BANVİT BANDIRMA VİTAMİNLİ YEM SANAYİİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONVENIENCE TRANSLATION TO ENGLISH OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024

(ORIGINALLY ISSUED IN TURKISH)

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(CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

BANVİT BANDIRMA VİTAMİNLİ YEM SANAYİİ ANONİM ŞİRKETİ

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

(Amounts expressed in full of Turkish Lira ("TRY") unless otherwise stated.)
(The information provided only for comparison purposes is expressed in purchasing power as of 31 March 2024.)

	Notes	Not reviewed 31 March 2024	Audited 31 December 2023
ASSETS			
Current Assets			
Cash and cash equivalents	3	1,687,194,633	1,448,226,467
Trade receivables		2,101,299,727	1,750,261,869
-Related parties	*5*	*39,697,492*	*36,857,447*
-Other parties	*6*	*2,061,602,235*	*1,713,404,422*
Other receivables		140,577,058	128,708,251
-Other parties		*140,577,058*	*128,708,251*
Inventories	7	1,345,312,137	1,467,679,653
Biological assets	8	1,403,398,997	1,345,901,659
Prepaid expense		214,769,458	162,761,294
Current tax assets		145,415,932	165,567,488
Other current assets		594,796,684	913,623,081
Subtotal		**7,632,764,626**	**7,382,729,762**
Assets held for sale	12	45,778,082	45,778,082
Total Current Assets		**7,678,542,708**	**7,428,507,844**
Non-Current Assets			
Other receivables		375,313	436,496
-Other parties		*375,313*	*436,496*
Property, plant and equipment	10	4,879,379,050	4,953,260,437
Right of use of assets		265,154,523	82,181,286
Intangible assets	11	82,356,580	96,829,534
-Other intangible assets		*82,356,580*	*96,829,534*
Prepaid expenses		62,489	16,641,838
Total Non-current Assets		**5,227,327,955**	**5,149,349,591**
Total Assets		**12,905,870,663**	**12,577,857,435**

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

(CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

BANVİT BANDIRMA VİTAMİNLİ YEM SANAYİİ ANONİM ŞİRKETİ

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

(Amounts expressed in full of Turkish Lira ("TRY") unless otherwise stated.)
(The information provided only for comparison purposes is expressed in purchasing power as of 31 March 2024.)

	Notes	Not reviewed 31 March 2024	Audited 31 December 2023
LIABILITIES			
Short-term Liabilities			
Short-term borrowings	4	937,055,627	1,410,047,399
Short-term lease liabilities	4	70,225,665	8,565,513
-Lease liabilities to other parties		*70,225,665*	*8,565,513*
Short-term portions of long-term borrowings	4	56,875,291	53,100,225
Other financial liabilities	4	50,896,959	1,475,219
Trade payables		3,585,236,435	3,886,974,514
-Other parties	*6*	*3,585,236,435*	*3,886,974,514*
Liabilities related to the employee benefits		117,648,788	167,059,005
Derivative Instruments		2,699,730	10,863,566
Other payables		254,654,564	255,120,391
-Related parties	*5*	*247,475,842*	*251,606,439*
-Other parties		*7,178,722*	*3,513,952*
Deferred revenue		89,473,541	70,243,357
- Tax provisions		804,306,362	446,228,317
Short-term provisions		206,921,388	186,077,043
-Provisions related to the employee benefits		*184,872,384*	*162,830,143*
-Other		*22,049,004*	*23,246,900*
Other short-term liabilities		1,331,832	675,984
Total Short-term Liabilities		**6,177,326,182**	**6,496,430,533**
Long-term Liabilities			
Long-term borrowings	4	93,036,337	79,788,863
Long-term lease liabilities	4	140,168,434	12,900,115
-Lease liabilities to other parties		*140,168,434*	*12,900,115*
Long-term provisions		764,072,670	854,288,704
-Provisions related to the employee benefits		*764,072,670*	*854,288,704*
Deferred tax liability		27,340,008	69,912,327
Total Long-term Liabilities		**1,024,617,449**	**1,016,890,009**
Total Liabilities		**7,201,943,631**	**7,513,320,542**
EQUITY			
Paid-in share capital	13	100,023,579	100,023,579
Inflation adjustment of capital	13	1,571,723,572	1,571,723,572
Accumulated other comprehensive expense that will not be reclassified through profit or loss		(415,851,845)	(412,380,024)
-Remeasurement of the defined benefit liability		*(848,253,878)*	*(848,253,878)*
-Fixed assets revaluation	*13*	*432,402,033*	*435,873,854*
Accumulated other comprehensive expense that may be reclassified through profit or loss		678,976,665	706,084,445
-Translation differences		*678,976,665*	*706,084,445*
Restricted reserves	13	193,998,302	193,998,302
Other reserves	13	65,835,957	65,835,957
Accumulated gains/(losses)	13	2,842,722,883	1,743,884,961
Profit/(Loss) for the period		666,497,919	1,095,366,101
Total Equity		**5,703,927,032**	**5,064,536,893**
Total Equity and Liabilities		**12,905,870,663**	**12,577,857,435**

