

**MENDERES TEKSTİL SANAYİ VE TİCARET A.Ş.
CONSOLIDATED FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITORS' REPORT
FOR THE PERIOD ENDED AT 31 DECEMBER 2024**

*(CONVENIENCE TRANSLATION OF THE REPORT, THE
FINANCIAL STATEMENTS AND THE EXPLANATORY
NOTES ORIGINALLY ISSUED IN TURKISH.)*

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Menderes Tekstil Sanayi ve Ticaret Anonim Şirketi

A) Independent Auditors' Report On The Consolidated Financial Statements

1- Opinion

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

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

2- Basis for Opinion

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

3- Key Audit Matters

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

Application of TAS 29, “Financial Reporting in Hyperinflationary Economies”

Key Audit Matter	How to Perform of Matter in Audit
<p><i>Application of TAS 29, “Financial Reporting in Hyperinflationary Economies”</i></p> <p>The Group applied TAS 29 “Financial reporting in hyperinflationary economies” (“TAS 29”) in its consolidated financial statements as of and for the year ending 31 December 2024.</p> <p>According to TAS 29, the consolidated financial statements as of 31 December 2023 should be restated in accordance with 31 December 2024 purchasing power.</p> <p>Applying TAS 29 results in significant changes to financial statement items included in the Group's consolidated financial statements as of and for the year ending 31 December 2024, which have been restated for comparative purposes. The application of TAS 29 has a pervasive and material impact on the consolidated financial statements. In addition, considering the additional effort required to perform the audit of the application of TAS 29, we identified the application of TAS 29 as a key audit matter.</p> <p>The Group’s accounting policies and related explanations regarding the application of TAS 29 are disclosed in Note 2.</p>	<p>We performed the following audit procedures in relation to the application of TAS 29:</p> <ul style="list-style-type: none"> - Understanding and evaluating the process and controls related to application of TAS 29 designed and implemented by management, - Verifying whether management’s determination of monetary and non-monetary items is in compliance with TAS 29, - Obtaining detailed lists of non-monetary items and testing original entry dates and amounts on a sample basis, - Verifying the general price index rates used in calculations correspond with the coefficients in the “Consumer Price Index in Turkey” published by the Turkish Statistical Institute, <p>Testing the mathematical accuracy of non-monetary items, income statement, and cash flow statement adjusted for inflation effects,</p> <ul style="list-style-type: none"> - Evaluating the adequacy of disclosures related to the application of TAS 29 in the notes to the consolidated financial statements in accordance with TFRS.



Revenue Recognition

For the accounting policies related to recognition of revenue and the details of significant accounting estimates and assumptions used, see Note 2.f Revenue.

Key Audit Matter	How to Perform of Matter in Audit
<p>The main revenue gained by the Group consists of home textiles and farm products sales.</p> <p>Revenue is recognized in the financial statements on an accrual basis over the fair value of the consideration received or receivable as a result of the delivery, the amount of revenue can be reliably measured and it is probable that the economic benefits related to the transaction will flow to the Group. Net sales are presented by subtracted returns, discounts and commissions from sales of goods from sales of goods.</p> <p>Recognition of revenue and profit for the accounting period in which the product is sold depends on an appropriate assessment of whether it relates to the product sales contract. Due to the nature of the operations of the Group, the production is completed and the customer is invoiced but the obligation related to the commercial delivery scheme has not been provided yet, there may be cases where the risk and return are not due to the customer. It is also necessary to make evaluations on the correct turn of the revenue of the products in this situation in accordance with the principle of sales revolutions. Because of the complexity of the commercial contracts, accounting for each case is selected and the recognition of revenue as the key consideration is defined as the recognition of revenue to the financial statements in the right period requires significant considerations.</p>	<p>Our audit procedures for this item include the following:</p> <p>Evaluation of the effectiveness of key internal controls of revenue in the consolidated financial statements.</p> <p>Examination of the risk and return transfers through the sampling method and sales documents obtained for the selected sales transactions to evaluate the appropriateness of the revenue to the accounting policies and the receipt of the financial statements in the appropriate financial reporting period.</p> <p>By examining the provisions of the contracts with the customers regarding the terms of trade and delivery; evaluation of timing of receipt of financial statements for different shipment arrangements.</p> <p>Sending confirmation for selected trade receivables via sampling method and checking compliance with financial statements.</p> <p>Performing analytical observations to determine the existence of unusual operations.</p>

Recoverability of Trade Receivables

Accounting policies related to trade receivables and details of important accounting estimates and assumptions used are included in Note 2.f and Note 7 Trade Receivables.

Key Audit Matter	How to Perform of Matter in Audit
<p>Recoverability of Trade Receivables</p> <p>As of 31 December 2024, trade receivables constitute a significant portion of the consolidated assets of the Group. Furthermore, the assessment of the recoverability of these assets involves significant level of management estimates. Such estimation includes considering the following for each customer-the amount of guarantees/colleteral held, past collection performance, creditworthiness and aging of receivables. The outcome of such estimates is very sensitive to changes in market conditions. Therefore recoverability of trade receivables is a key matter for our audit.</p> <p>Please refer to Notes 2.f, and Notes 7 to the consolidated financial statements for the Group's disclosures on trade receivables, including the related accounting policy and risk management policy.</p>	<p>We performed the following procedures in relation to the recoverability of trade receivables:</p> <p>Understanding the process of collection of trade receivables of the Group from non-related parties, evaluating the operational efficiency of internal controls within the process,</p> <p>Evaluating, understanding internal controls related to financial reporting towards credit risk, and testing the efficiency of internal controls,</p> <p>Understanding and evaluating the customer- debt follow-up process managed by the Finance Department,</p> <p>Comparison of collection turnover rate with previous year,</p> <p>Inquiries with management in relation to any disputes with customers or distributors and written inquiries with the Group's legal counsels on outstanding litigation in relation to trade receivables,</p> <p>Testing of trade receivable balances from non-related parties by sending confirmation letters via sample,</p> <p>Testing of collections made in the following period via sample,</p> <p>As a result of these studies regarding the reusability of non-trade receivables from related parties, there are not any significant findings.</p>

4- Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

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

The responsibilities of us independent auditors in an independent audit are as follows:

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

As part of an audit in accordance with IAS (of Turkey), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control,
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.
- We are responsible for the direction, supervision and performance of the group audit, We remain solely responsible for our audit opinion.

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

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

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

B) Report on Other Legal and Regulatory Requirements

- 1- Auditors report on Risk Management System and Committee prepared in accordance with paragraph 4 of Article 398 of Turkish Commercial Code ("TCC") 6102 is submitted to the Board of Directors of the Company on 05 March 2025.
- 2- In accordance with paragraph 4 of Article 402 of the TCC, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January - 31 December 2024 and financial statements are not in compliance with laws and provisions of the Company's articles of association in relation to financial reporting.
- 3- In accordance with paragraph 4 of Article 402 of the TCC, the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

Abdülkadir Şahin is the person who carries out this independent audit.

İstanbul, 05 March 2025

PKF Aday Bağımsız Denetim A.Ş.
(A Member Firm of PKF International)



Abdülkadir Şahin
Partner

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MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEETS AS OF 31 DECEMBER 2024

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

		<i>Audited</i>	<i>Audited</i>
ASSETS	Footnote References	Current Period 31.12.2024	Prior Period 31.12.2023
Current Assets		5.214.872.789	5.503.326.613
Cash and Cash Equivalents	4	561.816.128	632.184.536
Financial Investments	5	-	72.438
Trade Receivables		1.597.782.582	1.445.088.031
<i>Trade Receivables from Related Parties</i>	6-7	1.069.838.346	915.404.944
<i>Trade Receivables from Unrelated Parties</i>	7	527.944.236	529.683.087
Other Receivables		46.875.081	7.415.687
<i>Other Receivables from Related Parties</i>	6-9	4.823.954	8.318
<i>Other Receivables from Unrelated Parties</i>	9	42.051.127	7.407.369
Inventories	11	2.789.503.491	3.287.022.953
Biological Assets	12	109.918.355	65.119.917
Prepaid Expenses	13	87.071.797	54.252.298
Current Tax Assets	14	134.706	2.601.604
Other Current Assets	23	21.770.649	9.569.149
Non-Current Assets		12.050.149.488	12.040.602.516
Financial Investments	5	5.926.265	4.027.183
Other Receivables	9	559.263	230.053
Investments Valued by Equity Pick-up Method	15	666.440.585	684.760.259
Investment Properties	16	1.395.717.000	587.145.150
Tangible Assets	17	9.681.338.829	10.195.966.031
Intangible Assets	19	188.909.374	184.515.142
Prepaid Expenses	13	30.978.824	119.374.987
Deferred Tax Assets	30	80.279.348	264.583.711
TOTAL ASSETS		17.265.022.277	17.543.929.129

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED BALANCE SHEETS AS OF 31 DECEMBER 2024

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

		<i>Audited</i>	<i>Audited</i>
	Footnote	Current Period	Prior Period
LIABILITIES	References	31.12.2024	31.12.2023
Current Liabilities		3.094.166.035	3.373.059.196
Short Term Borrowings	8	1.645.789.561	1.677.435.197
Short-term portion of long-term borrowings	8	381.666.085	466.298.779
Trade Payables		826.026.740	952.376.076
<i>Trade Payables to Related Parties</i>	6-7	-	69.630
<i>Trade Payables to Unrelated Parties</i>	7	826.026.740	952.306.446
Employee Benefit Liabilities	22	101.765.143	132.493.254
Other Payables	9	22.534.175	18.119.471
Deferred Income	13	69.418.509	78.669.456
Current Tax Liabilities of Period Profit	30	-	1.227.591
Current Provisions		46.965.822	46.439.372
<i>Provision For Employee Benefits</i>	21	39.614.001	36.503.301
<i>Other Current Provisions</i>	21	7.351.821	9.936.071
Non-Current Liabilities		2.701.742.960	2.698.157.074
Long Term Borrowings	8	1.266.681.632	1.472.418.339
Deferred Income	13	-	23.017.225
Long Term Provisions		194.533.857	229.252.924
<i>Long Term Provisions for Employee Benefits</i>	21	194.533.857	229.252.924
Deferred Tax Liabilities	30	1.240.527.471	973.468.586
Equity		11.469.113.282	11.472.712.859
Parent Company's Equity		11.372.568.454	11.361.454.165
Issued Capital	24.1	277.292.576	277.292.576
Inflation Adjustments of Capital	24.2	4.708.186.550	4.708.186.550
Share Premium (Discount)	24.3	370.355.890	370.355.890
Accumulated Other Comprehensive Income or Expenses not to be Reclassified on Profit or Loss			
<i>Gains / Losses on Revaluation and Remeasurement</i>			
<i>-Increase / Decrease on Revaluation of Tangible Assets</i>	24.4	2.609.375.770	2.609.375.770
<i>-Defined Benefit Plans Re-Measurement Gains / (Losses)</i>	24.4	6.031.779	6.930.476
Accumulated Other Comprehensive Income or Expenses to be Reclassified on Profit or Loss			
<i>- Gains/(Losses) on Financial Assets Measured at Fair Value through Other Comprehensive Income</i>	24.5	(378.822)	(228.134)
Restricted Reserves		176.959.192	176.959.192
<i>Legal Reserves</i>	24.6	176.959.192	176.959.192
Retained Earnings / Losses	24.7	3.212.581.845	1.611.678.084
Net Profit / (Loss) for the Period	31	12.163.674	1.600.903.761
Non-controlling interests	24.8	96.544.828	111.258.694
TOTAL LIABILITIES AND EQUITY		17.265.022.277	17.543.929.129

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME
STATEMENT FOR THE PERIOD OF 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 Decemerr 2024, unless otherwise indicated.)

		<i>Audited</i> Current Period 01.01- 31.12.2024	<i>Audited</i> Prior Period 01.01- 31.12.2023
	Footnote References		
Revenue	25.1	7.801.443.661	9.154.983.790
Cost of Sales (-)	25.2	(7.615.575.851)	(8.160.454.765)
Gross Profit / (Loss)		185.867.810	994.529.025
General Administrative Expenses (-)	26.3	(294.079.334)	(434.077.436)
Marketing Expenses (-)	26.2	(190.777.782)	(220.757.182)
Research and Development Expenses (-)	26.1	(46.574.541)	(62.261.026)
Other Operating Income	27.1	586.217.345	938.094.715
Other Operating Expenses (-)	27.2	(135.342.163)	(374.199.140)
Operating Profit / (Loss)		105.311.335	841.328.956
Income from Investment Activities	28.1	829.121.886	94.489.488
Expenses from Investment Activities (-)	28.2	(1.658.558)	(213.421)
Shares of Profit/(Loss) from Investments Valued by Equity Pick-up Method	28.3	(18.319.674)	115.883.549
Operating Activity Profit/(Loss) Before Financial Expense		914.454.989	1.051.488.572
Financial Income	29.1	224.057.388	263.595.362
Financial Expenses (-)	29.2	(943.269.632)	(1.774.213.685)
Net Monetary Position Gains/(Losses)	35	253.928.526	1.721.111.999
Operating Activity Profit/(Loss) Before Taxation		449.171.271	1.261.982.248
Operating Activity Tax Income/(Expense)			
Current Tax Income/(Expense)	30	-	(1.227.591)
Deferred Tax Income/(Expense)	30	(451.712.442)	347.209.658
Current Period Operating Activity Profit / (Loss)		(2.541.171)	1.607.964.315
Profit/(Loss) for the Period		(2.541.171)	1.607.964.315
Distribution of the Period Income/(Loss)			
Minority Interests	24.8	(14.704.845)	7.060.554
Parent Company's Shares	31	12.163.674	1.600.903.761
Earnings Per Share	31	0,0439	5,7733

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME
STATEMENT FOR THE PERIOD OF 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 Decemberr 2024, unless otherwise indicated.)

		<i>Audited</i> Current Period 01.01- 31.12.2024	<i>Audited</i> Prior Period 01.01- 31.12.2023
	Footnote References		
Profit/(Loss) for the Period		(2.541.171)	1.607.964.315
Other Comprehensive Income:			
Income (Expenses) not to be Reclassified on Profit or (Loss)			
- Defined Benefit Plans Re-Measurement Gains (Losses)	21	(1.206.682)	11.051.196
Income Taxes not to be Reclassified to Profit or (Loss)			
- Deferred Tax Income / (Expense)	30	298.964	(36.338.645)
Income or Expenses that will be Reclassified on Profit or (Loss)			
- <i>Gains/(Losses) on Financial Assets Measured at Fair Value through Other Comprehensive Income</i>		(200.918)	(304.180)
Taxes on Other Comprehensive Income to be Reclassified to Profit or Loss			
- Deferred Tax (Expense)/Income		50.230	76.046
Other Comprehensive Income		(1.058.406)	(25.515.583)
Total Comprehensive Income/(Expense)		(3.599.577)	1.582.448.732
Distribution of Total Comprehensive Income			
Minority Interests	24.8	(14.713.866)	5.630.557
Parent Company's Shares		11.114.289	1.576.818.175

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
STATEMENT OF CONSOLIDATED CHANGES IN SHAREHOLDER'S EQUITY FOR THE PERIODS OF
31 DECEMBER 2024

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

					Accumulated Other Comprehensive Income and Expenses that will not be Reclassified to Profit or Loss		Accumulated Other Comprehensive Income and Expenses that will be Reclassified to Profit or Loss		Accumulated profit				
	Footnote References	Paid in Capital	Adjustments of Shareholders' Equity	Bonuses/ Discounts on Shares	Increase / (Decrease) on Revaluation of Tangible Assets	Defined Benefit Plans Re-Measurement Gains / (Losses)	Gains/(Losses) on Financial Assets Measured at Fair Value through Other Comprehensive Income	Restricted Reserves	Accumulated Profit/Loss	Net Profit/Loss For The Period	Parent Company's Equity	Minority Interests	Total Equity
Balances at 01.01.2023													
		250.000.000	4.692.151.773	-	2.641.469.682	(1.305.984)	-	176.959.192	(1.159.298.920)	2.770.977.004	9.370.952.747	105.628.137	9.476.580.884
Capital Increase	24	27.292.576	16.034.777	370.355.890	-	-	-	-	-	-	413.683.243	-	413.683.243
Transfers	24	-	-	-	-	-	-	-	2.770.977.004	(2.770.977.004)	-	-	-
Total Comprehensive Income/(Loss)		-	-	-	(32.093.912)	8.236.460	(228.134)	-	-	1.600.903.761	1.576.818.175	5.630.557	1.582.448.732
- Profit/(Loss) for the Period	24	-	-	-	-	-	-	-	-	1.600.903.761	1.600.903.761	7.060.554	1.607.964.315
- Other Comprehensive Income/(Expense)	24	-	-	-	(32.093.912)	8.236.460	(228.134)	-	-	-	(24.085.586)	(1.429.997)	(25.515.583)
Balances at 31.12.2023													
	24	277.292.576	4.708.186.550	370.355.890	2.609.375.770	6.930.476	(228.134)	176.959.192	1.611.678.084	1.600.903.761	11.361.454.165	111.258.694	11.472.712.859
Balances at 01.01.2024													
	24	277.292.576	4.708.186.550	370.355.890	2.609.375.770	6.930.476	(228.134)	176.959.192	1.611.678.084	1.600.903.761	11.361.454.165	111.258.694	11.472.712.859
Transfers	24	-	-	-	-	-	-	-	1.600.903.761	(1.600.903.761)	-	-	-
Total Comprehensive Income/(Loss)		-	-	-	-	(898.697)	(150.688)	-	-	12.163.674	11.114.289	(14.713.866)	(3.599.577)
- Profit/(Loss) for the Period	24	-	-	-	-	-	-	-	-	12.163.674	12.163.674	(14.704.845)	(2.541.171)
- Other Comprehensive Income/(Expense)	24	-	-	-	-	(898.697)	(150.688)	-	-	-	(1.049.385)	(9.021)	(1.058.406)
Balances at 31.12.2024													
	24	277.292.576	4.708.186.550	370.355.890	2.609.375.770	6.031.779	(378.822)	176.959.192	3.212.581.845	12.163.674	11.372.568.454	96.544.828	11.469.113.282

