recoverable has been estimated under current conditions. During the assessment, future profit projections, losses incurred in the current period, the dates by which unused losses and other tax assets can be utilized, and tax planning strategies that can be employed when necessary were taken into consideration. Based on the available data, if the Group's future taxable income is insufficient to cover the entire deferred tax asset, the entire deferred tax asset or a portion thereof is recognized as a liability.

The calculation of the fair values of the financial investments of the Group

The fair value of investments classified by the Company as financial assets whose fair value is recognized in profit or loss has been determined in an independent valuation study conducted by EPİAŞ. The discounted cash flow ("DCF") method was used in the valuation study.

The Company's investments classified as financial assets whose fair value is recognized in profit or loss are as follows:

Vektora Yazılım Teknolojileri A.Ş., Golive Yazılım Hizmetleri A.Ş., Kahve Diyarı Pazarlama Sanayi ve Ticaret A.Ş., and Probel Yazılım ve Bilişim Sistemleri A.Ş., as of December 31, 2023, and the fair value of Core Engage Yazılım A.Ş. as of March 31, 2024, have been determined in the valuation studies prepared. The Discounted Cash Flow ("DCF") and Market Multiples ("Comparable Value") methods were used in the aforementioned valuation studies.

Deferred Tax on Investment Properties

In calculating the deferred tax liability and deferred tax asset related to investment properties owned by the Group, it has been concluded that the economic benefits to be derived from the investment properties are not held with the intention of being realized primarily through sale but rather through consumption or expenditure over time within the operating activities of the entity. A deferred tax liability of 18.75% was calculated based on the difference between the fair value and the tax basis of the investment properties.

Determining the Appropriate Value of Hydroelectric Power Plants and Solar Power Plants

The fair value of the Group's hydroelectric power plants and solar power plants has been determined through independent valuation studies. The discounted cash flow ("DCF") method was used in these valuation studies.

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

3. EXPLANATIONS OF CHANGES IN SHAREHOLDERS EQUITY

2024: Verusa Holding A.Ş. acquired 240,023 of its own shares from the Borsa Istanbul Stock Exchange and 1,840,574 shares of Verusaturk GSYO A.Ş.

2023: Verusa Holding A.Ş. purchased 1,265,311 of its own shares from the Istanbul Stock Exchange and 368,284 shares of Acıselsan Acıpayam Selüloz San. Ve Tic. A.Ş.

4. INTEREST IN OTHER ENTITIES

a) Subsidiaries

Details of non-wholly owned subsidiaries that have material non-controlling interests:

The following table provides details of subsidiaries in which the Group does not hold a majority stake and does not exercise significant control.

Subsidiaries	Place of Incorporation	The share of noncontrolling interests in the capital and voting rights ratio		Comprehensive income on non-controlling shares		Accumulated non-controlling interests	
		30 June 2024	31 December 2023	1 January- 30 June 2024	1 January- 30 June 2023	30 June 2024	31 December 2023
Verusaturk	İstanbul	%38,29	%41,28	135.197.732	34.702.853	795.195.017	678.854.982
Pamukova	İstanbul	%19,53	%21,05	26.258.088	(10.855.024)	169.972.494	154.937.249
Pamel	İstanbul	%39,79	%39,95	(14.126.062)	56.119.156	302.964.808	324.277.767
Acıselsan	Denizli	%49,27	%49,27	502.917	4.049.377	221.685.735	221.182.820
				147.832.675	84.016.362	1.489.818.054	1.379.252.818

The summary financial information for each subsidiary in which the Group holds shares without significant control is disclosed below. These summary financial information amounts are presented before intra-group eliminations.

Verusaturk Girişim Sermayesi Yatırım Ortaklığı A.Ş.	30 June 2024	31 December 2023
Current assets	3.692.372.145	3.720.061.361
Non-current assets	8.420.508	9.684.409
Current liabilities	645.155	373.878.810
Non-current liabilities	72.400	76.517
Equity attributable to owners of the Company	2.904.880.081	2.676.935.461
Non-controlling shares	795.195.017	678.854.982
	1 January - 30 June 2024	1 January - 30 June 2023
Revenue	-	-
Expenses	313.245.362	(3.324.757.109)
Eliminations for consolidation	(170.464.558)	1.093.818.399
Profit / (loss) for the period	142.780.804	(2.230.938.710)
Profit/loss for the period attributable to:		
Owners of the Company	7.583.072	(2.265.641.563)
Non-controlling shares	135.197.732	34.702.853
Profit / (loss) for the period	142.780.804	(2.230.938.710)
Total comprehensive income attributable to:		
Owners of the Company	7.583.072	(2.265.641.563)
Non-controlling shares	135.197.732	34.702.853
Total comprehensive income	142.780.804	(2.230.938.710)

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024**

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

4. INTEREST IN OTHER ENTITIES (cont'd)**a) Subsidiaries (cont'd)**

Aciselsan Acıpayam Selüloz San. Ve Tic. A.Ş.	30 June 2024	31 December 2023
Current assets	266.917.792	239.447.239
Non-current assets	468.336.697	462.648.600
Current liabilities	254.690.353	222.840.605
Non-current liabilities	30.596.733	30.308.633
Equity attributable to owners of the Company	228.281.668	227.763.781
Non-controlling shares	221.685.735	221.182.820
	1 January - 30 June 2024	1 January - 30 June 2023
Revenue	302.819.006	285.239.539
Expenses	(301.798.204)	(277.020.300)
Profit / (loss) for the period	1.020.802	8.219.239
Profit/loss for the period attributable to:		
Owners of the Company	517.885	4.169.862
Non-controlling shares	502.917	4.049.377
Profit / (loss) for the period	1.020.802	8.219.239
Total comprehensive income attributable to:		
Owners of the Company	517.885	4.169.862
Non-controlling shares	502.917	4.049.377
Total comprehensive income	1.020.802	8.219.239
Pamel Yenilenebilir Elektrik Üretim A.Ş.	30 June 2024	31 December 2023
Current assets	16.096.640	82.971.654
Non-current assets	1.111.268.000	1.031.254.501
Current liabilities	18.877.346	13.809.202
Non-current liabilities	204.574.533	160.085.055
Equity attributable to owners of the Company	600.947.953	616.054.131
Non-controlling shares	302.964.808	324.277.767
	1 January - 30 June 2024	1 January - 30 June 2023
Revenue	34.417.570	37.099.442
Expenses	(70.836.706)	44.251.415
Profit / (loss) for the period	(36.419.136)	81.350.857
Profit/loss for the period attributable to:		
Owners of the Company	(22.293.074)	50.599.750
Non-controlling shares	(14.126.062)	30.751.107
Profit / (loss) for the period	(36.419.136)	81.350.857
Total comprehensive income attributable to:		
Owners of the Company	(22.293.074)	92.341.887
Non-controlling shares	(14.126.062)	56.119.156
Total comprehensive income	(36.419.136)	148.461.043

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

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(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

4. INTEREST IN OTHER ENTITIES (cont'd)

a) Subsidiaries (cont'd)

Pamukova Elektrik Üretim A.Ş.	30 June 2024	31 December 2023
Current assets	1.256.081.591	780.716.924
Non-current assets	425.242.973	742.130.503
Current liabilities	49.825.157	25.768.814
Non-current liabilities	439.078	488.214
Equity attributable to owners of the Company	1.461.087.835	1.341.653.150
Non-controlling shares	169.972.494	154.937.249
	1 January - 30 June 2024	1 January - 30 June 2023
Expenses	134.469.927	(29.654.001)
Profit / (loss) for the period	134.469.927	(29.654.001)
Profit/loss for the period attributable to:		
Owners of the Company	108.211.839	(18.798.977)
Non-controlling shares	26.258.088	(10.855.024)
Profit / (loss) for the period	134.469.927	(29.654.001)
Total comprehensive income attributable to:		
Owners of the Company	108.211.839	(18.798.977)
Non-controlling shares	26.258.088	(10.855.024)
Total comprehensive income	134.469.927	(29.654.001)

b) Investments Accounted for with Equity Method

The details of investments accounted for with equity method as follows:

Details of the Group's investments valued using the equity method are presented below.

