

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

**VERUSA HOLDİNG A.Ş.
AND ITS SUBSIDIARIES**

CONSOLIDATED FINANCIAL
STATEMENTS AT 30 SEPTEMBER 2024

INDEX	PAGE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	1-2
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	3
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	4
CONSOLIDATED STATEMENT OF CASH FLOWS	5
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	6-42
Note 1	ORGANIZATIONS AND OPERATIONS OF THE GROUP
Note 2	BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS
Note 3	EXPLANATIONS OF CHANGES IN SHAREHOLDERS EQUITY
Note 4	INTERESTS IN OTHER ENTITIES
Note 5	OPERATING SEGMENTS
Note 6	RELATED PARTY DISCLOSURE
Note 7	TRADE RECEIVABLES AND PAYABLES
Note 8	PREPAID EXPENSES
Note 9	OTHER RECEIVABLES AND PAYABLES
Note 10	INVENTORIES
Note 11	COMMITMENTS
Note 12	PROPERTY, PLANT AND EQUIPMENTS
Note 13	OTHER ASSETS AND LIABILITIES
Note 14	SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS
Note 15	REVENUE AND COST OF SALES
Note 16	OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES
Note 17	FINANCE INCOME / EXPENSES
Note 18	INCOME TAXES
Note 19	EARNINGS PER SHARE
Note 20	FINANCIAL INSTRUMENTS
Note 21	NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS
Note 22	CASH AND CASH EQUIVALENTS
Note 23	EVENTS AFTER REPORTING PERIOD

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024**

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

ASSETS	Notes	Non Audited Current Year 30 September 2024	Audited Prior Year 31 December 2023
Current Assests		3.306.189.237	3.111.996.869
Cash and cash equivalents	22	243.711.196	399.205.573
Financial investments	20	2.593.718.169	2.353.006.787
Trade receivables	7	214.238.810	109.008.009
- <i>Trade receivables from third parties</i>		<i>214.238.810</i>	<i>109.008.009</i>
Other receivables	9	25.516.758	12.027.638
- <i>Other receivables from third parties</i>		<i>25.516.758</i>	<i>12.027.638</i>
Inventories	10	122.239.716	140.177.640
Prepaid expenses	8	55.964.520	57.065.156
Assets related to current assets		15.149.594	11.380.083
Other current assets	13	35.650.474	30.125.983
Non-Current Assests		2.430.586.009	2.412.903.622
Financial investments	20	183.178.361	183.178.812
Other receivables		672.993	925.911
- <i>Other receivables from third parties</i>	9	<i>672.993</i>	<i>925.911</i>
Investments accounted through equity method	4	190.891.000	179.423.110
Investment property		150.370.225	150.370.225
Property, plant and equipment	12	1.757.305.299	1.678.265.636
Intangible assets		1.000.550	506.526
Prepaid expenses	8	476.486	20.989.293
Deferred tax assets	18	124.168.460	190.138.860
Other non current assets	13	22.522.635	9.105.249
TOTAL ASSETS		5.736.775.246	5.524.900.491

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

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

LIABILITIES AND EQUITY	Notes	Non Audited Current Year 30 September 2024	Audited Prior Year 31 December 2023
Current Liabilities		508.824.251	542.541.436
Short-term borrowings	20	137.017.721	369.032.598
Short-term portion of long term borrowings	20	-	1.534.422
Trade payables	7	103.637.939	120.412.635
- Trade payables to third parties		103.637.939	120.412.635
Payables related to employee benefits		7.579.924	4.488.854
Other Payables		236.217.603	370.215
- Other payables to related parties	6	235.906.131	-
- Other payables to third parties	9	311.472	370.215
Current tax liabilities	18	8.673.758	34.686.215
Short-term provisions		4.452.520	3.179.051
- Short-term provisions for employee benefits		4.452.520	3.179.051
Other current liabilities	13	11.244.786	8.837.446
		134.521.873	70.360.370
Non-Current Liabilities			
Long-term borrowings	20	115.450.872	56.964.594
Other payables		187.726	512.851
- Other payables to third parties		187.726	512.851
Long-term provisions		18.883.275	12.882.925
- Long-term provisions for employee benefits		18.883.275	12.882.925
EQUITY		5.093.429.122	4.911.998.685
Equity Attributable to Owners of the Company		3.526.819.644	3.409.722.860
Share capital	14	70.000.000	70.000.000
Capital structure adjustment	14	635.208.146	635.208.146
Treasury shares (-)		(684.684.460)	(580.586.803)
Share premium		7.443.154	7.443.154
Other comprehensive income or expenses that will not be reclassified subsequently to profit or loss		2.116.121	2.116.121
Revaluation increases / (decreases) of property, plant and equipment		4.982.891	4.982.891
Defined benefit plans re-measurement gains / (losses)		(2.866.770)	(2.866.770)
Restricted reserves from profit	14	32.832.337	32.832.337
Other reserves	14	375.313.307	375.313.307
Retained earnings		2.802.312.600	2.489.405.796
Net profit of the year		286.278.439	377.990.802
Non-Controlling interests		1.566.609.478	1.502.275.825
TOTAL LIABILITIES AND EQUITY		5.736.775.246	5.524.900.491

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

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 1 JANUARY – 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

	Notes	Non Audited Current Year 1 January - 30 September 2024	Non Audited Prior Year 1 January - 30 September 2023	Non Audited Current Year 1 July- 30 September 2024	Non Audited Prior Year 1 July- 30 September 2023
Revenue	15	654.336.550	663.817.405	302.277.805	337.512.449
Cost of sales (-)	15	(559.548.848)	(646.856.481)	(214.063.060)	(378.627.135)
Gross profit		94.787.702	16.960.924	88.214.745	(41.114.686)
Administrative expenses (-)		(75.449.486)	(60.007.560)	(32.803.016)	(23.638.252)
Marketing expenses (-)		(65.344.153)	(8.473.219)	(59.699.869)	(3.509.619)
Other income from operating activities	16	617.177.864	926.158.659	28.148.054	544.570.665
Other expenses from operating activities (-)	16	(24.760.934)	(31.530.309)	(11.613.598)	(8.575.905)
Operating profit		546.410.993	843.108.495	12.246.316	467.732.203
Profit / loss (-) from investment activities		-	(59.459.022)	-	(9.245)
Share of profit/loss of investments accounted for using the equity method	4	11.467.890	(23.772.941)	2.250.809	(80.280.513)
Operating profit before finance expense		557.878.883	759.876.532	14.497.125	387.442.445
Finance income	17	24.084.565	84.395.326	2.582.553	54.456.679
Finance expense (-)	17	(163.173.058)	(21.396.809)	(78.140.810)	18.468.137
		62.913.388	(413.706.915)	14.098.316	(280.443.451)
Profit before tax		481.703.778	409.168.134	(46.962.816)	179.923.810
Tax expense		(75.926.506)	(198.117.972)	(16.558.046)	(144.276.563)
Current tax expense	18	(9.956.106)	(143.452.137)	5.866.725	(51.023.274)
Deferred tax income / (expense)	18	(65.970.400)	(54.665.835)	(22.424.771)	(93.253.289)
PROFIT FOR THE YEAR		405.777.272	211.050.162	(63.520.862)	35.647.247
Profit for the year attributable to					
Non-controlling interests		119.498.833	234.767.614	(34.641.292)	175.770.912
Owners of the Company		286.278.439	(23.717.452)	(28.879.570)	(140.123.665)
		405.777.272	211.050.162	(63.520.862)	35.647.247
Earnings per share					
Earnings per share	19	4,09	(0,34)	(0,41)	(2,00)
Other comprehensive income		-	68.664.431	-	-
Revaluation profit / losses (-) of tangible assets		-	76.293.812	-	-
Deferred tax expense	18	-	(7.629.381)	-	-
Total comprehensive income		405.777.272	279.714.593	(63.520.862)	35.647.247
Total comprehensive income attributable to:					
		405.777.272	279.714.593	(63.520.862)	35.647.247
Non-controlling interests	4	119.498.833	259.196.387	(34.641.292)	175.770.912
Owners of the Company		286.278.439	20.518.206	(28.879.570)	(140.123.665)

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

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 1 JANUARY – 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

