

**KONTROLMATİK TEKNOLOJİ ENERJİ
VE MÜHENDİSLİK ANONİM ŞİRKETİ**

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY- 31 MARCH 2025**

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

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

KONTROLMATİK TEKNOLOJİ ENERJİ VE MÜHENDİSLİK ANONİM ŞİRKETİ

CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD 1 JANUARY- 31 MARCH 2025

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2025 AND 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

	Notes	Unreviewed current period 31.03.2025	Audited prior period 31.12.2024
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	374.906.002	2.518.165.577
Financial Investments	6	5.059.835	41.931.232
Trade Receivables	9	1.681.346.881	2.930.825.487
<i>Trade receivables from third parties</i>	10	1.656.275.855	2.898.985.590
<i>Trade receivables from related parties</i>	10,37	25.071.026	31.839.897
Other Receivables	10	1.109.286.301	666.291.393
<i>Other receivables from third parties</i>	10	952.734.606	647.623.001
<i>Other receivables from related parties</i>	10	156.551.695	18.668.392
Contract Assets	13	3.076.203.740	2.570.818.806
Inventories	12,36	2.996.642.077	3.006.731.557
Prepaid Expenses	22	2.737.609.102	2.328.225.585
<i>Prepaid Expenses from third parties</i>	22	2.715.260.841	1.890.464.773
<i>Prepaid Expenses from related parties</i>	22	22.348.261	437.760.812
Current Income Tax Assets	23,36	13.161.022	1.164.749
Other Current Assets	24	577.277.680	482.095.733
Total		12.571.492.640	14.546.250.119
Non-Current Assets			
Other Receivables	10	8.803.083	53.588.839
<i>Other receivables from third parties</i>	10	8.803.083	53.588.839
<i>Other receivables from related parties</i>	10	-	-
Financial Investments	6	-	377.546
Investments Accounted for Using the Equity Method	14	332.482.760	301.939.532
Investment Properties	15	231.462.872	231.463.363
Property, Plant and Equipment	16	9.640.091.733	8.458.988.416
Right of Use Assets	8	127.098.843	155.145.379
Intangible Assets	17	1.662.075.161	1.598.372.136
<i>Other intangible assets</i>	17	806.753.185	743.048.346
<i>Goodwill</i>	17	855.321.976	855.323.790
Prepaid Expenses	22,36	842.025.557	1.058.778.215
<i>Prepaid Expenses from third parties</i>	22,36	842.025.557	1.058.778.215
<i>Prepaid Expenses from related parties</i>	22,36	-	-
Deferred Tax Assets	34	2.074.184.432	1.528.903.339
Other Non-Current Assets	22	136.277.515	100.392.104
Total		15.054.501.955	13.487.948.868
TOTAL ASSETS		27.625.994.595	28.034.198.987

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

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KONTROLMATİK TEKNOLOJİ ENERJİ VE MÜHENDİSLİK ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2025 AND 31 DECEMBER 2024

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

	Notes	Unreviewed current period 31.03.2025	Audited prior period 31.12.2024
LIABILITIES			
Current Liabilities			
Short-Term Borrowings	7	3.844.190.098	1.878.845.037
Lease Liabilities	8	162.460.407	138.424.663
Short-Term Portion of Long-Term Borrowings	7	1.809.260.914	1.678.823.518
Trade Payables	9	3.907.441.636	4.989.752.484
<i>Trade payables to third parties</i>	9,36	3.898.467.892	4.882.067.839
<i>Trade payables to related parties</i>	9,36	8.973.744	107.684.645
Employee Benefits	20	206.787.173	179.358.991
Other Payables	10	687.176.162	432.581.722
<i>Other payables to third parties</i>	10,36	687.176.162	281.946.282
<i>Other payables to related parties</i>	10,36	-	150.635.440
Contract Liabilities	13	42.170.867	5.953.685
Derivative Instruments	11	2.673.803	2.942.868
Deferred Income	22	1.432.018.154	1.417.538.157
<i>Deferred Income to third parties</i>	22	1.296.343.605	1.406.784.962
<i>Deferred Income to related parties</i>	22,36	135.674.549	10.753.195
Current Income Tax Liabilities	34	3.643.485	73.197.878
Short-Term Provisions	19	56.851.960	45.293.435
<i>Other short-term provisions</i>	19	8.928.536	8.936.217
<i>Provisions for employee benefits</i>	19	47.923.424	47.923.424
Other Current Liabilities	24	30.966.591	979.532
Total		12.185.641.250	10.843.691.970
Non-Current Liabilities			
Long-Term Borrowings	7	4.466.924.817	6.085.243.016
Lease Liabilities	8	11.556.557	65.351.784
Other Payables	10,36	2.506.325.524	3.127.243.545
<i>Other payables to third parties</i>	10,36	126.286.054	260.492.087
<i>Other payables to related parties</i>	10,36	2.380.039.470	2.866.751.458
Long-Term Provisions	19	65.815.215	64.232.912
<i>Provisions for employee benefits</i>	19	65.815.215	64.232.912
Deferred Tax Liabilities	19	1.582.331.097	1.332.076.306
Other Non-Current Liabilities	34	42.243.538	50.666.648
Total	24	8.675.196.748	10.724.814.211
TOTAL LIABILITIES		20.860.837.998	21.568.506.181
EQUITY			
Equity Holders of the Parent			
Paid-in share capital	25	650.000.000	650.000.000
Adjustment to share capital	25	598.784.257	598.784.257
Share premium		1.479.770.162	1.479.770.162
Other Comprehensive Income or Expenses not to be Reclassified to Profit or Loss	25	387.754.998	374.967.793
Other Comprehensive Income or Expenses to be Reclassified to Profit or Loss		40.578.310	25.189.649
Restricted Profit Reserves		72.817.131	72.817.131
Retained Earnings	25	1.687.716.286	1.386.238.080
Profit for the Period	35	303.001.528	301.478.206
Total Equity Holders of the Parent		5.220.422.671	4.889.245.278
Non-Controlling Interests	25	1.544.733.926	1.576.447.528
Total Equity		6.765.156.597	6.465.692.806
TOTAL LIABILITIES AND EQUITY		27.625.994.595	28.034.198.987

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

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

KONTROLMATİK TEKNOLOJİ ENERJİ VE MÜHENDİSLİK ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE INTERIM PERIODS ENDED 31 MARCH 2025 AND 2024

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

	Notes	Unreviewed current period 01.01.2025- 31.03.2025	Unreviewed prior period 01.01.2024- 31.03.2024
Revenue	26	2.041.252.103	1.392.751.336
Cost of Sales (-)	26	(1.658.279.980)	(1.123.391.000)
Gross Profit		382.972.123	269.360.336
General Administrative Expenses (-)	27, 28	(200.295.521)	(172.637.540)
Marketing, Sales and Distribution Expenses (-)	27, 28	(88.112.755)	(70.937.075)
Research and Development Expenses (-)	27, 28	(55.307.639)	(41.941.143)
Other Operating Income	29	525.695.411	240.329.967
Other Operating Expenses (-)	29	(501.364.717)	(213.945.272)
OPERATING PROFIT		63.586.902	10.229.273
Gains from Investment Activities	30	853.421	5.564.391
Losses from Investment Activities (-)	30	(17.277.023)	(2.302.764)
Share of Profit/(Loss) of Investments Accounted for Using the Equity Method	14	67.853.313	(201.770)
OPERATING PROFIT BEFORE FINANCIAL INCOME/(EXPENSE)		115.016.613	13.289.130
Financial Income	31	258.523.381	125.082.764
Financial Expenses (-)	32	(759.829.107)	(263.777.381)
Net monetary position gains/(losses)	39	403.422.227	358.330.310
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	27	17.133.114	232.924.823
Tax income/(expense)		(3.643.485)	(5.710.845)
Current period tax expense (-)		257.801.641	247.956.507
Deferred income tax	28, 29		
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	28, 29	254.158.156	242.245.662
DISCONTINUED OPERATIONS	30		
PROFIT FOR THE PERIOD	30	271.291.270	475.170.485
Attributable to	15		
Non-Controlling Interests	31	(31.710.258)	(34.850.420)
Equity Holders of the Parent	31	303.001.528	510.020.904
Earnings per share			
- Earnings per share from continuing operations			

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		Unreviewed current period 01.01.2025 31.03.2025	Unreviewed prior period 01.01.2024 31.12.2024
OTHER COMPREHENSIVE INCOME			
PROFIT FOR THE PERIOD	35	271.291.270	475.170.485
Items not to be reclassified to profit or loss		17.049.606	20.016.537
Property, plant and equipment revaluation surplus		-	(26.238.844)
Gains/(losses) on remeasurements of defined benefit plans, tax effect		17.049.606	46.255.381
Taxes relating to other comprehensive income not to be reclassified to profit or loss		(4.262.401)	(874.547)
Gains/(losses) on remeasurements of defined benefit plans, tax effect		-	6.559.711
Property, plant and equipment revaluation surplus, tax effect		(4.262.401)	(7.434.258)
Items to be reclassified to profit or loss		15.388.660	79.237.924
Currency translation differences		15.388.660	79.237.924
OTHER COMPREHENSIVE INCOME		28.175.864	98.379.915
TOTAL COMPREHENSIVE INCOME		299.467.134	573.550.399

Attributable to

Non-controlling interests

Equity holders of the parent

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FOR THE INTERIM PERIODS ENDED 31 MARCH 2025 AND 2024

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

					Items not to be reclassified to profit or loss		Items to be reclassified to profit or loss		Retained earnings					Total equity
	Paid-in share capital	Adjustment to share capital	Treasury shares	Share premium	Gains/(losses) on remeasurements of defined benefit plans	Property, plant and equipment revaluation surplus	Currency translation differences	Restricted reserves	Prior years' income	Profit for the period	Equity holders of the parent	Non-controlling interests		
Unreviewed Prior Period														
Balances at 1 January 2025 (Beginning of the period)	650.000.000	598.784.257	-	1.479.770.162	(24.480.976)	399.448.768	25.189.649	72.817.131	1.386.238.720	301.477.566	4.889.245.279	1.576.444.184	6.465.689.464	
Transfers	-	-	-	-	-	-	-	-	301.477.566	(301.477.566)	-	-	-	
Total comprehensive income	-	-	-	-	12.787.206	-	15.388.661	-	-	303.001.528	331.177.393	(31.710.258)	299.467.134	
- Profit for the period	-	-	-	-	-	-	-	-	-	303.001.528	303.001.528	(31.710.258)	271.291.270	
- Other comprehensive income	-	-	-	-	12.787.206	-	15.388.661	-	-	-	28.175.865	-	28.175.864	
Balances at 31 March 2025 (End of the period) (Note 26)	650.000.000	598.784.257	-	1.479.770.162	(11.693.770)	399.448.768	40.578.310	72.817.131	1.687.716.286	303.001.528	5.220.422.672	1.544.733.926	6.765.156.598	

					Items not to be reclassified to profit or loss		Items to be reclassified to profit or loss		Retained earnings					Total equity
	Paid-in share capital	Adjustment to share capital	Treasury shares	Share premium	Gains/(losses) on remeasurements of defined benefit plans	Property, plant and equipment revaluation surplus	Currency translation differences	Restricted reserves	Prior years' income	Profit for the period	Equity holders of the parent	Non-controlling interests		
Unreviewed Current Period														
Balances at 1 January 2024 (Beginning of the period)	200.000.000	537.182.032	-	1.462.812.485	(8.797.567)	368.510.416	(37.959.589)	63.462.225	1.031.952.983	684.891.450	4.302.054.436	1.467.167.411	5.769.221.847	
Transfers	-	-	-	-	-	-	-	-	684.891.450	(684.891.450)	-	-	-	
Total comprehensive income	-	-	-	-	(982.283)	-	34.287.858	-	-	510.021.534	543.327.109	(34.850.463)	508.476.646	
- Profit for the period	-	-	-	-	-	-	-	-	-	510.021.534	510.021.534	(34.850.463)	475.171.071	
- Other comprehensive income	-	-	-	-	(982.283)	-	34.287.858	-	-	-	33.305.575	-	33.305.575	
Balances at 31 March 2024 (End of the period) (Note 26)	200.000.000	537.182.032	-	1.462.812.485	(9.779.850)	368.510.416	(3.671.731)	63.462.225	1.716.844.433	510.021.534	4.845.381.545	1.432.316.948	6.277.698.493	

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	Notes	Unreviewed current period 01.01.2025 31.03.2025	Unreviewed prior period 01.01.2024 31.03.2024
A) CASH FLOWS FROM OPERATING ACTIVITIES		(575.573.780)	(788.564.044)
PROFIT FOR THE PERIOD	34	271.291.270	475.170.485
Adjustments to reconcile profit for the period to cash generated from operating activities		521.075.953	157.137.817
Depreciation and amortisation	8,16,17	186.184.242	198.297.550
Adjustments for impairment loss/(reversal of impairment loss)	12	(10.764.678)	(188.586)
Adjustments for provisions	19	13.141.060	(1.247.836)
Adjustments for interest income/expense	31, 32	221.587.023	192.056.933
Adjustments for undistributed profits of investments accounted for using the equity method	14	(67.853.313)	201.770
Adjustments for tax income/expense	34	(254.158.156)	(242.245.662)
Adjustments for unrealised currency translation differences		312.496.798	(96.050.758)
Adjustments for gains/(losses) on disposal of non-current assets	16,17	2.665.313	(4.333.168)
Adjustments for monetary gains/(losses)	39	117.777.662	110.647.574
Changes in Working Capital		(1.364.879.570)	(1.249.944.727)
Adjustments for gains/(losses) on Financial Investments	6,7	37.248.853	40.547.010
Adjustments for gains/(losses) on Trade Receivables	9	1.249.472.393	426.633.220
Adjustments for gains/(losses) on Other Receivables Related to Operations	10	(398.210.678)	62.398.777
Adjustments for gains/(losses) on Contract Assets	13	(505.390.386)	(249.944.786)
Changes in Inventories	12	10.083.103	(157.433.797)
Adjustments for gains/(losses) on Trade Payables	9	(1.155.497.989)	(315.385.843)
Adjustments for gains/(losses) on Other Payables Related to Operations	10	(366.316.031)	(525.714.154)
Changes in Prepaid Expenses	22	(192.638.042)	(586.841.904)
Changes in Deferred Income	22	14.483.004	38.064.770
Adjustments for gains/(losses) on payables due to employee benefits	20	27.428.563	3.939.170
Adjustments for gains/(losses) on Contract Liabilities	13	36.217.194	(13.343.785)
Changes in Derivative Liabilities	11	(269.059)	(556.219)
Adjustments for gains/(losses) on other changes in working capital		(121.490.495)	27.692.815
Cash Flows from Operating Activities		(572.512.348)	(617.636.426)
Income tax refund/paid		3.643.485	(167.129.704)
Payments within provisions for employee benefits	20	(6.704.918)	(3.797.915)
B) CASH FLOWS FROM INVESTING ACTIVITIES		(1.390.769.547)	(174.944.370)
Cash inflows from sale of property, plant and equipment and intangible assets	16,17	14.824.236	31.834.600
Cash outflows from purchase of property, plant and equipment and intangible assets	16, 17	(1.405.593.783)	(206.778.969)
C) CASH FLOWS FROM FINANCING ACTIVITIES		7.806.498	1.184.587.981
Cash inflows from borrowings	7	182.450.433	1.376.644.913
Interest paid		(487.172.191)	(286.968.904)
Interest received		312.528.256	94.911.971
Inflation effect on cash and cash equivalents		(184.717.404)	(148.907.069)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		(2.143.254.234)	72.172.498
D) EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		-	-
Net Increase/(Decrease) in Cash and Cash Equivalents		(2.143.254.234)	72.172.498
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	2.518.160.236	1.095.449.981
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		374.906.002	1.167.622.479

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

NOTE 1 - GROUP’S ORGANISATION AND NATURE OF OPERATIONS

Kontrolmatik Teknoloji Enerji ve Mühendislik Anonim Şirketi (the “Company” or “Kontrolmatik”) was established in 2008 with the title of “Kontrolmatik Bina Yönetim Sistemleri Sanayi ve Dış Ticaret Limited Şirketi”. The title of Kontrolmatik Bina Yönetim Sistemleri was changed to “Kontrolmatik Enerji Yönetim Sistemleri Sanayi ve Dış Ticaret Limited Şirketi” on 30 May 2012. Accordingly, the Company was changed its nature of business and the title of Kontrolmatik Enerji Yönetim Sistemleri was changed to “Kontrolmatik Enerji ve Mühendislik Anonim Şirketi” on 9 September 2014.

In addition, the Company was changed its nature of business and the title of Kontrolmatik Enerji ve Mühendislik Anonim Şirketi was changed to “Kontrolmatik Teknoloji Enerji ve Mühendislik Anonim Şirketi” on 24 February 2020.

Kontrolmatik’s initial public offering was approved by the Capital Markets Board on 24 September 2020. The Group started to be quoted on Borsa Istanbul on 19 October 2020.

For the purpose of the consolidated financial statements and notes to the consolidated financial statements, Kontrolmatik and its consolidated subsidiaries are hereinafter together referred to as the “Group”. Kontrolmatik’s nature of businesses are mainly as follows:

Kontrolmatik provides and establishes electronic, communication, computer and computer hardware and systems in order to meet the needs of all private and public legal person institutions and organizations. Kontrolmatik realises services with all kinds of software and hardware activities and to develop and integrate software, hardware and systems for all kinds of engineering solutions, creation of data processing systems, data transfer, data security, data analysis and data mining operations, production of information technology business intelligence solutions , establishment, purchase, sale, maintenance, service, warranty and repair services and produces all kinds of electronic information system tools and equipment. In addition, Kontrolmatik trades aforementioned products, services and devices and participating in domestic and international tenders, making commitments, being a partner in entities established or to be established for this purpose, acquiring, transferring or taking over these entities.

Kontrolmatik provides research and development activities both in its nature of business and in the production of other goods and services. In this context, Kontrolmatik provides engineering and consultancy services, conducts research and development activities in its nature of business, works on increasing the quality and efficiency in production and carries out studies that will help to solve the problems that may arise in its nature of business by carrying out educational activities, working in both technical and technological fields.

Kontrolmatik is responsible for all kinds of conventional and renewable energy production facilities, energy and electricity transmission and distribution facilities, oil refineries, natural gas terminals, mining facilities, all kinds of industrial facilities, underground and surface rail and transportation facilities in the public or private sector in Türkiye and abroad. Kontrolmatik carries out the electrical, electromechanical, mechanical, constructional and construction works of the highway transportation system, air and sea ports, land and railway tunnels, canals, bridges, hospitals, factories and shipyards on a turnkey or piece basis. Kontrolmatik ensuring the activities of designing projects, to make architectural design, to manage projects administratively, professionally and technically, to establish facilities, to provide engineering and consultancy services, to commission the facilities, to maintain, to design and design all kinds of electronic measurement, test, monitoring, protection, control systems of the facilities. manufacturing, installation and maintenance, ensuring the integration of systems with each other and making them ready for operation.

Kontrolmatik develops energy and industrial management systems software in Türkiye and abroad, installs these systems end-to-end turnkey, operates, provides maintenance and repair services, manufactures, trades, imports and exports software and systems.

Kontrolmatik develops new generation rechargeable flow batteries, fuel cells, thermal energy storage systems, innovative energy storage and transmission systems to store electrical and thermal energy. Kontrolmatik performs and provides domestic and foreign trade, service and maintenance of all products, systems, materials, mechanical and chemical components, electronic cards, software and systems resulting from research and development activities related to all kinds of electrical, electronic, mechanical, chemical products.

Kontrolmatik provides the acquisition, issuance, leasing, transfer and takeover of assets and all kinds of licenses related to power plants, refineries and all kinds of industrial facilities.

Kontrolmatik designs, manufactures, installs, maintains and operates turnkey mobile power plants, mobile energy and electricity distribution centers, mobile substations, mobile industrial facilities, mobile health centres, and conducts domestic and international trade.

Kontrolmatik manufactures, trades, imports and exports all kinds of electrical and electronic automation panels, distribution panels, medium voltage and weak current systems and panels.

Kontrolmatik performs tests of all kinds of electrical (high and low voltage), instruments, mechanical materials or systems in accordance with standards, manufactures, sells, rents or leases the test equipment.

Kontrolmatik enters into a subsidiary relationship with distribution companies and energy generation companies that have been or will be established without establishing a control.

Kontrolmatik is headquartered and based in Istanbul and offers different projects and services to its domestic and international customers to use energy resources efficiently.

The Group obtained the ISO 9001:2000 - Quality Management Systems certificate on 10 November 2008.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH
KONTROLMATİK TEKNOLOJİ ENERJİ VE MÜHENDİSLİK ANONİM ŞİRKETİ
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2025

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

The total end-of the period and average number of personnel employed by Kontrolmatik is 1.480 (31 December 2024: 1.339).

The registered address of Kontrolmatik is as follows:

Huzur Mahallesi, Ahmet Bayman Cad. No:2 Sarıyer/İstanbul

As of 31 March 2025 and 31 December 2024, the principal shareholders and their respective shareholding rates in Kontrolmatik are as follows:

Shareholders	31.03.2025		31.12.2024	
	Share (%)	Amount (TL)	Share (%)	Amount (TL)
Sami Aslanhan	18.49 %	120.214.980	26.84 %	174.460.000
Ömer Ünsalan	18.58 %	120.754.321	26.92 %	174.980.000
KMT Teknolojik ve Finansal Yatırımlar Anonim Şirketi	5.26 %	34.195.650	-	-
Other (Listed shares)	57.67 %	374.835.049	46.24 %	300.560.000
Total paid-in share capital	100.00 %	650.000.000	100.00 %	650.000.000

(*) The Group has no preferred shares at the end of the interim reporting period.

As of 31 March 2025, the current paid-in share capital of the Group is amounting to TL 650.000.000.

On 28.12.2023, the Company's application to increase its issued share capital of TL 200.000.000 by TL 450.000.000 by a total of 225% to TL 650.000.000 within the registered capital ceiling of TL 750.000.000; 100% of TL 200.000.000 in cash (rights issue) and 125% of TL 250.000.000 by internal resources (bonus issue), in order to increase its issued capital of TL 200.000.000 by a total of 225% to TL 650.000.000. 000 to TL 650.000.000 by increasing the issued capital of TL 200.000.000 by a total of 225% to TL 450.000.000 and 125% to TL 650.000.000 by meeting TL 250.000.000 from internal resources (bonus issue) was approved by the Capital Markets Board at its meeting dated 11.07.2024 and approved in the CMB bulletin dated 11.07.2024 and numbered 2024/32. Article 6 of the Articles of Association of the Company titled Capital and Shares was registered and announced in the Turkish Trade Registry Gazette dated 01.10.2024 and numbered 11176. The Company's share capital consists of 650,000,000 outstanding shares each with a par value of TL 1 (31.12.2024: 650,000,000).