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

BANVİT BANDIRMA VİTAMİNLİ YEM SANAYİİ ANONİM ŞİRKETİ

STATEMENT OF PROFIT OR LOSS AND OTHER COMPHERENSIVE INCOME AS OF 31 MARCH 2024

(Amounts expressed in full of Turkish Lira ("TRY") unless otherwise stated)
(The information provided only for comparison purposes is expressed in purchasing power as of 31 March 2024.)

	Notes	**Not reviewed 1 January - 31 March 2024**	**Not reviewed 1 January - 31 March 2023**
PROFIT OR LOSS			
Revenue	*14*	6,311,040,364	5,908,923,182
Cost of Sales (-)	*14*	(5,001,730,184)	(5,835,408,560)
Gross Profit from Business Operations		**1,309,310,180**	**73,514,622**
General administrative expenses (-)		(170,875,220)	(126,751,792)
Selling, marketing and distribution expenses (-)		(372,690,032)	(327,263,363)
Research and development expenses (-)		(221,277)	(130,651)
Other income from operating activities	*17*	180,926,694	142,303,152
Other expenses from operating activities (-)	*17*	(176,536,559)	(227,504,215)
Profit/(Loss) from Operating Activities		**769,913,786**	**(465,832,247)**
Income from investing activities		--	27,659,841
Loss from investing activities (-)		(369,649)	(15,874)
Profit/(Loss) from Operating Activities Before Financial Expense		**769,544,137**	**(438,188,280)**
Finance income		52,808,914	1,422,883
Finance expenses (-)		(208,545,651)	(252,602,371)
Monetary gain/loss (-)		333,813,749	917,113,714
Finance Income, Net (-)		**178,077,012**	**665,934,226**
Profit/(Loss) Before Tax		**947,621,149**	**227,745,946**
Tax Expense			
-Current tax (expense)/ income	*15*	(323,695,549)	--
-Deferred tax income	*15*	42,572,319	20,429,887
Profit/(Loss) for the Period from Continuing Operations		**666,497,919**	**248,175,833**
Profit/(Loss) for the Period from Discontinued Operations		**--**	**(345,494,320)**
Distribution of Net Loss			
-Parent company		666,497,919	(97,318,487)
Profit/(Loss) per share			
Profit/(Loss) per share from continuing operations		6.6634	2.4812
Profit/(Loss) per share from discontinued operations		--	(3.4541)
OTHER COMPREHENSIVE INCOME		**(27,107,780)**	**348,909,906**
That will not be reclassified through profit or loss		(27,107,780)	366,879,350
-Re-measurement of the defined benefit liability		--	*(22,461,804)*
-Deferred tax income		--	4,492,361
Total Other Comprehensive Income		**(27,107,780)**	**348,909,906**
Total Comprehensive Income for the Period		**639,390,139**	**251,591,420**

BANVİT BANDIRMA VİTAMİNLİ YEM SANAYİİ ANONİM ŞİRKETİ

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

(Amounts expressed in full of Turkish Lira ("TRY") unless otherwise stated.)
(The information provided only for comparison purposes is expressed in purchasing power as of 31 March 2024.)

