TOFAŞ TÜRK OTOMOBİL FABRİKASI ANONİM ŞİRKETİ

CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2024 AND
INDEPENDENT AUDITOR'S REPORT

(CONVENIENCE TRANSLATION OF THE REPORT AND THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

Deloitte.

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(CONVENIENCE TRANSLATION OF INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of TOFAŞ Türk Otomobil Fabrikası A.Ş.

A) Report on the Audit of the Consolidated Financial Statements

1) Opinion

We have audited the consolidated financial statements of TOFAŞ Türk Otomobil Fabrikası A.Ş. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

2) Basis for Opinion

We conducted our audit in accordance with the Standards on Independent Auditing ("SIA") which is a part of Turkish Auditing Standards accepted by regulations of the Capital Markets Board and published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") published by the POA, together with the ethical requirements included in the regulations of the Capital Markets Board and other regulations that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) Other Matter

The independent audit of the Group's consolidated financial statements as of December 31, 2023, prepared in accordance with TFRS, was carried out by another independent firm. The previous independent audit firm issued an unqualified opinion in its independent audit report dated February 13, 2024, regarding the financial statements as of December 31, 2023.

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4) Key Audit Matter

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

Key audit matter	**How the matter was addressed in the audit**
Recognition of revenue related to contracts	
Revenue is recognized at the transaction price in accordance with TFRS 15 "Revenue from Contracts with Customers". The transaction price is the amount that the entity expects to be entitled to in return for transferring the promised goods to the customer, excluding amounts collected on behalf of third parties. When the Company transfers control of goods and services to customers, the related amount is recognized as revenue in the financial statements. Revenue is the most important indicator in the evaluation of the Group's performance. Revenue is of significant importance for the evaluation of the result of the strategies implemented during the year and for performance monitoring and has been identified as a key audit matter for our audit as it is the most significant financial statement item for the statement of profit or loss and other comprehensive income for the year ended 31 December 2024. Disclosures on the Group's accounting policies for revenue for costumer contracts is disclosed in Note 2.3 and Note 16.	The following procedures were performed in relation to the audit of revenue: • The sales processes have been understood, and the design and implementation of controls related to these processes have been evaluated. • The conformity of the accounting policies applied by the Group management for the recognition of revenue with IFRS has been assessed. • Analytical procedures have been applied to determine whether the revenue recognized in the financial statements is at expected levels. • Tests have been performed using sampling to verify the accuracy of sales invoices, and these invoices have been matched with delivery notes. • Control over the products in the sampled invoices has been tested to determine whether they have been transferred to the customer. • Selections made through sampling from shipment documents have been matched with accounting records and relevant invoices to test the completeness of revenue. • Confirmation letters have been obtained from customers for the commercial receivable balances selected using the sampling method, and the responses received have been compared with the accounting records. • To verify the correct calculation and recording of sales commissions, documents related to commission contracts and calculations have been reviewed, and it has been tested whether commission payments have been recorded in the correct period. • It has been tested whether sales commissions are only recorded when the relevant sales and performance criteria are met, and the accuracy of actual sales and related commission payments has been checked.

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4) Key audit matters (cont'd)

Key audit matter	How the matter was addressed in the audit
Receivables from financial sector activities	
The Group's consolidated financial statements as of December 31, 2024, include a total balance of receivables from the financial sector amounting to TRY 16,881,700 thousand, including non-performing receivables. Within this amount, in accordance TFRS, there is a specific provision of TRY 160,179 thousand and general provision of TRY 151,081 thousand for TRY 374,084 thousand receivables from non-performing financial sector activities. The reason for considering this area as significant in the audit work is the proportional size of receivables from financial sector activities within the consolidated financial statements, the classification of these receivables in accordance with reporting standards, and the determination of the impairment amount related to them. The accuracy of the impairment methodology and calculation significantly impacts the impairment amount, which is why this area has been considered a key audit matter. Information on receivables from financial sector activities and non-performing receivables is presented in Note 6.	The following procedures have been performed for receivables from financial sector activities: The effectiveness of key controls related to the identification of impairment and the calculation of impairment for receivables from financial sector activities, ensuring that these are done in accordance with IFRS, has been evaluated. For the samples selected in accordance with the Independent Auditing Standards, the assessment was made to determine whether the receivable has experienced impairment and whether the provision calculation applied is in line with the standards. Additionally, it was evaluated whether the estimates are appropriately reflected. Furthermore, the adequacy of the disclosures in the consolidated financial statement notes has been evaluated by us.

5) Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

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6) Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

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

As part of an audit in accordance with the regulations of the Capital Markets Board and SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control).

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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6) Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (cont'd)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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B) Report on Other Legal and Regulatory Requirements

In accordance with paragraph four of the Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), the auditor's report on the system and the committee of early detection of risk has been submitted to the Board of Directors of the Company on 12 Şubat 2025.

In accordance with paragraph four of the Article 402 of TCC, nothing has come to our attention that may cause us to believe that the Group's set of accounts and financial statements prepared for the period 1 January-31 December 2024 does not comply with TCC and the provisions of the Company's articles of association in relation to financial reporting.

In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation except for the activity report with respect to our audit.

The engagement partner on the audit resulting in this independent auditor's report is Osman Arslan.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Osman Arslan, SMMM
Partner

İstanbul, 12 February 2025

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(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

		Audited	*Audited*
	Notes	**31 December 2024**	**31 December 2023**
ASSETS:			
Current assets:			
Cash and cash equivalents	28	19,715,820	35,828,275
Financial investments	26	81,195	58,889
Trade receivables		20,885,083	26,591,246
Trade receivables from related parties	4	*12,105,518*	*14,087,854*
Trade receivables from third parties	5	*8,779,565*	*12,503,392*
Receivables from finance sector operations	6	12,269,439	10,253,867
Other receivables		1,465	16,683
Inventories	7	8,701,217	14,022,124
Prepaid expenses	8	226,156	282,899
Current tax assets	22	612,660	-
Other current assets		223,097	300,852
Total Current Assets		**62,716,132**	**87,354,835**
Non-Current Assets:			
Receivables from finance sector operations	6	4,612,261	3,670,781
Other receivables		1,031	1,334
Investment properties	9	234,960	214,662
Property, plant and equipment	10	14,484,473	12,728,430
Right-of-use assets		37,795	43,103
Intangible assets	11	4,162,962	6,153,634
Prepaid expenses	8	1,798,726	914,852
Deferred tax asset	22	3,611,640	2,497,245
Total Non-Current Assets		**28,943,848**	**26,224,041**
Total Assets		**91,659,980**	**113,578,876**

The consolidated financial statements for the accounting period 1 January – 31 December 2024 were approved by the Board of Directors on 12 February 2025. These consolidated financial statements will be finalized upon the approval of the General Assembly.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

		Audited	*Audited*
	Notes	**31 December 2024**	**31 December 2023**
Current liabilities:			
Short-term borrowings	24	-	1,010,651
Short-term portion of long-term borrowings	24	10,937,109	8,717,961
Trade payables		11,341,853	34,016,907
Trade payables to related parties	4	*3,860,202*	*17,394,222*
Trade payables to third parties	5	*7,481,651*	*16,622,685*
Payables related to employee benefits	14	917,385	1,529,798
Other payables		95,478	83,148
Liabilities arising from customer contracts	8	242,658	235,701
Deferred income		345,132	424,757
Government incentives and grants	12	-	20,014
Current income tax liability	22	-	1,753,343
Short-term provisions	13	2,574,012	2,885,736
Other current liabilities		62,356	671,910
Total current liabilities		**26,515,983**	**51,349,926**
Non-current liabilities:			
Long-term borrowings	24	16,963,850	7,352,534
Long-term provisions		1,078,535	1,630,124
Long-term provisions for employee benefits	14	*1,078,535*	*1,630,124*
Total non-current liabilities		**18,042,385**	**8,982,658**
Total liabilities		**44,558,368**	**60,332,584**
Equity:			
Paid-in capital	15	500,000	500,000
Capital adjustment differences		19,469,934	19,469,934
Accumulated other comprehensive income or expenses not to be reclassified to profit or loss		(241,192)	(226,429)
Loss on remeasurement of defined benefit plans		*(241,192)*	*(226,429)*
Accumulated other comprehensive income or expenses to be reclassified to profit or loss		(16,676)	(3,523,048)
Cash flow hedge losses		*(16,676)*	*(3,523,048)*
Restricted reserves appropriated from profit	15	5,035,354	3,822,289
Prior years' profit		17,132,753	11,426,262
Net profit for the period		5,221,439	21,777,284
Total equity		**47,101,612**	**53,246,292**
Total liabilities and equity		**91,659,980**	**113,578,876**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira (“TL”) as of 31 December 2024, unless otherwise stated.)

	Notes	*Audited* 1 January - 31 December 2024	*Audited* 1 January - 31 December 2023
Revenue	16	120,266,571	184,228,756
Cost of sales (-)	16	(108,483,344)	(151,753,506)
Gross profit from trading activities		**11,783,227**	**32,475,250**
Revenue from finance sector operations		9,051,030	3,830,245
Expenses from finance sector operations (-)		(7,462,384)	(2,868,373)
Gross profit from finance sector operations		**1,588,646**	**961,872**
Gross profit		**13,371,873**	**33,437,122**
Marketing expenses (-)	17	(4,562,247)	(5,931,229)
General administrative expenses (-)	17	(3,649,760)	(3,191,839)
Research and development expenses (-)	17	(2,079,389)	(1,605,140)
Other income from operating activities	18	8,057,872	15,229,688
Other expenses from operating activities (-)	18	(7,015,976)	(17,714,018)
Operating profit		**4,122,373**	**20,224,584**
Income from investing activities	19	394,825	190,592
Expenses from investing activities (-)	19	-	(18,703)
Operating profit before finance expense		**4,517,198**	**20,396,473**
Finance income	21	9,919,612	16,842,747
Finance expenses(-)	21	(4,729,516)	(7,484,961)
Net monetary position losses	29	(4,817,328)	(3,294,647)
Profit before tax from continuing operations		**4,889,966**	**26,459,612**
Current tax income / (expense)		**331,473**	**(4,682,328)**
Tax expense for the period	22	(1,176,794)	(6,705,675)
Deferred tax income	22	1,508,267	2,023,347
Net profit for the period		**5,221,439**	**21,777,284**
Distribution of net profit for the period:			
Equity holders of the parent		5,221,439	21,777,284
Earnings per share (Kr)	23	10.44	43.55

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

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

		Audited	***Audited***
	Notes	**1 January - 31 December 2024**	**1 January - 31 December 2023**
Net profit for the period		5,221,439	21,777,284
Other comprehensive income:			
Items not to be reclassified to profit or loss			
Remeasurement losses of defined benefit plans	14	(19,684)	1,478,876
Remeasurement losses of defined benefit plans, tax effect	22	4,921	(369,719)
Items to be reclassified to profit or loss			
Other comprehensive income/(expense) related to cash flow hedges	2.3	1,595,171	(630,401)
Other comprehensive income/(expense) related to cash flow hedges, tax effect	22	(398,793)	157,600
Other comprehensive income/(expense) (after tax)		**1,181,615**	**636,356**
Total comprehensive income		**6,403,054**	**22,413,640**
Distribution of total comprehensive income:			
Non-controlling interests		6,403,054	22,413,640

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

TOFAŞ TÜRK OTOMOBİL FABRİKASI ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

			Accumulated other comprehensive income and expenses not to be reclassified to profit or loss	Accumulated other comprehensive income and expenses to be reclassified to profit or loss		Retained earnings		
	Paid-in Capital	Capital adjustment differences	Remeasurement losses of defined benefit plans	Cash flow hedge losses	Restricted reserves appropriated from profit	Prior years' profit	Net profit for the period	Total equity
Balance as of 1 January 2023	**500,000**	**19,469,934**	**(1,335,586)**	**(4,755,186)**	**3,179,032**	**6,728,247**	**13,534,127**	**37,320,568**
Transfers	-	-	-	1,704,939	643,257	11,185,931	(13,534,127)	-
Total comprehensive income	-	-	1,109,157	(472,801)	-	-	21,777,284	**22,413,640**
Dividends	-	-	-	-	-	(6,487,916)	-	**(6,487,916)**
Balance as of 31 December 2023	**500,000**	**19,469,934**	**(226,429)**	**(3,523,048)**	**3,822,289**	**11,426,262**	**21,777,284**	**53,246,292**
Balance as of 1 January 2024	**500,000**	**19,469,934**	**(226,429)**	**(3,523,048)**	**3,822,289**	**11,426,262**	**21,777,284**	**53,246,292**
Transfers	-	-	-	2,309,994	1,213,065	18,254,225	(21,777,284)	-
Total comprehensive income	-	-	(14,763)	1,196,378	-	-	5,221,439	**6,403,054**
Dividends	-	-	-	-	-	(12,547,734)	-	**(12,547,734)**
Balance as of 31 December 2024	**500,000**	**19,469,934**	**(241,192)**	**(16,676)**	**5,035,354**	**17,132,753**	**5,221,439**	**47,101,612**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

	Notes	*Audited* 31 December 2024	*Audited* 31 December 2023
A. Cash flows from operating activities		**(7,357,168)**	**13,071,337**
Profit for the period		5,221,439	21,777,284
Adjustments to reconcile net profit for the period		**9,969,298**	**8,617,370**
- Adjustments related to depreciation and amortization expenses	20	6,199,595	5,674,350
- Adjustments related to fair value gains of investment properties	9,19	(20,298)	18,703
- Adjustments related to impairment of receivables	5,6	230,196	69,631
- Adjustments related to interest income	21	(6,035,838)	(5,485,966)
- Adjustments related to inventory impairment, net	7	75,479	(223,197)
- Adjustments related to gains arising from the disposal of property, plant and equipment	19	(374,527)	(190,592)
- Adjustments related to employment termination benefits	14	604,596	2,459,995
- Adjustments related to litigation provision, net	13	86,663	4,201
- Adjustments related to guarantee provisions	13,17	1,600,788	2,624,662
- Adjustments related to other provisions	13	(99,957)	64,165
- Adjustments related to interest expenses	21	162,027	156,655
- Adjustments related to tax expense / (income)	22	(331,473)	4,682,328
- Deferred finance income from forward purchases and sales, net		(157,709)	(159,240)
- Adjustments related to unrealised foreign currency translation differences		4,394,457	1,736,471
- Adjustments related to monetary loss		3,635,299	(2,814,796)
Changes in working capital		**(17,894,147)**	**(10,015,102)**
- Adjustments related to decrease/ (increase) in inventories		5,458,192	(5,769,443)
- Change in trade receivables from third parties		66,861	(5,707,923)
- Change in trade receivables from related parties		(2,347,952)	1,062,503
- Change in other receivables from operating activities		9,983	(16,942)
- Change in trade payables to third parties		(4,031,596)	4,413,165
- Change in trade payables to related parties		(8,219,772)	1,975,746
- Adjustments related to increase in liabilities arising from customer contracts		6,957	(20,737)
- Change in receivables from finance sector operations		(7,463,612)	(7,051,827)
- Change in prepaid expenses		62,358	(57,437)
- Change in deferred income		(79,625)	246,106
- Change in government incentives and grants		(20,014)	(20,014)
- Change in other operating assets		(622,072)	(263,821)
- Change in other operating liabilities		(713,855)	1,195,522
Cash flows generated from operations		**(2,703,410)**	**20,379,552**
- Tax payments		(2,930,137)	(5,993,530)
- Employment termination benefits paid	14	(685,183)	(547,235)
- Other cash outflows	13	(1,038,438)	(767,450)
B. Cash flows generated from investing activities		**(6,714,997)**	**(3,838,352)**
- Cash outflows from purchase of property, plant and equipment	10, 11	(6,855,523)	(3,262,630)
- Cash inflows from sale of property, plant and equipment		1,052,321	296,147
- Cash advance given		(889,489)	(812,980)
- Change in financial investments	26	(22,306)	(58,889)
C. Cash flows from financing activities		**7,591,358**	**2,278,919**
- Cash inflows from borrowing	24	26,376,102	16,477,590
- Cash outflows related to debt payments	24	(12,159,387)	(12,493,023)
- Cash outflows related to debt payments arising from lease agreements	24	(19,973)	(20,697)
- Dividends paid		(12,547,734)	(6,487,916)
- Interest paid		(145,607)	(146,684)
- Other cash outflows (Blocked deposit change)		(179,403)	(435,554)
- Interest received		6,267,360	5,385,203
D. Effect of foreign currency translation differences on cash and cash equivalents		**1,433,273**	**6,426,881**
Net Decrease/Increase in Cash and Cash Equivalents		**(5,047,534)**	**17,938,785**
E. Cash and Cash Equivalents at the Beginning of the Period		**34,940,610**	**28,241,979**
F. Inflation Effect on Cash and Cash Equivalents		**(11,012,802)**	**(11,240,154)**
Cash and Cash Equivalents at the End of the Period	28	**18,880,274**	**34,940,610**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