As of 31 March 2025 and 31 December 2024, subsidiaries included in the scope of the consolidation, their effective interests, direct and indirect ownership interests are as follows:

31.03.2025 Subsidiaries	Direct ownership interest held by Kontrolmatik (%)	Effective ownership interest (%)	Non-controlling interests (%)
Kontrolmatik Tashkent LLC (Kontr Taşkent)	100.00	100.00	-
Kontrolmatik Technologies Inc. (Kontrolmatik USA)	100.00	100.00	-
Llc Controlmaticrus	100.00	100.00	-
Kontrolmatik Libya Şubesi	100.00	100.00	-
Nextopia Enerji Üretim A.Ş.(Nextopia)	100.00	100.00	-
Prolectric Enerji Üretim A.Ş.(Prolectric)	100.00	100.00	-
Kontrolmatik Cameroun Sarl	100.00	100.00	-
Progresiva Enerji Yatırımları Ticaret A.Ş. (Progresiva)	95.00	95.00	5.00
Pomega Enerji Depolama Teknolojileri A.Ş. (Pomega)	88.10	88.10	11.90
Mcfly Robot Teknolojileri A.Ş. (Mcfly)	75.00	75.00	25.00
Enwair Enerji Teknolojileri Anonim Şirketi	50.10	50.10	49.90
Üç Yıldız Antimon Madencilik A.Ş. (Üç Yıldız)	50.10	50.10	49.90
Pomega Energy Storage Technologies Inc. (Pomega USA)	50.00	66.40	33.60
Emek Elektrik Endüstrisi A.Ş.	19.42	19.42	80.58
Joule Global Enerji Anonim Şirketi	51.00	51.00	49.00
31.12.2024 Subsidiaries	Direct ownership interest held by Kontrolmatik (%)	Effective ownership interest (%)	Non-controlling interests (%)
Pomega Enerji Depolama Teknolojileri A.Ş. (Pomega)	88.10	88.10	11.90
Progresiva Enerji Yatırımları Ticaret A.Ş. (Progresiva)	95.00	95.00	5.00
Enwair Enerji Teknolojileri Anonim Şirketi	50.10	50.10	49.90
Mcfly Robot Teknolojileri A.Ş. (Mcfly)	75.00	75.00	25.00
Kontrolmatik Tashkent LLC(Kontr Taşkent)	100.00	100.00	-
Pomega Energy Storage Technologies Inc. (Pomega USA)	50.00	66.40	33.60
Kontrolmatik Technologies Inc. (Kontrolmatik USA)	100.00	100.00	-
Llc Controlmaticrus	100.00	100.00	-
Kontrolmatik Libya Şubesi	100.00	100.00	-
Nextopia Enerji Üretim A.Ş.(Nextopia)	100.00	100.00	-
Prolectric Enerji Üretim A.Ş.(Prolectric)	100.00	100.00	-
Kontrolmatik Cameroun Sarl	100.00	100.00	-
Üç Yıldız Antimon Madencilik A.Ş. (Üç Yıldız)	50.10	50.10	49.90
Emek Elektrik Endüstrisi A.Ş.	19.42	19.42	80.58
Joule Global Enerji Anonim Şirketi	51.00	51.00	49.00

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

As of 31 March 2025, the summary financial information regarding subsidiaries of Kontrolmatik including their nature of businesses is as follows:

Pomega Enerji Depolama Teknolojileri A.Ş. (Pomega): Pomega Enerji was established on 8 December 2021. Pomega Enerji’s business activities include ensuring operations in the field of battery technologies, and engaged in operating electrochemical energy storage cell production facility, energy storage cell production, battery pack production, energy storage system design and turnkey solution activities using lithium ion and other advanced technologies.

Total end-of the period, personnel employed by Pomega Enerji is 298 (31 December 2024: 285).

The subsidiary of the Group with 100% effective ownership interest, Pomega Enerji Depolama Teknolojileri Anonim Şirketi (Pomega) has increased its current share capital amounting to USD 210.000.000 following the relevant decisions are as follows:

- İş Portföy Yönetimi A.Ş. - Renewable Energy Technologies Venture Capital Fund (“İş Portföy”) has an effective ownership interest at the rate of 10% through paid-in share capital increase amounting to USD 21.000.000 which is considered as transfer of fund under “emission premium”,
- Rubellius Nucleus Investments SARL (“Rubellius”) has an effective ownership interest at the rate of 1% through a paid-in share capital increase amounting to USD 2.100.000 which is considered as transfer of fund under “emission premium”. Accordingly, the relevant capital increase was made in accordance with the signed “Shareholders Agreement”.

After the registration of the aforementioned paid-in share capital increase on 9 December 2022, Kontrolmatik’s effective ownership interest rate has increased to 89% following the capital increase in Pomega Enerji.

The subsidiary of the Group, Pomega Enerji (Pomega) registered its share capital by increasing from TL 20.000.000 to TL 505.102.100 through a capital increase from emission premium. The amount of TL 427.200.000 due from Pomega was paid and accordingly, after capital increase was registered, the Group’s ownership interest in Pomega has been increased to 88.10%. The current issued share capital of Pomega was increased from TL 505.102.100 to TL 1.800.000.000 on 13 September 2024. The share amount to be paid by Pomega is amounting to TL 1.140.817.996.

Progresiva Enerji Yatırımları Ticaret A.Ş. (Progresiva): Progresiva was established on 17 December 2021. Progresiva’s business activities include ensuring the purpose of wholesale and retail sales activities and the establishment and operation of a separate electricity storage facility in Türkiye and abroad; establishing related facilities, operating and leasing the established facilities, and engaging in the trade of electrical energy. In addition, Progresiva is operating in wholesale, retail sales, import and export activities within the framework of the legislation related to trading electrical energy and/or capacity in accordance with the relevant legislation regarding the electricity market. Progresiva operates under the provisions of other legislation related to the electricity market, including the “Electricity Market Licensing Regulation”.

Total end-of the period, personnel employed by Progresiva is 2 (31 December 2024: 3).

Enwair Enerji Teknolojileri Anonim Şirketi (Enwair): The Group acquired the shares of Enwair constituting 50.1% ownership interest amounting to TL 6.164.718 on 1 July 2022. Enwair is a research and development company that develops anode and cathode materials for battery technologies. The team of Enwair consists of materials engineers and chemists who have master’s and doctorate degrees in battery technologies. Enwair works on flexible silicon anodes, self-healing anodes, lithium-rich cathodes, and various polymer binder solutions. Enwair completed 1 “Kosgeb”, 1 “Tubitak 1501” and 1 “Era-Net project of the European Union and Works on 1 “Tubitak 1501” and 1 “Era-Net Horizon project of the European Union. Furthermore, 1 PCT and 1 TR patents have been registered, and there exist 3 ongoing studies in the patent process.

Total end-of the period, personnel employed by Enwair is 11 (31 December 2024: 11).

Prolectric Enerji Üretim A.Ş. (Prolectric): Prolectric was established on 9 December 2022. Progresiva is the ultimate controlling party of Prolectric with 100% effective ownership interest as of 14 August 2023 and its business activities include operating in the development of solar and wind power plant projects.

Prolectric has no personnel employed at the end of the interim and annual reporting periods.

Nextopia Enerji Üretim A.Ş.(Nextopia): Nextopia was established on 1 December 2022. Progresiva is the ultimate controlling party of Nextopia with 100% effective ownership interest on 2 August 2023 and Nextopia’s business activities include operating in the development of solar and wind power plant projects.

Nextopia has no personnel employed at the end of the interim and annual reporting periods.

Mcfly Robot Teknolojileri A.Ş. (Mcfly): Mcfly was established on 17 October 2022. The Group has a 75% effective ownership interest in Mcfly and the current issued share capital of Mcfly amounts to TL 10.000.000. Mcfly’s business activities include operating in the production and integration of all kinds of robots, robot grippers, robot end elements.

Total end-of the period, personnel employed by Mcfly is 101 (31 December 2024: 84).

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

Fc Kontrolmatik Toshkent Llc(Kontr. Taşkent): Fc Kontrolmatik Toshkent was established in Uzbekistan in 2021. Kontrolmatik is the ultimate controlling party of Fc Kontrolmatik Toshkent with 100% effective ownership interest. Fc Kontrolmatik Toshkent’s business activities include providing engineering activities and services of all kinds of electrical and mechanical systems, equipment and automation systems for industrial facilities, mining facilities, oil and gas facilities, transportation systems, smart buildings, power plants, gas-insulated transformer centers required for electricity transmission and distribution, open switchgear substations. In addition, Fc Kontrolmatik Toshkent provides project design, technological designs, research and development activities, installation and relevant services.

Llc Controlmaticrus: The Company was established in 2021 in Russia. Kontrolmatik is the ultimate controlling party of the company with 100% effective ownership interest. The Company’s business activities include ensuring business development activities in the Russian Federation. Controlmaticrus ceased its operations as of 28 August 2024.

Kontrolmatik Libya branch: The branch was established in 2021 in Libya.

Kontrolmatik Technologies Inc: The Company was established as a 100% subsidiary in the United States of America on 8 March 2022 in order to ensure operations related to the nature of business of ‘Kontrolmatik’.

Pomega Energy Storage Technologies Inc.: Pomega Energy was established in February 2023 in the United States. Pomega Energy’s business activities include ensuring the establishment of a 3GWh/Year capacity battery cell, battery pack and energy storage systems production facility in the United States. Pomega Energy has a current share capital amounting to USD 40,000,000. Kontrolmatik Teknoloji, Pomega Enerji and Kontrolmatik Technologies Inc. have 50%, 10% and 7.5% effective ownership interest, respectively in Pomega Energy.

Üç Yıldız Antimon Madencilik A.Ş. (“Üç Yıldız”): The Group acquired Üç Yıldız Antimon Madencilik İthalat İhracat Sanayi ve Ticaret Anonim Şirketi with 50.1% effective ownership interest according to the horizontal and vertical integration investment strategy implemented by the Group on 1 August 2023. Üç Yıldız Antimon Madencilik’s business activities include ensuring the production of Antimony, Lead, Zinc and Copper and mine ore production used in various industrial production, mainly energy storage. The acquired Üç Yıldız Antimon Madencilik owns 783 hectares of antimony field and flotation facility located in Gediz, Kütahya. The relevant facility has an annual antimony ore processing capacity of 75,000 tons with its 250 tons/hour Antimony Flotation production line. In addition, Üç Yıldız Antimon Madencilik has its smelting facility with an annual production capacity of 1,500 tons of antimony trioxide and 1,000 tons of antimony metal annually. Furthermore, Üç Yıldız Antimon Madencilik is in the process of establishing a lead-zinc-copper flotation facility with an annual operating capacity of 200,000 tons of lead-zinc-copper with a daily capacity of 500 tons/hour.

Total end-of the period, personnel employed by Üç Yıldız is 47 (31 December 2024: 17).

Kontrolmatik Cameroun Sarl: The Company was established in 2021. Kontrolmatik is the ultimate controlling party of the company with 100% effective ownership interest. The Company’s business activities include ensuring energy generation, distribution, transmission, consultancy and electromechanical works, instrumentation, assembly, system engineering and commissioning, construction of all kinds of power plants and industrial facilities, IoT and IT systems.

Emek Elektrik Endüstrisi A.Ş: The Group announced that it has signed a contract with Özar Elektrik İnşaat to acquire the shares of Emek Elektrik Endüstrisi (“Emek Elektrik”) constituting 12.87% effective ownership interest in exchange for 385,000 “KONTR” shares according to the horizontal and vertical integration investment strategy implemented by the Group on 27 July 2023. The effective ownership interest of Kontrolmatik has been changed to 19.42% at the end of 31 December 2023.

Emek Elektrik’s business activities include ensuring production of medium, high and very high voltage silicone composite insulators in transformer centers, bushing capacitors, surge arresters, brackets, hangers and bushing types. In addition, Emek Elektrik manufactures LV, MV, HV and very high voltage measurement and protection current and voltage transformers, capacitive voltage divider and coupling capacitors, power capacitors, voltage breakers and separators, switchgear equipment, gas insulated transformers for the necessities in the sectors of industrial facilities and electricity generation, transmission and distribution.

Total end-of the period, personnel employed by Emek Elektrik is 205 (31 December 2024: 197).

Kontrolmatik Teknoloji Enerji ve Müh. A.Ş. ve Joule Global Enerji A.Ş. Joint Venture: Kontrolmatik and Joule joint venture was established to ensure the installation of Gas Turbine, Generator and Auxiliary Systems in the 870 MW Combined Cycle Power Plant tendered by the Spanish Cobra-Sener Seraing Joint Venture.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

A. Basis of presentation

Financial reporting standards

The consolidated financial statements of the Group have been prepared in accordance with Turkish Financial Reporting Standards (“TFRS”) promulgated by the Public Oversight Accounting and Auditing Standards Authority (“POA”) that are set out in the 5th article of the communiqué numbered II-14.1 “Communiqué on the Principles of Financial Reporting In Capital Markets” (“the Communiqué”) announced by the Capital Markets Board (“CMB”) on 13 June 2013 and published in Official Gazette numbered 28676. The accompanying consolidated financial statements as at and for the period ended 31 March 2025 have been prepared following Turkish Financial Reporting Standards (“TFRS/TAS”) with additions and interpretations as issued by POA.

The accompanying consolidated financial statements are presented in accordance with the “Announcement regarding TAS Taxonomy” which was published on 15 April 2019 issued by POA and “Illustrative Examples of Financial Statements and User Guide” issued by CMB including the format and mandatory information.

Group accounting and basis of consolidation

The operating results of the subsidiaries are included or excluded on the effective dates of the relevant transactions in accordance with the acquisition or disposal.

Consolidated statement of financial position and consolidated statement of profit or loss and other comprehensive income are prepared by the following principles:

Entities that have control over the Group are subsidiaries of the Group. The Group controls the entity if it is exposed to variable interest due to its relationship with the entity or if it has the right to influence the entity at the same time. Subsidiaries are consolidated from the date on which the control is transferred to the Group and are no longer consolidated from the date that the control ceases.

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

Subsidiaries

Non-controlling shares in the net assets, other comprehensive income and expense items, consolidated statement of other comprehensive income and changes in equity and operating results of the subsidiaries are separately classified in the consolidated financial statements as “non-controlling interests”.

If the Group loses control of a subsidiary, it recognizes any investment retained in the former subsidiary at its fair value when control is lost and any difference between the fair value and net book value of investment is accounted for as gain or loss. That fair value shall be regarded as the fair value on initial recognition of a financial asset, when appropriate, the cost on initial recognition of an investment in an associate or joint venture. Additionally, assets and liabilities that were previously recognized as other comprehensive income attributable to that subsidiary are accounted for as if those were disposed the Group. This may result in the fact that these amounts previously recognized as other comprehensive income may be classified to profit or loss. The fair value is the initial acquisition amount for the purpose of subsequent accounting of the interests in associates, joint ventures and financial assets.

Associates and joint ventures (Investments accounted for using the equity method)

Associates are companies in which the Group has voting power between 20% and 50% or the Group has the power to participate in the financial and operating policy decisions but not control them. Unrealised gains or losses arising from transactions between the Group and its associates are eliminated to the extent of the Group’s interest in the associates.

Associates are accounted for using the equity method. Under the equity method, on initial recognition, the investment in an associate is recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. On acquisition, any difference between the cost of the investment and the entity’s share of the net fair value of the investee's identifiable assets and liabilities in case of goodwill is included in the carrying amount of the investment and any excess of the entity's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate’s profit or loss in the period in which the investment is acquired.

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

As of 31 March 2025 and 31 December 2024, associates and joint ventures accounted for using the equity method and their effective interests are as follows:

	31.03.2025	31.12.2024
	Effective ownership interest held by Kontrolmatik (%)	Effective ownership interest held by Kontrolmatik (%)
Associates and joint ventures		
Kontrolmatik Enerji ve Müh. A.Ş. ve Skysens Tek. A.Ş. Joint Venture (IOT)	-	50.00
Kontrolmatik Enerji ve Müh. A.Ş. ve Skysens Tek. A.Ş. Joint Venture (SAY)	-	50.00
Plan S Uydu ve Uzay Teknolojileri A.Ş. (Plan S)	25.00	25.00
Kontrolmatik Tek.Ene. ve Müh. A.Ş. Ve Siterm Isı San. A.Ş. Joint Venture (Siterm)	50.00	50.00
Signum Teknoloji Tanıtım ve Eğitim A.Ş.	49.00	49.00

Plan S Uydu ve Uzay Teknolojileri A.Ş.: Plan S was established on 6 July 2021. Plan S’s business activities include ensuring the manufacturing of spacecraft, spacecraft launch vehicles and mechanisms, satellites, space rockets, orbital stations and space shuttles.

Kontrolmatik Enerji ve Müh. A.Ş. ve Skysens Tek. A.Ş. Joint venture (IOT): Kontrolmatik and Skysens (IOT) joint venture was established on 4 September 2018. Kontrolmatik and Skysens joint venture’s (“IOT”) business activities include carrying out the “Wireless Meter Reading System” and “IOT Infrastructure” with the contract signed with İGA Airports Construction Partnership.

Kontrolmatik Enerji ve Müh. A.Ş. ve Skysens Tek. A.Ş. Joint venture (SAY): Kontrolmatik and Skysens (“SAY”) joint venture was established on 10 October 2018. Kontrolmatik and Skysens joint venture’s (“SAY”) business activities include ensuring the service of reading the information in the meters, storing the data and transferring the relevant data to the relevant units of İGA within the scope of the “Wireless Meter Reading System”, with the contract signed with İGA Airports Construction Partnership.

Kontrolmatik Teknoloji Enerji ve Müh. A.Ş. ve Siterm Isı Sanayi A.Ş. Joint venture: Kontrolmatik Teknoloji and Siterm joint venture was established to ensure the production service of 100 t/h Capacity High-Pressure Water Tube Steam Boiler, which was tendered by “Eti Maden Operations General Directorate”.

Signum Teknoloji Tanıtım ve Eğitim A.Ş. : Signum Teknoloji’s business activities include ensuring data processing (big data), digital twin, internet of things (IoT), embedded business intelligence, used in the management and operational processes of campuses such as facilities, campuses, health institutions, public buildings, ports, airports, logistics centers in all sectors (embedded bi), ontology, building information systems (bim, cobie, ifc) models using its own software platform and facility management system (facility management system) software and Signum Teknoloji has strategic business partnership vision to expand its use in industrial facilities. Kontrolmatik acquired the shares of Signum Teknoloji with the expectation that the integration capability with the IoT devices in all these facilities would increase both in domestic and abroad, primarily in the foreign market, and in sales revenues.

Comparatives and adjustment of prior period’s financial statements

The current period consolidated financial statements of the Group include comparative financial information to enable the determination of the trends in financial position and performance. Comparative figures are reclassified, where necessary, to conform to the changes in the presentation of the current period consolidated financial statements.

If the Group retrospectively applies an accounting policy or retrospectively restates an entity’s financial statements or reclassifies items in its financial statements; the notes related to the 3-period table are presented for each of the following three tables of the consolidated statement of financial position (balance sheet), and the 2-period table are presented for each other statements (statement of profit or loss and other comprehensive income, consolidated statement of cash flows, consolidated statement of changes in equity).

The Group realises its statement of financial position as of the following periods:

- as of the end of the current period
- as of the end of the prior period, and
- by the beginning of the earliest comparative period.

Reporting currency

The consolidated financial statements are presented in TL, which is Kontrolmatik’s functional and presentation currency. As of 31 March 2025, the accompanying consolidated financial statements, including the consolidated financial statements and prior period financial information for ensuring comparability, are presented in Turkish Lira (“TL”).

The functional currency of “Kontrolmatik Taşkent” is Uzbekistani Sum (“UZS”). Regarding the translation of the financial statements of Kontrolmatik Taşkent into functional and presentation currency, current and non-current assets and liabilities are translated using the exchange rate as of the balance sheet date, share capital at historical cost and the items of the statement of profit or loss are translated using the average exchange rate. Differences arising from relevant translations are recognised under “currency translation differences”. As of 31 March 2025, TL 0.00293 is considered as the exchange rate as of the balance sheet date and TL 0.00293 is considered as the average exchange rate for the period ended 31 March 2025.

The functional currency of “Kontrolmatik Cameroun Sarl” is Central African Franc (“CFA”). Regarding the translation of the financial statements of Kontrolmatik Cameroun Sarl into functional and presentation currency, current and non-current assets and liabilities are translated using the exchange rate as of the balance sheet date, share capital at historical cost and the items of the statement of profit or loss are translated using the average exchange rate. Differences arising from relevant translations are recognised under “currency translation differences”. As of 31 March 2025, TL 0.0625 is considered as the exchange rate as of the balance sheet date and TL 0.0625 is considered as the average exchange rate for the period ended 31 March 2025.

The functional currency of “Kontrolmatik Technologies Inc.” is US Dollars (“USD”). Regarding the translation of the financial statements of Kontrolmatik Technologies Inc. into functional and presentation currency, current and non-current assets and liabilities are translated using the exchange rate as of the balance sheet date, share capital at historical cost and the items of the statement of profit or loss are translated using the average exchange rate. Differences arising from relevant translations are recognised under “currency translation differences”. As of 31 March 2025, TL 37.7656 is considered as the exchange rate as of the balance sheet date and TL 36.1994 is considered as the average exchange rate for the period ended 31 March 2025.

The functional currency of “Pomega Energy Storage Technologies Inc.” is US Dollars (“USD”). Regarding the translation of the financial statements of Pomega Energy Storage Technologies Inc. into functional and presentation currency, current and non-current assets and liabilities are translated using the exchange rate as of the balance sheet date, share capital at historical cost and the items of the statement of profit or loss are translated using the average exchange rate. Differences arising from relevant translations are recognised under “currency translation differences”. As of 31 March 2025, TL 37.7656 is considered as the exchange rate as of the balance sheet date and TL 36.1994 is considered as the average exchange rate for the period ended 31 March 2025.

The functional currency of “Kontrolmatik Libya branch” is US Dollars (“USD”). Regarding the translation of the financial statements of the Kontrolmatik Libya branch into functional and presentation currency, current and non-current assets and liabilities are translated using the exchange rate as of the balance sheet date, share capital at historical cost and the items of the statement of profit or loss are translated using the average exchange rate. Differences arising from relevant translations are recognised under “currency translation differences”. As of 31 March 2025, TL 37.7656 is considered as the exchange rate as of the balance sheet date and TL 36.1994 is considered as the average exchange rate for the period ended 31 March 2025.

As of 31 March 2025, TL 37.7656 considered as the exchange rate as of the balance sheet date, and TL 36.1994 is considered as the average exchange rate for the period ended 31 March 2025 for USD 1.

As of 31 March 2025, TL 40.7019 considered as the exchange rate as of the balance sheet date, and TL 39.0984 is considered as the average exchange rate for the period ended 31 March 2025 for EUR 1.