			Other accumulated comprehensive income and expenses not to be reclassified in profit or loss		**Other accumulated comprehensive income and expenses to be reclassified in profit or loss**				**Retained Earnings**		
	Paid-in capital	***Capital adjustment differences***	***Re-measurement of the defined benefit liability***	***Revaluation funds***	***Change in foreign exchange differences***	***Hedging gains/losses***	***Other reserves***	***Restricted profit reserves***	***Retained earnings***	***Net profit/ (loss) for the period***	***Total equity***
Reported balance as at 1 January 2023	**100,023,579**	**1,571,723,572**	**(343,556,135)**	**175,291,400**	**1,130,917,222**	**(21,633,763)**	**5,611,290**	**15,190,838**	**3,101,392,005**	**(1,130,693,608)**	**4,604,266,400**
Classification	--	--	--	--	--	--	60,224,667	178,807,464	(239,032,131)	--	--
Revised balance as at 1 January 2023	**100,023,579**	**1,571,723,572**	**(343,556,135)**	**175,291,400**	**1,130,917,222**	**(21,633,763)**	**65,835,957**	**193,998,302**	**2,862,359,874**	**(1,130,693,608)**	**4,604,266,400**
Transfers	--	--	--	(4,182,594)	--	--	--	--	(1,126,511,014)	1,130,693,608	--
Subsidiary sales impact	--	--	--	--	(167,947,767)	--	--	--	--	--	(167,947,767)
Total conprehensive income	--	--	--	--	366,879,350	(17,969,443)	--	--	--	(97,318,487)	251,591,420
Balance as at 31 March 2023	**100,023,579**	**1,571,723,572**	**(343,556,135)**	**171,108,806**	**1,329,848,805**	**(39,603,206)**	**65,835,957**	**193,998,302**	**1,735,848,860**	**(97,318,487)**	**4,687,910,053**
Balance as at 1 January 2024	**100,023,579**	**1,571,723,572**	**(848,253,878)**	**435,873,854**	**706,084,445**	**--**	**65,835,957**	**193,998,302**	**1,743,884,961**	**1,095,366,101**	**5,064,536,893**
Transfers	--	--	--	(3,471,821)	--	--	--	--	1,098,837,922	(1,095,366,101)	--
Total comprehensive income	--	--	--	--	(27,107,780)	--	--	--	--	666,497,919	639,390,139
Balance as at 31 March 2024	**100,023,579**	**1,571,723,572**	**(848,253,878)**	**432,402,033**	**678,976,665**	**--**	**65,835,957**	**193,998,302**	**2,842,722,883**	**666,497,919**	**5,703,927,032**

