

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET ANONİM ŞİRKETİ

FOR THE INTERIM PERIOD JANUARY 1 – MARCH 31, 2025
CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

CONTENTS	Page
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION	1-2
INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS	3
INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME	4
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	5
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS	6
 EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	
NOTE 1 ORGANIZATION AND NATURE OF THE GROUP'S ACTIVITIES	7-8
NOTE 2 BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS	8-24
NOTE 3 BUSINESS COMBINATIONS	25
NOTE 4 CASH AND CASH EQUIVALENTS	26
NOTE 5 FINANCIAL INVESTMENTS	26
NOTE 6 FINANCIAL BORROWINGS	27-28
NOTE 7 TRADE RECEIVABLES AND PAYABLES	28
NOTE 8 OTHER RECEIVABLES AND PAYABLES	29
NOTE 9 INVENTORIES	29
NOTE 10 PREPAID EXPENSES AND DEFERRED INCOME	30
NOTE 11 RIGHT OF USE ASSETS	30
NOTE 12 PROPERTY, PLANT AND EQUIPMENT ASSETS	31-32
NOTE 13 INTANGIBLE ASSETS OTHER THAN GOODWILL	33
NOTE 14 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES	34
NOTE 15 EMPLOYEE BENEFIT OBLIGATIONS AND PROVISIONS	35-36
NOTE 16 OTHER ASSETS, LIABILITIES, AND CURRENT INCOME TAX ASSETS	36
NOTE 17 EQUITY	37-38
NOTE 18 GOODWILL	39
NOTE 19 REVENUE AND COST OF SALES	40
NOTE 20 GENERAL ADMINISTRATIVE, MARKETING, AND R&D EXPENSES	41-42
NOTE 21 EXPENSES BY NATURE	43
NOTE 22 OTHER OPERATING INCOME AND EXPENSES	43
NOTE 23 INCOME AND EXPENSES FROM INVESTING ACTIVITIES	44
NOTE 24 FINANCIAL INCOME AND EXPENSES	44-45
NOTE 25 NET MONETARY POSITION GAINS (LOSSES)	45
NOTE 26 INCOME TAXES	46-47
NOTE 27 RELATED PARTY DISCLOSURES	48-49
NOTE 28 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS	50-56
NOTE 29 EVENTS AFTER THE REPORTING PERIOD	56

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.**MARCH 31, 2025****INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)***Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)*

Period	Note	Current Period	Previous Period
		<i>Unaudited</i>	<i>Audited</i>
		March 31, 2025	December 31, 2024
ASSETS			
Current Assets		2.573.758.332	2.098.572.367
Cash and Cash Equivalents	4	551.526.401	696.210.602
Financial Investments	5	19.485.931	20.038.462
Trade Receivables		1.265.369.444	921.822.727
- Trade Receivables from Related Parties	7,27	64.704.514	64.042.904
- Trade Receivables from Third Parties	7	1.200.664.930	857.779.823
Other Receivables		76.544.438	61.701.241
- Other Receivables from Related Parties	8,27	92.210	-
- Other Receivables from Third Parties	8	76.452.228	61.701.241
Inventories	9	565.984.303	330.129.317
Prepaid Expenses	10	42.856.916	19.240.933
Current Period Tax Related Assets	16	7.192.346	2.985.658
Other Current Assets	16	44.798.553	46.443.427
Fixed Assets		3.400.679.420	3.411.968.928
Financial Investments	5	314.397.175	298.108.491
Other Receivables		355.775	622.565
- Other Receivables from Third Parties	8	355.775	622.565
Right of Use Assets	11	8.204.943	12.905.821
Property, Plant and Equipment	12	2.579.706.713	2.602.018.694
Intangible Assets		498.014.814	498.312.320
- Goodwill	18	493.359.765	493.359.765
- Other Intangible Assets	13	4.655.049	4.952.555
Prepaid Expenses	10	-	1.037
TOTAL ASSETS		5.974.437.752	5.510.541.295

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.**MARCH 31, 2025****INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)***Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)*

		Current Period	Previous Period
	Note	Unaudited	Audited
Period		March 31, 2025	December 31, 2024
LIABILITIES			
Short-Term Liabilities		1.636.051.142	1.137.497.328
Short-Term Borrowings		80.465.106	144.126.710
- Bank Loans	6	75.335.343	138.601.567
- Short-Term Lease Payables	6	5.129.763	5.525.143
Short-Term Portion of Long-Term Borrowings	6	105.027.296	112.448.686
Trade Payables		1.376.089.758	838.243.193
- Trade Payables to Related Parties	7,27	11.329.257	5.933.506
- Trade Payables to Third Parties	7	1.364.760.501	832.309.687
Employee Benefit Obligations	15	35.455.306	28.864.117
Other Payables		-	36.091
- Other Payables to Third Parties	8	-	36.091
Deferred Income	10	23.044.168	4.692.460
Short-Term Provisions		11.277.869	7.706.931
- Short-Term Provisions for Employee Benefits	15	9.433.298	5.771.700
- Other Short-Term Provisions	14	1.844.571	1.935.231
Other Short-Term Liabilities	16	4.691.639	1.379.140
Long-Term Liabilities		654.851.365	634.083.584
Long-Term Borrowings		277.140.231	303.381.561
-Bank Loans	6	270.678.239	295.705.352
-Long-Term Lease Payables	6	6.461.992	7.676.209
Long-Term Provisions		42.433.744	35.540.116
- Long-Term Provisions for Employee Benefits	15	42.433.744	35.540.116
Deferred Tax Liability	26	335.277.390	295.161.907
Total Equity	17	3.683.535.245	3.738.960.383
Paid-in Capital		386.500.000	386.500.000
Capital Adjustment Differences		1.476.248.073	1.476.248.073
Share Premiums (Discounts)		1.091.489.484	1.091.489.484
Other Comprehensive Income (Expense) Not to Be Reclassified to Profit or Loss		1.093.976.472	1.088.212.548
- Revaluation Increase / (Decrease) on Revaluation of Property, Plant and Equipment		1.109.882.071	1.110.423.482
- Gain on Remeasurement of Defined Benefit Plans		(15.905.599)	(22.210.934)
Restricted Reserves Appropriated		119.221.424	119.221.424
Retained Earnings		(392.199.318)	(115.283.023)
Net Profit/(Loss) for the Period		(55.400.258)	(277.457.706)
Equity Attributable to Owners of the Parent		3.719.835.877	3.768.930.800
Non-controlling Interests		(36.300.632)	(29.970.417)
TOTAL SOURCES		5.974.437.752	5.510.541.295

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.
INTERIM PERIOD JANUARY 1 – MARCH 31, 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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

Period	Note	Current Period	Previous Period
		Unaudited	Unaudited
		January 1 – March 31, 2025	January 1 – March 31, 2024
Revenue	19	1.629.448.020	1.751.614.624
Cost of Sales	19	(1.520.069.886)	(1.543.700.535)
GROSS PROFIT/LOSS		109.378.134	207.914.089
General Administrative Expenses	20	(32.523.209)	(37.931.913)
Marketing Expenses	20	(94.251.483)	(121.470.976)
Research and Development Expenses	20	(305.345)	(1.339.071)
Other Operating Income	22	55.011.580	51.508.029
Other Operating Expenses	22	(16.897.641)	(12.912.533)
OPERATING PROFIT/LOSS		20.412.036	85.767.625
Investment Income	23	1.288.173	13.772.088
Investment Expenses	23	(1.295.779)	(3.529)
Impairment Gains (Losses) and Reversals of Impairment Losses Determined in accordance with TFRS 9	23	(133.700)	(24.342)
OPERATING PROFIT/LOSS BEFORE FINANCIAL EXPENSES		20.270.730	99.511.842
Finance Income	24	75.127.268	16.418.471
Finance Costs	24	(76.193.618)	(55.791.022)
Net Monetary Position Gains (Losses)	25	(43.123.002)	(188.239.382)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		(23.918.622)	(128.100.091)
Tax Expense / Income from Continuing Operations		(37.999.262)	(17.949.669)
Current Period Tax Expense / Income	26	-	(20.432.439)
Deferred Tax Expense / Income	26	(37.999.262)	2.482.770
PROFIT (LOSS) FOR THE PERIOD		(61.917.884)	(146.049.760)
Distribution of Profit (Loss) for the Period		(61.917.884)	(146.049.760)
Non-controlling Shares		(6.517.626)	(4.475.970)
Equity Attributable to Owners of the Parent		(55.400.258)	(141.573.790)
Earnings / (loss) per share	17	(0,143)	(0,366)
Earnings per Share from Continuing Operations		(0,143)	(0,366)

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.
INTERIM PERIOD JANUARY 1 – MARCH 31, 2025
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

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

		Current Period	Previous Period
		<i>Unaudited</i>	<i>Unaudited</i>
Period	Note	January 1 – March 31, 2025	January 1 – March 31, 2024
Period Loss		(61.917.884)	(146.049.760)
Items Not to Be Reclassified to Profit or Loss		8.649.709	7.113.430
Gain (Loss) on Remeasurement of Defined Benefit Plans		8.649.709	7.113.430
Taxes On Other Comprehensive Income Not to Be Reclassified to Profit or Loss		(2.156.963)	(1.774.488)
Gain (Loss) on Remeasurement of Defined Benefit Plans, Tax Effect		(2.156.963)	(1.774.488)
OTHER COMPREHENSIVE INCOME (EXPENSE)		6.492.746	5.338.942
TOTAL COMPREHENSIVE INCOME/(EXPENSE)		(55.425.138)	(140.710.818)
Distribution of Total Comprehensive Income		(55.425.138)	(140.710.818)
Non-controlling Shares		(6.330.215)	(4.408.136)
Equity Attributable to Owners of the Parent		(49.094.923)	(136.302.682)

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.
INTERIM PERIOD JANUARY 1 – MARCH 31, 2025
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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

	Note	Paid-in Capital	Capital Adjustment Differences	Share Premiums / Discounts	Accumulated Other Comprehensive Income or Expenses Not to Be Reclassified to Profit or Loss		Restricted Reserves Appropriated from Profit	Retained Earnings		Belonging to the Parent Company Equity	Non-Controlling Shares	Equity
					Revaluation Increases (Decreases) of Property, Plant and Equipment	Defined Benefit Plans Re-measurement Earnings (Losses)		Previous Years' Profit/Loss	Net Profit/Loss for the Period			
Balances as of 01.01.2024		386.500.000	1.476.248.073	1.091.489.484	842.576.225	(16.074.761)	119.221.424	35.949.450	(155.380.538)	3.780.529.357	(8.192.927)	3.772.336.430
Transfers		-	-	-	-	-	-	(155.380.538)	155.380.538	-	-	-
Total Comprehensive Income (Loss)		-	-	-	-	5.271.108	-	-	(141.573.790)	(136.302.682)	(4.408.136)	(140.710.818)
- <i>Period Profit (Loss)</i>		-	-	-	-	-	-	-	(141.573.790)	(141.573.790)	(4.475.970)	(146.049.760)
- <i>Other Comprehensive Income (Expense)</i>		-	-	-	-	5.271.108	-	-	-	5.271.108	67.834	5.338.942
Other Amounts Reclassified from Accumulated Other Comprehensive Income to Retained Earnings		-	-	-	(536.166)	-	-	536.166	-	-	-	-
Balances as of 31.03.2024		386.500.000	1.476.248.073	1.091.489.484	842.040.059	(10.803.653)	119.221.424	(118.894.92)	(141.573.790)	3.644.226.675	(12.601.063)	3.631.625.612

Balances as of 01.01.2025	17	386.500.000	1.476.248.073	1.091.489.484	1.110.423.482	(22.210.934)	119.221.424	(115.283.02)	(277.457.706)	3.768.930.800	(29.970.417)	3.738.960.383
Transfers		-	-	-	-	-	-	(277.457.706)	277.457.706	-	-	-
Total Comprehensive Income (Loss)		-	-	-	-	6.305.335	-	-	(55.400.258)	(49.094.923)	(6.330.215)	(55.425.138)
- <i>Period Profit (Loss)</i>		-	-	-	-	-	-	-	(55.400.258)	(55.400.258)	(6.517.626)	(61.917.884)
- <i>Other Comprehensive Income (Expense)</i>		-	-	-	-	6.305.335	-	-	-	6.305.335	187.411	6.492.746
Increase (Decrease) Due to Other Changes		-	-	-	(541.411)	-	-	541.411	-	-	-	-
Balances as of 31.03.2025	17	386.500.000	1.476.248.073	1.091.489.484	1.109.882.071	(15.905.599)	119.221.424	(392.199.31)	(55.400.258)	3.719.835.877	(36.300.632)	3.683.535.245

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.
INTERIM PERIOD JANUARY 1 – MARCH 31, 2025
CONSOLIDATED STATEMENT OF CASH FLOWS