	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	635.208.146	(214.444.612)	7.443.154	5.270.197	(2.601.440)	32.005.306	375.313.307	2.342.310.311	6.119.092	3.256.623.461	1.236.491.510	4.493.114.971
Transfers	-	-	-	-	-	-	827.030	-	5.292.062	(6.119.092)	-	-	-
Total comprehensive income	-	-	-	-	44.235.657	-	-	-	-	(23.717.451)	20.518.206	259.196.387	279.714.593
Dividends	-	-	-	-	-	-	-	-	(7.479.621)	-	(7.479.621)	(9.611.328)	(17.090.949)
Due to redemption of shares increase	-	-	(298.942.907)	-	-	-	-	-	-	-	(298.942.907)	-	(298.942.907)
Increase / decrease due to changes in proportion of ownership interest in subsidiaries that does not result in loss of control	-	-	-	-	376.181	(188.807)	-	-	140.843.233	-	141.030.607	(33.403.003)	107.627.604
Balances as of 30 September 2023	70.000.000	635.208.146	(513.387.519)	7.443.154	49.882.035	(2.790.247)	32.832.336	375.313.307	2.480.965.985	(23.717.451)	3.111.749.746	1.452.673.566	4.564.423.312
Balances of 1 January 2024	70.000.000	635.208.146	(580.586.803)	7.443.154	4.982.891	(2.866.770)	32.832.337	375.313.307	2.489.405.796	377.990.802	3.409.722.860	1.502.275.825	4.911.998.685
Transfers	-	-	-	-	-	-	-	-	377.990.802	(377.990.802)	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-	-	286.278.439	286.278.439	119.498.833	405.777.272
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to redemption of shares increase	-	-	(104.097.657)	-	-	-	-	-	-	-	(104.097.657)	-	(104.097.657)
Increase / decrease due to changes in proportion of ownership interest in subsidiaries that does not result in loss of control	-	-	-	-	-	-	-	-	(65.083.998)	-	(65.083.998)	(55.165.180)	(120.249.178)
Balances as of 30 September 2024	70.000.000	635.208.146	(684.684.460)	7.443.154	4.982.891	(2.866.770)	32.832.337	375.313.307	2.802.312.600	286.278.439	3.526.819.644	1.566.609.478	5.093.429.122

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

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 1 JANUARY – 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

		Current Year	Prior Year
		1 January - 30 September 2024	1 January - 30 September 2023
A. Cash flows from operating activities	Notes		
Profit for the year		405.777.272	211.050.162
Adjustments to reconcile profit for the year			
-Adjustments related to depreciation and amortization expenses		44.310.287	34.444.662
-Adjustments related to other provisions		-	59.495.840
-Adjustments related to provision for/reversal for employee benefit termination		6.434.514	2.645.904
-Adjustments related to interest income and expenses		138.164.929	(63.780.278)
-Adjustments related to unrealized currency translation differences		2.321.739	11.958.674
-Adjustments related to (gain)/loss on fair value		(564.800.382)	(664.455.096)
-Adjustments related to undistributed profits of subsidiaries	4	(11.467.890)	23.772.941
-Adjustments related to tax expense	18	75.926.506	198.117.972
-Monetary gain/loss		(64.170.312)	136.275.994
Changes in working capital			
-Adjustments related to (increase) / decrease trade receivables		(134.003.468)	(94.700.587)
-Adjustments related to increase in other receivables related to operations		(16.655.291)	(78.121.792)
-Adjustments related to (increase) / decrease in inventories		17.937.924	30.934.129
-Adjustments related to (increase) / decrease in prepaid expenses		21.613.443	(10.784.721)
-Adjustments related to (increase) / decrease in trade payables		15.008.223	(11.033.030)
-Increase / (decrease) in payables due to employee benefits		4.275.903	1.198.843
-Adjustments related to increase in other payables related to activities		235.755.348	(118.894.998)
-Increase / (decrease) in other assets related to activities		(36.067.235)	(6.893.315)
-Increase in other liabilities related to activities		4.739.984	(1.520.674)
Cash generated/(used) from operations		145.101.494	(340.289.370)
Interest received		24.084.565	84.395.326
Payments made under the provisions for employee benefits		(3.642.706)	(1.732.640)
Income taxes paid	18	(35.968.563)	(75.866.801)
		129.574.790	(333.493.485)
B. Cash Flows from Investing Activities			
Cash inflows on disposal of subsidiaries that does not result in loss of control		(120.249.178)	107.627.604
Cash inflows from the sale of shares of other enterprises or funds or debt instruments	21	1.107.074.317	2.740.822.785
Cash outflows for the acquisition of shares of other enterprises or funds or borrowing instruments	21	(782.987.876)	(668.893.237)
Payments for purchase of tangible and intangible assets		(123.843.974)	(219.071.499)
		79.993.289	1.960.485.653
C. Cash Flows from Financing Activities			
Payments for the acquisition of own shares		(104.097.657)	(298.942.907)
Cash inflows for the disposal of own shares		155.228.933	78.200.910
Cash outflows for borrowings		(241.398.181)	(213.353.347)
Dividends paid		-	(17.090.949)
Interest paid	17	(162.249.494)	(20.615.048)
		(352.516.399)	(471.801.341)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(142.948.320)	1.155.190.827
D. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR		399.205.573	49.178.626
EFFECT OF INFLATION ON CASH AND CASH EQUIVALENTS		(12.546.057)	(95.168.661)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (A+B+C+D+E)	22	243.711.196	1.109.200.792

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

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

1. GENERAL INFORMATION

Verusa Holding A.Ş. (“Verusa Holding”) was established on 6 October 2006 in Turkey.

The main activity of Verusa Holding is to participate in the capital of various companies and to ensure that the companies it participates in are managed more profitably and efficiently. Members of the Board of Directors are actively involved both in the Holding and in the boards of its subsidiaries.

The companies in which Verusa Holding A.Ş. has direct or indirect participation (collectively referred to as the “Group”) operate in the fields of energy, mining, cellulose production, iron and steel, and venture capital.

The Group, which is registered in Turkey, has its head office at Maslak Mah. Saat Sk. Spine Tower No:5/91 Sarıyer / Istanbul.

The Company’s registered capital ceiling is TRY 1,000,000,000, and its issued capital is TRY 70,000,000 (31 December 2023: TRY 70,000,000).

As of 30 September 2024, the Group has 167 employees (31 December 2023: 162).

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

Subsidiaries included in the full consolidation in the enclosed consolidated financial statements:

<u>Company Name</u>	<u>Country</u>	<u>Area of Activity</u>	<u>Stock Exchanges</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 Generation	-
Pamel Yenilenebilir Elektrik Üretim A.Ş.	Turkey	Renewable Energy Generation	BIST
Ata Elektrik Enerjisi Toptan Satış A.Ş.	Turkey	Energy Generation	-
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 industry. The Group owns the entire share capital of Standard, amounting to TRY 250,000,000.

Galata Altın İşletmeleri A.Ş. (“Galata”) Galata Altın İşletmeleri A.Ş. (“Galata”), established in 2020, has a share capital of TRY 50,000,000 and operates in the mining sector.

Verusaturk Girişim Sermayesi Yatırım Ortaklığı A.Ş. (“Verusaturk”) The registered capital ceiling of the Company is TRY 250,000,000, and its issued capital is TRY 52,000,000. The Company operates as a venture capital investment trust, and Verusa Holding A.Ş. is the controlling shareholder of the Company.

Pamukova Elektrik Üretim A.Ş. (“Pamukova”) was established in 2015, and its paid-in capital is TRY 1,150,000,000. It operates in the energy sector. Verusaturk holds 51% and Verusa Holding holds 49% of the shares in the company. Verusa Holding’s effective ownership interest in Pamukova is 81.07%.

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

1. GENERAL INFORMATION (cont'd)

Pamel Yenilenebilir Elektrik Üretim A.Ş. ("Pamel") was established in 2007 to construct and operate all types of energy facilities and to carry out other activities specified in its articles of association. Pamukova Elektrik Üretim A.Ş.'s share in Pamel is 76.07% (31 December 2023: 76.07%). The company operates in the renewable energy sector. It has two hydroelectric power plants: one with an installed capacity of 6.946 MW located in Adıyaman, and another with an installed capacity of 7.49 MW located in Tortum, Erzurum. Pamel owns 100% of the shares of Sun Yenilenebilir Enerji Üretim A.Ş., which operates in the renewable energy generation sector and has a capital of TRY 80,000,000. On 30 December 2022, Sun acquired 100% of the shares of Şişli Enerji A.Ş. and Ortaköy Enerji A.Ş., which operate solar power plants with a total installed capacity of 4.02 MW. Verusa Holding A.Ş. is the controlling shareholder of the company, and the Group's effective ownership interest in the company is 61.66%.

Ata Elektrik Enerjisi Toptan Satış A.Ş. ("Ata Elektrik") is engaged in the purchase and sale of electricity in the free market with the Wholesale Sales License which is taken from EMRA (Energy Market Regulatory Authority). The company continues its activities in the wholesale electricity trade by selling the electricity taken from the other electricity producers and commercial companies in Turkey and / or from the electric pool system to the customers.

Aciselsan Acıpayam Selüloz San. ve Tic. A.Ş. ("Aciselsan") was established in 1973 in Denizli. The company's issued capital is TRY 10,721,700. It operates in the cellulose production sector. The Group's effective ownership interest in the company is 50.73%.

Associates accounted for using the equity method in the accompanying consolidated financial statements;

<u>Company Name</u>	<u>Country</u>	<u>Area of Activity</u>	<u>Stock Exchanges</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, project design, import and export of all kinds of steel products in sectors such as renewable energy, nuclear energy, technology, maritime, construction, healthcare, and defense.

The Group holds TRY 61,125,000 of the total capital of TRY 150,000,000 in Aldem Çelik.

Approval of the financial statements

The consolidated financial statements have been approved by the Board of Directors and authorized for issue on 11 November 2024. The General Assembly has the authority to amend the consolidated financial statements.

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 in Turkey prepare their books and accompanying financial statements in accordance with the accounting standards stated by Turkish Commercial Code ("TCC") and the tax legislation.