	Note	**Not reviewed 1 January - 31 March 2024**	**Reviewed 1 January - 31 March 2023**
CASH FLOWS ARISING FROM OPERATING ACTIVITIES			
Profit/(Loss) for the Period		**666,497,919**	**(97,318,487)**
Profit/(Loss) for the Period from Continuing Operations		666,497,919	248,175,833
Profit/(Loss) for the Period from Discontinued Operations	11	--	(345,494,320)
Adjustments Regarding Net Profit/(Loss) Reconciliation for the Period:		**739,427,802**	**175,559,235**
Adjustment of Depreciation and Amortization		348,041,572	388,399,648
Adjustment of Decrease in Value of Trade Receivables	6	(607,828)	401,450
Adjustments for Fair Value (Gains)/Losses of Derivative Financial Instruments		(8,163,836)	(2,281,505)
Adjustment of Decrease in Value in Inventories	7	(413,914)	(5,611,406)
Adjustment of Provisions for Employee Benefits		109,637,800	42,802,984
Adjustments for Provisions		(1,197,896)	(3,187,614)
Adjustments for Tax (Income)/Expense	14	281,123,230	(20,429,887)
Adjustments for Losses and Gains from the Disposal of Assets Held for Sale		--	(27,659,842)
Interest Paid		116,177,725	100,361,619
Interest Income		(23,456,015)	(2,108,061)
Inflation Impact on Operating Activities		(331,513,225)	(390,322,923)
Non-operating Foreign Exchange Gain and Loss		249,800,189	95,194,772
Changes in Working Capital		**5,801,308**	**98,565,551**
Change in Trade Receivables		(349,151,661)	(353,338,541)
Change in Inventories		404,459,924	399,500,479
Change in Trade Payables		(301,738,079)	56,236,896
Change in Employee Benefits		(49,410,217)	15,562,929
Change in Government Grants		--	3,550,255
Change in Other Assets Regarding Operating Activities		282,221,136	(28,196,464)
Change in Other Liabilities Regarding Operating Activities		19,420,205	5,249,997
Net Cash Provided from Operating Activities		**1,411,727,029**	**176,806,299**
Taxes Paid		54,534,052	17,306,089
Payments Made within the Scope of Provisions for Employment Benefits		(42,272,643)	(161,084,980)
Net Cash Provided From Operating Activities		**1,423,988,438**	**33,027,408**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds From Sale of Property, Plant, Equipment and Intangible Assets		127,444	--
Acquisition Of Property, Plant, Equipment, and Intangible Assets		(230,887,688)	(526,620,122)
Proceeds From Assets Held for Sale		--	27,659,842
Proceeds From Sale of Biological Assets		3,446,699,086	3,927,631,634
Acquisition and Physical Change on Biological Assets		(3,997,775,143)	(4,303,684,990)
Cash Advances Given and Payables		16,579,349	141,988,820
Net Cash Flows provided from/(Used in) Investing Activities		**(765,256,952)**	**(733,024,816)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Loans	4	277,017,115	1,818,907,553
Repayment of Borrowings	4	(44,885,403)	(1,625,980,350)
Repayment of Lease Liabilities		183,191,999	(11,319,693)
Proceeds from Other Financial Borrowings		49,421,740	38,980,368
Interest Received		23,456,015	2,108,061
Interest Paid		(603,846,290)	(105,805,266)
		(115,644,824)	**116,890,673**
Cash Flows Provided From Financing Activities		**543,086,662**	**(583,106,735)**
NET/INCREASE IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF TRANSLATION DIFFERENCE		**(27,107,780)**	**198,931,584**
EFFECT OF TRANSLATION DIFFERENCE ON CASH AND CASH EQUIVALENTS		**515,978,882**	**(384,175,151)**
NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS		**1,376,101,478**	**937,271,680**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**(249,800,189)**	**(95,194,772)**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	*3*	**1,642,280,171**	**457,901,757**

1 ORGANISATION AND OPERATION OF THE GROUP

Banvit Bandırma Vitaminli Yem Sanayii Anonim Şirketi ("Group" or "Banvit"), was registered in Bandırma, in Turkey, in 1968. 8.29% of Banvit shares is listed on Istanbul Stock Exchange ("ISE") (31 December 2023: 8.29%).

The main operations of Banvit are marketing, slaughtering and production of animal feed, breeding eggs, one-day-old chicks, live chickens and processed chickens. Financial statements in this consolidated Statement include the Company and its subsidiaries. In the following sections, the Parent Company and its subsidiaries will be referred to as "Group".

The subsidiaries included in consolidation as of 31 March 2024 and 31 December 2023, their cities of incorporation, nature of businesses and participation rates of the Company are as follows:

			Subsidiries and Effective Ownership Rate	
	Country of Subsidiary	**Field of Subsidiary**	**31 March 2024**	**31 December 2023**
Nutrinvestments B.V. (*)	Holland	Holding Company	100%	100%
Banvit Enerji ve Elektrik Üretim Anonim Şirketi ("Banvit Enerji")	Turkey	Energy production	100%	100%

(*) As of March 31, 2023, the liquidation procedures of Nutrinvestment B.V., which is 100% owned by Banvit, have been initiated but not completed as of 31 March 2024.

Banvit's subsidiary, Nutrinvestments B.V. was established on 18 August 1999 as a holding company in Amsterdam, Holland.

Banvit Energy, a subsidiary of Banvit, obtained the necessary license from the Energy Market Regulatory Authority, for the purpose of establishing, commissioning, leasing a production facility for the conversion of energy resources into electrical energy at production facilities, generating electrical energy, and selling the generated electrical energy and/or capacity to customers. It was established in May 2009 and registered in the trade registry on 5 June 2009. On October 25, 2010, Banvit Energy's license application to the Energy Market Regulatory Authority was finalized and it will be valid until February 22, 2059, with a total facility completion period of 34 months, 16 months for the pre-construction period and 18 months for the construction period. production license has been granted.