As of 31 March 2025 and 31 December 2024, spot exchange buying and selling rates published by the Central Bank of Türkiye (“CBRT”) are as follows:

Foreign exchange rate -buying (TL/Foreign currency)		
Currency	31.03.2025	31.12.2024
USD	37.7656	35.2233
EUR	40.7019	36.7429
UZS	0.0029	0.0027
MAD	3.9100	3.4920
HUF	0.1009	0.0895

Foreign exchange rate -buying (TL/Foreign currency)		
Currency	31.03.2025	31.12.2024
USD	37.8337	35.2868
EUR	40.7753	36.8091

Going concern

As of 31 March 2025, the Group has prepared its consolidated financial statements with the assumption of the Group’s ability to continue its operations in the foreseeable future as a going concern basis of accounting.

Offsetting

Financial assets, financial liabilities and income expenses are not offset unless the standard or interpretations require or allow for offsetting. Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Offsetting does not pertain to indicating assets after deducting regulatory accounts, such as inventory impairment provisions and provision for doubtful receivables.

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

Related parties

Under the TAS 24 “Related Party Disclosures”, a related party is a person or an entity that is related to the reporting entity: A person or a close member of that person's family is related to a reporting entity if that person has control, joint control, or significant influence over the entity or is a member of its key management personnel including shareholders and Group management. A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

For the purpose of these consolidated financial statements, shareholders, parents of Kontrolmatik Anonim Şirketi, key management personnel and Board of Directors members, their close family members and the legal entities over which these related parties exercise control and significant influence, are considered and expressed as “related parties”. Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entity (Note 37).

The detailed analysis of related parties including balances and transactions has been disclosed under Note 37.

Adjustments of financial statements in hyperinflationary periods

Financial reporting in hyperinflationary economies

In accordance with the announcement realised by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies for the annual reporting period beginning 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.

In accordance with the standard, financial statements prepared in the currency of a hyperinflationary economy are stated in terms of the purchasing power of that currency at the balance sheet date. For comparative purposes, comparative information in the prior period financial statements is expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Group has also presented its consolidated financial statements as at and for the year ended 31 December 2024 and as at for the period ended 31 March 2024 in terms of the purchasing power on 31 March 2025.

In accordance with the CMB's resolution No: 81/1820 on 28 December 2023, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 beginning with the annual financial statements for the accounting periods ending on 31 December 2023.

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

The restatement in accordance with TAS 29 has been made by using the adjustment factor derived from the Consumer Price Index (“CPI”) in Türkiye published by the Turkish Statistical Institute (“TURKSTAT”). As of 31 March 2025, the indices and adjustment factors used in the restatement of the financial statements are as follows:

Date	Index	Adjustment coefficient	Three-year cumulative inflation rates
31 March 2025	2954,69	1	250%
31 December 2024	2684,55	1.10063	291%
31 March 2024	2139,47	1.38104	309%

The main components of the Group's restatement for financial reporting purposes in hyperinflationary economies are as follows:

The consolidated financial statements for the current period presented in TL are expressed in terms of the purchasing power of TL at the balance sheet date and the amounts for the previous reporting periods are restated in accordance with the purchasing power of TL at the end of the reporting period.

Monetary assets and liabilities are not restated as they are currently expressed in terms of the purchasing power at the balance sheet date. Where the inflation-adjusted carrying amounts of non-monetary items exceed their recoverable amounts or net realisable values, the provisions of TAS 36 Impairment of Assets and TAS 2 Inventories are applied, respectively.

Non-monetary assets, liabilities and equity items that are not expressed in the current purchasing power at the statement of financial position date are restated by using the relevant adjustment factors.

All items in the statement of comprehensive income, except for the non-monetary items in the statement of financial position that have an effect on the statement of comprehensive income, are restated by applying the coefficients calculated over the periods in which the income and expense accounts were initially recognised in the financial statements.

The effect of inflation on the Group's net monetary asset position in the current period is recognised in the gain/(loss) on net monetary position in the consolidated statement of profit or loss.

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

The main components of TAS 29 indexes and transactions are as follows:

- As of the balance sheet date, all items other than those stated in terms of current purchasing power are restated by using the relevant price index coefficients. Prior year amounts are also restated in the same way.
- Monetary assets and liabilities are expressed in terms of the purchasing power at the balance sheet date and are therefore not subject to restatement. Monetary items are cash and items to be received or paid in cash.
- Non-current assets, subsidiaries and similar assets are indexed to their acquisition costs, which do not exceed their market values. Depreciation has been adjusted in a similar manner. Amounts included in equity have been restated by applying general price indices for the periods in which they were contributed to or arose within the Company.
- All items in the statement of profit or loss, except for the effects of non-monetary items in the statement of financial position and in the statement of profit or loss, have been restated by applying the multiples calculated over the periods when the income and expense accounts were initially recognised in the financial statements.
- The gain or loss arising on the net monetary position as a result of general inflation is the difference between the adjustments to non-monetary assets, equity items and profit or loss accounts. This gain or loss on the net monetary position is included in net profit.

The material influence and impact of the application of inflation accounting in accordance with TAS 29 are summarised below:

Restatement of the Statement of Financial Position

Amounts in the statement of financial position that are not expressed in terms of the measuring unit current at the end of the reporting period are restated. Accordingly, monetary items are not restated because they are expressed in the currency of the reporting period. Non-monetary items are required to be restated unless they are expressed in terms of the currency in effect at the end of the reporting period.

The gain or loss on the net monetary position arising from restatement of non-monetary items is recognised in profit or loss and presented separately in the statement of comprehensive income.

Restatement of the Statement of Profit or Loss

All items in the statement of profit or loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, all amounts have been restated by applying changes in the monthly general price index.

Cost of inventories sold has been restated using the restated inventory balance. Depreciation and amortisation charges have been restated using the restated balances of property, plant and equipment, intangible assets and right-of-use assets.

Restatement of Statement of Cash Flows

All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period.

Consolidated financial statements

The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are restated by applying the general price index before they are included in the consolidated financial statements prepared by the parent company. Subsidiaries of the Group whose functional currency is other than Turkish Lira have been translated to the purchasing power on 31 December 2024. If the financial statements with different reporting period endings are subject to consolidation, all items, whether monetary or non-monetary, are restated according to the measuring unit in effect at the date of the consolidated financial statements.

Comparative figures

Relevant figures for the prior reporting period are restated by applying the general price index so that the comparative financial statements are presented in the measuring unit applicable at the end of the reporting period. Information disclosed for prior periods is also expressed in terms of the measuring unit current at the end of the reporting period.

New and revised Turkish Financial Reporting Standards

The new standards, amendments, and interpretations

As of 31 March 2025, the accounting policies adopted in preparation of the consolidated financial statements as at and for the period ended 31 March 2025 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of 1 January 2025. The effects of these standards and interpretations on the Group’s financial position and performance have been disclosed in the related paragraphs.

a) The standards, amendments and interpretations effective from 1 January 2025

Amendments to TAS 21 - Lack of exchangeability

In May 2024, the POA issued amendments to TAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information. The Group is in the process of assessing the material influence of the amendments on financial position or performance of the Group.

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

In December 2017, the POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted. The Group will assess the effects of the amendments after the new standards have been finalized.

TFRS 17 - The new Standard for insurance contracts

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after 1 January 2025 with the announcement made by the POA. The Group is in the process of assessing the material influence of the amendments on financial position or performance of the Group.

c. Amendments published by the International Accounting Standards Authority (“IASB”) but not by the POA;

The amendments to IFRS 9 and IFRS 7 mentioned below, as well as IFRS 18 and IFRS 19 Standards, have been published by the IASB, but have not yet been adapted to TFRS by the POA. Therefore, these standards do not form an integral part of TFRS. The Group will make the necessary amendments in its consolidated financial statements and notes after these standards and the amendments effective in TFRS.

Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments

In May 2024, the Board issued amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7). The amendment clarifies that a financial liability is derecognised on the ‘settlement date’. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment. The amendment will be effective for annual periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The new requirements will be applied retrospectively with an adjustment to opening retained earnings. The Group is in the process of assessing the material influence of the amendments on financial position or performance of the Group.

Annual Improvements to IFRS Accounting Standards – 11th Amendment

- The IASB has published the “Annual Improvements to IFRS Accounting Standards / 11th Amendment” in July 2024, which includes the following changes:

- IFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge accounting by an entity applying IFRS for the first time: The amendment was made to eliminate potential confusion arising from inconsistencies between the provisions on hedge accounting in IFRS 1 and those in IFRS 9.

- IFRS 7 Financial Instruments: Disclosures – Gains or losses on derecognition: Changes have been made to the presentation of unobservable inputs in IFRS 7, and a reference to IFRS 13 has been added.

- IFRS 9 Financial Instruments – Offsetting of lease liabilities by the lessee and transaction price: To clarify that the gain or loss arising from the lessee's application of the derecognition provisions in IFRS 9 when the lease liability ceases to exist is recognized in profit or loss, amendments have been made to IFRS 9. Additionally, amendments have been made to IFRS 9 to remove references to the “transaction price.”

- IFRS 10 Consolidated Financial Statements – Determination of the “actual agent”: Amendments have been made to the Standard to address inconsistencies in the paragraphs of IFRS 10.

- IAS 7 Cash Flow Statement – Cost method: Following previous amendments that removed the term “cost method,” the relevant reference in the Standard has been deleted.

In general, the Group does not estimate any significant material influence on its consolidated financial statements.

Amendments to IFRS 9 and IFRS 7- Contracts Referencing Nature-dependent Electricity

The IASB published the amendment to “Contracts Referencing Nature-dependent Electricity” (relating to IFRS 9 and IFRS 7) in December 2024. The amendment clarifies the application of provisions related to the “for own use” exception and permits hedge accounting when such contracts are used as hedging instruments. In addition, the amendment introduces new disclosure requirements to ensure that investors understand the impact of these contracts on the entity's financial performance and cash flows.

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

IFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements

In April 2024, IASB issued IFRS 18 which replaces IAS 1. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. IFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as IAS 7, IAS 8 and IAS 34. IFRS 18 and the related amendments are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted. IFRS 18 will be applied retrospectively. The Group is in the process of assessing the material influence of the amendments on financial position or performance of the Group.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the Board issued IFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards may elect to apply IFRS 19. IFRS 19 is effective for reporting periods beginning on or after 1 January 2027 and earlier adoption is permitted. If an eligible entity chooses to apply the standard earlier, it is required to disclose that fact. An entity is required, during the first period (annual and interim) in which it applies the standard, to align the disclosures in the comparative period with the disclosures included in the current period under IFRS 19.

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

B. Changes in accounting policies, estimates and errors

Any change in accounting policies resulting from the first-time adoption of a new TFRS is made either retrospectively or prospectively in accordance with the transition requirements of TFRS. Changes without any transition requirement, material changes in accounting policies or material errors are corrected, retrospectively by restating the prior period consolidated financial statements. If changes in accounting estimates are related to only one period, they are recognised in the period when the changes are applied; if changes in estimates are related to future periods, they are recognised both in the period where the change is applied and in future periods prospectively.

C. Summary of significant accounting policies

Business combinations

Business combinations are accounted for using the purchase method of accounting. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the acquirer, liabilities assumed by the acquirer to the former owners of the acquiree and equity interests issued by the acquirer. Acquisition costs are generally recognised as an expense as incurred.

The identifiable assets acquired and liabilities assumed are recognised at fair value at the acquisition date. The following are not recognised in this way:

- Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with TAS 12 “Income Tax” and TAS 19, “Employee Benefits” are calculated and recognised in accordance with the standards,
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are recognised at the acquisition date in accordance with TFRS 2, ‘Share-based Payment Arrangements’,
- Assets (or disposal groups) that are classified as held for sale in accordance with TFRS 5, “Non-current Assets Held for Sale and Discontinued Operations” are accounted for in accordance with the rules set out in TFRS 5.

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

Goodwill is calculated as the excess of the aggregate of the consideration transferred for the acquisition, the fair value of any non-controlling interests, if any, in the acquiree and, in a business combination achieved in stages, the fair value of any equity interest in the acquiree previously held by the acquirer over the net amount of the acquiree's identifiable assets acquired and liabilities assumed at the acquisition date. If, after remeasurement, the net amount of the acquiree's identifiable assets acquired and liabilities assumed at the acquisition date exceeds the aggregate of the fair value of the consideration transferred, any non-controlling interests in the acquiree and, if any, any interests in the acquiree held prior to the acquisition, this amount is recognised directly as a gain on bargain purchase in profit/(loss).

When the consideration transferred by the Group in a business combination includes contingent consideration, the contingent consideration is measured at fair value at the acquisition date and is included in the consideration transferred in the business combination. If, as a result of additional information that becomes available during the measurement period, an adjustment to the fair value of the contingent consideration is required, it is adjusted retrospectively against goodwill.

The measurement period is the period after the acquisition date during which the acquirer can adjust the provisional amounts recognised in a business combination. The relevant period cannot be more than 1 year from the acquisition date.

Where the purchase accounting for a business combination is not complete at the end of the reporting period in which the business combination occurs, the Group reports provisional amounts for items for which recognition is incomplete. These provisional amounts are adjusted during the measurement period or additional assets or liabilities are recognised to reflect new information obtained about facts and circumstances that existed at the acquisition date that may affect the amounts recognised at the acquisition date.

Goodwill

Goodwill arising on acquisition is measured at cost at the acquisition date, net of any impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to cash-generating units (or groups of cash-generating units) that are expected to benefit from the synergies of the business combination.

The cash-generating unit to which goodwill is allocated is tested for impairment annually. If there are indications that the unit may be impaired, the impairment test is performed more frequently.

If the recoverable amount of the cash-generating unit is less than its carrying amount, an impairment loss is first recognised for the goodwill allocated to the unit and then the carrying amount of the assets within the unit is reduced. Any impairment loss for goodwill is recognised directly in consolidated profit or loss. Goodwill impairment is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the amount determined for goodwill is included in the calculation of gains/(losses) on disposal.

Financial instruments

The Group recognizes for financial assets in two classes: financial assets at amortized cost and financial assets at fair value through profit or loss. The classification is made based on the business model used by the entity for the management of financial assets and the characteristics of the contractual cash flows of the financial asset. The Group classifies its financial assets on the date they are acquired.

Financial assets at amortized cost are financial assets that are held within the scope of a business model that aims to collect contractual cash flows and whose cash flows include only principal and interest payments arising from the principal balance on certain dates under the contractual terms, are not quoted in an active market and are not derivative instruments. The financial assets are carried at amortized cost include cash and cash equivalents, trade receivables and other receivables.

These assets are carried at their fair values when they are initial recognized in the consolidated financial statements. Subsequently, they are carried at discounted cost using the effective interest rate method. Gains and losses arising from the valuation of non-derivative financial assets measured at amortized cost are recognized in the statement of profit or loss.

Financial assets at fair value through profit or loss consist of financial assets other than financial assets measured at amortized cost and at fair value through other comprehensive income. Gains and losses arising from the valuation of assets are recognized in the statement of profit or loss.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Bank deposits include time and demand deposits and accrued interest arising from the deposits. Deposits denominated in TL are carried at cost, and foreign currency denominated deposits are carried at their values translated to Turkish Lira using the Central Bank's (the “CBRT”) foreign exchange buying rate on the balance sheet date. Time deposits also include accrued interest as of the balance sheet date.

Trade receivables

Trade receivables and notes and post-dated checks providing goods or services by the Group directly to a debtor classified within trade receivables which are recognized at original invoice amount are measured at amortized cost using the effective interest rate method. Short term trade receivables without specified interest rate, are measured at invoice amount when the interest accrual effect is immaterial.

Notes and post-dated checks classified within trade receivables are carried at their discounted cost by discounting with the effective interest method on the balance sheet date. Provision for doubtful receivables is recognised as an expense in the period which they incurred. Provision is the amount estimated by the Group management and to cover the possible losses that may arise from economic benefit or the risk in the account and the losses estimated to realise in the subsequent periods.

If the matter realized that indicates that the Group will not be able to collect the amounts due, a provision for trade receivables is established. The amount of the provision is the difference between the book value of the receivable and the collectible amount. Collectible amount is the discounted cost of cash flows, including amounts from guarantees, based on the original effective interest rate of the trade receivable. Among the cheques received, those whose maturity exceeds the balance sheet date are presented in trade receivables and are subject to discount using Libor rates.

Uncollectible amounts are written-off from the statutory records in the period which they determined. The provision for doubtful receivables is recognized as an expense in the period in which they incurred.

Following the provision for the doubtful receivable, if all or significant portion of the amount is collected, the collected amount is deducted from the doubtful receivable provision and recognised as income in the statement of comprehensive income. A simplified approach is applied within the scope of impairment of trade receivables that are carried at amortized cost in the consolidated financial statements and do not contain a significant financing component (with a maturity of less than 1 year). With this approach, in cases where trade receivables are not impaired for certain reasons (except for realized impairment losses), provisions for trade receivables are measured at an amount equal to lifetime expected credit losses.

The Group uses a provision matrix for the calculation of the expected credit losses on trade receivables which is based on past experience and future expectations. The provision matrix calculates fixed provision rates depending on the number of days that a trade receivable is past due and those provision rates are reviewed and, revised, if necessary, in every reporting period.

Financial liabilities

Financial liabilities are classified as those carried at amortized cost or at fair value through profit or loss. Financial liabilities classified as held for trading are carried at fair value through profit or loss. Financial liabilities at fair value through profit or loss are measured at fair value, and net gains and losses are recognized in profit or loss along with interest expenses. The Group has no financial liabilities at fair value through profit or loss.

Other financial liabilities

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

The effective interest method is the calculation of the amortized costs of the financial liabilities and the distribution of the related interest expenses to related periods. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net present value of the financial liability.

Trade payables

Trade payables represents to payments that should be realized for goods and services provided from suppliers in ordinary course of business. Trade payables are carried at their fair values and subsequently recognized at discounted cost using the effective interest rate method.

Revenue recognition

In accordance with “IFRS 15 Revenue from Contracts with Customers” is that the entity reflects the proceeds to the consolidated financial statements from an amount that reflects the cost that the Group expects to qualify for the transfer of the goods or services it commits to its customers.

Revenue is accounted for in the consolidated financial statements within the scope of the five-step model below in accordance with the IFRS 15 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

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.

The 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.

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

When a performance obligation is satisfied by transferring promised goods or services to a customer, the Group recognises the revenue as the amount of the transaction price that is allocated to 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

At the inception of the contract, the Group estimates that the period between the transfer of the goods or services promised to the customer and the date on which the customer realised the payment will be one year or less, it does not make adjustments for the effect of a significant financing component. On the other hand, if there is a significant financing component in the revenue, the revenue is determined by discounting the future cash flows with the interest rate included in the financing component. The difference is recognised in the relevant periods as other operating income on an accrual basis.

The Group recognizes revenues and expenses related to contracts as revenue and cost items when the return on projects can be measured reliably. Contract revenues are recognised in the consolidated financial statements according to the completion rate method. The ratio of the total contract expenses incurred as of the period to the total estimated cost of the contract indicates the completion percentage of the contract, and the ratio is used to reflect the part of the total revenue arising from the contract corresponding to the current period in the consolidated financial statements.

Income arising from cost plus profit contracts is recognized in the statutory records with the profit margin calculated on the cost incurred.

Costs for contracts include all raw materials and direct labour costs, including indirect costs related to contract performance obligations, such as indirect labour, materials, repairs and depreciation expenses. Expenses for estimated losses in incomplete contracts are allocated in the periods in which these losses are determined. Changes in business performance, conditions, and estimated profitability due to contractual penalty provisions and final agreement arrangements may result in cost and revenue revisions. These revisions are recognised in the consolidated financial statements in the period in which they are incurred. Incentives are included in revenue since they are reasonably guaranteed to be realized.

Contract assets indicate how much the income recognised in the consolidated financial statements exceeds the invoice amount, while contract liabilities indicate how much the invoice amount issued exceeds the income recognised in the consolidated financial statements.

The Group presents the gross receivables from customers regarding ongoing contractual obligations as a liability, if the progress payment amount exceeds the amount obtained by adding the profit (deducting the loss) reflected in the relevant accounts to the costs incurred.

Inventories

Inventories are evaluated at either the lower of acquisition cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Those costs also include systematically distributed costs from fixed and variable general production expenses incurred in covering direct raw material to the goods. The cost of inventories is determined by the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. When the net realizable value of the inventory below its cost, the inventories are reduced to their net realizable value and the expense is reflected in the statement of profit or loss in the year in which the impairment incurred.

The distribution of fixed general production costs into transformation costs is based on the assumption that production activities will be carried out at normal capacity. “Normal capacity” is the expected average level of production for one or more periods or seasons under normal conditions, also taking into account low-capacity utilisation that may arise due to planned repair-maintenance activities. If the real production level is close to the normal capacity this capacity may be accepted as normal capacity. The net realisable value is the amount which is found by subtracting the sum of estimated completion costs and estimated sales costs necessary for the completion of the sale from the estimated sale price within the normal course of business. The renewal cost of starting material and supplies can be the best measure to reflect the net realisable value.

Inventory acquisition costs are reduced to their net realisable values on the basis of each inventory item. Such reduction is carried out by allocating provisions for low inventory value. In other words, if the cost value of inventories exceeds the net realisable value, the cost value is reduced to the net realisable value by allocating provisions for the low inventory value. Otherwise, no transaction is performed. In the event that the inventories were acquired with a deferred payment option, or in the event that the difference between the advance purchase price and the paid amount include sources of finance, such sources are accounted for as interest costs in the period when they were provided.

Investment properties

Investment property comprises freehold and leasehold properties (land or building -or a part of building- or both) that are held to earn rental income or for capital appreciation or both, rather than for any of the following purposes:

- a) To use in the manufacture or the supply of goods and services or for administrative purposes, or
- b) To sell within the framework of ordinary business flow.

Investment properties are held to earn rental income or for capital appreciation or both. An investment property is accounted by the Group as an asset, provided that it meets the following criteria:

- a) Inflow of property-related future benefits to the entity is likely; and
- b) The cost of the investment property may be measured reliably.

An investment property is initially at cost. Transaction costs are also included in the initial measurement. However, investment properties acquired through leases are carried their fair value or the current value of minimum lower value of lease income.

Investment properties are evaluated by choosing either one of fair value or cost method.

Fair value of an investment property is the amount for which a financial instrument could be exchanged, or a liability settled between, willing parties during current transaction, other than in a forced sale or liquidation, and is best evidenced through a quoted market price, if one exists.

The Group determined fair value of financial instruments by using available market information and appropriate valuation methods. However, evaluating the market information and forecasting the real values requires interpretation. As a result, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange.