The accompanying consolidated financial statements have been prepared in accordance with the provisions of the Capital Markets Board ("CMB") Communiqué No. II-14.1 "Communiqué on Principles Regarding Financial Reporting in the Capital Markets," published in the Official Gazette dated 13 June 2013 and numbered 28676. Pursuant to Article 5 of the Communiqué, the Turkish Financial Reporting Standards ("TFRS") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA") and the related annexes and interpretations have been applied. In addition, the financial statements and notes have been prepared in accordance with the formats announced by the CMB on 4 October 2022 and the Turkish Financial Reporting Taxonomy published by the POA.

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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

2.1 Basis of Presentation(cont'd)

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

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments, land, buildings, hydroelectric power plants and solar power plants that are measured at revalued amounts or fair values. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Functional and Presentation Currency

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial position and operating results of each entity are expressed in Turkish Lira ("TRY"), which is the functional currency of the Company, and the presentation currency of the consolidated financial statements.

Financial reporting in hyperinflationary economy

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on November 23, 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after December 31, 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy. According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of December 31, 2023 September 30, 2023, on the purchasing power basis as of September 30, 2024.

On 23 November 2023, the Public Oversight Authority ("POA") made an announcement regarding the scope and application of TAS 29. It stated that the financial statements of entities applying Turkish Financial Reporting Standards, for annual reporting periods ending on or after 31 December 2023, must be presented by adjusting for the effects of inflation in accordance with the relevant accounting principles set out in TAS 29.

Pursuant to the decision of the Capital Markets Board (CMB) dated December 28, 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of IAS 29 starting from their annual financial reports for the periods ending on December 31, 2023.

The adjustments made in accordance with IAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index (CPI) of Turkey published by the Turkish Statistical Institute (TSI). As of September 30, 2024, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

Date	Index	Conversion Factor	Three year inflation rate
30 September 2024	2.526,16	1.000	343%
31 December 2023	1.859,38	1,359	268%
30 September 2023	1.691,04	1,494	254%

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

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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

2.1 Basis of Presentation (cont'd)

Basis of consolidation

Subsidiaries

Subsidiaries	Group's effective shares (%)		Effective Shareholding and Voting Rights	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Galata	100,00	100,00	100,00	100,00
Standard	100,00	100,00	100,00	100,00
Verusaturk	62,88	58,72	62,88	58,17
Pamukova	81,07	78,95	100,00	100,00
Pamel	61,66	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

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

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

If there is a situation or event that may lead to any change in at least one of the criteria listed above, the company re-evaluates the control power over its' investment.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

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

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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

2.1 Basis of Presentation (cont'd)

Basis of consolidation

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

In accordance with TFRS 10, paragraph 33, the Group fully consolidates its subsidiary that Pamukova Elektrik Üretim A.Ş., whose accounted as FVTPL at Verusaturk Girişim Sermayesi Yatırım Ortaklığı A.Ş. level.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

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

Associate is the entity in which the Group has significant influence. Significant influence is the ability to participate in the entity's decisions regarding its financial and operational policies without the control authority.

In the accompanying financial statements, the results of operations and assets and liabilities of associates are recognized as assets held for sale in accordance with TFRS 5 standard and that the shares of Verusaturk Girişim Sermayesi Yatırım Ortaklığı A.Ş. are held in accordance with TAS 28 standard 18, The gain or loss is recognized using the equity method of accounting except for the associates reflected. According to the equity method, associates are shown on the balance sheet at the amount obtained by subtracting any impairment in the associate from the amount of the cost of the adjustment of the net assets of the associate after the acquisition as the share of the Group in the aftermath of the change. The associate shall not be allowed to record losses that exceed the Group's share of the associate (including any long-term investment that essentially constitutes part of the Group's net investment in the associate). Provision for additional loss is the case if the Group has been exposed to legal or collective obligations or has made payments on behalf of the associate. Gains and losses arising from transactions between one of the Group companies and a subsidiary of the Group are eliminated from the share of the Group in the relevant subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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

2.2 **Changes in Accounting Policies**

Changes in the accounting policies resulting from the first issue of a new TFRS are applied retrospectively and prospectively in accordance with the translational provisions of the related TFRS.

Significant changes in the accounting policies are applied retrospectively and prior period financial statements are restated. The Group does not have any changes in accounting policies in the current period.

2.3 **Changes in Accounting Estimates and Errors**

If the changes in accounting estimates are related to only one period, they are applied in the period in which the changes are made; if they are related to future periods, they are applied both in the current and following periods. The Group does not have changes in the accounting estimates in the current period.

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

2.4 **New and Amended Turkish Financial Reporting Standards**

a) *Standards, amendments, and interpretations applicable as of 30 September 2024:*

- **T Amendment to IAS 1 – Non-current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
- **Amendment to IFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- **Amendment to IFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- **Amendment to IFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- **IFRS S2, ‘Climate-related disclosures’;** effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

b) *Standards, amendments, and interpretations that are issued but not effective as of 30 September 2024:*

- **Amendments to IAS 21 - Lack of Exchangeability;** effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

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

2.4 2.4 New and Amended Turkish Financial Reporting Standards (cont'd)

b) Standards, amendments, and interpretations that are issued but not effective as of 30 September 2024:

- **Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;** effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:
 - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
 - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
 - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
 - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).
- **IFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
 - the structure of the statement of profit or loss;
 - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
 - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.
- **IFRS 19 Subsidiaries without Public Accountability: Disclosures;** effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:
 - it does not have public accountability; and
 - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

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

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

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

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

2.6 Critical Accounting Judgments and Key Sources of Estimation Uncertainty

In the process of applying accounting policies, management has made the following comments, which have a significant effect on the amounts recognized in the financial statements:

Deferred tax

Deferred tax assets and liabilities are recorded using substantially enacted tax rates for the effect of temporary differences between book and tax bases of assets and liabilities. Currently, there are deferred tax assets resulting from operating loss carry-forwards and deductible temporary differences, all of which could reduce taxable income in the future. Based on available evidence, both positive and negative, it is determined whether it is probable that all or a portion of the deferred tax assets will be realized. The main factors which are considered include future earnings potential; cumulative losses in recent years; history of loss carry-forwards and other tax assets expiring; the carry-forward period associated with the deferred tax assets; future reversals of existing taxable temporary differences; tax-planning strategies that would, if necessary, be implemented, and the nature of the income that can be used to realize the deferred tax asset. If based on the weight of all available evidence, it is the Group's belief that taxable profit will not be available sufficient to utilize some portion of these deferred tax assets, then some portion of or all of the deferred tax assets are not recognized.

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

The fair value of the Group's financial assets, that are classified as fair value through profit or loss, has been determined by independent valuation which are held for EPIAS. Discounted cash flows ("DCF") method was used in these valuation.

The fair value of the Group's financial assets, that are classified as fair value through profit or loss, has been determined by independent valuation which are held for Vektora Yazılım Teknolojileri A.Ş., Kahve Diyarı Pazarlama Sanayi ve Ticaret A.Ş., Golive Yazılım Hizmetleri A.Ş. and Probel Yazılım ve Bilişim Sistemleri A.Ş.. In the independent valuation, discounted cash flows ("DCF") and market multiples ("equivalence value") have been used by the valuation expert dated by 31 December 2023. The fair value of Core Engage Yazılım A.Ş. was determined in the valuation studies prepared as of March 31, 2024. Discounted Cash Flows ("DCF") and Stock Exchange Multiples ("Comparative Value") methods were used in these valuation studies.

Deferred taxes related to investment properties

In the calculation of deferred tax liabilities and deferred tax assets arising from the Group's investment properties, it has been concluded that the investment properties are not held within the framework of a business model that aims to fully utilize the economic benefits over time rather than through sale. A deferred tax liability at a rate of 18.75% has been calculated on the difference between the fair value and the tax base of the investment properties.

Fair value determination of the hydroelectric power plant and solar power plant

The hydroelectric power plants and solar power plant, which the Company classified as a tangible fixed asset, whose fair value is reflected in other comprehensive income, has been identified in the independent valuation. Discounted cash flows ("DCF") method was used in these valuation studies.

3. EXPLANATIONS OF CHANGES IN SHAREHOLDERS EQUITY

2024: Verusa Holding A.Ş. purchased 357,539 of its own shares and 2,446,459 shares of Verusaturk GSYO A.Ş. from the Borsa Istanbul Equity Market.

2023: Verusa Holding A.Ş. purchased 1,265,311 of its own shares, 368,284 shares of Acıselsan Acıpayam Selüloz San. Ve Tic. A.Ş., and 249,434 shares of Verusaturk GSYO A.Ş. from the Borsa Istanbul Equity Market.

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

4. INTEREST IN OTHER ENTITIES

a) Subsidiaries

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

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

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 September 2024	31 December 2023	1 January - 30 September 2024	1 January - 30 September 2023	30 September 2024	31 December 2023
Verusaturk	İstanbul	%37,12	%41,28	139.624.493	104.615.617	851.729.182	739.405.724
Pamukova	İstanbul	%18,93	%21,05	24.402.784	66.173.898	176.172.365	168.756.938
Pamel	İstanbul	%38,34	%39,95	(30.899.894)	74.968.428	311.423.572	353.201.852
Aciselsan	Denizli	%49,27	%49,27	(13.628.550)	13.438.445	227.284.359	240.911.311
				119.498.833	259.196.388	1.566.609.478	1.502.275.825

The summary financial information of each subsidiary of the Group with significant non-controlling interests is presented below. These summary financial information show the amounts before intra-group eliminations.