1. ORGANISATION AND OPERATIONS OF THE GROUP

Tofaş Türk Otomobil Fabrikası A.Ş. (the "Company" or "Tofaş") was established in 1968 as a Turkish-Italian cooperation venture. The core business of the Company is manufacturing. exporting and selling passenger cars and light commercial vehicles. Tofaş, which is a joint venture of Koç Holding A.Ş. ("Koç Holding") and FCA Italy S.p.A (Stellantis), also produces various automotive spare parts used in its automobiles. The Company's head office is located at Büyükdere Cad. No: 145 Zincirlikuyu Şişli, İstanbul. The manufacturing facilities are located at Bursa. Tofaş is registered with the Capital Markets Board ("CMB") and listed on the Istanbul Stock Exchange ("ISE") in 1991 and its shares are currently traded on the Borsa Istanbul A.Ş. ("BIST").

Fiat Chrysler Automobiles signed a merger agreement with the PSA Group at the end of 2019, in which both companies will have a 50% share. Stellantis N.V. was established by merger in January 2021.

The Company conducts a significant portion of its business activities with Koç Holding and Stellantis Group Companies (Note 4).

The Company's subsidiaries as of 31 December 2024 and 2023 which are subject to consolidation are as follows:

		Rate of ownership of the Company (%)	
Company	**Field of activity**	**2024**	**2023**
Koç Fiat Kredi Finansman A.Ş. ("KFK")	Consumer financing	100	100
Fer Mas Oto Ticaret A.Ş.	Trading of automobile and spare parts	100	100
Koç Fiat Sigorta Aracılık Hizmetleri A.Ş.	Insurance services	100	100

For interim consolidated financial statements, Tofaş and its consolidated subsidiaries are referred to as the "Group."

The number of personnel employed during the period by categories of the Group is as follows:

	Average		End of Period	
	1 January-31 December 2024	**1 January-31 December 2023**	**31 December 2024**	**31 December 2023**
Hourly-rated	3,917	4,215	2,996	4,381
Monthly-rated	1,615	1,541	1,506	1,644
Total	**5,532**	**5,756**	**4,502**	**6,025**

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of Presentation

Compliance to TFRS

The accompanying consolidated financial statements are prepared in accordance with the requirements of Capital Markets Board ("CMB") Communiqué Serial II, No: 14.1 "Basis of Financial Reporting in Capital Markets," which was published in the Official Gazette No:28676 on 13 June 2013. The accompanying financial statements are prepared based on the Turkish Financial Reporting Standards ("TFRS") that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA") under Article 5 of the Communiqué.

In addition, the condensed consolidated financial statements are presented in accordance with the "TFRS Taxonomy" published by POA on 3 July 2024 and the formats specified in the Financial Statement Examples and User Guide published by CMB, based on the CMB's financial statement and note formats.

Financial reporting in hyperinflationary economies

The financial statements and related figures for previous periods have been restated for changes in the general purchasing power of the functional currency and, consequently, the financial statements and related figures for previous periods are expressed in terms of the measuring unit current at the end of the reporting period in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies.

TAS 29 applies to the financial statements, including the consolidated financial statements, of each entity whose functional currency is the currency of a hyperinflationary economy. If an economy is subject to hyperinflation, TAS 29 requires an entity whose functional currency is the currency of a hyperinflationary economy to present its financial statements in terms of the measuring unit current at the end of the reporting period.

As at the reporting date, entities operating in Türkiye are required to apply TAS 29 "Financial Reporting in Hyperinflationary Economies" for the reporting periods ending on or after 31 December 2024, as the cumulative change in the general purchasing power of the last three years based on the Consumer Price Index ("CPI") is more than 100%.

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 are required to apply inflation accounting by applying the provisions of TAS 29 to their annual financial statements for the accounting periods ending on 31 December 2024.

In this framework, while preparing the consolidated financial statements dated 31 December 2024, inflation adjustment has been made in accordance with TAS 29.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

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

2.1 Basis of Presentation (cont'd)

Restatement of Financial Statements During Periods of High Inflation (cont'd)

The table below shows the inflation rates for the relevant years calculated by taking into account the Consumer Price Indices published by the Turkish Statistical Institute (TURKSTAT):

Date	**Index**	**Adjustment coefficient**	**Three-year cumulative inflation rates**
31.12.2024	2,684.55	1.00000	291%
31.12.2023	1,859.38	1.44379	268%
31.12.2022	1,128.45	2.37897	156%

The main lines of TAS 29 indexation 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.
- Fixed assets, subsidiaries and similar assets are indexed to their acquisition values, which do not exceed their market values. Depreciation has been adjusted in a similar manner. Amounts included in shareholders' 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 income statement, except for the effects of non-monetary items in the balance sheet on the income statement, have been restated by applying the multiples calculated over the periods when the income and expense accounts were initially recognized 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 income statement accounts. This gain or loss on the net monetary position is included in net profit.

The impact of the application of TAS 29 Inflation Accounting is summarized 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.

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

2.1 Basis of Presentation (cont'd)

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

Restatement of 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 are restated by applying the changes in the monthly general price index.

Cost of inventory sold is restated by using restated inventories balance.

Depreciation and amortization expenses is restated by using restated property and equipment, intangible assets and right of use assets balances.

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 any subsidiary whose functional currency is the currency of a hyperinflationary economy is restated by applying a general price index before they are included in the consolidated financial statements issued by its parent. Where such a subsidiary is a foreign subsidiary, its restated financial statements are translated at closing rates. If financial statements with different ends of the reporting periods are consolidated, all items, whether non-monetary or monetary, are restated into the measuring unit current at the date of the consolidated financial statements.

Corresponding figures

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

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

2.1 Basis of Presentation (cont'd)

Going concern

The Group has prepared its consolidated financial statements in accordance with the going concern principle.

Comparative Information and Restatement of Prior Periods' Financial Statements

The Group's consolidated financial statements for the current period are prepared in comparison with the prior periods in order to be able to determine the financial position and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is reclassified when deemed necessary.

- As of December 31, 2023, advances given for the purchase of property, plant and equipment amounting to TL 812.890 presented in "Change in prepaid expenses" under "Cash flows from operating activities" in the Consolidated Statement of Cash Flows as of December 31, 2023 is presented as "Cash Advance given" under "Cash flows from investing activities" in the current year.

- As of December 31, 2023, a reclassification amounting to TL 2.390.711 has been made in the current year between "deferred financing income from forward purchases and sales, net" presented under "Adjustments to reconcile net income for the period" under "Cash flows from operating activities" and "Change in trade receivables from third parties" and "Change in trade payables to related parties" presented under "Changes in working capital" in the Consolidated Statement of Cash Flows.

Functional and Reporting Currency

The Group's functional and reporting currency is Turkish Lira ("TL"). Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Assets and liabilities in foreign currencies are translated at the exchange rate prevailing at the balance sheet date. Foreign exchange gains and losses from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss.

Basis of Consolidation

Subsidiaries are entities on which the Group has control. The Group controls an entity when the group is exposed to. or has rights to. variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which the control is transferred to the Group and are no longer consolidated from the date that control ceases. All gains and losses, inter-group transactions. balances and unrealized gains on transactions between Group companies are eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

Significant Accounting Judgements, Estimates and Assumptions

In the preparation of the consolidated financial statements, the Group management must make assumptions and estimates that will affect the assets and liabilities reported as of the balance sheet date and determine the liabilities and commitments likely to occur as of the balance sheet date and the income and expense amounts as of the reporting period. Actual results may differ from the assumptions. Estimates are regularly reviewed; necessary adjustments are made and reflected in the profit or loss statement of the period they occur.

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

2.1 Basis of Presentation (cont'd)

Significant Accounting Judgements, Estimates and Assumptions (cont'd)

Comments that may have significant impact on the amounts reflected in the consolidated financial statements and the significant assumptions and evaluations made by taking into consideration the main sources of the estimates that occurred or may occur in the balance sheet date are as follows:

a) The Group determines the warranty provision for each vehicle model by taking into account the warranty expenses per vehicle incurred in previous years and the remaining warranty periods per vehicle. When calculating the reserve, assumptions are made about the future based on the number of vehicles subject to warranty, the warranty period and warranty claims made in the past. In the year ending on 31 December 2024, a warranty provision expense of TL 1,600,788 (31 December 2023: TL 2,624,662) was recognized (Note 13).

b) The Group's subsidiary KFK management, as a result of the evaluations made on the loans given, allocates a certain provision for the losses that may arise from the receivables whose collection is deemed doubtful. Impairment and uncollectibility risk are calculated separately for each individually significant loan. In the condensed consolidated financial statements as of 31 December 2024, there is a general loan loss provision amounting to TL 151,081 for receivables from finance sector operations (31 December 2023: 95,094) (Note 6).

c) The cost of defined benefit plans is determined using actuarial valuations which involve making assumptions about discount rates. future salary increases and employee turnover. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

d) When allocating provisions for lawsuits, the probability of losing the lawsuits and the liabilities that will arise in case of loss are evaluated by the Group management by taking the opinions of the Group Legal Counsel and experts. The Group management determines the amount of provision for litigation based on the best estimates.

e) The data in the discounted price list are used to calculate inventory impairment. If expected net realizable value is less than cost. the Group allocates provisions for inventory impairment.

f) Investment properties are reflected in the financial statements using the fair value method. Fair values are determined according to the annual valuation carried out by an independent real estate valuation company licensed by the CMB.

g) Group management has made assumptions based on the experience of the technical staff in determining the useful life of property, plant and equipment and intangible assets.

h) Deferred tax assets and liabilities are recognized for temporary differences between the carrying amounts of assets and liabilities in the financial statements using substantially enacted tax rates. Based on the available evidence, it has been assessed that it is probable that some or all of the deferred tax assets may or may not be realized in cash. The main factors considered include the potential for future income, accumulated losses from prior years, tax planning strategies to be implemented if necessary, and the nature of the income that can be used to convert the deferred tax asset into cash.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

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

2.1 Basis of Presentation (cont'd)

Significant Accounting Judgements, Estimates and Assumptions (cont'd)

l) The Group recognizes internally generated intangible assets resulting from development activities only when all of the following conditions are met:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- the intention to complete the intangible asset and use or sell it,
- the ability to use or sell the intangible asset,
- how the intangible asset will generate probable future economic benefits,
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Other development costs are recorded as expenses when incurred. Development expenses recorded as expenses in the prior period are not capitalized in the next period. The Group capitalizes ongoing development expenditures and evaluates whether the asset will increase the Company's revenues or decrease its costs over its useful life in subsequent periods and whether there is an impairment in value on an annual basis. No impairment loss was detected for development expenses capitalized as of 31 December 2024 and 31 December 2023 (Not 11).

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

2.2 New and Amended Turkish Financial Reporting Standards

a) Amendment that are mandatorily effective from 2024

Amendments to TAS 1	*Classification of Liabilities as Current or Non-Current*
Amendments to TFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to TAS 1	*Non-current Liabilities with Loan Agreements*
Amendments to TAS 7 and TFRS 7	*Supplier Finance Arrangements*
TSRS 1	*General Requirements for Disclosure of Sustainability-related Financial Information*
TSRS 2	*Climate-related Disclosures*

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

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to TFRS 16 *Lease Liability in a Sale and Leaseback*

Amendments to TFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in TFRS 15 to be accounted for as a sale.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

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

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

a) Amendment that are mandatorily effective from 2024 (cont'd)

Amendments to TAS 1 *Non-current Liabilities with Loan Agreements*

Amendments to TAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

Amendments to TAS 7 and TFRS 7 *Supplier Finance Arrangements*

The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

TSRS 1 *General Requirements for Disclosure of Sustainability-related Financial Information*

TSRS 1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

TSRS 2 *Climate-related Disclosures*

TSRS 2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

b) New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	*Insurance Contracts*
Amendments to TFRS 17	*Initial Application of TFRS 17 and TFRS 9 — Comparative Information (Amendment to TFRS 17)*
Amendments to TAS 21	*Lack of Exchangeability*

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

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

b) New and revised TFRSs in issue but not yet effective

TFRS 17 *Insurance Contracts*

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 *Insurance Contracts* on 1 January 2025.

Amendments to TFRS 17 *Insurance Contracts* and *Initial Application of TFRS 17 and TFRS 9 — Comparative Information*

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before.

Amendments are effective with the first application of TFRS 17.

Amendments to TAS 21 *Lack of Exchangeability*

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

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

2.3 Summary of Significant Accounting Policies

Cash and cash equivalents

Cash and cash equivalents include cash and bank deposits, short-term and highly liquid investments that are easily convertible into cash, with an insignificant risk of change in value and with a maturity of three months or less.

Financial assets

Classification

Group classified its financial assets in three categories; "financial assets carried at amortized cost," "financial assets carried at fair value though profit of loss," "financial assets carried at fair value though other comprehensive income." Classification is performed in accordance with the business model determined based on the purpose of benefits from financial assets and expected cash flows. Group performs the classification of financial assets at the acquisition date.

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

Recognition and Measurement

"Financial assets measured at amortized cost," are non-derivative assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group's financial assets measured at amortized cost comprise "cash and cash equivalents," "trade receivables," "other receivables" and "financial investments."

Financial assets carried at amortized cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets measured at amortized cost are accounted for under the consolidated statement of profit or loss.

"Financial assets measured at amortized cost," are non-derivative assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Gains or losses arising from related financial assets, other than impairment gains or losses and exchange rate difference income or expenses, are reflected in other comprehensive income.

The Group may choose to reflect subsequent changes in fair value to other comprehensive income for investments in equity-based financial assets, irrevocably at the time of initial recognition. If such an option is made, dividends received from the relevant investments are recognized in the consolidated statement of profit or loss.

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

2.3 Summary of Significant Accounting Policies (cont'd)

Recognition and Measurement (cont'd)

"Financial assets at fair value through profit or loss," consists of financial assets other than those measured at amortized cost and those whose fair value difference is reflected in other comprehensive income. Gains and losses arising from the valuation of these assets are recognized in the consolidated statement of profit or loss.