In determining the fair value, factors such as the specific risks of the asset, market conditions and depreciation are considered, depending on the reports of the independent appraisal experts. Accordingly, gains or losses arising from changes in the fair value of investment property are recognised in profit or loss in the period in which they incurred and are recognized in gains/losses from investment activities in the consolidated financial statements.

The Group has prepared an appraisal report at the end of the year for its properties included in the investment properties account, and these properties are included in the consolidated financial statements in accordance with the amount determined by independent appraisal experts.

Property, plant and equipment and intangible assets

The cost of a property, plant and equipment and intangible asset item is included in the financial statements, if the following conditions are met:

- a) It is likely that future economic benefits related to these items will be transferred to the entity; and
- b) The cost of the related item may be reliably measured.

An item of property, plant or equipment that is recognised as a tangible or intangible asset shall be measured initially at its cost, and subsequently by applying the “Cost Model” or “Revaluation Model”.

The initial cost of the non-current assets includes the purchase price, including import duties and non-refundable purchase taxes, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating.

Cost Model; After initial recognition as an asset, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Revaluation Model; After initial recognition as an asset, an item of property, plant and equipment, whose fair value can be measured reliably, shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. The appreciations occurring as a result of the valuation are associated with the growth fund in the equity. If there are previously occurred appreciations, the impairments are deducted from these appreciations. Otherwise, they are expensed by being recognised under losses from investing activities. The Group goes to revaluation in the event that signs of significant changes are observed for the properties for which it uses the revaluation method. The Group uses the cost method for intangible assets and property, plant and equipment other than its properties, since there is no active market for them. The Group indicated that there has been an appreciation in the current period as a result of the studies conducted on whether there has been impairment or appreciation in relation to its properties.

When an asset is revalued, the accumulated depreciation as of the date of the revaluation is adjusted in proportion with the change in the gross book value of the asset, and therefore the book value of the asset after the revaluation is equal with the revalued amount.

The provisions of the standards TAS 2 “Inventory” and TAS 16 “Property, Plant and Equipment” are applied in the transfers of the Group from its inventories to property, plant and equipment to be used in operational activities. Accordingly, the fair value as of the date of the transfer is taken into consideration.

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

Depreciation is provided by the straight-line basis based on a pro-rata basis according to the useful lives and methods indicated as follows:

	Economic useful lives (year)
Land improvements	8
Buildings	50
Plant, machinery and equipment	4-15
Motor vehicles	4-5
Furniture and fixtures	2-50
Leasehold improvements	5
Rights	3-15
Other intangible assets	1-5

The useful life and amortisation method is reviewed regularly whether the method and the period of amortisation are in compliance with the economic benefit to be derived from the respective asset.

Property, plant and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. In the event that such indications are found, or the carrying amount exceeds the realisable value, such assets are discounted to their realisable values. The realisable value is the higher of the asset’s net selling price or its value in use. During the calculation of the asset value in use, estimated cash flows in the future are discounted to their current value at the discount rate before tax, which reflects the risks particular to the asset in question. The realisable value of assets which do not solely and independently require a substantial volume of cash inflow is calculated for the portion of such assets leading to cash inflow. Related property, plant and equipment are depreciated over their remaining useful economic lives. Depreciation amounts and impairment losses of intangible assets are recognised under operating expenses under consolidated statement of profit or loss.

As impairment tests carried out by the Group for assets; “second-hand market values” of some assets, and “depreciated renovation costs” of the assets which do not have a second-hand market are taken into consideration when their net selling prices are determined. It hasn’t been considered necessary to calculate the values of use of these assets, and no provision of impairment has been allocated for them since their net selling prices are equal to or greater than their net book values. However, for some other assets (i.e., goodwill), the impairment test is carried out by taking their values of use as a basis in the event that it’s impossible to determine their net selling prices.

Intangible assets are amortised on a straight-line basis considering expected useful lives from the date of purchase, provided that such periods do not exceed their useful economic lives. The depreciation provided for intangible assets is recognised under operating expenses under consolidated statement of profit or loss. Gains or losses on disposals of property, plant and equipment and intangible assets are determined by comparing proceeds with their net carrying amounts and are classified under “gains/(losses) from investing activities” in the current period.

Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount is aimed to be recovered principally through a sale transaction rather than through continuing use. These assets may be a component of an entity, a disposal group, or a separate asset. The disposal of non-current assets held for sale is expected to be realized within twelve months following the balance sheet date. Events or circumstances may extend the period to complete the sale beyond one year. An extension of the period required to complete a sale does not preclude an asset (or disposal group) from being classified as held for sale if the delay is caused by events or circumstances beyond the entity’s control and there is sufficient evidence that the entity remains committed to its plan to sell the asset (or disposal group).

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and

- (a) represents a separate major line of business or geographical area of operations,
- (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or
- (c) is a subsidiary acquired exclusively with a view to resale.

A non-current asset held for sale is measured at the lower of its residual cost and fair value. The impairment occurring in the event that the fair value is lower than the residual cost is recognised under the consolidated statement of the profit loss of the relevant period.

Impairment of assets

Assets that are subject to amortisation are subjected to impairment test whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less the cost to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that are impaired are reviewed for possible reversal of the impairment at each reporting date.

Taxation and deferred tax

The Group’s tax expense/income is the sum of its current tax costs/income and deferred tax expense/income.

The current year tax liability shall be calculated over the part of profit period subject to taxation. Profit subject to taxation differs from the profit disclosed in the statement of profit or loss as it excludes taxable or deductible income and expense items in previous years as well as the non-taxable or non-deductible items. The Group’s current tax liability was calculated at the substantive tax rate, or the rate that shall, with certainty, be valid as of the balance sheet date.

Current tax payables are settled with taxes paid in advance in the event that they were paid or will be paid to the same tax authority. Deferred tax assets and liabilities are settled in the same manner.

Deferred tax is calculated by means of the unit credit method based on temporary differences between the recognised values of deferred tax assets and liabilities stated in consolidated financial statements and their tax values (Balance Sheet method / Balance Sheet liability method). Such differences may be classified into two groups, reducible and taxable. They are recognised as deferred tax assets for all temporary differences in the form of taxable expenses, provided that there is sufficient taxable income to deduct these expenses in future periods. Deferred tax is recognised if the related transaction is not a part of a business combination or the debt does not originate from its initial accounting.

All temporary differences subject to taxation are accounted for as a deferred tax debt. However, no deferred tax debt is accounted for on temporary differences appearing in the initial accounting of goodwill, or appearing in the initial accounting of any asset or debt, or originating from transactions other than business combinations. According to tax legislation, the previous year’s financial losses and tax advantages which were not yet used are accounted for as deferred tax if it is likely to generate taxable income of an amount sufficient to be recognised in subsequent periods. As per tax legislation, the tax rates in effect as of the balance sheet date will be used in the calculation of deferred tax. While the deferred tax liability is calculated for all temporary differences, deferred tax assets arising from deductible temporary differences are calculated, provided that the Group is highly likely to benefit from such differences by generating profit subject to taxation in the future (please refer to Note 36).

Deferred tax assets and liabilities are mutually set off, provided that they are both subject to the tax legislation of the same country, in the event that there is a legally applicable right with respect to the setting off of current tax assets from current tax liabilities.

Goodwill

Purchasing method is used for the recognition of all business combinations. The implementation of the purchase method is applied by adhering to the following steps:

- a) Identifying the entity that conducts the acquisition,
- b) Identifying the cost of the business combination, and
- c) Allocating the cost of the business combination among the acquired assets, liabilities and the contingent liabilities on the date of the business combination.

Goodwill is the difference between the cost of the acquired partnership, or the acquired assets as of the date of the acquisition, and the fair value of their net assets (or just the asset, for acquired assets). If the price of acquisition is more than the fair value of the acquired net assets, then the difference between these is reflected in the statement of financial position as goodwill. If the price of acquisition is less than the fair value of the acquired net assets, then the difference is reflected in the statement of profit or loss as profit derived from business combination.

According to TFRS 3 “Business Combination”, a provision of impairment in relation to goodwill is allocated if the goodwill’s recoverable amount is less than its book value, and if there are matters that can be considered as an indication of impairment in an identifiable asset. Conditions which are considered as an indication of impairment in the value of an asset include, presence of major changes in the nature of business of the acquired entity, presence of major changes between the estimates made on the acquisition date and the actual results, if the product, service or technology belonging to the acquired entity is outdated or out of use, and the presence of other similar issues indicating that the book value of the asset is no longer recoverable.

Leases

Group - as a lessee

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Group considers following indicators for the assessment of whether a contract conveys the right to control the use of an identified asset for a period of time or not:

- The contract includes an identified asset (contract includes a definition of a specified asset explicitly or implicitly),
- A capacity portion of an asset is physically distinct or represents substantially all the capacity of an asset (if the supplier has a substantive right to substitute the asset and obtain economic benefits from use of the asset, then the asset is not an identified asset),
- The Group has the right to obtain substantially all the economic benefits from use of the identified asset,

- The Group has the right to direct the use of an identified asset. The Group has the right to direct the use of the asset throughout the period of use only if either:
 - a) The Group has the right to direct how and for what purpose the asset is used throughout the period of use or
 - b) Relevant decisions about how and for what purpose the asset is used are predetermined:
 - i. The Group has the right to operate the asset (or to direct others to operate the asset in a manner that it determines) throughout the period of use, without the supplier having the right to change those operating instructions; or
 - ii. The Group designed the asset (or specific aspects of the asset) in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease following the consideration of the above-mentioned factors.

Right-of-use asset

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

- a) The amount of the initial measurement of the lease liability,
- b) Any lease payments made at or before the commencement date, less any lease incentives received
- c) Any initial direct costs incurred by the Group, and
- d) An estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease (unless those costs are incurred to produce inventories).

When applying the cost model, the Group measures the right-of-use asset at cost:

- a) Less any accumulated depreciation and any accumulated impairment losses; and
- b) Adjusted for any remeasurement of the lease liability.

Lease liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease, if that rate can be readily determined, or by using the Group’s incremental borrowing rate. The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- a) Fixed payments, less any lease incentives receivable,
- b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- c) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, Group measures the lease liability by:

- a) Increasing the carrying amount to reflect interest on the lease liability,
- b) Reducing the carrying amount to reflect the lease payments made, and
- c) Remeasuring the carrying amount to reflect any reassessment or lease modifications. The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Options to extend and terminate

The Group assesses the contractual options to extend or to terminate the lease when determining the lease liability. The majority of the options to extend and terminate are exercisable both by the Group and the respective lessor. Group determines the lease term of a lease considering the periods covered by options to extend and terminate the lease if the options are exercisable by the Group and the Group is reasonably certain to exercise those options. If a significant change in circumstances takes place, related lease term assessment is revisited by the Group.

Variable lease payments

Some lease contracts of the Group contain variable payment terms. Variable lease payments are not in the scope of TFRS 16 and recognised in the statement of profit or loss in the related period.

Practical expedients

The short-term lease agreements with a lease term of 12 months or less and agreements which are determined by the Group as low value, have been evaluated within the scope of practical expedients introduced by the TFRS 16” Leases” standard and related lease payments are recognised as an expense in the period in which they are incurred.

Group - as a lessor

All the leases that Group is the lessor are operating leases. Assets leased out under operating leases are classified under investment properties, property, plant and equipment or other current assets in the consolidated statement of financial position. Rent income is recognised in the consolidated statement of profit or loss on a straight-line basis over the lease term.

Provisions for employee benefits

Under Turkish Labour Law, Kontrolmatik and its subsidiaries and associates are required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). The provision has been calculated by estimating the present value of the future probable obligation of Kontrolmatik and its subsidiaries registered in Türkiye arising from the retirement of employees.

TAS 19 “Employee Benefits” requires actuarial assumptions (net discount rate) to estimate the entity’s obligation for employment termination benefits.

The rate to be used to discount defined benefit obligations (provisions for employee benefits) after leaving the office is determined by looking at the market returns for high quality corporate bonds at the balance sheet date. Because of the lack of a deep market for such securities, the real interest rate has been used, taking into account the market returns (compound interest rates) of government bonds (on the balance sheet date). In other words, inflation-adjusted interest rate (real interest rate) is used (Note 22).

In this context, financial institutions subject to labour law have accounted for the provision for employment termination benefits at the actuarial method in the financial statements for the retirement of retirement benefits for all personnel or for the termination of the business relationship by calling for military service or for the future probable liability amounts in case of death in accordance with TAS 19.

The assumptions used in calculating the provision for employment termination benefits are disclosed in Note 22.

Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

If some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement should be recognised as a separate asset, and not as a reduction of the required provision, when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The amount recognised should not exceed the amount of the provision.

One of three methods is used to allocate provisions in the accompanying consolidated financial statements. The first method is applied when the time value of money is material. When the depreciation of money over time becomes significant, provisions are recognised with the discounted amount of possible future expenditures at the balance sheet date. When the discount used, any increase in provisions due to time value, it is recognized as interest expense.

Where the effect of the time value of money is material, the amount of provision shall be the present value of the expenditures expected to be required to settle the obligation. The discount rate reflects current market assessments of the time value of money and the risks specific to the liability. The discount rate shall be a pre-tax rate and shall not reflect risks for which future cash flow estimates have been adjusted.

The expected value method is the second method which estimates variable consideration based on the range of possible outcomes and the probabilities of each outcome. The estimate is the probability-weighted amount based on those ranges. The expected value method might be most appropriate where a reporting entity has a large number of contracts that have similar characteristics. This is because a reporting entity will likely have better information about the probabilities of various outcomes where there are a large number of similar transactions.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in the consolidated financial statements and treated as contingent assets or liabilities and disclosed in the notes to the consolidated financial statements (Note 21).

Non-accrued financial income/expenses

Non-accrued financial income/expenses represent financial income and expenses on credit sales and purchases. These income and expenses are calculated using the effective interest method throughout the period of credit sales and purchases and are presented under “other operating income and expenses” in the consolidated financial statements.

Earnings per share

Earnings per share disclosed in the statement of profit or loss are determined by dividing net income attributable to equity holders of the parent by the weighted average number of shares outstanding during the period concerned.

In Türkiye, companies can increase their share capital through a pro-rata distribution of shares (“bonus shares”) to existing shareholders from retained earnings and inflation adjustment to equity. For the purpose of earnings per share computations, the weighted average number of shares in existence during the period has been adjusted in respect of bonus share issues without a corresponding change in resources, by giving them retroactive effect for the period in which they were issued and each earlier period as if the event had occurred at the beginning of the earliest period reported.

Financial risk management

Collection risk

The Group’s collection risk mainly arises from its trade receivables. Trade receivables are evaluated by taking into consideration the Group’s accounting policies and procedures and accordingly, trade receivables are allocated in the consolidated statement of financial position less provision for doubtful receivables in the consolidated statement of financial position (Note 39).

Foreign exchange risk

Foreign exchange rate risk arises from the change in the value of any financial instrument due to fluctuations in exchange rates. The balances denominated in foreign currencies arising from its operating, investment and financial activities as of the reporting date are disclosed in Note 39.

Liquidity risk

Liquidity risk is the risk that a Group will be unable to meet its funding needs. The liquidity risk management is to provide sufficient cash and cash equivalents, by balancing the maturity of assets and liabilities and to enable funding with the support of credit limits provided by reliable credit institutions and to close funding deficit (Note 39).

Foreign currency translation

Foreign currency transactions are translated into Turkish Lira using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Turkish Lira using the exchange rates at the consolidated balance sheet date. Foreign exchange gains and losses resulting from trading activities (trade receivables and payables) denominated in foreign currencies of the Group operating in the non-finance sectors, have been accounted for under “other operating income/(expenses)”.

The consolidated financial statements are presented in TL, which is Kontrolmatik’s functional and presentation currency. Transactions in currencies other than functional currency are recognised at the rates of exchange prevailing on the dates of the transactions. Foreign currency indexed monetary assets and liabilities are recognised at the rates of exchange prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to functional currency as Turkish Lira using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Dividends

Dividend income is recognised by the Group at the date the right to collect the dividend is realised. Dividend payables are recognised as liability in the consolidated financial statements following the approval of the general assembly.

Paid-in share capital

Common shares are classified as equity. Dividends on common shares are recognized in equity less retained earnings in the period in which they are approved and declared.

Events after the reporting period

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Under TAS 10, the two types of events are those that provide evidence of conditions that existed at the end of the reporting period (adjusting events); and those that are indicative of conditions that arose after the reporting period (non-adjusting events). The Group adjusts the amounts recognised in its consolidated financial statements to reflect adjusting events, but it does not adjust those amounts to reflect non-adjusting events (Note 41).

Government grants

Government grants are accounted on accrual basis with their fair values when the application of grants is approved. Costs arising from government grants are recognized as revenue on a consistent basis throughout the relevant periods in the period which they incurred along with the application of grants is approved.

Statement of cash flows

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. For an investment to qualify as a cash equivalent it must be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of, say, three months or less from the date of acquisition.

Equity investments are excluded from cash equivalents unless they are, in substance, cash equivalents, for example in the case of preferred shares acquired within a short period of their maturity and with a specified redemption date.

When used in conjunction with the rest of the financial statements, the statement of cash flows provides information that enables users to evaluate the changes in net assets of an entity, its financial structure (including its liquidity and solvency) and its ability to affect the amounts and timing of cash flows in order to adapt to changing circumstances and opportunities.

Cash flows during the period are classified and reported by operating, investing and financing activities in the cash flow statements. Cash flows from operating activities represent the cash flows generated from the Group’s activities. Cash flows from investing activities represent the cash flows that are used in or provided from the investing activities of the Group (property, plant and equipment, intangible assets and financial assets). Cash flows from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds.

Significant accounting judgements, estimates and assumptions and the basis of uncertainties

Preparation of the consolidated financial statements requires the usage of estimations and assumptions which may affect the reported amounts of assets and liabilities as of the balance sheet date, disclosure of contingent assets and liabilities and reported amounts of income and expenses during the financial period. The accounting assessments, estimates and assumptions are reviewed continuously considering the past experiences, other factors and the reasonable expectations about the future events under current conditions. Although the estimations and assumptions are based on the best estimates of the management’s existing incidents and operations, reflected to the profit or loss and they may differ from the actual results.

The significant accounting estimates and assumptions used by the Group in the preparation the consolidated financial statements are as follows:

Note 2/D	Fair value
Note 36/B	Deferred tax assets and liabilities
Note 22	Provision for employment termination benefits
Note 2/D,17,18,19	Economic useful lives of investment properties, property, plant and equipment and intangible assets
Note 10 and 39/E	Provision for impairment on trade receivables
Note 13	Provision for impairment on inventories
Note 7	Financial investments revaluation surplus/provision for impairment

Estimates and assumptions that may cause significant adjustments in the book value of assets and liabilities in the next financial reporting period and the nature of the uncertainties are as follows:

- Deferred tax is recognised if it is determined that taxable income is likely to incur in subsequent periods. In cases where it is probable that taxable income will incur, deferred tax assets are calculated on the carried and unused accumulated losses and any deductible temporary differences (**Note 35**).
- Estimates and assumptions were used by the Group management during the determination of the economic useful lives, determination of the provision for doubtful trade receivables (**Note 10 and 39**) and calculation of the provision for employment termination benefits (**Note 21**).

NOTE 3 – BUSINESS COMBINATIONS

Üç Yıldız Antimon Madencilik İthalat İhracat Sanayi ve Ticaret A.Ş.

The Group acquired Üç Yıldız Antimon Madencilik İthalat İhracat Sanayi ve Ticaret Anonim Şirketi with 50.1% effective ownership interest on 1 August 2023 according to the horizontal and vertical integration investment strategy implemented by the Group. Üç Yıldız Antimon Madencilik’s business activities include ensuring the production of Antimony, Lead, Zinc and Copper and mine ore production used in various industrial production, mainly energy storage. Accordingly, the Group has recognised goodwill amounting to TL 656.502.573 in the accompanying consolidated financial statements.

Emek Elektrik Endüstrisi A.Ş.

The Group announced that it has signed a contract with Özar Elektrik İnşaat to acquire the shares of Emek Elektrik Endüstrisi (“Emek Elektrik”) constituting 12.87% effective ownership interest in exchange for 385,000 “KONTR” shares according to the horizontal and vertical integration investment strategy implemented by the Group. The effective ownership interest of Kontrolmatik has been changed to 19.42% at the end of 31 December 2023. Accordingly, the Group recognised goodwill amounting to TL 120.619.430 in the accompanying consolidated financial statements on 27 July 2023 within scope of business combination.

In accordance with the horizontal and vertical integration investment strategies of the Group, the business combination and recognition of Üç Yıldız Antimon and Emek Elektrik will increase the value of the growth targets of Kontrolmatik in the sector which has formed the basis for goodwill.

NOTE 4 – DISCLOSURE OF INTERESTS IN OTHER ENTITIES

The Group acquired effective ownership interest of 50% belonging to shares of Kontrolmatik Enerji ve Mühendislik Anonim Şirketi and Skysens Teknoloji Anonim Şirketi joint venture (“IOT”) on 4 September 2018 (during its establishment).

In addition, the Group acquired effective ownership interest of 50% belonging to shares of Kontrolmatik Enerji ve Mühendislik Anonim Şirketi and Skysens Teknoloji Anonim Şirketi joint venture (“SAY”) on 10 October 2018 (during its establishment).

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

Furthermore, the Group acquired effective ownership interest of 25% belonging to shares of Plan S Uydu ve Uzay Teknolojileri Anonim Şirketi on 6 July 2021 (during its establishment).

The Group has acquired effective ownership interest of 50% belonging to shares of Kontrolmatik Enerji ve Mühendislik Anonim Şirketi and Siterm Isı Sanayi Anonim Şirketi joint venture (during its establishment).

The Group acquired effective ownership interest of 49% belonging to shares of Signum Teknoloji Tasarım ve Eğitim Anonim Şirketi on 31 May 2023.

NOTE 5 – CASH AND CASH EQUIVALENTS

	31.03.2025	31.12.2024
Cash on hand	1.052.999	3.210.497
Banks	372.143.921	2.514.955.080
Demand deposits	342.465.723	1.949.313.920
-Time deposits up to 3 months	29.678.198	565.641.160
Other cash and cash equivalents	1.709.082	-
Cash and cash equivalents, net	374.906.002	2.518.165.577

As of 31 March 2025, the annual effective interest rates of time deposits denominated in TL are between 30%-51% (31 December 2024: 30%-51% for time deposits denominated in TL).