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

Period	Note	Current Period	Previous Period
		Unaudited	Unaudited
		January 1 – March 31, 2025	January 1 – March 31, 2024
Cash Flows from Operating Activities		(105.136.304)	(810.205.083)
Period Loss		(61.917.884)	(146.049.760)
- Period Loss from Continuing Operations		(61.917.884)	(146.049.760)
Adjustments Related to Reconciliation of Net Profit (Loss) for the Period		28.595.711	87.171.241
- Adjustments Related to Depreciation and Amortization Expense	11, 12, 13	47.870.356	48.892.034
- Adjustments Related to Provisions	14, 15	25.407.507	16.319.894
- Adjustments for Interest (Income) and Expenses	24	(28.058.581)	31.997.709
- Adjustments Related to Tax (Income) Expense	26	37.999.262	17.949.670
- Monetary Gain / Loss	25	(54.622.833)	(27.988.066)
Changes in Working Capital		(68.830.518)	(728.535.265)
- Decrease (Increase) in Financial Investments	5	(15.345.073)	(185.989.723)
- Adjustments for Decrease (Increase) in Trade Receivables	7	(343.546.717)	(44.410.412)
- Adjustments for Decrease (Increase) in Other Receivables Related to Operations	8	(16.534.666)	27.806.020
- Adjustments for Decrease (Increase) in Inventories	9	(235.854.986)	83.475.621
- Decrease (Increase) in Prepaid Expenses	10	(23.614.946)	(43.390.740)
- Adjustments related to Increase (decrease) in Trade Payables	7	537.846.565	(581.924.462)
- Increase (Decrease) in Employee Benefit Payables	15	6.591.189	3.807.514
- Adjustments Related to Increase (Decrease) in Other Payables Related to Operations	8	3.276.408	16.116.246
- Increase (Decrease) in Deferred Income	10	18.351.708	(4.025.329)
Payments Made within the Scope of Provisions for Employee Benefits	15	(2.983.613)	(2.358.860)
Tax Refunds (Payments)		-	(20.432.439)
Cash Flows from Investing Activities		(20.559.991)	(38.358.264)
Cash Inflows from Sale of Property, Plant and Equipment and Intangible Assets		2.126.273	1.528.160
- Cash Inflows from Sale of Property, Plant and Equipment	12, 13	2.126.273	1.528.160
Cash Outflows from the Acquisition of Property, Plant and Equipment and Intangible Assets		(22.686.264)	(39.886.424)
- Cash Outflows from Purchase of Property, Plant and Equipment	12, 13	(22.599.173)	(38.333.124)
- Cash Outflows from Acquisition of Intangible Assets	12, 13	(87.091)	(1.553.300)
Cash Flows from Financing Activities		(18.987.906)	438.071.961
Cash Inflows from Borrowing		168.185.881	493.350.205
- Cash Inflows from Loans	6	168.185.881	493.350.205
Cash Outflows Related to Debt Payments		(220.437.694)	(24.928.615)
- Repayments of Borrowings	6	(220.437.694)	(24.928.615)
Cash Outflows Related to Debt Payments Arising from Lease Agreements		(1.459.994)	(1.323.711)
Interest Paid	24	(37.649.676)	(43.426.827)
Interest Received	24	72.373.577	14.400.909
Cash Before the Effect of Foreign Currency Translation Differences		(144.684.201)	(410.491.386)
Net Increase (Decrease)			
Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents		-	-
Net Increase (Decrease) in Cash and Cash Equivalents		(144.684.201)	(410.491.386)
Cash and Cash Equivalents at the Beginning of the Period	4	696.210.602	694.112.800
Cash and Cash Equivalents at the End of the Period	4	551.526.401	283.621.414

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 1- ORGANIZATION AND NATURE OF THE GROUP'S ACTIVITIES

Söke Değirmencilik was founded in Söke in 1963 and specialized in producing flour. Söke Değirmencilik primarily manufactures flour and related products for the Turkish market. Production is carried out at two locations, with one located in Söke and the other in Ankara. The main location and address of Söke Değirmencilik is at No:2 Sazlı Mahallesi Fabrika Sokak Söke/Aydın. The address of the Ankara Branch of Söke Değirmencilik is Ahi Evranosb Mahallesi Kazakistan Caddesi No:8 Sincan/Ankara. The address of Samsun branch is Çiftlikosb Mahallesi 4. Cadde No: 5/1 Tekkeöy/Samsun and the address of Konya branch is Göstere Mahallesi, 123001 Sokak, Numara:81 Ilgın/Konya.

All of the shares of the Company were acquired by Ulusoy Un Sanayi ve Ticaret A.Ş. ('Ulusoy Un') as a result of the share sale transaction on January 1, 2022. As a result of the transaction registered in the trade registry on January 1, 2022, Ulusoy Un has become the main shareholder of the Company.

The Company's shares, which were offered to the public through a book-building process at a unit price of 7.50 TL on January 4-6, 2023, started to be traded on the Yıldız Market as of January 12, 2023. Under the Board of Directors' resolution registered by the Söke Trade Registry Office on 8 February 2023, the Company's issued capital was increased from 309,000,000 TL to 386,500,000 TL. The increased portion, consisting of 77,500,000 Class B registered shares with a nominal value of 77,500,000 TL, was offered to the public.

As of March 31, 2025, and December 31, 2024, the Company's share capital structure is as follows:

Name	March 31, 2025		December 31, 2024	
	Share Ratio (%)	Share Value (TL)	Share Ratio (%)	Share Value (TL)
Ulusoy Un Sanayi ve Ticaret A.Ş.	75,49%	291.750.000	75,49%	291.750.000
Publicly Traded (*)	24,51%	94.750.000	24,51%	94.750.000
	100%	386.500.000	100%	386.500.000

As of March 31, 2025, the total number of personnel of the Group is 467. (December 31, 2024: 447 personnel).

Subsidiaries

As of 31 March 2025 and 31 December 2024, the subsidiary of the Company included in the scope of consolidation is as follows:

Subsidiary	Shareholding Ratios (%)	
	March 31, 2025	December 31, 2024
Gen Oyuncak Sanayi ve Ticaret A.Ş. ("Gen Oyuncak") (*)	%60	%60

(*) Pursuant to the Board of Directors' resolution dated March 29, 2023, the Company acquired 60% of the registered shares of Gen Oyuncak Sanayi ve Ticaret A.Ş., corresponding to a nominal value of TL 1,628,400 out of the total TL 2,714,000 nominal value of shares, through a Share Purchase Agreement signed between the parties on March 29, 2023.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 1- ORGANIZATION AND NATURE OF THE GROUP'S ACTIVITIES (Continued)

Subsidiaries

Gen Oyuncak Sanayi ve Ticaret A.Ş.

Gen Oyuncak, Gen Proje Yönetimi Mimarlık İnşaat Oyuncak San. ve Tic. Ltd. Şti. was founded on November 1, 2019 to manufacture, purchase, sell, import, and export a variety of toys, including play dough, bouncing dough, modeling dough, painting supplies, pencils, erasers, and office products.

The name of the company Gen Oyuncak has been changed to Gen Oyuncak Sanayi ve Ticaret Anonim Şirketi, following the General Assembly Decision on March 7, 2023, and registration on March 14, 2023.

Gen Oyuncak's headquarters address is Ferhatpaşa Mah. 37. Sk. No:11-13a Ataşehir/İstanbul and has a branch at Kozyatağı Mah. Filiz Soydemir Sk. It has a branch at the address of No:4/a Kadıköy/İstanbul. As of March 31, 2025, the number of personnel employed is 36 (December 31, 2024: 34)

As of March 31, 2025, the share capital is TL 2.714.000 (December 31, 2024: TL 2.714.000) and there is no outstanding share capital.

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

The consolidated financial statements of the Group for the interim period ended March 31, 2025 have been prepared in accordance with the provisions of the "Communiqué on Principles Regarding Financial Reporting in Capital Markets" ("Communiqué") numbered II-14.1, published in the Official Gazette dated June 13, 2013 and numbered 28676, of the Capital Markets Board ("CMB"), and in accordance with the international standards published by the Public Oversight Accounting and Auditing Standards Authority ("KGK"), based on the Turkish Financial Reporting Standards ("TFRS") and the annexes and interpretations thereof. TFRS is updated through communiqués to ensure parallelism with the changes in International Financial Reporting Standards ("IFRS").

The consolidated financial statements have been presented in accordance with the formats determined by the ("TFRS Taxonomy Announcement") published by the KGK on October 4, 2022, and the Financial Statement Samples and User Guide published by the CMB.

Restatement of Financial Statements in Hyperinflationary Periods

With the announcement made by the Public Oversight, Accounting and Auditing Standards Authority (POA) on November 23, 2023, entities applying Turkish Financial Reporting Standards (TFRS) have started to apply inflation accounting per TAS 29 Financial Reporting in Hyperinflationary Economies, starting from the financial statements for annual reporting periods ending on or after March 31, 2025. TAS 29 is applied in the financial statements, including consolidated financial statements, of entities whose functional currency is that of a hyperinflationary economy.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of Presentation (Continued)

Restatement of Financial Statements in Hyperinflationary Periods (Continued)

Following the aforementioned standard, financial statements prepared in the currency of a hyperinflationary economy have been restated in terms of the purchasing power of that currency as of the balance sheet date. Comparative information presented with respect to previous periods has also been restated in terms of the measuring unit current at the end of the reporting period for comparative purposes. Accordingly, the Group has also presented its consolidated financial statements as of March 31, 2024, and December 31, 2024, in terms of the purchasing power as of March 31, 2025.

Pursuant to the Capital Markets Board's resolution dated December 28, 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations and applying the Turkish Accounting/Financial Reporting Standards shall implement inflation accounting in accordance with the provisions of TAS 29, starting from the annual financial reports for interim accounting periods ending as of December 31, 2024.

The re-arrangements made in accordance with TAS 29 were made using the correction coefficient obtained from the Consumer Price Index ("TUFE") in Turkey published by the Turkish Statistical Institute ("TUIK").

As of March 31, 2025, the indexes and adjustment factors used in the restatement of the consolidated financial statements are as follows:

Date	Index	Correction Coefficient	Three-Year Cumulative Inflation Rate
March 31, 2025	2.954,69	1,00000	%250
December 31, 2024	2.684,55	1,10062	%291
March 31, 2024	2.139,47	1,38104	%309

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

- The consolidated financial statements for the current period presented in TL are expressed in terms of the purchasing power of TL at the balance sheet date and the amounts for the previous reporting periods are restated in accordance with the purchasing power of TL at the end of the reporting period.
- Monetary assets and liabilities are not restated as they are currently expressed in terms of the measuring unit current at the balance sheet date. Where the restated amounts of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 Impairment of Assets and TAS 2 Inventories have been applied, respectively.
- Non-monetary assets, liabilities and equity items that are not expressed in the current purchasing power at the balance sheet date are restated by applying the relevant conversion factors.
- All items in the statement of comprehensive income, except for the effects of non-monetary items in the balance sheet on the statement of comprehensive income, have been restated by applying the multiples calculated over the periods in which the income and expense accounts were initially recognized in the financial statements.
- The effect of inflation on the Group's net monetary asset position in the current period is recognized in the gain/(loss) on net monetary position in the consolidated statement of income.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.1 Basis of Presentation (Cont.)

Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will realize the benefits from its assets and settle its liabilities in the normal course of business.

Functional and reporting currency

The consolidated financial statements of the Group are presented in the currency of the primary economic environment in which the Group operates (its functional currency). The consolidated financial position and results of operations of the Group are expressed in TL, which is the functional currency of the Group and the presentation currency for the consolidated financial statements.

Netting / Offsetting

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

Approval of Consolidated Financial Statements

The consolidated financial statements prepared as of March 31, 2025, were approved by the Company Management on May 9, 2025. The General Assembly has the authority to amend the consolidated financial statements after publication.

Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries. Control is ensured when the Company meets the following conditions:

- Has power over the invested company/asset,
- Is open to or has the right to variable returns from the invested company/asset,
- Can use its power in a way that can affect returns.

In cases where the Company does not have a majority vote on the invested company/asset, it has control over the invested company/asset if it has sufficient voting rights to be able to direct/manage the activities of the relevant investment on its own.

The Company takes into consideration all relevant events and circumstances in assessing whether the majority vote on the relevant investment is sufficient to provide control, including the following elements:

- Comparison of the voting rights of the Company with the voting rights of other shareholders,
- Potential voting rights of the Company and other shareholders,
- Rights arising from other contractual agreements,
- Other events and conditions that may indicate whether the Company has the current power to manage the relevant activities in cases where decisions need to be made (including votes taken at previous general meetings).

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.1 Basis of Presentation (Cont.)

Basis of Consolidation (Continued)

If a situation or event occurs that may cause a change in at least one of the criteria listed above, the Company re-evaluates whether it has control over its investment.

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

The financial position statements and the statements of profit or loss and other comprehensive income of the subsidiaries are consolidated using the full consolidation method.

Each item of the consolidated profit or loss and other comprehensive income belongs to the shareholders of the parent company and the Non-controlling Shares. Even if the Non-controlling Shares result in a reverse balance, the total consolidated profit or loss and other comprehensive income of the subsidiaries is transferred to the shareholders of the parent company and the Non-controlling Shares.

If necessary, adjustments have been made to the accounting policies in the financial statements of the subsidiaries to be the same as the accounting policies followed by the Group.

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

The direct share ratios of the subsidiaries controlled by the Company as of March 31, 2025, and December 31, 2024, are as follows:

Subsidiaries	Shareholding Ratios (%)	
	March 31, 2025	December 31, 2024
Gen Oyuncak Sanayi ve Ticaret A.Ş.	%60	%60

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.2 New and Revised Standards and Interpretations

a) Effective January 1, 2025, New Standards, Amendments and Interpretations

Amendments to TAS 21 - Non-exchangeability

In May 2024, POA issued amendments to TAS 21. The amendments clarify how to assess whether a currency is not exchangeable and how to determine the exchange rate when a currency is not exchangeable. According to the amendments, when estimating the exchange rate because a currency is not exchangeable, the entity discloses information that enables users of the financial statements to understand how the inability to exchange one currency for another currency has affected, or is expected to affect, the entity's performance, financial position and cash flows. When the amendments are applied, comparative information is not restated.

b) Standards and amendments issued but not yet effective as of March 31, 2025

Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets by an Investor Entity to an Associate or Joint Venture

In December 2017, POA postponed indefinitely the effective date of the amendments to TFRS 10 and TAS 28, to be modified depending on the outcome of the ongoing research project on the equity method. However, early adoption is still permitted.