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIODS OF 01 JANUARY-31 DECEMBER 2024

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

	Footnote References	Audited Current Period 01.01- 31.12.2024	Audited Prior Period 01.01- 31.12.2023
CASH FLOWS FROM THE OPERATING ACTIVITIES		(241.525.532)	381.773.314
Profit/(Loss) for the Period			
Current Period Operating Activity Profit / (Loss)		(2.541.171)	1.607.964.315
Adjustments Related with Net Profit/Loss for The Period		(273.005.224)	(2.275.040.646)
Adjustments for Depreciation, Amortisation Expenses	17-18-19	745.999.715	678.652.908
Adjustments Related to the Provisions			
-Adjustments for Employee Termination Benefits	21-30	(35.925.749)	(42.042.268)
- Adjustment for Provision for Expenses and Lawsuits	21	(2.584.250)	746.769
- Adjustment for Other Provisions or Reversals	21	3.110.700	(3.760.733)
Adjustments for Interest (Income) and Expenses			
- Deferred Financial Expense Arise from Forward Purchasing	27.2	49.027.679	25.219.934
- Unearned Income from Futures Sale	27.1	(70.429.956)	(34.520.391)
Adjustments for Fair Value Profit or Loss			
- Adjustments for Investment Properties Fair Value Losses /(Profits)	16	(808.571.850)	(90.830.146)
- Adjustments for Fair Value Profit or Loss		(150.688)	(228.134)
Adjustments for unrealised foreign exchange losses (gains)	8	186.215.582	621.408.284
Adjustments for Retained Earnings of Investments Subject to Equity Pick-up Method			
- Adjustment for Retained Earnings of Subsidiaries	28.3	18.319.674	(115.379.266)
Tax Payments/Returns	30	451.662.212	(347.285.703)
Monetary profit/loss	35	(809.678.293)	(2.967.021.900)
Changes In The Company Capital		35.248.454	1.048.484.429
Increase/Decrease in Financial Investments	5	200.860	4.299.119
Adjustments for Increase/Decrease in Trade Receivables			
- Adjustments for Increase/Decrease in Trade Receivables from Related Parties	6-7	(435.808.194)	(533.787.049)
- Adjustments for Increase/Decrease in Trade Receivables from Unrelated Parties	7	(210.101.438)	(326.130.878)
Adjustments for Increase/Decrease in Other Receivables Related to the Operations			
- Adjustments for Increase/Decrease in Other Receivables from Related Parties Related to the Operations	6-9	(4.818.193)	318.810
- Adjustments for Increase/Decrease in Other Receivables from Unrelated Parties Related to the Operations	9	(47.055.141)	218.138.383
Adjustments for Increase/Decrease in Inventories	11	497.519.462	1.177.684.228
Adjustments Related to the Increase/Decrease in Biological Assets	12	(44.798.438)	22.880.067
Adjustments for Increase/Decrease in Prepaid Expenses	13	55.576.664	(7.562.568)
Adjustments for Increase/Decrease in Trade Payables			
- Adjustments for Increase/Decrease in Trade Payables to Related Parties	6-7	(48.227)	69.630
- Adjustments for Increase/Decrease in Trade Payables to Unrelated Parties	7	236.867.730	464.310.476
Increase/Decrease in Employee Benefits Liabilities	22	9.997.321	66.123.044
Adjustments for Increase/Decrease in Other Payables Related to the Operations			
- Adjustments for Increase/Decrease in Other Payables from Unrelated Parties Related to the Operations	9	9.984.220	5.590.028
Increase/Decrease in Deferred Tax	13	(32.268.172)	(43.448.861)
Cash Flow from Operating Activities		(240.297.941)	381.408.098
Tax Payments/Returns	30	(1.227.591)	365.216

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIODS OF 01 JANUARY-31 DECEMBER 2024

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

	<i>Audited Current Period 01.01- 31.12.2024</i>	<i>Audited Prior Period 01.01- 31.12.2023</i>
Footnote References		
NET CASH FLOW PROVIDED BY INVESTMENT ACTIVITIES	(237.816.515)	(983.621.974)
Cash outflows for the acquisition of shares or debt instruments of other entities or funds	(2.049.770)	(4.255.317)
Proceeds from Sale of Property, Plant, Equipment and Intangible Assets		
- Proceeds from Sale of Tangible Assets	17 579.508	2.251.270
Proceeds from Purchase of Property, Plant, Equipment and Intangible Assets		
- Proceeds from Purchase of Tangible Assets	17 (236.304.624)	(952.645.375)
- Proceeds from Purchase of Intangible Assets	19 (41.629)	(30.108.868)
Proceeds from Purchase of Property, Plant, Equipment and Intangible Assets	28.3 -	1.136.316
CASH FLOW PROVIDED BY FINANCIAL ACTIVITIES	603.292.878	1.116.414.303
Cash Inflows from Issuance of Shares and Other Equity Instruments		
- Cash Inflows from Share Issuance	-	413.683.243
Cash Inflows from Financial Liabilities		
- Cash Inflows from Bank Loans	8 2.353.527.171	2.705.512.799
Cash Outflows from Financial Liabilities		
- Cash Outflows for Bank Loans	8 (1.744.097.158)	(2.002.590.036)
Cash Outflows from Finance Leases	8 (6.137.135)	(191.703)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN EXCHANGE CURRENCY DIFFERENCES (A+B+C)	123.950.831	514.565.643
EFFECTS OF INFLATION ON CASH AND CAH EQUIVALENTS	(194.319.239)	(162.193.061)
D. THE EFFECT OF FOREIGN CURRENCY DIFFERENCES ON CASH AND CASH EQUIVALENTS	-	-
CASH AND CASH EQUIVALENTS NET INCREASE/DECREASE	(70.368.408)	352.372.582
CASH AND CASH EQUIVALENTS AT THE BEGINING OF THE PERIOD	4 632.184.536	279.811.954
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4 561.816.128	632.184.536

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED AT 31 DECEMBER 2024

(Amounts expressed in Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 31 December 2024, unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

Menderes Tekstil Sanayi ve Ticaret Anonim Şirketi (“The Company” or “Menderes Tekstil”), its Subsidiaries and Equity participations are referred as “Group” in the accompanying consolidated financial statements.

The entities mentioned below are applied “Full Consolidation Method”:

- Menderes Tekstil Sanayi ve Ticaret A.Ş.
- Smyrna Seracılık Ticaret A.Ş.

The entities mentioned below are applied by “Equity Pick up Method”:

- Aktur İzmir Gayrimenkul A.Ş.

Menderes Tekstil Sanayi ve Ticaret A.Ş.

The Company produces cotton press, electric energy, yarn, fabric, valances, dust ruffles, ruffled and tailored shams, comforter shells, printed towels and linens in integrated cotton and synthetic textile establishment.

The Company address registered on the Trade Registry Gazette is Adalet Mahallesi, Manas Bulvarı, No:47/A 42. Kat Bayraklı, İzmir.

As of 31 December 2024 2.038 personnel are employed by the Company and the average number of personnel is 2.220 for the period of 01.01-31.12.2024.

Company shares are traded in the Borsa Istanbul since 2000.

Production Capacity (Textile)

According to the capacity report from Denizli Industrial Chamber dated 02 May 2024 numbered 193 and valid until 03 May 2026, the Company annual production capacity is as follows: (Companies production capacity has been calculated with daily 8 hours, yearly 300 days. Company works for 3 shifts in a day):

Products	Unit	Quantity
Cotton yarn (is used in its production)	Kg	5.438.718
Raw fabric woven (is used in its production)	M ²	59.151.060
Knitted fabric (is used in its production)	Kg	1.004.400
Linens	Kg	19.477.500
Pillow case	Kg	5.670.000
Sheet	Kg	7.218.750
Quilt	Quantity	180.000
Fabric painting (is used in its production)	Kg	1.670.400
Fabric bleaching (is used in its production)	Kg	9.000.720
Fabric printing (is used in its production)	Kg	14.121.000
Digital fabric printing (is used in its production)	Kg	1.573.719

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED AT 31 DECEMBER 2024

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

Production Capacity (Energy)

According to the capacity report from Denizli Industrial Chamber dated 17 November 2023, numbered 611 and valid until 21 November 2025, the Company annual production capacity is as follows:

	Unit	Quantity
Electricity energy	Kilowatt saat	161.827.000
Steam (is used in its production)	Joule	617.569.920.000
Hot water (is used in its production)	Joule	238.360.320.000

Information about the Group's power plants in operation, together with its current installed powers, is presented in the table below:

Power plants	Company	Location	Type	Electricity Production Capacity (kWh)
<i>Geothermal</i>				
Baklacı	Menderes	Manisa	Geothermal	155.200.000
Tosunlar	Menderes	Denizli	Geothermal	30.456.000
<i>Wind</i>				
Aliağa	Menderes	İzmir	Wind	57.254.400
Bergama	Menderes	İzmir	Wind	124.338.240
<i>Solar</i>				
Sarayköy	Menderes	Denizli	Solar	9.287.600

Smyrna Seracılık Ticaret A.Ş.

Smyrna Seracılık Ticaret A.Ş. was established in 2007 in İzmir. It is engaged in agricultural production. In the Trade Registry Gazette numbered 7296 and dated 21 April 2009, the Company name has been changed from Smyrna Organik Tarım Sanayi ve Ticaret A.Ş. to Smyrna Seracılık Ticaret A.Ş. The Company has been included to the complete consolidation in 2009.

Smyrna Seracılık Ticaret A.Ş. has operated on the existing area which is 258.700 m².

Capacity Report (Sarayköy)

According to the capacity report from Denizli Industrial Chamber dated 8 May 2023, numbered 263 and valid until 11 May 2025, The Company production capacity is as follows:

Product	Unit	Quantity
Tomato	Ton	6.499

The Company recorded address to the trade registry is Köyiçi Mevkii, Tosunlar Kasabası Sarayköy, Denizli.

As of 31 December 2024, 374 personnel are employed by the Company and the average number of personnel is 363 for the period of 01.01.-31.12.2024.

Aktur İzmir Gayrimenkul A.Ş.

Aktur İzmir Gayrimenkul A.Ş. was established by spin-off of Aktur Araç Muayene İşletmeciliği A.Ş. with the resolution of the general assembly published in the Trade Registry Newspaper dated November 23, 2020 and numbered 10208. The company generates rental income from the properties it owns. Head office of the company is in İzmir.

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED AT 31 DECEMBER 2024

(Amounts expressed in Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 31 December 2024, unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.a. Basis of Presentation

Financial reporting standards applied

The consolidated financial statements of the Group have been prepared in accordance with the communiqué numbered II-14.1 “Communiqué on the Principles of Financial Reporting in Capital Markets” (“the Communiqué”) announced by the CMB on 13 June 2013 which is published on Official Gazette numbered 28676 and in compliance with the international standards issued by the Public Oversight Accounting and Auditing Standards Authority (“POA”) based on Turkish Financial Reporting Standards (“TFRS”) and the related appendices and interpretations. TFRS are updated through communiqués in order to be in line with the changes in International Financial Reporting Standards (“IFRS”).

The consolidated financial statements are presented in accordance with the formats specified in the “Announcement on TFRS Taxonomy” published by POA on 3 July 2024 and the Financial Statement Examples and User Guide published by CMB.

The Preparation of Financial Statements

The accompanying consolidated financial statements are prepared in accordance with the Communiqué Serial II, No: 14.1, “Principles of Financial Reporting in Capital Markets” (“the Communiqué”) published in the Official Gazette numbered 28676 on 13 June 2013. According to the article 5 of the Communiqué, consolidated financial statements are prepared in accordance with Turkish Financial Reporting Standards (“IFRS”) and its addendum and interpretations (“IFRIC”) issued by Public Oversight Accounting and Auditing Standards Authority (“POA”) Turkish Accounting Standards Boards. The consolidated financial statements of the Group are prepared as per the CMB announcement of 4 October 2022 relating to financial statements presentations.

Financial reporting in hyperinflationary economy

With the announcement made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities that apply TFRS have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies for the financial statements for the annual reporting period ending on or after 31 December 2023.

TAS 29 is applied to the financial statements, including the consolidated financial statements, of entities 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 31 December 2023, on the purchasing power basis as of 31 December 2024.

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

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED AT 31 DECEMBER 2024

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

The adjustments made in accordance with TAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index ("CPI") of Turkey published by the Turkish Statistical Institute ("TURKSTAT"). As of 31 December 2024, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follow:

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

The main elements of the Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period consolidated financial statements prepared in TRY are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 "Impairment of Assets" and TAS 2 "Inventories" are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.
- All items in the statement of comprehensive income, except for the non-monetary items in the statement of financial position that have an impact on the statement of comprehensive income, have been restated by applying the multiples calculated over the periods in which the income and expense accounts were initially recognized in the financial statements.
- The effect of inflation on the Group's net monetary asset position in the current period is recorded in the monetary gain/loss account in the consolidated income statement.

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED AT 31 DECEMBER 2024

(Amounts expressed in Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 31 December 2024, unless otherwise indicated.)

Approval of Financial Statements

Consolidated financial statements are approved by the Board of Directors and granted authority to publish on 05 March 2025 Boards of Directors have authority to change financial statements.

Currency Measurement and Reporting Currency

As of 31 December 2024 and 31 December 2023 the Group’s functional and reporting currency unit is represented in TRY compared to previous periods.

Rounding of amounts presented in financial statements

The financial information given in TRY has been rounded to the nearest full TRY value.

Offsetting

Financial assets and liabilities are offset, and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Going Concern

The accompanying consolidated financial statements have been prepared assuming that the group will continue to generate benefit from its assets and fill its liabilities in the following year under the natural course of its activities based on the assumption of continuity of business.

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED AT 31 DECEMBER 2024

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

Basis of Consolidation

The capital structure of subsidiaries and participations are as follows:

Subsidiaries	Consolidation Method	31 December 2024	31 December 2023
Smyrna Seracılık Ticaret A.Ş.	Full Consolidation	79,17%	79,17%

Participations	Consolidation Method	31 December 2024	31 December 2023
Aktur İzmir Gayrimenkul A.Ş.	Equity Pick up	48,00%	48,00%

Investments in associates are accounted via using equity pick up method. These are entities in which the Group generally holds between 20% and 50% of the voting rights, or where the Group has significant influence, as well as not having control over the operations of the Group.

Subsidiaries are included in consolidation as of the date of transition to the controlling the Group and they are excluded from the scope of consolidation as of the date of completion of the control.

The share of minority shareholders in the net assets and operating results of the Subsidiaries are presented as minority interest in the consolidated balance sheet and income statement.

In the accompanying consolidated financial statements, results of operations and assets and liabilities of associates are accounted for using equity pick up method of accounting. According to the equity pick up method, associates in the consolidated financial statements are shown on the basis of the amount obtained by subtracting the cost value from the net assets of the subsidiary after deducting any impairment in the associate. Losses that exceed the share of the Group in the associate are not recognized in the records. Additional loss is due to the fact that the Group has been exposed to legal or implied liability or has made payments on behalf of an affiliate or business partnership.

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED AT 31 DECEMBER 2024

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

As of 31 December 2024 and 31 December 2023, the capital structure of subsidiaries and participations are as follows:

Menderes Tekstil Sanayi ve Ticaret A.Ş.(Parent Company)

	31.12.2024	31.12.2023
	Ratio %	Ratio %
Public Offered Shares	49,79	49,79
Akça Holding A.Ş.	48,06	48,06
Other	2,16	2,16
	%100	%100

Akça Holding A.Ş. (Controlling Shareholder of Menderes Tekstil Sanayi ve Ticaret A.Ş.)

	31.12.2024	31.12.2023
	Ratio %	Ratio %
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	63,19	56,67
Rıza Akça	18,41	21,67
Dilek Göksan	9,20	10,83
Ahmet Bilge Göksan	9,20	10,83
	%100	%100

Smyrna Seracılık Ticaret A.Ş. (Subsidiary)

	31.12.2024	31.12.2023
	Ratio %	Ratio %
Menderes Tekstil Sanayi ve Ticaret A.Ş.	79,17	79,17
Rıza Akça	10,31	10,31
Ahmet Bilge Göksan	5,16	5,16
Dilek Göksan	5,16	5,16
Other	0,20	0,20
	%100	%100

Aktur İzmir Gayrimenkul A.Ş. (Subsidiary)

	31.12.2024	31.12.2023
	Ratio %	Ratio %
Zeybekçi Holding A.Ş.	50,00	50,00
Menderes Tekstil Sanayi ve Ticaret A.Ş.	48,00	48,00
Akça Holding A.Ş.	2,00	2,00
	%100	%100

2.b. Comparative Information and Previous Periods Adjustments

For the purpose of conducting a comparison of financial position and performance trend, the Group's current financial statements are prepared comparative with previous periods. Comparative information is reclassified to be compatible with the presentation of current financial statements, when necessary.

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED AT 31 DECEMBER 2024

(Amounts expressed in Turkish Lira (“TRY”) in terms of the purchasing power of the TRY at 31 December 2024, unless otherwise indicated.)

2.c. Changes in Accounting Estimates and Errors

The accompanying financial statements necessitate that some predictions about income and expenses regarding possible assets and liabilities in the financial statements prepared by group management to be compatible with statements required by Capital Market Board. Realized amounts can differ from the predictions. These predictions are observed regularly and reported periodically in income statements.

2.d. Changes in Accounting Policies

A group only could change it is accounting policy under following circumstances;

- If a standard or interpretation makes it necessary or
- If the change make effect of operations or incidents on financial position and performance or cash flows more appropriate and reliable.