Verusaturk Girişim Sermayesi Yatırım Ortaklığı A.Ş.	30 September 2024	31 December 2023
Current assets	3.612.076.463	4.051.873.721
Non-current assets	8.489.700	10.548.215
Current liabilities	952.320	407.227.078
Non-current liabilities	72.400	83.342
Equity attributable to owners of the Company	2.767.812.261	2.915.705.792
Non-controlling shares	851.729.182	739.405.724
	1 January - 30 September 2024	1 January - 30 September 2023
Revenue	-	149.384.994
Expenses	(57.649.708)	(3.625.382.685)
Eliminations for consolidation	433.760.014	952.230.553
Profit / (loss) for the period	376.110.306	(2.523.767.138)
Profit/loss for the period attributable to:		
Owners of the Company	236.485.813	(2.628.382.755)
Non-controlling shares	139.624.493	104.615.617
Profit / (loss) for the period	376.110.306	(2.523.767.138)
Total comprehensive income attributable to:		
Owners of the Company	236.485.813	(2.628.382.755)
Non-controlling shares	139.624.493	104.615.617
Total comprehensive income	376.110.306	(2.523.767.138)

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

4. INTERESTS IN OTHER ENTITIES (cont'd)

a) Subsidiaries (cont'd)

Aciselsan Acıpayam Selüloz San. Ve Tic. A.Ş.	30 September 2024	31 December 2023
Current assets	323.091.598	260.804.833
Non-current assets	495.220.998	503.914.727
Current liabilities	233.547.343	242.716.963
Non-current liabilities	123.437.276	33.012.024
Equity attributable to owners of the Company	234.043.618	248.079.262
Non-controlling shares	227.284.359	240.911.311
	1 January - 30 September 2024	1 January - 30 September 2023
Revenue	475.910.294	455.971.524
Expenses	(503.572.890)	(428.694.791)
Profit / (loss) for the period	(27.662.596)	27.276.733
Profit/loss for the period attributable to:		
Owners of the Company	(14.034.046)	13.838.288
Non-controlling shares	(13.628.550)	13.438.445
Profit / (loss) for the period	(27.662.596)	27.276.733
Total comprehensive income attributable to:		
Owners of the Company	(14.034.046)	13.838.288
Non-controlling shares	(13.628.550)	13.438.445
Total comprehensive income	(27.662.596)	27.276.733
Pamel Yenilenebilir Elektrik Üretim A.Ş.	30 September 2024	31 December 2023
Current assets	15.047.832	90.372.344
Non-current assets	1.203.271.820	1.123.237.660
Current liabilities	17.048.158	15.040.919
Non-current liabilities	257.670.255	174.363.905
Equity attributable to owners of the Company	632.177.667	671.003.328
Non-controlling shares	311.423.572	353.201.852
	1 January - 30 September 2024	1 January - 30 September 2023
Revenue	52.975.997	55.286.950
Expenses	(133.579.938)	72.688.981
Profit / (loss) for the period	(80.603.941)	127.975.931
Profit/loss for the period attributable to:		
Owners of the Company	(49.704.047)	77.436.279
Non-controlling shares	(30.899.894)	50.539.652
Profit / (loss) for the period	(80.603.941)	127.975.931
Total comprehensive income attributable to:		
Owners of the Company	(49.704.047)	121.671.936
Non-controlling shares	(30.899.894)	74.968.428
Total comprehensive income	(80.603.941)	196.640.364

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

4. INTERESTS IN OTHER ENTITIES (cont'd)

a) Subsidiaries (cont'd)

Pamukova Elektrik Üretim A.Ş.	30 September 2024	31 December 2023
Current assets	1.087.374.444	850.353.283
Non-current assets	673.782.620	808.325.130
Current liabilities	1.747.540	28.067.274
Non-current liabilities	439.078	531.760
Equity attributable to owners of the Company	1.582.798.081	1.461.322.441
Non-controlling shares	176.172.365	168.756.938
	1 January - 30 September 2024	1 January - 30 September 2023
Expenses	128.891.069	73.551.102
Profit / (loss) for the period	128.891.069	73.551.102
Profit/loss for the period attributable to:		
Owners of the Company	104.488.285	7.377.204
Non-controlling shares	24.402.784	66.173.898
Profit / (loss) for the period	128.891.069	73.551.102
Total comprehensive income attributable to:		
Owners of the Company	104.488.285	7.377.204
Non-controlling shares	24.402.784	66.173.898
Total comprehensive income	128.891.069	73.551.102

b) Investments Accounted for with Equity Method

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

Associates	Place of incorporation	Functionl currency	30 September 2024	%	31 December 2023	%
Aldem Çelik Endüstri San. ve Tic. A.Ş.	İstanbul	Turkish Lira	190.891.000	40,75	179.423.110	40,75
Total			190.891.000		179.423.110	

Summarized financial information in respect of each of the the Group's material associates is set out below. The summarized financial information below represents amounts shown in the associate's financial statements prepared in accordance with TFRS.

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

4. INTERESTS IN OTHER ENTITIES (cont'd)**b) Investments Accounted for with Equity Method**

	30 September 2024	31 December 2023
Aldem Çelik Endüstri San. ve Tic. A.Ş.		
Current assets	207.903.893	75.275.546
Non-current assets	649.282.703	24.148.309
Current liabilities	(157.120.744)	(40.771.787)
Non-current liabilities	(231.621.284)	(5.440.090)
	468.444.568	53.211.978
	1 January - 30 September 2024	1 January - 30 September 2023
Revenue	221.869.151	72.370.258
Profit / (loss) for the period	28.142.458	16.052.806
Group's shares on participations' losses	11.467.890	6.541.519
	30 September 2024	31 December 2023
Net assets of subsidiary	468.444.568	53.211.978
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.	190.891.000	21.683.629

5. OPERATING SEGMENTS

In terms of management accounting, the Group's activities are divided into five activity groups: venture capital, electrical energy wholesale, cellulose and energy production. These distinctions form the basis of financial reporting according to the sections below.

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

5. OPERATING SEGMENTS (cont'd)

The distribution of the Group's ongoing activities according to the divisions is as follows:

1 January - 30 September 2024							
	Holding Operations	Venture Fund	Cellulose Production	Wholesale of electricity energy	Generation of Energy	Eliminations	Total
Revenue	-	-	475.910.294	23.485.764	177.328.192	(22.387.700)	654.336.550
Operating income	-	-	475.910.294	23.485.764	177.328.192	(22.387.700)	654.336.550
Cost of sales (-)	-	-	(484.720.756)	(21.944.558)	(75.036.725)	22.153.191	(559.548.848)
Gross profit	-	-	(8.810.462)	1.541.206	102.291.467	(234.509)	94.787.702
Marketing expenses (-)	-	-	(9.321.777)	(18.124)	(56.004.252)	-	(65.344.153)
Administrative expenses (-)	(18.344.124)	(16.094.644)	(22.178.801)	(1.772.854)	(18.398.628)	1.339.565	(75.449.486)
Income from other operating activities	1.252.574	131.761.001	22.652.308	1.875.685	238.431.361	221.204.935	617.177.864
Expense from other operating activities (-)	68.593	(140.097.708)	(14.772.510)	(33.851)	(80.432.467)	210.507.009	(24.760.934)
Operating profit/(loss)	(17.022.957)	(24.431.351)	(32.431.242)	1.592.062	185.887.481	432.817.000	546.410.993
Shares in the profits / (losses) of investments accounted for using the equity method	-	-	-	-	-	11.467.890	11.467.890
Income from investing activities	-	-	781	-	-	(781)	-
Finance income	86.120.112	-	-	729.605	191.922.667	(254.687.819)	24.084.565
Finance expense	(183.151.512)	(49.106.468)	(53.762.106)	(32.192)	(132.752.397)	255.631.617	(163.173.058)
Profit / (loss) before tax	(19.399.285)	(57.649.708)	(25.379.345)	1.415.040	136.079.544	446.637.532	481.703.778
Tax expense	3.183.973	-	(2.283.251)	4.215.004	(81.042.232)	-	(75.926.506)
Profit / (loss) for the period	(16.215.312)	(57.649.708)	(27.662.596)	5.630.044	55.037.312	446.637.532	405.777.272

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

5. OPERATING SEGMENTS (cont'd)

The distribution of the Group's ongoing activities according to the divisions is as follows:

	1 January - 30 September 2023						
	Holding Operations	Venture Fund	Cellulose Production	Wholesale of electricity energy	Generation of Energy	Eliminations	Total
Revenue	-	149.384.994	455.971.524	21.496.483	55.346.986	(18.382.582)	663.817.405
Operating income	-	149.384.994	455.971.524	21.496.483	55.346.986	(18.382.582)	663.817.405
Cost of sales (-)	-	(220.715.801)	(371.178.019)	(20.535.511)	(52.758.731)	18.331.581	(646.856.481)
Gross profit	-	(71.330.807)	84.793.505	960.972	2.588.255	(51.001)	16.960.924
Marketing expenses (-)	-	-	(8.458.437)	(14.782)	-	-	(8.473.219)
Administrative expenses (-)	(15.559.193)	(12.854.506)	(20.153.258)	(1.690.669)	(10.938.094)	1.188.160	(60.007.560)
Income from other operating activities	(2.581.506)	259.225.940	50.772.781	8.205.714	916.190.976	(305.655.246)	926.158.659
Expense from other operating activities (-)	(17.124.872)	(3.678.468.526)	(12.062.994)	(2.070.650)	(157.442.730)	3.835.639.463	(31.530.309)
Operating profit/(loss)	(35.265.571)	(3.503.427.899)	94.891.597	5.390.585	750.398.407	3.531.121.376	843.108.495
Shares in the profits / (losses) of investments accounted for using the equity method	-	-	-	-	-	(23.772.941)	(23.772.941)
Income from investing activities	8.521.736	-	1.057.750	-	(59.495.839)	(9.542.669)	(59.459.022)
Finance income	75.839.433	-	-	578.170	213.366.312	(205.388.589)	84.395.326
Finance expense	(59.893.923)	(41.047.795)	(15.506.972)	(4.713.553)	(105.623.154)	205.388.588	(21.396.809)
Profit / (loss) before tax	(54.044.596)	(3.475.997.691)	39.323.814	3.994.194	403.557.056	3.492.335.357	409.168.134
Tax expense	(602.347)	-	(12.047.081)	(2.212.662)	(183.255.882)	-	(198.117.972)
Profit / (loss) for the period	(54.646.943)	(3.475.997.691)	27.276.733	1.781.532	220.301.174	3.492.335.357	211.050.162

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

5. OPERATING SEGMENTS (cont'd)

Details of segment assets and liabilities according to segments are as follows:

Balance Sheet	30 September 2024						Total
	Holding Operations	Venture Fund	Cellulose Production	Wholesale of electricity energy	Generation of Energy	Eliminations (*)	
Total assets	1.546.019.319	4.043.080.781	818.312.596	190.497.690	3.504.368.207	(4.365.503.347)	5.736.775.246
Liabilities	(442.466.695)	(1.024.720)	(356.984.619)	(4.954.707)	(453.391.444)	615.476.061	(643.346.124)
Equity attributable to equity holders of the parent	(1.103.552.624)	(4.042.056.061)	(461.327.977)	(185.542.983)	(3.050.976.763)	5.316.636.764	(3.526.819.644)
Non-controlling interests	-	-	-	-	-	(1.566.609.478)	(1.566.609.478)

Balance Sheet	31 December 2023						Total
	Holding Operations	Venture Fund	Cellulose Production	Wholesale of electricity energy	Generation of Energy	Eliminations (*)	
Total assets	1.997.875.065	4.484.937.204	764.719.559	189.300.662	3.385.735.764	(5.297.667.763)	5.524.900.491
Liabilities	(658.985.169)	(407.310.420)	(275.728.987)	(9.510.924)	(406.451.007)	1.145.084.701	(612.901.806)
Equity attributable to equity holders of the parent	(1.338.889.896)	(4.077.626.784)	(488.990.572)	(179.789.738)	(2.979.284.757)	5.654.858.887	(3.409.722.860)
Non-controlling interests	-	-	-	-	-	(1.502.275.825)	(1.502.275.825)

(*) A significant portion of the elimination figure results from the consolidation of the Holding's subsidiaries.

The details of investment expenditures and depreciation and amortization charges according to industrial segments are as follows:

	30 September 2024					
	Holding Activities	Venture Fund	Cellulose Production	Wholesale of electricity energy	Generation of Energy	Total
Investment expenses	910.553	-	7.121.886	9.034	115.802.501	123.843.974
Depreciation and amortization expenses for the period	(2.374.713)	(2.058.515)	(11.672.180)	(1.392)	(28.203.487)	(44.310.287)

	30 September 2023					
	Holding Activities	Venture Fund	Cellulose Production	Wholesale of electricity energy	Generation of Energy	Total
Investment expenses	-	42.507	195.963.490	-	23.065.502	219.071.499
Depreciation and amortization expenses for the period	(1.678.397)	(2.012.423)	(4.655.233)	(196.643)	(25.901.966)	(34.444.662)

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

6. RELATED PARTY DISCLOSURES

	30 September	31 December
	2024	2023
Other payables to related parties		
Shareholders		
Investco Holding A.Ş.	235.906.131	-
	1 January - 30 September 2024	
Transaction with related parties	Service expense	Interest expense
Shareholders		
Investco Holding A.Ş.	1.132.554	51.159.660
	1.132.554	51.159.660
	1 January - 30 September 2023	
Transaction with related parties	Service expense	Interest expense
Shareholders		
Investco Holding A.Ş.	985.493	1.340.436
	985.493	1.340.436

The detail of compensation of key management personnel as follows:

	1 January - 30 September 2024	1 January - 30 September 2023	1 July- 30 September 2024	1 July- 30 September 2023
Salaries and other short-term benefits	13.768.666	9.122.902	4.905.726	2.005.141
	13.768.666	9.122.902	4.905.726	2.005.141

7. TRADE RECEIVABLES AND PAYABLES

	30 September	31 December
	2024	2023
Short-term trade receivables		
Trade receivables	215.735.729	110.892.681
-Other receivables	215.735.729	110.892.681
Notes receivable	-	149.047
Provision for doubtful receivables (-)	(1.496.919)	(2.033.719)
	214.238.810	109.008.009
	1 January- 30 September 2024	1 January- 30 September 2023
Movement of doubtful receivables		
Opening balance	2.033.719	3.351.018
Monetary gain/loss	(536.800)	(1.114.846)
Closing	1.496.919	2.236.172

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

7. TRADE RECEIVABLES AND PAYABLES (cont'd)

	30 September 2024	31 December 2023
Trade payables	103.637.939	120.412.635
- Trade payables to third parties	103.637.939	120.412.635
	103.637.939	120.412.635

8. PREPAID EXPENSES

	30 September 2024	31 December 2023
Short-term prepaid expenses		
Advances given for purchases	49.694.090	54.558.128
Prepaid expenses	6.270.430	2.507.028
	55.964.520	57.065.156
Long-term prepaid expenses		
Advances given for purchases	200.000	20.439.152
Prepaid expenses	276.486	550.141
	476.486	20.989.293

9. OTHER RECEIVABLES AND PAYABLES

	30 September 2024	31 December 2023
Other current receivables		
Receivables from tax offices	22.343.306	8.308.580
Deposits and guarantees given	2.444.231	2.237.591
Other receivables	729.221	1.481.467
	25.516.758	12.027.638
Other non-current receivables		
Deposits and guarantees given	672.993	925.911
	672.993	925.911
Other current payable		
Other payables to third parties	311.472	370.215
	311.472	370.215

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

10. INVENTORIES

	30 September 2024	31 December 2023
Raw material	60.513.996	104.918.160
Work in process	9.297.328	5.751.271
Finished goods	51.494.556	29.378.735
Other	933.836	129.474
	122.239.716	140.177.640

11. COMMITMENTS

30 September 2024	TL Equivalent	TRY	USD
CPM given on behalf on fully consolidated companies			
-Guarantee letters	186.269.539	124.296.666	1.813.000
-Pledge	250.000.000	250.000.000	-
Total	436.269.539	374.296.666	1.813.000
31 December 2023	TL Equivalent	TRY	USD
CPM given on behalf on fully consolidated companies			
-Guarantee letters	12.187.731	12.187.731	-
Total	12.187.731	12.187.731	-

The ratio of other CPMs given by the Group to the equity of the Group is zero.

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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	41.694.180	29.248.198	67.335.399	13.641.358	20.744.919	780.516.019	365.159.763	54.611.179	80.923.055	340.991.508	1.794.865.578
Additions	246.356	-	4.880.565	-	2.809.758	64.875.842	-	-	-	50.185.946	122.998.467
Transfers	-	60.981.852	175.317.152	-	-	-	-	-	-	(236.299.004)	-
Closing balance as of 30 September 2024	41.940.536	90.230.050	247.533.116	13.641.358	23.554.677	845.391.861	365.159.763	54.611.179	80.923.055	154.878.450	1.917.864.045
Accumulated Depreciation											
Opening balances of 1 January 2024	-	(2.304.125)	(29.017.368)	(7.877.626)	(11.159.525)	(44.466.130)	(8.874.175)	(12.522.207)	(378.786)	-	(116.599.942)
Charge of the year	-	(1.467.373)	(8.539.262)	(1.217.653)	(2.241.153)	(18.160.825)	(6.346.801)	(5.033.388)	(952.349)	-	(43.958.804)
Closing balance as of 30 September 2024	-	(3.771.498)	(37.556.630)	(9.095.279)	(13.400.678)	(62.626.955)	(15.220.976)	(17.555.595)	(1.331.135)	-	(160.558.746)
Carrying values ass of 30 September 2024	41.940.536	86.458.552	209.976.486	4.546.079	10.153.999	782.764.906	349.938.787	37.055.584	79.591.920	154.878.450	1.757.305.299