Derecognition

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. Any interest in such transferred financial assets that was created or retained by the Group was recognized as a separate asset or liability.

Impairment

Impairment on financial and contract assets is calculated using the "Expected Credit Loss" (ECL) model. The impairment model is applied to financial assets at amortized cost and contract assets.

Loss provisions are measured on the following basis;

- 12-months ECLs: ECLs resulting from possible default events within 12 months of the reporting date.

- Lifetime ECLs: ECLs resulting from all possible default events over the expected life of a financial instrument.

The lifetime ECL measurement is applied if the credit risk associated with a financial asset increases significantly after initial recognition at the reporting date. In all other cases, where the increase was not experienced, the 12-month ECL calculation was applied. The Group may determine that the credit risk of the financial asset has not increased significantly if the credit risk of the financial asset has a low credit risk at the reporting date. However, the lifetime ECL measurement (the simplified approach) always applies to trade receivables and contract assets that does not have significant financing component.

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

2.3 Summary of Significant Accounting Policies (cont'd)

Receivables from finance sector activities

The Group's receivables from its financial sector activities are accounted for at amortized cost using the effective interest method.

Provision for credit impairment

The Group allocates a certain amount of provision for losses that may arise from receivables whose collection is deemed doubtful as a result of the evaluations made on the loans granted. The provision amount is determined based on the Group's credit risk policy, the structure of the existing credit portfolio, the financial structures of its customers and the economic conjuncture, and is calculated by classifying as "Credits Under Follow-up." Changes in the reserve account are reflected in the consolidated statement of profit or loss in the period in which they occur. If the legal procedures are completed and it is determined that the loan cannot be collected, the relevant amounts are deleted from the accounts and the collections related to the deleted loans are recorded as income. The total provision for financing loans, determined as a result of the evaluation of financing loans, is determined to cover the doubtful receivables in the Group's financing loan portfolio.

The Group may make general provisions at the rates it determines, without including the collateral amount in the calculation, taking into account all data regarding the debtor's creditworthiness assessments for the receivable amounts, even if there is no delay in the collection of receivables. The Group has also adopted the provisioning method, without being directly related to any transaction, in order to cover the losses expected to arise from receivables with no delay in the collection of interest or principal or less than 90 days but the amount is not known with certainty, but has not considered it as a necessity. The Group sets aside special provisions for financing loans that have not become doubtful.

Trade receivables

Trade receivables arising upon delivering products or services to the buyer are recognized over the amortized value of the amounts to be obtained in the following periods of the receivables recognized at the original invoice amount, using the effective interest method. Short-term receivables with no determined interest rate are presented at the invoice amount if the effect of the original effective interest rate is not material. The "simplified approach" is applied within the scope of the impairment calculations of trade receivables that are recognized at amortized cost in the financial statements and that do not contain a significant finance component (with a maturity of less than 1 year). With this approach, in cases where the trade receivables are not impaired for certain reasons (except for the impairment losses realized), the loss allowance for trade receivables is measured at an amount equal to "lifetime expected credit losses."

After making a provision for impairment, if all or part of the receivable impaired is collected, the collected amount is deducted from the provision for impairment and recognized in other income from operating activities. Maturity difference income / expenses and foreign exchange gains / losses related to trade transactions are recognized in the "Other operating income and expenses" in the consolidated statement of profit or loss.

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

2.3 Summary of Significant Accounting Policies (cont'd)

Trade payables

Trade payables refer to the payments to be made for goods and services provided from suppliers in normal course of business. Trade payables, which are determined to be paid for one year or less, are classified as current liabilities, and trade payables determined to be longer than one year are classified as non-current liabilities.

Trade payables are recorded at their fair value and subsequently recognized at their discounted value using the effective interest rate method.

Inventories

Inventories are valued at the lower of net realizable value or cost value. The cost determination method is the monthly weighted average for all inventories, and the semi-finished products and finished goods take a share from the production costs. Net realizable value is the value after deducting the expenses incurred to prepare the stock for sale, marketing and sales expenses from the estimated sales price. A write-off is recorded for stocks that are unusable or unsellable (Note 7).

Derivative instruments

Derivative financial instruments, including forward exchange contracts, are reflected in the financial statements at their fair values and are valued at their fair values in the periods following their recording. The recognition of profits or losses from derivative financial instruments in the financial statements varies according to the classification of the derivative financial instruments. Although derivative financial instruments are used within the Group's risk management framework, they are initially reflected in the financial statements at their fair values, including the expenses incurred during acquisition, and are valued at their fair values in the periods following their recording, since they do not meet the necessary conditions in terms of hedge accounting. Gains and losses arising from changes in the fair values of these instruments are included in the consolidated income statement as profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation, including property under construction for such purposes. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value (Note 9). Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the year in which they arise.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognized.

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

2.3 Summary of Significant Accounting Policies (cont'd)

Property, plant and equipment

Property and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. When property, plant and equipment are sold, the income or expense arising after deducting the cost of the asset, accumulated depreciation and any impairment provisions from the relevant accounts is included in the consolidated profit or loss statement.

The cost value of the property, plant and equipment consists of the purchase price, import duties, non-refundable taxes, and costs incurred to prepare the property, plant and equipment for use. After the property, plant and equipment's are started to be used, repair and maintenance expenses are recognized as expense in the period in which they are incurred. Capital expenditures that provide an economic value increase in the future use of the related property, plant and equipment are added to the cost of the property, plant and equipment.

Depreciation is provided for property, plant and equipment on a straight-line basis (Note 10). Useful life and the depreciation method are constantly reviewed, and accordingly, parallels are sought between the depreciation method and the period and the useful life to be derived from the related asset. The depreciation periods for property, plant and equipment are as follows:

	(Year)
Land improvements	33
Buildings	33
Machinery and equipment	12-33
Vehicles	4-10
Furniture and fixtures	8-14
Leasehold improvements	5-30

If there is an indication that the value of the asset has decreased, the net realizable value of the relevant asset is re-estimated and the impairment provision is reflected in the consolidated financial statements.

If the carrying amount of an asset is higher than the asset's recoverable amount, the carrying amount is immediately reduced to its recoverable amount. The recoverable value is the higher of the asset's net sales price or its value in use. The net selling price is determined by deducting the costs incurred to make the sale from the fair value of the asset. The value in use is determined by adding the residual values to the estimated future cash flows to be obtained by continuing to use the relevant asset as of the reporting period date.

Profits and losses arising from the sale of property, plant and equipment are included in the income and expenses from investment activities accounts.

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

2.3 Summary of Significant Accounting Policies (cont'd)

Intangible assets

Intangible assets are recognized at acquisition costs. Except for the expenses incurred for the development of new vehicles created and planned to be produced within the Group, intangible assets cannot be capitalized and the expenses incurred are expensed in the period in which they are incurred. Amortization is recognized on a straight-line basis over their estimated useful lives. Capitalized development costs are amortized on a straight-line basis over their estimated useful life after the product is in use. Intangible assets, their carrying value, changes in conditions and events that may indicate that the carrying value is impaired and necessary provision is made (Note 11).

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost less accumulated depreciation and impairment losses. In case of revaluation of lease liabilities, this amount is also corrected.

Right-of-use assets are measured at cost comprising the following:

(a) The amount of the initial measurement of lease liability,
(b) Any lease payments made at or before the commencement date, less any lease incentives received, and
(c) Any initial direct costs incurred by the Group.

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

Right-of-use assets are subject to impairment.

Lease liabilities

The Group measures the lease liability based on the present value of the outstanding lease payments at the commencement date of the lease.

Lease payments included in the measurement of the lease liability at the effective date of the lease consist of the following payments to be made for the right to use the underlying asset during the lease period and not paid at the effective date of the lease:

(a) fixed payments,
(b) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date,
(c) the amount expected to be payable by the lessee under residual value guarantees
(d) the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
(e) payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

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

2.3 Summary of Significant Accounting Policies (cont'd)

Variable lease payments that do not depend on an index or rate are recognized as an expense in the period when the event or condition triggering the payment occurs.

The Group determines the revised discount rate for the remaining part of the Group's lease term, if the implied interest rate in the lease can be easily determined, as this rate, if it cannot be determined easily, as the alternative borrowing interest rate of the Group at the date of reassessment.

The Group measures the lease obligation after the lease actually starts as follows:
(a) Increase the book value to reflect the interest on the lease obligation and
(b) Reduces the book value to reflect the rent payments made.

Additionally, in the event of a change in lease duration, a change in substance of fixed lease payments, or a change in the assessment of the option to purchase an underlying asset, the value of lease liabilities is re-measured.

Research and development expenses

Research expenses are expensed when incurred. Expenses made for development, other than project expenditures that meet the criteria specified below, are recorded as expenses in the period in which they occur:

- The costs related to the product can be separately identified and measured reliably,
- The technical sufficiency/feasibility of the product is demonstrated,
- The product or process will be sold or used in-house,
- A potential market exists for the product or its usefulness in case of internal use is demonstrated,
- Adequate technical, financial and other resources required for completion of the project are available.

The costs of development projects that meet the above-mentioned criteria are capitalized and amortized using the straight-line method over their respective project lives (2 - 13 years).

Impairment on non-financial liabilities

For all its property, plant and equipment and intangible assets, the Group evaluates at each report date whether there is any indication that the asset is impaired. If such an indication exists, the carrying value of that asset is compared with the net realizable value, which is the higher of the amounts to be obtained through use or sale. An impairment has occurred if the carrying amount of the asset, or any cash-generating unit to which that asset belongs, is greater than the amount to be recovered through use or sale. In this case, the impairment losses are recognized in the statement of comprehensive income.

The increase in the carrying value of the asset (or cash-generating unit) due to the reversal of the impairment must not exceed the carrying amount (net amount after depreciation) that would have occurred had the impairment been recognized in previous years. The reversal of the impairment is recognized in the statement of profit or loss.

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

2.3 Summary of Significant Accounting Policies (cont'd)

Revenue from customer contracts

In accordance with TFRS 15 "Income from Contracts with Customers", the Company recognizes revenue in its financial statements within the scope of the following five-stage model.

- Identification of customer contracts
- Identification of performance liabilities according in the contract
- Determination of transaction price in the contract
- Allocation of transaction price to performance liabilities
- Recognition of revenue

In each contract with customers, the Group evaluates services committed and determines each commitment given for the transfer of relevant goods and services as another performance obligation. For each performance obligation, whether the performance obligation is performed as extended over time or in a particular time, is determined in the beginning of a contract.

If the Group transfers the control of goods and services in time and accordingly fulfills its performance obligations as extended over time, the progress related to fulfillment of the relevant performance obligations is measured and recognized as extended over time. Revenue related to the performance obligations that are the transfers of goods and services by nature is recognized when the control of the goods and services is transferred to the customer.

While the Group evaluates the transfer of control of the goods or services sold to the customer,

a) Ownership of the Group's right to collect goods or services,
b) The customer's legal ownership of the goods or services,
c) Transfer of possession of goods or services,
d) Customer's ownership of significant risks and rewards arising from ownership of the goods or services,
e) Customer's acceptance of the good or service.

Performance obligations

Automotive activities:

Revenue is recognized when it is probable that economic returns will be generated from the activities of the Group and the return can be measured reliably (Note 16). Revenue is recognized after deducting any discounts granted and value added and sales taxes. The Group simultaneously transfers control of the goods or services sold to the customer and the revenue is recognized when the performance obligation is fulfilled. For this purpose, the amount of income must also be measured reliably. Revenue is the invoiced price of goods whose risks and benefits have been transferred, net of sales returns.

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

2.3 Summary of Significant Accounting Policies (cont'd)

Revenue from customer contracts (cont'd)

Performance obligations (cont'd)

Revenue from extended warranty sales

The Group sells warranty commitments for the periods starting from the end of the legal periods required by law for the products it produces. The price of the additional warranty commitments given is determined separately from the products sold and is considered as a different service promised within the contract. Therefore, the Group accounts for the service to be provided due to extended warranty sales as a separate performance obligation.

For each performance obligation, the Group determines whether it fulfills the performance obligation over time at the beginning of the contract or whether the performance obligation is fulfilled at a certain point in time. The Group transfers control of the service in extended warranty sales over time and therefore fulfills its performance obligations related to these sales over time and measures the progress towards the full fulfillment of this performance obligation and takes the revenue into the consolidated financial statements over time. The Group records the revenue from product sales in its consolidated financial statements following the transfer of control to the customer.

Financial sector activities

Interest income and expenses are recorded on an accrual basis using the effective interest method. When the collection of consumer finance loans allocated by the Group becomes questionable, the relevant interest income accrual is not reflected in the records.

Credit allocation fees consist of credit opening fees collected by the Group at the opening of credits given to customers and are deducted from the repayment periods of the credits with a systematic method and shown as net from the receivables from finance sector activities item in the consolidated financial statements.

In addition, the Group shares the insurance premiums it has credited for the life insurances it has made based on the loans it has provided with the insurance company within a certain plan. These insurance premium incomes falling to the Group share are shown under other liabilities in the consolidated financial statements as income collected in advance with a systematic method over the repayment periods of the loans.

If there is a significant financing cost in the sales, the reasonable price is determined by discounting the future collections with the implicit interest rate included in the financing cost. The difference between their real and nominal values is evaluated as interest income on an accrual basis.

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

2.3 Summary of Significant Accounting Policies (cont'd)

Borrowings

Borrowings are initially recognized at fair value, deducting transaction costs. Borrowings are measured at amortized cost after initial recognition. The difference between the amount collected (less transaction costs) and the amount received back is recognized in profit or loss during the period using the effective interest method. Fees paid for obtaining credit facilities are recognized as transaction costs of the credit if it is probable that some or all of the credit facility will be used. In this case, these fees are deferred until the loan is used. When there is no evidence that it is probable that all or part of the credit facility will be used, these fees are capitalized as an advance payment for the liquidity service and are amortized over the period to which the credit facility relates (Note 24).

Borrowing costs

The costs of general and special purpose liabilities that are directly attributable to the acquisition, construction or production of a specific asset are capitalized as part of the cost of the relevant asset for the period required to bring these assets into a ready state for their intended use or sale. Such costs are included in the cost of an asset if they can be measured reliably and it is probable that future economic benefits will accrue to the entity. Investment income earned by temporarily accreting special purpose debts that are expected to be spent on specific assets is deducted from the borrowing costs that meet the capitalization conditions. Borrowing costs that are not included in this scope are expensed when they are incurred. There is no capitalization for loans used in the accounting period ended 31 December 2024 (31 December 2023: None).

Current tax expense and deferred tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively. (Not:22)

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group and its subsidiaries operate. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

The Group calculates deferred tax liability for all taxable temporary differences related to investments in subsidiaries and associates, except when the Group can control the closing time of the taxable temporary differences and it is unlikely that the temporary difference will be settled in a foreseeable time.

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

2.3 Summary of Significant Accounting Policies (cont'd)

Current tax expense and deferred tax (cont'd)

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

Provision for employment termination benefits

In accordance with the current labor law, the Group is obliged to pay a certain amount of severance pay to the personnel who quit their job due to retirement or who are dismissed for reasons other than resignation and bad behavior and who have served for at least one year.

The Group has calculated the severance pay provision in the accompanying consolidated financial statements using the projection method and based on the Group's experience in completing the personnel service period and entitlement to severance pay, and discounted it with the government bond earnings rate at the balance sheet date.