Associates	Place of incorporation	Functionl currency	30 June 2024	%	31 December 2023	%
Aldem Çelik Endüstri San. ve Tic. A.Ş.	İstanbul	Turkish Lira	173.569.871	40,75	164.729.955	40,75
Total			173.569.871		164.729.955	

Summary financial information regarding the Group's significant associates is disclosed below. This summary financial information reflects the amounts reported in the financial statements of the associates prepared in accordance with IFRS.

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4. INTEREST IN OTHER ENTITIES (cont'd)

	31 December 2024	31 December 2023
Aldem Çelik Endüstri San. ve Tic. A.Ş.		
Current assets	209.336.445	268.512.554
Non-current assets	590.641.843	577.869.423
Current liabilities	(157.120.744)	(118.651.042)
Non-current liabilities	(216.919.531)	(323.485.991)
	425.938.013	404.244.944
	1 January - 31 December 2024	1 January - 31 December 2023
Revenue	214.324.741	187.996.435
Profit / (loss) for the period	21.693.069	137.854.326
Group's shares on participations' losses	8.839.916	56.173.882
	31 December 2024	31 December 2023
Net assets of subsidiary	425.938.013	404.244.944
Group's share of Aldem Çelik Endüstri San. ve Tic. A.Ş. (%)	40,75	40,75
Net book value of Group's share of Aldem Çelik Endüstri San. ve Tic. A.Ş.	173.569.871	164.729.955

5. OPERATING SEGMENTS

From a management accounting perspective, the Group's holding activities are divided into five activity groups: venture capital, wholesale electricity sales, cellulose production, and energy production. These divisions form the basis for financial reporting in the sections outlined below.

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5. OPERATING SEGMENTS (cont'd)

The Group's activities are distributed by segment as follows:

	1 January - 30 June 2024						
	Holding Operations	Venture Fund	Cellulose Production	Wholesale of electricity energy	Generation of Energy	Eliminations	Total
Revenue	-	-	302.819.006	14.174.513	34.417.570	(13.758.671)	337.652.418
Operating income	-	-	302.819.006	14.174.513	34.417.570	(13.758.671)	337.652.418
Cost of sales (-)	-	-	(301.007.953)	(13.246.077)	(30.711.435)	13.617.037	(331.348.428)
Gross profit	-	-	1.811.053	928.436	3.706.135	(141.634)	6.303.990
Marketing expenses (-)	-	-	(5.402.168)	(11.151)	-	-	(5.413.319)
Administrative expenses (-)	(10.358.132)	(9.209.082)	(13.595.537)	(1.166.693)	(7.413.087)	841.165	(40.901.366)
Income from other operating activities	1.056.737	321.650.334	13.655.326	6.059	274.204.498	(45.646.383)	564.926.571
Expense from other operating activities (-)	43.643	(173)	(9.333.290)	(25.885)	(85.951.757)	82.658.118	(12.609.344)
Operating profit / (loss)	(9.257.752)	312.441.079	(12.864.616)	(269.234)	184.545.789	37.711.266	512.306.532
Shares in the profits / (losses) of investments accounted for using the equity method	-	-	-	-	-	8.839.916	8.839.916
Income from investing activities	-	-	-	-	-	-	-
Finance income	70.880.706	-	-	375.777	143.424.443	(194.058.781)	20.622.145
Finance expense	(113.601.821)	(46.969.119)	(33.452.687)	(22.681)	(83.711.761)	196.205.361	(81.552.708)
Moneytary gain / (loss)	49.492.498	47.773.402	45.757.443	(437.854)	(96.740.247)	972.306	46.817.548
Profit / (loss) before tax	(2.486.369)	313.245.362	(559.860)	(353.992)	147.518.224	49.670.068	507.033.433
Tax expense	1.732.382	-	1.580.662	3.743.057	(63.995.190)	-	(56.939.089)
Profit / (loss) for the period	(753.987)	313.245.362	1.020.802	3.389.065	83.523.034	49.670.068	450.094.344

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5. OPERATING SEGMENTS (cont'd)

The distribution of the Group's activities by department is as follows:

	1 January - 30 June 2023						
	Holding Operations	Venture Fund	Cellulose Production	Wholesale of electricity energy	Generation of Energy	Eliminations	Total
Revenue	-	-	285.239.539	13.884.303	37.159.123	(11.904.915)	324.378.050
Operating income	-	-	285.239.539	13.884.303	37.159.123	(11.904.915)	324.378.050
Cost of sales (-)	-	-	(230.174.071)	(13.473.122)	(34.856.884)	11.858.687	(266.645.390)
Gross profit	-	-	55.065.468	411.181	2.302.239	(46.228)	57.732.660
Marketing expenses (-)	-	-	(4.926.103)	(8.186)	-	-	(4.934.289)
Administrative expenses (-)	(8.438.963)	(7.425.706)	(12.488.261)	(1.027.032)	(7.555.113)	780.536	(36.154.539)
Income from other operating activities	(46.169.866)	21.991.393	37.716.437	2.884.970	358.394.468	4.517.227	379.334.629
Expense from other operating activities (-)	(755.437)	(3.291.104.436)	(7.172.221)	(2.362.301)	(123.208.594)	3.401.784.136	(22.818.853)
Operating profit / (loss)	(55.364.266)	(3.276.538.749)	68.195.320	(101.368)	229.933.000	3.407.035.671	373.159.608
Shares in the profits / (losses) of investment:	-	-	-	-	-	-	-
accounted for using the equity method	-	-	-	-	-	56.173.882	56.173.882
Income from investing activities	-	-	485.627	-	(59.144.503)	(439.836)	(59.098.712)
Finance income	26.860.335	-	-	433.974	54.879.386	(52.411.843)	29.761.852
Finance expense	(24.314.572)	(13.274.402)	(12.173.904)	(1.259.728)	(41.018.769)	52.411.841	(39.629.534)
	47.019.156	(34.943.958)	(29.161.478)	1.418.613	(119.270.021)	2.461.175	(132.476.513)
Profit / (loss) before tax	(5.799.347)	(3.324.757.109)	27.345.565	491.491	65.379.093	3.465.230.890	227.890.583
Tax expense	7.176.147	-	(19.126.326)	(469.092)	(41.104.192)	-	(53.523.463)
Profit / (loss) for the period	1.376.800	(3.324.757.109)	8.219.239	22.399	24.274.901	3.465.230.890	174.367.120