Financial statements have to be comparable to see trends in the financial position of companies, performance and cash flows for users of financial statements. Accordingly, why, if the change is not granting one of above conditions, each interim and fiscal periods has to be applied same accounting policy.

The accounting policies implemented in the financial statements are the same as those implemented in the financial statements as of 31 December 2024 and 31 December 2023 and for the year ended on the same date, except as stated above.

2.e. New and amended standards and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of 31 December 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of 01 January 2024 and thereafter.

The amendments did not have a significant impact on the financial position or performance of the Group.

a) The new standards, amendments and interpretations which are effective as of January 1, 2024 are as follows

Amendments to TAS 1 : Classification of Liabilities as Current or Non-Current

Amendments to IFRS 16:Lease Liability in a Sale and Leaseback

Amendments to TAS 7 and TFRS 7- Disclosures: Supplier Finance Arrangements

The amendments did not have a significant impact on the financial position or performance of the Group.

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
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(Amounts expressed in Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 December 2024, unless otherwise indicated.)

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

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

- Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;
- Amendments to TAS 21 - Lack of exchangeability

The Group will assess the effects of these changes after the mentioned standards have been finalized.

- TFRS 17 - The new Standard for insurance contracts. The mentioned standard is not applicable to the Group.

c) The amendments which are effective immediately upon issuance

- Amendments to TAS 12 – International Tax Reform – Pillar Two Model Rules

The amendments do not have a significant impact on the financial position or performance of the Group.

d) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The following amendments to TFRS 9 and TFRS 7 as well as TFRS 18 and TFRS 19 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Group will make the necessary changes to its consolidated financial statements after the amendments and new Standard are issued and become effective under TFRS.

- Amendments to TFRS 9 and TFRS 7 – Classification and measurement of financial instruments
- Amendments to TFRS 9 and TFRS 7 – Contracts Concerning Electricity Generated from Natural Resources
- TFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

- TFRS 19 – Subsidiaries without Public Accountability: Disclosures

The mentioned standard is not applicable to the Group.

MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2.f. Summary of Significant Accounting Policy

Revenue Recognition

Group recognizes revenue based on the following five principles in accordance with the IFRS 15 - "Revenue from Contracts with Customers" standard effective from 1 January 2018.

- Identification of customer contracts
- Identification of performance obligations
- Determination of the transaction price in the contracts
- Allocation of transaction price to the performance obligations
- Recognition of revenue when the performance obligations are satisfied

Group evaluates each contracted obligation separately and respective obligations, which are committed to deliver the goods or perform services, are determined as separate performance obligations. Group determines at contract inception whether the performance obligation is satisfied over time or at a point in time. When the Group transfers control of a good or service over time, and therefore satisfies a performance obligation over time, then the revenue is recognized over time by measuring the progress towards complete satisfaction of that performance obligation.

The goods or services are transferred when the control of the goods or services is delivered to the customers. Following indicators are considered while evaluating the transfer of control of the goods and services,

- a) presence of Group's collection right of the consideration for the goods or services,
- b) customer's ownership of the legal title on goods or services,
- c) physical transfer of the goods or services,
- d) customer's ownership of significant risks and rewards related to the goods or services,
- e) customer's acceptance of goods or services.

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

Interest Income

Interest income is accrued using the effective interest method which brings the remaining principal amount and expected future cash flows to the net book value of the related deposit during the expected life of the deposit.

Interest and foreign exchange gains and losses arising from trading transactions are recognized in other operating income and expense.

Dividend income is recorded as income of the collection right transfer date. Dividends payable are recognized as an appropriation of profit in the period in which they are declared.

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Inventories

Inventories are valued at the lower of cost or net realizable value. Inventory costs include purchasing costs. The unit cost of inventories is determined average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

Biological Assets

Group's biological assets consist of planted tomatoes. Uncultivated tomatoes are reflected in the consolidated financial statements after the provision for impairment is booked, if there is a decrease in cost due to the absence of an active market.

Tangible Assets

Lands, buildings, land improvements, machineries and equipment are reflected to the consolidated financial statements at fair values that are determined by an independent real estate appraisal company, which is accredited by CMB.

The valuation company used the Market Value Method in determining the fair values of land, land and buildings. The "Market Value and Cost Method" was used to determine the fair values of land improvements and machinery, plant and equipment.

The revaluation frequency depends on the differences at the fair values of tangible fixed assets.

If net book value of an asset increases as a result of the revaluation, this increase is recognized at statement of other comprehensive income and presented under the revaluation fund account in the equity. However a revaluation value increase can only be recognized in the profit or loss statement to the extent of impairment recorded in the previous periods for the same asset.

If net book value of an asset decreases during the revaluation, this decrease is recognized as expense. However this decrease can only be recognized as much as all kinds of credit balance about this asset in the revaluation surplus.

The subjected decrease recognized in other comprehensive income, decreases the amount accumulated in equity under revaluation surplus. In the case of sales of revalued buildings or land, revaluation surplus part of revalued asset is classified to accumulated profit/(loss).

Property, plant and equipment are carried at indexed cost less indexed accumulated depreciation. Historical costs include the costs directly related to the acquisition of property plant and equipment. Costs incurred after the acquisition can be added to the net book value of the assets or can be booked as another asset if and only if it is probable that the future economic benefits will flow to the Group and the cost of the asset can be measured reliably. All other repair and maintenance costs are expensed in the consolidated statement of comprehensive income for the period. Depreciation is provided using the straight-line method based on the estimated useful lives of gross book value of assets.

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Economic useful lives of assets approximately are as follows:

	Year
Land improvements	10-40
Buildings	30-50
Machinery, plant and equipment	5-15
Energy facilities	20-25
Motor vehicles	5-10
Fixtures and fittings	3-20

Intangible Assets

Intangible assets are carried at restated acquisition cost less accumulated amortization.

Intangible assets comprise acquired usage rights, information systems, research and development expenses and other identified rights. They are recorded at acquisition cost and amortized on a straight-line based on pro-rata over their estimated useful lives for a period not exceeding between 10% and 20% for a year.

Investment Properties

Investment properties are the real estates which are held to earn rental income and/or for capital appreciation. Investment properties are presented in the financial statements at their fair value determined in the revaluation work. Revaluation work was performed by an independent appraisal company accredited by the Capital Market Board. Appreciation or devaluation in the mentioned properties is accounted in the consolidated profit or loss table.

If an owner-occupied property becomes an investment property that will be carried at fair value, an entity shall apply TAS 16 up to the date of change in use. The entity shall treat any difference at that date between the carrying amount of the property in accordance with TAS 16 and its fair value in the same way as a revaluation in accordance with TAS 16.

Investment properties are derecognized when either they have been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statement of profit or loss in the year of retirement or disposal. A gain or loss arising from a change in the fair value of investment property shall be recognized in profit or loss for the period in which it arises.

Impairment of Assets

The carrying amounts of the Group's assets other than goodwill are reviewed at each balance sheet date to determine whether there is any indication of impairment. When an indication of impairment exists, the Group compares the carrying amount of the asset with its net realizable value which is the higher of value in use or fair value less costs to sell. Impairment exists if the carrying value of an asset or a cash generating unit is greater than its recoverable amount which is the higher of value in use or fair value less costs to sell. An impairment loss is recognized immediately in the comprehensive statement of income. The increase in carrying value of the assets (or a cash generated unit) due to the reversal of recognized impairment loss shall not exceed the carrying amount of the asset (net of amortization amount) in case where the impairment loss was reflected in the consolidated financial statements in prior periods. Such a reversal is accounted for in the comprehensive statement of income.

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Right-of-Use Assets

The Group recognizes right-of-use assets at the commencement of the lease (i.e., the date of underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- (a) the amount of lease liabilities recognized,
- (b) lease payments made at or before the commencement date less any lease incentives received.
- (c) initial direct costs incurred.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease Liabilities

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

At the commencement date of the lease, the measurement of the lease liabilities include:

- (a) Fixed payments,
- (b) The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs,
- (c) The amounts expected to be paid by the Group under residual value guarantees.
- (d) The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and
- (e) The payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

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

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

After the commencement date, the Group measures the amount of lease liabilities as follows:

- (a) The amount of lease liabilities is increased to reflect the accretion of interest and
- (b) Reduces for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

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Short – term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (ie, those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term lease and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Borrowing costs

Borrowings are recognized initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective yield method; any difference between proceeds, net of transaction costs, and the redemption value is recognized in the statement of income over the period of the borrowings.

In case of foreign exchange income in the financing activities, the related income is deducted from the total of capitalized financial expenses.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All of the other borrowing costs are recorded in the income statement in the period in which they are incurred.

Foreign exchange differences relating to borrowings, to the extent that they are regarded as an adjustment to interest costs, are also capitalized. The gains and losses that are an adjustment to interest costs include the interest rate differential between borrowing costs that would be incurred if the entity borrowed funds in its functional currency, and borrowing costs actually incurred on foreign currency borrowings.

Financial Assets

Classification

Group classifies its financial assets in three categories of financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit or loss. The classification of financial assets is determined considering the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The appropriate classification of financial assets is determined at the time of the purchase.

Financial assets are not reclassified after initial recognition except when the Group's business model for managing financial assets changes; in the case of a business model change, subsequent to the amendment, the financial assets are reclassified on the first day of the following reporting period.

Recognition and Measurement

"Financial assets measured at amortized cost", are non-derivative assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Group's financial assets measured at amortized cost comprise "cash and cash equivalents", "trade receivables" and "financial investments". Financial assets carried at amortized cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets measured at amortized cost are accounted for under the consolidated.

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"Financial assets measured at fair value through other comprehensive income", are non-derivative assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Gains or losses on a financial asset measured at fair value through other comprehensive income is recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses until the financial asset is derecognized or reclassified. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified to retained earnings.

Group may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, to present subsequent changes in fair value in other comprehensive income. In such cases, dividends from those investments are accounted for under consolidated statement of income.

"Financial assets measured at fair value through profit or loss", are assets that are not measured at amortized cost or at fair value through other comprehensive income. Gains and losses on valuation of these financial assets are accounted for under the consolidated statement of income.

Derecognition

The Group derecognized a financial asset when the contractual rights to the cash flows from the asset expired, or it transferred the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset were transferred. Any interest in such transferred financial assets that was created or retained by the Group was recognized as a separate asset or liability.

Impairment

Impairment of the financial and contractual assets measured by using "Expected credit loss model" (ECL). The impairment model applies for amortized financial and contractual assets.

Provision for loss measured as below;

- 12 Month ECL: results from default events that are possible within 12 months after reporting date.
- Lifetime ECL: results from all possible default events over the expected life of financial instrument.

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since 12 month ECL measurement if it has not.

The group may determine that the credit risk of a financial asset has not increased significantly if the asset has low credit risk at the reporting date. However lifetime ECL measurement (simplified approach) always apply for trade receivables and contract assets without a significant financing.

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Trade Receivables

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

Group has preferred to apply "simplified approach" for the recognition of impairment losses on trade receivables, carried at amortized cost and that do not comprise of any significant finance component (those with maturity less than 1 year). In accordance with the simplified approach, Group measures the loss allowances regarding its trade receivables at an amount equal to "lifetime expected credit losses" except incurred credit losses in which trade receivables are already impaired for a specific reason.

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

Unearned finance income/expense due to commercial transactions are accounted for under "Other Operating Income/Expenses" in the consolidated statement of income or loss.

The Group collects some of its receivables through factoring. The receivables that are subject to the factoring transaction are deducted from their respective receivables accounts, if the collection risk is undertaken by the Factoring Group. The amounts at Group's collection risk continue to be transferred to the Consolidated Financial Statements and advances received from the factoring companies are presented as debts from factoring transactions under the "Borrowings" account in the Consolidated Financial Statements.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank deposits with original maturities of more than three months and shorter than 1 year are classified under short-term financial investments.

Financial Liabilities

Financial liabilities are measured initially at fair value. Transaction costs which are directly related to the financial liability are added to the fair value.

The effective interest method calculates the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate discounts the estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Financial liabilities are classified as equity instruments and other financial liabilities.

Equity instruments

Financial liabilities related to non-controlling share put options are reflected in the financial statements in conformity with their discounted value of them own redemption plan. The discounted value of the financial liability which is the subject of the put option is estimated to be the fair value of the financial asset.

Other financial liabilities

Other financial liabilities are subsequently measured at amortized cost using the effective interest method plus the interest expense recognized on an effective yield basis.

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Trade Payables

Trade payables are payments to be made arising from the purchase of goods and services from suppliers within the ordinary course of business. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

The Effects of Exchange Rates

Foreign currency transactions are entered in the accounts with current rates in transaction date. Foreign currency assets and liabilities in the balance sheet are converted to the TRY as the rates in the balance sheet date. Foreign exchange and losses are reflected to the financial statements.

Effects of Change in Currency Rate

Assets and liabilities in foreign currency and purchase and sale commitments create exchange risk. Foreign exchange risk stemming from depreciation or appreciation of Turkish Lira managed by top management by following the currency position of the Group and taking position according to approved limits.

Earnings per Share / (Loss)

The amount of gain / loss per share is calculated by dividing the period gain/ loss of the Group with weighted average share unit in the period.

In Turkey, companies can increase their share capital by making distribution of "bonus shares" to existing shareholders from Inflation adjustment difference in shareholder's equity. For the purpose of the earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of "bonus shares" issued without corresponding change in resources by giving them retroactive effect for the period in which they were issued and each earlier period.

Investments Subject to Equity Pick-up Method

Equities valued with equity pick-up method are carried at their initial acquisition cost. This amount is accounted by equity pick-up method by restating subject to Group accounting policies calculating the share of Group from the net assets.

Employee Benefits / Severance Pay

Provision for Severance Pay

Under Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who retires in accordance with social insurance regulations or is called up for military service or dies. As of 31 December 2024, such payments are calculated on the basis of 30 days' pay limited to a maximum of TRY 41.828 (31 December 2023: TRY 23.490) per year of employment at the rate of pay applicable at the date of retirement.

Group used "Projection Method" to calculate the termination benefits and the duration to be completed based on the past experience and discounted with rate of Treasury bond at balance sheet date. The calculated profits and losses are reflected in income statements.

The ratios of the basic assumptions used on the balance sheet date are as follows:

	31.12.2024	31.12.2023
Discount rate	3,25%	3,20%

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Social Insurance Premium

Group, pays social security contribution to social security organization compulsorily. So long as the Group pays these premiums, it has no liability. These premiums are reflected as personnel expenses in the period in which they are paid.

An obligation is recorded regarding to vacation payments earned by the employees as a result of their past services. In case of termination of employment, the Group is obliged to pay an amount equal to the amount found by multiplying the daily gross wage on the date of termination of the employment contract and the sum of other contractual benefits with the number of earned but unused vacation days. In this context, the Group records the provision for unused vacation as a long-term benefit obligation provided to employees.

Vacation provision is a short-term employee benefit obligation, measured without discount and expensed in profit or loss as the related service is performed.

Taxes

Taxes on income for the period comprise current tax and the change in the deferred taxes. The charge for current tax is based on the results for the period as adjusted for items which are non-assessable or disallowed. It is calculated using tax rates enacted by the balance sheet date. Deferred tax is accounted for using the “liability” method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable (statutory) profit. Deferred tax is accounted by temporary differences between the values of assets and liabilities in financial statements using “liability method” and the values of financial statements for the legal purpose. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit. Net deferred tax assets created from term differences deducted in proportion as tax allowances in conditions of there is no certain information for the coming periods.

Provisions, Conditional Liabilities and Conditional Assets

Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Conditional liabilities and conditional assets

Transactions that may give rise to contingencies and commitments are those where the outcome and the performance of which will be ultimately confirmed only on the occurrence or non occurrence of certain future events, unless the expected performance is not very likely. Accordingly, contingent losses are recognized in the financial statements of Group if a reasonable estimate of the amount of the resulting loss can be made. Contingent gains are reflected only if it is probable that the gain will be realized.

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Derivative Financial Instruments and Instruments to Protect from Risk

The Group's derivative financial instruments include foreign currency forward contracts and interest rate swap transactions.

At the end of valuation, the derived financial instruments which are appreciated with the reasonable value and associated with income statement will be reflected as a result of valuation to the income sheet.

It has been calculated with comparison of the revalued gains and losses in the forward purchase and sale agreements of foreign currency with the foreign exchange spot rate as of balance sheet date and the revalued original amount calculated with linear method with valid foreign exchange spot rate as of starting date of agreements. Amounts related with income statement have been classified as income/ expense accruals under other receivables and other payables in the balance sheet.

Statement of Cash Flow

The Group prepares statements of cash flows as an integral part of its of financial statements to enable financial statement analysis about the change in its net assets, financial structure and the ability to direct cash flow amounts and timing according to evolving conditions. Cash flows include those from operating activities, working capital, investing activities and financing activities.

Cash flows from operating activities represent the cash flows generated from the Group's activities. The Group has preferred to present the cash inflows and outflows from operating activities in the financial statements in indirect way.

Cash flows related to investing activities represent the cash flows that are used in or provided from the investing activities of the Group (fixed investments and financial investments).

Cash flows arising from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds.

Subsequent Events

Although subsequent events arise after the explanation of the financial information to the public or any announcement related to profitability, it encloses all the events with balance sheet date and authorization date for the diffusion of the balance sheet. Group adjusts the amounts in the financial statements if there exists any events necessitates adjustment.

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Related Parties

In the presence of one of the following criteria, parties are considered as related to the Group:

- (a) Directly, or indirectly through one or more intermediaries, the party:
 - (i) Controls, is controlled by, or is under common control with, the Group (this includes parents, subsidiaries and fellow subsidiaries);
 - (ii) Has an interest in Group that gives it significant influence over the Group; or
 - (iii) Has joint control over the Group;
- (b) The party is an associate of the Group,
- (c) The party is a joint venture, in which the Group is a venture,
- (d) The party is member of the key management personnel of the Group or its parent,
- (e) The party is a close member of the family of any individual referred to in (a) or (d);
- (f) The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e)
- (g) The party has a defined benefit plan for the employees of the Group or a related party of the Group.