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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	43.476.054	24.204.905	66.357.673	9.620.902	16.971.123	735.011.616	382.891.937	54.172.936	81.085.604	164.109.503	1.577.902.253
Additions	-	456.638	517.002	4.921.596	3.179.737	15.340.215	-	321.903	-	194.284.321	219.021.412
Disposals	-	-	-	(888.327)	-	-	-	-	-	-	(888.327)
Revaluation increase	-	-	-	-	-	(44.023.582)	60.821.554	-	-	-	16.797.972
Closing balance as of 30 September 2023	43.476.054	24.661.543	66.874.675	13.654.171	20.150.860	706.328.249	443.713.491	54.494.839	81.085.604	358.393.824	1.812.833.310
Accumulated Depreciation											
Opening balances of 1 January 2023	-	(1.033.644)	(25.734.221)	(7.280.184)	(8.861.797)	(22.746.045)	-	(6.245.738)	-	-	(71.901.629)
Charge of the year	-	(942.356)	(2.455.088)	(1.036.183)	(1.626.262)	(15.623.452)	(7.075.975)	(4.692.739)	(433.805)	-	(33.885.860)
Disposals	-	-	-	855.199	-	-	-	-	-	-	855.199
Closing balance as of 30 September 2023	-	(1.976.000)	(28.189.309)	(7.461.168)	(10.488.059)	(38.369.497)	(7.075.975)	(10.938.477)	(433.805)	-	(104.932.290)
Carrying values ass of 30 September 2023	43.476.054	22.685.543	38.685.366	6.193.003	9.662.801	667.958.752	436.637.516	43.556.362	80.651.799	358.393.824	1.707.901.020

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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

The useful lives of property, plant and equipments are as follows:

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

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

13. OTHER ASSETS AND LIABILITIES

	30 September 2024	31 December 2023
Other current assets		
VAT carried forward	17.405.793	28.894.303
Job advances	63.974	23.043
Personnel advances	30.958	1.302
Other VAT	18.149.749	1.207.335
	35.650.474	30.125.983
	30 September 2024	31 December 2023
Other non-current assets		
Other VAT	22.522.635	9.105.249
	30 September 2024	31 December 2023
Other current liabilities		
Taxes and funds payables	3.904.984	5.529.042
Advances received	6.560.115	2.535.363
VAT Payable	286.259	326
Other payables and liabilities	493.428	772.715
	11.244.786	8.837.446

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

14. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Share Capital

Shareholders	%	30 September	%	31 December
		2024		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 structure adjustment	635.208.146	635.208.146
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The Group's issued capital is TRY 70,000,000 (31 December 2023: TRY 70,000,000). This capital consists of 70,000,000 shares, each with a nominal value of TRY 1 (31 December 2023: 70,000,000 shares). These shares are divided into Group A and Group B shares. Group A shares are registered, and Group B shares are bearer shares. Group A shares have special rights and privileges as specified in the Articles of Association, while no special rights or privileges have been granted to Group B shares. There are 14,000,000 Group A shares (31 December 2023: 14,000,000) and 56,000,000 Group B shares (31 December 2023: 56,000,000).

b) Restricted reserves

	30 September	31 December
	2024	2023
Legal reserves	32.832.337	32.832.337
Other reserves	375.313.307	375.313.307
	408.145.644	408.145.644

According to the Turkish Commercial Code, the general legal reserve is appropriated at the rate of 5% of the annual profit until it reaches 20% of the Group's paid-in capital. The other legal reserve is appropriated at a rate of 10% of the total amount to be distributed to those entitled to receive dividends, after the payment of a 5% dividend to shareholders. According to the Turkish Commercial Code, unless the general legal reserve exceeds 50% of the capital or issued capital, it may only be used to offset losses, to sustain the business in times of financial difficulty, or to prevent unemployment and mitigate its consequences.

In accordance with the Capital Markets Board ("CMB") Bulletin dated March 7, 2024, it has been decided that the statutory reserves classified as "Capital Adjustment Differences", "Share Premiums (Discounts)" (Share Premium), "Legal Reserves", and "Other Reserves" in the financial statements prepared in accordance with the CMB regulations will be presented based on the Consumer Price Index (CPI) starting from the financial position statement for the reporting period ended in 2023. In this context, the inflation-adjusted amounts in the financial statements prepared in accordance with the tax legislation should be converted to the CPI-adjusted amounts valid for TFRS reporting, and the differences arising from this conversion should be recognized under "Prior Years' Profits/Losses". The details of these items, which are followed under equity in the Group's TFRS consolidated financial position statement, and the related differences followed under "Prior Years' Profits" based on the inflation-adjusted amounts in the financial statements prepared in accordance with the tax legislation, are presented in the appendix.

	PPI-Indexed	CPI-Indexed	Difference Followed
	Statutory Records	Amounts	Under Retain Earnings
Capital structure adjustment	789.969.701	635.208.146	154.761.555
Share premium	8.255.862	5.478.533	2.777.329
Restricted reserves from profit	22.454.247	24.166.241	(1.711.994)
Other Capital Reserves	411.467.088	276.249.350	135.217.738

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

15. REVENUE AND COST OF SALES

	1 January- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2024	1 July- 30 September 2023
Sales				
Domestic sales	296.153.567	364.324.123	185.962.773	253.388.125
Export sales	364.135.156	302.076.250	121.592.839	84.897.544
Sales returns (-)	(5.952.173)	(2.582.968)	(5.277.807)	(773.220)
	654.336.550	663.817.405	302.277.805	337.512.449
Cost of sales				
Cost of energy and cellulose sales	(559.548.848)	(646.856.481)	(214.063.060)	(378.627.135)
	(559.548.848)	(646.856.481)	(214.063.060)	(378.627.135)

16. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

	1 January- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2024	1 July- 30 September 2023
<u>Other operating income:</u>				
Gain on revaluation on financial investmen	374.475.675	272.844.322	(115.937.332)	155.520.667
Gain on sales of financial investments	190.324.707	391.610.774	123.981.695	258.739.530
Foreign exchange gains from operations	31.482.334	85.706.961	11.772.111	30.329.652
Interest income	2.818.584	4.345.241	1.514.962	3.356.299
Insurance income	4.618.770	166.845.158	4.618.770	95.427.344
Other income	13.457.794	4.806.203	2.197.848	1.197.173
	617.177.864	926.158.659	28.148.054	544.570.665
<u>Other operating expenses</u>				
Foreign exchange loss from operations	(19.337.270)	(27.632.544)	(10.843.927)	(5.613.710)
Other expenses	(5.423.664)	(3.897.765)	(769.671)	(2.962.195)
	(24.760.934)	(31.530.309)	(11.613.598)	(8.575.905)

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

17. FINANCE INCOME / EXPENSES

	1 January- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2024	1 July- 30 September 2023
Interest income	24.084.565	84.395.326	2.582.553	54.456.679
	24.084.565	84.395.326	2.582.553	54.456.679
	1 January- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2024	1 July- 30 September 2023
Interest expense	(162.249.494)	(20.615.048)	(77.976.761)	19.040.499
Commision expense	(923.564)	(781.761)	(164.049)	(572.362)
	(163.173.058)	(21.396.809)	(78.140.810)	18.468.137

18. TAXATION ON INCOME

	30 September 2024	31 December 2023
<u>Current tax liabilities / (assets)</u>		
Current tax provision	9.956.106	160.561.644
Less: Prepaid taxes and funds	(1.282.348)	(125.875.429)
	8.673.758	34.686.215

Tax expense on the income statement:

	1 January- 30 September 2024	1 January- 30 September 2023
<u>Tax expense comprises</u>		
Current tax expenses	(9.956.106)	(143.452.137)
Deferred tax income / (expenses)	(65.970.400)	(54.665.835)
Total tax income / (expense)	(75.926.506)	(198.117.972)

Corporate Tax

The Group is subject to the Turkish corporate tax, except for its subsidiary, Verusaturk Girişim Sermayesi Yatırım Ortaklığı A.Ş. Necessary provisions have been made in the accompanying financial statements for the Group's estimated tax liabilities related to its current period operating results.

The corporate tax rate is applied on the remaining tax base after adding non-deductible expenses to the commercial profit used in the tax base calculation, and deducting exempt income, non-taxable income and other deductions (such as prior years' losses and investment incentives utilized, if preferred).

In Turkey, provisional tax is calculated and accrued on a quarterly basis. During the taxation of corporate income by provisional tax periods in 2024, the provisional tax rate to be calculated on the corporate income is 25%. Losses may be carried forward for a maximum of 5 years to be deducted from future taxable profits. However, losses cannot be carried back to offset profits of previous years.

There is no definite and conclusive agreement procedure in Turkey for tax assessments. Companies prepare and submit their tax returns between 1–25 April of the year following the fiscal year. The tax returns and the underlying accounting records may be reviewed and amended by the Tax Authority within five years.

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

23. TAXATION ON INCOME (cont'd)

Corporate Tax (cont'd)

Law No. 7061 on the “Amendments to Certain Tax Laws and Some Other Laws” was published in the Official Gazette dated 5 December 2017 and numbered 30261. Article 89 of this Law amended Article 5 titled “Exemptions” of the Corporate Tax Law. Subparagraph (a) of the first paragraph reduced the 75% exemption applied to the gains from the sale of immovable properties held for two full years by the entities to 50%. This regulation entered into force as of 5 December 2017.