1 ORGANISATION AND OPERATION OF THE GROUP (Continued)

As of 31 March 2024 and 31 December 2023, the number of personnel by category is as follows:

	31 March 2024	31 December 2023
Blue collar	4,216	4,174
White collar	667	642
Total number of employees	**4,883**	**4,816**

The address of the registered office and headquarters of the Company is as follows:

Ömerli Mahallesi, Ömerli Sokak, No: 208
10202 Bandırma - Balıkesir / Turkey
Website: http://www.banvit.com/

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

The financial statements of entities whose functional currency is not TL are prepared in their own function currency and these financial statements are translated to TL for consolidation purposes in accordance with the TAS 21 (The Effects of Changes in Foreign Exchange Rates). The Group has determined its reporting currency as the Turkish Lira for presentation purposes of consolidated financial statements and explanatory notes. All currencies other than the currency selected for measurement of the consolidated financial statement items are foreign currencies.

Foreign currency transactions of related subsidiaries are translated to the functional currency at the actual rates applicable of the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates valid at the reporting dates. Translation gains and losses related to monetary items represent the difference between the amounts calculated in the functional currency valid at the beginning and the end of the period.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of preparation (Continued)

Adjustment of financial statements in hyperinflationary periods

Group prepared its consolidated financial statements as of March 31, 2024 by applying TAS 29 "Financial Reporting in Hyperinflationary Economies" in accordance with the announcement made by Public Oversight Accounting and Auditing Standards Authority ("POA") on November 23, 2023 and the "Implementation Guide on Financial Reporting in Hyperinflationary Economies". The standard requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the purchasing power of that currency at the balance sheet date and that comparative figures for prior period financial statements be expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Company has presented its consolidated financial statements as of December 31, 2023 on the purchasing power basis as of March 31, 2024.

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

The restatements in accordance with TAS 29 have been made using the adjustment factor derived from the Consumer Price Index ("CPI") in Turkey published by the Turkish Statistical Institute. As of December 31, 2023, the indexes and adjustment factors used in the restatement of the consolidated financial statements are as follows:

Dates	Index	Adjustment Coefficient	Three-Year Compound Inflation Rate
31 March 2024	2,139.47	1.00000	211%
31 December 2023	1,859.38	1.15063	268%
31 March 2023	1,269.75	1.68495	156%
31 December 2022	1,128.45	1.89594	156%

The main components of Group's restatement for the purpose of 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 at the balance sheet date and the amounts for the previous reporting periods are restated in accordance with the purchasing power at the end of the reporting period.

- Monetary assets and liabilities are not restated as they are currently expressed in terms of the purchasing power at the balance sheet date.Where the inflation-adjusted amounts of non-monetary items exceed the recoverable amount or net realizable value, the provisions of TAS 36 and TAS 2 have been applied, respectively.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of preparation (Continued)

- 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 multipliers 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 consolidated income statement in the net monetary position loss account.

Foreign currency transactions

Transactions in foreign currencies are translated to TL at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognized in profit or loss. Non-monetary items measured in foreign currency's historical cost are translated using the exchange rate at the date of the transaction.

The closing exchange rates for the reporting periods are as follows:

	31 March 2024		31 December 2023	
	Period End	Average	Period End	Average
Euro ("EUR")/TL	34.8023	33.5552	32.5739	25.7198
United States Dollars ("USD")/TL	32.2854	30.9035	29.4382	23.7776

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of preparation (Continued)

Statement of Compliance with Turkish Financial Reporting Standards ('TFRS')

Banvit and its subsidiary operating in Turkey maintain their accounting records and statutory books in Turkish Lira (TRY) in accordance with the prevailing commercial and financial regulations. Subsidiaries operating in foreign countries maintain their accounting records and statutory books in the currencies of the countries where they operate and prepare them in accordance with the regulations of those countries.

The consolidated financial statements attached herewith have been prepared in accordance with the Turkish Financial Reporting Standards ('TFRS') issued by the Public Oversight, Accounting and Auditing Standards Authority ('KGK') in accordance with the provisions of the Communiqué on Principles Regarding Financial Reporting in the Capital Markets ('Communiqué') published in the Official Gazette dated June 13, 2013, numbered 28676 by the Capital Markets Board ('CMB'). TFRS includes Standards and Interpretations published by the KGK under the names of Turkish Accounting Standards ('TAS'), Turkish Financial Reporting Standards, TAS Interpretations, and TFRS Interpretations.