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

5. OPERATING SEGMENTS (cont'd)

Details of segment assets and liabilities by segment are presented below:

Balance Sheet	30 June 2024						Total
	Holding Operations	Venture Fund	Cellulose Production	Wholesale of electricity energy	Generation of Energy	Eliminations (*)	
Total assets	1.550.911.830	4.088.707.089	735.254.489	173.081.145	3.247.320.280	(4.297.850.522)	5.497.424.311
Liabilities	(466.518.333)	(717.555)	(285.287.086)	(4.512.410)	(414.921.493)	502.458.520	(669.498.357)
Equity attributable to equity holders of the parent	(1.084.393.497)	(4.087.989.534)	(449.967.403)	(168.568.735)	(2.832.398.787)	5.285.210.056	(3.338.107.900)
Non-controlling interests	-	-	-	-	-	(1.489.818.054)	(1.489.818.054)

Balance Sheet	31 December 2023						Total
	Holding Operations	Venture Fund	Cellulose Production	Wholesale of electricity energy	Generation of Energy	Eliminations (*)	
Total assets	1.834.266.895	4.117.660.800	702.095.841	173.798.624	3.108.474.166	(4.863.835.968)	5.072.460.358
Liabilities	(605.020.154)	(373.955.327)	(253.149.239)	(8.732.064)	(373.166.291)	1.051.312.469	(562.710.606)
Equity attributable to equity holders of the parent	(1.229.246.741)	(3.743.705.473)	(448.946.602)	(165.066.560)	(2.735.307.875)	5.191.776.317	(3.130.496.934)
Non-controlling interests	-	-	-	-	-	(1.379.252.818)	(1.379.252.818)

(*) The significant portion of the elimination figure stems from the consolidation of the Group's subsidiaries.

The details of the Group's investment expenditure and depreciation and amortization expenses by industrial segments are presented below:

	30 June 2024					Total
	Holding Operations	Venture Fund	Cellulose Production	Wholesale of Electricity Energy	Generation of Energy	
Investments	796.960	-	7.454.552	9.034	105.109.617	113.370.163
Depreciation & Amortisation	(1.455.743)	(1.263.901)	(4.778.800)	(1.392)	(16.932.947)	(24.432.783)

	30 June 2023					Total
	Holding Operations	Venture Fund	Cellulose Production	Wholesale of Electricity Energy	Generation of Energy	
Investments	-	39.026	112.980.038	-	12.130.716	125.149.780
Depreciation & Amortisation	(1.437.545)	(1.269.784)	(2.868.854)	(120.360)	(15.883.388)	(21.579.931)

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

6. RELATED PARTY DISCLOSURES

	30 June 2024	31 December 2023
Due to Related Parties		
Shareholders		
Investco Holding A.Ş.	230.661.527	-
	1 January - 30 June 2024	
Transaction with related parties	Service expense	Interest expense
Shareholders		
Investco Holding A.Ş.	1.538.477	13.206.503
	1.538.477	13.206.503
	1 January - 30 June 2023	
Transaction with related parties	Service expense	Interest expense
Shareholders		
Investco Holding A.Ş.	1.804.090	1.628.665
	1.804.090	1.628.665

Details of benefits provided to senior management are presented below:

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Salaries and other short-term benefits	8.500.266	7.075.729	5.087.111	3.397.030
	8.500.266	7.075.729	5.087.111	3.397.030

7. TRADE RECEIVABLES AND PAYABLES

	30 June 2024	31 December 2023
Short-term trade receivables		
Trade receivables	143.281.733	101.811.558
-Other receivables	143.281.733	101.811.558
Notes receivable	2.617.650	136.841
Provision for doubtful receivables (-)	(1.496.919)	(1.867.176)
	144.402.464	100.081.223
	1 January- 30 June 2024	1 January- 31 December 2023
Movement of doubtful receivables		
Opening balance	1.867.176	3.076.600
Monetary gain / (loss)	(370.257)	(507.930)
Closing	1.496.919	2.568.670

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

7. TRADE RECEIVABLES AND PAYABLES (continued)

	30 June 2024	31 December 2023
Trade payables	96.524.613	110.551.911
- Trade payables to third parties	96.524.613	110.551.911
	96.524.613	110.551.911

8. PREPAID EXPENSES

	30 June 2024	31 December 2023
Short-term prepaid expenses		
Advances given for purchases	48.271.955	50.090.304
Prepaid expenses	2.761.965	2.301.725
	51.033.920	52.392.029
Long-term prepaid expenses		
Advances given for purchases	1.952.000	18.765.367
Prepaid expenses	272.545	505.089
	2.224.545	19.270.456

9. OTHER RECEIVABLES AND PAYABLES

	30 June 2024	31 December 2023
Other current receivables		
Receivables from tax offices	20.117.485	7.628.181
Deposits and guarantees given	2.051.218	2.054.352
Other receivables	1.727.744	1.360.149
	23.896.447	11.042.682
Other non-current receivables		
Deposits and guarantees given	726.739	850.087
	726.739	850.087
Other current payable		
Other	315.590	339.898
	315.590	339.898

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

10. INVENTORIES

	30 June 2024	31 December 2023
Raw material	69.261.552	96.326.298
Work in process	13.859.679	5.280.293
Finished goods	36.979.181	26.972.878
Goods in transit	2.548.996	-
Other	1.030.203	118.871
	123.679.611	128.698.340

11. COMMITMENTS

30 June 2024	TL Equivalent	TRY	EUR
CPM given on behalf on fully consolidated companies			
-Guarantee letters	8.816.259	8.816.259	-
-Pledge	-	-	-
Total	8.816.259	8.816.259	-

31 December 2023	TL Equivalent	TRY	EUR
CPM given on behalf on fully consolidated companies			
-Guarantee letters	11.189.664	11.189.664	-
-Pledge	-	-	-
Total	11.189.664	11.189.664	-

The ratio of other TRIs issued by the Group to the Group's equity is zero.

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

12. PROPERTY, PLANT AND EQUIPMENT

Cost Value	Land	Buildings	Plants, machinery and equipments	Motor vehicles	Furniture and fixture	Hydroelectric power plant	Solar power plant	Other tangible fixed assets	Minarel resources	Construction in progrss	Total
Opening balances of 1 January 2024	38.279.798	26.315.854	61.821.229	12.503.283	19.187.612	716.598.711	335.256.431	50.653.269	74.445.416	313.067.335	1.648.128.938
Additions	226.182	-	517.236	-	2.246.725	59.528.810	-	-	-	50.075.331	112.594.284
Transfers	-	55.987.981	163.706.173	-	-	-	-	-	-	(219.694.154)	-
Closing balance as of 30 June 2024	38.505.980	82.303.835	226.044.638	12.503.283	21.434.337	776.127.521	335.256.431	50.653.269	74.445.416	143.448.512	1.760.723.222
Accumulated Depreciation											
Opening balances of 1 January 2024	-	(1.578.258)	(26.641.104)	(7.211.547)	(10.506.889)	(40.824.751)	(8.147.454)	(11.840.777)	(547.527)	-	(107.298.307)
Charge of the year	-	(742.616)	(2.894.157)	(773.807)	(1.539.090)	(11.053.479)	(3.884.703)	(3.080.688)	(204.497)	-	(24.173.037)
Closing balance as of 30 June 2024	-	(2.320.874)	(29.535.261)	(7.985.354)	(12.045.979)	(51.878.230)	(12.032.157)	(14.921.465)	(752.024)	-	(131.471.344)
Closing balance as of 30 June 2024	38.505.980	79.982.961	196.509.377	4.517.929	9.388.358	724.249.291	323.224.274	35.731.804	73.693.392	143.448.512	1.629.251.878