Current service cost for defined benefit plans, reflected in the income statement as employee expenses, represents the increase in the defined benefit obligation, benefit change curtailments and payments resulting from employee services in the current year, excluding those added to the cost of an asset. Past service costs are recorded in the consolidated income statement in the period in which they are incurred.

Net interest expense is calculated by applying a discount rate to the net value of the defined benefit obligation and the fair value of the planned asset. This cost is recognized under employee expenses in the consolidated statement of profit or loss.

Defined benefit plan remeasurement gains and losses arising from actuarial assumption changes and actuarial assumption difference adjustments are reflected in equity as other comprehensive income in the period in which they occur (Note 14).

Earnings per share

Earnings per share disclosed in the consolidated statement of profit or loss are determined by dividing net earnings by the weighted average number of shares that have been outstanding during the related period.

In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares "bonus shares" to existing shareholders from retained earnings on equity items. Such kind of bonus shares are taken into consideration in the computation of earnings per share as issued share certificates. Accordingly, the weighted average number of shares used in these calculations has been calculated by taking into account the retrospective effects of the aforementioned share distributions (Note 23).

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

2.3 Summary of Significant Accounting Policies (cont'd)

Provisions

Provisions are made when there is a current legal or implicit obligation arising from past events, when it is probable that resources containing economic benefits will be withdrawn from the company to fulfill the obligation, and when the amount of the obligation can be reliably estimated (Note 13). No provision is made for operating losses expected to occur in future periods.

The provision amount is measured as the present value of the estimated expenses to settle the liability using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the liability. The increase in the provision amount due to the passage of time is recorded as interest expense.

Provisions are reviewed at each balance sheet date and necessary adjustments are made to reflect management's best estimates.

Provision for warranty expense

The Group provides free maintenance and repair services for vehicles sold domestically for a certain period following the date of sale. The Group's export sales are not under warranty. The estimated warranty provision amount for vehicles under warranty is revised according to the expenses incurred in previous periods. The Group does not have any significant liabilities arising from the sale of insurance policies providing additional warranty periods (Note 13).

Contingent assets and liabilities

Contingent liabilities are not reflected in the consolidated financial statements but are disclosed in the footnotes unless there is a high probability that a resource transfer will occur. Contingent assets are not reflected in the consolidated financial statements but are disclosed in the footnotes if they are likely to generate economic returns.

Offsetting

The offsetting of a financial asset and liability and presenting the net amount on the balance sheet, is only permitted if the entity has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. The legal right must not be contingent on a future event and must be enforceable both in the normal course of business and in the event of default, insolvency, or bankruptcy of the entity or the counterparty.

Foreign currency transactions

Income and expenses incurred in foreign currencies are converted using the exchange rates valid on the transaction date. The exchange rates announced by the Central Bank of the Republic of Türkiye on the balance sheet date are used in the conversion of monetary assets and liabilities expressed in foreign currencies. Exchange rate difference income or expense arising from the conversion of transactions in foreign currencies or the valuation of amounts expressed in foreign currencies are reflected in the consolidated profit or loss statement in the relevant period.

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

2.3 Summary of Significant Accounting Policies (cont'd)

Segment reporting

A business segment should be identified as a reportable segment if a majority of its revenue is earned from sales to external customers and if its revenue from sales to external customers and from transactions with other segments is 10% or more of the total revenue, external and internal, of all segments; or its segment result, whether profit or loss, is 10% or more of the combined result of all segments in profit or the combined result of all segments in loss, whichever is the greater in absolute amount; or its assets are 10% or more of the total assets of all segments.

If management believes that the information about the segment will be useful to financial statement users, operating segments that do not meet any of the above numerical thresholds may also be considered as reportable segments and information about them may be disclosed separately.

The Group has determined its operating segments based on reports reviewed by the board of directors and effective in making strategic decisions. The Group's operating groups are considered as automobile and spare parts trading and consumer financing. The Group management evaluates the performance of its operating segments based on operating profit before financing income prepared in accordance with TFRS.

Cash flow hedging transactions

In an effective cash flow hedge, changes in the fair value of the hedging instrument are recognized directly in equity. The ineffective part is defined as profit or loss in the period profit. If a cash flow hedge transaction results in the creation of an asset or liability, all gains and losses that occurred in the past and were recognized in equity are included in the cost of the relevant asset or liability. Otherwise, for all other cash flow hedges, the gains and losses initially recognized in equity are associated with the relevant profit or loss accounts in the periods in which the hedged liability is fulfilled or the anticipated transaction affects the profit or loss statement. As of 31 December 2024, other comprehensive income related to cash flow hedges recognized in the consolidated other comprehensive income statement is TL 1,595,171 (31 December 2023: Other comprehensive expense related to cash flow hedging amounting to TL 630,401).

If the hedge fails to meet the conditions required for the application of hedge accounting, the accumulated gains and losses recognized in the financial statements within equity while there is an effective hedge in relation to the hedging instrument are kept within equity until the forecast transaction occurs. If the forecast transaction is not expected to occur, the accumulated gains or losses recognized in equity are included in the financial statements as profit or loss for the period.

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

2.3 Summary of Significant Accounting Policies (cont'd)

Cash flow hedging transactions (cont'd)

There is an effective cash flow hedge relationship between long-term loans in foreign currency related to investment costs (non-derivative hedging instrument) and actual and expected future sales (hedged item) of light commercial vehicles (New Doblo, Doblo FL and Doblo US) and passenger cars (Egea, Stationwagon, Hatchback). Similarly, within the framework of the production agreements made between the Company and FCA Italy SPA, a portion of the sales revenues to be made to FCA Italy SPA for the New Doblo, Doblo FL and Doblo US from 2009 until December 2022 will cover the long-term related credit debts. In addition, within the framework of the production agreements made between the Company and FCA Italy SPA, long-term credit debts will be covered with a portion of the sales revenues to be made to FCA Italy SPA for Egea and Stationwagon / Hatchback from 2021 until December 2024.

The effectiveness of the hedge is continuously evaluated in each financial reporting period, and the hedge is effective in offsetting changes in cash flows attributable to the hedged risk, consistent with the documented risk management strategy for the relevant hedge relationship.

Related parties

If one of the following criteria is met, the party is deemed to be related to the Group (Note 4):

a) A person or a close member of that person's family is related to a reporting entity if that person:
   (i) has control or joint control over the reporting entity,
   (ii) has significant influence over the reporting entity; or
   (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:
   (i) The entity and the reporting entity are members of the same group.
   (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
   (iii) Both entities are joint ventures of the same third party.
   (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
   (v) The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
   (vi) The entity is controlled or jointly controlled by a person identified in (a).
   (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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

2.3 Summary of Significant Accounting Policies (cont'd)

Investing, research and development incentives

All government incentives are recognized at fair value when there is reasonable assurance that the Group will meet the conditions required for their acquisition and that the incentive can be obtained by the Group. If government aid is related to an expense, it is incomed to match the expenses that the aid will cover. If the government aid is related to an asset, the related income is recorded as deferred income.

Government incentives received for expenses are deferred until the period in which the expenses are incurred in order to match the period in which the expenses are incurred and are recognized in the income statement in the period in which the corresponding expenses are incurred.

Government grants related to property, plant and equipment are accounted for as deferred government grants under long-term liabilities and recorded in the income statement using the straight-line depreciation method throughout the economic life of the relevant assets. Investment, research and development incentives are defined when the Group's incentive requests are approved by the competent authorities (Note 12).

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

3. SEGMENT REPORTING

1 January- 31 December 2024

	Trading of spare part and automobile	Consumer financing	Total
Revenue	120,266,571	9,051,030	129,317,601
Gross profit	**11,783,227**	**1,588,646**	**13,371,873**
Operating expenses (-)	(9,976,180)	(315,216)	(10,291,396)
Other income from main operations	8,045,176	12,696	8,057,872
Other expenses from main operations (-)	(6,789,967)	(226,009)	(7,015,976)
Operating profit before finance expense	**3,062,256**	**1,060,117**	**4,122,373**

1 January- 31 December 2023

	Trading of spare part and automobile	Consumer financing	Total
Revenue	184,228,756	3,830,245	188,059,001
Gross profit	**32,475,250**	**961,872**	**33,437,122**
Operating expenses (-)	(10,490,741)	(237,467)	(10,728,208)
Other income from main operations	15,224,431	5,257	15,229,688
Other expenses from main operations (-)	(17,657,613)	(56,405)	(17,714,018)
Operating profit before finance expense	**19,551,327**	**673,257**	**20,224,584**

As of 31 December 2024, the distribution of assets and liabilities of consumer financing segment is followed by TL 14,710,862 in current asset, TL 4,714,102 in non-current asset, TL 10,159,395 in current liabilities and TL 7,779,104 in non-current liabilities as financial liabilities. (As of 31 December 2023, TL 12,862,175 in current asset, TL 3,738,091 in non-current asset and TL 8,091,785 in current liabilities, TL 7,349,935 in non-current liabilities as financial liabilities.

As of 31 December 2024, a significant portion of revenue consists of sales to related party's ratio to 44.88% (31 December 2023: 48.60%) (Note 4).

The Group management focuses on operating profit before financial expense in segment reporting, so the Group does not distribute financial income and expenses on a segment basis.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

4. RELATED PARTY DISCLOSURES

Deposit and financial loan balances with related parties	31 December 2024	31 December 2023
Yapı ve Kredi Bankası A.Ş. (deposit) (1)	1,822,397	2,577,118
Yapı ve Kredi Bankası A.Ş. (financial loan) (1)	(1,285,947)	(1,234,109)
Total	**536,450**	**1,343,008**

Trade receivables from related parties	31 December 2024	31 December 2023
Otokoç Otomotiv Tic. ve San. A.Ş. (1)	3,963,532	7,304,102
Stellantis Europe SPA (2)	6,102,173	6,458,666
Other (1)	2,101,443	448,491
Less: unearned finance incomefrom forward sales	(61,630)	(123,405)
Total	**12,105,518**	**14,087,854**

Trade payables to related parties	31 December 2024	31 December 2023
Stellantis Europe SPA (2)	3,049,325	15,769,153
Other (1)	848,866	1,679,917
Rediscount receivables from related parties (-)	(37,989)	(54,848)
Total	**3,860,202**	**17,394,222**

	1 January - 31 December 2024	1 January - 31 December 2023
Otokoç Otomotiv Tic. ve San. A.Ş. (1)	32,926,352	38,254,999
Stellantis Europe SPA (2)	18,713,452	50,408,280
Other (1)	2,337,187	868,489
Total	**53,976,991**	**89,531,768**

(1) Joint Ventures represent the shareholders of these companies and their related parties, which are subsidiaries, joint ventures or associates.

(2) Represents the joint ventures.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

4. RELATED PARTY DISCLOSURES (cont'd)

Domestic material and service purchases

	1 January - 31 December 2024	1 January - 31 December 2023
Otokoç Otomotiv Tic. ve San. A.Ş. (1)	3,135,668	2,986,907
Zer Merkezi Hizmetler ve Ticaret A.Ş. (1)	1,596,614	2,018,793
Ram Dış Ticaret A.Ş. (1)	1,414,927	2,988,678
Koç Holding A.Ş. (2)(*)	289,137	380,543
Plastiform Plastik San. Tic. A.Ş. (1)	211,004	405,190
Opet Fuchs Madeni Yağlar Tic. A.Ş. (1)	209,348	182,810
Ram Sigorta Aracılık Hizmet A.Ş. (1) (**)	159,199	185,280
Sistemi Comandi Meccanici Otomotiv San. Tic. A.Ş. (1)	144,094	285,427
Opet Petrolcülük A.Ş (1)	126,729	158,453
Ingage Dijital Pazarlama Hizmetleri (1)	116,935	60,646
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş. (1)	111,820	291,039
Setur Servis Turistik A.Ş.(1)	76,816	147,512
Tanı Pazarlama ve İletişim A.Ş (1)	37,965	28,376
Diğer (1)	95,453	108,043
Toplam	**7,725,709**	**10,227,697**

	1 January - 31 December 2024	1 January - 31 December 2023
Stellantis Europe SPA (2)	51,920,058	62,606,871
Other (1)	1,790,487	8,844
	53,710,544	**62,615,715**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

4. RELATED PARTY DISCLOSURES (cont'd)

(1) Joint Ventures represent the shareholders of these companies and their related parties, which are subsidiaries, joint ventures or associates..

(2) Represents the joint ventures.

(*) It includes the service fee invoiced to the Group as a result of the distribution of the expenses, including personnel and senior management expenses, incurred by Koç Holding A.Ş. in relation to the companies to which services are provided, in return for the services provided to the companies within Koç Holding A.Ş. in areas such as finance, law, planning, tax and senior management, within the framework of the "11- Intragroup Services" regulation of the General Communiqué Serial No.1 on Disguised Profit Distribution through Transfer Pricing.

(**) It includes premiums paid and accrued in accordance with the policies signed between Ram Sigorta Aracılık Hizmetleri A.Ş., which operates as an insurance agency, and insurance companies that are not related parties.

Interest income from related parties for the twelve-month period ended 31 December 2024 is TL 839,774 (31 December 2023: TL 850,504).

TOFAŞ's top executives are determined as the Chairman and Members of the Board of Directors, the General Manager and the Directors directly subordinate to the General Manager. Salaries and similar benefits paid to the top management consisting of (32 persons) (31 December 2023: 30 persons) for the period ended 31 December 2024 is TL 469,983 (31 December 2023: TL 421,371). TL 68,185 of the related amount consists of payments made due to resignation from top management.

As of 31 December 2024, the carrying value of the bonds of the subsidiary KFK sold to qualified investors by the related institution through a closed issuance method is TL 92,681 and is included in the short-term parts of long-term borrowings and long-term borrowings (31 December 2023: TL 98,322).

5. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables:

As of the reporting date, the details of the Group's trade receivables are as follows:

	31 December 2024	**31 December 2023**
Buyers	8,971,977	12,853,691
Doubtful trade receivables	17,758	21,013
Less: provision for doubtful receivables	(16,118)	(18,544)
Less: unearned finance income from forward sales	(190,052)	(352,768)
	8,779,565	**12,503,392**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

5. TRADE RECEIVABLES AND PAYABLES (cont'd)

The movement of provision for doubtful receivables is as follows:

	31 December 2024	31 December 2023
1 January	18,545	30,719
Change during the period, net	3,758	(127)
Inflation effect	(6,185)	(12,048)
	16,118	**18,544**

Collaterals received related with trade receivables

As of 31 December 2024, the Group has letters of guarantee amounting to TL 467,523, guarantee cheques amounting to TL 2,224 mortgages amounting to TL 1,883, direct borrowing system limit (payment guarantee limit granted by the bank to its customer according to the transaction volume) amounting to TL 4,924,314, (31 December 2023: Letter of guarantee amounting to TL 2,888,311, mortgage amounting to TL 7,693, direct borrowing system limit amounting to TL 13,411,151).

b) Trade Payables:

As of the reporting date, the details of the Group's trade payables are as follows:

Trade payables to third parties

	31 December 2024	31 December 2023
Trade payables	7,513,994	16,816,213
Less: unrealised finance expense on credit purchases	(32,343)	(193,528)
	7,481,651	**16,622,685**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

6. RECEIVABLES FROM FINANCE SECTOR OPERATIONS

	31 December 2024	31 Aralık 2023
Short-term consumer finance loans	12,162,926	10,309,808
Doubtful loans	374,084	90,009
	12,537,010	**10,399,817**
Special provisions	(160,179)	(76,517)
General provisions	(107,392)	(69,433)
	12,269,439	**10,253,867**
Long-term consumer finance loans	4,655,950	3,696,442
General provisions	(43,689)	(25,661)
	4,612,261	**3,670,781**

As of 31 December 2024, interest rates on loans to consumers are fixed and range between 0.01% - 8.96% (31 December 2023: 0.01% - 6.74%) per month for TL loans.