TFRS 17 - New Insurance Contracts Standard;

February 2019, POA issued TFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation, and disclosure. TFRS 17 introduces a model that enables both the measurement of insurance contract liabilities at current balance sheet values and the recognition of profit over the period in which the services are provided. With the announcement made by POA, the mandatory effective date of the Standard, has been postponed to accounting periods beginning on or after January 1, 2026.

c) Amendments issued by the International Accounting Standards Board (IASB) but not issued by POA:

The following amendments to IFRS 9 and IFRS 7 and Annual Improvements to IFRS Accounting Standards, IFRS 18 and IFRS 19 are issued by the IASB but have not yet been adopted/issued by POA. Therefore, they do not form part of TFRS. The Group will make the necessary changes to its consolidated financial statements after the new standards and amendments are issued and become effective under TFRS.

- Amendments to TFRS 9 and TFRS 7 - Classification and Measurement of Financial Instruments
- Amendments to TFRS 9 and TFRS 7 - Contracts for Electricity Generated from Natural Resources
- TFRS 18 - New Standard on Presentation and Disclosures in Financial Statements
- TFRS 19 – Disclosure Standard for Subsidiaries without Public Accountability

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.3 Changes in Accounting Policies

Changes in accounting policies arising from the first-time adoption of a new TFRS are applied in accordance with the transitional provisions of that TFRS, if any, or retrospectively if there is no transitional provision or if there has been a significant voluntary change in accounting policy, and the prior period consolidated financial statements are restated.

2.4 Comparative Information and Restatement of Previous Period Consolidated Financial Statements

The accompanying consolidated financial statements are prepared comparatively with the previous period to identify trends in the consolidated financial position, performance, and cash flows of the Group. When the presentation or classification of the items in the consolidated financial statements is changed, the previous period consolidated financial statements are reclassified accordingly to maintain comparability and disclosures regarding these matters are made.

2.5 Changes and Errors in Accounting Estimate

The effect of a change in an accounting estimate if it relates to only one period, in the period in which the change is made, or prospectively in both the period in which the change is made and future periods, as appropriate, in determining net profit or loss for the period is recognized in the consolidated financial statements.

The amount of the correction of an error is considered retrospectively. An error is corrected by restating comparative amounts for prior periods in which it occurred or, if it occurred before the next reporting period, by restating the retained earnings account for that period. If restating the information would result in an excessive cost, the comparative information for prior periods is not restated, but the retained earnings account for the subsequent period is restated for the cumulative effect of the error before the beginning of that period.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 Summary of Significant Accounting Policies

Revenue

Revenue is recorded on an accrual basis based on the fair value of the consideration received or receivable upon delivery, reliable determination of the revenue amount, completion of the performance obligation and probable flow of economic benefits related to the transaction to the Group. Net sales are shown by deducting returns, discounts, commissions, and sales related taxes from the sales amount of goods. The Group records revenue subject to the following main conditions:

- (a) Identification of customer contracts,
- (b) Determination of performance obligations,
- (c) Determination of the transaction price in the contract,
- (d) Price decomposition of performance obligations,
- (e) Recognition of revenue when performance obligations are met.

The Group recognizes revenue from customers only when the following conditions are met:

- (a) the parties to the contract have ratified the contract (in writing, orally or by other customary business means) and have undertaken to fulfill their personal obligations under the contract,
- (b) the Group can identify the rights and obligations of both parties with respect to the product or service provided
- (c) If the Group can determine the payment terms for the goods and services provided.
- (d) the contract is a commercial transaction,
- (e) The Group is likely to collect fees for goods and services provided to customers.
- (f) In assessing the collectability of such fee, the Group should only consider the customer's ability and willingness to pay at the due date.

Inventories

Inventories are valued at the lower of cost or net realizable value. The cost of inventories all costs of purchase and bringing the inventories to their present location and condition includes other costs incurred. Net realizable value is ordinary course of business, the estimated selling price in the estimated costs of completion and estimated a sale. less costs necessary to make Inventory is valued using the weighted average cost method.

Property, Plant and Equipment

The Group's property, plant, and equipment, such as fixtures and fittings, are carried at cost less accumulated depreciation and accumulated impairment losses, including any costs incurred in preparing the assets for their intended use. Land, land improvements, buildings, machinery, plant and equipment and vehicles are carried at revalued amounts and the difference arising from the revaluation of property, plant and equipment is recognized as revaluation reserve in equity and in the statement of comprehensive income of the related period. When property, plant and equipment are disposed of, the cost and accumulated depreciation are written off against the related accounts and the gain or loss is recognized in the statement of profit or loss. Assets other than land are depreciated based on the rates determined according to the useful life of the asset.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 Summary of Significant Accounting Policies (Continued)

Property, Plant and Equipment (Continued)

Costs incurred in replacing any part of an item of property, plant, and equipment, together with maintenance and repair costs, are capitalized if they are likely to increase the future economic benefits of the asset. All other costs are recognized as an expense in the income statement as incurred.

Property, plant, and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and, if the carrying amount of the asset exceeds its recoverable amount, the carrying amount is written down to its recoverable amount.

If the carrying amount of an item of property, plant and equipment is increased because of a revaluation, the increase is recognized directly in equity as "revaluation reserve" in the consolidated financial statements. However, a revaluation increase is recognized as income to the extent that it reverses a previously expensed revaluation decrease of the same asset. If the carrying amount of an asset decreases because of a revaluation, the decrease is recognized as an expense in the consolidated financial statements. However, if a revaluation reserve was previously established in respect of the asset, the decrease is first deducted from that reserve. If the decrease in value is higher than the revaluation fund, the excess is recognized in the income statement.

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

Type of Fixed Asset	Estimated Useful Years
Underground and Surface Plants	5-25 Years
Buildings	5-50 Years
Plant, Machinery and Equipment	2-50 Years
Vehicles	2-15 Years
Fixtures	2-33 Years
Special Costs	2-3 Years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if necessary.

Intangible Assets Other than Goodwill

Intangible assets other than goodwill are recognized initially at cost and amortized over the useful life of the asset at rates determined on the basis of the useful life of the asset.

Type of Intangible Asset	Estimated Useful Years
Rights	3-15 Years

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 Summary of Significant Accounting Policies (Cont.)

Impairment of Assets

Financial assets not recognized in profit or loss are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence of impairment of financial assets includes the following:

- Default or failure of the debtor to fulfill its obligation.
- Restructuring of an amount subject to conditions that the Group would not consider otherwise.
- The possibility that the borrower or issuer may become insolvent.
- Negative situations arise in the payment status of these people.
- The disappearance of an active market for a security or
- Observable information that indicates a measurable decrease in the expected cash flows from the financial asset.

A significant or prolonged decline in the fair value of an investment in equity securities below cost is also objective evidence of impairment.

Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset (i.e., an asset that will take a substantial period to get ready for its intended use or sale) are capitalized as an element of the cost of that asset until the asset is ready for its intended use or sale. Borrowing costs that are not in this context are expensed in the period in which they are incurred. The Group recognizes all finance costs in the statement of profit or loss in the period in which they are incurred.

Leasing Operations

Determining whether a contract contains a lease element.

At inception of a contract, the Group determines whether it is a lease or a contract with a lease element. At inception of the contract or upon reassessment, the Group separates the payments required by such a contract into lease payments and payments for other matters based on their relative fair values.

If the Group determines that it is not possible to reliably allocate payments under a finance lease, an asset and a liability are recognized in the amount of the fair value of the related asset. The liability is reduced as subsequent payments are made and finance costs added to the liability are recognized using the Group's incremental borrowing rate.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 Summary of Significant Accounting Policies (Cont.)

Leasing Operations (Continued)

Leased assets

Assets held under leases that transfer to the Group substantially all the risks and rewards of ownership of the asset are classified as finance leases. Fixed assets held under finance leases are initially measured at the lower of the fair value of the asset and the present value of the minimum lease payments. After initial recognition, they are accounted for in accordance with the accounting policies applicable to the asset.

Lease payments

Minimum lease payments made under finance leases are allocated between finance costs and the reduction of the remaining liability. Finance costs are allocated to each period over the lease term at a fixed periodic interest rate on the remaining balance of the obligation.

Financial Assets

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, time deposits (deposits with maturities of less than three months) and other short-term highly liquid investments that their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The Group reviews cash and cash equivalents for impairment using the expected credit loss model.

Trade Receivables

Trade receivables arising from the supply of goods to the buyer are initially recognized at original invoice amount and subsequently measured at amortized cost using the effective interest method. Short-term receivables with no stated interest rate are measured at original invoice amount unless the effect of imputing interest is significant. When there is an indication that the amounts due will not be collected, an allowance for estimated uncollectible amounts of trade receivables is recognized in the consolidated profit and loss account. The Group reviews its trade receivables for impairment using the expected credit loss model.

After the provision for impairment, if all or part of the impaired receivable amount is collected, the collected amount is deducted from the provision for impairment and recognized in other operating income. Foreign exchange gains/losses on trade transactions are recognized in "Other Operating Income/Expenses" in the statement of profit or loss.

The Group collects some of its receivables through factoring. Of the receivables subject to factoring, the amounts for which the factoring company assumes the collection risk are deducted from the related receivable accounts.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 Summary of Significant Accounting Policies (Cont.)

Financial Assets (Continued)

Derivative Instruments

Derivative instruments are initially recognized at acquisition cost, which reflects the fair value at the contract date, and are subsequently remeasured at fair value. Derivative instruments that provide effective economic hedges of the Group's risks but do not qualify for hedge accounting are designated as derivatives held for trading and changes in fair value are recognized in the statement of income.

Financial Investments

The Group classifies its financial investments into two categories: financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. The classification is based on the business model and expected cash flows, which are determined based on the intended use of the financial assets. Management determines the classification of its financial assets at the acquisition date.

Assets for which management has adopted a business model of collecting contractual cash flows and/or making sales are classified as assets at fair value through profit or loss. If management does not intend to dispose of the related assets within 12 months from the balance sheet date, they are classified as non-current assets.

The Group measures a financial asset or financial liability other than trade receivables at fair value on initial recognition. On initial measurement, transaction costs directly attributable to the acquisition or issue of financial assets and financial liabilities other than those at fair value through profit or loss are added to or deducted from fair value.

If the fair value of a financial investment at initial recognition is different from the transaction price, the Group recognizes the difference between the fair value at initial recognition and the transaction price as a gain or loss if the fair value is based on a valuation method that uses inputs from observable markets, or on a quoted price for an identical asset or liability in an active market.

- Financial assets at fair value through profit or loss

Consists of financial assets other than financial assets at fair value through other comprehensive income. Financial assets are measured at fair value through profit or loss unless they are held within a business model whose objective is to collect contractual cash flows or within a business model whose objective is to collect contractual cash flows and sell financial assets. Gains and losses arising from the valuation of such assets are recognized in the consolidated statement of income.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 Summary of Significant Accounting Policies (Cont.)

Financial Assets (Cont.)

Financial Investments (continued)

- Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include "financial investments" in the statement of financial position. The Group measures these assets at fair value. Gains or losses on financial assets other than impairment losses and foreign exchange gains or losses are recognized in other comprehensive income. When assets at fair value through other comprehensive income are disposed of, the gain or loss previously recognized in other comprehensive income is reclassified to retained earnings.

Financial Liabilities

Financial Liabilities

Interest-bearing financial liabilities are initially recognized at fair value and subsequently measured at fair value using the effective interest rate method.

Trade and Other Payables

Trade and other payables are initially recognized at fair value and subsequently effective interest rate measured at amortized cost using the method.

Effects of Exchange Rate Changes

In the statutory records of the Group, transactions in foreign currencies (currencies other than TL) are translated into TL at the exchange rates prevailing at the dates of the transactions. Assets and liabilities denominated in foreign currencies in the consolidated statement of financial position are translated into Turkish Lira at the exchange rates prevailing at the reporting date. Foreign exchange gains and losses arising on settlement and translation of foreign currency items are recognized in the consolidated statement of profit or loss.

Earnings / (Loss) per Share

Earnings / (loss) per share is calculated by dividing net profit or loss for the period by the weighted average number of ordinary shares outstanding during the period attributable to ordinary shareholders.

In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares (bonus shares) to existing shareholders from retained earnings and inflation adjustment to shareholders' equity. For earnings/(loss) per share computations, such bonus shares are regarded as issued shares. Accordingly, the weighted average number of shares used in the computation of earnings/(loss) per share is derived by giving retroactive effect to the bonus shares.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 Summary of Significant Accounting Policies (Cont.)

Events after the reporting period

Events that occur between the end of the reporting period and the date when the consolidated statement of financial position was authorized for issue. Events after the reporting period are divided into two categories:

- There is new evidence that relevant events existed as of the end of the reporting period (events requiring adjustment after the reporting period); and
- There is evidence that the related events occurred after the reporting period (events that do not require adjustment after the reporting period).