Income Withholding Tax

In addition to corporate income tax, a withholding tax must also be calculated on dividends, except for those distributed to fully taxpayer entities that declare such dividends as part of their corporate income and to Turkish branches of foreign companies. Between 24 April 2003 and 22 July 2006, the withholding tax rate on dividends was applied as 10%. As of 22 July 2006, this rate has been applied as 15% pursuant to the Council of Ministers’ Decree No. 2006/10731. Dividends that are not distributed but added to the capital are not subject to withholding tax.

A 19.8% withholding tax must be applied on investment allowances utilized based on investment incentive certificates obtained prior to 24 April 2003. No withholding tax is applied on investment expenditures without incentive certificates made after this date.

Deferred Tax

The Group recognizes deferred tax assets and liabilities for the temporary timing differences arising between its tax-based statutory financial statements and the financial statements prepared in accordance with TFRS. These differences mainly result from certain income and expense items being recognized in different periods in the tax-based financial statements and in the TFRS financial statements. The nature of these differences is explained below.

Since entities in Turkey are not allowed to declare tax refunds, the deferred tax assets of subsidiaries are not offset against the deferred tax liabilities of other subsidiaries and are presented separately.

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

18. TAXATION ON INCOME (cont'd)

Deferred Tax (cont'd):

Deferred tax assets / (liabilities):	30 September 2024	31 December 2023
	Deferred tax	
Net differences on depreciation of property, plant and equipment / amortization of other intangible assets	(333.759.992)	(339.096.475)
Revaluation of financial instruments (*)	(22.297.868)	(11.469.800)
Provision for doubtful receivables	554.361	753.157
Provision for employee benefit obligations	892.321	2.981.852
Provision for unused vacation expense	1.055.540	751.392
Investment incentive	49.272.529	37.873.475
Legal accounting inflation effect	459.437.341	473.877.975
Other	(30.985.772)	24.467.284
	124.168.460	190.138.860

Movements of deferred tax asset/(liability) balances are as follows:

Deferred tax assets / (liability) movement:	1 January- 31 December 2024	1 January- 31 December 2023
Opening balance as of 1 January	190.138.860	(256.213.571)
Charged to profit or loss	(65.970.400)	(54.665.835)
Charged to equity	-	(7.629.381)
Closing balance	124.168.460	(318.508.787)

19. EARNINGS PER SHARE

	1 January- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2024	1 July- 30 September 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	286.278.439	(23.717.452)	(28.879.570)	(140.123.665)
Earning per share	4,09	(0,34)	(0,41)	(2,00)

20. FINANCIAL INSTRUMENTS

Financial Investments

Current financial investments	30 September 2024	31 December 2023
Financial assets at fair value through profit or loss	2.593.709.772	2.352.995.379
Blocked deposits	8.397	11.408
	2.593.718.169	2.353.006.787

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

20. FINANCIAL INSTRUMENTS (Cont'd)

Financial assets at fair value through profit or loss

		30 September 2024	31 December 2023
<u>Share certificate</u>			
Shares traded on the stock exchange		1.141.096.718	1.147.714.039
Shares non-traded on the stock exchange		1.452.613.054	1.205.281.340
		2.593.709.772	2.352.995.379

Type	Share Rate %	30 September 2024	Share Rate %	31 December 2023
<u>Shares not-traded on the stock exchange</u>				
Vektora Yazılım Teknolojileri A.Ş.	60%	405.677.079	60%	405.677.079
Kahve Diyarı Pazarlama Sanayi ve Ticaret A.Ş.	50%	193.128.191	50%	193.128.191
Probel Yazılım ve Bilişim Sistemleri A.Ş.	10%	63.873.109	10%	63.873.109
Core Engage Yazılım A.Ş.	50%	273.608.395	50%	26.276.681
Golive Yazılım Hizmetleri A.Ş.	25%	502.015.506	25%	502.015.506
Other		14.310.774		14.310.774
		1.452.613.054		1.205.281.340
<u>Shares traded on the stock exchange</u>				
Other		1.141.096.718		1.147.714.039
		1.141.096.718		1.147.714.039
		2.593.709.772		2.352.995.379

	30 September 2024	31 December 2023
<u>Non-current financial investments</u>		
EPIAŞ - Enerji Piyasaları İşletme A.Ş.	183.177.101	183.177.101
Other	1.260	1.711
	183.178.361	183.178.812

Financial Liabilities

	30 September 2024	31 December 2023
<u>Financial debts</u>		
Short term bank loans	137.017.721	369.032.598
Short-term portion of long-term borrowings	-	1.534.422
Long-term borrowings	115.450.872	56.964.594
	252.468.593	427.531.614

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

20. FINANCIAL INSTRUMENTS (cont'd)

Financial Liabilities (cont'd)

The maturity analysis of bank loans is as follows:

	30 September 2024	31 December 2023
To be paid within 1 year	137.017.721	370.567.020
Between 1-2 years	56.531.242	1.534.423
Between 2-3 years	46.773.491	3.068.846
Between 3-4 years	2.258.824	3.068.846
Between 4-5 years	2.258.824	3.068.846
5 years and more	7.628.492	46.223.633
	252.468.593	427.531.614

Currency	Effective Interest Rate	30 September 2024	
		Current	Non-current
TRY	8.5% - 45.5%	49.852.346	65.164.612
USD	7.6% - 8.5%	87.165.375	43.873.034
EUR	1.04% - 2.5%	-	6.413.226
		137.017.721	115.450.872

Currency	Effective Interest Rate	31 December 2023	
		Current	Non-current
TRY	8,5% - 20%	370.567.020	24.550.764
USD	8.5%	-	23.009.756
EUR	1.04% - 2.5%	-	9.404.074
		370.567.020	56.964.594

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

21. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Group consists of debt, which includes the borrowings disclosed in Note 20, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

The Group's risk management committee reviews the capital structure of the Group collectively on a semiannual basis. As a part of this review, the committee considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the committee, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

In addition and consistent with others in the industry, the group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

The gearing ratios are as follows:

	30 September 2024	31 December 2023
Financial debts	252.468.593	427.531.614
Less: cash and cash equivalents	(243.719.593)	(399.216.981)
Net debt	8.749.000	28.314.633
Total equity	5.093.429.122	4.911.998.685
Total capital	5.102.178.122	4.940.313.318
Net Debt/Total Capital Ratio	%0,17	%0,57

Financial risk factors

The Group's activities expose it to a variety of financial risks including interest rate risk, liquidity risk, currency risk and credit risk. Group's risk management programme generally focuses on uncertainty in financial markets and minimizing potential negative effects on Group's financial performance.

Risk management, is conducted by a treasury department with some politic approved by the board of management. Treasury department of the Group defines and evaluates the financial risk, and by working with the operation units they use tools to decrease the risk. Board of management generates a written procedure about foreign exchange risk, interest rate risk, loan risk, how to use derivative instruments and other non-derivative financial instruments, and how to evaluate excess liquidity or a general legislation about risk management.

Interest rate risk management

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. Such risks are managed inherently by netting off the interest-bearing assets and liabilities.

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. Group, aiming to decrease credit risk by transacting only with parties who has credit assurance and where possible, obtaining sufficient guarantee.

Details of credit risk by class of financial instruments

	<u>Trade Receivables</u>	<u>Other Receivables</u>	<u>Cash and cash equivalents</u>
30 September 2024	Third parties	Third parties	
Maximum credit risk exposed as of balance sheet date (A+B+C+D+E)	214.238.810	26.189.751	243.711.196
- Secured portion of the maximum credit risk by guarantees	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	214.238.810	26.189.751	243.711.196
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	-	-	-

	<u>Trade Receivables</u>	<u>Other Receivables</u>	<u>Cash and cash equivalents</u>
31 December 2023	Third parties	Third parties	
Maximum credit risk exposed as of balance sheet date (A+B+C+D+E)	109.008.009	12.953.549	399.205.573
- Secured portion of the maximum credit risk by guarantees	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	109.008.009	12.953.549	399.205.573
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)	2.033.719	-	-
-Impairment (-) (Note 7)	(2.033.719)	-	-
-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	-	-	-

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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

Liquidity risk management

Conservative liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group aims maintaining flexibility in funding by keeping committed credit lines available.

		Total Contracted				
	Carrying	Cash Outflows	Less than 3	3 to 12 months	1 to 5 years	5 years +
30 September 2024	value	(I+II+III+IV)	months (I)	(II)	(III)	(IV)
Financials liabilities						
Bank loans	252.468.593	323.973.866	848.933	165.247.194	140.341.710	17.536.029
Trade payables	103.637.939	103.637.939	103.637.939	-	-	-
Other payables	499.198	499.198	-	311.472	187.726	-
Total liabilities	356.605.730	428.111.003	104.486.872	165.558.666	140.529.436	17.536.029
	Carrying	Total Contracted				
31 December 2023	value	Cash Outflows	Less than 3	3 to 12 months	1 to 5 years	5 years +
		(I+II+III+IV)	months (I)	(II)	(III)	(IV)
Financials liabilities						
Bank loans	427.531.614	556.596.173	48.863.398	435.873.656	20.821.177	51.037.942
Trade payables	120.412.635	120.412.635	120.412.635	-	-	-
Other payables	883.066	883.066	370.215	-	512.851	-
Total liabilities	548.827.315	677.891.874	169.646.248	435.873.656	21.334.028	51.037.942

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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

Foreign currency risk management

Transactions denominated in foreign currencies result in foreign currency risk.