The maturities of long-term consumer financing loans are as follows:

	31 December 2024	31 December 2023
Between 1-2 years	3,742,173	3,328,219
Between 2-3 years	870,088	342,051
Between 3-4 years	-	511
	4,612,261	**3,670,781**

Movements in the allowance for loan impairment are as follows:

	31 December 2024	31 December 2023
1 January	171,610	209,839
Provision allocated during the period	226,438	69,758
Collected during the year (-)	(5,598)	(13,169)
Inflation Effect	(81,190)	(94,817)
Total	**311,260**	**171,611**

The Group has obtained pledge rights as a guarantee for its consumer financing loans. up to total amount of receivables. depending on the agreement between the Group and the consumers. As of 31 December 2024, the fair value of guarantees obtained for the consumer loans amounting to TL 23,437,938 (31 December 2023: TL 19,051,026). Furthermore, the Group obtains mortgage guarantees where necessary. The Group has mortgage guarantee on vehicles for all consumer financing loans that Group booked special provision amounting to TL 198,956 (31 December 2023: TL 15,890) as of 31 December 2024.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

7. INVENTORIES

	31 December 2024	31 December 2023
Raw materials	2,263,341	2,716,428
Work-in-progress	2,093,645	4,058,567
Goods	486,833	1,799,824
Imported vehicles	1,790,080	1,691,407
Spare parts	986,412	972,618
Goods in transit	1,346,140	2,973,036
Provision for inventory impairment (-)	(265,234)	(189,756)
	8,701,217	**14,022,124**

Movements in the provision for impairment on inventory are as follows:

	31 December 2024	31 December 2023
1 January	189,755	412,953
Movements during the period, net	75,479	(223,197)
	265,234	**189,756**

8. PREPAID EXPENSES AND DEFERRED INCOME

a) Short-term prepaid expenses

	31 December 2024	31 December 2023
Order advances given	35,671	54,396
Prepaid insurance and dealer expenses	257,349	228,503
	293,020	**282,899**

b) Long-term prepaid expenses

As of 31 December 2024, long-term prepaid expenses amounting to TL 1,798,726 (31 December 2023: TL 914,852) consist of advances given for purchases of property, plant and equipment amounting to TL 1,784,971 (31 December 2023: TL 895,481).

c) Liabilities arising from customer contracts

As of 31 December 2024, the liability of TL 242,658 consists of extended warranty amounts accounted for within the scope of TFRS 15 Revenue from Customer Contracts Standard (31 December 2023: TL 235,701).

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

9. INVESTMENT PROPERTIES

The movement of investment properties for the years ended 31 December 2024 and 2023 is as follows:

	31 December 2024	31 December 2023
1 January	214,662	233,365
Fair value increase/ (decrease) (*)	20,298	(18,703)
31 December 2024	**234,960**	**214,662**

(*) The fair value of the real estate aforementioned was determined as TL 234,960 as of 31 December 2024 (31 December 2023: TL 214,662) using the comparable comparison method. The increase in value of TL 20,298 (31 December 2023: TL 18,703 decrease, expenses from investment activities) resulting from the valuation was accounted for in income from investment activities (Note 19). The valuation report is prepared by an independent valuation firm that has the relevant CMB license and the necessary professional knowledge.

The fair value hierarchy for the Group's investment properties as of 31 December 2024 and 2023 is indicated in the table below:

31 December 2024	Level 1	Level 2	Level 3
Investment properties	-	**234,960**	-
Total assets	-	**234,960**	-

31 December 2023	Level 1	Level 2	Level 3
Investment properties	-	**214,662**	-
Total assets	-	**214,662**	-

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

10. PROPERTY, PLANT AND EQUIPMENT

The movement of property, plant and equipment and the accumulated depreciation for the year ended 31 December 2024 is as follows:

	Land, land improvements and buildings	Machinery and equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Construction in progress	Total
As of 1 January							
Cost	9,160,930	81,580,726	9,369,836	1,607,964	242,860	814,822	102,777,138
Accumulated depreciation	(6,150,645)	(74,945,325)	(8,141,115)	(640,963)	(170,660)	-	(90,048,708)
book value	**3,010,285**	**6,635,401**	**1,228,721**	**967,001**	**72,200**	**814,822**	**12,728,430**
1 January 2024, net book value							
Additions	-	1,809	636	334,979	-	5,103,414	5,440,838
Disposal cost	(6,373)	(1,658,773)	(191,569)	(947,065)	-	-	(2,803,780)
Depreciation of disposals	5,033	1,621,772	185,701	313,480	-	-	2,125,986
Transfers	74,659	3,780,281	431,330	767,250	2,477	(5,055,997)	-
Depreciation expense	(160,623)	(2,098,154)	(388,310)	(351,431)	(8,483)	-	(3,007,001)
31 December 2024, net book value	**2,922,981**	**8,282,336**	**1,266,509**	**1,084,214**	**66,194**	**862,239**	**14,484,473**
As of 31 December							
Cost	9,229,216	83,704,043	9,610,233	1,763,128	245,337	862,239	105,414,196
Accumulated depreciation	(6,306,235)	(75,421,707)	(8,343,724)	(678,914)	(179,143)	-	(90,929,723)
31 December 2024, net book value	**2,922,981**	**8,282,336**	**1,266,509**	**1,084,214**	**66,194**	**862,239**	**14,484,473**

As of 31 December 2024, there are no pledges or collaterals on property, plant and equipment.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

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

The movement of property, plant and equipment and the accumulated depreciation for the year ended 31 December 2023 is as follows:

	Land, land improvements and buildings	Machinery and equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Construction in progress	Total
As of 1 January							
Cost	9,056,101	82,235,666	9,172,362	1,012,956	240,398	88,959	101,806,442
Accumulated depreciation	(5,981,413)	(73,849,090)	(7,952,376)	(530,820)	(161,603)	-	(88,475,302)
Net book value	**3,074,688**	**8,386,576**	**1,219,986**	**482,136**	**78,795**	**88,959**	**13,331,140**
1 January 2023, net book value							
Additions	-	1,564	3,220	179,747	1,392	2,093,195	2,279,118
Disposal cost	(443)	(935,424)	(202,620)	(169,935)	-	-	(1,308,422)
Depreciation of disposals	331	923,162	198,030	81,344	-	-	1,202,867
Transfers	105,272	278,920	396,874	585,196	1,070	(1,367,332)	-
Depreciation expense	(169,563)	(2,019,397)	(386,769)	(191,487)	(9,057)	-	(2,776,273)
31 December 2023, net book value	**3,010,285**	**6,635,401**	**1,228,721**	**967,001**	**72,200**	**814,822**	**12,728,430**
As of 31 December							
Cost	9,160,930	81,580,726	9,369,836	1,607,964	242,860	814,822	102,777,138
Accumulated depreciation	(6,150,645)	(74,945,325)	(8,141,115)	(640,963)	(170,660)	-	(90,048,708)
31 December 2023, net book value	**3,010,285**	**6,635,401**	**1,228,721**	**967,001**	**72,200**	**814,822**	**12,728,430**

As of 31 December 2023, there are no pledges or collaterals on property, plant and equipment.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

11. INTANGIBLE ASSETS

The movement table of intangible assets for the interim periods ending as of 31 December 2024 and 2023 is as follows:

	Development costs (*)	Licenses and Other	Total
As of 1 January 2024			
Cost	53,124,087	5,573,783	58,697,870
Accumulated amortization	(47,316,683)	(5,227,553)	(52,544,236)
Net book value	**5,807,404**	**346,230**	**6,153,634**
1 January 2024, net book value			
Additions	1,287,340	127,345	1,414,685
Disposals	-	-	-
Amortization expense	(3,300,431)	(104,926)	(3,405,357)
31 December 2024, net book value	**3,794,313**	**368,649**	**4,162,962**
As of 31 December			
Cost	54,411,427	5,701,128	60,112,555
Accumulated amortization	(50,617,114)	(5,332,479)	(55,949,593)
31 December 2024, net book value	**3,794,313**	**368,649**	**4,162,962**

	Development costs (*)	Licenses and Other	Total
As of 1 January 2023			
Cost	52,270,551	5,443,807	57,714,358
Accumulated amortization	(44,495,058)	(5,139,792)	-49,634,850
Net book value	**7,775,493**	**304,015**	**8,079,508**
1 January 2023, net book value			
Additions	853,536	129,976	983,512
Amortization expense	(2,821,625)	(87,761)	-2,909,386
31 Aralık 2023, net kayıtlı değer	**5,807,404**	**346,230**	**6,153,634**
As of 31 December			
Cost	53,124,087	5,573,783	58,697,870
Accumulated amortization	(47,316,683)	(5,227,553)	(52,544,236)
31 December 2023, net book value	**5,807,404**	**346,230**	**6,153,634**

(*) It consists of development costs made within the scope of increasing the efficiency and quality of automobile production and reducing costs. The aforementioned amount has been capitalized within the scope of TMS 38 and is recognized within intangible assets.

12. GOVERNMENT INCENTIVES AND GRANTS

Investment incentive documents

The Group has various investment incentive certificates regarding its investment expenditures. The opportunities provided under these incentive certificates are as follows:

i) 100% customs duty and VAT exemption on imported machinery and equipment

ii) 100% VAT exemption for domestic investment expenditures

iii) Reduced Corporate Tax exemption

As a result of the evaluation, the Group has recognized a deferred tax asset of TL 3,591,675 (31 December 2023: TL 1,625,653) for the discounted corporate tax of TL 7,397,836 (31 December 2023: TL 3,524,653), which is foreseeable on the temporary differences arising from the discounted corporate tax within the framework of Article 32/A of the Corporate Tax Law No. 5520 and can be used within the period in which the right to discounted corporate tax continues within the framework of tax laws (Note 22).

With the amendment made to Article 10 of the Corporate Tax Law No. 5520 and Article 35 of the Law No. 5746 on Support for Research and Development Activities, the R&D discount rate to be calculated on research and development expenses was increased from 40% to 100%. The said law entered into force on 1 April 2008. Accordingly, corporate taxpayers can take into account 100% of their expenses made within the company as of 2008 within the framework of research and development activities aimed at new technology and information search as R&D deduction in determining corporate income.

The Group's total R&D expenditure in 2024 is TL 3,247,415, and after deducting TL 469,601, which cannot be subject to the corporate tax R&D deduction, and TL 66,306 of total TEYDEB and European project supports collected during the year, the amount subject to the corporate tax R&D deduction is TL 2,711,508 (As of 31 December 2023, the Group's total R&D expenditure is TL 2,576,884, and after deducting TL 231,477, which cannot be subject to the corporate tax R&D deduction, and TL 38,255 of TEYDEB and European project supports collected during the year, the amount subject to the corporate tax R&D deduction is TL 2,307,153)

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

13. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a) Provisions

Other short-term provisions

	31 December 2024	31 December2023
Provision for warranty claims	2,235,870	2,513,386
Provision for legal cases	97,479	31,730
Other	240,663	340,620
	2,574,012	**2,885,736**

Movement table of the provision for litigation is as follows:

	31 December 2024	31 December2023
1 January	2,513,386	1,597,577
Paid during the period	(1,038,438)	(767,450)
Increase during the year (Note:17)	1,600,788	2,624,662
Inflation effect	(839,866)	(941,403)
	2,235,870	**2,513,386**

Movement table of the provision for litigation is as follows:

	31 December 2024	31 December2023
1 January	31,730	46,868
Movement during the year, net	86,663	4,201
Inflation effect	(20,914)	(19,339)
	97,479	**31,730**

Litigations against the Group:

As of 31 December 2024, the total amount of outstanding legal claims brought against the Group is TL 31,027 (31 December 2023: TL 43,351). The Group has reflected a reserve amounting to TL 97,479 (31 December 2023: TL 31,730) in the financial statements.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

13. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

a) Provisions (cont'd)

Collaterals, pledges, mortgages and sureties:

As of 31 December 2024 and 31 December 2023, guarantees, pledges, mortgages and sureties ("CPMs") given by the Group are as follows in original currencies:

	31 December 2024			31 December 2023		
	TL equivalent	EUR	TL	TL equivalent	EUR	TL
A. Total Amount of CPM Given for Its Own Legal Entity	672,397	2,000	598,911	1,393,951	2,000	1,299,891
B. Total Amount of CPM Given on Behalf of the Fully Consolidated Entities						
C. Total Amount of CPM Given on Behalf of Third Parties Debts for Continuation of Their Economic Activities	-	-	-	-	-	-
D. Total Other CPM Given	-	-	-	-	-	-
i. Total CPM Given on Behalf of	-	-	-	-	-	-
the Parent Company	-	-	-	-	-	-
ii) Total CPM Given on Behalf of Other Group Companies which are not included in the Scope of Items B and C	-	-	-	-	-	-
iii. Total CPM Given on Behalf of Third Parties which are not included in the Scope of Items C	-	-	-	-	-	-
Total	**672,397**	**2,000**	**598,911**	**1,393,951**	**2,000**	**1,299,891**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

13. PROVISIONS,CONTINGENT ASSETS AND LIABILITIES (cont'd)

b) Other

Within the scope of the export incentive certificate dated 04 March 2021 and numbered 2021/D1-01051, which provides an export commitment of USD 3,288,142,000.00 to be realized until 30 April 2024, USD 2,918,148,554.37 has been exported. Within the scope of the export incentive certificate, which provides an import commitment of 1,950,184,800.00 USD, 1,491,043,569.14 USD has been imported.

Within the scope of the export incentive certificate dated 21 February 2023 and numbered 2023/D1-01035, which provides an export commitment of USD 2,070,948,000.00 to be realized by 05April 2025, USD 759,684,978.11 has been exported. Within the scope of the export incentive certificate, which provides an import commitment of 955,230,840.00 USD, 241,959,897.86 USD has been imported.

Within the scope of the export incentive certificate dated 22 November 2024 and numbered 2024/D1-06175, which provides an export commitment of USD 1,748,667,200.00 to be realized by 22 November 2025, USD 5,013,409.91 of export has been realized. Within the scope of the export incentive certificate, which provides an import commitment of 1,127,446,132.00 USD, 3,852,720.33 USD has been imported.

14. EMPLOYEE BENEFITS

a) Short-term payables for employee benefits:

	31 December 2024	31 December 2023
Due to personnel	356,130	1,026,015
Social security premiums payable	159,931	135,556
Personnel income tax	315,504	266,506
Other	48,220	49,151
Provision for unused vacation	37,600	52,570
	917,385	**1,529,798**

b) Long-term provisions for employee benefits:

In accordance with the current labor law, the Group is obliged to pay a certain amount of severance pay to the personnel who quit their job due to retirement or who are dismissed for reasons other than resignation and bad behavior and who have served for at least one year. The compensation to be paid is the amount of one month's salary for each year of service and this amount is limited to full TL 41,828.42 as of 31 December 2024 (31 December 2023: full TL 23,489.83, historical amount). The severance pay ceiling is revised every six months, and the ceiling amount of full TL 46,655.43 (1 January 2024: full TL 35,058.58, historical amount) valid as of 1 January 2025 has been taken into account in the calculation of the consolidated severance pay provision.