Transactions with related parties are transfer of resources or obligations between related parties, regardless of whether a price is charged. Group interacts with its related parties within the frame of ordinary business activities (Note 6).

Details of related parties are as follows:

Akça Holding A.Ş. "Akça Holding"

Akça Holding A.Ş. was established in 1994 in İzmir. The Company's field of activity is to provide financial support to group companies.

Osman Akça Tarım Ürünleri İthalat İhracat Sanayi ve Ticaret A.Ş. "Osman Akça Tarım Ürünleri"

Osman Akça Tarım Ürünleri İthalat ve İhracat San. ve Tic. A.Ş. was established on 25 July 1985. Head quarter of The Company is in İzmir. The Company's field of activity is agricultural products and dried fruit processing.

Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti. "Akça Saraylı Tekstil"

Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti. was established in 1990 in İzmir The Company's field of activity is the wholesale and retail sale of textile products.

A trademark lease contract was made between Menderes Tekstil San. ve Tic. A.Ş. and Akça Saraylı Tekstil San. ve Tic. Ltd. Şti. Regarding to this signed contract, Akça Saraylı Tekstil San. ve Tic. Ltd.Şti. is obliged to pay 2% of its annual net sales to Menderes Tekstil San. ve Tic. A.Ş. as a leasing fee. Consequently, Akça Saraylı Tekstil San. ve Tic. Ltd. Şti. leased the trademarks of Mendereshome Store-Menderesstore-Menderestore.

Ak-San Sigorta ve Aracılık Hizmetleri Ltd. Şti. "Aksan Sigorta"

Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti. was established on 13 March 1997. Head quarter of the Company is in İzmir. The Company's field of activity is insurance brokerage services.

Related parties that do not have any significant activity with the Group are as follows:

Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.

Aktur İzmir Gayrimenkul A.Ş.

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Government Grants and Incentives

Government incentives, including non-monetary grants at fair value are included in the consolidated financial statements only if there is reasonable assurance that the Group will fulfill all required conditions and acquire the incentive. A forgivable loan from the government is treated as a government grant when it is probable that the entity will meet the terms for forgiveness of the loan.

The Group has an income from insurance premium employer share incentive based on the Labor Law numbered 4857 and Social Insurance and General Health Insurance Law numbered 5510 This incentive granted by government is not collected in cash but deducted from the accrued insurance premiums by treasury. The mentioned incentive income was off set against cost of goods sold in the financial statements.

2.g. Significant Accounting Estimates and Assumptions

The preparation of consolidated financial statements requires estimates and assumptions to be made regarding the amounts for the assets and liabilities at the balance sheet date, and explanations for the contingent assets and liabilities as well as the amounts of income and expenses realized in the reporting period. The Group makes estimates and assumptions concerning the future. The accounting estimates and assumptions, by definition, may not be equal to the related actual results. The estimates and assumptions that may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial period are addressed below:

Deferred tax

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax bases and statutory tax financial statements. Such differences usually arise from the fact that certain income and expense items are included in the tax base amounts and financial statements prepared in accordance with TAS at different periods. The Group has unused tax losses that can be deducted from future profits and deferred tax assets consisting of other deductible temporary differences. The recoverable amount of deferred tax assets partially or fully is estimated under current conditions. During the assessment, future profit projections, losses incurred in the current period, unused losses and other taxable assets are taken into consideration and tax planning strategies that can be used when necessary are taken into account.

Provision for severance pay

The present value of the retirement pay liability is determined on an actuarial basis using certain assumptions. These assumptions are used in determining the net expense of the termination compensation liabilities and include the rate of reduction. Any change in the underlying assumptions affect the recorded value of the termination indemnity obligation. Actuarial losses and gains are recognized in the statement of comprehensive income in the period in which they are incurred.

The group determines the appropriate reduction rate at the end of each year. This rate is used to calculate the present value of estimated future cash outflows necessary to meet the retirement benefit obligations.

Deferred financing income / expense:

The calculation of the amortized cost of trade receivables and payables by using the effective interest method is based on the expected collection and payment dates of the receivables and payables.

Useful lives:

Tangible and intangible assets are amortized and depreciated on useful lives.

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Provisions for litigation:

When setting aside the provision for legal claims the probability of losing the related case and the results to expect to be suffered in the event that the legal counsel of the Group and management of the Group make their best estimates to calculate the provision.

Investment property impairment:

The Group makes a comparison with the valuation report issued by the licensed real estate valuation company at Capital Market Board when evaluating as to whether any indication that there is a decrease in the value of the investment properties.

Distinction of tangible assets and Investment properties:

The Group has classified the properties which it owns and rented as investment properties.

Fair value measurements of land and buildings

While the fair values of land and buildings have been determined within the scope of TAS 16, real estate valuation reports prepared by Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş. accredited by the Capital Markets Board were used (Note 17).

Fair value measurements of property, plant and equipment

While the fair values of machinery, plant and equipments have been determined within the scope of TAS 16, real estate valuation reports prepared by Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş. accredited by the Capital Markets Board were used (Note 17).

The estimates used are shown in the relevant accounting policies or footnotes.

2.h. Segment Reporting

The Group has three business segments determined by the management based on information available for the evaluation of performances and the allocation of resources. These divisions are; textile (Menderes Tekstil), agriculture sector (Menderes Tekstil and Smyrna) and energy sector (Menderes Tekstil). These segments are managed separately because they are affected by the economic conditions and geographical positions in terms of risks and returns. When evaluating the segments’ performance, Group Management is utilizing the financial statements prepared in accordance with IFRS (Note 3).

Operating segments are reported in a manner consistent with the reporting provided to the Group’s chief operating decision-maker. The Group’s chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

For an operating segment to be identified as a reportable segment, its reported revenue, including both sales to external customers and intersegment sales or transfers, is 10% or more of the combined revenue, internal and external, of all operating segments; the absolute amount of its profit or loss is 10% or more of the combined profit or loss or its assets are 10% or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

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NOTE 3 – SEGMENT REPORTING

31 December 2024	Textile Sector	Agricultural Sector	Energy Sector	Real Estate Sector	Elimination	Total
Revenue	3.408.852.533	3.433.899.105	958.692.023	-	-	7.801.443.661
Cost of Sales (-)	(3.505.178.682)	(3.553.310.682)	(572.300.474)	-	15.213.987	(7.615.575.851)
GROSS PROFIT/LOSS	(96.326.149)	(119.411.577)	386.391.549	-	15.213.987	185.867.810
General Administrative Expenses (-)	(242.370.685)	(33.908.810)	(17.843.988)	-	44.149	(294.079.334)
Marketing Expenses (-)	(182.977.823)	(7.799.959)	-	-	-	(190.777.782)
Research and Development Expenses (-)	(46.574.541)	-	-	-	-	(46.574.541)
Other Operating Income	287.386.810	306.850.210	7.238.461	-	(15.258.136)	586.217.345
Other Operating Expenses (-)	(103.997.735)	(23.193.451)	(8.150.977)	-	-	(135.342.163)
OPERATING PROFIT/LOSS	(384.860.123)	122.536.413	367.635.045	-	-	105.311.335
Income from Investing Activities	5.615.600	-	-	823.506.286	-	829.121.886
Expense from Investing Activities (-)	(561.218)	-	-	(1.097.340)	-	(1.658.558)
Shares of Profit/(Loss) from Investments Valued by Equity Pick-up Method	(18.319.674)	-	-	-	-	(18.319.674)
OPERATING PROFIT/LOSS BEFORE FINANCING EXPENSES	(398.125.415)	122.536.413	367.635.045	822.408.946	-	914.454.989
Financial Income (+)	228.109.456	12.068.192	-	-	(16.120.260)	224.057.388
Financial Expenses (-)	(639.549.933)	(32.714.537)	(287.125.422)	-	16.120.260	(943.269.632)
Gains /(Losses) on Net Monetary Position	(889.738.799)	264.241.186	616.544.368	262.881.771	-	253.928.526
OPERATING ACTIVITY PROFIT/(LOSS) BEFORE TAXATION	(1.699.304.691)	366.131.254	697.053.991	1.085.290.717	-	449.171.271
Operating Activity Tax Income / (Expense)						
- Income/Expense Tax for the period	-	-	-	-	-	-
- Deferred Tax Income/Expense	(433.133.625)	(18.578.817)	-	-	-	(451.712.442)
PROFIT/(LOSS) FOR THE PERIOD	(2.132.438.316)	347.552.437	697.053.991	1.085.290.717	-	(2.541.171)

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31 December 2024	Textile Sector	Agricultural Sector	Energy Sector	Real Estate Sector	Elimination	Total
Total Assets	9.209.656.187	3.209.946.903	3.798.336.340	1.309.134.000	(262.051.153)	17.265.022.277
Total Liabilities	3.855.149.445	677.779.719	1.367.085.445	560.875	(104.666.489)	5.795.908.995
Assets by Segments						
Investment Properties	86.777.000	-	-	1.308.940.000	-	1.395.717.000
Tangible Fixed Assets (Net Book Value) Total	5.295.020.262	588.237.775	3.798.080.793	-	-	9.681.338.829
Intangible Fixed Assets (Net Book Value) Total	188.613.983	39.844	255.547	-	-	188.909.374
Purchases of Tangible and Intangible Assets	98.293.210	80.814.447	57.238.596	-	-	236.346.253
Depreciation expenses	378.184.313	60.507.526	307.307.876	-	-	745.999.715
Detail of the Group's foreign currency assets and liabilities by segments						
Total Assets	1.384.401.065	41.506.979	-	-	-	1.425.908.044
Total Liabilities	751.527.680	756.042	1.367.085.445	-	-	2.119.369.167
Net Foreign Currency Asset/ Liabilities	632.873.385	40.750.937	(1.367.085.445)	-	-	(693.461.123)
Detail of the Group's financial liabilities by division in currency						
Financial Payables	1.806.025.118	121.026.715	1.367.085.445	-	-	3.294.137.278
- USD	252.957.807	-	190.411.299	-	-	443.369.106
- EUR	423.723.746	-	1.176.674.146	-	-	1.600.397.892
- TRY	1.129.343.565	121.026.715	-	-	-	1.250.370.280
Export	2.430.295.264	346.076.671	-	-	-	2.776.371.935
Import	686.409.232	9.069.876	-	-	-	695.479.108
Total Debt	3.855.149.445	677.779.719	1.367.085.445	560.875	(104.666.489)	5.795.908.995
Cash Equivalents	(560.196.060)	(1.620.068)	-	-	-	(561.816.128)
Net Debt	3.294.953.385	676.159.651	1.367.085.445	560.875	(104.666.489)	5.234.092.867
Total Equity	11.163.082.786	463.415.160	-	-	(157.384.664)	11.469.113.282
Total Capital	14.458.036.171	1.139.574.811	1.367.085.445	560.875	(262.051.153)	16.703.206.149
Net Debt/Total Capital Ratio	22,79%	59,33%	100,00%	100,00%	-	31,34%

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31 December 2023	Textile Sector	Agricultural Sector	Energy Sector	Elimination	Total
Revenue	4.766.885.608	3.320.343.716	1.067.754.466	-	9.154.983.790
Cost of Sales (-)	(4.205.007.058)	(3.424.243.625)	(537.274.298)	6.070.216	(8.160.454.765)
GROSS PROFIT/LOSS	561.878.550	(103.899.909)	530.480.168	6.070.216	994.529.025
General Administrative Expenses (-)	(401.454.440)	(18.769.284)	(13.894.199)	40.487	(434.077.436)
Marketing Expenses (-)	(209.601.059)	(11.156.123)	-	-	(220.757.182)
Research and Development Expenses (-)	(62.261.026)	-	-	-	(62.261.026)
Other Operating Income	413.456.639	510.392.012	20.356.767	(6.110.703)	938.094.715
Other Operating Expenses (-)	(349.676.508)	(24.435.512)	(87.120)	-	(374.199.140)
OPERATING PROFIT/LOSS	(47.657.844)	352.131.184	536.855.616	-	841.328.956
Income from Investing Activities	92.775.849	1.713.639	-	-	94.489.488
Expense from Investing Activities (-)	(213.421)	-	-	-	(213.421)
Shares of Profit/(Loss) from Investments Valued by Equity Pick-up Method	115.883.549	-	-	-	115.883.549
OPERATING PROFIT/LOSS BEFORE FINANCING EXPENSES	160.788.133	353.844.823	536.855.616	-	1.051.488.572
Financial Income (+)	254.743.852	18.684.322	-	(9.832.812)	263.595.362
Financial Expenses (-)	(802.654.795)	(13.241.592)	(968.150.110)	9.832.812	(1.774.213.685)
Gains /(Losses) on Net Monetary Position	(286.850.809)	94.833.719	1.913.129.089	-	1.721.111.999
OPERATING ACTIVITY PROFIT/(LOSS) BEFORE TAXATION	(673.973.619)	454.121.272	1.481.834.595	-	1.261.982.248
Operating Activity Tax Income / (Expense)					
- Income/Expense Tax for the period	-	(1.227.591)	-	-	(1.227.591)
- Deferred Tax Income/Expense	343.601.966	3.607.692	-	-	347.209.658
PROFIT/(LOSS) FOR THE PERIOD	(330.371.653)	456.501.373	1.481.834.595	-	1.607.964.315

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31 December 2023	Textile Sector	Agricultural Sector	Energy Sector	Elimination	Total
Total Assets	11.290.732.287	2.411.414.663	4.048.405.623	(206.623.444)	17.543.929.129
Total Liabilities	4.127.262.236	365.251.917	1.627.940.897	(49.238.780)	6.071.216.270
Assets by Segments					
Investment Properties	587.145.150	-	-	-	587.145.150
Tangible Fixed Assets (Net Book Value) Total	5.580.138.051	567.908.475	4.047.919.505	-	10.195.966.031
Intangible Fixed Assets (Net Book Value) Total	183.966.801	62.223	486.118	-	184.515.142
Purchases of Tangible and Intangible Assets	97.766.753	193.332.463	691.655.030	-	982.754.246
Depreciation expenses	371.993.692	28.518.587	278.140.630	-	678.652.909
Details of the Group's foreign currency assets and liabilities by segments					
Total Assets	1.701.308.159	73.762.452	-	-	1.775.070.611
Total liabilities	663.309.597	12.281.320	1.627.940.897	-	2.303.531.814
Net Foreign Currency Asset/ Liabilities	1.037.998.563	61.481.131	(1.627.940.897)	-	(528.461.203)
Detail of the Group's financial liabilities by division in currency					
Financial Payables	1.888.753.976	99.457.442	1.627.940.897	-	3.616.152.315
- USD	67.201.900	-	276.649.870	-	343.851.770
- EUR	51.972.728	-	1.351.291.027	-	1.403.263.755
- TRY	1.769.579.348	99.457.442	-	-	1.869.036.790
Export	3.332.060.785	478.625.660	-	-	3.810.686.445
Import	1.226.433.343	3.903.375	-	-	1.230.336.718
Total Debt	4.127.262.236	365.251.917	1.627.940.897	(49.238.780)	6.071.216.270
Cash Equivalents	(625.383.797)	(6.873.177)	-	-	(632.256.974)
Net Debt	3.501.878.440	358.378.739	1.627.940.897	(49.238.780)	5.438.959.296
Total Equity	10.706.638.571	923.458.952	-	(157.384.664)	11.472.712.859
Total Capital	14.208.517.011	1.281.837.691	1.627.940.897	(206.623.444)	16.911.672.155
Net Debt/Total Capital Ratio	24,65%	27,96%	100,00%		32,16%

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Information On the Geographical Region

On a country basis distribution of revenue obtained from the Group's textile sector export activities are as follows:

Region	01.01.- 31.12.2024	01.01.- 31.12.2023
Germany	45%	40%
U.S.A.	22%	28%
Italy	17%	15%
Netherland	4%	6%
France	4%	2%
Switzerland	1%	1%
Poland	1%	2%
Austria	1%	1%
Romania	1%	0%
Other	4%	5%
	100%	100%

Information About Major Clients

The sales activities of the Group are determined according to fluctuations in the domestic and overseas markets and competition conditions. It is taken care of to not to concentrate on a specific sector, country, person and Group in terms of dissolving risks. Even so, as of 31 December 2024 the share of the largest buyer in the revenue from textile sector operations is 38,53% (31 December 2023: 32,18%). The customer mentioned is a major international supplier and the commercial relation between the customer and the Group has been maintained for many years.

The share of the largest buyers in the revenue from agriculture sector operations is 83,02%. (31 December 2023: 82,82%). The sales of dried fruits (raisin, fig and apricot) from Group to Osman Akça Tarım Ürünleri İthalat İhracat Sanayi ve Ticaret A.Ş. are made in accordance with the "Sales Agreement" signed between the Group and Osman Akça Tarım Ürünleri İthalat İhracat Sanayi ve Ticaret A.Ş. is the exporter and sub contractor of Group for dried fruits.

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NOTE 4 – CASH AND CASH EQUIVALENTS

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

	31.12.2024	31.12.2023
Cash	82.148	264.417
Banks	17.472.055	261.815.158
<i>Demand deposits</i>	<i>17.072.055</i>	<i>231.714.735</i>
<i>Time deposits</i>	<i>400.000</i>	<i>30.100.423</i>
Other liquid assets	544.261.925	370.104.961
	561.816.128	632.184.536

As of 31 December 2024 and 31 December 2023 maturity schedule of time deposits in the cash and cash equivalents are as follows:

	31.12.2024	31.12.2023
Within 1 month	400.000	30.100.423
	400.000	30.100.423

As of 31 December 2024 effective interest rates of time deposits in TRY 25,05% (31 December 2023: TRY 52,63%).

As of 31 December 2024 there is no deposit pledge on the Group's bank deposits (31 December 2023: None).