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

12. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Cost Value	Land	Buildings	Plants, machinery and equipments	Motor vehicles	Furniture and fixture	Hydroelectric power plant	Solar power plant	Other tangible fixed assets	Minarel resources	Construction in progrss	Total
Opening balances of 1 January 2023	39.915.753	22.222.738	60.923.571	8.816.545	15.470.741	674.820.712	351.536.499	49.736.655	74.445.415	149.803.054	1.447.691.683
Additions	-	419.243	131.785	2.248.357	2.106.133	5.824.246	-	20.295	-	114.353.735	125.103.794
Disposals	-	-	-	(130.346)	-	-	-	-	-	-	(130.346)
Revaluation increase	-	-	-	-	-	(40.418.442)	55.840.812	-	-	-	15.422.370
Closing balance as of 30 June 2023	39.915.753	22.641.981	61.055.356	10.934.556	17.576.874	640.226.516	407.377.311	49.756.950	74.445.415	264.156.789	1.588.087.501
Accumulated Depreciation											
Opening balances of 1 January 2023	-	(948.997)	(23.626.818)	(6.667.511)	(7.778.243)	(20.883.346)	-	(5.354.077)	-	-	(65.258.992)
Charge of the year	-	(575.626)	(1.506.324)	(583.249)	(1.246.918)	(9.749.136)	(4.077.662)	(3.065.335)	(398.280)	-	(21.202.530)
Disposals	-	-	-	99.933	-	-	-	-	-	-	99.933
Closing balance as of 30 June 2023	-	(1.524.623)	(25.133.142)	(7.150.827)	(9.025.161)	(30.632.482)	(4.077.662)	(8.419.412)	(398.280)	-	(86.361.589)
Carrying values ass of 30 June 2023	39.915.753	21.117.358	35.922.214	3.783.729	8.551.713	609.594.034	403.299.649	41.337.538	74.047.135	264.156.789	1.501.725.912

The increase/(decrease) of 59,144,503 TL resulting from revaluation for the period January 1 – June 30, 2023 is recorded as a fixed asset impairment expense under investment activities, and the portion of 74,566,873 TL is recorded as an increase in the value of tangible fixed assets under comprehensive income.

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

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(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

12. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The depreciation periods for tangible fixed assets are as follows:

	Useful life
Buildings	30 year
Plants, machinery and	3 - 20 year
Motor vehicles	5 year
Furniture and fixture	3 - 20 year
Other tangible fixed assets	3 - 5 year
Hydroelectric power plant	36 - 39 year
Solar power plant	43 year

The Group does not have any tangible fixed assets acquired through financial leases (as of December 31, 2023: None).

13. OTHER ASSETS AND LIABILITIES

	30 June 2024	31 December 2023
Other current assets		
VAT carried forward	20.584.701	26.528.117
Job advances	12.448	21.156
Personnel advances	967	1.195
Other VAT	-	1.108.466
	20.598.116	27.658.934
Other non-current assets		
Other VAT	23.170.163	8.359.610
	23.170.163	8.359.610
Other current liabilities		
Taxes and funds payables	3.996.520	5.076.262
Advances received	3.342.889	2.327.740
VAT Payable	-	299
Other payables and liabilities	579.570	709.437
	7.918.979	8.113.738

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

14. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Capital

Shareholders	%	30 June 2024	%	31 December 2023
Investco Holding A.Ş.	63,56%	44.494.213	63,56%	44.494.213
Public Shares	36,44%	25.505.787	36,44%	25.505.787
Authorised capital	100%	70.000.000	100%	70.000.000

Capital adjustment differences	577.457.881	577.457.881
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The Company's issued capital is 70,000,000 TL (as of December 31, 2023: 70,000,000 TL). This capital consists of 70,000,000 shares, each with a nominal value of 1 TL (as of December 31, 2023: 70,000,000). These shares are divided into A and B groups. A group shares are registered, while B group shares are bearer shares. A group shares have the special rights and privileges specified in the articles of association, while B group shares do not have any special rights or privileges. There are a total of 14,000,000 (as of December 31, 2023: 14,000,000) Class A shares and 56,000,000 (as of December 31, 2023: 56,000,000) Class B shares.

b) Restricted Reserves Allocated from Profit

	30 June 2024	31 December 2023
Legal reserves	30.143.661	30.143.661
Other reserves	344.578.491	344.578.491
	374.722.152	374.722.152

According to the Turkish Commercial Code, the general statutory reserve is allocated at a rate of 5% of the annual profit until it reaches 20% of the Group's paid-in capital. Other statutory reserves are allocated at a rate of 10% of the total amount to be distributed to those entitled to profit after paying a 5% dividend to shareholders. Under the Turkish Commercial Code, the general statutory reserve may only be used to cover losses, maintain operations during difficult times, or take measures to prevent unemployment and mitigate its consequences, provided that it does not exceed half of the capital or issued capital.

In accordance with the SPK's bulletin dated March 7, 2024, the "Capital Adjustment Differences," "Share Premiums (Discounts)," (Issue Premium), and other reserve items classified as "Legal Reserves" and "Other Reserves," shall be presented based on the CPI (Consumer Price Index) starting with the financial statements for the reporting period ending in 2023. In this regard, the amounts adjusted for inflation in the financial statements prepared in accordance with tax legislation must be converted to amounts adjusted for inflation in accordance with the CPI applicable in TFRS reporting, and the resulting differences must be reflected in the "Retained Earnings/Losses from Prior Years" item. The details of the amounts adjusted for inflation in the financial statements prepared in accordance with tax legislation and the related differences reflected in "Retained Earnings from Prior Years" are explained in the annex:

	PPI Indexed Accounts	CPI Indexed Accounts	Difference booked in Retained Earnings
Capital Adjustment Differences	789.969.701	577.457.881	212.511.820
Premium for Shares	8.255.862	5.478.533	2.777.329
Profit Reserves	22.454.247	24.166.241	(1.711.994)
Other Capital Reserves	411.467.088	276.249.350	135.217.738

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(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

15. REVENUE AND COST OF SALES

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Sales				
Domestic sales	105.681.761	110.280.895	59.184.076	61.321.511
Export sales	232.617.428	215.896.216	103.152.853	106.397.778
Sales returns (-)	(646.771)	(1.799.061)	(606.009)	(873.822)
	337.652.418	324.378.050	161.730.920	166.845.467
Cost of sales				
Cost of energy and cellulose sales	(331.348.428)	(266.645.390)	(176.187.833)	(100.834.648)
	(331.348.428)	(266.645.390)	(176.187.833)	(100.834.648)

16. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Other operating income:				
Gain on revaluation on financial investments	470.345.191	116.630.832	80.477.510	3.617.100
Gain on sales of financial investments	63.628.240	132.086.609	3.020.004	7.250.190
Foreign exchange gains from operations	18.903.676	55.050.293	2.700.351	51.804.518
Interest income	1.250.277	983.102	813.099	736.049
Dividend income	-	70.996.075	-	70.996.075
Other income	10.799.187	3.587.718	2.128.417	2.566.466
	564.926.571	379.334.629	89.139.381	136.970.398
Other operating expenses				
Foreign exchange loss from operations	(8.145.793)	(21.888.808)	(1.929.809)	(18.347.188)
Other expenses	(4.463.551)	(930.045)	(3.887.062)	(100.457)
	(12.609.344)	(22.818.853)	(5.816.871)	(18.447.645)

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(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

17 FINANCING INCOME / EXPENSES

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Interest income	20.622.145	29.761.852	4.524.363	26.682.676
	20.622.145	29.761.852	4.524.363	26.682.676
	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Interest expense	(80.824.273)	(39.421.372)	(26.294.294)	(11.711.126)
Commision expense	(728.435)	(208.162)	(312.889)	(174.377)
	(81.552.708)	(39.629.534)	(26.607.183)	(11.885.503)

18 TAXATION ON INCOME

	30 June 2024	31 December 2023
<u>Current tax liabilities / (assets)</u>		
Current tax provision	15.175.357	147.413.076
Less: Prepaid taxes and funds	(12.891.241)	(115.567.353)
	2.284.116	31.845.723
<u>Tax expense on the income statement:</u>		
	1 January- 30 June 2024	1 January- 30 June 2023
<u>Tax expense comprises</u>		
Current tax expenses	(15.175.357)	(91.883.049)
Deferred tax income / (expenses)	(41.763.732)	38.359.586
Total tax income / (expense)	(56.939.089)	(53.523.463)

Corporate Tax

The Group is subject to corporate income tax applicable in Turkey, except for its subsidiary Verusaturk Girişim Sermayesi Yatırım Ortaklığı A.Ş. The estimated tax liabilities related to the current period's operating results have been provided for in the attached financial statements.

The corporate income tax rate applicable to taxable corporate income is calculated on the taxable income remaining after adding expenses that cannot be deducted from the taxable income base for the determination of commercial income, and deducting tax-exempt income, non-taxable income, and other deductions (if any, prior year losses and investment deductions if opted for).

In Turkey, provisional tax is calculated and assessed on a quarterly basis. For the 2023 fiscal year, the provisional tax rate applicable to corporate income is 20%. Losses may be carried forward for a maximum of five years to be deducted from taxable income in future years. However, losses cannot be deducted retroactively from profits of previous years.

There is no definitive and binding agreement procedure regarding tax assessment in Turkey. Companies prepare their tax returns between April 1 and 25 of the year following the year in which the financial statements are closed. The Tax Office may review and amend these returns and the underlying accounting records within five years.

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18. TAXATION ON INCOME (cont'd)

Corporate Tax (continued)

Law No. 7061 on Amendments to Certain Tax Laws and Other Laws was published in the Official Gazette dated December 5, 2017, and numbered 30261. Article 89 of this Law amends Article 5 titled "Exemptions" of the Corporate Tax Law. The first paragraph of the article; (a) reduces the 75% exemption applicable to the gains arising from the sale of real estate held in the assets of corporations for a period of two full years to 50%. This regulation entered into force as of December 5, 2017.

Income Tax Withholding

In addition to corporate tax, income tax withholding must be calculated separately on dividends distributed to fully taxable corporations and branches of foreign companies in Turkey, except for those distributed to corporations that include such dividends in their corporate income and declare them accordingly. Income tax withholding was applied at a rate of 10% for all companies between April 24, 2003, and July 22, 2006. This rate has been applied at 15% since July 22, 2006, pursuant to Council of Ministers Decision No. 2006/10731. Dividends not distributed and added to capital are not subject to income tax withholding.

A withholding tax of 19.8% must be applied on the amount of investment incentives utilized based on investment incentive certificates obtained prior to April 24, 2003. No withholding tax is applied on investment expenditures made after this date without an investment incentive certificate.

Deferred Tax

The company accounts for deferred tax assets and liabilities arising from temporary timing differences between its tax-based financial statements and those prepared in accordance with IFRS. These differences primarily arise from the fact that certain income and expense items are recognized in different periods in the financial statements prepared in accordance with tax laws and those prepared in accordance with IFRS, and the relevant differences are detailed below.

Due to the inability of companies in Turkey to claim tax refunds, deferred tax assets of subsidiaries are not offset against deferred tax liabilities of subsidiaries and are shown separately.

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18. TAXATION ON INCOME (cont'd)

Deferred Tax (continued):

Deferred tax assets / (liabilities):	30 June 2024	31 December 2023
	Deferred tax	
Net differences on depreciation of property, plant and equipment / amortization of other intangible assets	(320.582.775)	(311.327.494)
Revaluation of financial instruments (*)	(31.851.268)	(10.530.526)
Provision for doubtful receivables	554.361	691.480
Provision for employee benefit obligations	914.525	2.737.665
Provision for unused vacation expense	1.015.335	689.860
	48.765.583	34.771.974
	441.667.607	435.071.591
Other	(7.678.918)	22.463.632
	132.804.450	174.568.182

The movement of deferred tax assets/(liabilities) is shown below:

Deferred tax assets / (liability) movement:	1 January- 30 June 2024	1 January- 30 June 2023
Opening balance as of 1 January	174.568.182	(236.083.497)
Charged to profit or loss	(41.763.732)	38.359.586
Charged to equity	-	(7.456.687)
Closing balance	132.804.450	(205.180.598)

19. EARNINGS PER SHARE

	1 January- 30 June 2024	1 January- 30 June 2023	1 April- 30 June 2024	1 April- 30 June 2023
Earning per share				
Amount of share	70.000.000	70.000.000	70.000.000	70.000.000
Net profit of the main shareholding	302.261.669	115.718.807	106.089.651	234.309.695
Earning per share	4,32	1,65	1,52	3,35

20. FINANCIAL INSTRUMENTS

Financial Investments

Current financial investments	30 June 2024	31 December 2023
Financial assets at fair value through profit or loss	2.846.943.266	2.160.306.019
Blocked deposits	8.397	10.474
	2.846.951.663	2.160.316.493

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20 FINANCIAL INSTRUMENTS (continued)

Financial Investments Whose Fair Value Changes Are Recognized in Profit or Loss

	30 June 2024	31 December 2023
<u>Share certificate</u>		
Shares traded on the stock exchange	1.513.247.901	1.053.726.484
Shares non-traded on the stock exchange	1.333.695.365	1.106.579.535
	2.846.943.266	2.160.306.019