The Group is exposed to currency risk due to the volatility of the exchange rate used in the conversion of foreign currency denominated assets and liabilities into Turkish Lira. Exchange risk is caused by the recorded assets and liabilities and future commercial transactions. In this framework, the Group controls this risk through a natural method of offsetting foreign currency assets and liabilities. The management analyzes the foreign exchange position of the Group and ensures that measures are taken where necessary.

The breakdown of the Group's monetary and non-monetary assets and monetary and non-monetary liabilities in foreign currencies are as follows:

	30 September 2024		
	TRY Equivalent (Functional Currency)	US Dollar	EURO
1. Trade Receivables	154.250.984	4.317.672	181.489
2a. Monetary Financial Assets	45.107.894	1.321.998	-
2b. Non-monetary Financial Assets	-	-	-
3. Other	-	-	-
4. Current assets	199.358.878	5.639.670	181.489
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	-	-	-
6b. Non-monetary financial assets	-	-	-
7. Other	-	-	-
8. Non-current assets	-	-	-
9. TOTAL ASSETS	199.358.878	5.639.670	181.489
10. Payables	41.468.053	1.195.571	15.702
11. Financial Liabilities	87.165.375	2.550.000	-
12a. Monetary Other Liabilities	2.059.633	54.784	4.890
12b. Non-Monetary Other Liabilities	-	-	-
13. Current Liabilities	130.693.061	3.800.355	20.592
14. Payables	-	-	-
15. Financial Liabilities	50.286.260	1.283.494	167.709
16a. Monetary Other Liabilities	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-
17. Non-current Liabilities	50.286.260	1.283.494	167.709
18. TOTAL LIABILITIES	180.979.321	5.083.849	188.301
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)	18.379.557	555.822	(6.812)
21. Monetary Items Net Foreign Currency Assets /			
Liabilities (1+2a+5+6a-10-11-12a-14-15-16a)	18.379.557	555.822	(6.812)
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	-	-	-

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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

	30 September 2024		
	TRY Equivalent (Functional Currency)	US Dollar	EURO
1. Trade Receivables	56.723.752	1.274.464	106.126
2a. Monetary Financial Assets	112.752.406	2.431.350	307.104
2b. Non-monetary Financial Assets	-	-	-
3. Other	-	-	-
4. Current assets	169.476.158	3.705.814	413.230
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	-	-	-
6b. Non-monetary financial assets	-	-	-
7. Other	-	-	-
8. Non-current assets	-	-	-
9. TOTAL ASSETS	169.476.158	3.705.814	413.230
10. Payables	5.628.445	133.307	3.840
11. Financial Liabilities	23.381.526	500.000	66.667
12a. Monetary Other Liabilities	2.179.925	26.379	25.300
12b. Non-Monetary Other Liabilities	-	-	-
13. Current Liabilities	31.189.896	659.686	95.807
14. Payables	-	-	-
15. Financial Liabilities	31.652.474	-	728.559
16a. Monetary Other Liabilities	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-
17. Non-current Liabilities	31.652.474	-	728.559
18. TOTAL LIABILITIES	62.842.370	659.686	824.365
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+1	106.633.788	3.046.129	(411.135)
21. Monetary Items Net Foreign Currency Assets /			
Liabilities (1+2a+5+6a-10-11-12a-14-15-16a)	106.633.788	3.046.129	(411.135)

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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

Foreign currency risk management (cont'd)

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 20% increase and decrease in US Dollar and EURO against TRY 20% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 20% change in foreign currency rates. A positive number below indicates an increase in profit or equity.

	30 September 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	3.793.038	(3.793.038)
In case of a 20% increase in EURO against TRY		
-EURO net asset / liability	(52.099)	52.099
TOTAL	3.740.940	(3.740.940)
	30 September 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	35.021.857	(35.021.857)
In case of a 20% increase in EURO against TRY		
-EURO net asset / liability	(4.947.315)	4.947.315
TOTAL	30.074.542	(30.074.542)

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined and grouped as follows:

- Level 1: the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- Level 2: the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and
- Level 3: the fair value of the financial assets and financial liabilities are determined where there is no observable market data.

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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

Fair value of financial instruments(cont'd) :

30 September 2024	Financial assets at amortized costs	Financial assets through profit and loss	Financial liabilities at amortized costs	Carrying value
<u>Financial assets</u>				
Cash and cash equivalents	243.711.196	-	-	243.711.196
Trade receivables	214.238.810	-	-	214.238.810
Other receivables	26.189.751	-	-	26.189.751
Financial investments	8.397	2.776.888.133	-	2.776.896.530
<u>Financial liabilities</u>				
Borrowings	-	-	252.468.593	252.468.593
Trade payables	-	-	103.637.939	103.637.939
Other financial liabilities	-	-	7.175.135	7.175.135
Other payables	-	-	236.405.329	236.405.329
	Loans and receivables (including cash and cash equivalents)	Financial assets through profit and loss	Financial liabilities at amortized costs	Carrying value
31 December 2023				
<u>Financial assets</u>				
Cash and cash equivalents	399.205.573	-	-	399.205.573
Trade receivables	109.008.009	-	-	109.008.009
Other receivables	12.953.549	-	-	12.953.549
Financial investments	11.408	2.536.174.191	-	2.536.185.599
<u>Financial liabilities</u>				
Borrowings	-	-	427.531.614	427.531.614
Trade payables	-	-	120.412.635	120.412.635
Other financial liabilities	-	-	5.142.698	5.142.698
Other payables	-	-	883.066	883.066

Financial assets

The fair values of balances denominated in foreign currencies, which are converted at period-end exchange rates, are considered to approximate their carrying values.

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

Trade receivables from electricity sales are valued at amortized cost using the effective interest method and are considered to approximate their fair values including the related provisions for doubtful receivables.

Financial liabilities

The fair value of bank borrowings and other monetary liabilities is considered to approximate their carrying value. Long-term loans denominated in foreign currencies are converted at period-end exchange rates and accordingly their fair value approximates their carrying value. Trade payables are valued at amortized cost using the effective interest method and are thus considered to approximate their fair values.

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

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

Financial liabilities (cont'd)

Fair value hierarchy of financial assets and liabilities that are measured at fair value:

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined.

Financial Assets	Fair Value		Fair Value Hierarchy	Valuation Techniques
	30 September 2024	31 December 2023		
Shares traded on the stock exchange	1.141.096.718	1.147.714.039	Level 1	Market price
Shares not traded on the stock exchange	183.177.101	183.177.101	Level 3	Discounted cash flows
Shares not traded on the stock exchange	14.310.774	14.310.774	Level 3	Sales price (indexed)
Shares not traded on the stock exchange	405.677.079	405.677.079	Level 3	Equivalence Value and Discounted Cash Flow
Shares not traded on the stock exchange	502.015.506	502.015.506	Level 3	Equivalence Value and Discounted Cash Flow
Shares not traded on the stock exchange	63.873.109	63.873.109	Level 3	Equivalence Value and Discounted Cash Flow
Shares not traded on the stock exchange	193.128.191	193.128.191	Level 3	Discounted Cash Flow
Shares not traded on the stock exchange	1.260	1.711	Level 1	Cost

First level financial assets at fair value through profit or loss

	1 January - 30 September 2024	1 January - 30 September 2023
Trading purpose		
Opening balance, 1 January	1.147.714.039	-
Disposals	782.039.302	656.483.563
Total gain/loss charged to profit/loss	(1.107.074.317)	(615.743.447)
Total gain/loss charged to profit/loss	318.417.694	138.284.467
Closing balance, 30 September	<u>1.141.096.718</u>	<u>179.024.583</u>

Third level financial assets at fair value through profit or loss

	1 January - 30 September 2024	1 January - 30 September 2023
Trading purpose		
Opening balance, 1 January	1.388.460.153	3.194.225.765
Disposals	-	(2.125.079.338)
Total gain/loss charged to profit/loss	246.382.688	526.170.629
Capital increase	948.574	12.409.674
Closing balance, 30 September	<u>1.635.791.415</u>	<u>1.607.726.730</u>

VERUSA HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

(Amounts expressed in Turkish Lira (TRY) in terms of purchasing power of the TRY at 30 September 2024 unless otherwise indicated.)

22. CASH AND CASH EQUIVALENTS

	30 September 2024	31 December 2023
Cash on hand	126.846	537.667
Cash at banks	16.706.455	397.799.611
<i>Demand deposit</i>	9.867.613	6.502.205
<i>Time deposits up to 3 months maturity</i>	6.820.843	390.520.842
<i>Blocked deposit</i>	17.999	776.564
Other cash equivalents	226.877.895	868.295
	243.711.196	399.205.573

Original Currency	Maturity	Interest Rate	Original Amount	30 September 2024
Turkish Lira	October 2024	% 45 - % 50	6.820.843	6.820.843
				6.820.843
Original Currency	Maturity	Interest Rate	Original Amount	31 December 2023
Turkish Lira	January 2024	%46 - %50	311.536.941	311.536.941
USD	January 2024	%1	1.974.852	78.983.901
				390.520.842

23. EVENTS AFTER REPORTING PERIOD

None noted.