NOTE 6 – FINANCIAL INVESTMENTS

	31.03.2025	31.12.2024
Financial assets at fair value through other comprehensive income	5.059.835	41.931.142
- Equity securities	15	15
- Currency-protected deposit accounts/Time deposits (3 months and over)	-	-
- Funds	5.059.820	41.931.217
Total short-term financial investments, net	5.059.835	41.931.232
- Pomega Energy Storage Tech	-	-
- Kontrolmatik Bulgaria	-	377.546
Total long-term financial investments, net	-	377.546

NOTE 7 – BORROWINGS

	31.03.2025	31.12.2024
Short-term borrowings	4.006.650.505	2.017.269.700
Bank borrowings	1.628.209.516	1.828.751.487
Issued bonds and bills	2.173.475.061	-
Finansal kiralama borçları	38.572.404	46.882.892
Other	3.933.117	3.210.658
Lease liabilities	162.460.407	138.424.663
Short-term portion of long-term borrowings	1.809.260.914	1.678.823.518
Bank borrowings	1.809.260.914	1.678.823.518
Long-term borrowings	4.478.481.374	6.150.594.800
Bank borrowings	4.201.649.591	4.397.437.919
Finance lease liabilities	26.477.160	31.356.947
Issued bonds and securities	238.798.066	1.656.448.150
Lease liabilities	11.556.557	65.351.784

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

The breakdown and detailed analysis of bank borrowings are as follows:

31.03.2025	Currency	Weighted average interest rate (%)		Maturity	TL equivalent	
		Minimum (%)	Maximum (%)			
Short-term borrowings			5.00	64.00	Revolving credits	1.548.870.433
	TL	21.00	77.00	Up to 3 months	-	
	TL	21.00	77.00	3-12 months	-	
	EUR	6.00	13.00	Up to 3 months	-	
	EUR	6.00	13.00	3-12 months	-	
	USD	6.00	13.00	Up to 3 months	79.339.083	
	USD	6.00	13.00	3-12 months	-	
					1.628.209.516	
Short-term portion of long-term borrowings	TL	21.00	77.00	Up to 3 months	50.883.987	
	TL	21.00	77.00	3-12 months	464.530.320	
	EUR	6.00	13.00	Up to 3 months	193.234.310	
	EUR	6.00	13.00	3-12 months	783.362.383	
	USD	6.00	13.00	Up to 3 months	53.988.349	
	USD	6.00	13.00	3-12 months	263.261.565	
					1.809.260.914	
Long-term borrowings	TL	21.00	77.00	1-10 years	539.910.746	
	EUR	6.00	13.00	1-10 years	3.550.489.471	
	USD	6.00	13.00	1-10 years	111.249.374	
					4.201.649.591	

31.12.2024	Currency	Weighted average interest rate (%)		Maturity	TL equivalent
		Minimum (%)	Maximum (%)		
Short-term borrowings				Revolving credits	1.323.984.641
	TL	21.00	77.00	3-12 months	134.220.246
	EUR	6.00	10.00	3-12 months	206.751.701
	USD	6.00	13.00	3-12 months	163.794.899
					1.828.751.487
Short-term portion of long-term borrowings	TL	21.00	77.00	Up to 3 months	398.349.587
	TL	21.00	77.00	3-12 months	179.628.076
	EUR	6.00	10.00	Up to 3 months	244.689.476
	EUR	6.00	10.00	3-12 months	477.533.174
	USD	6.00	13.00	Up to 3 months	266.107.954
	USD	6.00	13.00	3-12 months	112.515.250
					1.678.823.518
Long-term borrowings	TL	21.00	77.00	1-10 years	676.400.797
	EUR	6.00	10.00	1-10 years	3.633.580.308
	USD	6.00	13.00	1-10 years	87.456.814
					4.397.437.919

Interest rate of TL denominated revolving loans is between 5.00% - 77.00%, interest rate of USD denominated revolving loans is between 6.00% - 9.00%. Interest rate of EUR denominated revolving loans is between 5.00% - 9.00%. (31 December 2024: Interest rate of TL denominated revolving loans is between 7.00% - 52.00%, interest rate of USD denominated revolving loans is 6.00%. The interest rate of EUR denominated revolving loans is between 6.00% - 12.00%).

As of 31 March 2025 and 31 December 2024, the redemption schedule and maturity analysis of bank borrowings are as follows:

	31.03.2025	31.12.2024
Revolving credits	1.548.870.434	1.323.984.641
Up to 3 months	523.572.494	909.147.018
3-12 months	1.366.199.114	1.274.443.346
1-10 years	4.200.477.979	4.397.437.919
TOTAL	7.639.120.021	7.905.012.924

As of 31 March 2025 and 31 December 2024, the repayment schedule of long-term bank borrowings is as follows:

Year	31.03.2025	31.12.2024
2025	2.882.241.020	3.507.575.005
2026	1.364.630.392	1.567.256.437
2027	898.186.878	1.646.705.093
2028	1.192.375.645	261.275.594
2029 and subsequent years	1.301.686.086	922.200.795
TOTAL	7.639.120.021	7.905.012.925

The breakdown and detailed analysis of finance lease liabilities are as follows:

31.03.2025	Currency	Maturity	TL equivalent
Short-term finance lease liabilities			
	TL	Up to 3 months	9.995.831
	TL	3-12 months	16.763.101
	EUR	Up to 3 months	3.103.243
	EUR	3-12 months	8.710.230
			38.572.405
Long-term finance lease liabilities			
	TL	1-5 years	6.876.402
	EUR	1-5 years	19.600.759
			26.477.159

31.12.2024	Currency	Maturity	TL equivalent
Short-term portion of long-term finance lease liabilities			
	TL	Up to 3 months	11.008.375
	TL	3-12 months	24.180.599
	EUR	Up to 3 months	3.083.667
	EUR	3-12 months	8.658.545
			46.931.186
Long-term finance lease liabilities			
	TL	1-5 years	9.765.201
	EUR	1-5 years	21.543.451
			31.308.652

As of 31 March 2025 and 31 December 2024, the redemption schedule and maturity analysis of finance lease liabilities are as follows:

	31.03.2025	31.12.2024
Up to 3 months	17.062.711	14.092.289
3-12 months	21.509.694	32.838.897
1-5 years	26.477.159	31.308.652
TOTAL	65.049.564	78.239.838

As of 31 March 2025 and 31 December 2024, the repayment schedule of long-term finance lease liabilities is as follows:

Year	31.03.2025	31.12.2024
2025	32.954.957	46.931.186
2026	18.935.130	18.594.565
2027	10.773.634	10.421.064
2028	2.385.843	2.293.023
2029 and subsequent years	-	-
TOTAL	65.049.564	78.239.838

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

NOTE 8– RIGHT OF USE ASSETS AND LEASE LIABILITIES

Right of use assets	31.03.2025	31.12.2024
Beginning of the period – 1 January	155.145.379	175.761.791
Additions/disposals, net	-	85.084.831
Current period depreciation (Note 30)	(28.046.536)	(105.701.243)
End of the period	127.098.843	155.145.379

Lease liabilities

	31.12.2025	31.12.2024
	174.016.964	203.776.447
Short-term	162.460.407	138.424.663
Long-term	11.556.557	65.351.784

NOTE 9 – TRADE RECEIVABLES AND PAYABLES

	31.03.2025	31.12.2024
Trade receivables due from related parties (*)	25.071.026	31.839.897
- Customers	25.071.026	31.839.897
Trade receivables due from third parties	1.656.275.855	2.898.985.590
- Customers	1.273.216.044	2.741.428.690
- Post-dated cheques and notes receivables	392.579.827	179.341.786
Discount on receivables (-)	(6.160.016)	(21.784.886)
- Doubtful trade receivables	108.869.548	122.425.429
- Provision for doubtful trade receivables (-)	(112.229.548)	(122.425.429)
Total short-term trade receivables, net	1.681.346.881	2.930.825.487
Total long-term trade receivables, net	-	-

(*) The detailed analysis is disclosed in Note 37.

As of 31 March 2025, average turnover period in days for trade receivables is between 120-150 days (31 December 2024: 120-150 days).

The aging analysis and provision for doubtful receivables for past due but not impaired trade receivables and past due but impaired trade receivables are disclosed in Note 36-E.

The net maturity analysis of not past due trade receivables is disclosed in Note 36.

The movement of provision for doubtful trade receivables is as follows:

	31.03.2025	31.12.2024
Beginning of the period – 1 January	(122.425.429)	(115.580.690)
Provision for doubtful trade receivables during the period (Note 30)	(212.068)	(11.557.600)
Collections/reversals	-	1.385.069
Monetary gains/losses	10.407.949	3.327.792
End of the period	(112.229.548)	(122.425.429)

	31.03.2025	31.12.2024
Trade payables due to related parties (*)	8.973.744	107.684.645
- Suppliers	8.973.744	107.684.645
- Discount on notes payable (-)	-	-
Trade payables due to third parties	3.898.467.892	4.763.060.130
- Suppliers	2.125.310.585	2.540.647.444
- Post-dated cheques and notes payable	1.153.275.893	1.582.308.403
- Discount on notes payable (-)	(62.080.147)	(119.007.709)
-Other	681.961.561	759.111.992
Total short-term trade payables, net	3.907.441.636	4.870.744.775
Total long-term trade payables, net	-	-

(*) The detailed analysis is disclosed in Note 36.

As of 31 March 2025, average turnover period in days for trade payables is between 90-120 days (31 December 2024: 90-120 days).

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

NOTE 10 – OTHER RECEIVABLES AND PAYABLES

	31.03.2025	31.12.2024
Other receivables due from related parties (*)	156.551.695	18.668.392
- Related parties	156.551.695	18.668.392
Short-term other receivables due from third parties	952.734.606	647.623.001
- Deposits and guarantees given	804.794.086	447.273.098
- Receivables from tax office	87.007.995	64.198.560
- Due from employees	272.117	111.597
- Other	60.660.408	136.039.746
- Doubtful other receivables	4.770.689	5.250.763
- Provision for doubtful other receivables (-)	(4.770.689)	(5.250.763)
Total short-term other receivables, net	1.109.286.301	666.291.393
Long-term other receivables due from related parties (*)	-	-
- Related parties	-	-
Other receivables due from third parties	8.803.083	53.588.839
- Deposits and guarantees given	8.803.083	53.584.090
- Other	-	4.749
Total long-term other receivables, net	8.803.083	53.588.839

(*) The detailed analysis is disclosed in Note 36.

	31.03.2025	31.12.2024
Short-term other payables due to related parties (*)	-	150.635.440
Short-term other payables due to third parties	687.176.162	281.946.282
- Deposits and guarantees received	71.544.413	60.793.646
- Deferred liabilities	-	-
- Taxes payable	28.478.111	92.641.127
- Other	587.153.638	128.511.509
Total short-term other payables, net	687.176.162	432.581.721
Long-term other payables due to related parties (*)	2.380.039.470	2.866.751.458
Long-term other payables due to third parties (*)	126.286.054	260.492.087
- Deferred liabilities	-	-
- Other	126.286.054	260.492.087
Total long-term other payables, net	2.506.325.524	3.127.243.545

(*) The detailed analysis is disclosed in Note 36.

NOTE 11 – DERIVATIVE INSTRUMENTS

	31.03.2025	31.12.2024
Derivative assets	-	-
Total	-	-
Derivative liabilities	2.673.803	2.942.868
Total	2.673.803	2.942.868

(*) Includes forward contracts and relevant transactions

NOTE 12 – INVENTORIES

	31.03.2025	31.12.2024
Raw materials and supplies	221.212.896	332.183.658
Semi-finished goods	297.944.281	264.232.667
Finished goods	200.100.229	264.642.751
Merchandise	2.264.748.997	2.137.628.167
Less: Provision for inventory impairment (-)	(884.380)	(973.373)
Other inventories	13.520.054	9.017.687
TOTAL	2.996.642.077	3.006.731.557

The movement of provision for impairment on inventories is as follows:

	31.03.2025	31.12.2024
Beginning of the period – 1 January	(973.373)	(1.872.275)
Additions/reversals, net	88.993	898.902
End of the period	(884.380)	(973.373)

NOTE 13 – CUSTOMER CONTRACTS

	31.03.2025	31.12.2024
Contract assets	3.076.203.740	2.570.818.806
Contract liabilities	(42.170.867)	(5.953.685)
Total assets/liabilities	3.034.032.873	2.564.865.121
	31.03.2025	31.12.2024
Realised	6.344.974.507	5.832.225.025
Cost	4.327.275.219	3.850.194.597
Progress payment	2.017.699.288	1.982.030.428
Estimated revenue recognition, net	9.064.341.863	8.413.108.333
Cost	4.012.609.702	3.866.212.784
Progress payment	5.051.732.161	4.546.895.549
	31.03.2025	31.12.2024
Revenue under TFRS (A)	5.051.732.161	4.546.895.549
Contract cost (B)	(4.327.275.219)	(3.850.194.597)
Profit/loss in accordance with TFRS 15 (C=A+B)	724.456.942	696.700.952
Progress payment received (D)	2.017.699.288	1.982.030.428
Total contract assets / liabilities, net (E=A-D)	3.034.032.873	2.564.865.121

NOTE 14 – INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The Group acquired effective ownership interest of 50% belonging to shares of Kontrolmatik Enerji ve Mühendislik Anonim Şirketi and Skysens Teknoloji Anonim Şirketi joint venture (“IOT”) on 4 September 2018 (during its establishment).

In addition, the Group acquired effective ownership interest of 50% belonging to shares of Kontrolmatik Enerji ve Mühendislik Anonim Şirketi and Skysens Teknoloji Anonim Şirketi joint venture (“SAY”) on 10 October 2018 (during its establishment).

Furthermore, the Group acquired effective ownership interest of 25% belonging to shares of Plan S Uydu ve Uzay Teknolojileri Anonim Şirketi on 6 July 2021 (during its establishment).

The Group has acquired effective ownership interest of 50% belonging to shares of Kontrolmatik Enerji ve Mühendislik Anonim Şirketi and Siterm Isı Sanayi Anonim Şirketi joint venture (during its establishment).

The Group acquired effective ownership interest of 49% belonging to shares of Signum Teknoloji Tasarım ve Eğitim Anonim Şirketi on 31 May 2023.

	31.03.2025		
Associates and joint ventures (Accounted for using the equity method)	Effective ownership interest (%)	Amount	Net carrying value
Kontrolmatik Enerji ve Müh. A.Ş. ve Skysens Tek. A.Ş. Joint venture (IOT)	50	-	-
Kontrolmatik Enerji ve Müh. A.Ş. ve Skysens Tek. A.Ş. Joint venture (SAY)	50	-	-
Plan S Uydu ve Uzay Teknolojileri A.Ş.	25	68.750.000	273.606.105
Kontrolmatik Tek. Ene. Ve Müh. A.S. Ve Siterm Isı San. A.Ş. Joint venture	50	25.000	44.102
Signum Teknoloji Tanıtım ve Eğitim A.Ş.	49	26.810.000	58.832.553
TOTAL		95.585.000	332.482.760
		31.12.2024	
Associates and joint ventures (Accounted for using the equity method)	Effective ownership interest (%)	Amount	Net carrying value
Kontrolmatik Enerji ve Müh. A.Ş. ve Skysens Tek. A.Ş. Joint venture (IOT)	50	5.000	-
Kontrolmatik Enerji ve Müh. A.Ş. ve Skysens Tek. A.Ş. Joint venture (SAY)	50	5.000	469.939
Plan S Uydu ve Uzay Teknolojileri A.Ş.	25	150.000.000	236.450.579
Kontrolmatik Tek. Ene. Ve Müh. A.S. Ve Siterm Isı San. A.Ş. Joint venture	50	25.000	44.102
Signum Teknoloji Tanıtım ve Eğitim A.Ş.	49	26.810.000	64.974.912
TOTAL		176.845.000	301.939.532
		31.03.2025	31.12.2024
Associates and joint ventures		301.939.532	218.119.297
Beginning of the period – 1 January		301.939.532	218.119.297
Additions/Disposals		(74.810.085)	(52.648.255)
Capital increases/reduction		37.500.000	53.628.877
Increases/decreases during the period		67.853.313	82.839.613
Share of profit for the period		332.482.760	301.939.532
End of the period		301.939.532	218.119.297

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

NOTE 15 – INVESTMENT PROPERTIES

01.01.2025 - 31.03.2025

Cost	Capital					31.03.2025
	01.01.2025	Additions	appreciation	Disposals	Transfers	
Land	207.759.991	-	-	-	-	207.759.991
Buildings	23.702.881	-	-	-	-	23.702.881
Total	231.462.872	-	-	-	-	231.462.872

01.01.2024 - 31.03.2024

Cost	Capital					31.03.2024
	01.01.2024	Additions	appreciation	Disposals	Transfers	
Land	201.632.826	-	-	-	-	201.632.826
Buildings	23.808.918	-	-	-	-	23.808.918
Total	225.441.744	-	-	-	-	225.441.744

The fair value of investment properties has been determined by independent appraisal firm Emek Taşınmaz Değerleme ve Danışmanlık Anonim Şirketi and the detailed list of investment properties is as follows. The independent appraisal firm determined the fair value of investment properties in the appraisal reports on 31 March 2025 following the “Peer comparison” method and “Income Approach”.

Investment properties	Date of acquisition	31.03.2025			31.12.2024		
		Carrying value			Carrying value		
		Land	Building	TOTAL	Land	Building	TOTAL
Kırklareli ili Kofçaz ilçesi - Land	28 December 2016	595.441	-	595.441	595.441	-	595.441
Kırklareli ili Kofçaz ilçesi - Land	28 December 2016	345.598	-	345.598	345.598	-	345.598
Kırklareli ili Kofçaz ilçesi - Land	28 December 2016	350.000	-	350.000	350.000	-	350.000
Kırklareli ili Kofçaz ilçesi - Land	28 December 2016	1.024.687	-	1.024.687	1.024.687	-	1.024.687
Kırklareli ili Kofçaz ilçesi - Land	28 December 2016	2.357.549	-	2.357.549	2.357.549	-	2.357.549
Kırklareli ili Kofçaz ilçesi - Land	28 December 2016	62.736	-	62.736	62.736	-	62.736
Kırklareli ili Kofçaz ilçesi - Land	28 December 2016	280.661	-	280.661	280.661	-	280.661
İstanbul ili Arnavutköy ilçesi - Land	11 September 2017	4.643.558	-	4.643.558	4.643.558	-	4.643.558
İstanbul ili Arnavutköy ilçesi - Land	11 September 2017	1.184.278	-	1.184.278	1.184.278	-	1.184.278
İstanbul ili Arnavutköy ilçesi - Land (*)	29 January 2018	17.856.621	-	17.856.621	17.856.621	-	17.856.621
Kocaeli ili Çayirova ilçesi - Land	17 January 2019	115.566.150	-	115.566.150	115.566.150	-	115.566.150
İstanbul İli Silivri İlçesi- Land	15 June 2022	-	-	-	-	-	-
İstanbul İli Silivri İlçesi- Land	15 June 2022	-	-	-	-	-	-
İstanbul İli Silivri İlçesi- Land	15 June 2022	-	-	-	-	-	-
İstanbul ili Beşiktaş ilçesi - Apartment	17 July 2019	7.661.152	1.617.596	9.278.748	7.661.152	1.617.596	9.278.748
İstanbul ili Beşiktaş ilçesi - Apartment	17 July 2019	7.661.152	1.617.596	9.278.748	7.661.152	1.617.596	9.278.748
Sakarya ili Serdivan ilçesi - Store	16 August 2019	8.759.694	3.622.393	12.382.088	8.759.694	3.622.393	12.382.088
Sakarya ili Serdivan ilçesi - Store	2 August 2019	10.316.425	4.404.501	14.720.926	10.316.425	4.404.501	14.720.926
Sakarya ili Serdivan ilçesi - Store	16 August 2019	9.007.556	3.704.721	12.712.277	9.007.556	3.704.721	12.712.277
Sakarya ili Serdivan ilçesi - Store	17 September 2019	11.362.904	4.527.992	15.890.896	11.362.904	4.527.992	15.890.896
Ankara ili Etimeskut ilçesi - Land	26 September 2019	7.423.199	5.508.710	12.931.910	7.423.199	5.508.710	12.931.910
TOTAL		206.459.361	25.003.509	231.462.872	206.459.361	25.003.509	231.462.872

(*) In accordance with the appraisal report in the current period regarding the aforementioned land, the statement that it is the “defendant” in the land registry creates a risk of loss of ownership for the potential buyers of the land. As of 31 March 2025, the Group has mortgage risk on its investment properties amounting to TL 84.000.000 (31 December 2024: TL 84.000.000). The relevant mortgages are also on the properties and classified under property, plant and equipment.

NOTE 16 – PROPERTY, PLANT AND EQUIPMENT

	01.01.2025	Additions	Transfers	Disposals	31.03.2025
Cost					
Land	1.549.049.108	6.123.516	-	-	1.555.172.624
Land improvements	51.508.901	-	-	(1.679.137)	49.829.764
Buildings	2.514.016.056	12.607.164	-	-	2.526.623.220
Plant, machinery and equipment	2.816.056.750	11.357.947	-	(4.088.276)	2.823.326.421
Motor vehicles	442.164.056	863.152	-	(6.332.455)	436.694.753
Furniture and fixtures	664.888.335	13.575.349	-	(1.525.752)	676.937.932
Constructions in progress	1.378.826.958	1.266.709.981	-	-	2.645.536.939
Leasehold improvements	4.731.468	273.110	-	(192.698)	4.811.880
Exploration Costs	34.016.066	-	-	-	34.016.066
Total	9.455.257.698	1.311.510.219	-	(13.818.318)	10.752.949.599
Less: Accumulated depreciation					
Buildings	(92.418.488)	(12.375.590)	-	-	(104.794.078)
Plant, machinery and equipment	(606.545.442)	(63.545.006)	-	602.263	(669.488.185)
Motor vehicles	(154.871.027)	(22.387.593)	-	2.826.164	(174.432.456)
Furniture and fixtures	(139.395.871)	(22.225.617)	-	516.795	(161.104.693)
Leasehold improvements	(3.038.454)	-	-	-	(3.038.454)
Total	(996.269.282)	(120.533.806)	-	3.963.163	(1.112.857.866)
Property, plant and equipment, net	8.458.988.416	1.190.976.413	-	(9.873.096)	9.640.091.733

(*) Although the most of constructions in progress are classified within buildings, it includes investments located in Polatlı, where factory construction of Pomega has not been completed yet.

The fair value of property, plant and equipment has been determined as of 31 December 2024 by independent appraisal firm Emek Taşınmaz Değerleme ve Danışmanlık Anonim Şirketi and the detailed list of property, plant and equipment which includes two offices in Esenler, İstanbul and a factory in Polatlı Ankara are as follows. The independent appraisal firm determined the fair value of property, plant and equipment in the appraisal reports on 31 December 2024 in accordance with the “Peer comparison” method “Income Approach”.

The fair value of land and buildings has been determined by independent appraisal firm Emek Taşınmaz Değerleme ve Danışmanlık Anonim Şirketi and the detailed list of property, plant and equipment is as follows. The independent appraisal firm determined the fair value of investment properties in the appraisal reports on 31 December 2024 following the “Peer comparison” method and “Income Approach”.