The Group adjusts its consolidated financial statements if there is new evidence that such events existed at the end of the reporting period or if such events occurred after the reporting period and require restatement of the financial statements. If such events do not require restatement of the consolidated financial statements, the Group discloses the related matters in the related notes.

Related parties

To the accompanying consolidated financial statements, shareholders of the Group, companies owned by them, their directors and other persons or entities known to be related to them are referred to as related parties. A related party is an entity that, directly or indirectly, controls the Group, has an interest in the Group that gives it significant influence over the Group, or is an associate, board member, general manager or other executive of the Group.

Taxation

Income tax expense comprises current and deferred tax.

(i) Current income tax

Current tax is the expected tax payable or receivable on the taxable profit or loss for the current year and includes any adjustment to tax payable in respect of previous years.

Taxes are calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Current tax assets and liabilities can only be offset if certain conditions are met.

(ii) Deferred tax

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 Summary of Significant Accounting Policies (Cont.)

Employee Benefit Obligations

(i) Short-term employee benefits

Short-term employee benefit obligations are recognized as an expense as the related service is rendered. A liability is recognized for amounts that the Group has a legal or constructive obligation to pay because of past service of employees and that are expected to be paid if the obligation can be estimated reliably.

(ii) Other long-term employee benefits

The provision for employment termination benefits represents the present value of the estimated future probable obligation of the Group arising from the retirement of the employees on a 30-day basis. The provision for employment termination benefits is calculated as if all employees were subject to such a payment and is reflected in the consolidated financial statements on an accrual basis. Provision for employment termination benefits is calculated based on the retirement pay ceiling announced by the Government.

As of March 31, 2025, the maximum amount of employment termination benefit is TL 46.655,43 (December 31, 2024: TL 41.828,42). The Group management has used certain assumptions in the calculation of provision for employment termination benefits.

All actuarial gains and losses related to employee termination benefits are recognized in other comprehensive income.

Contingent Assets and Liabilities

TAS 37 "Provisions, Contingent Liabilities and Contingent Assets" requires that the Group has a present legal or constructive obligation because of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. If these criteria are not met, the Group discloses the related matters in the related notes.

If it has become probable that an inflow of economic benefits will arise, the contingent asset is disclosed in the notes to the consolidated financial statements. If it is virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the consolidated financial statements at the date of the change.

Business Combinations

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

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 Summary of Significant Accounting Policies (Cont.)

Business Combinations (Continued)

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

- Deferred tax assets or liabilities and assets or liabilities related to employee benefits are recognized and measured in accordance with TAS 12 Income Taxes and TAS 19 Employee Benefits, respectively,
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree, or share-based payment arrangements of the Group entered to replace share-based payment arrangements of the acquiree are recognized in accordance with TFRS 2 Share-based Payment at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are accounted for in accordance with the rules in TFRS 5.

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

Non-controlling Shares, which represent shareholder interests and entitle holders to a proportionate share of the entity's net assets in the event of liquidation, are initially measured either at fair value or at the amount of the acquiree's identifiable net assets recognized in proportion to the Non-controlling Shares. The measurement basis is determined on a transaction-by-transaction basis. Other types of Non-controlling Shares are measured at fair value or, where applicable, in accordance with the methods specified in another TFRS.

When the consideration transferred by the Group in a business combination includes contingent consideration, the contingent consideration is measured at fair value at the acquisition date and included in the consideration transferred in a business combination. If, as a result of additional information that becomes available during the measurement period, an adjustment to the fair value of the contingent consideration is required, it is adjusted retrospectively against goodwill. The measurement period is the period after the acquisition date during which the acquirer can adjust the provisional amounts recognized in a business combination. This period cannot be more than 1 year from the acquisition date.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 Summary of Significant Accounting Policies (Cont.)

Business Combinations (Cont.)

Subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured and any subsequent payment is recognized in equity.

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

Certain assets and liabilities of the acquiree that were not previously recognized as assets and liabilities in its own financial statements are recognized. At the acquisition date, the identifiable assets, identifiable liabilities and minority interests of the acquiree are recognized at fair value. The related calculations are based on certain assumptions and assessments.

Goodwill

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

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

The cash-generating unit to which goodwill is allocated is tested for impairment annually. If there are indications that the unit may be impaired, the impairment test is performed more frequently. If the recoverable amount of the cash-generating unit is less than its carrying amount, an impairment loss is recognized first against the goodwill allocated to the unit and then against the carrying amount of the assets within the unit. Any impairment loss for goodwill is recognized directly in the consolidated statement of profit or loss and other comprehensive income. Goodwill impairment is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the amount determined for goodwill is included in the calculation of profit or loss on disposal.

Sometimes, the acquirer makes a bargain purchase, which is a business combination in which the net amounts of the identifiable assets acquired, and the identifiable liabilities assumed, measured in accordance with IFRS, at the acquisition date exceed the consideration transferred, which generally requires measurement at fair value at the acquisition date, measured in accordance with IFRS. If the excess amount remains after applying the provisions of TFRS 3- Paragraph 36, the acquirer recognizes the resulting gain in profit or loss at the acquisition date. The gain is attributed to the acquirer.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 Summary of Significant Accounting Policies (Cont.)

Goodwill (Continued)

A bargain purchase may occur, for example, in a business combination in the form of a forced sale where the seller acts under duress. However, the recognition and measurement exceptions for certain items in TFRS 3 - Paragraphs 22-31 may also result in the recognition of a gain (or a change in the amount of the recognized gain) in a bargain purchase.

Before recognizing a gain on a bargain purchase, the acquirer reassesses whether it has correctly identified the assets acquired and liabilities assumed, and recognizes any additional assets or liabilities identified in that assessment. The acquirer then reviews the processes used to measure the amounts of all of the following that this TFRS requires to be recognized as at the acquisition date:

- (a) Identifiable assets acquired, and identifiable liabilities assumed.
- (b) Non-controlling Shares (minority interests) in the acquiree, if any.
- (c) In a business combination achieved in stages, the acquirer's previously held equity interest in the acquiree and
- (d) Transferred consideration.

The purpose of the review is to ensure that the measurements appropriately reflect all available information as at the acquisition date.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 3 – BUSINESS COMBINATIONS

With the Board of Directors' resolution dated March 29, 2023, the Company acquired 60% of the registered shares, corresponding to a nominal value of TL 1,628,400 out of the total TL 2,714,000 nominal value of registered shares of Gen Oyuncak Sanayi ve Ticaret A.Ş., through a Share Purchase Agreement signed between the parties on March 29, 2023.

As there were no significant changes after March 29, 2023, with respect to the merger transaction, the financial statements of Gen Oyuncak as of March 31, 2023, were used within the scope of TFRS 3 "Business Combinations".

The calculation of identifiable assets and liabilities acquired, and goodwill arising from the acquisition, is as follows:

Identifiable Assets and Liabilities	Fair Value
Cash and Cash Equivalents	1.371.599
Trade receivables	845.701
Other receivables	515.829
Inventories	2.256.893
Other current assets	4.184.765
Other receivables	8.740
Property, Plant and Equipment	1.135.291
Intangible assets	5.571
Right-of-use Assets	413.323
Deferred tax asset	(196.082)
Short-term borrowings	(629.707)
Trade payables	(794.075)
Employee benefit obligations	(273.591)
Other short-term liabilities	(2.121.840)
Long-term borrowings	(232.939)
Long-term provisions	(44.156)
Total Identifiable Net Assets	6.445.322
Proportion of Shares Purchased	%60
Fair value of the consideration paid for the acquisition of shares	4.548.857
Minus: Total Identifiable Net Assets (60%)	3.867.193
Goodwill	681.664

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 4 – CASH AND CASH EQUIVALENTS**

The details of cash and cash equivalents as of March 31, 2025 and December 31, 2024 are as follows:

Cash and Cash Equivalents	March 31, 2025	December 31, 2024
Safe	84.767	97.419
Banks	550.584.045	685.197.275
-Maturity Deposits TL (*)	530.763.288	661.979.121
-Demand Deposits TL	8.625.950	18.455.503
-Demand Deposit USD	11.188.751	4.737.065
-Demand Deposits EUR	6.056	25.586
Cash and Cash Equivalents	857.589	10.915.908
	551.526.401	696.210.602

(*) Consists of TL overnight time deposits with an interest rate range of 43%-45% as of March 31, 2025.

(December 31, 2024: TL Time Deposits: 45%-52%).

NOTE 5 – FINANCIAL INVESTMENTS

As of March 31, 2025 and December 31, 2024, the details of short-term financial investments are as follows:

Short-Term Financial Investments	March 31, 2025	December 31, 2024
Funds	19.485.931	20.038.462
	19.485.931	20.038.462

As of March 31, 2025, and December 31, 2024, the details of long-term financial investments are as follows:

Long-Term Financial Investments	Share Ratio	March 31, 2025	December 31, 2024
Rudi's Organic and Gluten Free Brands Inc.	%12,65	314.397.175	298.108.491
		314.397.175	298.108.491

With the decision of the Board of Directors of Söke Değirmencilik dated September 22, 2023, within the scope of the strategy of growing abroad and investing in high value-added areas of the food sector, targeting the end consumer; by participating in the shares of Rudi's Organic and Gluten Free Brands Inc. ("Rudi's"), which was established in 1976 in the State of Colorado, United States of America, has the leading food certificates in the USA, operates in the production and distribution of organic, gluten-free, delicious bread and bakery products, through the capital increase allocation method, an agreement was reached with the existing partners of Rudi's for the Company to own 12.65% of Rudi's shares after the capital increase for TL 92,120,100. The payment of the purchase price was completed on November 20, 2023.

In the price determination report prepared by the independent valuation firm authorized by the CMB, the market value of Rudi's as of December 31, 2024, was calculated as 60,689,160 USD.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 6 – FINANCIAL BORROWINGS**

As of March 31, 2025 and December 31, 2024, the details of short-term borrowings are as follows:

Short-Term Financial Borrowings	March 31, 2025	December 31, 2024
Short-Term Bank Loans	54.891.090	130.110.526
Credit Card Debts	20.444.253	8.491.041
	75.335.343	138.601.567

As of March 31, 2025 and December 31, 2024, the short-term portion of long-term borrowings are as follows:

Short-Term Portion of Long-Term Borrowings	March 31, 2025	December 31, 2024
Principal Installments of Long-Term Loans	105.027.296	112.448.686
	105.027.296	112.448.686

As of March 31, 2025 and December 31, 2024, the details of long-term borrowings are as follows:

Long-Term Borrowings	March 31, 2025	December 31, 2024
Long-Term Bank Loans	270.678.239	295.705.352
	270.678.239	295.705.352

As of March 31, 2025, the maturity and interest rate distribution of bank borrowings are as follows:

March 31, 2025	0-3 Months	3-6 Months	6-9 Months	9-12 Months	1-3 Years
Short-Term Bank Loans	20.444.253	-	-	54.891.090	-
Short-Term Portion of Long-Term Banks	28.640.912	26.658.346	25.441.831	24.286.207	-
Long-Term Bank Loans	-	-	-	-	270.678.239
	49.085.165	26.658.346	25.441.831	79.177.297	270.678.239

Currency Type	Term	Interest Rate Range	Short-Term	Long-Term
TRY	2024-2025	%40-%41	74.249.511	-
USD	2024-2030	SOFR+%4,90	106.113.128	270.678.239
			180.362.639	270.678.239

As of December 31, 2024, the maturity and interest rate distribution of bank borrowings are as follows:

December 31, 2024	0-3 Months	3-6 Months	6-9 Months	9-12 Months	1-3 Years
Short-Term Bank Loans	104.946.684	-	4.237.417	29.417.466	-
Short-Term Portion of Long-Term Banks	31.494.358	28.723.284	26.725.308	25.505.736	-
Long-Term Bank Loans	-	-	-	-	295.705.352
	136.441.042	28.723.284	30.962.725	54.923.202	295.705.352

Currency Type	Term	Interest Rate Range	Short-Term	Long-Term
TRY	2024-2025	%40-%41	140.072.004	-
USD	2024-2030	SOFR+%4,90	110.978.249	295.705.352
			251.050.253	295.705.352

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 6 – FINANCIAL BORROWINGS (Continued)**

As of March 31, 2025 and December 31, 2024, the details of payables from lease transactions are as follows:

Payables from Leasing Transactions	March 31, 2025	December 31, 2024
Short-Term Lease Payables	5.129.763	5.525.143
Long-Term Lease Payables	6.461.992	7.676.209
	11.591.755	13.201.352

NOTE 7 – TRADE RECEIVABLES AND PAYABLE

As of March 31, 2025 and December 31, 2024, short-term trade receivables are as follows:

Short-Term Trade Receivables	March 31, 2025	December 31, 2024
Trade Receivables from Related Parties	64.704.514	64.042.904
Trade Receivables from Third Parties	1.200.664.930	857.779.823
	1.265.369.444	921.822.727

As of March 31, 2025, and December 31, 2024, short-term trade receivables from third parties comprised the following:

Short-Term Trade Receivables	March 31, 2025	December 31, 2024
Trade Receivables	1.140.206.313	806.635.220
Notes Receivable	67.563.206	57.283.512
Rediscount on Receivables (-)	(7.104.589)	(6.138.909)
Doubtful Trade Receivables	3.603.236	3.811.365
Provision for Doubtful Trade Receivables (-)	(3.603.236)	(3.811.365)
	1.200.664.930	857.779.823