Based on the information obtained from past experiences, the Group management discounted the benefits to which employees who are entitled to receive severance pay were entitled, using the government bond rates valid on the balance sheet date, in accordance with TAS 19, and reflected them in the consolidated financial statements based on their reduced net values. The assumptions used in the calculation are as follows:

	31 December	31 December
Net discount rate (%)	3.38	2.90
Turnover rate for estimating the probability of retirement (%)	95.85	97.48

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

14. EMPLOYEE BENEFITS (cont'd)

The movement of the provision for employment termination benefits for the years ended 31 December 2024 and 2023 is presented below:

	31 December	31 December
1 January	1,630,124	2,623,280
Current service cost	118,420	2,242,005
Cost/Gain as a Result of Termination of Employment	157,090	-
Interest cost	329,086	217,990
Paid during the period	(685,183)	(547,235)
Loss on remeasurement of defined benefit plans	19,684	(1,478,876)
Inflation effect	(490,686)	(1,427,040)
31 December	**1,078,535**	**1,630,124**

Sensitivity analyses of significant assumptions used in the calculation of provision for employment termination benefits as of 31 December 2024 are as follows:

	Net discount rate		Circulation rate for retirement probability	
	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase
Rate (%)	288.00%	388.00%	95.35	96.35
Increase/(decrease) in provision for employment termination benefits	(96,758)	96,758	27,022	(55,138)

15. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Share capital

The Company's registered capital ceiling is TL 1,000,000,000 (full TL). The Company's paid-in capital amount based on historical cost as of 31 December 2024 and 31 December 2023 is TL 500,000,000 (full TL) and consists of 50 billion shares, each with a value of TL 0.01 (full TL). As of 31 December 2024 and 31 December 2023, the Company's capital and partnership structure is as follows:

		31 December 2024		31 December 2023	
	Share group	Amount (TL)	Amount (%)	Amount (TL)	Amount (%)
Stellantis Europe SPA	D	189,280	37.856	189,280	37.856
Koç Holding A.Ş.	A	188,115	37.623	187,938	37.588
Koç Group Companies and Koç Family	A	1,166	0.233	1,342	0.268
Other, including publicly traded shares	E	121,439	24.288	121,440	24.288
Total		**500,000**	**100.000**	**500,000**	**100.000**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

15. SHARE CAPITAL RESERVES AND OTHER EQUITY ITEMS (cont'd)

a) Share capital (cont'd)

According to the articles of association, half of the members to be elected to the Board of Directors are chosen from among the candidates nominated by the Group A shareholders and the other half from among the candidates nominated by the Group D shareholders. The General Assembly is authorized to determine the number of Board members and to elect them. One of the candidates nominated by the A and D group shareholders must have the independent qualifications defined in the CMB regulations.

The historical values and inflation adjustment effects of the following equity accounts under the Company's balance sheet, in accordance with IFRS and Tax Law financial statements, as of 30 September 2024, are as follows:

31 December 2024 (TFRS)	Historical Value	Inflation adjustment effect	Indexed value
Share capital	500,000	19,469,934	19,969,934
Restricted reserves appropriated from profit	2,010,579	3,024,775	5,035,354

31 December 2024 (TPL)	Historical Value	Inflation adjustment effect	Indexed value
Share capital	500,000	15,621,312	16,121,312
Restricted reserves appropriated from profit	2,010,579	4,374,960	6,385,539

b) Profit reserves – prior years' profit/losses

Retained earnings in statutory accounts can be distributed except jurisdiction stated below related to legal reserves.

The legal reserves consist of first and second reserves, appropriated in accordance with 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 Company's paid-in/authorized 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/authorized share capital. 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/authorized share capital.

The recorded values of capital inflation adjustment differences and extraordinary reserves can be used in free capital increases, cash profit distributions or loss offsetting. However, capital inflation adjustment differences will be subject to corporate tax if used in cash profit distribution.

With the decision taken at the 7th Board of Directors meeting dated 4 March 2024, the Company distributed a cash dividend of a total of TL 12,547,734 (Amount as of the Board of Directors decision date: TL 10,000,000) from the profits of 2023 (TL 6,487,916 from the profits of 2022 in 2023 (Amount as of the Board of Directors decision date: TL 3,000,000)) after deducting legal obligations from the profits of 2023. As of the years ending on 31 December 2024 and 31 December 2023, the dividend amount distributed per share is 25.10 kr and 12.98 kr, respectively (As of the date of the Board of Directors' decision, earnings per share are 20.00 kr and 6.00 kr).

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

16. REVENUE AND COST OF SALES

a) Revenue	1 January - 31 December 2024	1 January - 31 December 2023
Domestic sales	93,756,228	140,780,665
Foreign sales	20,589,780	36,274,664
Other	5,920,563	7,173,427
	120,266,571	**184,228,756**

The amount of sales discounts is TL 8,522,375 (31 December 2023: TL 5,767,468).

The distribution of the Group's sales by product group in 2024 and 2023 is as follows:

	2024	2023
Passenger car	62,380,853	108,771,791
Commercial vehicle	41,561,415	57,504,248
Spare parts	10,403,740	10,779,290
Other	5,920,563	7,173,427
	120,266,571	**184,228,756**

b) Other	2024	2023
Second Hand Automobile sales income	2,668,626	4,119,175
R&D income	2,045,022	1,628,343
Mold sales income	437,601	511,583
Income from scrap sales	196,902	443,329
Packaging sales income	147,061	170,452
Other	425,351	300,545
Total	**5,920,563**	**7,173,427**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

16. REVENUE AND COST OF SALES (cont'd)

c) Cost of sales

	1 January - 31 December 2024	1 January - 31 December 2023
Direct material expenses	(59,417,451)	(103,506,285)
Depreciation and amortization expense	(4,987,200)	(4,861,506)
Direct labor expenses	(1,982,058)	(2,236,940)
Other production expenses	(3,633,163)	(4,633,594)
Total cost of production	**(70,019,872)**	**(115,238,325)**
Cost of trade goods sold	(35,185,400)	(37,297,811)
Change in work-in-process	(1,964,922)	324,243
Change in goods	(1,312,991)	458,482
Cost of other sales	(159)	(95)
Total	**(108,483,344)**	**(151,753,506)**

d) Production and sales volumes

	Production		Sales	
	December 2024	**December 2023**	**December 2024**	**December 2023**
Manufactured vehicles				
Egea	69,145	109,123	72,088	106,092
MCV	34,564	58,471	34,782	58,252
Egea Hatchback	28,731	52,416	28,892	52,212
Egea Stationwagon	3,821	9,533	3,916	9,446
Scudo	4,223	-	4,006	-
Doblo	-	9,885	1	11,416
Total	**140,484**	**239,428**	**143,685**	**237,418**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

16. REVENUE AND COST OF SALES (cont'd)

	Production		Sales	
	December 2024	December 2023	December 2024	December 2023
Imported vehicles				
Doblo	13,854	5,810	13,834	5,805
Ducato	8,205	7,758	8,494	7,413
Jeep	3,256	4,029	3,284	3,757
Alfa Romeo	1,138	2,346	1,303	2,016
Scudo	967	1,927	1,016	1,865
Fiat Topolino	850	-	746	-
Ulysse	263	1,129	339	1,053
Maserati	245	595	221	553
Panda Futura	91	116	93	114
Fiat 500	47	1,739	355	1,244
Ferrari	34	37	34	37
Fiat 600	342	-	342	-
Transit	-	13	-	13
Total	**29,292**	**25,499**	**30,061**	**23,870**

17. GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES

	1 January - 31 December 2024	1 January - 31 December 2023
Marketing expenses	(4,562,247)	(5,931,229)
General administrative expenses	(3,649,760)	(3,191,839)
Research and development expenses	(2,079,389)	(1,605,140)
Total	**(10,291,396)**	**(10,728,208)**

a) Marketing expenses

	1 January - 31 December 2024	1 January - 31 December 2023
Warranty expenses (Note:13)	(1,600,788)	(2,624,662)
Transportation and insurance expenses	(1,237,649)	(1,666,659)
Personnel expenses	(1,003,479)	(902,268)
Advertisement expenses	(253,694)	(231,491)
Depreciation and amortization	(50,980)	(42,341)
Travel expenses	(44,477)	(39,955)
Other	(371,180)	(423,853)
Total	**(4,562,247)**	**(5,931,229)**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

17. GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (cont'd)

b) General administrative expenses

	1 January - 31 December 2024	1 January - 31 December 2023
Personnel expenses	(1,403,787)	(1,314,982)
Depreciation and amortization	(1,094,108)	(671,149)
Outsourced expenses	(197,174)	(181,916)
Maintenance and repair expenses	(191,520)	(228,915)
Insurance expenses	(156,448)	(107,565)
Taxes, duties and charges	(76,537)	(65,848)
Travel expenses	(34,377)	(36,428)
Other	(495,809)	(585,036)
Total	**(3,649,760)**	**(3,191,839)**

c) Research and development expenses

	1 January - 31 December 2024	1 January - 31 December 2023
Personnel expenses	(1,304,510)	(1,019,342)
Prototype Expenses	(324,638)	(18,453)
Outsourced R&D expenses	(180,017)	(235,483)
Depreciation and amortization expenses	(67,307)	(99,354)
Transport and travel expenses	(34,311)	(55,927)
Energy expenses	(13,050)	(17,281)
Other	(155,556)	(159,300)
Total	**(2,079,389)**	**(1,605,140)**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

18. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

a) Other income from operating activities

	1 January - 31 December 2024	1 January - 31 December 2023
Foreign exchange income from operating activities	3,799,005	7,746,304
Maturity difference income from operating activities	3,851,834	7,016,693
Other	407,033	466,691
Total	**8,057,872**	**15,229,688**

b) Other expenses from operating activities

	1 January - 31 December 2024	1 January - 31 December 2023
Foreign exchange expenses from operating activities	(4,531,584)	(12,392,350)
Maturity difference expenses from operating activities	(1,641,643)	(4,466,743)
Other	(842,749)	(854,925)
Total	**(7,015,976)**	**(17,714,018)**

19. INCOME AND EXPENSES FROM INVESTING ACTIVITIES

	1 January - 31 December 2024	1 January - 31 December 2023
Revaluation income from investment properties (Note:9)	20,298	-
Gain on sale of property, plant and equipment	374,527	190,592
Total	**394,825**	**-**

	1 January - 31 December 2024	1 January - 31 December 2023
Impairment expense on investment properties (Note:9)	-	(18,703)
Total	**-**	**(18,703)**

20. EXPENSES BY NATURE

As of 1 January– 31 December 2024, the Group's personnel and depreciation and amortization expenses are TL 7,820,106 and TL 6,199,595, respectively (1 January– 31 December 2023: TL 8,351 and TL 5,674,350).

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

21. FINANCE INCOME AND EXPENSES

	1 January - 31 December 2024	1 January - 31 December 2023
Foreign exchange income	3,883,774	11,356,781
Interest income	6,035,838	5,485,966
Total finance income	**9,919,612**	**16,842,747**

	1 January - 31 December 2024	1 January - 31 December 2023
Foreign exchange expenses	(4,565,617)	(7,323,384)
Interest expenses	(162,027)	(156,655)
Other	(1,872)	(4,922)
Total finance expenses	**(4,729,516)**	**(7,484,961)**

22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Current tax expense and deferred tax

Tax expense includes current tax expense and deferred tax expense. Tax is included in the income statement, provided that it is not directly related to a transaction accounted for under equity. Otherwise, the tax is accounted for under the equity, together with the related transaction.

Current tax expense is calculated by taking into account the tax legislation, in force as of the financial statement date, in respective countries where the investments of the subsidiaries and investments accounted for by the equity method are active. According to Turkish tax legislation, all legal or business centers and institutions in Türkiye, are subject to Corporate Income Tax.

In the Turkish taxation system, financial losses may be offset against taxable profits for up to next five years while may not be offset (retrospectively) from previous years' earnings.

In addition, to be deducted from the corporate tax, a provisional tax of 25% is paid over the tax bases declared in the interim periods during the year in 2024 (31 December 2023: 25%).

As of 31 December 2024 and 31 December 2023, tax provision has been made in accordance with the applicable tax legislation.

The Company recognizes deferred tax based upon temporary differences arising between its financial statements and its statutory tax financial statements by using liability method. In the calculation of deferred tax, the tax rates valid as of the date of the statement of financial position are used in accordance with the current tax legislation.

While deferred tax liability is calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated provided that it is highly probable to benefit from these differences by generating taxable profit in the future.

Provided that they are subject to the tax legislation of the same country and there is a legally enforceable right to set off current tax assets from current tax liabilities, deferred tax assets and liabilities are mutually offset.

22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Corporate tax

The Company and its subsidiaries in the scope of consolidation are subject to the tax legislation and practices in force in the countries they are operating.

The corporate tax rate in Türkiye is 25%. (It was applied as 25% for corporate earnings for the 2023 taxation period.) The corporate tax rate is applied to the net corporate income calculated as a result of adding non-deductible expenses in accordance with the tax laws to the trade income of the corporations and deducting the exceptions and deductions in the tax laws. Corporate tax is declared until the evening of the thirtieth day of the fourth month following the end of the relevant year and is paid in a single installment until the end of the relevant month.

Companies calculate a provisional tax of 25% on their quarterly financial profits and declare it by the 17th day of the second month following that period and pay it by the evening of the seventeenth day. The temporary tax paid during the year belongs to that year and is deducted from the corporate tax to be calculated over the corporate tax return to be submitted in the following year. If the amount of temporary tax paid remains despite the deduction, this amount can be refunded in cash or set off against any other financial liabilities to the government.

Corporate tax losses can be carried forward for a maximum period of 5 years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

Dividend payments made to resident companies in Türkiye, to those who are not liable and exempt from corporate tax and income tax, and to real persons and non-resident legal entities in Türkiye are subject to 10% income tax.

Dividend payments made from companies residing in Türkiye to joint stock companies residing in Turkey are not subject to income tax. In addition, if the profit is not distributed or added to the capital, income tax is not calculated.

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, tax liabilities, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis. As of 31 December 2024 and 31 December 2023, taxes payable are netted off for each Subsidiary and classified separately in the consolidated financial statements.

Tax Advantages Obtained Under the Investment Incentive System:

The Group's earnings from investments subject to incentive certificates are subject to corporate tax at reduced rates from the accounting period in which the investment is partially or fully operated until the investment contribution amount is reached. In this context, as of 31 December 2024, the tax advantage of TL 3,591,675 (31 December 2023: TL 1,625,653) that the Group will benefit from in the foreseeable future has been reflected in the consolidated financial statements as a deferred tax asset. As a result of the recognition of the tax advantage as of 31 December 2024, a deferred tax income of TL 1,966,022 has arisen in the consolidated profit or loss statement for the period 1 January– 31 December 2024.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Tax Advantages Obtained Under the Investment Incentive System (cont'd)

Deferred tax assets are recorded when it is determined that taxable income will occur in the future years. In cases where it is probable that taxable income will be generated, deferred tax assets are calculated based on the tax advantages earned due to deductible temporary differences, tax losses and unlimited-life investment allowances that allow for reduced corporate tax payments. In this context, the Group bases the reflection of deferred tax assets arising from investment incentives in the consolidated financial statements on long-term plans and evaluates the recoverability of deferred tax assets related to investment discounts as of each balance sheet date, based on business models that include taxable profit estimates. It is anticipated that the deferred tax assets will be recovered within 5 years from the balance sheet date.