Type	Share Rate %	30 June 2024	Share Rate %	31 December 2023
<u>Shares not-traded on the stock exchange</u>				
Enda Enerji Holding A.Ş.	%0,01	13.138.849	%0,01	13.138.849
Kahve Diyarı Pazarlama Sanayi ve Ticaret A.Ş.	%50	177.312.713	%50	177.312.713
Probel Yazılım ve Bilişim Sistemleri A.Ş.	%10	58.642.470	%10	58.642.470
Core Engage Yazılım A.Ş.	%50	251.240.684	%50	24.124.854
Golive Yazılım Hizmetleri A.Ş.	%25	460.904.909	%25	460.904.909
Vektora Yazılım Teknolojileri A.Ş.	%60	372.455.740	%60	372.455.740
		1.333.695.365		1.106.579.535
<u>Shares traded on the stock exchange</u>				
Other		1.513.247.901		1.053.726.484
		1.513.247.901		1.053.726.484
		2.846.943.266		2.160.306.019

	30 June 2024	31 December 2023
<u>Non-current financial investments</u>		
EPIAŞ - Enerji Piyasaları İşletme A.Ş. (*)	168.176.528	168.176.528
Other	1.260	1.572
	168.177.788	168.178.100

Financial debts

	30 June 2024	31 December 2023
<u>Financial debts</u>		
Short term bank loans	270.564.232	338.812.116
Short-term portion of long-term borrowings	2.258.824	1.408.766
Long-term borrowings	32.433.703	52.299.701
	305.256.759	392.520.583

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20. FINANCIAL INSTRUMENTS (cont'd)

Financial debts (cont'd)

The maturities of bank loans are as follows:

	30 June 2024	31 December 2023
To be paid within 1 year	272.823.056	340.220.882
Between 1-2 years	2.258.824	1.408.767
Between 2-3 years	2.258.824	2.817.535
Between 3-4 years	2.258.824	2.817.535
Between 4-5 years	2.258.824	2.817.535
5 years and more	23.398.407	42.438.329
	305.256.759	392.520.583

Currency	Weighted Average Interest Rate	30 June 2024	
		Short Term	Long Term
TL	%8,5 - %45,5	256.651.256	16.941.176
US Dollars	%8,5	16.171.800	-
Euro	%1,04 - %2,5	-	15.492.527
		272.823.056	32.433.703

Currency	Weighted Average Interest Rate	31 December 2023	
		Short Term	Long Term
TL	%8,5 - %20	340.220.882	22.540.275
US Dollars	%8,5	-	21.125.462
Euro	%1,04 - %2,5	-	8.633.964
		340.220.882	52.299.701

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21. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Capital risk management

The Group aims to manage its capital by ensuring the continuity of its operations while also seeking to maximize profits by efficiently utilizing its debt and equity balance.

The Group's capital structure consists of liabilities, including the loans disclosed in Note 20, and equity components comprising cash and cash equivalents, issued capital, reserves, and retained earnings from prior years.

The Group's Board of Directors reviews the capital structure twice a year. During these reviews, the Board assesses the risks associated with each capital class, along with the cost of capital. Based on the recommendations of the Board, the Group aims to maintain its capital structure in balance through new borrowings or repayment of existing debt, as well as through dividend payments, new share issuances, and share buybacks.

It reviews capital in accordance with the leverage ratio, consistent with other companies in the sector. This ratio is calculated by dividing net debt by total capital. Net debt is obtained by deducting cash and cash equivalents from total loans (including current and non-current loans as shown in the consolidated financial statements). Total capital is calculated by adding the "equity" item from the consolidated financial statements to net debt.

The net debt/total capital ratio is as follows:

	30 June 2024	31 December 2023
Financial debts	305.256.759	392.520.583
Less: cash and cash equivalents	(15.975.374)	(366.524.666)
Net debt	289.281.385	25.995.917
Total equity	4.827.925.954	4.509.749.752
Total capital	5.117.207.339	4.535.745.669
Net Debt/Total Capital Ratio	%5,65	%0,57

Financial risk factors

The Group is exposed to market risk (currency risk and price risk), credit risk, and liquidity risk due to its operations. The Group's risk management program is generally focused on minimizing the potential adverse effects of uncertainty in financial markets on the Group's financial performance.

Risk management is carried out in accordance with policies approved by the Board of Directors. With regard to risk policies, the Group's financial risk is identified and assessed, and tools are used to mitigate risk in collaboration with the Group's operating units. The Board of Directors establishes written procedures covering various types of risk, including written general regulations on risk management and procedures on how to assess foreign exchange risk and excess liquidity.

Interest rate risk

The Group is exposed to interest rate risk arising from changes in interest rates applicable to assets and liabilities that carry interest rates. The Group manages this risk through the natural hedge created by balancing interest rate-sensitive assets and liabilities.

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21. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Credit risk

Credit risk is the risk that counterparties to the Group's contracts will fail to fulfill their obligations. The Group seeks to reduce credit risk by conducting transactions only with creditworthy counterparties and, where possible, by obtaining adequate collateral.

Details of credit risk by class of financial instruments

	Trade Receivables	Other Receivables	
	Third parties	Third parties	Cash and cash equivalents
30 June 2024			
Maximum credit risk exposed as of balance sheet date (A+B+C+D+E)	144.402.464	24.623.186	15.966.977
- Secured portion of the maximum credit risk by guarantees	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	144.402.464	24.623.186	15.966.977
B. Net book value of the financial assets that their conditions are renegotiated and otherwise be impaired	-	-	-
C. Net book value of financial assets that are past due but not impaired	-	-	-
- Secured portion of the net book value by guarantees, etc.	-	-	-
D. Net book value of the impaired assets	-	-	-
-Past due (gross amount)	1.496.919	-	-
-Impairment (-) (Note 7)	(1.496.919)	-	-
-Secured portion of the net book value by guarantees, etc.	-	-	-
- Not Past due (gross amount)	-	-	-
-Impairment (-)	-	-	-
-Secured portion of the net book value by guarantees, etc.	-	-	-
E. Off-balance sheet items include credit risk	-	-	-
	Trade Receivables	Other Receivables	
	Third parties	Third parties	Cash and cash equivalents
31 December 2023			
Maximum credit risk exposed as of balance sheet date (A+B+C+D+E)	100.081.223	11.892.769	366.514.192
- Secured portion of the maximum credit risk by guarantees	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	100.081.223	11.892.769	366.514.192
B. Net book value of the financial assets that their conditions are renegotiated and otherwise be impaired	-	-	-
C. Net book value of financial assets that are past due but not impaired	-	-	-
- Secured portion of the net book value by guarantees, etc.	-	-	-
D. Net book value of the impaired assets	-	-	-
-Past due (gross amount)	1.867.176	-	-
-Impairment (-) (Note 7)	(1.867.176)	-	-
-Secured portion of the net book value by guarantees, etc.	-	-	-
- Not Past due (gross amount)	-	-	-
-Impairment (-)	-	-	-
-Secured portion of the net book value by guarantees, etc.	-	-	-
E. Off-balance sheet items include credit risk	-	-	-

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21. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Liquidity risk

Prudent liquidity risk management consists of maintaining sufficient cash and financial investments that can be quickly converted into cash, ensuring funding through adequate credit facilities, and having the ability to close open positions. Due to the dynamic nature of the business environment, the Group aims to maintain flexibility in funding by keeping credit lines available.