NOTE 5 - FINANCIAL INVESTMENTS

Short Term Financial Investments

Financial assets at fair value through profit or loss

	31.12.2024	31.12.2023
Investment fund	-	72.438
	-	72.438

Long Term Financial Investments

	31.12.2024	31.12.2023
Maxis Girişim Sermayesi Portföy Yönetimi A.Ş.		
Maxis Ventures Venture Capital Investment Fund	1.918.448	1.996.408
Ünlü Portföy Yönetimi Anonim Şirketi		
AR-GE Venture Capital Investment Fund	4.007.817	2.030.775
	5.926.265	4.027.183

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NOTE 6 – RELATED PARTY TRANSACTIONS

i) Due from / to related parties:

a) Trade receivables from related parties (Note 7):

	31.12.2024	31.12.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	959.390.143	843.404.693
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	114.190.072	74.539.534
Rediscount	(3.741.869)	(2.539.283)
	1.069.838.346	915.404.944

b) Trade payables to related parties (Note 7):

	31.12.2024	31.12.2023
Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti.	-	28.804
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	-	46.642
Rediscount	-	(5.816)
	-	69.630

c) Non-trade receivables from related parties (Note 9):

	31.12.2024	31.12.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	4.823.954	8.318
	4.823.954	8.318

ii) Major sales to related parties and major purchases from related parties:

a) Sales to related parties:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	2.839.888.437	2.729.324.668
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	83.815.114	87.016.961
	2.923.703.551	2.816.341.629

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b) Purchases from related parties:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	483.772.623	587.296.008
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	103.949	33.318
	483.876.572	587.329.326

iii) Other income and expenses resulting from transactions with related parties:

a) Benefits provided to senior management (Member of the board of directors, general manager and deputy general manager), gross:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Benefits provided to senior management	15.812.760	11.737.687
	15.812.760	11.737.687

b) Service expenses paid to related parties:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Akça Holding A.Ş.	3.826.028	2.691.539
Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti.	28.079.495	25.009.551
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	5.047	61.683
	31.910.570	27.762.773

c) Rent income from related parties:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	613.317	682.310
Akça Holding A.Ş.	593.032	619.561
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	534.220	558.116
	1.740.569	1.859.987

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d) Service income from related parties:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	2.359.818	1.715.021
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	142.259	912.908
Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti.	2.057	-
Akça Holding A.Ş.	66.680	112.153
	2.570.814	2.740.082

e) Foreign exchange income from related parties:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	192.029.429	376.733.709
	192.029.429	376.733.709

f) Maturity difference received from related parties:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	54.528.325	26.717.641
Akça Saraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	20.588.605	5.576.901
	75.116.930	32.294.542

g) Interest income from related parties:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	8.756.175	1.703.306
	8.756.175	1.703.306

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h) Foreign exchange differences paid to related parties:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Osman Akça Tar. Ürün. İth. İhr. San. ve Tic. A.Ş.	226.550	17.448
	226.550	17.448

ı) Rent expenses paid to related parties:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	1.977.177	2.505.165
	1.977.177	2.505.165

ii) Interest expense due from related parties:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Osman Akça Tarım Ürünleri İthalat İhracat San. ve Tic. A.Ş.	5.539.154	1.884.052
	5.539.154	1.884.052

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NOTE 7 – TRADE RECEIVABLES AND TRADE PAYABLES

Short Term Trade Receivables

	31.12.2024	31.12.2023
Trade receivables	461.327.688	439.472.263
Cheques and notes	10.425.542	34.586.681
Unearned interest on trade receivables	(21.680.821)	(17.721.403)
Doubtful trade receivables	7.085.296	701.695
Provision for doubtful receivables (-)	(7.085.295)	(701.695)
Income accruals	77.871.826	73.345.546
Trade Receivables from Unrelated Parties	527.944.236	529.683.087
Trade receivables from related parties	1.073.580.215	917.944.227
Unearned interests on related party receivables	(3.741.869)	(2.539.283)
Trade Receivables from Related Parties	1.069.838.346	915.404.944
Total Short-Term Trade Receivables	1.597.782.582	1.445.088.031

As of 31 December 2024 the average maturity of trade receivables are 70 days (31 December 2023: 57 days).

Maturity schedule of notes receivables as of 31 December 2024 and 31 December 2023 are as follows:

	31.12.2024	31.12.2023
1-30 days	2.750.000	9.435.153
31-60 days	670.141	6.637.488
61-90 days	1.115.000	8.141.321
91-120 days	1.500.000	9.436.270
121-150 days	2.730.000	577.515
151-180 days	1.660.401	358.934
	10.425.542	34.586.681

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As of 31 December 2024 and 31 December 2023 provision for doubtful receivables movement schedule is as follows:

	31.12.2024	31.12.2023
Opening balance	701.695	1.156.204
Collections made during the period	(360.356)	-
Provisions made during the period	6.959.642	-
Monetary gain / (loss)	(215.686)	(454.509)
Closing Balance	7.085.295	701.695

Short Term Trade Payables

	31.12.2024	31.12.2023
Trade payables	751.525.453	833.389.075
Notes payables	37.218.029	41.797.342
Unearned interests on payables	(50.169.270)	(23.599.174)
Expense accruals	87.452.528	100.719.203
Trade Payables from Unrelated Parties	826.026.740	952.306.446
Trade payables to related parties	-	75.445
Unearned interests on payables to related parties	-	(5.815)
Trade Payables to Related Parties	-	69.630
Total Short Term Trade Payables	826.026.740	952.376.076

As of 31 December 2024, the average maturity of trade payables are 42 days (31 December 2023: 48 days).

As of 31 December 2024, The Group has letter of credits amounting to USD 204.175 (TRY 7.204.694) in trade payables (Note 20).

As of 31 December 2024 and 31 December 2023 maturity breakdown of notes payables are as follows:

	31.12.2024	31.12.2023
1 – 30 days	16.481.408	18.731.244
31 – 60 days	10.938.633	10.623.846
61 – 90 days	7.013.896	11.776.975
91 – 120 days	2.255.012	665.277
121 – 150 days	529.080	-
	37.218.029	41.797.342

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NOTE 8 – FINANCIAL BORROWINGS

	31.12.2024	31.12.2023
Short Term Borrowings:		
TRY borrowings	1.210.800.304	1.673.905.910
USD borrowings	234.479.039	-
EUR borrowings	199.843.817	2.887.688
Direct debit system and credit card liabilities (TRY)	666.401	641.599
Short Term Financial Borrowings	1.645.789.561	1.677.435.197
Lease Payables:		
TRY lease payables, net	5.269.641	8.873.482
Bank Borrowings:		
TRY borrowings	22.957.624	96.341.653
USD borrowings	81.925.731	80.283.287
EUR borrowings	271.513.089	280.800.357
Current Installments of Long-Term Borrowings	381.666.085	466.298.779
Long Term Lease Payables:		
TRY lease payables, net	-	7.595.480
Long Term Bank Borrowings:		
TRY borrowings	10.676.310	81.678.666
USD borrowings	126.964.336	263.568.483
EUR borrowings	1.129.040.986	1.119.575.710
Long Term Financial Borrowings	1.266.681.632	1.472.418.339
Total Financial Liabilities	3.294.137.278	3.616.152.315

As of 31 December 2024 and 31 December 2023 maturity analysis of borrowings and other financial borrowings are as follows:

	31.12.2024	31.12.2023
Within 3 months	301.106.284	299.591.819
Between 3 - 12 months	1.721.079.721	1.835.268.675
Between 1 - 5 years	978.504.204	1.166.962.707
More than 5 years	288.177.428	297.860.152
	3.288.867.637	3.599.683.353

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As of 31 December 2024 and 31 December 2023 maturity schedule of long term bank borrowings are as follows:

	31.12.2024	31.12.2023
Between 1-2 years	397.775.625	455.946.002
Between 2-3 years	334.034.164	313.590.035
Between 3-4 years	153.816.743	250.133.832
Between 4-5 years	92.877.678	147.292.811
Between 5-6 years	89.966.897	74.719.808
Between 6-7 years	67.946.212	72.064.479
Between 7-8 years	66.036.961	45.448.435
Between 8-9 years	49.073.119	43.993.443
Between 9-10 years	15.154.233	42.558.382
Between 10-11 years	-	19.075.632
	1.266.681.632	1.464.822.859

As of 31 December 2024 effective interest rates for TRY, USD and EUR bank loans are 25,05% - 7,01% and 3,78% (31 December 2023: TRY 22,01% USD 6,97% and EUR 3,47%).

The Group has guarantee by its shareholders and related companies in lending.

Total amount of mortgage on lands and buildings for fixed assets of the Group given to financial institutions is USD 64.750.000 (TRY 2.284.820.300), EUR 25.000.000(TRY 920.227.500) and TRY 2.140.000.000.

As of 31 December 2024 and 31 December 2023 the details of financial leasing borrowings of Group are as follows:

	31.12.2024	31.12.2023
Short term lease payables	5.618.165	10.826.717
Cost of deferred lease payables (-)	(348.524)	(1.953.235)
	5.269.641	8.873.482
	31.12.2024	31.12.2023
Long term lease payables	-	8.098.675
Cost of deferred lease payables (-)	-	(503.195)
	-	7.595.480

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As of 31 December 2024, the repayment schedule of lease payables are as follows:

	Lease payables	Cost of deferred lease payables	Total liabilities
Between 0 – 1 years	5.618.165	(348.524)	5.269.641
	5.618.165	(348.524)	5.269.641

As of 31 December 2023, the repayment schedule of lease payables are as follows:

	Lease payables	Cost of deferred lease payables	Total liabilities
Between 0 – 1 years	10.826.717	(1.953.235)	8.873.482
Between 1 – 2 years	8.098.675	(503.195)	7.595.480
	18.925.392	(2.456.430)	16.468.962

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NOTE 9 – OTHER RECEIVABLES AND PAYABLES

Other Current Receivables

	31.12.2024	31.12.2023
Deposit and guarantees given	623.388	463.009
VAT and corporate tax refund receivables	11.130.221	6.935.611
Other receivables	30.297.518	8.749
Other Receivables from Unrelated Parties	42.051.127	7.407.369
Receivables from shareholders	4.823.954	8.318
Other Receivables from Related Parties	4.823.954	8.318
Total Other Current Receivables	46.875.081	7.415.687

Other Non-Current Receivables

	31.12.2024	31.12.2023
Deposits and guarantees given	559.263	230.053
	559.263	230.053

Other Current Payables

	31.12.2024	31.12.2023
Deposit and guarantees received	9.117.098	489.056
Taxes and funds payable	13.417.077	17.630.281
Other various debts	-	134
Other Payables from Third Parties	22.534.175	18.119.471

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NOTE 10 – DERIVATIVE INSTRUMENTS

As of 31 December 2024 and 31 December 2023, there are no derivative instruments.

NOTE 11 – INVENTORIES

	31.12.2024	31.12.2023
Raw materials	419.672.610	1.013.485.622
Semi-finished products	227.425.580	146.117.708
Finished goods	718.636.941	1.338.595.468
Dried agricultural products (Figs, Apricot and Raisin)	1.423.768.360	788.824.155
	2.789.503.491	3.287.022.953

All inventories of the Group are covered by insurance coverage.

NOTE 12 – BIOLOGICAL ASSETS

Current Biological Assets

	31.12.2024	31.12.2023
Biological assets (Tomato)	109.918.355	65.119.917
	109.918.355	65.119.917

The Group's biological assets consist of tomatoes. Tomatoes in growing process have been shown in the consolidated financial statements with their cost and after impairment provisions (if any) since they do not have any active markets.

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NOTE 13 – PREPAID EXPENSES AND DEFERRED INCOME

Short Term Prepaid Expenses

	31.12.2024	31.12.2023
Order advances given	38.436.296	23.316.775
Prepaid expenses	48.235.530	30.930.936
Advances given for business purposes	64.281	4.587
Personnel advances	335.690	-
	87.071.797	54.252.298

Long Term Prepaid Expenses

	31.12.2024	31.12.2023
Advances given for purchases of tangible assets	-	116.646.338
Prepaid expenses	30.978.824	2.728.649
	30.978.824	119.374.987

Short Term Deferred Income

	31.12.2024	31.12.2023
Advances received	46.481.206	49.312.578
Deferred income	22.937.303	29.356.878
	69.418.509	78.669.456

Long Term Deferred Income

	31.12.2024	31.12.2023
Deferred income	-	23.017.225
	-	23.017.225

NOTE 14 – ASSETS RELATED TO CURRENT PERIOD TAX

	31.12.2024	31.12.2023
Prepaid taxes and funds	134.706	2.601.604
	134.706	2.601.604

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NOTE 15 – INVESTMENTS VALUED BY EQUITY PICK-UP METHOD

As of 31 December 2024 and 31 December 2023 the companies accounted by equity pick up method are as follows:

	31.12.2024	Share (%)	31.12.2023	Share (%)
Aktur İzmir Gayrimenkul A.Ş.	666.440.585	48%	684.760.259	48%
	666.440.585		684.760.259	

The total assets, liabilities and owner's equity of the investments which are evaluated by equity pick up method with their summary of income statement related to the periods ended 31 December 2024 and 31 December 2023 are as follows:

	31.12.2024	31.12.2023
Current assets	58.175.030	14.511.275
Non-current assets	1.569.681.526	1.654.809.829
Total Assets	1.627.856.556	1.669.321.104
Current liabilities	2.705.198	7.338.341
Non-current liabilities	236.733.472	235.398.891
Parent company's equity	1.388.417.886	1.426.583.872
Total Liabilities	1.627.856.556	1.669.321.104
Sales, net	13.546.506	13.945.027
Net profit / (loss)	(38.165.986)	241.326.862

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NOTE 16 – INVESTMENT PROPERTIES

Cost Value	Lands	Buildings	Total
01 January 2023 opening balance	496.315.004	-	496.315.004
Fair value	90.830.146	-	90.830.146
31 December 2023 closing balance	587.145.150	-	587.145.150
Fair value	3.513.762	805.058.088	808.571.850
Transfers	(503.881.912)	503.881.912	-
31 December 2024 closing balance	86.777.000	1.308.940.000	1.395.717.000
31.12.2023, Net Book Value	587.145.150	-	587.145.150
31.12.2024, Net Book Value	86.777.000	1.308.940.000	1.395.717.000

The Group’s investment properties consist of lands with zoning permits. The details of the properties are as follows;

	Manisa	İzmir
As of 01 January 2023	13.798.033	482.516.971
Value Decrease/increase	1.794.875	89.035.271
As of 31 December 2023	15.592.908	571.552.242
Value Decrease/increase	657.092	807.914.758
As of 31 December 2024	16.250.000	1.379.467.000

The Group's lands that are shown as investment property are revaluated by Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş. The fair values determined in the valuation studies carried out on 31 December 2024 are reflected in the accompanying consolidated financial statements.

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NOTE 17 – TANGIBLE ASSETS

Cost Values	Land	Land Improvements	Buildings	Property, plant and equipment	Vehicles	Fixtures and fittings	Construction in progress	Total
01 January 2023 opening balance	943.024.167	940.354.847	2.306.582.202	6.097.280.708	69.651.686	209.817.397	50.137.308	10.616.848.315
Additions	-	1.201.755	388.582	63.220.435	23.880.537	920.825	863.033.243	952.645.377
Disposals	-	-	-	(2.402.760)	(2.256.250)	(417.738)	-	(5.076.748)
Transfers	-	-	-	828.657.867	-	-	(875.829.764)	(47.171.897)
31 December 2023 closing balance	943.024.167	941.556.602	2.306.970.784	6.986.756.250	91.275.973	210.320.484	37.340.787	11.517.245.047
Additions	14.137.293	-	916.873	71.191.133	7.078.589	21.752.451	121.228.285	236.304.624
Disposals	-	-	-	(683.137)	(1.370.496)	(218.392)	-	(2.272.025)
Transfers	-	-	-	45.455.534	-	-	(86.352.513)	(40.896.979)
31 December 2024 closing balance	957.161.460	941.556.602	2.307.887.657	7.102.719.780	96.984.066	231.854.543	72.216.559	11.710.380.667
Accumulated Depreciation								
01 January 2023 opening balance	-	45.385.897	48.010.775	363.491.567	37.119.095	181.657.959	-	675.665.293
Additions	-	89.452.027	77.404.937	461.830.055	10.620.210	9.131.973	-	648.439.202
Disposals	-	-	-	(163.825)	(2.256.250)	(405.404)	-	(2.825.479)
31 December 2023 closing balance	-	134.837.924	125.415.712	825.157.797	45.483.055	190.384.528	-	1.321.279.016
Additions	-	89.512.113	77.435.010	521.450.160	11.914.430	9.143.626	-	709.455.339
Disposals	-	-	-	(120.337)	(1.370.496)	(201.684)	-	(1.692.517)
31 December 2024 closing balance	-	224.350.037	202.850.722	1.346.487.620	56.026.989	199.326.470	-	2.029.041.838
31.12.2023, Net Book Value	943.024.167	806.718.678	2.181.555.072	6.161.598.453	45.792.918	19.935.956	37.340.787	10.195.966.031
31.12.2024, Net Book Value	957.161.460	717.206.565	2.105.036.935	5.756.232.160	40.957.077	32.528.073	72.216.559	9.681.338.829

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As of 31 December 2024 the depreciation expense of tangible assets for the period is TRY 709.455.339 (31 December 2023: TRY 648.439.202).

The valuation company used the Market Value Method in determining the fair values of land, land and buildings. The "Market Values and Cost Method" was used to determine the fair values of land improvements and machinery, plant and equipment.

As of 31 December 2024, fixed assets are insured by, TRY 351.110.350, EUR 54.438.040 (TRY 1.912.321.233), USD 166.190.800 (TRY 5.455.412.448) (31 December 2023: TRY 124.848.424, EUR 25.183.025 (TRY 820.309.338), USD 286.373.450 (TRY 8.430.318.896).