In the sensitivity analysis conducted as of 31 December 2024, there was no change in the recovery period of deferred tax assets related to investment incentives, which was foreseen as 5 years, when the inputs included in the basic macroeconomic and sectoral assumptions forming the business plans were increased/decreased by 10%.

	1 January - 31 December 2024	1 January - 31 December 2023
Current tax expense	(1,176,794)	(6,705,675)
Deferred tax income / (expense)	1,508,267	2,023,347
Total	**331,473**	**(4,682,328)**

	31 December 2024	31 December 2023
Current corporate tax	1,176,794	6,705,675
Less: Prepaid corporate tax	(1,789,454)	(4,867,859)
Prepaid corporate tax (-)	**(612,660)**	**1,837,816**

The analysis of tax income reflected in the statement of profit or loss as of 31 December 2024 and 2023 is presented below:

	1 January - 31 December 2024	1 January - 31 December 2023
Profit before tax	4,889,966	26,459,612
Tax expense based on effective tax (25%)	(1,222,492)	(6,614,903)
Non-deductible expenses	(15,031)	(498,420)
Discount provided from R&D expenses made during the period	713,170	597,236
Effect of reduced tax rate	1,490,335	3,153,560
Investment incentives utilised and earned, net	1,966,022	(2,104,319)
Other	1,885,761	(727,903)
Inflation effect	(4,486,292)	1,512,421
Total	**331,473**	**(4,682,328)**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Deferred tax assets and liabilities

	Cumulative temporary differences		**Deferred tax asset/(liability)**	
	31 December 2024	**31 December 2023**	**31 December 2024**	**31 December 2023**
Discounted corporate tax (*)	7,397,836	3,524,653	3,591,675	1,625,653
Provision for employment termination benefits and unused vacation	1,135,679	1,714,726	283,920	428,682
Liabilities arising from customer service	242,658	237,242	72,797	59,312
Warranty expense provision	2,235,870	2,513,360	558,967	628,341
Depreciable assets	(3,881,222)	(336,856)	(970,306)	(84,213)
Inventories	(466,365)	(1,101,453)	(116,591)	(275,310)
Land and investment properties	328,067	(282,917)	82,017	(70,730)
Other	436,644	666,877	109,161	185,510
Deferred tax asset, net	**7,429,167**	**6,935,632**	**3,611,640**	**2,497,245**

(*) The Group uses different discounted tax rates in proportion to the investment amounts as a result of its fixed asset investments.

The movement of the deferred tax asset balance during the period is as follows:

	1 January - 31 December 2024	**1 January - 31 December 2023**
Deferred tax asset as of 1 January	2,497,245	686,017
Deferred tax income	1,508,267	2,023,347
Related to other comprehensive income statement	(393,872)	(212,119)
Remeasurement gains/(losses) on defined benefit plans	*4,921*	*(369,719)*
Cash flow hedge losses	*(398,793)*	*157,600*
	-	
Total	**3,611,640**	**2,497,245**

23. EARNINGS PER SHARE

Earnings per share are determined by dividing net income by the weighted average number of shares that have been outstanding during the related period concerned. In 2024 and 2023, the weighted average number of shares outstanding is 50,000,000,000 and as of 31 December 2024 and 2023 earnings per share is Kr 10,44 and Kr 43,55, respectively.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

24. FINANCIAL INSTRUMENTS

Financial Liabilities

a) Short-term borrowings

	31 December 2024			31 December 2023		
	Foreign currency amount (thousand)	TL equivalent	Annual interest rate (%)	Foreign currency amount (thousand)	TL equivalent	Annual interest rate (%)
TL loans (*)	-	-	-	-	1,010,651	49.88-55.49
		-			**1,010,651**	

b) Short-term portion of long-term borrowings

	31 December 2024			31 December 2023		
	Foreign currency amount (thousand)	TL equivalent	Annual interest rate (%)	Foreign currency amount (thousand)	TL equivalent	Annual interest rate (%)
TL loans (*)	-	7,454,531	45.72-74.34	-	5,251,688	18.32-59.85
EUR loans	34,718	1,275,660	3.26 -6.8	57,163	2,688,380	2.00
Bonds issued (1,2,3,4,5,6)	-	2,189,517	35.98-54.37	-	758,747	30.00-52.85
Short-term portions of long-term lease liabiliti	-	17,401	-	-	19,146	-
	34,718	**10,937,109**		**57,163**	**8,717,961**	

c) Long-term borrowings

	31 December 2024			31 December 2023		
	Foreign currency amount (thousand)	TL equivalent	Annual interest rate (%)	Foreign currency amount (thousand)	TL equivalent	Annual interest rate (%)
EUR loans	249,928	9,183,093	3.26 -6.8	-	-	-
TL loans (*)	-	7,035,445	45.72-74.34	-	5,063,054	16.64-34.50
Bonds issued (1,2,3,4,5,6)	-	724,737	39.00-52.85	-	2,263,394	30.00-52.85
Short-term portions of long-term lease liabilities	-	20,575	-	-	26,086	-
	249,928	**16,963,850**		**-**	**7,352,534**	

As of 31 December 2024, TL 1,285,947 (31 December 2023: TL 1,234,109) of short-term and long-term financial liabilities have been acquired from banks that are related institutions. (Note 4).

As of 31 December 2024, the total of short and long-term loans in the amount of 14,489,976 (31 December 2023: 11,325,393) consists of loans received by the consolidated subsidiary KFK to finance the consumer loans it has provided.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

24. FINANCIAL INSTRUMENTS (cont'd)

Financial Liabilities (cont'd)

1) The Company issued a bond with a nominal payment of TL 500,000 with a nominal interest rate of 39.00% and a maturity of 18 months on 3 August 2023.

(2) The Company issued a bond with a nominal payment of TL 290,000 with a nominal interest rate of 52.85% and a maturity of 24 months on 7 September 2023.

(3) The Company issued a bond with a nominal payment of TL 650,000 with a nominal interest rate of 48.50% and a maturity of 24 months on 7 December 2023.

(4) The Company issued a 13-month maturity bond with a nominal interest rate of 48.75% and a nominal payment of 400,000 TL on 6 August 2024.

(5) The Company issued a bond with a nominal payment of TL 350,000 with a nominal interest rate of 46.50% and a maturity of 15 months on 26 November 2024.

(6) The Company issued a bond with a nominal payment of TL 360,000 with a nominal interest rate of 48.80% and a maturity of 18 months on 25 December 2024.

As of 31 December 2024, the interest rate on TL loans is fixed and the interest rate on EUR loans is variable.

As of 31 December 2024 and 31 December 2023, the repayment schedule of the Group's long-term loans is as follows:

	31 December 2024	**31 December 2023**
Between 1-2 years	8,869,009	6,380,193
Between 2-3 years	1,777,212	946,255
Between 3-4	1,259,041	-
Between 4-5	1,259,305	-
Over 5 years	3,778,708	-
	16,943,275	**7,326,448**

The movements of financial liabilities for the twelve-month periods ended 31 December 2024 and 2023 are as follows:

	31 December 2024	**31 December 2023**
	17,081,146	16,557,057
Cash flow effect, net	14,216,715	3,984,567
Effect of unrealised foreign exchange differences	4,232,559	2,366,872
Changes in TFRS 16 lease liabilities	(19,973)	(20,697)
Change in accrual of interest	16,420	9,971
Inflation effect	(7,625,908)	(5,816,624)
	27,900,959	**17,081,146**

25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Group's principal financial instruments are cash and cash equivalents and financial liabilities. The main purpose of these financial instruments is to raise financing for the Group's operations. The Group has various other financial instruments such as trade payables and trade receivables. which arise directly from its operations. The main risks arising from Group's financial instruments are interest rate risk, liquidity risk, currency risk and credit risk. The Group's management reviews and develops policies for managing each of these risks which are summarized below.

Credit risk

Credit risk is the risk that the other party will incur a financial loss as a result of the failure of the parties to fulfill their obligations with respect to a financial instrument. The Group attempts to control credit risk by monitoring credit exposures. limiting transactions with specific counterparties. and continually assessing the creditworthiness of the counterparties. It is the Group policy that all customers who wish to trade on credit terms are subject to credit screening procedures and the Group also obtains collaterals from customers when appropriate. In addition, the Group's doubtful loan / receivable risk is minimized by continuously reviewing the receivables. Trade receivables are evaluated by the Group management based on past experiences and the current economic situation and are presented net in the balance sheet after an appropriate amount of allowance for doubtful receivables (Note 5).

The amounts stated in the balance sheets reflects the maximum risk exposure of the Group.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

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

Credit risk (cont'd)

Types of credit exposed by types of financial instruments;

31 December 2024	Trade Receivables		Other Receivables	Cash and Cash Equivalents	Financial investments	Receivables from financial sector activities
	Related Party	Other	Other			
Maximum exposure to credit risk as of reporting date (A + B + C + D + E) (1)	**12,105,518**	**8,779,565**	**2,496**	**19,715,820**	**81,195**	**16,881,700**
- The portion of the maximum risk secured by collateral, etc. (-) (2)	29,950	5,352,847	-	-	-	16,881,700
A. Net book value of financial assets that are not overdue or impaired	**11,033,829**	**8,614,981**	**2,496**	**19,715,820**	**81,195**	**16,344,185**
a- The portion of the maximum risk secured by collateral, etc. (-)	29,950	5,352,719	-	-	-	16,344,185
- General loan provisions	-	-	-	-	-	(151,081)
Not past due or not impaired (gross carrying amount)	-	-	-	-	-	-
B. Carrying amount of financial assets that are renegotiated, otherwise considered overdue or impaired	-	-	-	-	-	-
b- The portion of the maximum risk secured by collateral, etc. (-)	-	-	-	-	-	-
C. Net book value of overdue but not impaired assets	**1,071,689**	**162,944**	-	-	-	**323,610**
c-The portion of the maximum risk secured by collateral, etc. (-)	-	128	-	-	-	(320,374)
D. Net book values of impaired assets	-	**1,640**	-	-	-	**213,905**
- Past due (gross book value)	-	17,758	-	-	-	374,084
- Impairment (-)	-	(16,118)	-	-	-	(160,179)
- Secured portion of the net book value by collateral, etc.	-	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Secured portion of the net book value by collateral, etc.	-	-	-	-	-	198,956
E. Off-balance sheet items that include credit risk	-	-	-	-	-	-

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

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

Credit risk (cont'd)

31 December 2023	**Trade Receivables**		**Other Receivables**	**Cash and Cash Equivalents**	**Financial investments**	**Receivables from financial sector activities**
	Related Party	**Other**	**Other**			
Maximum exposure to credit risk as of reporting date (A + B + C + D + E) (1)	**14,087,854**	**12,503,392**	**18,017**	**35,828,275**	**58,889**	**13,924,648**
- The portion of the maximum risk secured by collateral, etc. (-) (2)	47,934	10,422,799	-	-	-	13,924,648
A. Net book value of financial assets that are not overdue or impaired	**13,697,981**	**12,222,901**	**18,017**	**35,828,275**	**58,889**	**13,816,050**
a- The portion of the maximum risk secured by collateral, etc. (-)	47,934	10,472,932	-	-	-	13,816,050
- General loan provisions						(95,094)
Not past due or not impaired (gross carrying amount)	-	-	-	-	-	-
B. Carrying amount of financial assets that are renegotiated, otherwise considered overdue or impaired	-	-	-	-	-	-
b- The portion of the maximum risk secured by collateral, etc. (-)						
C. Net book value of overdue but not impaired assets	**389,873**	**278,022**	**-**	**-**	**-**	**95,105**
c-The portion of the maximum risk secured by collateral, etc. (-)	-	(50,133)	-	-	-	(94,155)
D. Net book values of impaired assets	**-**	**2,469**	**-**	**-**	**-**	**13,493**
- Past due (gross book value)	-	21,013	-	-	-	90,009
- Impairment (-)	-	(18,544)	-	-	-	(76,516)
- Secured portion of the net book value by collateral, etc.	-	-	-	-	-	-
- Not past due (gross amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Secured portion of the net book value by collateral, etc.	-	-	-	-	-	15,890
E. Off-balance sheet items that include credit risk	-	-	-	-	-	-

(1) Guarantees received and factors increasing the loan reliability are not considered when determining this amount.
(2) Guarantees consist of guarantee notes. guarantee checks. mortgages and car pledges received from customers.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

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

Aging analysis for trade receivables and receivables from financial sector activities

The aging of trade receivables and receivables from the financial sector that are overdue but no provision has been made is as follows:

31 December 2024	
1-30 days past due	837,112
1-3 months past due	260,996
3-12 months past due	344,816
1-5 years past due	115,319
	1,558,243

31 December 2023	
1-30 days past due	409,188
1-3 months past due	169,603
3-12 months past due	145,684
1-5 years past due	38,525
	763,000

As of 31 December 2024, TL 349,883 of a total past due receivables of the Group is due from Group's related party, Stellantis Europe SPA (31 December 2023: TL 546,931). As of 31 December 2024, the Group's trade payables to Stellantis Europe SPA is TL 3,049,325 (31 December 2023: TL 15,769,153).

Foreign currency risk

The Group is exposed to foreign exchange risk arising from the ownership of foreign currency denominated assets and liabilities with sales or purchase commitments. The policy of the Group is to compare every foreign currency type for the probable sales or purchases in the future.