	Carrying value	Total Contracted Cash Outflows (I+II+III+IV)	Less than 3 months (I)	3 to 12 months (II)	1 to 5 years (III)	5 years + (IV)
30 June 2024						
Financials liabilities						
Bank loans	305.256.759	411.941.423	38.224.727	320.824.793	15.325.427	37.566.476
Trade payables	96.524.613	96.524.613	96.524.613	-	-	-
Other payables	503.316	503.316	-	315.590	187.726	-
Total liabilities	402.284.688	508.969.352	134.749.340	321.140.383	15.513.153	37.566.476
	Carrying value	Total Contracted Cash Outflows (I+II+III+IV)	Less than 3 months (I)	3 to 12 months (II)	1 to 5 years (III)	5 years + (IV)
31 December 2023						
Financials liabilities						
Bank loans	392.520.583	511.015.906	44.861.921	400.179.487	19.116.108	46.858.390
Trade payables	110.551.911	110.551.911	110.551.911	-	-	-
Other payables	810.751	810.751	339.898	-	470.853	-
Total liabilities	503.883.245	622.378.568	155.753.730	400.179.487	19.586.961	46.858.390

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21. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Currency risk management

Transactions in foreign currencies give rise to exchange rate risk.

The Group is exposed to exchange rate risk due to changes in the exchange rates used to convert its foreign currency assets and liabilities into Turkish Lira. Currency risk arises from future commercial transactions and differences between recorded assets and liabilities. In this context, the Group controls this risk through a natural method of netting foreign currency assets and liabilities. Management analyzes and monitors the Group's foreign currency position and takes necessary measures when required.

The distribution of the Group's monetary and non-monetary assets and liabilities denominated in foreign currencies is as follows:

	30 June 2024		
	TRY Equivalent (Functional Currency)	US Dollar	EURO
1. Trade Receivables	67.822.275	1.940.212	117.639
2a. Monetary Financial Assets	10.058.680	301.072	5.000
2b. Non-monetary Financial Assets	-	-	-
3. Other	-	-	-
4. Current assets	77.880.956	2.241.284	122.639
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	-	-	-
6b. Non-monetary financial assets	-	-	-
7. Other	-	-	-
8. Non-current assets	-	-	-
9. TOTAL ASSETS	77.880.956	2.241.284	122.639
10. Payables	23.864.980	700.934	23.146
11. Financial Liabilities	16.442.650	500.000	-
12a. Monetary Other Liabilities	1.973.661	54.784	4.890
12b. Non-Monetary Other Liabilities	-	-	-
13. Current Liabilities	42.281.290	1.255.718	28.036
14. Payables	-	-	-
15. Financial Liabilities	15.922.440	8.658	444.358
16a. Monetary Other Liabilities	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-
17. Non-current Liabilities	15.922.440	8.658	444.358
18. TOTAL LIABILITES	58.203.730	1.264.376	472.394
19. Off-balance Sheet Derivative Instruments			
off-balance sheet	-	-	-
19.a Amount of active foreign derivative currency			
off-balance sheet	-	-	-
19.b. Amount of passive foreign derivative currency			
off-balance sheet	-	-	-
20. Net Foreign Currency Assets/Liabilities Position (9-18+19)	19.677.225	976.908	(349.755)
21. Monetary Items Net Foreign Currency Assets /			
Liabilities (1+2a+5+6a-10-11-12a-14-15-16a)	19.677.225	976.908	(349.755)
22. Total fair value of financial instruments used			
for foreign currency hedge	-	-	-
23. Amount of hedged portion of foreign currency assets	-	-	-
24. Amount of hedged portion of foreign exchange liabilities	-	-	-

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21. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Currency risk management (cont'd)

	30 June 2023		
	TRY Equivalent (Functional Currency)	US Dollar	EURO
1. Trade Receivables	87.105.815	1.795.003	156.613
2a. Monetary Financial Assets	177.501.701	3.856.968	136.466
2b. Non-monetary Financial Assets	-	-	-
3. Other	-	-	-
4. Current assets	264.607.516	5.651.971	293.079
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	-	-	-
6b. Non-monetary financial assets	-	-	-
7. Other	-	-	-
8. Non-current assets	-	-	-
9. TOTAL ASSETS	264.607.516	5.651.971	293.079
10. Payables	25.944.232	570.860	12.457
11. Financial Liabilities	28.648.905	500.000	133.333
12a. Monetary Other Liabilities	2.145.104	41.759	6.020
12b. Non-Monetary Other Liabilities	-	-	-
13. Current Liabilities	56.738.241	1.112.619	151.810
14. Payables	-	-	-
15. Financial Liabilities	35.251.870	-	728.365
16a. Monetary Other Liabilities	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-
17. Non-current Liabilities	35.251.870	-	728.365
18. TOTAL LIABILITES	91.990.111	1.112.619	880.175
19. Off-balance Sheet Derivative Instruments			
Net Asset/Liability Position (19a-19b)	-	-	-
19.a Amount of active foreign derivative currency off-balance sheet	-	-	-
19.b. Amount of passive foreign derivative currency off-balance sheet	-	-	-
20. Net Foreign Currency Assets/Liabilities Position (9-18+19)	172.617.405	4.539.352	(587.097)
21. Monetary Items Net Foreign Currency Assets / Liabilities (1+2a+5+6a-10-11-12a-14-15-16a)	172.617.405	4.539.352	(587.097)

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21. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Currency risk management (cont'd)

Sensitivity to exchange rate risk

The Company is mainly exposed to exchange rate risk in US dollars and euros. The Company's sensitivity to a 20% increase and decrease in the US dollar and euro exchange rates is shown below. The 20% ratio is the ratio used by senior management when reporting exchange rate risk within the Company and represents the Management's expected change in exchange rates. The sensitivity analysis covers only the open foreign currency monetary items at year-end and reflects the effects of a 20% change in the exchange rate at year-end on such items.

	30 June 2024	
	Profit / Loss	
	Revaluation of foreign currency	Depreciation of foreign currency
In case of a 20% increase in US Dollar against TRY		
-US Dollar net asset / liability	6.413.634	(6.413.634)
In case of a 20% increase in EURO against TRY		
-EURO net asset / liability	(2.461.691)	2.461.691
TOTAL	3.951.943	(3.951.943)
	30 June 2023	
	Profit / Loss	
	Revaluation of foreign currency	Depreciation of foreign currency
In case of a 20% increase in US Dollar against TRY		
-US Dollar net asset / liability	40.229.282	(40.229.282)
In case of a 20% increase in EURO against TRY		
-EURO net asset / liability	(5.682.935)	5.682.935
TOTAL	34.546.347	(34.546.347)

Fair Value of Financial Instruments

The fair value of financial assets and liabilities is determined as follows:

- Level 1: Financial assets and liabilities are valued at the quoted market prices of active markets for identical assets and liabilities.
- Second level: Financial assets and liabilities are valued using inputs that are directly or indirectly observable in the market, other than the market price specified in the first level for the relevant asset or liability.
- Third level: Financial assets and liabilities are valued using inputs that are not based on observable market data in determining the fair value of the asset or liability.