Total amount of mortgage on land and buildings for fixed assets of the Group given to financial institutions are USD 64.750.000 (TRY 2.284.820.300), EUR 25.000.000 (TRY 920.227.500) and TRY 2.140.000.000.

As of 31 December 2024, the net book value of leasing machines is TRY 117.135.839 (31 December 2023: TRY 124.572.474).

As of 31 December 2024 and 31 December 2023, the Group has no borrowing costs.

The structures in the production facility located in Denizli Sarayköy, which is accounted for with the revaluation model in TAS 16 Property, Plant and Equipment, currently have a closed area of 172.168,67 m2. The parcels subject to valuation in the production facility are in common use and 78.289,67 m2 of them have building use permit certificates; 49.450 m2 of them have building registration certificates and the remaining 44.429 m2 of them have not yet been licensed. If the legal processes of the 49.450 m2 of buildings with building registration certificates are completed, 127.739,67 m2 of the buildings in the production facility will be licensed, leaving 44.429 m2 of buildings that need to be licensed.

NOTE 18- RIGHT OF USE ASSETS

None.

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NOTE 19 – INTANGIBLE ASSETS

Cost Value	Rights	Research and Development Expenses	Other Intangible Assets	Total
01 January 2023 opening balance	41.629.409	153.065.931	9.846.547	204.541.887
Additions	8.041.354	22.067.515	-	30.108.869
Transfers	-	47.171.897	-	47.171.897
31 December 2023 closing balance	49.670.763	222.305.343	9.846.547	281.822.653
Additions	41.629	-	-	41.629
Transfers	66.320	40.830.659	-	40.896.979
31 December 2024 closing balance	49.778.712	263.136.002	9.846.547	322.761.261
Accumulated Depreciation				
01 January 2023 opening balance	13.635.928	44.221.534	9.236.339	67.093.801
Additions	13.178.901	16.976.415	58.394	30.213.710
31 December 2023 closing balance	26.814.829	61.197.949	9.294.733	97.307.511
Additions	13.578.340	22.911.045	54.991	36.544.376
31 December 2024 closing balance	40.393.169	84.108.994	9.349.724	133.851.887
31.12.2023, Net Book Value	22.855.934	161.107.394	551.814	184.515.142
31.12.2024, Net Book Value	9.385.543	179.027.008	496.823	188.909.374

As of 31 December 2024, the amortization expense of intangible assets for the period is TRY 36.544.375 (31 December 2023: TRY 30.213.710).

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NOTE 20 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

As of 31 December 2024 and 31 December 2023, the Group's collateral / pledge / mortgage (“CPM”) position are as follows:

Collaterals, Pledges and Mortgages “(CPM)” given by the Group	31.12.2024	31.12.2023
A. Total Amount of CPM given on behalf of its own legal entity	7.123.658.048	10.031.985.293
B. Total Amount of CPM given for partnerships which included in full consolidation	None	None
C. Total Amount of CPM given for the purpose of guaranteeing unrelated party loans to carry the regular trade activities	None	None
D. Total Amount of other CPM given	None	None
i. Total Amount of CPM given for the Parent Group	None	None
ii. Total Amount of CPM Given for Other Group Companies not Included in B and C Clauses	None	None
iii. Total Amount of CPM Given for Unrelated Parties not Included in C Clause	None	None
Total	7.123.658.048	10.031.985.293

As of 31 December 2024, details of mortgage on lands and buildings given to financial institutions are as follows:

	FX Currency	FX Amount	FX Rate	TRY Equivalent
Türkiye Vakıflar Bankası T.A.O	TRY	1.575.000.000	1,0000	1.575.000.000
Türkiye Vakıflar Bankası T.A.O	USD	64.750.000	35,2868	2.284.820.300
Türkiye Vakıflar Bankası T.A.O	EUR	25.000.000	36,8091	920.227.500
Türkiye Cumhuriyeti Ziraat Bankası A.Ş.	TRY	565.000.000	1,0000	565.000.000
				5.345.047.800

As of 31 December 2024, details of the guarantee letters given are as follows:

Details of Guarantee Letters Given	FX Currency	FX Amount	FX Rate	TRY Equivalent
Electricity and Natural Gas Distribution Companies	TRY	31.420.593	1,0000	31.420.593
Energy Market Regulatory Authority	TRY	26.353.488	1,0000	26.353.488
Customs Administration	TRY	29.770.582	1,0000	29.770.582
Credit Guarantee	EUR	7.710.000	36,8091	283.798.161
Credit Guarantee	TRY	184.374.500	1,0000	184.374.500
Public Institutions	TRY	13.842.924	1,0000	13.842.924
				569.560.248

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As of 31 December 2024, bank details of the guarantee letters given are as follows:

Details of Guarantee Letters Given	FX Currency	FX Amount	FX Rate	TRY Equivalent
Türkiye Vakıflar Bankası T.A.O.	TRY	151.735.815	1,0000	151.735.815
Türkiye Vakıflar Bankası T.A.O.	EUR	5.210.000	36,8091	191.775.411
Halk Bank A.Ş.	TRY	133.904.500	1,0000	133.904.500
Halk Bank A.Ş.	EUR	2.500.000	36,8091	92.022.750
Ziraat Bankası A.Ş.	TRY	121.772	1,0000	121.772
				569.560.248

As of 31 December 2024, avals and letter of credits which are given to trade receivables by the Group are as follows:

	FX Currency	FX Amount	FX Rate	TRY Equivalent
İşbankası A. Ş.	USD	204.175	35,2868	7.204.694
				7.204.694

As of 31 December 2024, bank details of the general borrowing contracts are as follows:

General Borrowing Contracts:	FX Currency	FX Amount	FX Rate	TRY Equivalent
Denizbank A.Ş.	USD	9.000.000	35,2868	317.581.200
Eximbank A.Ş.	USD	45.000.000	35,2868	1.587.906.000
Halk Bankası A.Ş.	TRY	500.000.000	1,0000	500.000.000
Halk Bankası A.Ş.	USD	40.000.000	35,2868	1.411.472.000
İşbankası A.Ş.	USD	9.500.000	35,2868	335.224.600
Türkiye Cumhuriyeti Ziraat Bankası A.Ş.	TRY	198.000.000	1,0000	198.000.000
Vakıfbank A.Ş.	USD	65.000.000	35,2868	2.293.642.000
Vakıfbank A.Ş.	USD	25.000.000	35,2868	882.170.000
Garanti Bankası A.Ş.	USD	6.500.000	35,2868	229.364.200
				7.755.360.000

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As at 31 December 2024 details of bonds are as follows:

Bond	FX Currency	FX Amount	FX Rate	TRY Equivalent
Türkiye Cumhuriyet Merkez Bankası	TRY	1.209.050.000	1,0000	1.209.050.000
				1.209.050.000

There is no guarantee given by the Group for the loans in favor of related parties. For credit contracts of the Group USD 200.000.000 (TRY 7.057.360.000) and TRY 698.000.000 guarantee are provided by related parties (Akça Holding and Osman Akça).

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NOTE 21 – PROVISIONS

Short Term Provisions

	31.12.2024	31.12.2023
Provision for the lawsuits	7.351.821	9.936.071
Provision for unused vacation	39.614.001	36.503.301
	46.965.822	46.439.372
	31.12.2024	31.12.2023
Lawsuits provision at the beginning of the period	9.936.071	9.189.302
Provisions during the period/reversal	469.874	4.359.121
Monetary gain / (loss)	(3.054.124)	(3.612.352)
Closing balance	7.351.821	9.936.071

Long Term Provisions for Employee Benefits

	31.12.2024	31.12.2023
Provisions for severance pay	194.533.857	229.252.924
	194.533.857	229.252.924

For the period of 01 January – 31 December 2024, the average personnel number including subcontractors employed by the Group is 2.583. (01.01-31.12.2023: 2.824). The rate of retirement probability used is 96% (01.01-31.12.2023: 96%).

For the period ended at 31 December 2024 and 31 December 2023 the movement schedule of severance pay provision is as follows:

	31.12.2024	31.12.2023
Balance of 01 January	229.252.924	282.346.388
Increase in the period	49.189.423	135.371.107
Interest cost	5.103.641	6.259.539
Payments during the period	(19.751.645)	(72.681.377)
Actuarial profit/(loss)	1.206.682	(11.051.196)
Monetary gain / (loss)	(70.467.168)	(110.991.537)
Balance at the end of the period	194.533.857	229.252.924

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NOTE 22 – EMPLOYEE BENEFIT LIABILITIES

	31.12.2024	31.12.2023
Due to personnel	81.764.676	95.162.514
Social security deductions payable	20.000.467	37.330.740
	101.765.143	132.493.254

NOTE 23 – OTHER CURRENT ASSETS AND LIABILITIES

Other Current Assets

	31.12.2024	31.12.2023
VAT carried forward	21.770.649	9.569.149
	21.770.649	9.569.149

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NOTE 24 – SHARE CAPITAL

24.1 Issued Capital

As of 31 December 2024, and 31 December 2023, the issued capital of the Company is TRY 277.292.576, divided into 27.729.257.642 shares each with a nominal value of TRY 0.01.

As of 31 December 2024, and 31 December 2023, Group's paid in capital is as follows:

Shareholders:	31.12.2024		31.12.2023	
	Share (%)	TRY	Share (%)	TRY
Public Offered Shares	49,79%	138.056.176	49,79%	138.056.176
Akça Holding A.Ş.	48,06%	133.255.845	48,06%	133.255.845
Other	2,16%	5.980.555	2,16%	5.980.555
Total	100,00%	277.292.576	100,00%	277.292.576

According to Group's main article of association, more than half of the Members of Board required to be elected from the candidates which are pointed out from A Group shareholders (TRY 100.000).

TRY 27.292.576 nominal valued shares, issued by increasing the Company's issued capital from TRY 250.000.000 to TRY 277.292.576 were sold through private placement to Akça Holding A.Ş. at TRY 9, 16 price per share on Borsa İstanbul A.Ş. equity market within the scope of wholesale transactions on 14.08.2023. Capital increase was registered in accordance with the Turkish Commercial Code on date 22.09.2023 and published in the Turkish Trade Registry Gazette dated 22.09.2023 and numbered 10920.

24.2 Inflation Adjustments of Shareholders' Equity

	31.12.2024	31.12.2023
Inflation adjustment of shareholders' equity (*)	4.708.186.550	4.708.186.550
	4.708.186.550	4.708.186.550

(*)Capital adjustment differences represent the difference between the inflation-adjusted total amounts of cash and cash-like additions to paid-in capital and the amounts before inflation adjustment.

24.3 Share Premium / (Discount)

	31.12.2024	31.12.2023
Share Premiums/Discounts	370.355.890	370.355.890
	370.355.890	370.355.890

TRY 27.292.576 nominal valued shares, issued by increasing the Company's issued capital from TRY 250.000.000 to TRY 277.292.576 were sold through private placement to Akça Holding A.Ş. at TRY 9,16 price per share with total sales proceeds amounting TRY 250.000.000. The Company's shares consists of share premium amounting to TRY 256.516.859 resulting from the private placement.

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24.4 Accumulated Other Comprehensive Income/(Expenses) not to be reclassified on Profit or Loss

24.4.1 Gain on revaluation of properties

	31.12.2024	31.12.2023
Gain on revaluation of properties	2.609.375.770	2.609.375.770
	2.609.375.770	2.609.375.770

The movement schedule for gains/(losses) on revaluation and remeasurement is as follows.

	01.01.- 31.12.2024	01.01.- 31.12.2023
01 January (Beginning of period)	2.609.375.770	2.641.469.682
Transfer to minority shares	-	1.504.192
Deferred tax effect	-	(33.598.104)
	2.609.375.770	2.609.375.770

The valuation company used the Market Value Method in determining the fair values of land, land and buildings. The "Market Values and Cost Method" was used to determine the fair values of land improvements and machinery, plant and equipments.

The fair value increases TRY 2.609.375.770 (31 December 2023: TRY 2.609.375.770) from revaluation of tangible assets are recognized in gain on revaluation of properties account which is under equity, after the netting of the deferred tax effect.

Valuation studies of the land and buildings of Aktur İzmir Gayrimenkul A.Ş. which is consolidated by equity pick up method, were carried out by Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş. an organization accredited to the CMB. The group's valuation of machinery, plant and equipments was carried out by Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş. an organization accredited to the CMB.

24.4.2 Defined Benefit Plans Re-Measurement Gains (Losses)

	31.12.2024	31.12.2023
Defined Benefit Plans Re-Measurement Gains (Losses)	6.031.779	6.930.476
	6.031.779	6.930.476

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24.5 Other Accumulated Comprehensive Income or Expenses to be Reclassified to Profit or Loss

24.5.1 Gains/(Losses) on Financial Assets Measured at Fair Value through Other Comprehensive Income

	31.12.2024	31.12.2023
Gains/(Losses) on Financial Assets Measured at Fair Value through Other Comprehensive Income	(378.822)	(228.134)
	(378.822)	(228.134)

24.6 Restricted Reserves

	31.12.2024	31.12.2023
Legal reserves	176.959.192	176.959.192
	176.959.192	176.959.192

Restricted reserves appropriated from profit are composed of legal reserves. Legal reserves comprise of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all cash dividend distributions. According to the Turkish Commercial Code, legal reserves can be only used to offset losses unless they exceed the 50% of paid-in capital. Other than that, legal reserves must not be used whatsoever.

In accordance with the CMB's requirements which were effective until 1 January 2008, the amount generated from the first-time application of inflation adjustments on financial statements and followed under the "accumulated loss" item was taken into consideration as a reduction in the calculation of profit distribution based on the inflation adjusted financial statements within the scope of the CMB's regulation issued on profit distribution. The related amount that was followed under the "accumulated loss" item could also be offset against the profit for the period (if any) and undistributed retained earnings and the remaining loss amount could be offset against capital reserves arising from the restatement of extraordinary reserves, legal reserves and equity items, respectively.

In addition, in accordance with the CMB's requirements which were effective until 1 January 2008, at the first-time application of inflation adjustments on financial statements, equity items, namely "Capital", "Premium on capital stock", "Capital" issue premiums", "Legal reserves", "Statutory reserves", "Special reserves" and "Extraordinary reserves" were carried at nominal value in the balance sheet and restatement differences of such items were presented in equity under the "Shareholders' equity inflation restatement differences" line item in aggregate. "Shareholders' equity inflation restatement differences" related to all equity items could only be subject to the capital increase by bonus issue or loss deduction, while the carrying value of extraordinary reserves could be subject to the capital increase by bonus issue, cash profit distribution or loss deduction.

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However, in accordance with the CMB's Decree Volume: XI; No: 29 issued on 1 January 2008 and other related CMB's announcements, "Paid-in capital", "Restricted reserves" and "Premium in excess of par" should be carried at their registered amounts in statutory records. Restatement differences (e.g. inflation restatement differences) arising from the application of the Decree should be associated with:

- "Capital restatement differences" account, following the "Paid-in capital" line item in the financial statements, if such differences are arising from "Paid-in Capital" and not added to capital;
- The difference arising from "Restricted reserves" and "Share Premium" and not yet subject to profit distribution or capital increase should be recognised under "Retained earnings". Other equity items are recognised in accordance with CMB Financial Reporting Standards.

Capital adjustment differences have no use other than being added to capital.

Profit Distribution:

Publicly listed companies distribute dividends in accordance with the requirements of CMB as explained below: In accordance with the Capital Markets Board's (the "Board") Decree issued on 23 January 2014, in relation to the profit distribution of earnings derived from 2013 operations, minimum profit distribution is not required for listed companies, and accordingly, profit distribution should be made based on the requirements set out in the Board's Communiqué Serial:II, No: 19.1 "Principles of Dividend Advance Distribution of Companies That Are Subject To The CMB Regulations", terms of articles of corporations and profit distribution policies publicly disclosed by the companies. Differences arising in the evaluations made within the framework of IFRS and arising from inflation adjustments that are not subject to profit distribution or capital increase as of the report date have been associated with previous years' profit / loss.

24.7 Retained Earnings/ Losses

The accumulated profits other than net period profit are shown in this item. Extraordinary reserves which are essentially accumulated profits and therefore unrestricted are also considered to be accumulated profits and are shown in this item.