31.03.2025	Property, plant and equipment	Date of acquisition	31.03.2025		TOTAL
			Land	Building	
	İstanbul ili Sarıyer İlçesi – Office	08.04.2022	633.561.700	160.873.034	794.434.734
	İstanbul ili Esenler ilçesi – Office	09.09.2013	25.455.921	6.820.054	32.275.975
	İstanbul ili Esenler ilçesi – Office	27.09.2016	25.455.921	6.820.054	32.275.975
	Ankara ili Polatlı ilçesi – Factory	18.08.2021	172.538.358	2.048.063.310	2.220.601.668
	İstanbul ili Sarıyer İlçesi – Office	07.02.2023	82.578.893	23.631.902	106.210.795
	Ankara ili Çankaya İlçesi – Office	31.03.2023	34.386.708	13.248.558	47.635.266
	Ankara ili Çankaya İlçesi – Office	19.01.2023	106.333.515	34.921.339	141.254.854
	İstanbul ili Silivri İlçesi – Land	15.06.2022	11.992.464	-	11.992.464
	İstanbul ili Silivri İlçesi – Land	15.06.2022	16.917.784	-	16.917.784
	İstanbul ili Silivri İlçesi – Land	15.06.2022	34.876.763	-	34.876.763
	Kütahya ili Gediz İlçesi – Land	13.06.2023	1.671.307	66.106.589	67.777.896
	Kütahya ili Gediz İlçesi – Land	10.11.2020	943.240	-	943.240
	Kütahya ili Gediz İlçesi – Land	24/06/2021-08/07/2021	420.441	-	420.441
	Ankara ili Akyurt ilçesi	23/12/2009-13/01/2009	389.564.687	73.472.556	463.037.242
	TOTAL		1.536.697.702	2.433.957.396	3.970.655.097

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

	01.01.2024	Additions	Transfers	Disposals	31.03.2024
Cost					
Land	1.448.314.197	-	-	(219.203)	1.448.094.994
Land improvements	25.933.666	-	-	-	25.933.666
Buildings	2.440.835.480	117.026.585	-	-	2.557.862.065
Plant, machinery and equipment	2.513.711.988	-	-	(35.304.192)	2.478.407.796
Motor vehicles	433.697.645	12.429.345	-	(20.572.379)	425.554.611
Furniture and fixtures	360.807.016	39.369.537	-	-	400.176.553
Constructions in progress	300.544.921	203.253.518	-	-	503.798.439
Leasehold improvements	5.167.044	-	-	(174.420)	4.992.624
Exploration Costs	34.701.329	-	-	(7)	34.701.322
Total	7.563.713.286	372.078.985	-	(56.270.201)	7.879.522.070
Less: Accumulated depreciation					
Land improvements	-	-	-	-	-
Buildings	(3.379.778)	(62.922.388)	-	3.759.577	(62.542.588)
Plant, machinery and equipment	(384.694.893)	(15.741.817)	-	4.114.476	(396.322.234)
Motor vehicles	(85.418.064)	(15.789.821)	-	-	(101.207.885)
Furniture and fixtures	(88.955.434)	-	-	-	(88.955.434)
Leasehold improvements	(2.623.829)	-	-	-	(2.623.829)
Total	(565.071.998)	(94.454.026)	-	7.874.053	(651.651.971)
Property, plant and equipment, net	6.998.641.288	277.624.959	-	(48.396.148)	7.227.870.099

NOTE 17 – INTANGIBLE ASSETS

Goodwill

As of 31 March 2025, the goodwill with a net book value amounting to TL 777.122.003, which TL 656.502.573 arises from the acquisition of Üç Yıldız Antimon on 1 August 2023 and the amount of TL 120.619.430 arises from the acquisition of Emek Elektrik on 27 July 2023.

As of 31 March 2025 and 31 December 2024, the movement of goodwill is as follows:

A-) Goodwill

	01.01.2025	Additions	Disposals	Impairment	31.03.2025
Cost	-	-	-	-	-
Goodwill	855.321.976	-	-	-	855.321.976
Total	855.321.976	-	-	-	855.321.976
	01.01.2024	Additions	Disposals	Impairment	31.03.2024
Cost	-	-	-	-	-
Goodwill	855.323.790	-	-	-	855.323.790
Total	855.323.790	-	-	-	855.323.790

As disclosed in Note 2.6, the Group's assessment of impairment of goodwill related to prior years' items is explained in detail and as of 31 March 2025 and 31 December 2024, no change has been incurred and the carrying value of goodwill determined as amounting to TL 777.122.003.

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

B-) Other intangible assets

	01.01.2025	Additions	Transfers	31.03.2025
Cost				
Rights	277.580.073	14.274.632	-	291.854.705
Research and development costs	617.843.193	79.446.535	-	697.289.728
Other intangible assets	249.909.493	362.398	(1.005.918)	249.265.972
	1.145.332.759	94.083.565	(1.005.918)	1.238.410.405
Less: Accumulated depreciation				
Rights	(142.990.291)	(9.503.524)	-	(152.493.815)
Research and development costs	(32.723.877)	(10.864.327)	-	(43.588.204)
Other intangible assets	(226.570.245)	(9.443.091)	438.135	(235.575.201)
	(402.284.413)	(29.810.942)	438.135	(431.657.220)
Net book value	743.048.346	64.272.623	(567.783)	806.753.185
	01.01.2024	Additions	Transfers	31.03.2024
Cost				
Rights	181.536.978	3.307.404	-	184.844.382
Research and development costs	217.490.904	9.197.640	-	226.688.544
Other intangible assets	174.982.814	10.212.055	-	185.194.869
	574.010.696	22.717.099	-	596.727.795
Less: Accumulated depreciation				
Rights	(10.343.627)	(62.670.942)	-	(73.014.569)
Research and development costs	(8.761.370)	(105.213)	-	(8.866.583)
Other intangible assets	(125.373.849)	(30.786.934)	-	(156.160.783)
	(144.478.846)	(93.563.089)	-	(238.041.935)
Net book value	429.531.850	(70.845.990)	-	358.685.860

(*) The abovementioned table includes research and development costs incurred by the Group. Research and development projects completed are subject to amortisation and development costs are not capitalised only after the technical and commercial feasibility of the asset for sale or use have been established and not subject to amortisation.

NOTE 18 – GOVERNMENT GRANTS

As of 31 March 2025, Mcfly Robot Teknolojileri Anonim Şirketi benefited from a government grant arising from an investment certificate authorised on 29 December 2022 and numbered 552495. The investment amount arising from the government grant amounts to TL 1.789.527.424.

Mcfly Robot is entitled to the following incentives and rights:

- Employer’s share of insurance premium: 7 years
- Tax reduction rate 80% and Investment contribution rate: 40%
- Customs duty exemption
- Interest grants and incentives

As of 31 March 2025, Pomega Enerji Depolama Teknolojileri Anonim Şirketi benefited from government grant arising from manufacturing investment incentive certificate from manufacturing authorised on 7 July 2022 and numbered 538629. The investment amount arising from the government grant amounts to TL 4.592.659.276.

Pomega Enerji is entitled to the following incentives and rights:

- Employer’s share of insurance premium: 7 years
- Tax reduction rate 80% and Investment contribution rate: 40%
- Customs duty exemption
- VAT exemption
- Interest grants and incentives

(31 December 2024: None).

NOTE 19 – PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Commitments, collaterals, pledges and mortgages given by the Group

As of 31 March 2025 and 31 December 2024, the Group’s collaterals/pledge/mortgage (“C&P&M”) position is as follows:

31.03.2025

Collaterals, pledges and mortgages given by the Group	USD	EUR	TL	Other	TOTAL (TL equivalent)
A. Total amount of CPM’s given in the name of its own legal personality	1.280.552.264	1.939.193.712	1.239.272.004	24.398.150	4.483.416.130
B. i. Total amount of CPM’s given on behalf of the fully consolidated subsidiaries	-	-	-	-	-
B. ii. Total amount of CPM’s given on behalf of the fully consolidated subsidiaries in favor of each other	-	-	-	-	-
B. iii. Total amount of CPM’s given on behalf of the fully consolidated subsidiaries in favor of parent company	-	-	-	-	-
C. Total amount of CPM’s given on behalf of third parties for ordinary course of business	-	-	-	-	-
D. Total amount of other CPM’s given	-	-	-	-	-
i. Total amount of CPM’s given on behalf of the majority shareholder	-	-	-	-	-
ii. Total amount of CPM’s given to on behalf of other group companies which are not in scope of B and C	-	-	-	-	-
iii. Total amount of CPM’s given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total	1.280.552.264	1.939.193.712	1.239.272.004	24.398.150	4.483.416.130
Total equity					6.765.156.598
The ratio of other CPM’s to equity given by the Group					0,66

31.12.2024

Collaterals, pledges and mortgages given by the Group	USD	EUR	TL	Other	TOTAL (TL equivalent)
A. Total amount of CPM’s given in the name of its own legal personality	1.237.463.433	1.346.009.130	930.714.846	24.349.127	3.538.536.536
B. i. Total amount of CPM’s given on behalf of the fully consolidated subsidiaries	-	-	-	-	-
B. ii. Total amount of CPM’s given on behalf of the fully consolidated subsidiaries in favor of each other	-	-	-	-	-
B. iii. Total amount of CPM’s given on behalf of the fully consolidated subsidiaries in favor of parent company	-	-	-	-	-
C. Total amount of CPM’s given on behalf of third parties for ordinary course of business	-	-	-	-	-
D. Total amount of other CPM’s given	-	-	-	-	-
i. Total amount of CPM’s given on behalf of the majority shareholder	-	-	-	-	-
ii. Total amount of CPM’s given to on behalf of other group companies which are not in scope of B and C	-	-	-	-	-
iii. Total amount of CPM’s given on behalf of third parties which are not in scope of C	-	-	-	-	-
Total	1.237.463.433	1.346.009.130	930.714.846	24.349.127	3.538.536.536
Total equity					6.465.703.123
The ratio of other CPM’s to equity given by the Group					0,55

As of 31 March 2025 and 31 December 2024, the details of contingent liabilities, contingent assets and commitments’ (“CPM”) risk presented in the abovementioned statements are as follows:

31.03.2025

Type	TL	USD	EUR	Other
Mortgages given	432.564.500	-	-	-
Letter of guarantee given	746.750.504	33.907.902	47.518.698	-
Bill of guarantees given	10.000.000	-	-	500.000
Blocked deposits	48.000.000	-	125.115	-
Vehicle pledges given	1.957.000	-	-	-
Total CPM’s, net	1.239.272.004	33.907.902	47.643.813	500.000

31.12.2024

Type	TL	USD	EUR	Other
Mortgages given	476.093.466	-	-	-
Letter of guarantee given	415.708.609	35.131.957	36.633.176	-
Bill of guarantees given	11.006.300	-	-	550.315
Blocked deposits	25.752.539	-	-	-
Vehicle pledges given	2.153.933	-	-	-
Total CPM’s, net	930.714.847	35.131.957	36.633.176	550.315

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

Short-term provisions

Account Name	31.03.2025	31.12.2024
Short-term provisions for employee benefits	47.923.424	36.357.218
Provision for unused vacation	47.923.424	36.357.218
Other short-term provisions	8.928.536	8.936.217
Provision for lawsuits	7.968.536	7.904.423
Provision for warranties	960.000	1.031.794
Short-term provisions, net	56.851.960	45.293.435

The movement of provision for lawsuits is as follows:

	31.03.2025	31.12.2024
Beginning of the period – 1 January	7.904.423	3.601.490
Additions (Note 30)	1.140.978	4.909.400
Provisions no longer required (Note 30)	(700.000)	(348.291)
Monetary gains/losses	(376.865)	(258.176)
End of the period	7.968.536	7.904.423

Contingent events (Lawsuits and execution proceedings in favor/against the Group)

As of 31 March 2025, the Group has allocated provision for lawsuits amounting to TL 7.181.726 in the accompanying consolidated financial statements for the lawsuits and execution proceedings filed against the Group for the possible cash outflows (31 December 2024: TL 7.181.726).

The movement of provision for unused vacation is as follows:

	31.03.2025	31.12.2024
Beginning of the period – 1 January	36.357.218	20.015.049
Additions	14.194.131	-
Provisions no longer required	(253.588)	22.494.343
Monetary gains/losses	(2.374.337)	(6.152.174)
End of the period	47.923.424	36.357.218

Long-term provisions

	31.03.2025	31.12.2024
Provision for employment termination benefits	65.815.215	64.232.912

Under Turkish Labour Law, Kontrolmatik and its subsidiaries, associates and joint ventures incorporated in Türkiye are required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men).

As of 31 March 2025, the amount payable consists of one month’s salary limited to a maximum of TL 46.655,43 (31 December 2024: TL 41.828,42) for each year of service.

The liability is not funded as there is no funding requirement.

The provision has been calculated by estimating the present value of the future probable obligation of Kontrolmatik and its subsidiaries registered in Türkiye arising from the retirement of employees.

TAS 19 “Employee Benefits” requires actuarial valuation methods to be developed to estimate the entity’s obligation under defined benefit plans. Accordingly, the following actuarial assumptions have been used in the calculation of the total liability. Related rates have been presented by considering the weighted average of actuarial assumptions of the subsidiaries within the scope of consolidation.

	31.03.2025	31.12.2024
Net discount rate	0,82%	0,82%
Employment termination benefit non-payment rate	5,00%	5,00%

Movements in the provision for employment termination benefits are as follows:

	31.03.2025	31.12.2024
Beginning of the period – 1 January	64.232.912	46.320.867
Additions during the period	5.887.605	33.176.616
Payments during the period and provisions no longer required	(6.704.918)	(14.285.821)
Gains/(losses) on remeasurements of defined benefit plans – Actuarial gains/losses	7.646.627	12.578.904
Monetary gains/losses	(5.247.011)	(13.557.654)
End of the period	65.815.215	64.232.912

NOTE 20 – EMPLOYEE BENEFITS

	31.03.2025	31.12.2024
Due to employee	96.579.010	112.558.996
Social security premiums payable	85.962.112	48.128.429
Taxes payable	24.246.051	18.671.566
Employee benefits, net	206.787.173	179.358.991

NOTE 21 – RETIREMENT BENEFIT PLANS

Except for the legal regulations and legislations disclosed in Note 21, there is no regulation for retirement benefit plans.

NOTE 22 – PREPAID EXPENSES AND DEFERRED INCOME

	31.03.2025	31.12.2024
Prepaid expenses due to related parties (*)	22.348.261	437.760.812
Prepaid expenses due to third parties	2.715.260.841	1.890.464.773
- Advances given	2.461.153.646	1.869.823.682
- Short-term prepaid expenses	254.107.195	20.641.091
Prepaid expenses, net (Classified under current assets)	2.737.609.102	2.328.225.585

	31.03.2025	31.12.2024
Prepaid expenses due to related parties (*)	-	-
Prepaid expenses due to third parties	842.025.557	1.058.778.215
- Advances given	1.989.349	220.815.511
- Short-term prepaid expenses	840.036.208	837.962.705
Prepaid expenses, net (Classified under non-current assets)	842.025.557	1.058.778.215

(*) The detailed analysis is disclosed in Note 36.

	31.03.2025	31.12.2024
Deferred income due from related parties	135.674.549	10.753.195
- Advances received (*)	135.674.549	10.753.195
Deferred income due from third parties	1.296.343.605	1.406.784.962
- Short-term deferred income	47.797.031	16.230.322
- Advances received	1.248.546.574	1.390.554.640
Deferred income except for contract liabilities (Short-term)	1.432.018.154	1.417.538.157

(*) The detailed analysis is disclosed in Note 36.

NOTE 23 – CURRENT INCOME TAX ASSETS

Current income tax assets

Account Name	31.03.2025	31.12.2024
Prepaid taxes (Short-term)	13.161.022	1.164.749
Prepaid taxes (Long-term)	136.277.515	100.392.104
Total	149.438.537	101.556.853

NOTE 24 – OTHER ASSETS AND LIABILITIES

Account Name	31.03.2025	31.12.2024
Deferred VAT	522.408.958	383.241.618
Other VAT	9.785.929	40.608.772
Advances given to employees	19.788	409.945
Cash advances	43.046.709	45.333.780
Other	2.016.296	12.501.618
Other current assets, net	577.277.680	482.095.733

As of 31 March 2025, the Group has no other non-current assets.

Account Name	31.03.2025	31.12.2024
Other liabilities	30.966.591	979.532
Other current liabilities, net	30.966.591	979.532

NOTE 25 – EQUITY

As of 31 March 2025 and 31 December 2024, the principal shareholders and their respective shareholding rates in Kontrolmatik are as follows:

Shareholders	31.03.2025		31.12.2024	
	Share (%)	Amount (TL)	Share (%)	Amount (TL)
Sami Aslanhan	18.49	120.214.980	26.84	174.460.000
Ömer Ünsalan	18.58	120.754.321	26.92	174.980.000
KMT Teknolojik ve Finansal Yatırımlar Anonim Şirketi	5.26	34.195.650	-	-
Other (Listed shares)	57.67	374.835.049	46.24	300.560.000
Total paid-in share capital	100.00	650.000.000	100	650.000.000

Adjustment to share capital	31.03.2025	31.12.2024
Beginning of the period – 1 January	598.784.257	582.463.574
Capital increases/reduction	-	16.320.683
Monetary gains/losses	-	-
End of the period	598.784.257	598.784.257

The Group has no preferred shares at the end of the reporting periods.

As of 31 March 2025, the current paid-in share capital of the Group is amounting to TL 650.000.000 (31 December 2024: TL 650.000.000). Kontrolmatik adopted the registered share capital system in accordance with the decision of the General Assembly on 21 May 2020.

Kontrolmatik's share capital consists of 650,000,000 outstanding shares each with a par value of TL 1 (31 December 2024: 650,000,000 shares).

Kontrolmatik increased its share capital amounting to TL 650.000.000 through capital increase from bonus issues from internal resources on 1 October 2024.

	Historical cost	Adjustments for inflation	Amount adjusted for inflation
31.03.2025 (TPL)			
Share capital	650.000.000	592.769.177	1.242.769.177
Share premium	542.606.781	742.101.134	1.284.707.915
Legal reserves	29.100.926	171.889.629	200.990.555
	Historical cost	Adjustments for inflation	Amount adjusted for inflation
31.03.2025 (TFRS)			
Share capital	650.000.000	598.784.257	1.248.784.257
Share premium	542.606.781	937.163.381	1.479.770.162
Legal reserves	29.100.926	43.716.205	72.817.131

B. Share premium

As a result of the initial public offering of Kontrolmatik in 2020, the Group increased its current share capital of TL 8.062.500 by selling 8,062,500 outstanding shares with a nominal value of TL 1. In addition, the Group has additional cash inflows amounting to TL 59.331.875 arising from the sale was realized above the nominal amount considered. The Company realized the capital increase amounting to TL 49.000.000 on its internal funds and resources on 8 June 2022 from “share premium”. As a result of the acquisition of ENWAIR's shares in the current period, the parent company share amounting to TL 329.107 has been include to the share premium due to its inclusion in the consolidation. Share premium is arising from the disposal of 11% effective ownership interest of Pomega, the subsidiary of the Group, in the current period.

Share premium	31.03.2025	31.12.2024
Beginning of the period – 1 January	1.479.770.162	1.462.810.679
Capital increases/reduction	-	16.959.483
Additions/reversals	-	-
Premiums arising from bargain purchase	-	-
Acquisition of a subsidiary	-	-
End of the period	1.479.770.162	1.479.770.162

C. Other comprehensive income or expenses not to be reclassified to profit or loss

Other comprehensive income or expenses not to be reclassified to profit or loss comprise of property, plant and equipment revaluation surplus and gains/(losses) on remeasurements of defined benefit plans and the movement for other comprehensive income or expenses not to be reclassified to profit or loss is as follows:

Property, plant and equipment revaluation surplus	31.03.2025	31.12.2024
Beginning of the period - 1 January	399.448.768	368.510.015
Revaluation surplus during the period	-	36.863.534
Taxes relating to other comprehensive income or expenses not to be reclassified to profit or loss during the period	-	(5.924.781)
End of the period	399.448.768	399.448.768
Gains/(losses) on remeasurements of defined benefit plans	31.03.2025	31.12.2024
Beginning of the period - 1 January	(24.480.975)	(8.797.558)
Gains/(losses) on remeasurements of defined benefit plans during the period	17.049.606	(20.911.222)
Taxes relating to other comprehensive income or expenses not to be reclassified to profit or loss during the period	(4.262.401)	5.227.805
End of the period	(11.693.771)	(24.480.975)

D. Other comprehensive income or expenses to be reclassified to profit or loss

Other comprehensive income or expenses to be reclassified to profit or loss comprise of currency translation differences and the movement for other comprehensive income or expenses to be reclassified to profit or loss is as follows:

Currency translation differences	31.03.2025	31.12.2024
Beginning of the period - 1 January	25.189.649	(37.959.541)
Total comprehensive income	15.388.660	63.149.190
End of the period	40.578.310	25.189.649

E. Restricted reserves

The legal reserves consist of the first and second reserves, appropriated under the Turkish Commercial Code (“TCC”). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group’s paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. The first dividend amount of the Group cannot be less than 20% of the remaining distributable profit after deducting previous years’ losses, if any, and legal reserves, taxes, funds and financial payments that are necessary to be allocated from net period profit in accordance per related legislation. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

	31.03.2025	31.12.2024
Beginning of the period - 1 January	72.817.131	63.462.146
Restricted reserves during the period	-	9.354.985
End of the period	72.817.131	72.817.131

F. Retained earnings

In accordance with the Communiqué No: XI-29 and related announcements of CMB, effective from 1 January 2008, “Share Capital”, “Restricted Reserves” and “Share Premiums” shall be carried at their statutory amount. The valuation differences shall be classified as follows:

- The difference arising from the “Paid-in Share Capital” and not been transferred to capital yet, shall be classified under the “Adjustment to Share Capital”,
- The difference due to the adjustment of “Restricted reserves” and “Share premium” and the amount that has not been utilized in dividend distribution or capital increase yet, shall be classified under “Retained earnings”.