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21. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Fair Value of Financial Instruments (cont'd)

	Financial assets at amortized costs	Financial assets through profit and loss	Financial liabilities at amortized costs	Carrying value
30 June 2024				
<u>Financial assets</u>				
Cash and cash equivalents	15.966.977	-	-	15.966.977
Trade receivables	144.402.464	-	-	144.402.464
Other receivables	24.623.186	-	-	24.623.186
Financial investments	8.397	3.015.121.054	-	3.015.129.451
<u>Financial liabilities</u>				
Borrowings	-	-	305.256.759	305.256.759
Trade payables	-	-	96.524.613	96.524.613
Other financial liabilities	-	-	3.849.328	3.849.328
Other payables	-	-	231.164.843	231.164.843
31 December 2023				
<u>Financial assets</u>				
Cash and cash equivalents	366.514.192	-	-	366.514.192
Trade receivables	100.081.223	-	-	100.081.223
Other receivables	11.892.769	-	-	11.892.769
Financial investments	10.474	2.328.484.119	-	2.328.494.593
<u>Financial liabilities</u>				
Borrowings	-	-	392.520.583	392.520.583
Trade payables	-	-	110.551.911	110.551.911
Other financial liabilities	-	-	5.907.369	5.907.369
Other payables	-	-	810.751	810.751
Financial assets				

The fair values of balances denominated in foreign currencies, converted at the closing exchange rates, are assumed to approximate their carrying amounts.

The fair values of financial assets stated at cost, including cash and bank deposits, are considered to approximate their carrying amounts due to their short-term nature and the negligible nature of credit losses. The fair values of financial investments have been estimated based on market prices as of the balance sheet date.

Trade receivables are valued at their discounted cost using the effective interest method, and it is assumed that their book values, together with related doubtful receivable allowances, approximate their fair values.

Financial liabilities

Bank loans and other monetary liabilities are considered to approximate their fair values. Long-term loans denominated in foreign currencies are translated at the exchange rates at the end of the period, and therefore their fair values approximate their carrying amounts. Trade payables are valued at their discounted costs using the effective interest method and are considered to approximate their fair values.

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21. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Level classifications of financial assets and liabilities stated at fair value:

Certain financial assets and financial liabilities of the Group are recognized in the financial statements at their fair values as of each balance sheet date. The following table provides information on how the fair values of such financial assets are determined:

Financial Assets	Fair Value		Fair Value Hierarchy	Valuation Techniques	Significant observable inputs	Relationship of observable inputs to fair value
	30 June 2024	31 December 2023				
Shares traded on the stock exchange	1.513.247.901	1.053.726.484	Level 1	Market price		
Shares not traded on the stock exchange	168.176.528	168.176.528	Level 3	Discounted cash flows	Energy Exchange Istanbul: Considering the income approach, 27,06% weighted average cost of capital in TRY and 7% final growth rate are used.	
Shares not traded on the stock exchange	13.138.849	13.138.849	Level 3	Indexed Sales Price		
Shares not traded on the stock exchange	372.455.740	372.455.740	Level 3	Net Asset Value, Equivalence Value and Discounted Cash Flow	Vektora Yazılım Teknolojileri A.Ş.: Total value was found using different valuation techniques at different rates. Considering the equivalent value method, 30% liquidity discounts have been applied by using multipliers of similar publicly traded companies. Considering the income approach, the weighted average capital cost is calculated as 29,11% in TRY.	The fair value decreases when the liquidity rate increases. As the weighted average cost of capital increases, the fair value decreases.
Shares not traded on the stock exchange	460.904.909	460.904.909	Level 3	Net Asset Value, Equivalence Value and Discounted Cash Flow	Golive Yazılım Hizmetleri A.Ş.: Total value was found using different valuation techniques at different rates. Considering the equivalent value method, 30% liquidity discounts have been applied by using multipliers of similar publicly traded companies. Considering the income approach, the weighted average capital cost is calculated as 27.6% in TRY.	The fair value decreases when the liquidity rate increases. As the weighted average cost of capital increases, the fair value decreases.
Shares not traded on the stock exchange	58.642.470	58.642.470	Level 3	Net Asset Value, Equivalence Value and Discounted Cash Flow	Probel Yazılım ve Bilişim Sistemleri A.Ş.: Total value was found using different valuation techniques at different rates. Considering the equivalent value method, 30% liquidity discounts have been applied by using multipliers of similar publicly traded companies. Considering the income approach, the weighted average capital cost is calculated as 29.5% in TRY.	The fair value decreases when the liquidity rate increases. As the weighted average cost of capital increases, the fair value decreases.
Shares not traded on the stock exchange	177.312.713	177.312.713	Level 3	Net Asset Value, Equivalence Value and Discounted Cash Flow	Kahve Diyarı Pazarlama Sanayi ve Ticaret A.Ş.: Total value was found using different valuation techniques at different rates. Considering the equivalent value method, 30% liquidity discounts have been applied by using multipliers of similar publicly traded companies. Considering the income approach, the weighted average capital cost is calculated as 39,44% in TRY.	The fair value decreases when the liquidity rate increases. As the weighted average cost of capital increases, the fair value decreases.
Shares not traded on the stock exchange	251.240.684	24.124.854	Level 3	Discounted cash flows	Core Engage Yazılım A.Ş.; Total value was found using Discounted Cash Flow valuation. Considering the income approach, the weighted average capital cost is calculated as 15% in TRY.	As the weighted average cost of capital increases, the fair value decreases.
Shares not traded on the stock exchange	1.260	1.572	Level 3	Cost		

VERUSA HOLDING A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

(All amounts, unless otherwise stated, are expressed in Turkish Lira ("TL") at the purchasing power of the Turkish Lira as of June 30, 2024.)

21. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

First level financial assets at fair value through profit or loss

	1 January - 30 June 2024	1 January - 30 June 2023
Trading purpose		
Opening balance, 1 January	1.053.726.484	-
Acquisition	551.968.947	5.023.526
Disposals	(400.215.347)	(8.370.245)
Total gain/loss charged to profit/loss	307.767.817	3.346.719
Closing balance, 30 June	1.513.247.901	-

Third level financial assets at fair value through profit or loss

	1 January - 30 June 2024	1 January - 30 June 2023
Trading purpose		
Opening balance, 1 January	1.274.757.635	2.932.647.130
Disposals	-	(1.979.971.187)
Total gain/loss charged to profit/loss	226.205.614	245.370.722
Capital increase	909.904	8.938.508
Closing balance, 30 June	1.501.873.153	1.206.985.173

22 CASH AND CASH EQUIVALENTS

	30 June 2024	31 December 2023
Cash on hand	108.764	493.637
Cash at banks	15.103.907	365.223.367
<i>Demand deposit</i>	6.832.735	5.969.733
<i>Time deposits up to 3 months maturity</i>	7.699.582	358.540.664
<i>Blocked deposit</i>	571.590	712.970
Other cash equivalents	754.306	797.188
	15.966.977	366.514.192

Original Currency	Maturity	Interest Rate	Original Amount	30 June 2024
Turkish Lira	July 2024	%48 - %52	7.699.582	7.699.582
				7.699.582

Original Currency	Maturity	Interest Rate	Original Amount	31 December 2023
Turkish Lira	January 2024	%46 - %50	286.024.841	286.024.841
US Dollars	January 2024	%1	1.974.852	72.515.823
				358.540.664

23. EVENTS AFTER THE REPORTING PERIOD

None.