	31.12.2024	31.12.2023
Previous Years Profits/(Losses)	3.212.581.845	1.611.678.084
	3.212.581.845	1.611.678.084

24.8 Minority Interest

The details of the minority interests as of 31 December 2024 are as follows:

31 December 2024	Total Shareholders' Equity	Profit/(Loss) of the Period	Parent Group Share	Minority Interest	Minority part of Shareholders' Equity	Minority part of Profit/(Loss)	Minority Total comprehensive income / (loss)
Smryna	463.415.160	(70.583.256)	79,17%	20,83%	96.544.828	(14.704.845)	(14.713.866)
					96.544.828	(14.704.845)	(14.713.866)

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The details of the minority interests as of 31 December 2023 are as follows:

31 December 2023	Total Shareholders' Equity	Profit/(Loss) of the Period	Parent Group Share	Minority Interest	Minority part of Shareholders' Equity	Minority part of Profit/(Loss)	Minority Total comprehensive income / (loss)
Smryna	534.041.715	33.890.650	79,17%	20,83%	111.258.694	7.060.554	5.630.557
					111.258.694	7.060.554	5.630.557

As of 31 Decemberr 2024 and 31 December 2023, the details of non-controlling interests are as follows:

	31.12.2024	31.12.2023
Shares in capital	41.417.017	41.417.017
Revaluation fund	30.939.398	30.939.398
Actuarial loss / (gain)	15.286	24.307
Shares in accumulated profits / (losses)	38.877.972	31.817.418
Share in profit / (loss) for the period	(14.704.845)	7.060.554
	96.544.828	111.258.694

24.9 Additional Information for Capital, Legal Reserves and Other Equity Items

A comparison of the Group's equity items restated for inflation in the consolidated financial statements as of 31 December 2024 and the restated amounts in the financial statements prepared in accordance with statutory accounting are as follows:

31.12.2024	Inflation adjusted amounts in the financial statements prepared in accordance with statutory accounting	Inflation adjusted amounts in the financial statements prepared in accordance with TAS/IFRS	Differences recognized in retained earnings
Share Capital Adjustment Differences	6.514.472.340	4.708.186.550	1.806.285.790
Share Premiums/Discounts	313.724.698	370.355.890	(56.631.192)
Restricted Reserves Appropriated from Profit	246.678.497	176.959.192	69.719.305

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NOTE 25 – SALES AND COST OF SALES

25.1 Sales

	01.01.- 31.12.2024	01.01.- 31.12.2023
Domestic sales	5.046.314.748	5.511.565.282
Export sales	2.776.371.935	3.810.686.445
Other sales	61.547.276	37.480.394
	7.884.233.959	9.359.732.121
Sales returns	(6.264.396)	(6.233.496)
Other discounts	(76.525.902)	(198.514.835)
Sales Income, (net)	7.801.443.661	9.154.983.790

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25.2 Cost of Sales

	01.01.- 31.12.2024	01.01.- 31.12.2023
Direct material expenses	1.316.042.540	1.366.069.738
Direct labor expenses	515.300.583	586.773.283
General production expenses	778.955.081	1.095.941.108
Depreciation expenses	355.493.253	324.519.936
<u>Change in semi-finished goods</u>		
1. Beginning semi-finished goods (+)	146.117.708	267.248.419
2. Ending semi-finished goods (-)	(227.425.580)	(146.117.708)
Cost of finished goods produced	2.884.483.585	3.494.434.776
<u>Changes in finished goods inventory</u>		
1. Beginning inventory (+)	1.338.595.468	2.034.506.585
2. Ending inventory (-)	(718.636.941)	(1.338.595.468)
Cost of finished goods sold	3.504.442.112	4.190.345.893
<u>Cost of merchandises</u>		
1. Beginning merchandise inventory (+)	-	-
2. Purchases during the period (+)	736.570	3.214.718
3. End of the period merchandise inventory (-)	-	-
Cost of merchandises sold	736.570	3.214.718
Other service cost	-	10.417.090
Cost of other sales	3.150.214.527	3.000.598.941
Cost of biological assets	327.947.046	390.117.553
Depreciation of biological assets	59.935.122	28.486.272
Energy costs	265.223.168	259.401.466
Energy depreciation	307.077.306	277.872.832
Cost of sales, net	7.615.575.851	8.160.454.765

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As of 01 January – 31 December 2024 and 2023, for each main production group, quantities of goods and services:

	Unit	01.01.- 31.12.2024	01.01.- 31.12.2023
Yarn	Kg	6.142.869	5.805.027
Raw Clothing	Mt2	60.547.230	47.655.794
Finishing Cloth	Mt2	73.825.458	97.691.038
Lining	Mt2	13.846.786	16.657.921
Linens, Sheets, Curtains, Pillows.	Quantity	9.869.736	9.555.912
Electricity	Kwh	291.303.174	254.741.767
Cotton Waste	Kg	522.508	428.853
Piece of Cloth	Kg	671.823	1.749.492
Yarn Waste	Kg	251.315	233.739
Textile Trash Powder	Kg	76.667	157.784
Pepper	Kg	7.104	-
Cucumber	Kg	38.336	-
Tomato	Kg	3.230.925	3.320.064
Dried Figs	Kg	6.017.318	7.203.165
Dried Apricot	Kg	413.616	472.510
Raisin	Kg	15.382.452	19.999.942
Dry Food By-Product	Kg	2.878.351	4.936.077

As of 01 January – 31 December 2024 and 2023, for each main sales group, quantities of goods and services:

	Unit	01.01.- 31.12.2024	01.01.- 31.12.2023
Yarn	Kg	12.082	6.114
Raw Clothing	Mt2	23	-
Finishing Cloth	Mt2	6.544.794	10.942.792
Lining	Mt2	12.774.690	16.967.238
Linens, Sheets, Curtains, Pillows.	Quantity	9.815.637	9.629.741
Electricity	Kwh	265.982.224	234.895.147
Cotton Waste	Kg	417.860	195.440
Piece of Cloth	Kg	491.144	1.454.908
Yarn Waste	Kg	225.100	218.878
Textile Trash Powder	Kg	73.300	119.140
Pepper	Kg	7.104	-
Cucumber	Kg	38.336	-
Tomato	Kg	4.782.420	5.031.846
Dried Figs	Kg	6.017.318	7.203.165
Dried Apricot	Kg	413.616	472.510
Raisin	Kg	15.382.452	19.999.942
Dry Food By-Product	Kg	2.878.351	4.936.077

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NOTE 26 – RESEARCH AND DEVELOPMENT GENERAL ADMINISTRATIVE EXPENSES AND MARKETING EXPENSES

	01.01.- 31.12.2024	01.01.- 31.12.2023
Research and development expenses	46.574.541	62.261.026
Marketing, sales and distribution expenses	190.777.782	220.757.182
General administrative expenses	294.079.334	434.077.436
	531.431.657	717.095.644

26.1 Research and Development Expenses

	01.01.- 31.12.2024	01.01.- 31.12.2023
Personnel expenses	37.839.728	53.884.287
Direct material expenses	4.536.946	2.781.456
Other expenses	4.197.867	5.595.283
	46.574.541	62.261.026

26.2 Marketing Expenses

	01.01.- 31.12.2024	01.01.- 31.12.2023
Personnel expenses	69.983.929	81.076.316
Export expenses	74.322.136	97.198.375
Domestic sales transportation expense	6.883.723	9.024.757
Depreciation expenses	3.782.079	2.018.926
Other expenses	26.298.541	20.814.572
Fair expenses	9.507.374	10.624.236
	190.777.782	220.757.182

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26.3 General administrative expenses

	01.01.- 31.12.2024	01.01.- 31.12.2023
Personnel expenses	212.538.199	318.995.173
Insurance expenses	3.725.290	5.012.424
Consultancy expenses	16.384.841	15.352.379
Repair and maintenance expenses	3.721.575	4.319.225
Travelling expenses	4.396.634	4.154.023
Membership expenses	7.242.325	10.486.617
Tax and duty expenses	5.891.459	7.793.875
Provision for litigation expenses	1.034.596	6.537.765
Depreciation expenses	19.711.955	45.754.942
Other expenses	12.472.818	15.671.013
Provision for doubtful receivables	6.959.642	-
	294.079.334	434.077.436

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NOTE 27 – OTHER OPERATING INCOME/ (EXPENSES)

27.1 Other Income From Operating Activities

	01.01.- 31.12.2024	01.01.- 31.12.2023
Foreign exchange gains related to commercial activities	321.386.426	756.129.398
Discount income / expenses on payables, net	70.429.956	34.520.391
Maturity difference income	98.944.207	31.978.346
Rental income	5.466.004	6.373.985
Incentive and promotion income	40.072.840	20.515.269
Reversal of unnecessary provision	591.707	22.234.910
Other income and profit	49.326.205	66.342.416
	586.217.345	938.094.715

27.2 Other Expenses From Operating Activities (-)

	01.01.- 31.12.2024	01.01.- 31.12.2023
Foreign exchange expenses related to commercial activities	70.211.429	287.828.184
Discount income/expenses on receivables, net	49.027.679	25.219.934
Donation expenses	1.095.113	17.531.422
Other expenses and losses	15.007.942	43.619.600
	135.342.163	374.199.140

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NOTE 28 – INVESTMENT ACTIVITIES INCOME / EXPENSE

28.1 Income from Investment Activities

	01.01.- 31.12.2024	01.01.- 31.12.2023
Investment property value increase	808.571.850	90.830.146
Investment property rental income	18.448.198	-
Currency protected deposit fair value income (*)	418.993	1.850.996
Profit on sale of fixed assets	1.682.845	1.808.346
	829.121.886	94.489.488

(*)Pursuant to the "Announcement on the Accounting of Currency/Gold Conversion Currency/Price Protected TRY Deposit Accounts" announced by POA on 01 March 2022, the company has classified its currency protected deposits under financial investments and, as a result of the fair value calculation, interest income and future foreign exchange gains are accounted for under income from investment activities.

28.2 Expense from Investment Activities

	01.01.- 31.12.2024	01.01.- 31.12.2023
Investment property other expense	1.097.340	-
Loss on sale of fixed assets	561.218	213.421
	1.658.558	213.421

28.3 Profit / Loss From Investments Evaluated by Equity Pick-up Method

	01.01.- 31.12.2024	01.01.- 31.12.2023
Shares related with investment valued by equity pick-up method	(18.319.674)	115.883.549
	(18.319.674)	115.883.549

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NOTE 29 – FINANCIAL INCOME / EXPENSES

29.1 Financial Income

	01.01.- 31.12.2024	01.01.- 31.12.2023
Interest income	114.736.673	32.933.797
Foreign exchange income regarding financial activities	69.340.183	220.224.047
Other financial income	39.980.532	10.437.518
	224.057.388	263.595.362

29.2 Financial Expenses (-)

	01.01.- 31.12.2024	01.01.- 31.12.2023
Interest expenses	625.447.790	449.460.720
Foreign exchange losses regarding financial activities	235.248.118	1.268.556.427
Commission expenses of credit	82.573.724	56.196.538
	943.269.632	1.774.213.685

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NOTE 30 – TAX ASSETS AND LIABILITIES

With the "Law on Amendments to the Decree Law No. 375" published in the official gazette of the Republic of Türkiye dated 15 July 2023, the corporate tax rate has been increased from 20% to 25%, and the corporate tax rate is applied with a 5-point discount on the earnings of exporting institutions derived exclusively from exports. This rate has come into force to be applied to corporate earnings for accounting periods starting from 01 January 2023 and declarations that must be submitted as of 01 October 2023. The corporation tax rate is applied to net income of the companies after adjusting for certain disallowable expenses, exempt income and allowances. The corporation tax rate is applied to net income of the companies after adjusting for certain disallowable expenses, exempt income and allowances.

Group is liable to corporation tax valid in Turkey. The necessary provisions are made on the attached financial statements for expected tax liabilities related to the group's current period activity results. Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, tax liabilities, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis.

Corporation tax rate that will be accrued over corporation tax base is calculated over the tax base that remains after adding expenses recorded as expense in determination of commercial earnings that are non-deductible from tax base and subtracting tax-exempt profit, tax-free income and other deductions (if there are losses from previous years and used investment allowances if preferred).

There is no absolute and certain confirmation procedure related to tax evaluation in Turkey. Losses may be carried forward for a maximum of 5 years to be deducted from taxable profits in future years. However, losses cannot be deducted retroactively from profits made in previous years. Companies prepare their tax returns between 01-25 April of the year following the accounting closing period of the relevant year. These declarations and the accounting records underlying them may be reviewed and changed by the Tax Office within 5 years.

There are some exceptions on Corporation Tax Law. These exceptions that Group will possibly utilize are explained as below;

Taxable losses

According to the Turkish tax legislation, financial losses on the declaration can be deducted from the corporate income for the period, provided that they do not exceed 5 years. However, financial losses can not be offsetted from last year's profits.

The Real Estate and Subsidiary Share Sales Gain Exemption

75% of the gains arising from the sale of participation shares, founders' shares, redeemed shares and preemptive rights held by corporations for at least two full years are exempt from corporate tax. However, according to the CTL (Corporate Tax Law) numbered 5520; 25% of the gains arising from the sale of properties (in assets before 15.07.2023) that have been in assets for at least two full years are exempt from corporate tax.

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Deferred Tax:

The potential deferred tax assets /(liabilities) of the Group represents the tax effects of temporary differences, arising between the financial statements reported for Communiqué purposes and the statutory tax financial statements. Such differences arise due to the different treatment of certain items of income and expense included in the Communiqué financial statements compared to the local tax return, in accordance with applicable tax laws.

As of balance sheet date, accumulated temporary differences and deferred tax assets and liabilities prepared by using current applicable tax rate is as follows:

	Cumulative temporary differences	Deferred tax / (liability))	Cumulative temporary differences	Deferred tax / (liability)
<u>Deferred tax assets:</u>				
Unearned interests on receivables	25.422.690	6.355.672	20.260.686	5.065.171
Severance pay provision	194.533.857	48.633.464	229.252.924	57.313.233
Unused vacation provisions	39.614.001	9.903.501	36.503.301	9.125.826
Differences on tangible and intangible assets	-	-	629.598.181	157.399.546
Adjustments to inventories	-	-	20.216.955	5.054.239
Expense accruals	350.000	87.500	2.115.325	528.832
Adjustments to financial liabilities	394.350	98.588	746.645	186.662
Adjustments to provisions of lawsuits	6.981.947	1.745.487	9.936.071	2.484.018
Foreign exchange	-	-	5.993.843	1.498.461
Deferred income	22.937.303	5.734.326	52.261.501	13.065.375
Effect of other corrections	30.883.246	7.720.810	51.525.450	12.862.348
Deferred tax assets		80.279.348		264.583.711
<u>Deferred tax liabilities:</u>				
Differences on tangible and intangible assets	851.050.920	212.762.729	1.806.856	451.714
Difference in revaluation of land and buildings	1.898.878.798	356.039.775	1.898.878.796	356.039.774
Difference in revaluation of machinery, plant and equipment	1.463.301.527	365.825.382	1.463.301.528	365.825.382
Adjustments to inventories	124.975.028	31.243.758	590.900.665	147.725.167
Unearned interests on payables	50.169.270	12.542.318	23.604.989	5.901.247
Adjustments related to financial debts	37.150.509	9.287.626	19.980.354	4.995.088
Investment property increase in value	1.348.404.709	252.825.883	492.563.763	92.355.706
Effect of other corrections	-	-	698.031	174.508
Deferred tax liabilities		1.240.527.471		973.468.586
Deferred tax assets / (liabilities), net		(1.160.248.123)		(708.884.875)

The Group calculates deferred tax assets and liabilities considering the effect of temporary differences arising from the different evaluations between the statutory financial statements prepared in accordance with TAS / IFRS issued by the Group and its financial statements. These temporary differences usually result from the recognition of income and expenses in different reporting periods according to TAS / IFRS and Tax Code.

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For the period ended at 31 December 2024 and 31 December 2023 movements of deferred tax assets and liabilities are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Current corporation tax	-	(1.227.591)
Deferred tax assets/(liabilities), net	(451.712.442)	347.209.658
	(451.712.442)	345.982.067

Deferred Tax (Asset) / Liability Movements

	01.01.- 31.12.2024	01.01.- 31.12.2023
Opening balance	708.884.874	1.019.831.935
Gain on revaluation of properties	-	33.598.105
Actuarial (gain) / loss effect prior periods	(298.963)	2.740.538
Tax effect on Financial Assets Measured at Fair Value through Other Comprehensive Income	(50.230)	(76.046)
Deferred tax assets / (liabilities), net	(1.160.248.123)	(708.884.874)
Closing balance	(451.712.442)	347.209.658

NOTE 31 – EARNINGS PER SHARE

	01.01.- 31.12.2024	01.01.- 31.12.2023
Net profit / (loss) for the period	12.163.674	1.600.903.761
Weighted-average number of shares outstanding (per share with TRY 1 value)	277.292.576	277.292.576
Simple earnings and divided earnings per share (TRY)	0,0439	5,7733

NOTE 32 – FINANCIAL INSTRUMENTS

Financial assets	31.12.2024	31.12.2023
Liquid assets	561.816.128	632.184.536
Trade receivables	1.597.782.582	1.445.088.031
Other receivables	47.434.344	7.645.740
Financial assets	5.926.265	4.099.621
Financial liabilities		
Financial borrowings	3.288.867.637	3.599.683.353
Lease payables	5.269.641	16.468.962
Other payables	22.534.175	18.119.471
Trade payables	826.026.740	952.376.076

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NOTE 33 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Financial Instruments

Credit Risk

Group is subject to credit risk arising from trade receivables related to credit sales and deposits at banks. These risks are managed by limiting the aggregate risk from any individual counterparty and obtaining sufficient collateral where necessary and making only cash based sales to customer considered as having a higher risk. Collect ability of trade receivables are evaluated by management depending on their past experiences and current economic condition, and presented in the financial statements net of adequate doubtful provision.

As of 31 December 2024 and 31 December 2023, maximum net credit risk is as follows:

	Trade Receivables		Other Receivables		Bank
	Related Party	Other Party	Related Party	Other Party	Deposit
31.12.2024					
Maximum net credit risk as of balance sheet date (A+B+C+D+E)	1.069.838.346	527.944.236	4.823.954	42.610.390	17.472.055
The part of maximum risk under guarantee with collateral	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	810.398.873	527.944.236	4.823.954	42.610.390	17.472.055
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	259.439.473	-	-	-	-
The part secured by collateral	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
Past due (gross carrying amount)	-	7.085.296	-	-	-
Impairment (-)	-	(7.085.295)	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-
Not past due (gross carrying amount)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-
E. The part of maximum risk under guarantee with collateral	-	-	-	-	-

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31.12.2023	Trade Receivables Related Party	Other Party	Other Receivables Related Party	Other Party	Bank Deposit
Maximum net credit risk as of balance sheet date (A+B+C+D+E)	915.404.944	529.683.087	8.318	7.637.422	261.815.158
The part of maximum risk under guarantee with collateral	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	752.264.802	529.683.087	-	7.637.422	261.815.158
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	163.140.142	-	8.318	-	-
The part secured by collateral	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
Past due (gross carrying amount)	-	701.695	-	-	-
Impairment (-)	-	(701.695)	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-
Not past due (gross carrying amount)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-
E. The part of maximum risk under guarantee with collateral	-	-	-	-	-

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Liquidity risk

Liquidity risk is the Group's possibility of not fulfilling net funding liabilities. Occurrence of events like deteriorations in markets or decrease in credit score that causes decreases in fund resources, are reasons of liquidity risk.