As of 31 March 2025 and 31 December 2024, retained earnings include the following items:

	31.03.2025	31.12.2024
Beginning of the period - 1 January	1.386.238.721	1.031.951.709
Dividends paid	-	(37.024.644)
Transfer to restricted reserves	-	(9.354.985)
Capital increases	-	(284.223.963)
Transfer from retained earnings	301.477.566	684.890.604
End of the period	1.687.716.286	1.386.238.721

G. Non-controlling interests

The details and movement of non-controlling interests are as follows:

	31.03.2025	31.12.2024
Beginning of the period - 1 January	1.576.444.184	1.559.180.219
Capital increases from subsidiaries	-	156.817.713
Share of profit/loss of non-controlling interests	(31.710.258)	(90.840.651)
Charge to the other comprehensive income	-	(48.713.096)
End of the period	1.544.733.926	1.576.444.184

NOTE 26 – REVENUE AND COST OF SALES

Gross profit from operating activities

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
Domestic sales	1.591.248.868	1.206.622.962
Foreign sales	453.024.858	217.370.184
Other	8.836.348	2.084.431
Gross revenue, net	2.053.110.074	1.426.077.577
Sales returns (-)	(11.184.927)	(33.252.419)
Sales discounts (-)	(673.044)	(73.823)
Net sales	2.041.252.103	1.392.751.335
Cost of sales (-)	(1.658.279.980)	(1.123.391.000)
Gross profit	382.972.123	269.360.334

NOTE 27 – OPERATING EXPENSES

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
General administrative expenses	(200.295.522)	(172.637.540)
Marketing expenses	(88.112.755)	(70.937.075)
Research and development expenses	(55.307.639)	(41.941.143)
Operating expenses, net	(343.715.916)	(285.515.758)

NOTE 28 – EXPENSES BY NATURE

As of 31 March 2025 and 2024, the breakdown of expenses by nature is as follows:

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
Personnel expenses	(37.134.564)	(26.714.773)
Depreciation and amortisation charges	(5.618.434)	(1.666.712)
Outsourcing expenses	(2.312.016)	(6.135.627)
Rent expenses	(243.628)	(33.581)
Energy storage system costs	(144.931)	(132.994)
Travel and accommodation expenses	(142.590)	(197.221)
Maintenance and repair expenses (Building)	(100.235)	-
Motor vehicle expenses	(26.371)	(649.251)
Other	(9.584.870)	(6.410.984)
Research and development expenses, net	(55.307.639)	(41.941.143)

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
Personnel expenses	(35.345.434)	(26.776.844)
Depreciation and amortisation charges	(18.569.430)	(21.454.869)
Travel and accommodation expenses	(10.783.376)	(1.638.456)
Outsourcing expenses	(3.339.012)	(5.020.714)
Start-up and organizational costs	(2.871.823)	(4.380.254)
Advertisement and promotion expenses	(2.612.424)	(4.767.492)
Severance Pay Expense	(1.272.146)	(1.456.245)
Consultancy expenses	(641.898)	(266.879)
Motor vehicle expenses	(631.894)	(562.433)
Representation and Hospitality Expenses	(536.114)	(118.178)
Rental Expenses	(315.034)	(855.492)
Shipping and Handling Expenses	(266.907)	-
Maintenance and Repair Expenses	(153.168)	(4.519)
Communication Expense	(32.943)	(1.431)
Taxes, duties and charges	(2.359)	(107.899)
Other	(10.738.793)	(3.525.370)
Marketing expenses, net	(88.112.755)	(70.937.075)

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
Personnel expenses	(74.303.945)	(54.644.920)
Depreciation and amortisation charges	(68.148.444)	(78.398.765)
Consultancy expenses	(7.073.671)	(7.768.583)
Representation and hospitality expenses	(5.792.973)	(1.125.955)
Bank commissions, fees and charges	(5.059.798)	(622.833)
Travel and accommodation expenses	(4.648.621)	(2.527.197)
IT expenses	(3.953.083)	(14.951)
Outsourcing expenses	(3.311.485)	(7.730.149)
Insurance expenses	(2.636.577)	(48.611)
Rent expenses	(2.112.790)	(4.107.131)
Motor vehicle expenses	(1.557.610)	(1.701.783)
Notary costs, fees and charges	(1.249.575)	(663.534)
Provision for employment termination benefits	(1.025.748)	(5.430.669)
Electricity, Water and Heating Expenses	(924.445)	(1.097.710)
Taxes, duties and charges	(754.693)	(1.862.941)
Membership Fees	(683.846)	(135.676)
Maintenance and repair expenses	(626.618)	(144.571)
Communication expenses	(518.292)	(311.966)
Other	(15.913.308)	(4.299.595)
General administrative expenses, net	(200.295.522)	(172.637.540)

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

The functional breakdown of depreciation and amortisation charges recognised under consolidated statement of profit or loss is as follows:

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
General administrative expenses	(68.148.444)	(78.398.765)
Cost of sales	(93.847.934)	(96.777.205)
Research and development expenses	(5.618.434)	(1.666.712)
Marketing expenses	(18.569.430)	(21.454.869)
Depreciation and amortisation charges, net	(186.184.242)	(198.297.551)

NOTE 29 – OTHER OPERATING INCOME/(EXPENSES)

As of 31 March 2025 and 2024, the breakdown and details of other operating income/(expenses) are as follows:

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
Interest income	67.290.105	1.069.599
Foreign exchange gains	260.906.164	173.267.086
Interest income from discount	59.273.820	31.861.876
Provisions no longer required	108.170	33.626
Cancellation of Rediscount from Previous Period	20.263.993	10.312.221
Income from social security premiums	4.508.083	106.445
Profits from Sale of Securities	526.450	-
Income and Profits from Previous Periods	642.149	-
Other	112.176.478	23.679.114
Other operating income, net	525.695.412	240.329.967

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
Foreign exchange losses	(314.031.276)	(121.321.017)
Losses on Sale of Marketable Securities	(36.319.194)	-
Provision for Lawsuit Expenses	(451.367)	-
Expenses from provisions during the period	(6.306.566)	(42.189.103)
Cancellation of Rediscount from Previous Period	(106.416.046)	(11.233.332)
Commission expenses (-)	-	(6.405.221)
Other discount	(37.840.268)	(32.796.599)
Other operating expenses, net	(501.364.717)	(213.945.272)

NOTE 30 – GAINS/(LOSSES) FROM INVESTMENT ACTIVITIES

As of 31 March 2025 and 2024, the breakdown and details of gains/(losses) from investment activities are as follows:

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
Gain on sale of marketable securities	853.421	5.564.391
Gains from investment activities, net	853.421	5.564.391

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
Loss on sale of marketable securities	(3.518.734)	(1.231.223)
Interest Expenses from Non-Trade Payable	(13.758.289)	-
Loss on sale of non-current assets	-	(1.071.541)
Losses from investment activities, net	(17.277.023)	(2.302.764)

NOTE 31 – FINANCIAL EXPENSES

As of 31 March 2025 and 2024, the breakdown and details of financial expenses are as follows:

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
Foreign exchange losses	(272.656.916)	(18.997.579)
Interest expenses	(477.908.091)	(238.307.397)
TFRS 16 Related Interest Expense	(9.264.100)	(6.472.404)
Financial expenses, net	(759.829.107)	(263.777.381)

NOTE 32 – FINANCIAL INCOME

As of 31 March 2025 and 2024, the breakdown and details of financial income are as follows:

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
Interest income	245.238.151	61.980.496
Foreign exchange gains	13.285.230	63.102.268
Financial income, net	258.523.381	125.082.764

NOTE 33 – NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

None.

NOTE 34 – INCOME TAXES

Current income tax assets and liabilities

As of 31 March 2025, the corporate tax rate effective in Türkiye is 25%.

25% of the profits arising from the sale of shares of associates, real estates, pre-emption rights, founder share and usufruct shares in the assets of the institutions for at least two full years are exempt from corporate tax. To benefit exclusion, the earning must be recognised in liabilities in a fund account and not withdrawn for 5 years from the entity. The sales price must be collected until the end of the second calendar year following the year in which the sale is realised.

According to “Turkish Corporate Tax Law”, losses can be carried forward to offset the future taxable income for a maximum period of 5 years. On the other hand, such losses cannot be carried back to offset prior years’ profits. Tax authorities and tax office may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

As of 31 March 2025 and 31 December 2024, the breakdown of current income tax liabilities is as follows:

	31.03.2025	31.12.2024
Provision for taxes	3.643.485	65.190.525
Prepaid taxes (-)	-	(65.190.525)
Current income tax liabilities, net	3.643.485	-

As of 31 March 2025 and 2024, the breakdown and detailed analysis of income taxes are as follows:

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
Current period tax expense (-)	(3.643.485)	(73.197.878)
Deferred income tax	245.536.651	(196.923.060)
Total tax income/(expense)	241.893.166	(270.120.938)

Deferred tax assets and liabilities

Kontrolmatik, its Subsidiaries, Associates and Joint Ventures, recognise deferred tax assets and liabilities based upon temporary differences arising between their financial statements prepared under TFRS and the Turkish tax legislation. These differences usually result in the recognition of revenue and expenses in different reporting periods for tax purposes and the purposes of the Turkish Financial Reporting Standards and are disclosed below.

As of 31 March 2025, the corporate tax rate effective in Türkiye is 25%.

Law No.7456 has entered into force as of 15 July 2023, by being promulgated in the Official Gazette. In the Official Gazette dated 15/7/2023 and numbered 32249, Law No.7456, “Law on the Amendment of Additional Motor Vehicles Tax for Compensation of Economic Losses Caused by Earthquakes Occurring on 6/2/2023 and Amendments to Some Laws and Decree-Law No. 375” was published. However, by article numbered 21 of the relevant law, the corporate tax rate is increased from 20% to 25% effective from 1 October 2023. Accordingly, deferred tax assets and liabilities are calculated considering the 25% tax rate as of the end of the annual reporting period.

The accounting policies used by the Group in calculating deferred tax are consistent with those used in the reviewed financial statements prepared as at and for the period ended 31 March 2025 and audited financial statements prepared as at and for the year ended 31 December 2023, except for the use of the new rates enacted in the annual reporting period as of 31 December 2024.

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

As of 31 March 2025 and 31 December 2024, the breakdown of cumulative temporary differences and deferred tax assets and liabilities provided using principal tax rates are as follows:

	31.03.2025		31.12.2024	
Deferred tax assets and liabilities in the consolidated statement of profit or loss	Cumulative temporary differences	Deferred tax assets/(liabilities)	Cumulative temporary differences	Deferred tax assets/(liabilities)
Adjustments for provision for doubtful trade receivables	54.755.992	13.688.998	60.006.625	15.001.656
Adjustments for discount on notes receivables	68.692.324	17.173.081	72.357.931	18.089.483
Adjustments for provision for advances given	10.425.503	2.606.376	41.504.734	10.376.184
Adjustments for inventories	468.759.036	(117.189.759)	351.800.583	(88.160.245)
Adjustments for provision for employment termination benefits	62.750.695	15.687.674	41.678.229	10.419.557
Adjustments for provision for unused vacation	51.046.040	12.761.510	38.039.461	9.509.865
Adjustments for provision for lawsuits	4.781.232	1.195.308	5.771.789	1.442.947
Adjustments for leases	46.918.122	11.729.530	46.081.169	11.520.293
Annual effective interest rate of Credit, net	165.736.158	41.434.040	58.172.664	14.543.166
Adjustments for investments accounted for using the equity method	32.600.237	8.150.059	71.761.444	17.940.361
Investment incentives (*)	2.778.274.115	1.111.309.646	3.057.845.354	764.461.339
Adjustments for the application of the percentage of completion method (Liabilities)	4.251.632.223	(1.062.908.056)	2.505.998.203	(626.499.551)
Adjustments for annual effective interest on time deposits			58.172.787	14.543.197
Adjustments for investment properties capital appreciation (**)	231.462.872	(57.865.718)	231.462.872	(57.865.719)
Adjustments for the application of the percentage of completion method (Assets)	3.260.830.017	815.207.504	1.530.423.628	382.605.907
Adjustments for cumulative temporary differences on property, plant and equipment and intangible assets	3.260.830.017	815.207.504	1.530.423.628	382.605.907
Adjustments for income accruals from derivatives	2.673.803	668.451	2.942.862	735.716
Other adjustments, net	50.160.910	12.540.227	299.549.748	(74.887.437)
Deferred tax assets/(liabilities), net		449.609.797		196.826.615

As of 31 March 2025 and 31 December 2024, movements in deferred tax assets/(liabilities) are as follows:

	31.03.2025	31.12.2024
Beginning of the period – 1 January	196.826.615	494.759.974
Deferred income tax during the period	257.801.641	(196.922.642)
Charge to equity	8.150.059	(66.918.869)
Monetary gains/losses	(13.168.518)	(34.091.848)
End of the period	449.609.797	196.826.615

(*) The earnings from investments subject to incentive certificates are subject to corporate tax at reduced rates, commencing from the accounting period in which the investment is partially or fully operated, until it is considered within the investment contribution amount. Accordingly, the Group recognised deferred tax assets amounting to TL 1.878.712.727 (31 December 2024: TL 1.878.712.727) in the consolidated financial statements which is considered as tax advantage in the foreseeable future for the period ended 31 March 2025. In accordance with the recognition of the aforementioned amount in the accompanying consolidated financial statements, the Group has deferred income tax amounting to TL 670.778.715 in the consolidated statement of profit or loss for the period 1 January - 31 March 2025.

NOTE 35 – EARNINGS PER SHARE

As of 31 March 2025 and 2024, the calculation of basic earnings per share is based on the weighted average number of ordinary shares outstanding during the period and the relevant calculation of EPS of Kontrolmatik is as follows:

	01.01.2025	01.01.2024
	31.03.2025	31.03.2024
Earnings per share from continuing operations		
Share of profit or loss from continuing operations	267.618.103	210.637.362
Weighted average number of shares with nominal value of TL 1	650.000.000	650.000.000
Earnings per share from continuing operations, net (TL)	0,41	0,32
Earnings per share from discontinued operations		
Earnings per share		
Profit for the period	267.618.103	210.637.362
Profit or loss attributable to non-controlling interests	(35.383.425)	(90.840.844)
Profit or loss attributable to equity holders of the parent	303.001.528	301.478.206
Weighted average number of shares with nominal value of TL 1	650.000.000	650.000.000
Earnings per share, net (TL)	0,47	0,46

The Company has adopted the registered capital system in accordance with the provisions of the Capital Markets Law No. 6362 and has adopted to the registered capital system with the authorisation of the Capital Markets Board on 2 April 2020 and numbered 19/456. The registered capital ceiling of the Group is amounting to TL 750,000,000 (seven hundred and fifty million) and is divided into 750,000,000 outstanding shares, each with a par value of TL 1.

The Group realised a share capital increase from internal resources and the current share capital increased to TL 30 million on 24 February 2020. The Group adopted to the registered capital system at the General Assembly meeting on 21 May 2020 and the share capital comprise of 30,000,000 outstanding shares each with a par value of TL 1.

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

The initial public offering of the Group was approved by the Capital Markets Board on 24 September 2020 and the Group started to be quoted on Borsa Istanbul on 19 October 2020. The Group’s share capital is amounting to TL 36.250.000 after the initial public offering. Subsequently, the Group’s share capital is amounting to TL 38.062.500 with the sale of shares with a nominal value of TL 1.812.500 and determined as ready for sale in Borsa Istanbul (“BIST”) on 27 October 2020.

The Group realised a share capital increase from internal resources and the share capital increased to TL 200.000.000 on 21 July 2022.

The Group realised a share capital increase from internal resources and the share capital increased to TL 650.000.000 on 1 October 2024.

	31.03.2025	31.12.2024
Weighted average number of shares – Beginning of the period (1 January)	650.000.000	200.000.000
Increases during the period (Issued shares)	-	450.000.000
Weighted average number of shares – End of the period	650.000.000	650.000.000

Diluted earnings per share have not been calculated since the Group has no dilutive potential ordinary shares (31 December 2024: None).

The Group was paid gross amount of TL 33.639.571 dividend in the current period (31 December 2024: TL 33.639.571).

Share-based transactions: None (31 December 2024: None).

NOTE 36 – RELATED PARTY DISCLOSURES

The current account balances (net book values) of the Group as of the end of the period with its shareholders, having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors are as follows:

	31.03.2025	31.12.2024
Short-term trade receivables due from related parties		
Kmt International	15.190.949	15.594.365
İnfinia Mühendislik A.Ş.	3.697.627	15.132.103
Kontrolmatik Teknoloji Enerji Ve Mühendislik A.Ş. Ve Sitem Isı Sanayi A.Ş. İş Ortaklığı	2.397.008	233.868
Plan S Uydu ve Uzay Teknolojileri A.Ş.	799.143	879.561
Cosmos Yatırım Holding A.Ş.	2.986.299	-
Total	25.071.026	31.839.897
Short-term other receivables due from related parties		
Nennkraft Energie Gmbh	3.773.135	-
Plan S Uydu Ve Uzay Teknolojileri A.Ş.	23.569.350	6.153.768
Diğer	-	12.514.624
Kontrolmatik Teknoloji Enerji ve Mühendislik A.Ş. ve Sitem Isı San. A.Ş. (Sitem)	35.246.299	-
Panel Smart Elektromekanik ve Otomasyon Tic. A.Ş.	650.873	-
Cosmos Mühendislik A.Ş.	93.312.038	-
Total	156.551.695	18.668.392
Prepaid expenses (Current and non-current assets)		
Panel Smart Elektromekanik ve Otomasyon Tic. A.Ş.	-	18.636.430
Kontrolmatik and SITERM Joint venture	-	51.587.409
Cosmos Mühendislik	-	104.447.753
Rektus Dış Tic. Ltd. Şti.	-	163.133
Biserwis Ulaşım ve Mobil Teknolojileri A.Ş.	-	183.321
İnfinia Mühendislik Ltd. Şti.	-	82.860.139
Set Elektromekanik San. Ve Tic. A.Ş.	306.549	-
Barış Savunma A.Ş.	-	153.557.934
Emek Arge A.Ş.	15.001.161	17.028.024
Emkel Elektrik	1.969.095	2.167.245
Özar Elektrik	5.071.456	3.380.537
Mekatronik Yapı Taahhüt Sanayi A.Ş.	-	-
Nennkraft Energie Gmbh	-	3.748.888
Total	22.348.261	437.760.813

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

Trade payables due to related parties	31.03.2025	31.12.2024
Short-term trade payables due to related parties		
Panel Smart Elektromekanik	37.279	-
İnfinia Mühendislik A.Ş.	-	100.398.018
Emek Arge A.Ş.	-	3.301.890
Özar Elektrik	6.000.000	353.203
Emek Holding	236.465	260.260
Barmek Holding	-	14.352
Kayasu Elektrik A.Ş.	2.700.000	-
Hermaksan Madencilik A.Ş.	-	3.356.922
Total	8.973.744	107.684.645

Other payables due to related parties	31.03.2025	31.12.2024
Short-term other payables due to related parties	-	150.635.440
Kontrolmatik Enerji ve Müh. A.Ş. ve Skysens Tek. A.Ş. Joint venture (Say)	-	-
Cosmos Mühendislik A.Ş.	-	150.635.440
Other	-	-
Long-term other payables due to related parties	2.380.039.470	2.866.751.456
Sami Aslanhan	1.178.214.905	1.430.934.873
Ömer Ünsalan	1.201.824.565	1.312.347.026
Hermaksan Madencilik A.Ş.	-	53.084.160
Zafer Burnalı	-	70.385.397
Total	2.380.039.470	3.017.386.896

Deferred income due from related parties	31.03.2025	31.12.2024
Barme İnşaat Makine Ve Elektrik	6.000.000	-
Emek Arastırma Geliş.Dan.San.Ve Tic	136.949	-
İnfinia Mühendislik A.Ş.	80.918.811	-
Mint Elektrikli Araç Teknolojileri A.Ş.	20.805	-
Ard Grup Enerji Sanati Ve Ticaret A.Ş.	-	773.743
Emek Holding A.Ş.	48.597.984	9.979.452
Total	135.674.549	10.753.195

As of 31 March 2025 and 2024, the Group's sales and purchases (including delay interest and charges) with its shareholders and related parties with which it has indirect shares, management and business relations are as follows:

Sales of goods and services	01.01.2025	01.01.2024
	31.03.2025	31.12.2024
İnfinia Mühendislik A.Ş.	-	214.622.872
Ömer Ünsalan	19.002	-
Sami Aslanhan	19.002	-
Plan S Uydu Ve Uzay Teknolojileri A.Ş.	-	919.708
Kontrolmatik Teknoloji Enerji Ve Mühendislik A.Ş. Ve Joule Global Enerji A.Ş. İş Ortaklığı	-	34.799.558
Total	38.005	250.342.138

Purchases of goods and services	01.01.2025	01.01.2024
	31.03.2025	31.12.2024
İnfinia Mühendislik Ltd. Şti.	-	54.923.961
Nennkraft Energie Gmbh	-	4.882.864
Mekatronik Yapı Taah. SanA.Ş.	1.314.122	-
Panel Smart Elektromekanik Ve Otomasyon Ticaret Anonim Şirketi	14.199.881	2.344.038
Cosmos Mühendislik A.Ş.	21.159.510	21.416.528
Total	47.448.046	83.567.391

As of 31 March 2025 and 2024, the Group's interest, rent and other income and expenses with its shareholders and related parties with which it has indirect shares, management and business relations are as follows:

	01.01.2025	01.01.2024
	31.03.2025	31.12.2024
Rent income		
Kontrolmatik Enerji ve Müh. A.Ş. Ve Skysens Teknoloji A.Ş. İş Ortaklığı (Say)	-	60.766
Kontrolmatik Enerji ve Müh. A.Ş. Ve Skysens Teknoloji A.Ş. İş Ortaklığı (Iot)	-	60.766
Kontrolmatik Enerji ve Müh. A.Ş. Ve Siterm Isı San. A.Ş. İş Ortaklığı	14.000	49.717
Kmt Teknolojik Ve Finansal Yatırımlar Anonim Şirketi	10.000	-
Radaya Enerji Yatırım Ve Ticaret Anonim Şirketi	10.000	-
Kontrolmatik Teknoloji Enerji Ve Mühendislik A.Ş. Ve Joule Global Enerji A.Ş. İş Ortaklığı	-	96.718
Cosmos Yatırım Holding A.Ş.	720.000	1.822.973
Total	754.000	2.090.940
	01.01.2025	01.01.2024
	31.03.2025	31.12.2024
Interest income		
Plan S Uydu Ve Uzay Teknolojileri A.Ş.	372.474	-
Total	372.474	-

Key management compensation

The key management of Kontrolmatik Teknoloji Enerji ve Mühendislik Anonim Şirketi is identified as the members of the Board of Directors. As of 31 March 2025, total key management compensation incurred by Kontrolmatik amounted to TL 3.722.421 (31 December 2024: TL 14.889.682).

NOTE 37 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Capital risk management

The Group's main objectives for capital management are to keep the Group's ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of borrowings including loans disclosed in Note 8, cash and cash equivalents and equity items containing respectively issued share capital, capital reserves, profit reserves and profits of previous years disclosed in Note 27.

The Group monitors capital by using the debt-to-total capital ratio. This ratio is calculated by dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (includes borrowings as disclosed in the consolidated statement of financial position). Total capital is calculated as equity, as presented in the consolidated statement of financial position, plus net debt.