As of March 31, 2025 and December 31, 2024, movements of doubtful trade receivables during the period are as follows:

Doubtful Trade Receivables	March 31, 2025	December 31, 2024
Balances as of January 1	(3.811.365)	(3.097.481)
Provisions Set Aside During the Period	(376.006)	(1.987.987)
Provision Reversals (-)	235.671	287.059
Monetary Position Difference	348.464	987.044
	(3.603.236)	(3.811.365)

As of March 31, 2025 and December 31, 2024, short term trade payables are as follows:

Short-Term Trade Payables	March 31, 2025	December 31, 2024
Trade Payables to Related Parties	11.329.257	5.933.506
Trade Payables to Third Parties	1.364.760.501	832.309.687
	1.376.089.758	838.243.193

As of March 31, 2025 and December 31, 2024, short-term trade payables to third parties comprised the following:

Short-Term Trade Payables	March 31, 2025	December 31, 2024
Trade Payables	1.338.919.129	802.732.357
Debt Rediscounts (-)	(13.530.272)	(3.556.842)
Other Trade Payables	39.371.644	33.134.172
	1.364.760.501	832.309.687

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 8 – OTHER RECEIVABLES AND PAYABLES**

As of March 31, 2025 and December 31, 2024, short-term other receivables are as follows:

Short-Term Other Receivables	March 31, 2025	December 31, 2024
Short-Term Other Receivables from Related Parties	92.210	-
Short-Term Other Receivables from Third Parties	76.452.228	61.701.241
	76.544.438	61.701.241

As of March 31, 2025 and December 31, 2024, short term other receivables from third parties comprised the following:

Other Short-Term Receivables	March 31, 2025	December 31, 2024
Tax Receivables	76.420.990	61.678.456
Receivables from Personnel	19.238	9.577
Deposits and Guarantees Given	12.000	13.208
	76.452.228	61.701.241

As of March 31, 2025 and December 31, 2024, other long term receivables from third parties comprised the following:

Other Long-Term Receivables	March 31, 2025	December 31, 2024
Deposits and Guarantees Given	355.775	622.565
	355.775	622.565

As of March 31, 2025 and December 31, 2024, short-term other payables to third parties are as follows:

Short-Term Other Payables	March 31, 2025	December 31, 2024
Other Payables	-	36.091
	-	36.091

NOTE 9 – INVENTORIES

As of March 31, 2025 and December 31, 2024, the details of inventories are as follows:

Inventories	March 31, 2025	December 31, 2024
Raw Materials and Supplies	418.193.185	255.881.717
Semi-finished Products	35.771.572	27.096.327
Products	32.940.114	45.132.224
Trade Goods	78.541.449	1.484.813
Other Inventories	537.983	534.236
	565.984.303	330.129.317

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 10 – PREPAID EXPENSES AND DEFERRED INCOME**

As of March 31, 2025 and December 31, 2024, the details of short-term prepaid expenses are as follows:

Short-Term Prepaid Expenses	March 31, 2025	December 31, 2024
Advances Given	18.779.474	8.090.065
Expenses for Future Months	24.077.442	11.150.868
	42.856.916	19.240.933

As of March 31, 2025 and December 31, 2024, the details of long-term prepaid expenses are as follows:

Long-Term Prepaid Expenses	March 31, 2025	December 31, 2024
Expenses for Future Years	-	1.037
	-	1.037

As of March 31, 2025 and December 31, 2024, the details of short-term deferred income are as follows:

Short-Term Deferred Income	March 31, 2025	December 31, 2024
Order Advances Received	23.044.168	4.692.460
	23.044.168	4.692.460

NOTE 11 – RIGHT OF USE ASSETS

As of March 31, 2025, and December 31, 2024, the details of right-of-use assets are as follows:

Description	January 1, 2025	Inflows	Outflows	Transfer	March 31, 2025
Vehicles	6.550.607	-	-	-	6.550.607
Facilities	14.131.458	-	-	-	14.131.458
Total	20.682.065	-	-	-	20.682.065

Vehicles	(4.515.816)	(645.454)	-	-	(5.161.270)
Facilities	(3.260.428)	(4.055.424)	-	-	(7.315.852)
Accumulated Depreciation	(7.776.244)	(4.700.878)	-	-	(12.477.122)
Net Book Value	12.905.821				8.204.943

Description	January 1, 2024	Inflows	Outflows	Transfer	December 31, 2024
Vehicles	13.964.923	1.658.936	(9.073.252)	-	6.550.607
Machines	819.407	-	-	(819.407)	-
Facilities	-	14.131.458	-	-	14.131.458
Total	14.784.330	15.790.394	(9.073.252)	(819.407)	20.682.065

Vehicles	(10.828.164)	(2.760.904)	9.073.252	-	(4.515.816)
Machines	(185.055)	(69.809)	-	254.864	-
Facilities	-	(3.260.428)	-	-	(3.260.428)
Accumulated Depreciation	(11.013.219)	(6.091.141)	9.073.252	254.864	(7.776.244)
Net Book Value	3.771.111				12.905.821

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 12 – PROPERTY, PLANT AND EQUIPMENT ASSETS**

As of March 31, 2025, the details of property, plant and equipment are as follows:

Description	January 1, 2025	Inflows	Outflows	Transfer	Revaluation	March 31, 2025
Land and Plots	709.012.483	-	-	-	-	709.012.483
Underground and Surface Plants	79.612.731	-	-	-	-	79.612.731
Buildings	498.448.018	-	-	-	-	498.448.018
Plant, Machinery and Equipment	818.218.012	3.934.862	-	-	-	822.152.874
Vehicles	277.186.595	122.568	(2.146.224)	-	-	275.162.939
Fixtures	46.011.609	686.071	-	-	-	46.697.680
Investments in Progress	177.233.896	17.309.952	-	-	-	194.543.848
Special Costs	23.553.300	137.712	-	-	-	23.691.012
Advances Given	28.951.926	408.008	-	-	-	29.359.934
Total Cost Value	2.658.228.570	22.599.173	(2.146.224)	-	-	2.678.681.519
Accumulated Depreciation	January 1, 2025	Inflows	Outflows	Transfer	Revaluation	March 31, 2025
Underground and Surface Plants	(22.080.361)	(2.359.269)	-	-	-	(24.439.630)
Buildings	-	(3.115.300)	-	-	-	(3.115.300)
Plant, Machinery and Equipment	(1.130.676)	(20.573.030)	-	-	-	(21.703.706)
Vehicles	(2.280.211)	(14.084.290)	19.951	-	-	(16.344.550)
Fixtures	(25.326.952)	(1.405.846)	-	-	-	(26.732.798)
Special Costs	(5.391.676)	(1.247.146)	-	-	-	(6.638.822)
Total	(56.209.876)	(42.784.881)	19.951	-	-	(98.974.806)
Property, Plant and Equipment (Net)	2.602.018.694					2.579.706.713

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 12 – PROPERTY, PLANT AND EQUIPMENT ASSETS (Continued)**

As of December 31, 2024, the details of property, plant and equipment are as follows

Description	January 1, 2024	Inflows	Outflows	Transfer	Revaluation	December 31, 2024
Land and Plots	556.873.333	-	-	-	152.139.150	709.012.483
Underground and Surface Plants	68.867.185	1.846.374	-	8.899.172	-	79.612.731
Buildings	512.188.527	293.351	-	68.766.451	(82.800.311)	498.448.018
Plant, Machinery and Equipment	532.352.279	52.744.942	(4.349.546)	478.190.924	(240.720.587)	818.218.012
Vehicles	221.631.938	32.077.429	(19.730.149)	-	43.207.377	277.186.595
Fixtures	38.702.734	6.751.186	(211.247)	768.936	-	46.011.609
Special Costs	15.616.432	6.817.407	-	1.119.461	-	23.553.300
Investments in Progress	190.033.209	219.986.576	(16.480.688)	(216.305.201)	-	177.233.896
Advances Given	357.804.894	28.951.926	(4.899.049)	(352.905.845)	-	28.951.926
Total Cost Value	2.494.070.531	349.469.191	(45.670.679)	(11.466.102)	(128.174.371)	2.658.228.570
Accumulated Depreciation	January 1, 2024	Inflows	Outflows	Transfer	Revaluation	December 31, 2024
Underground and Surface Plants	(13.123.220)	(8.957.141)	-	-	-	(22.080.361)
Buildings	(75.713.733)	(21.924.100)	-	-	97.637.833	-
Plant, Machinery and Equipment	(187.823.641)	(119.003.092)	1.784.165	(254.864)	304.166.756	(1.130.676)
Vehicles	(31.463.832)	(46.043.871)	4.349.360	-	70.878.132	(2.280.211)
Fixtures	(20.483.584)	(4.873.799)	30.431	-	-	(25.326.952)
Special Costs	(761.366)	(4.630.310)	-	-	-	(5.391.676)
Total	(329.369.376)	(205.432.313)	6.163.956	(254.864)	472.682.721	(56.209.876)
Property, Plant and Equipment (Net)	2.164.701.155					2.602.018.694

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 13 – INTANGIBLE ASSETS OTHER THAN GOODWILL**

As of March 31, 2025 and December 31, 2024, intangible assets are as follows:

Description	January 1, 2025	Inflows	Outflows	Transfer	March 31, 2025
Rights	21.529.497	87.091	-	-	21.616.588
Total Cost Value	21.529.497	87.091	-	-	21.616.588
Accumulated Depreciation	January 1, 2025	Period Cost	Outflows	Transfer	March 31, 2025
Rights	(16.576.942)	(384.597)	-	-	(16.961.539)
Total	(16.576.942)	(384.597)	-	-	(16.961.539)
Intangible Assets (Net)	4.952.555		-	-	4.655.049

Description	January 1, 2024	Inflows	Outflows	Transfer	December 31, 2024
Rights	18.895.195	1.902.114	-	732.188	21.529.497
Total Cost Value	18.895.195	1.902.114	-	732.188	21.529.497
Accumulated Depreciation	January 1, 2024	Period Cost	Outflows	Transfer	December 31, 2024
Rights	(15.138.024)	(1.438.918)	-	-	(16.576.942)
Total	(15.138.024)	(1.438.918)	-	-	(16.576.942)
Intangible Assets (Net)	3.757.171				4.952.555

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 14 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**

As of March 31, 2025 and December 31, 2024, details of other short-term provisions are as follows:

Other Short-Term Provisions	March 31, 2025	December 31, 2024
Expense Accruals	521.817	479.371
Litigation Provisions	1.322.754	1.455.860
	1.844.571	1.935.231

As of March 31, 2025 and December 31, 2024, collaterals, pledges and mortgages of the Group are as follows:

March 31, 2025	TL Equivalent	US Dollar	Euro	TL
Total amount of GPMs given by its legal entity and other companies within the scope of consolidation	1.432.308.783	36.800.000	-	42.534.703
-Guarantee	42.534.703	-	-	42.534.703
-Mortgages	755.312.000	20.000.000	-	-
-Pledge	634.462.080	16.800.000	-	-
Total	1.432.308.783	36.800.000	-	42.534.703

December 31, 2024	TL Equivalent	US Dollar	Euro	TL
Total amount of GPMs given by its legal entity and other companies within the scope of consolidation	1.451.310.648	36.800.000	-	22.349.196
- Guarantee	22.349.196	-	-	22.349.196
-Mortgages	776.609.485	20.000.000	-	-
-Pledge	652.351.967	16.800.000	-	-
Total	1.451.310.648	36.800.000	-	22.349.196

March 31, 2025	TL Equivalent	US Dollar	Euro	TL
Total amount of GPMs taken by its legal entity and other companies within the scope of consolidation	136.329.791	-	-	136.329.791
- Guarantee	136.329.791	-	-	136.329.791
Total	136.329.791	-	-	136.329.791

December 31, 2024	TL Equivalent	US Dollar	Euro	TL
A. Total amount of GPMs taken on behalf of its own legal entity	141.101.690	-	-	141.101.690
- Guarantee	141.101.690	-	-	141.101.690
Total	141.101.690	-	-	141.101.690

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 15 – EMPLOYEE BENEFIT OBLIGATIONS AND PROVISIONS

Within the framework of the current laws in Turkey, the Group is obliged to pay severance pay to personnel who have completed one year of service and whose employment is terminated without any valid reason, who are called up for military service, who die, who have completed 25 years of service for men and 20 years for women, and who have reached retirement age (58 years for women and 60 years for men). Due to the changes in the legislation as of September 8, 1999, there are certain transitional obligations regarding the retirement-related service period.

These payments are calculated according to the rate per year worked on the day of retirement or termination based on a maximum of 46,655.43 TL (December 31, 2024: TL 46,655.43) over 30 days' salary as of March 31, 2025. The severance pay provision is calculated on a current basis and reflected in the financial statements. The provision is calculated by estimating the present value of the Group's possible future liability arising from the retirement of its employees. The calculation is made according to the severance pay ceiling announced by the Government.

The severance pay liability is calculated based on the present value estimate of the possible future liability arising from the retirement of the Group's employees. TFRS requires the calculation of the Group's liabilities under defined benefit plans using actuarial valuation methods. Accordingly, the actuarial assumptions used in the calculation of total liabilities are set out below.