According to the manufacturing agreements signed by the Group, the repayment obligations related to loans obtained for Egea, Doblo, Mini Cargo are guaranteed by Stellantis Group through future purchases. Therefore, the Stellantis Group has assumed the risk of fluctuations in foreign exchange rates and interest rates that may arise from the loan used for the production of the vehicles.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

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

Foreign currency risk (cont'd)

31 December 2024		**TL equivalent (functional currency)**	**USD ('000)**	**EUR ('000)**	**Other ('000)**
1.	Trade Receivables	8,197,544	1,994	221,194	-
2a.	Monetary Financial Assets (including cash, bank accounts)	6,224,383	9	169,394	8
2b.	Non-Monetary Financial Assets	1,511,699	-	35,844	-
3.	Other	288,355	-	7,848	-
4.	**Current assets (1+2+3)**	**16,221,981**	**2,003**	**434,280**	8
5.	Trade Receivables	-	-	-	-
6a.	Monetary Financial Assets	-	-	-	-
6b.	Non-Monetary Financial Assets	1,767,148	-	41,901	-
7.	Other	-	-	-	-
8.	**Non-current assets (5+6+7)**	**1,767,148**	**-**	**41,901**	-
9.	**Total assets (4+8)**	**17,989,129**	**2,003**	**476,181**	8
	Trade Payables	(4,730,661)	(1,676)	(126,882)	(1,987)
11.	Financial Liabilities	(1,275,660)	-	(34,718)	-
12a.	Monetary Other Liabilities	-	-	-	-
12b.	Non-Monetary Other Liabilities	(211)	-	(5)	-
13.	**Current liabilities (10+11+12)**	**(6,006,532)**	**(1,676)**	**(161,605)**	(1,987)
14.	Trade Payables	-	-	-	-
15.	Financial Liabilities (*)	(9,183,093)	-	(249,928)	-
16a.	Monetary Other Liabilities	-	-	-	-
16b.	Non-Monetary Other Liabilities	-	-	-	-
17.	**Non-current liabilities (14+15+16)**	(9,183,093)	-	(249,928)	-
18.	**Total liabilities (13+17)**	**(15,189,625)**	**(1,676)**	**(411,533)**	(1,987)
19.	**Net Asset/(Liability) Position of Off-Balance Sheet Derivative Instruments (19a-19b)**	**10,458,720**	**-**	**284,646**	-
19a.	Hedge edilen toplam varlık tutarı	-	-	-	-
19b.	Hedged portion of liabilities amount	(10,458,720)	-	(284,646)	-
20.	**Net foreign currencies assets / (liability) position (9+18+19)**	**13,258,224**	**327**	**349,294**	(1,979)
21.	**Monetary Items Net Foreign Currency Asset/Liability Position (1+2a+3+5+6a+10+11+12a+14+15+16a)**	**(479,132)**	**327**	**(13,097)**	(1,979)
22.	Total fair value of financial instruments used for foreign currency hedges	-	-	-	-
23.	Export	18,290,733	4,212	518,088	76,501
24.	Import	55,187,930	8,900	1,461,340	394,356

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

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

Foreign currency risk (cont'd)

31 December 2023		**TL equivalent (functional currency)**	**USD ('000)**	**EUR ('000)**	**Other ('000)**
1.	Trade Receivables	7,252,391	89	154,128	-
2a.	Monetary Financial Assets (including cash, bank accounts)	15,222,706	19	323,665	-
2b.	Non-Monetary Financial Assets	3,724,314	-	79,191	-
3.	Other	11,098	-	236	-
4.	**Current assets (1+2+3)**	**26,210,509**	**108**	**557,220**	**-**
5.	Trade Receivables	-	-	-	-
6a.	Monetary Financial Assets	-	-	-	-
6b.	Non-Monetary Financial Assets	876,685	-	18,641	-
7.	Other	-	-	-	-
8.	**Non-current assets (5+6+7)**	**876,685**	**-**	**18,641**	**-**
9.	**Total assets (4+8)**	**27,087,194**	**108**	**575,861**	**-**
10.	Trade Payables	(17,284,482)	(8,633)	(359,720)	-
11.	Financial Liabilities	(2,688,382)	-	(57,163)	-
12a.	Monetary Other Liabilities	-	-	-	-
12b.	Non-Monetary Other Liabilities	282	-	6	-
13.	**Current liabilities (10+11+12)**	**(19,972,582)**	**(8,633)**	**(416,877)**	**-**
14.	Trade Payables	-	-	-	-
15.	Financial Liabilities (*)	-	-	-	-
16a.	Monetary Other Liabilities	-	-	-	-
16b.	Non-Monetary Other Liabilities	-	-	-	-
17.	**Non-current liabilities (14+15+16)**	**-**	**-**	**-**	**-**
18.	**Total liabilities (13+17)**	**(19,972,582)**	**(8,633)**	**(416,877)**	**-**
19.	**Net Asset/(Liability) Position of Off-Balance Sheet Derivative Instruments (19a-19b)**	**2,688,382**	**-**	**57,163**	**-**
19a.	Hedge edilen toplam varlık tutarı	-	-	-	-
19b.	Hedged portion of liabilities amount	(2,688,382)	-	(57,163)	-
20.	**Net foreign currencies assets / (liability) position (9+18+19)**	**9,802,994**	**(8,525)**	**216,147**	**-**
21.	**Monetary Items Net Foreign Currency Asset/Liability Position (1+2a+3+5+6a+10+11+12a+14+15+16a)**	**2,513,331**	**(8,525)**	**61,146**	**-**
22.	Total fair value of financial instruments used for foreign currency hedges	-	-	-	-
23.	Export	30,813,795	-	824,019	89,932
24.	Import	**67499573.39**	**16145.9**	**1778283.4**	**129,942**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

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

The following table demonstrates the sensitivity to a possible change of 10% in the USD, EUR and other exchange rates in the Group's foreign currency denominated liabilities (excluding foreign currency denominated inventory and fixed asset purchase advances) with all other variables held constant on the Group's income before tax as of 31 December 2024 and 31 December 2023:

	Profit/loss		Equity	
31 December 2024	**Appreciation of foreign currency**	**Depreciation foreign currency**	**Appreciation of foreign currency**	**Depreciation foreign currency**
In case of a 10% appreciation of USD against TL:				
1- USD net asset/liability	1,152	(1,152)	-	-
2- Portion hedged against USD risk (-)	-	-	-	-
3- USD net effect (1 +2)	**1,152**	**(1,152)**	**-**	**-**
In case of a 10% appreciation of EUR against TL:				
4- EUR net asset/liability	(48,122)	48,122	(976,145)	976,145
5- Portion hedged against EUR risk (-)	976,145	(976,145)	-	-
6- EUR net effect (4+5)	**928,023**	**(928,023)**	**(976,145)**	**976,145**
In case of a 10% appreciation of other foreign exchange rates against TL:				
7- Other foreign currency net asset/liabilitt	(958)	958	-	-
8- Other foreign currency hedged portion (-)	-	-	-	-
9- Other Foreign Currency Assets net effect (7+8)	**(958)**	**958**	**-**	**-**
Total (3+6+9)	**928,217**	**(928,217)**	**(976,145)**	**976,145**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

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

	Profit/loss		Equity	
31 December 2023	**Appreciation of foreign currency**	**Depreciation foreign currency**	**Appreciation of foreign currency**	**Depreciation foreign currency**
In case of a 10% appreciation of USD against TL:				
1- USD net asset/liability	(36,233)	36,233	-	-
2- Portion hedged against USD risk (-)	-	-	-	-
3- USD net effect (1 +2)	**(36,233)**	**36,233**	**-**	**-**
In case of a 10% appreciation of EUR against TL:				
4- EUR net asset/liability	287,568	(287,568)	268,836	(268,836)
5- Portion hedged against EUR risk (-)	(268,836)	268,836	-	-
6- EUR net effect (4+5)	**18,732**	**(18,732)**	**268,836**	**(268,836)**
In case of a 10% appreciation of other foreign exchange rates against TL:				
7- Other foreign currency net asset/liabilitt	-	-	-	-
8- Other foreign currency hedged portion (-)	-	-	-	-
9- Other Foreign Currency Assets net effect (7+8)	**-**	**-**	**-**	**-**
Total (3+6+9)	**(17,501)**	**17,501**	**268,836**	**(268,836)**

Interest risk

Interest rate risk arises from the impact of changes in interest rates on the financial statements. The Group is exposed to interest rate risk due to timing mismatches or differences of assets and liabilities that are due to be expired or re-priced in a given period. The Group manages this risk by applying risk management strategies by matching the dates of interest rate change of assets and liabilities.

As of 31 December 2024, there are no interest rate sensitive financial instruments in the balance sheet (31 December 2023: None).

Liquidity risk

Liquidity risk is the risk that a company will be unable to meet its funding requirements. Liquidity risk is reduced by balancing cash inflows and outflows with the support of loans provided by qualified credit institutions. The breakdown of financial assets and liabilities according to their maturities is disclosed considering from balance sheet date to due date period. Financial assets and liabilities that have no certain due dates are classified in over one-year column.

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

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

Liquidity risk (cont'd)

31 December 2024

Contractual maturities	Book value	Total Contracted Cash Outflows (=I+II+III)	Less than 3 months (I)	Between -12 months (II)	Between 1-5 years (III)	More Than 5 years (IV)
Non-derivative financial liabilities						
Bank loans	24,948,729	32,671,246	2,758,757	9,704,302	16,429,480	3,778,707
Lease liabilities	37,976	46,164	6,795	18,795	20,574	-
Trade payables	11,341,853	11,440,368	11,439,204	1,164	-	-
Debt securities issues	2,914,254	3,983,409	791,167	2,021,681	1,170,561	-
Employee benefit payables	917,385	917,385	917,385	-	-	-
Other payables	95,478	95,478	95,478	-	-	-
Total	**40,255,675**	**49,154,050**	**16,008,786**	**11,745,942**	**17,620,615**	**3,778,707**

31 December 2023

Contractual maturities	Book value	Total Contracted Cash Outflows (=I+II+III)	Less than 3 months (I)	Between -12 months (II)	Between 1-5 years (III)	More Than 5 years (IV)
Non-derivative financial liabilities						
Bank loans	14,013,773	19,495,768	3,686,914	8,710,096	7,098,758	-
Lease liabilities	45,234	104,105	29,030	48,989	26,086	-
Trade payables	34,016,906	34,036,732	34,033,820	2,912	-	-
Debt securities issues	3,022,141	4,714,147	-	1,532,100	3,182,047	-
Employee benefit payables	1,530,001	1,530,001	1,530,001	-	-	-
Other payables	83,145	83,145	83,145	-	-	-
Total	**52,711,200**	**59,963,898**	**39,362,910**	**10,294,097**	**10,306,891**	**-**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

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

Capital management policy

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes amendments to it, in light of changes in economic conditions.

The Group may adjust dividend payments to shareholders or return capital to shareholders in order to adjust and maintain its capital structure. As of 31 December 2024, there have been no changes in objectives, policies or processes.

As of 31 December 2024 and 2023, consolidated net debt/equity ratios are as follows:

	31 December 2024	31 December 2023
Total financial debt	27,900,959	17,081,146
Cash and cash equivalents (-)	(19,715,820)	(35,828,275)
Net financial debt	8,185,139	(18,747,129)
Equity	47,101,612	53,246,292
Net financial debt/equity ratio	**%17**	**(%35)**

26. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING)

The Group has determined the estimated fair values of financial instruments using currently available market information and appropriate valuation methods. However, evaluating market information and estimating fair values requires interpretation and judgment. As a result, the estimates presented herein may not be indicative of the amounts the Group could realize in a current market transaction. The following methods and assumptions were used to estimate the values of financial instruments the fair value of which can be estimated:

Financial assets are translated using end-of-period exchange rates because the balance sheet value of monetary items in foreign currencies is close to their current value. Financial assets (excluding consumer finance loans) are considered to be close to their carrying values because they are short-term and credit losses are negligible. Related fair values are calculated by discounting the future cash flows of consumer finance loans with the current interest rate of 51.97% per annum (31 December 2023: 53.51%).

	31 December 2024		31 December 2023	
	Carrying value	Fair value	Carrying value	Fair value
Receivables from finance sector operations	16,881,700	12,739,346	13,924,648	10,533,659

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

26. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING) (cont'd)

Financial liabilities and monetary items denominated in foreign currencies are translated at year-end exchange rates as the balance sheet value approximates their fair values. The fair values of trade payables and other monetary liabilities are considered to approximate their carrying values due to their short-term maturities.

Accordingly, there is an effective cash flow hedge relationship between long-term foreign currency denominated borrowings related to investment costs (the non-derivative hedging instrument) and actual and expected future sales (the hedged item) of the vehicles (Egea, Doblo, Yeni Doblo and Mini Cargo (MCV)).

Fair value measurements

The table below contains the analysis of financial instruments at fair value determined by the fair value valuation method. The fair value calculations have been made based on the steps described below:

- Quoted prices (unadjusted) in active markets for specific assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs (unobservable inputs) for the asset or liability that are not based on observable market data (Level 3).

31 December 2024			
	Level 1	**Level 2**	**Level 3**
Financial investments	-	81,195	-
Total		81,195	
31 December 2023			
	Level 1	**Level 2**	**Level 3**
Financial investments	-	58,889	-
Total		58,889	

During the period ended 31 December 2024, the Group did not make any transfers between the second level and the first level and to or from the third level.

27. FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDIT FIRM

The fees for services received by the Group from the Independent Audit Firm (IAF) in the periods of 1 January– 31 December 2024 and 1 January– 31 December 2023 are as follows:

Independent audit fee for the reporting period	**1 January - 31 December 2024**	**1 January - 31 December 2023**
Legal and voluntary independent audit services	5,534	3,591
Fees for other assurance services	-	185
Total	**5,534**	**3,776**

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

28. CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Bank		
-Time deposits	18,543,218	34,588,996
-Demand deposits	351,707	597,787
-Blocked demand deposits	820,875	641,475
-Blocked time deposit	20	17
Total	**19,715,820**	**35,828,275**

Details of time deposits as of 31 December 2024 and 2023 are as follows:

	31 December 2024		31 December 2023	
	Amount	Annual interest rate (%)	Amount	Annual interest rate (%)
EUR	6,223,281	0.4%-1.25%	15,220,905	0.7% - 4.5%
TL	12,319,937	46.5%-48.75%	19,368,090	35% - 47.5%
	18,543,218		**34,588,996**	

As of 31 December 2024, the maturity of time deposits is 2 days. (31 December 2023: between 4-37 days).

As of 31 December 2024, a total of TL 1,822,397 (31 December 2023: TL 2,577,118) of time and demand deposits are in the related institution bank.

The cash and cash equivalents in the consolidated cash flow statements for the years ended 31 December 2024 and 2023 are as follows:

	31 December 2024	31 December 2023
Cash and Banks	19,715,820	35,828,275
Less: interest accruals	(14,651)	(246,173)
Less: blocked deposits	(820,895)	(641,492)
	18,880,274	**34,940,610**

As of 31 December 2024, there are blocked deposits of TL 820,895. TL 820,875 of this amount consists of the required reserve amount of the Central Bank of the Republic of Türkiye (31 December 2023: TL 641,475)

(Amounts are expressed in thousands of TL based on the purchasing power of Turkish Lira ("TL") as of 31 December 2024, unless otherwise stated.)

29. EXPLANATIONS ON NET MONETARY POSITION GAINS / (LOSSES)

Non Monetary Items	**31 Aralık 2024**
Statement of financial position items	
Inventories	5.107.013
Prepaid expenses (ST)	3.430
Investment properties	65.982
Property, plant and equipment	5.808.553
Intangible assets	17.242
Prepaid expenses (LT)	190.359
Deferred tax asset	709.253
Deferred income	(86.282)
Capital adjustment differences	(6.138.306)
Accumulated other comprehensive income or expenses not to be reclassified to profit or loss	267.211
Accumulated other comprehensive income or expenses to be reclassified to profit or loss	1.002.635
Prior years' profit	(8.920.020)
Statement of profit or loss items	
Revenue	(16.608.479)
Revenue from finance sector operations	(1.059.995)
Cost of sales (-)	13.247.527
Expenses from finance sector operations (-)	871.707
Marketing expenses (-)	547.382
General administrative expenses (-)	379.349
Research and development expenses (-)	223.172
Other income from operating activities	(983.167)
Other expenses from operating activities (-)	880.561
Income from investing activities	(41.453)
Expenses from investing activities (-)	127
Finance income	(1.344.554)
Finance expenses(-)	569.752
Tax expense for the period	473.673
Net monetary position gains/(losses)	**(4.817.328)**

30. EVENTS AFTER THE REPORTING PERIOD

None.

31. OTHER

The Share Transfer Agreement regarding the acquisition of all shares of Stellantis Otomotiv Pazarlama A.Ş. by the Company was signed on 28 July 2023 (Note: 1). Within the scope of the permission required to be obtained from the Competition Authority regarding the transaction, in the latest statement of the Competition Authority published on 24 October 2024, it was stated that it was decided that the commitments given regarding the transaction were not sufficient for the transaction to be permitted. The related decision is not final and the process is ongoing.

The transfer fee has been determined as 400 million Euros, excluding the contingent payment and varying according to the closing adjustment; Completion of the share transfer transaction is subject to certain closing conditions, including obtaining the necessary permissions from the competition authorities and other regulatory bodies.

The distribution right of other Stellantis brands (Opel, Citroen, Peugeot, DS) in Turkey will be transferred to Tofaş if the acquisition of Stellantis Otomotiv is executed.