	31.03.2025	31.12.2024
Total borrowings (Note 7)	10.294.392.793	9.846.688.018
Less: Cash and cash equivalents (Note 5-6)	(374.906.002)	(2.518.165.577)
Net financial debt	9.919.486.791	7.328.522.441
Equity	6.761.483.430	6.465.703.122
Net financial debt/total equity ratio	1,47	1,13

Significant accounting policies

The Group's significant accounting policies relating to financial instruments are presented in the Note 2 “Summary of significant account policies” under financial instruments section.

Financial instruments and financial risk management

Financial risk management

The Group has no defined and specific risk management model. The Group's overall risk management strategy focuses on the unpredictability of financial markets and targets to minimise potential adverse effects on the Group's financial performance by monitoring both in domestic and international markets. The Group management aims to create a corporate risk management model and continues its activities in this manner.

Risk management

The Group is exposed to a variety of financial risks due to its operations. These risks include credit risk, market risk (foreign currency risk, interest rate risk and price risk) and liquidity risk. The distribution of income and expense items according to foreign currency-denominated receivables and payables and the distribution of payables according to foreign currency types and with variable and fixed interest rates are monitored by the Group management.

Changes in market conditions that increase the market risk include changes in the benchmark interest rate, the price of another entity's financial instrument, commodity price, exchange rate, or price or rate index.

Management of changes in inventory prices (price risk)

The Group is exposed to price risk as the selling prices are affected by the price changes of the inventories. The Group has no derivative instrument that can be used in order to avoid negative price movements on sales margins and potential adverse effects. The Group monitors the placing-production-purchasing orders, considering the forward-looking inventory price movements.

Interest rate risk management

The Group is exposed to interest rate risk arising from the rate changes on interest-bearing liabilities and assets. The Group manages this risk by balancing the repricing terms of interest-bearing assets and liabilities with fixed and floating interest rate financial instruments and short-term nature of borrowings (Note 6 and 8).

Interest position table

	31.03.2025	31.12.2024
Fixed-interest rate financial instruments		
Financial assets	29.678.198	12.015.046
Financial liabilities	7.878.186.549	8.187.028.963
Floating-interest rate financial instruments		
Financial assets	-	-
Financial liabilities	2.412.273.127	1.659.658.808

Foreign exchange risk management

As of 31 March 2025 and 31 December 2024, net carrying value of assets and liabilities denominated in foreign currencies are as follows:

	31.03.2025	31.12.2024
A. Assets	3.187.246.046	5.127.214.525
B. Liabilities	8.808.838.566	8.628.753.388
Net balance sheet position (A-B)	(5.621.592.520)	(3.501.538.863)

Exchange rate sensitivity analysis

	31.03.2025	
	Profit/Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
Change in USD against TL by 10%		
1- USD Net Asset/Liability	36.536.253	(36.536.253)
2- Hedged portion of USD Risk (-)	-	-
3- USD Net Effect (1+2)	36.536.253	(36.536.253)
Change in EUR against TL by 10%		
4- EUR Net Asset/Liability	(137.737.803)	137.737.803
5- Hedged portion of EUR Risk (-)	-	-
6- EUR Net Effect (4+5)	(137.737.803)	137.737.803
Change in GBP against TL by 10%		
7- GBP Net Asset/Liability	7.022	(7.022)
8- Hedged portion of GBP Risk (-)	-	-
9- GBP Net Effect (7+8)	7.022	(7.022)
Change in Other currencies against TL by 10%		
10- Other currencies Net Asset/Liability	498.824	(498.824)
11- Hedged portion of Other currencies Risk (-)	-	-
12- Other currencies Net Effect (10+11)	498.824	(498.824)
Total	(100.695.704)	100.695.704

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

Exchange rate sensitivity analysis		
31.12.2024		
	Appreciation of foreign currency	Depreciation of foreign currency
		Profit/Loss
Change in USD against TL by 10%		
1- USD Net Asset/Liability	52.530.892	(52.530.892)
2- Hedged portion of USD Risk (-)	-	-
3- USD Net Effect (1+2)	52.530.892	(52.530.892)
Change in EUR against TL by 10%		
4- EUR Net Asset/Liability	138.262.470	(138.262.470)
5- Hedged portion of EUR Risk (-)	-	-
6- EUR Net Effect (4+5)	138.262.470	(138.262.470)
Change in GBP against TL by 10%		
7- GBP Net Asset/Liability	104.461	(104.461)
8- Hedged portion of GBP Risk (-)	-	-
9- GBP Net Effect (7+8)	104.461	(104.461)
Change in Other currencies against TL by 10%		
10- Other currencies Net Asset/Liability	176.463	(176.463)
11- Hedged portion of Other currencies Risk (-)	-	-
12- Other currencies Net Effect (10+11)	176.463	(176.463)
Total	191.074.286	(191.074.286)

Foreign Exchange Position

	31.03.2025				
	TL equivalent	USD	EUR	GBP	Other
1. Trade Receivables	1.665.908.206	34.842.770	8.628.979	-	-
2a. Monetary Financial Assets	925.719.418	14.744.094	8.952.897	1.440	119.112
2b. Non-Monetary Financial Assets	-	-	-	-	-
3. Other	481.965.672	8.452.062	4.007.327	-	-
4. Total Current Assets (1+2+3)	3.073.593.296	58.038.926	21.589.204	1.440	119.112
5. Trade Receivables	-	-	-	-	-
6a. Monetary Financial Assets	73.618.854	-	1.810.000	-	-
6b. Non-Monetary Financial Assets	-	-	-	-	-
7. Other	40.033.896	290.307	714.913	-	-
8. Total Non-Current Assets (5+6+7)	113.652.750	290.307	2.524.913	-	-
9. Total Assets (4+8)	3.187.246.046	58.329.233	24.114.117	1.440	119.112
10. Trade Payables	1.891.963.417	17.021.122	30.535.023	-	1.995
11. Financial Liabilities	2.475.483.115	29.167.107	33.556.576	-	-
12a. Other Monetary Liabilities	-	-	-	-	-
12b. Other Non- Monetary Liabilities	838.567.599	20.994.219	1.055.143	-	-
13. Total Current Liabilities (10+11+12)	5.206.014.131	67.182.448	65.146.743	-	1.995
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	3.602.824.435	1.954.844	86.411.991	-	-
16a. Other Monetary Liabilities	-	-	-	-	-
16b. Other Non- Monetary Liabilities.	-	-	-	-	-
17. Total Non-Current Liabilities (14+15+16)	3.602.824.435	1.954.844	86.411.991	-	-
18. Total Liabilities (13+17)	8.808.838.566	69.137.292	151.558.733	-	1.995
19. Off-Balance Sheet Derivative Instruments Net Asset / (Liability) Position					
(19a-19b)					
19a. Hedged assets	-	-	-	-	-
19b. Hedged liabilities	-	-	-	-	-
20. Net Foreign Exchange Asset / (Liability) Position (9-18+19)	(5.621.592.520)	(10.808.059)	(127.444.616)	1.440	117.117
21. Monetary Items Net Foreign Exchange Asset / (Liabilities) Position (1+2a+3+5+6a-10-11-12a-14-15-16a)	(4.823.058.817)	9.895.853	(127.104.386)	1.440	117.117
22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedge					
23. Foreign Exchange Hedged Portion Amount of Assets	-	-	-	-	-
24. Foreign Exchange Hedged Portion Amount of Liabilities	-	-	-	-	-
25. Export	363.128.337	4.769.243	4.502.720	-	-
26. Import	544.601.778	13.974.411	423.340	-	-

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

Foreign Exchange Position

	31.12.2024				
	TL equivalent	USD	EUR	GBP	Other
1. Trade Receivables	2.327.473.701	51.278.926	13.762.286	-	1.635.298
2a. Monetary Financial Assets	1.486.717.612	19.357.650	21.725.129	34.598	131.098
2b. Non-Monetary Financial Assets	-	-	-	-	-
3. Other	294.858.873	3.647.027	4.503.457	20.985	-
4. Total Current Assets (1+2+3)	4.109.050.185	74.283.603	39.990.872	55.583	1.766.396
5. Trade Receivables	-	-	-	-	-
6a. Monetary Financial Assets	902.935.645	23.412.704	2.130.016	-	-
6b. Non-Monetary Financial Assets	-	-	-	-	-
7. Other	115.228.696	976.382	2.200.079	-	-
8. Total Non-Current Assets (5+6+7)	1.018.164.341	24.389.086	4.330.095	-	-
9. Total Assets (4+8)	5.127.214.526	98.672.689	44.320.967	55.583	1.766.396
10. Trade Payables	2.843.994.727	39.945.061	38.937.106	31.860	2.196
11. Financial Liabilities	-	-	-	-	-
12a. Other Monetary Liabilities	-	-	-	-	-
12b. Other Non- Monetary Liabilities	972.294.853	20.664.042	6.606.197	-	-
13. Total Current Liabilities (10+11+12)	3.816.289.580	60.609.103	45.543.303	31.860	2.196
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	4.812.463.809	23.001.371	108.691.031	-	-
16a. Other Monetary Liabilities	-	-	-	-	-
16b. Other Non- Monetary Liabilities.	-	-	-	-	-
17. Total Non-Current Liabilities (14+15+16)	4.812.463.809	23.001.371	108.691.031	-	-
18. Total Liabilities (13+17)	8.628.753.389	83.610.474	154.234.334	31.860	2.196
19. Off-Balance Sheet Derivative Instruments Net Asset / (Liability) Position (19a-19b)	-	-	-	-	-
19a. Hedged assets	-	-	-	-	-
19b. Hedged liabilities	-	-	-	-	-
20. Net Foreign Exchange Asset / (Liability) Position (9-18+19)	(3.501.538.864)	15.062.215	(109.913.367)	23.723	1.764.200
21. Monetary Items Net Foreign Exchange Asset / (Liabilities) Position (1+2a+3+5+6a-10-11-12a-14-15-16a)	(2.644.472.707)	34.749.875	(105.507.249)	23.723	1.764.200
22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedge	-	-	-	-	-
23. Foreign Exchange Hedged Portion Amount of Assets	-	-	-	-	-
24. Foreign Exchange Hedged Portion Amount of Liabilities	-	-	-	-	-
25. Export	1.419.334.059	32.119.034	7.837.054	-	-
26. Import	64.902.478	226.454	1.559.530	-	54.481

The rate of hedge of the total liabilities denominated in foreign currency arising from the total imports as of the end of the period is the ratio of the exchange rate risk of the total liabilities denominated in foreign currency to be covered by a derivative instrument. Since the Group has no forward exchange contract and relevant transactions, there is no hedge ratio for the total liabilities denominated in foreign currency.

As at the end of the periods, if TL had changed by 10% against USD, EUR and other foreign currencies with all other variables held constant, net foreign exchange gains and losses arising from assets and liabilities denominated in the relevant foreign currencies would have decreased profit/loss for the period before tax by TL 292.742.976 (31 December 2024: TL 33.160.042 lower).

Credit risk management

As of 31 March 2025 and 31 December 2024, the exposure of consolidated financial assets to credit risk is as follows:

31.03.2025	Receivables				Bank Deposits (*)	Cash and cash equivalents and other
	Trade Receivables		Other Receivables			
	Related Party	Other	Related Party	Other		
Maximum exposure to credit risk as of reporting date (A+B+C+D) (1)	25.071.026	1.656.275.855	156.551.695	961.537.689	372.143.921	2.762.081
- Maximum risk, secured with guarantees and collaterals	-	-	-	-	-	-
A. Net book value of neither past due nor impaired financial assets (2)	25.071.026	1.656.275.855	156.551.695	961.537.689	372.143.921	2.762.081
B. Net book value of past due but not impaired financial assets (5)	-	-	-	-	-	-
C. Net book value of impaired assets (3)	-	-	-	-	-	-
- Past due (gross book value)	-	112.229.548	-	-	-	-
- Impairment (-)	-	(112.229.548)	-	-	-	-
- Secured with guarantees and collaterals	-	-	-	-	-	-
- Not past due (gross book value)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Secured with guarantees and collaterals	-	-	-	-	-	-
D. Off-balance sheet expected credit losses (4)	-	-	-	-	-	-

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

(*) Foreign currency/gold/currency-protected TL time deposit accounts in banks and mutual funds are included in the aforementioned table.

The Group’s credit and collection risk arises from trade receivables. Trade receivables of the Group is trying to be managed as the credit risk by limiting the transactions with certain parties and continuously evaluating the reliability of the related parties in accordance with the Group’s policies and procedures. Total credit risk and trade receivables of the Group is presented in the consolidated statement of financial position less provision for doubtful receivables. The credit risk is diversified as a result of large number of entities comprising the customer bases and the penetration to different business segments.

Credit risks incurred by type of financial instruments

Holding financial instruments also carries the risk that the counterparty will not be able to satisfy to discharge obligations. The Group’s collection risk arises mainly from trade receivables. Trade receivables are evaluated in accordance with the Group’s policies and procedures and are presented net in the consolidated statement of financial position less doubtful receivables.

The Group has established an effective control system over its customers. The credit risk arising from these transactions is monitored by management, and these risks are limited for each debtor. The Group does not have significant trade receivable risk due to the fact that it has receivables from a large number of customers rather than a small number of customers with significant amounts. Various indicators exist for classifying a receivable as doubtful, including: a) data on uncollectible receivables from previous years, b) the debtor’s ability to pay, c) extraordinary conditions arising in the industry and current economic environment, and d) the receivable being subject to litigation due to difficulties in collection.

(1) The Group has no collateral or non-recourse credit commitments from companies that have credit risk.

(2) The Group has no financial assets that are past due but not impaired.

31.12.2024	Receivables				Bank deposits (*)	Cash and cash equivalents and other
	Trade Receivables		Other Receivables			
	Related Party	Other	Related Party	Other		
Maximum exposure to credit risk as of reporting date (A+B+C+D) (1)	31.839.897	2.898.985.590	18.668.392	701.211.841	2.514.955.080	3.210.497
- Maximum risk, secured with guarantees and collaterals	-	-	-	-	-	-
A. Net book value of neither past due nor impaired financial assets (2)	31.839.897	2.898.985.590	18.668.392	701.211.841	2.514.955.080	3.210.497
B. Net book value of past due but not impaired financial assets (5)	-	-	-	-	-	-
C. Net book value of impaired assets (3)	-	-	-	-	-	-
- Past due (gross book value)	-	122.425.429	-	-	-	-
- Impairment (-)	-	(122.425.429)	-	-	-	-
- Secured with guarantees and collaterals	-	-	-	-	-	-
- Not past due (gross book value)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Secured with guarantees and collaterals	-	-	-	-	-	-
D. Off-balance sheet expected credit losses (4)	-	-	-	-	-	-

(*) Foreign currency/gold/currency-protected TL time deposit accounts in banks and mutual funds are included in the aforementioned table.

The Group’s credit and collection risk arises from trade receivables. Trade receivables of the Group is trying to be managed as the credit risk by limiting the transactions with certain parties and continuously evaluating the reliability of the related parties in accordance with the Group’s policies and procedures. Total credit risk and trade receivables of the Group is presented in the consolidated statement of financial position less provision for doubtful receivables. The credit risk is diversified as a result of large number of entities comprising the customer bases and the penetration to different business segments.

Liquidity risk management

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The prudent liquidity risk is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions. The Group provides funding by balancing cash inflows and outflows through the provision of credit lines in the business environment. The table below summarizes the maturity profile of the Group’s financial liabilities based on undiscounted payments.

31.03.2025	Carrying value	Total contractual cash outflows	Demand or up to 3 months	3-12 months	1-5 years
Contractual maturities					
Non-derivative financial liabilities	12.425.073.437	15.136.074.789	6.727.598.155	1.585.583.577	6.822.893.056
Bank borrowings	7.639.120.021	10.279.043.625	1.930.868.140	1.548.851.396	6.799.324.089
Finance lease liabilities	65.049.564	74.047.165	13.746.016	36.732.181	23.568.967
Trade payables	3.907.441.636	3.969.521.783	3.969.521.783	-	-
Other payables	813.462.216	813.462.216	813.462.216	-	-

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 March 2025, unless otherwise indicated.)

31.12.2024

Contractual maturities	Carrying value	Total contractual cash outflows	Demand or up to 3 months	3-12 months	1-5 years
Non-derivative financial liabilities	16.624.372.285	17.039.770.870	10.310.174.591	2.094.180.577	4.635.415.702
Bank borrowings	7.905.012.924	8.174.628.578	1.614.819.022	1.970.246.597	4.589.562.959
Finance lease liabilities	169.781.610	196.556.832	26.770.109	123.933.980	45.852.743
Trade payables	4.989.752.484	5.108.760.193	5.108.760.193	-	-
Other payables	3.559.825.267	3.559.825.267	3.559.825.267	-	-

Hedge accounting

The Group has no derivative contracts such as swaps, options and forwards are also used as instruments for interest rate (fixed and floating interests) risk management for hedging purposes.

NOTE 38 – FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING)

Following the TAS 39 “Financial Instruments: Classification and Measurement”, financial assets are classified as four and financial liabilities are classified as two classes. Financial assets include at fair value (“FV”) through profit or loss, held-to-maturity, loans and receivables and available for sale. Financial liabilities include at fair value (“FV”) through profit or loss and other financial liabilities.

Fair value measurements are disclosed in the accounting policies for each financial asset and liability, and there are no other events that require any valuation. Carrying values of cash on hand and banks are considered to approximate to their fair values.

The Group classifies the fair value measurements of financial instruments at fair value in the consolidated financial statements according to the market inputs of each financial instrument, using a three-level hierarchy.

The classification of the Group’s consolidated financial assets and liabilities at fair value is as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities: The fair value of financial assets and financial liabilities are determined with reference to quoted market prices.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices):

Level 3: Inputs for the asset or liability that are not based on observable market data.

As of 31 March 2025 and 31 December 2024, inputs to fair value measurement and hierarchy table is as follows:

Financial assets at fair value	31 March 2025	Level 1	Level 2	Level 3
Land, Buildings	228.667.364	-	228.667.364	-
Investment properties	26.088.157	-	26.088.157	-
	254.755.521	-	254.755.521	-

Financial assets at fair value	31 December 2024	Level 1	Level 2	Level 3
Investment properties	207.760.432	-	207.760.432	-
	23.702.931	-	23.702.931	-
	231.463.363	-	231.463.363	-

NOTE 39- NET MONETARY POSITION GAINS/(LOSSES)

Non-monetary items	31 March 25
Inventories	
Property, plant and equipment and intangible assets (net)	
Right of use assets	
Goodwill	
Investment properties (net)	
Paid-in share capital	
Share premium	
Restricted reserves	
Currency translation differences	
Retained earnings	
Statement of profit or loss	
Net monetary position gains/(losses)	

NOTE 40 – EVENTS AFTER THE REPORTING PERIOD

In accordance with the decision of the Board of Directors on 31 October 2024, within the scope of the registered capital ceiling of the Group amounting to TL 4.000.000.000.000, the issued capital of the Group amounting to TL 650.000.000 shall be increased to TL 694.500.000 by increasing TL 44.500.000 in cash through a capital increase in the form of a rights issue without a public offering, and the pre-emptive rights of the existing shareholders shall be completely restricted and to be increased by fully restricting the pre-emptive rights of the existing shareholders and to withdraw our application to the Capital Markets Board (“CMB”) in order to allocate all of the shares representing TL 44.500.000 to be allocated to be offset against the cash and due receivables of the shareholders Sami Aslanhan and Ömer Ünsalan from the Group without public offering. It has been unanimously resolved to carry out all necessary works and transactions to be carried out before the Capital Markets Board, the Stock Exchange and all other public and private institutions and organizations for the realization of the transactions regarding the withdrawal of the second capital increase decision, and to make the necessary notifications, applications and other works and transactions, including material event disclosures. The Group submitted our request to the Capital Markets Board on 6 May 2025 to withdraw our application for capital increase through rights issue.

On 22 February 2025, as disclosed to the public in material event disclosure on 22 February 2025; KMT Teknolojik ve Finansal Yatırımlar Anonim Şirketi (“KMT Yatırım”) was established by Sami Aslanhan, shareholder and Chairman of the Board of Directors of Kontrolmatik Teknoloji Enerji ve Mühendislik Anonim Şirketi (“Kontrolmatik”) and Ömer Ünsalan, shareholder and Deputy Chairman of the Board of Directors, with equal shareholding rights. As part of its efforts to provide medium- and long-term international financing opportunities to our Group on more favorable terms, KMT Yatırım has taken over a total of 45,500,000 outstanding shares of Kontrolmatik, 22,750,000 outstanding shares from Sami Aslanhan and 22,750,000 outstanding shares from Ömer Ünsalan, as of 6 May 2025. These shares are not traded and quoted on Borsa Istanbul and correspond to 7% of the total issued share capital of Kontrolmatik. The share transfer is a transaction realized by Sami Aslanhan and Ömer Ünsalan within KMT Yatırım and does not bring about any change in the indirect shareholding structure of the Group. The relevant step is planned as part of our international financing efforts and aims to strengthen the existing structure.

The Group, (“Kontrolmatik”), has received the following statement from KMT Teknolojik ve Finansal Yatırımlar (“KMT Yatırım”), one of its shareholders: In order to assist Kontrolmatik in its efforts to obtain financing on favorable terms, KMT Yatırım has entered into a new derivative transaction (the “Transaction”) with an international financial institution (the “Financial Institution”) regarding the shares of Kontrolmatik. With this Transaction, KMT Yatırım aims to maintain its long position in Kontrolmatik shares. In order to hedge its own position in this derivative transaction, the Financial Institution acquired 26,000,000 unlisted Kontrolmatik shares (“Transaction Shares”), corresponding to 4% of the issued share capital of Kontrolmatik, directly from KMT Yatırım at TL 26.50, the closing price of today's session. The transfer of the Shares was realized outside Borsa Istanbul. In order to maintain the hedge, the Financial Institution will immediately apply to convert the Transaction Shares into listed shares. Through this structured derivative transaction, KMT Yatırım will continue to maintain its long position in Kontrolmatik shares for the duration of the transaction. The financial terms of the relevant transaction are based on the Financial Institution's initial hedging activity. As previously mentioned, KMT Yatırım continues to support Kontrolmatik and is committed to transfer all of the net proceeds of the transaction to Kontrolmatik, primarily through shareholder lending. The transaction aims to increase the financial capacity and strengthen the financial flexibility of KMT Yatırım and Kontrolmatik, while allowing for the most effective and efficient utilization of international financing sources. It also aims to create a solid financial structure for current and future investments, supporting the Group's sustainable growth strategy. KMT Yatırım, Sami Aslanhan and Ömer Ünsalan continue to support the future success of Kontrolmatik.

NOTE 41 – THE OTHER MATTERS WHICH SUBSTANTIALLY AFFECT THE CONSOLIDATED FINANCIAL STATEMENTS OR ARE REQUIRED TO BE DESCRIBED IN TERMS OF MAKING THE CONSOLIDATED FINANCIAL STATEMENTS CLEAR, INTERPRETABLE AND UNDERSTANDABLE

None.