The basic assumption is that the maximum liability for each year of service will increase in line with inflation. Accordingly, the discount rate applied represents the expected real interest rate after adjusting for the effects of future inflation. Consequently, in the accompanying consolidated financial statements as of March 31, 2025, the liability is calculated by estimating the present value of the future probable obligation arising from the retirement of the employees. The provision at March 31, 2025, has been calculated assuming an annual inflation rate of 19.00 percent and an interest rate of 23.00 percent, resulting in a discount rate of approximately 3.36 percent (The provision at December 31, 2024, has been calculated assuming an annual inflation rate of 19.00 percent and an interest rate of 23.00 percent, resulting in a discount rate of approximately 3.36 percent).

As of March 31, 2025 and December 31, 2024, the Group's provision for employment termination benefits is as follows:

	March 31, 2025	December 31, 2024
Provision for Employment Termination Benefits	42.433.744	35.540.116
	42.433.744	35.540.116

As of March 31, 2025, and December 31, 2024, the movement of the Group's provision for employment termination benefits is as follows:

	March 31, 2025	December 31, 2024
January 1 Balance	35.540.116	25.898.928
Current Service Cost	11.840.972	12.023.509
Interest Cost	9.995.597	9.890.579
In-Period Payments	(2.983.613)	(10.373.749)
Actuarial Difference	(8.464.886)	8.128.688
Difference in Monetary Position	(3.494.442)	(10.027.839)
Balance at the End of the Period	42.433.744	35.540.116

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 15 – EMPLOYEE BENEFIT OBLIGATIONS AND PROVISIONS (Continued)**

As of March 31, 2025, and December 31, 2024, short-term provisions for employee benefits are as follows:

Short-Term Provisions for Employee Benefits	March 31, 2025	December 31, 2024
Provision for Unused Vacation	9.433.298	5.771.700
	9.433.298	5.771.700

As of March 31, 2025 and December 31, 2024, employee benefit obligations are as follows:

Employee Benefit Payables	March 31, 2025	December 31, 2024
Social Security Premiums Payable	14.935.716	6.881.015
Payables to Personnel	20.519.590	21.983.102
	35.455.306	28.864.117

NOTE 16 – OTHER ASSETS, LIABILITIES, AND CURRENT INCOME TAX ASSETS

As of March 31, 2025, and December 31, 2024, details of other current assets are as follows:

Other Current Assets	March 31, 2025	December 31, 2024
VAT carried forward	44.425.713	46.144.837
Other VAT	16.560	-
Operating Advances	167.454	298.590
Personnel Advances	188.826	-
	44.798.553	46.443.427

As of March 31, 2025, and December 31, 2024, details of other current liabilities are as follows:

Other Short-Term Liabilities	March 31, 2025	December 31, 2024
Taxes and Funds Payable	4.691.639	1.379.140
	4.691.639	1.379.140

As of March 31, 2025 and December 31, 2024, assets related to current period tax are as follows:

Current Period Tax Related Assets	March 31, 2025	December 31, 2024
Prepaid Taxes and Funds	7.192.346	2.985.658
	7.192.346	2.985.658

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 17 – EQUITY

Capital and Reserves

The Company's shares, which were offered to the public on January 4-5-6, 2023, started to be traded on the Stars Market on January 12, 2023. The issued capital of the Company was increased from TL 309,000,000 to TL 386,500,000 with the Board of Directors' Decision registered at the Söke Trade Registry Office on February 8, 2023, and 77,500,000 Group B registered shares with a nominal value of TL 77,500,000 were offered to the public.

As of March 31, 2025 and December 31, 2024, the capital structure of the Company is as follows:

Name	March 31, 2025		December 31, 2024	
	Share Ratio (%)	Share Value (TL)	Share Ratio (%)	Share Value (TL)
Ulusoy Un Sanayi ve Ticaret A.Ş.	75,49%	291.750.000	75,49%	291.750.000
Publicly Traded (*)	24,51%	94.750.000	24,51%	94.750.000
	100%	386.500.000	100%	386.500.000

As of March 31, 2025, and December 31, 2024, the capital structure of the Company is as follows:

Shareholders	Number of Shares	Group	Ratio (%)	Amount
Ulusoy Un Sanayi ve Ticaret A.Ş.	30.900.001	A	7,99	30.900.001
Ulusoy Un Sanayi ve Ticaret A.Ş.	260.849.999	B	67,50	260.849.999
Publicly Traded	94.750.000	B	24,51	94.750.000
	386.500.000		100	386.500.000

Shareholders	Number of Shares	Group	Ratio (%)	Amount
Ulusoy Un Sanayi ve Ticaret A.Ş.	30.900.001	A	7,99	30.900.001
Ulusoy Un Sanayi ve Ticaret A.Ş.	260.849.999	B	67,50	260.849.999
Publicly Traded	94.750.000	B	24,51	94.750.000
	386.500.000		100	386.500.000

According to the Turkish Commercial Code, legal reserves are divided into two as first and second legal reserves. According to the Turkish Commercial Code, first legal reserves are separated as 5% of the legal net profit until 20% of the paid-in capital of the Company is reached. Public companies distribute their dividends in accordance with the CMB's II-19.1 Profit Share Communiqué.

Partnerships distribute their profits by general assembly resolution within the framework of the profit distribution policies to be determined by their general assemblies and in accordance with the relevant legislation. No minimum distribution rate has been determined within the scope of the said communiqué. Companies distribute dividends as determined in their articles of association or profit distribution policies. In addition, dividends can be paid in equal or different installments and cash dividend advances can be distributed based on the profit included in the financial statements. Unless the reserve funds that must be separated according to the Turkish Commercial Code and the dividend share determined for shareholders in the articles of association or profit distribution policy are separated; It cannot be decided to set aside other reserve funds, to transfer profit to the following year, to distribute shares of profit to the usufruct share holders, members of the board of directors, employees of the partnership and persons other than the shareholders. Shares of profit cannot be distributed to these persons unless the dividend determined for the shareholders is paid in cash.

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 17 – EQUITY (Continued)**

As of March 31, 2025, and December 31, 2024, details of equity items are as follows:

Equity	March 31, 2025	December 31, 2024
Paid-in Capital	386.500.000	386.500.000
Capital Adjustment Differences	1.476.248.073	1.476.248.073
Share Premiums (Discounts)	1.091.489.484	1.091.489.484
Other Comprehensive Income (Expense) Not to Be Reclassified to Profit or Loss	1.093.976.472	1.088.212.548
- <i>Revaluation Gains / (Losses) on Property, Plant and Equipment</i>	<i>1.109.882.071</i>	<i>1.110.423.482</i>
- <i>Gain on Remeasurement of Defined Benefit Plans</i>	<i>(15.905.599)</i>	<i>(22.210.934)</i>
Remeasurement Gains on Defined Benefit Plans	119.221.424	119.221.424
Retained Earnings / (Accumulated Losses)	(392.199.318)	(115.283.023)
Net Profit or Loss for the Period	(55.400.258)	(277.457.706)
Non-controlling Interests	(36.300.632)	(29.970.417)
	3.683.535.245	3.738.960.383

For the periods ended March 31, 2025 and March 31, 2024, details of earnings per share are as follows:

	January 1- March 31, 2025	January 1- March 31, 2024
Net Profit or Loss for the Period	(55.400.258)	(141.573.790)
Weighted Average Number of Ordinary Shares Outstanding	386.500.000	386.500.000
Earnings Per Share	(0,143)	(0,366)

Additional Information on Capital, Reserves and Other Equity Items

Due to the use of different indexes in the Tax Procedure Law and TMS 29 inflation accounting application; there have been differences between the amounts in the balance sheet prepared in accordance with the Tax Procedure Law regarding the items of "capital adjustment differences", "premiums related to shares" and "restricted reserves allocated from profit" and the amounts in the consolidated financial statements prepared in accordance with TMS/IFRS. These differences have been reflected in the "Previous Years' Profits or Losses" item in the TMS/IFRS financial statements.

March 31, 2025	Inflation adjusted amounts in the financial statements prepared in accordance with the Tax Procedure Law	Inflation adjusted amounts in the financial statements prepared in accordance with TAS/IFRS Financial Statements	Difference recognized in accumulated losses
Capital Adjustment Differences	561.730.471	1.476.248.073	(914.517.602)
Share Premiums	961.307.601	1.091.489.485	(130.181.884)
Restricted Reserves Appropriated from Profit	253.613.514	119.221.424	134.392.090

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 18 – GOODWILL

The Company merged with its parent company, MKU Un, on 29 December 2016. Prior to this merger, on 16 April 2015, MKU Un had acquired 100% of the shares of the Company. Since the purchase price included a control premium, goodwill was recognized as a result of the acquisition. The consideration transferred for the acquisition reflected anticipated synergies from expected revenue growth, development of future markets, and the effective integration of the acquired subsidiaries' workforce. These benefits did not meet the criteria for recognition as identifiable intangible assets and were therefore not accounted for separately from goodwill.

The Company's management performed an impairment test on goodwill using the discounted cash flow method in accordance with TAS 36. As a result of the impairment tests performed by the Company's management, no impairment was identified.

Subsequently, on 11 January 2022, the entire shareholding of the Company was sold to Ulusoy Un Sanayi ve Ticaret A.Ş. for a consideration of TRY 168,900,000 in cash and EUR 650,000 payable on 11 January 2023. The transaction amount was compared to the net assets of the Company as of 31 December 2021, and no impairment of goodwill was identified.

On 29 March 2023, the Company acquired 60% of the registered capital (amounting to TRY 2,714,000 nominal value) of Gen Oyuncak Sanayi ve Ticaret A.Ş., composed entirely of registered shares. As a result of this acquisition, goodwill amounting to TRY 582,800 was recognized.

As of 31 March 2025 and 31 December 2024, the details of goodwill are as follows:

	March 31, 2025	December 31, 2024
As of January, 1	493.359.765	493.359.765
Changes During the Period	-	-
As of the End of the Period	493.359.765	493.359.765
	March 31, 2025	December 31, 2024
MKU Un San. ve Tic. A.Ş.	492.678.103	492.678.103
Gen Oyuncak San. ve Tic. A.Ş.	681.662	681.662
	493.359.765	493.359.765

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 19 – REVENUE AND COST OF SALES**

As of March 31, 2025, and March 31, 2024, revenue and cost of sales are as follows:

Revenue and Cost of Sales	January 1- March 31, 2025	January 1- March 31, 2024
Domestic Sales Revenues	1.441.684.334	1.942.915.905
International Sales Revenues	343.555.034	3.137.437
Other Income	4.815.557	1.276.575
Gross Sales	1.790.054.925	1.947.329.917
Returns from Sales (-)	(22.509.007)	(29.263.365)
Sales Discounts (-)	(137.926.685)	(166.324.194)
Other Discounts	(171.213)	(127.734)
Net Sales	1.629.448.020	1.751.614.624
Cost of Sales	(1.520.069.886)	(1.543.700.535)
Cost of Trade Goods Sold	(511.989.178)	(376.470.608)
Cost of Finished Goods Sold	(991.765.173)	(1.166.953.764)
Cost of Service Sold	(14.901.366)	-
Other Cost of Sales	(1.414.169)	(276.163)
Gross Profit	109.378.134	207.914.089

As of March 31, 2025, and March 31, 2024, cost of sales is as follows:

Cost of Sales	January 1- March 31, 2025	January 1- March 31, 2024
Cost of Trade Goods Sold	(511.989.178)	(376.470.608)
Cost of Other Sales	(1.414.169)	(276.163)
Cost of Services Sold	(14.901.366)	-
Cost of Finished Goods Sold	(991.765.173)	(1.166.953.764)
Materials Expenses	(851.838.749)	(1.032.079.481)
Personnel Expenses	(78.018.449)	(70.081.683)
Depreciation Expenses	(32.375.604)	(25.017.271)
Electricity, Heating and Water Expenses	(5.649.269)	(24.060.880)
Maintenance and Repair Expenses	(4.734.803)	(5.639.637)
Depreciation Expenses Related to Lease Transactions	(4.240.127)	-
Food Expenses	(3.467.090)	(3.637.934)
Other Expenses	(3.456.766)	(3.044.033)
Rent Expenses	(2.488.774)	-
Insurance Expenses	(2.269.227)	(1.012.703)
Benefits and Services Provided Externally	(808.196)	(447.880)
Recovery Contribution Share	(782.933)	(1.571.642)
Consultancy Expenses	(617.914)	(203.613)
Travel Expenses	(447.562)	(42.571)
Vehicle Expenses	(425.904)	-
Transportation Expenses	(98.811)	(9.663)
Training and Publication Expenses	(29.189)	(78.170)
Representation and Hospitality Expenses	(15.806)	(26.603)
	(1.520.069.886)	(1.543.700.535)

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 20 – GENERAL ADMINISTRATIVE, MARKETING AND R&D EXPENSES**

As of March 31, 2025, and March 31, 2024, total operating expenses are as follows:

Operating Expenses	January 1 - March 31, 2025	January 1 - March 31, 2024
General Administrative Expenses	(32.523.209)	(37.931.913)
Marketing Expenses	(94.251.483)	(121.470.976)
Research and Development Expenses	(305.345)	(1.339.071)
	(127.080.037)	(160.741.960)

As of March 31, 2025, and March 31, 2024, general administrative expenses are as follows:

General Administrative Expenses	January 1 - March 31, 2025	January 1 - March 31, 2024
Personnel Fees and Expenses	(17.130.135)	(18.288.494)
Benefits and Services Provided Externally	(5.109.068)	(4.112.704)
Other Expenses	(3.177.105)	(5.565.710)
Security Services	(3.092.967)	(3.560.623)
Depreciation Expenses	(2.297.530)	(4.149.345)
Taxes, Duties and Fees	(440.728)	(393.777)
Stock Exchange Expenses	(342.918)	(568.277)
Maintenance and Repair Expenses	(257.521)	(262.314)
Fuel Expenses	(206.848)	(245.477)
Insurance Expenses	(152.970)	(197.575)
Travel Expenses	(108.045)	(228.018)
Representation and Hospitality Expenses	(65.477)	(229.331)
Depreciation Expenses Related to Lease Transactions	(65.069)	-
Notary and Execution Expenses	(52.672)	(43.790)
Office Supplies Expenses	(24.156)	-
Rent Expenses	-	(54.696)
Consultancy Expenses	-	(31.782)
	(32.523.209)	(37.931.913)

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 20 – GENERAL ADMINISTRATIVE, MARKETING AND R&D EXPENSES (Continued)**

As of March 31, 2025, and March 31, 2024, marketing expenses are as follows:

Marketing Expenses	January 1 – March 31, 2025	January 1 – March 31, 2024
Freight Expenses (Shipping)	(33.475.569)	(46.859.665)
Personnel Expenses	(25.726.788)	(28.395.462)
Depreciation Expenses	(8.496.344)	(18.593.119)
Other Expenses	(4.992.840)	(2.716.398)
Advertising and Promotion Expenses	(4.157.795)	(5.384.001)
Vehicle Expenses	(3.655.472)	(5.078.099)
Cargo Expenses	(3.067.221)	(2.338.153)
Social Media Expenses	(2.140.415)	(1.904.388)
Stock Exchange Expenses	(1.503.803)	(1.829.018)
Commission Expenses	(1.139.809)	-
Food Expenses	(882.210)	(981.432)
Travel Expenses	(825.430)	(1.169.303)
Insurance Expenses	(795.372)	(990.957)
Maintenance and Repair Expenses	(701.287)	(702.913)
Amortization Expense Related to Lease Transactions	(395.682)	(1.132.299)
Organization Expenses	(365.831)	(290.827)
Market Research Expenses	(352.099)	(593.492)
Promotion Expenses	(311.502)	(757.030)
Benefits and Services Provided Externally	(302.554)	(359.255)
Representation and Hospitality Expenses	(228.965)	(456.296)
Sample Expenses	(226.246)	(370.208)
Fair Expenses	(226.186)	-
Export Expenses	(151.636)	(221.945)
Rent Expenses	(75.552)	(261.274)
Taxes, Duties and Fees Expenses	(54.875)	(85.442)
	(94.251.483)	(121.470.976)

As of March 31, 2025 and March 31, 2024, research and development expenses are as follows:

Research and Development Expenses	January 1 – March 31, 2025	January 1 – March 31, 2024
Other Expenses	(166.469)	(1.339.071)
Personnel Expenses	(138.876)	-
	(305.345)	(1.339.071)

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 21 – EXPENSES BY NATURE**

As of March 31, 2025, and March 31, 2024, the functional distribution of personnel expenses is as follows:

Personnel Expenses	January 1 – March 31, 2025	January 1 – March 31, 2024
Cost of Finished Goods Sold	(78.018.449)	(70.081.683)
Marketing Expenses	(25.726.788)	(28.395.462)
General Administrative Expenses	(17.130.135)	(18.288.494)
	(120.875.372)	(116.765.639)

As of March 31, 2025, and March 31, 2024, the functional distribution of depreciation expense is as follows:

Depreciation Expenses	January 1 – March 31, 2025	January 1 – March 31, 2024
Cost of Finished Goods Sold	(36.615.731)	(25.017.271)
Marketing Expenses	(8.892.026)	(19.725.418)
General Administrative Expenses	(2.362.599)	(4.149.345)
	(47.870.356)	(48.892.034)

NOTE 22 – OTHER OPERATING INCOME AND EXPENSES

As of March 31, 2025, and March 31, 2024, other operating income is as follows:

Other Operating Income	January 1 – March 31, 2025	January 1 – March 31, 2024
Foreign Exchange Gains from Trade Transactions	32.049.417	36.105.691
Provision No Longer Required	3.063.475	2.955.498
Rediscount Interest Income	19.682.353	12.213.849
Income from Incentives and Government Grants	25.446	135.773
Other Income	190.889	97.218
	55.011.580	51.508.029

As of March 31, 2025, and March 31, 2024, other operating expenses are as follows:

Other Operating Expenses	January 1 – March 31, 2025	January 1 – March 31, 2024
Rediscount Interest Expense (-)	(11.610.603)	(11.835.428)
Foreign exchange losses on trade transactions	(1.477.806)	(719.543)
Provision Expenses	(10.027)	(135.699)
Other Expenses	(3.799.205)	(221.863)
	(16.897.641)	(12.912.533)

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 23 – INCOME AND EXPENSES FROM INVESTING ACTIVITIES**

As of March 31, 2025, and March 31, 2024, income from investing activities is as follows:

Income from Investing Activities	January 1 – March 31, 2025	January 1 – March 31, 2024
Fair Value Difference of Fund	1.288.173	8.712.779
Gain on Sale of Property, Plant and Equipment	-	1.218.816
Gain on Sale of Marketable Securities	-	3.840.493
	1.288.173	13.772.088

As of March 31, 2025, and March 31, 2024, expenses from investing activities are as follows:

Expenses from Investing Activities	January 1 – March 31, 2025	January 1 – March 31, 2024
Loss on Sale of Property, Plant and Equipment	(1.295.779)	(3.529)
	(1.295.779)	(3.529)

The details of Impairment Gains (Losses) and Reversals of Impairment Losses Determined in Accordance with TFRS 9 are as follows:

	January 1 – March 31, 2025	January 1 – March 31, 2024
Expected Credit Loss	(133.700)	(24.342)
	(133.700)	(24.342)

NOTE 24 – FINANCIAL INCOME AND EXPENSES

As of March 31, 2025, and March 31, 2024, finance income is as follows:

Financial Income	January 1 – March 31, 2025	January 1 – March 31, 2024
Interest Income	72.373.577	14.400.909
Foreign Exchange Gains	2.753.691	2.017.562
	75.127.268	16.418.471

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 24 – FINANCIAL INCOME AND EXPENSES (Continued)**

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

Financial Expenses	January 1 – March 31, 2025	January 1 – March 31, 2024
Foreign Exchange Losses	(28.073.340)	(5.147.498)
Bank Expenses (Pos, Factoring, etc.)	(20.861.634)	(36.886.192)
Loan Interest Expenses	(16.788.042)	(6.540.635)
Severance Pay Interest Expense	(9.995.598)	(6.629.955)
Commission Expenses	(400.540)	(528.935)
Finance Expense Arising from Lease Obligations	(68.012)	(53.943)
Cheque Bill Expenses	(6.452)	(3.864)
	(76.193.618)	(55.791.022)

NOTE 25 – NET MONETARY POSITION GAINS (LOSSES)

As of March 31, 2025, net monetary position gains (losses) are as follows:

Non-Monetary Items	January 1 – March 31, 2025
Statement of Financial Position Items	(56.746.947)
Inventories	15.069.019
Financial Investments	27.366.532
Goodwill	45.643.477
Right Of Use Assets	618.916
Property, Plant, And Equipment	126.956.649
Intangible Assets	287.685
Deferred Tax Liabilities	(26.985.923)
Deferred Income	(896.749)
Adjustment To Share Capital	(170.883.855)
Share Premiums (Discounts)	(105.967.650)
Other Comprehensive Income/Expense Not to Be Reclassified to Profit or Loss	1.709.433
Restricted Reserves Appropriated from Profit	(4.770.286)
Prior Year Losses	35.105.805
Statement Of Profit or Loss Items	13.623.945
Revenue	(45.259.815)
Cost Of Sales (-)	55.168.104
Marketing, Selling and Distribution Expenses (-)	3.664.802
General Administrative Expenses (-)	914.416
Research And Development Expenses (-)	7.205
Other Operating Income	(1.297.943)
Other Operating Expenses (-)	398.682
Income from Investing Activities	(30.393)
Expenses from Investing Activities (-)	30.573
Impairment Gains (Losses) And Reversals of Impairment Losses Determined In Accordance with TFRS 9	3.155
Finance Income	(1.772.553)
Finance Expenses (-)	1.797.712
Net Monetary Position Gains/(Losses)	(43.123.002)

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 26 – INCOME TAXES

Tax expenses comprise current tax expense and deferred tax expense. Tax is included in the income statement unless it relates to a transaction that is recognized directly in equity, in which case the tax is also recognized in equity.

Current tax expense is calculated based on the tax laws enacted in the countries where the Group's subsidiaries and equity-accounted investees operate, as of the financial position reporting date. According to Turkish tax legislation, entities whose legal or business headquarters are located in Turkey are subject to corporate income tax.

In accordance with Turkish tax legislation, tax losses can be carried forward for up to five years to offset future taxable profits but cannot be carried back to offset profits of previous years.

In addition, an interim tax of 25% is paid on the tax bases declared during interim periods within the year to be offset against the corporate income tax due for 2025 (31 December 2024: 25%). The corporate tax rate is applied to the taxable income calculated by adding non-deductible expenses under tax laws to the commercial profit and subtracting tax exemptions and deductions as per tax legislation.

There is no procedure for reaching an agreement with the tax authorities in Turkey regarding the taxes payable. Corporate tax returns are filed within four months following the end of the fiscal year. The tax authorities are authorized to audit tax returns and the underlying accounting records for a period of five years following the end of the fiscal year and may issue additional assessments based on their findings.

Dividend payments made to resident companies in Türkiye—except those exempt from or not subject to corporate and income taxes—as well as to resident and non-resident individuals and non-resident legal entities, are subject to a 10% income tax withholding. However, dividend payments from resident companies to other resident joint stock companies are not subject to income tax. Moreover, no income tax is calculated if profits are retained or added to capital instead of being distributed.

Under Turkish tax legislation, a parent company is not allowed to submit a tax return based on the consolidated financial statements that include its subsidiaries. Therefore, tax liabilities reflected in the Group's consolidated financial statements are calculated separately for each entity within the scope of consolidation.

As of March 31, 2025, and March 31, 2024, the total tax income/expense is presented below:

	January 1 – March 31, 2025	January 1 – March 31, 2024
Current Period Tax Income / Expense	-	(20.432.439)
Deferred Tax Income / Expense	(37.999.262)	2.482.770
	(37.999.262)	(17.949.669)

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 26 – INCOME TAXES (Continued)****Deferred tax assets and liabilities**

The Group calculates its deferred tax assets and liabilities by considering the effects of temporary differences arising from the different evaluations of balance sheet items between the TFRS-prepared and statutory financial statements. These temporary differences generally arise from the recognition of income and expenses in different reporting periods in accordance with TFRS and Tax Laws.

The components of the Group's deferred tax assets and liabilities as of March 31, 2025, and December 31, 2024 are as follows:

March 31, 2025	Deferred Tax Asset	Deferred Tax Liability
Rediscounts on Debt and Receivables	-	(1.573.924)
Adjustments for Tangible and Intangible Assets	-	(322.234.314)
Provisions for Unused Vacation	2.344.195	-
Provisions for Lawsuits	330.174	-
Provisions for Severance Pay	11.131.977	-
Doubtful Receivables	302.572	-
Exchange Differences	13.760.808	-
Loans	-	(2.106.753)
Accrued Interest	3.828.431	-
Lease Liabilities	813.182	-
Financial Investments	-	(51.409.601)
Inventory	9.498.740	-
Prepaid Expenses	723.458	-
Other	-	(759.169)
Deferred Income	72.834	-
Total	42.806.371	(378.083.761)
Deferred Tax Asset / Liability (Net)	-	(335.277.390)
December 31, 2024	Deferred Tax Asset	Deferred Tax Liability
Rediscounts on Debt and Receivables	403.725	-
Adjustments for Tangible and Intangible Assets	-	(277.997.817)
Provisions for Unused Vacation	1.296.872	-
Provisions for Lawsuits	349.669	-
Provisions for Severance Pay	8.646.162	-
Doubtful Receivables	267.488	-
Exchange Differences	7.130.417	-
Loans	80.284	-
Accrued Interest	3.990.636	-
Lease Liabilities	33.607	-
Financial Investments	-	(46.844.996)
Inventory	7.829.553	-
Prepaid Expenses	73.268	-
Other	-	(449.138)
Deferred Income	28.363	-
Total	30.130.044	(325.291.951)
Deferred Tax Asset / Liability (Net)	-	(295.161.907)

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 27 – RELATED PARTY DISCLOSURES**

As of March 31, 2025, and December 31, 2024, related party balances are as follows:

Trade Receivables from Related Parties	March 31, 2025	December 31, 2024
Ulusoy Un San. ve Tic. A.Ş.	6.364.740	7.327.324
Alfaway Gıda San. ve Tic. A.Ş.	54.872.222	55.985.025
Unay Un San. ve Tic. A.Ş.	3.457.643	730.555
Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	9.909	-
	64.704.514	64.042.904

Trade Payables to Related Parties	March 31, 2025	December 31, 2024
Ulusoy Un San. ve Tic. A.Ş.	10.228.999	4.578.589
Alfaway Gıda San. ve Tic. A.Ş.	15.130	-
Unay Un San. ve Tic. A.Ş.	-	15.545
Ulusoy Petrol Ürünleri Tic. A.Ş.	491.226	350.471
Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	593.902	988.901
	11.329.257	5.933.506