As of 31 December 2024, Group's liquidity risk table is as follows:

Maturities according to agreement	Book Value	Contractual total cash outflow (=I+II+III+IV)	Less than 3 months (I)	3 – 12 months (II)	1- 5 Years (III)	More than 5 Years (IV)
Financial Liabilities						
Non Derivatives	4.328.334.740	4.676.447.312	1.177.598.165	2.089.359.174	1.088.813.315	320.676.658
Financial borrowings	3.288.867.637	3.586.512.415	305.901.475	1.880.171.203	1.079.763.079	320.676.658
Financial leasing	5.269.641	5.618.165	1.878.605	3.739.560	-	-
Trade payables	826.026.740	876.196.010	827.812.642	48.007.558	375.810	-
- Other Party	826.026.740	876.196.010	827.812.642	48.007.558	375.810	-
Other liabilities	208.170.722	208.120.722	42.005.443	157.440.853	8.674.426	-
-Other Party	208.170.722	208.120.722	42.005.443	157.440.853	8.674.426	-
	4.328.334.740	4.676.447.312	1.177.598.165	2.089.359.174	1.088.813.315	320.676.658

As of 31 December 2023, Group's liquidity risk table is as follows:

Maturities according to agreement	Book Value	Contractual total cash outflow (=I+II+III+IV)	Less than 3 months (I)	3 – 12 months (II)	1- 5 Years (III)	More than 5 Years (IV)
Financial Liabilities						
Non Derivatives	4.820.827.797	5.347.427.033	1.155.864.517	2.484.458.739	1.367.469.686	339.634.091
Financial borrowings	3.599.683.352	4.100.221.174	299.571.506	2.124.661.792	1.336.353.785	339.634.091
Financial leasing	16.468.963	18.925.392	2.728.085	8.098.631	8.098.676	-
Trade payables	952.376.076	975.981.061	844.437.388	131.543.673	-	-
- Related Party	69.630	75.445	75.445	-	-	-
- Other Party	952.306.446	975.905.616	844.361.943	131.543.673	-	-
Other liabilities	252.299.406	252.299.406	9.127.538	220.154.643	23.017.225	-
- Other Party	252.299.406	252.299.406	9.127.538	220.154.643	23.017.225	-
	4.820.827.797	5.347.427.033	1.155.864.517	2.484.458.739	1.367.469.686	339.634.091

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Foreign currency risk

The effects occurring from exchange rate fluctuation, in case of having foreign currency assets, liabilities, off-balance sheet liabilities, are foreign currency risk. Transactions in foreign currencies during the year have been translated at the exchange rate prevailing at dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the balance sheet dates. Foreign exchange gains or losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities are recognized in the statement of profit/loss. Monetary liabilities of the Group exceed monetary assets of the Group; in case of exchange rate rise, the Group is exposed to foreign currency risk.

As of 31 December 2024, if TRY evaluates / devaluates against foreign currency by 10% and all other variables remains the same, profit before tax which occurs as a result of the foreign exchange loss / gain arising from net foreign exchange exposure would have been TRY 69.346.112 more/less.

Foreign currency risk sensitivity

	Profit/ (Loss)		Shareholders' Equity	
	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY
In the case of increasing / losing value of TRY by 10% against USD				
1- USD net asset / liability	74.354.134	(74.354.134)	74.354.134	(74.354.134)
2- Part of hedged from USD risk (-)	-	-	-	-
3- USD net effect (1+2)	74.354.134	(74.354.134)	74.354.134	(74.354.134)
In the case of increasing / losing value of TRY by 10% against EUR				
4- EUR net asset / liability	(143.935.906)	143.935.906	(143.935.906)	143.935.906
5- Part of hedged from EUR risk (-)	-	-	-	-
6- EUR net effect (4+5)	(143.935.906)	143.935.906	(143.935.906)	143.935.906
In the case of increasing / losing value of TRY by 10% against GBP				
7- GBP net asset / liability	235.629	(235.629)	235.629	(235.629)
8- Part of hedged from GBP risk (-)	-	-	-	-
9- GBP net effect (7+8)	235.629	(235.629)	235.629	(235.629)
TOTAL (3+6+9)	(69.346.112)	69.346.112	(69.346.112)	69.346.112

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As of 31 December 2023, if TRY evaluates / devaluates against foreign currency by 10% and all other variables remains the same, profit before tax which occurs as a result of the foreign exchange loss / gain arising from net foreign exchange exposure would have been TRY 36.602.417 more/less.

Foreign currency risk sensitivity

	Profit/ (Loss)		Shareholders' Equity	
	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY
In the case of increasing / losing value of TRY by 10% against USD				
1- USD net asset / liability	66.956.054	(66.956.054)	66.956.054	(66.956.054)
2- Part of hedged from USD risk (-)	-	-	-	-
3 USD net effect (1+2)	66.956.054	(66.956.054)	66.956.054	(66.956.054)
In the case of increasing / losing value of TRY by 10% against EUR				
4- EUR net asset / liability	(103.974.834)	103.974.834	(103.974.834)	103.974.834
5- Part of hedged from EUR risk (-)	-	-	-	-
6- EUR net effect (4+5)	(103.974.834)	103.974.834	(103.974.834)	103.974.834
In the case of increasing / losing value of TRY by 10% against GBP				
7- GBP net asset / liability	416.363	(416.363)	416.363	(416.363)
8- Part of hedged from GBP risk (-)	-	-	-	-
9- GBP net effect (7+8)	416.363	(416.363)	416.363	(416.363)
TOTAL (3+6+9)	(36.602.417)	36.602.417	(36.602.417)	36.602.417

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Interest Rate Risk

The Group's financial liabilities exposure the Group to interest rate risk. The Group's financial liabilities mainly consist of fixed rate borrowings. As of 31 December 2024, according to the current balance sheet position, in the case of 1% decrease / increase and keeping fixed all the variables the Group's net profit will increase / decrease TRY 2.859.304 (31 December 2023: TRY 4.623.096).

Risk of intensification of sales

During the reporting periods ending on 31 December 2024 and 2023, the risk of intensification of the Group's sales is due to sales from textile sector operations.

The sales activities of the Group are determined according to fluctuations in the domestic and overseas markets and competition conditions. It is taken care of to not to concentrate on a specific sector, country, person and Group in terms of dissolving risks. Even so, as of 31 December 2024, the share of the largest buyer in the revenue from textile sector operations is 38,53% (31 December 2023: 32,18%). The customer mentioned is a major international supplier and the commercial relation between the customer and the Group has been maintained for many years.

The share of the largest buyers in the revenue from agriculture sector operations is 83,02% (31 December 2023: 82,82%). Domestic sales of dried fruits (risen, fig and apricot) produced by Menderes on contract manufacturing basis are made in accordance with the "Sales Agreement" signed with Osman Akça Tarım Ürünleri İthalat İhracat Sanayi ve Ticaret A.Ş., who is the related party of the Group and Osman Akça exports these products to different customers abroad.

Percentage of total sales of two buyers with the largest share in total sales of the Group is given below:

Textile:

Customer	01.01.- 31.12.2024	01.01.- 31.12.2023
A Company	38,53%	32,18%

Agriculture:

Customer	01.01.- 31.12.2024	01.01.- 31.12.2023
B Company	83,02%	82,82%

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As of 31 December 2024, amounts of assets and liabilities of the Group in foreign currency are as follows:

	TRY equivalent functional currency	USD	EUR	GBP
1. Trade Receivables	1.382.010.031	34.426.371	4.546.281	53.250
2a. Monetary Financial Assets (including cash and banks)	43.898.013	907.491	324.196	474
2b. Non-monetary financial assets	-	-	-	-
3. Other	-	-	-	-
4. Current Assets (1+2+3)	1.425.908.044	35.333.862	4.870.477	53.724
5. Trade Receivables	-	-	-	-
6a. Monetary financial receivables	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-
7. Other	-	-	-	-
8. Non-Current Assets (5+6+7)	-	-	-	-
9. Total Assets (4+8)	1.425.908.044	35.333.862	4.870.477	53.724
10. Trade Payables	72.618.110	1.634.174	405.676	467
11. Financial Liabilities	787.761.679	8.966.661	12.805.445	-
12a. Other monetary financial liabilities	2.984.040	-	81.068	-
12b. Other non-monetary financial liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	863.363.829	10.600.835	13.292.189	467
14. Trade Payables	-	-	-	-
15. Financial Liabilities	1.256.005.338	3.598.069	30.672.877	-
16a. Other monetary financial liabilities	-	-	-	-
16b. Other non-monetary financial liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	1.256.005.338	3.598.069	30.672.877	-
18. Total Liabilities	2.119.369.167	14.198.904	43.965.066	467
19. Net asset/(liabilities) position of off-balance sheet derivative instruments(19a-19b)	-	-	-	-
19a. Off-balance sheet foreign currency derivative assets	-	-	-	-
19b. Off-balance sheet foreign currency derivative liabilities	-	-	-	-
20. Net foreign currency asset / liabilities (9-18+19)	(693.461.123)	21.134.958	(39.094.589)	53.257
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(693.461.123)	21.134.958	(39.094.589)	53.257
22. Fair value of derivative instruments used in foreign currency hedge	-	-	-	-
23. Exports	2.776.371.935	50.391.216	22.066.181	209.816
24. Imports	695.479.108	17.474.073	1.141.837	20.274

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As of 31 December 2023, amounts of assets and liabilities of the Group in foreign currency are as follows:

	Foreign currency position table TRY equivalent (functional currency) (indexed values)	Foreign currency position table TRY equivalent (functional currency) (dated values)	USD	EUR	GBP
1. Trade Receivables	1.204.571.236	834.313.261	23.122.926	4.588.169	111.143
2a. Monetary Financial Assets (including cash and banks)	569.137.002	394.197.150	11.296.788	1.892.245	60
2b. Non-monetary financial assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current Assets (1+2+3)	1.773.708.238	1.228.510.411	34.419.714	6.480.414	111.203
5. Trade Receivables	-	-	-	-	-
6a. Monetary financial receivables	1.362.373	943.610	3.425	25.873	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-Current Assets (5+6+7)	1.362.373	943.610	3.425	25.873	-
9. Total Assets (4+8)	1.775.070.611	1.229.454.021	34.423.139	6.506.287	111.203
10. Trade Payables	548.055.690	379.595.757	3.512.264	8.458.245	-
11. Financial Liabilities	363.973.125	252.096.012	1.885.506	6.021.279	-
12a. Other monetary financial liabilities	8.358.855	5.789.532	69.647	114.473	-
12b. Other non-monetary financial liabilities	-	-	-	-	-
13. Current Liabilities (10+11+12)	920.387.670	637.481.301	5.467.417	14.593.997	-
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	1.383.144.144	957.996.893	6.190.079	23.762.845	-
16a. Other monetary financial liabilities	-	-	-	-	-
16b. Other non-monetary financial liabilities	-	-	-	-	-
17. Non-Current Liabilities (14+15+16)	1.383.144.144	957.996.893	6.190.079	23.762.845	-
18. Total Liabilities	2.303.531.814	1.595.478.194	11.657.496	38.356.842	-
19. Net asset/(liabilities) position of off-balance sheet derivative instruments(19a-19b)	-	-	-	-	-
19a. Off-balance sheet foreign currency derivative assets	-	-	-	-	-
19b. Off-balance sheet foreign currency derivative liabilities	-	-	-	-	-
20. Net foreign currency asset / liabilities (9-18+19)	(528.461.203)	(366.024.173)	22.765.643	(31.850.555)	111.203
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(528.461.203)	(366.024.172)	22.765.643	(31.850.555)	111.203
22. Fair value of derivative instruments used in foreign currency hedge	-	-	-	-	-
23. Exports	3.810.686.445	2.639.367.552	59.912.905	25.853.236	113.060
24. Imports	1.230.336.718	852.159.016	21.231.100	6.788.085	3.255

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NOTE 34 – FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING DISCLOSURES)

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists. The estimated fair values of financial instruments have been determined by the Group using available markets information in Turkey and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented here in are not necessarily indicative of the amounts the Group could realize in a current market exchange:

The following methods and assumptions are utilized for the current values of financial instruments which are predictable in practice:

Financial Assets

Monetary assets for which fair value approximates carrying value:

- Balances denominated in foreign currencies are converted at period exchange rates.
- The fair value of certain financial assets carried at cost, including cash and cash equivalents are considered to approximate their respective carrying amounts in the financial statements.
- The carrying value of trade receivables, net of allowances for possible non-recovery of uncollectible are considered to approximate their fair values.

Financial Liabilities

Monetary liabilities for which fair value approximates carrying value:

- The fair value of short-term bank loans and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.
- The fair values of long-term bank borrowings, which are denominated in foreign currencies and converted at period exchange rates, are considered to approximate their carrying values.
- The carrying amount of accounts payable and accrued expenses reported in the financial statements for estimated third party payer set TRY amounts approximates its fair values.

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Capital Risk Management

In capital management, the Group aims at enhancing profitability while keeping a reasonable leverage, on the other hand rendering sustainability in its operations.

The Group follows capital by using debt to equity ratio. This rate is found by dividing net debt to total equity. Net debt is calculated by deducting cash and cash equivalents from total payable amount (as shown in balance sheet, trade and other payables and loans). Total capital, as shown in balance sheet, is calculated by adding up equity and net debt.

As of 31 December 2024 and 31 December 2023, net debt / total equity ratio is as follows:

	31.12.2024	31.12.2023
Total debts	5.795.908.995	6.071.216.270
Liquid assets	(561.816.128)	(632.256.974)
Net debt	5.234.092.867	5.438.959.296
Total equity	11.469.113.282	11.472.712.859
Total capital	16.703.206.149	16.911.672.155
Net Debt/Total Capital	31%	32%

Fair Value Estimate

Classification of the group's financial assets and liabilities measured at fair value is represented below:

Level 1: Market price valuation techniques for the determined assets and liabilities traded in markets (unadjusted);

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: Inputs for the asset or liability that are not based on observable market (unobservable inputs).

The group's assets/ (liabilities) measured at fair value are presented below:

31.12.2024	Level 1	Level 2
Assets		
Lands	-	957.161.460
Underground and above ground layouts	-	717.206.565
Buildings	-	2.105.036.935
Machinery, plant and devices	-	5.756.232.160
31.12.2023	Level 1	Level 2
Assets		
Lands	-	943.024.167
Underground and above ground layouts	-	806.718.678
Buildings	-	2.181.555.072
Machinery, plant and devices	-	6.161.598.453

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As of 31 December 2024, the classes and fair values of financial instruments are as follows;

31.12.2024	Financial assets and liabilities shown at amortized value	Financial assets at fair value differences in income statement	Book Value	Note
Financial Assets				
Cash and cash equivalents	561.816.128	-	561.816.128	4
Financial investments	-	5.926.265	5.926.265	5
Trade receivables	1.597.782.582	-	1.597.782.582	7
Other receivables	47.434.344	-	47.434.344	9
Financial Liabilities				
Financial borrowings	3.294.137.278	-	3.294.137.278	8
Trade payables	826.026.740	-	826.026.740	7
Other payables	22.484.175	-	22.484.175	9

As of 31 December 2023, the classes and fair values of financial instruments are as follows;

31.12.2023	Financial assets and liabilities shown at amortized value	Financial assets at fair value differences in income statement	Book Value	Note
Financial Assets				
Cash and cash equivalents	632.184.536	-	632.184.536	4
Financial investments	4.099.621	-	4.099.621	5
Trade receivables	1.445.088.031	-	1.445.088.031	7
Other receivables	7.645.740	-	7.645.740	9
Financial Liabilities				
Financial borrowings	3.616.152.315	-	3.616.152.315	8
Trade payables	952.376.076	-	952.376.076	7
Other payables	18.119.471	-	18.119.471	9

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NOTE 35 – GAINS /(LOSSES) ON NET MONETARY POSITION RELATED EXPLANATIONS

Non-monetary items	31 December 2024
Statement of financial position items	(375.301.353)
Inventories	209.517.500
Prepaid expenses (short term)	11.341.717
Investments subject to equity pick-up method	210.479.828
Investments in subsidiaries	49.614.354
Tangible assets	2.584.867.145
Intangible assets	135.025.287
Investment properties	180.475.150
Prepaid expenses (long term)	8.172.112
Deferred income (short term)	(13.675.402)
Issued capital	(1.593.530.757)
Share premiums/discounts	(113.839.030)
Accumulated other comprehensive income/(expenses) not to be reclassified on profit or loss	
- <i>Gain on revaluation of properties</i>	(811.573.211)
- <i>The movement schedule for gains/(losses)</i>	(2.137.742)
Restricted reserves	(56.378.087)
Retained earnings	(1.173.660.217)
Statement of profit or loss items	629.229.879
Revenue	(928.546.101)
Cost of sales	1.492.421.895
Research and sevelopment expense	5.457.115
Marketing expenses	24.174.671
General administrative expenses	25.144.707
Other operating income	(58.264.746)
Other operating expenses	18.435.009
Income from investing activities	(10.374.417)
Expense from investing activities	680.046
Financial income	(31.305.473)
Financial expenses	133.012.461
Tax expense for the period	(41.605.288)
Gains /(Losses) on Net Monetary Position	253.928.526

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NOTE 36 – POST BALANCE SHEET EVENTS

None.

NOTE 37 – FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR / INDEPENDENT AUDIT FIRMS

The explanation regarding the fees for the services provided by independent audit firms prepared in accordance with the POA's Resolution No. 1755 dated 25 March 2021 and No. 1755 and Resolution No. 1771 dated 26 March 2021 published in the Official Gazette No. 31439 dated 30 March 2021 (Repeated) is as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Independent audit fee for the reporting period		
Audit and assurance fee	2.700.000	1.552.072
Fees for other assurance services	50.000	27.071
	2.750.000	1.579.143