As of March 31, 2025 and March 31, 2024, related party transactions are as follows:

Sales Income from Related Parties	January 1 – March 31, 2025	January 1 – March 31, 2024
Ulusoy Un San. ve Tic. A.Ş.	3.954.379	15.358.893
Alfaway Gıda San. ve Tic. A.Ş.	109.888.011	29.895.589
Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	6.597	8.087
Unay Un San. ve Tic. A.Ş.	2.845.248	-
Ulusoy Petrol Ürünleri Tic. A.Ş.	10.091	-
	116.704.326	45.262.569

Inventory Purchases from Related Parties	January 1 – March 31, 2025	January 1 – March 31, 2024
Ulusoy Un San. ve Tic. A.Ş.	93.374.670	372.234.853
Unay Un San. ve Tic. A.Ş.	2.797.805	-
Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	675.800	707.873
Alfaway Gıda San. ve Tic. A.Ş.	8.980	-
	96.857.255	372.942.726

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 27 – RELATED PARTY DISCLOSURES (Continued)**

Service Purchases from Related Parties	January 1 – March 31, 2025	January 1 – March 31, 2024
Ulusoy Un San. ve Tic. A.Ş.	480.425	410.808
Alfaway Gıda San. ve Tic. A.Ş.	13.964	148.520
Ulusoy Petrol Ürünleri Tic. A.Ş.	1.287.427	204.765
	1.781.816	764.093
Service Sales to Related Parties	January 1 – March 31, 2025	January 1 – March 31, 2024
Ulusoy Un San. ve Tic. A.Ş.	30.725	91.294
Alfaway Gıda San. ve Tic. A.Ş.	1.399.893	327.513
Unay Un San. ve Tic. A.Ş.	-	12.527
	1.430.618	431.334
Rent Income from Related Parties	January 1 – March 31, 2025	January 1 – March 31, 2024
Unay Un San. ve Tic. A.Ş.	9.217	12.885
	9.217	12.885
Rent Expenses to Related Parties	January 1 – March 31, 2025	January 1 – March 31, 2024
Uludağ Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	965.148	822.574
	965.148	822.574
Interest Income to Related Parties	January 1 – March 31, 2025	January 1 – March 31, 2024
Ulusoy Un San. ve Tic. A.Ş.	11.238.238	-
	11.238.238	-

The Group's key management consists of board members, general manager and department managers. As of March 31, 2025, the Group's remuneration and benefits provided to key management amounted to TL 8.674.253 (December 31, 2024: TL 32.658.459).

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 28 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS****Credit Risk**

March 31, 2025	Receivables				Bank	Other
	Trade Receivables		Other Receivables		Deposits	
	Related party	Other party	Related party	Other party		
Maximum credit risk exposure as of reporting date (A+B+C+D+E+F)	64.704.514	1.200.664.930	92.210	76.808.003	550.584.045	942.356
- The part of maximum risk under guarantee with collaterals etc.	-	136.329.791	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	64.704.514	1.201.031.146	92.210	76.808.003	550.584.045	942.356
B. Carrying amount of financial assets with renegotiated terms that would otherwise be considered past due or impaired	-	-	-	-	-	-
C. Net book value of assets that are past due but not impaired	-	-	-	-	-	-
- Portion under guarantee with collaterals etc.	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross carrying amount)	-	3.603.236	-	-	-	-
- Impairment (-)	-	(3.603.236)	-	-	-	-
- Not past due (gross carrying amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
E. Off-balance sheet items including off-balance sheet loans	-	-	-	-	-	-
F. Expected Credit Loss	-	(366.216)	-	-	-	-

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 28 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)****Credit Risk (Continued)**

December 31, 2024	Receivables				Bank	Other
	Trade Receivables		Other Receivables		Deposits	
	Related party	Other party	Related party	Other party		
Maximum credit risk exposure as of reporting date (A+B+C+D+E+F)	64.042.904	857.779.823	-	62.323.806	685.197.275	11.013.327
- The part of maximum risk under guarantee with collaterals etc.		50.326.544	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	64.042.904	858.039.209	-	62.323.806	685.197.275	11.013.327
B. Carrying amount of financial assets with renegotiated terms that would otherwise be considered past due or impaired	-	-	-	-	-	-
C. Net book value of assets that are past due but not impaired	-	-	-	-	-	-
- Portion under guarantee with collaterals etc.	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross carrying amount)	-	3.811.365	-	-	-	-
- Impairment (-)	-	(3.811.365)	-	-	-	-
- Not past due (gross carrying amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
E. Off-balance sheet items including off-balance sheet loans	-	-	-	-	-	-
F. Expected Credit Loss	-	(259.386)	-	-	-	-

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 28 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)****Liquidity risk**

March 31, 2025						
Non-Derivative Financial Liabilities	Book Value	Total cash outflows in accordance with the contract (I+II+III+IV)	Less than 3 Months (I)	3-12 Months (II)	1-5 Years (III)	More than 5 years (IV)
Financial Liabilities	425.071.024	462.632.633	49.085.165	136.407.237	277.140.231	-
Trade Payables	1.380.044.850	1.376.089.758	1.376.089.758	-	-	-
Other Payables	49.028.305	35.455.306	35.455.306	-	-	-
Other Liabilities	41.586.733	81.447.419	27.735.807	11.277.869	42.433.743	-
Total Liabilities	1.895.730.912	1.955.625.116	1.488.366.036	147.685.106	319.573.974	-

December 31, 2024						
Non-Derivative Financial Liabilities	Book Value	Total cash outflows in accordance with the contract (I+II+III+IV)	Less than 3 Months (I)	3-12 Months (II)	1-5 Years (III)	More than 5 years (IV)
Financial Liabilities	520.880.675	559.956.957	136.441.042	120.134.354	303.381.561	-
Trade Payables	842.862.892	838.243.193	838.243.193	-	-	-
Other Payables	32.321.423	28.900.208	28.900.208	-	-	-
Other Liabilities	16.236.904	49.318.646	6.071.599	7.706.932	35.540.115	-
Total Liabilities	1.412.301.894	1.476.419.004	1.009.656.042	127.841.286	338.921.676	-

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 28 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)****Exchange Rate Risk**

		March 31, 2025		
		TL equivalent	US Dollar	Euro
1.	Trade receivables	478.562.818	12.671.924	-
2a.	Monetary financial assets (including cash and bank accounts)	11.194.807	296.268	149
2b.	Non-monetary financial assets	-	-	-
3.	Other	23.903.003	302.600	306.500
4.	Current assets (1+2+3)	513.660.628	13.270.792	306.649
5.	Trade receivables	-	-	-
6a.	Monetary financial assets	-	-	-
6b.	Non-monetary financial assets	-	-	-
7.	Other	8.415	223	-
8.	Non-current assets (5+6+7)	8.415	223	-
9.	Total assets (4+8)	513.669.043	13.271.015	306.649
10.	Trade payables	882.325.169	23.279.151	38.963
11.	Financial liabilities	81.826.921	2.162.805	-
12a.	Other monetary liabilities	-	-	-
12b.	Other non-monetary liabilities	-	-	-
13.	Short-term liabilities (10+11+12)	964.152.090	25.441.956	38.963
14.	Trade payables	-	-	-
15.	Financial liabilities	294.964.446	7.796.342	-
16 a.	Other monetary liabilities	-	-	-
16 b.	Other non-monetary liabilities	-	-	-
17.	Long-term liabilities (14+15+16)	294.964.445	7.796.342	-
18.	Total liabilities (13+17)	1.259.116.535	33.238.298	38.963
19.	Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	-	-	-
19a.	Total amount of hedged assets	-	-	-
19b.	Total amount of hedged liabilities	-	-	-
20.	Net foreign currency asset/(liability) position (9-18+19)	(745.447.492)	(19.967.283)	267.686
21.	Total fair value of financial instruments used for foreign currency hedges	-	-	-

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 28 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)****Exchange Rate Risk (Continued)**

		December 31, 2024		
		TL equivalent	US Dollar	Euro
1.	Trade receivables	251.582.473	6.478.996	-
2a.	Monetary financial assets (including cash and bank accounts)	4.762.652	121.993	633
2b.	Non-monetary financial assets	-	-	-
3.	Other	1.617.315	-	40.000
4.	Current assets (1+2+3)	257.962.440	6.600.989	40.633
5.	Trade receivables	-	-	-
6a.	Monetary financial assets	-	-	-
6b.	Non-monetary financial assets	-	-	-
7.	Other	15.920.494	410.000	-
8.	Non-current assets (5+6+7)	15.920.494	410.000	-
9.	Total assets (4+8)	273.882.934	7.010.989	40.633
10.	Trade payables	720.635.164	18.272.714	242.433
11.	Financial liabilities	110.978.249	2.852.885	-
12a.	Other monetary liabilities	-	-	-
12b.	Other non-monetary liabilities	-	-	-
13.	Short-term liabilities (10+11+12)	831.613.413	21.125.599	242.433
14.	Trade payables	-	-	-
15.	Financial liabilities	295.705.352	7.601.608	-
16 a.	Other monetary liabilities	-	-	-
16 b.	Other non-monetary liabilities	-	-	-
17.	Long-term liabilities (14+15+16)	295.705.352	7.601.608	-
18.	Total liabilities (13+17)	1.127.318.765	28.727.207	242.433
19.	Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	-	-	-
19a.	Total amount of hedged assets	-	-	-
19b.	Total amount of hedged liabilities	-	-	-
20.	Net foreign currency asset/(liability) position (9-18+19)	(853.435.831)	(21.716.218)	(201.800)
21.	Total fair value of financial instruments used for foreign currency hedges	-	-	-

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at March 31, 2025, unless otherwise stated.)***NOTE 28 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)****Exchange Rate Risk (Continued)**

The following table details the Group's sensitivity to a 10 percent increase and decrease in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency-denominated monetary items at the end of the period and shows the effects of a 10 percent change in foreign exchange rates at the end of the period. A positive value indicates an increase in profit/loss and other equity items.

Foreign currency sensitivity analysis table				
March 31, 2025				
	Profit/loss		Equity	
	FOREIGN CURRENCY APPRECIATION	DEPRECIATION OF FOREIGN CURRENCY	FOREIGN CURRENCY APPRECIATION	DEPRECIATION OF FOREIGN CURRENCY
In case of a 10% appreciation/depreciation of the US Dollar against TL				
1- USD net asset/liability	(75.633.994)	75.633.994	(75.633.994)	75.633.994
2- US Dollar hedged portion (-)				
3- USD net effect (1+2)	(75.633.994)	75.633.994	(75.633.994)	75.633.994
If Euro appreciates/depreciates by 10% against TL				
4- Euro net asset/liability	1.089.244	(1.089.244)	1.089.244	(1.089.244)
5- Euro hedged portion (-)				
6- TL net impact (4+5)	1.089.244	(1.089.244)	1.089.244	(1.089.244)
In case of a 10% appreciation/depreciation of Chf against TL				
7- Chf net asset/liability	-	-	-	-
8- CHF hedged portion (-)	-	-	-	-
9- TL net impact (4+5)	-	-	-	-
Total (3+6+9)	(74.544.750)	74.544.750	(74.544.750)	74.544.750

Foreign currency sensitivity analysis table				
December 31, 2024				
	Profit/loss		Equity	
	FOREIGN CURRENCY APPRECIATION	DEPRECIATION OF FOREIGN CURRENCY	FOREIGN CURRENCY APPRECIATION	DEPRECIATION OF FOREIGN CURRENCY
In case of a 10% appreciation/depreciation of the US Dollar against TL				
1- USD net asset/liability	(84.525.879)	84.525.879	(84.525.879)	84.525.879
2- US Dollar hedged portion (-)				
3- USD net effect (1+2)	(84.525.879)	84.525.879	(84.525.879)	84.525.879
If Euro appreciates/depreciates by 10% against TL				
4- Euro net asset/liability	(817.704)	817.704	(817.704)	817.704
5- Euro hedged portion (-)				
6- TL net impact (4+5)	(817.704)	817.704	(817.704)	817.704
In case of a 10% appreciation/depreciation of Chf against TL				
7- Chf net asset/liability	-	-	-	-
8- CHF hedged portion (-)	-	-	-	-
9- TL net impact (4+5)	-	-	-	-
Total (3+6+9)	(85.343.583)	85.343.583	(85.343.583)	85.343.583

SÖKE DEĞİRMENCİLİK SANAYİ VE TİCARET A.Ş.

As of March 31, 2025, Notes to the Consolidated Financial Statements

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

NOTE 28 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)**Operation Risk****Capital Risk Management**

In managing its capital, the Group's objectives are to safeguard its ability to continue as a going concern in order to provide returns and benefits to its shareholders, and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital using the net debt to equity ratio. Net debt is calculated as total financial liabilities less cash and cash equivalents.

As of 31 March 2025 and 31 December 2024, the Group's net debt to equity ratios are as follows:

	March 31, 2025	December 31, 2024
Total Financial Debt	462.632.633	559.956.957
Cash and Banks (-)	(551.526.401)	(696.210.602)
Net Financial Debt	(88.893.768)	(136.253.645)
Equity	3.683.535.246	3.738.960.384
Net Financial Debt / Equity Ratio	(0,02)	(0,04)

NOTE 29 – EVENTS AFTER THE REPORTING PERIOD

There is no event after the reporting period.