The financial statements have been presented in accordance with the formats determined in the 'TFRS Taxonomy' published by the KGK on October 4, 2022, and the Financial Statement Examples and Usage Guide published by the CMB.

The summarized consolidated financial statements for the three-month interim period ended March 31, 2024, of the Group have been approved by the Board of Directors on May 7, 2024, for publication. The General Assembly and relevant regulatory authorities have the right to amend the financial statements prepared in accordance with legal regulations and the TFRS, as well as the summarized consolidated financial statements prepared for the interim period in accordance with TFRS.

Consolidation principles

All items of the statement of financial position except for the paid-in capital of the Parent Company and its subsidiary and their equities at the acquisition date are added, and intercompany balances are eliminated. The Parent Company's interest in the subsidiary is set off against the Financial Assets account of the Parent Company and the Share Capital account of the subsidiary.As of the acquisition date that the entity included in the consolidation becomes a subsidiary and in the subsequent share acquisitions, the acquisition cost of the Parent Company's shares in its subsidiary is set off against the value representing these shares in the equity account of the Subsidiary's statement of financial position drawn up according to fair value.

Shares other than Parent Company shares and Subsidiary shares are deducted from all equity account group items including the paid in/issued share capital of subsidiaries included in the consolidation and are recognized as "Non-controlling interests" in the equity account group of the consolidated statement of financial position.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of preparation (Continued)

The Company and its shares in the subsidiary are mutually eliminated from the financial investments in the Company and the Capital account in the subsidiaries. As of the date on the partnerships within the scope of consolidation become subsidiaries and for one-time only in subsequent share acquisitions, the cost of acquiring the shares of the Company in the capital of the subsidiaries is offset against the value represented in the equity of the financial of the subsidiaries, which is valued at fair value.

As of 31 March 2024 and 31 December 2023, Banvit's direct and indirect voting rights and effective shareholding ratios are 100% in all subsidiaries included in the consolidation scope.

Comparatives and restatement of prior periods’ financial statements

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

In the interim income statement ended on 31 March 2023, the Group has excluded the income/expense obtained from discontinued operations and presented them separately in Note 12.

The classification made in the consolidated financial statements of the Group as of December 31, 2023, is as follows:

The Group has reclassified the amount of 21,398,969 TRY, previously presented within trade payables to related parties in the balance sheet for the period ending December 31, 2023, under the account of other payables to related parties.

Inflation adjustment effects of reserves restricted and other reserves amounting to TL 239,032,131, which were classified in the "Retained Earnings " account in the consolidated statement of financial position for the period ending 1 January - 31 December 2023, were classified in the "Restricted reserves” and “other reserves" account.

2.2 Accounting policies, changes in accounting estimates and errors

Except for the accounting policies stated below, the accounting policies applied in these consolidated financial statements are the same as those applied in the consolidated financial statements for the year ended 31 December 2023 and the same date.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Significant accounting estimates and assumptions

The preparation of the consolidated financial statements require Group Management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Those estimates are reviewed periodically and as adjustments become necessary, they are reported in statements of income in the periods they become known.

Significant estimates used in the preparation of these financial statements and the significant judgments with the most significant effect on amounts recognized in the consolidated financial statements are as follows:

a) Provision for employment termination benefits

Termination indemnity liability is determined by using actuarial assumptions as discount rates, future salary increases and employee turnover rates by the Group. As these plans are long term plans, the said assumptions include significant ambiguities. Actuarial gains or losses are stated in consolidated other comprehensive income.

b) Trade receivable

Provision for doubtful receivables is an estimated amount that Group Management believes to reflect for possible future losses on existing receivables that have collection risk due to current economic conditions.

c) Useful life

The useful economic lifetime of Group's assets are determined by Group Management at acquisition date of asset and they are revised regularly. Group determines the useful lifetime of an asset by considering the assets' approximate benefit. This assessment based on the experience of used similar assets. The Group considers the situation that will become unusable in terms of technical or commercial values, as a result of changes or progression in the market when determine the useful lifetime of an asset.

d) Revaluation of land, buildings and land improvements, machinery and equipments

The frequency of revaluation studies is determined to ensure that the carried values of the tangible fixed assets and investment properties are not significantly different from their fair values as of the end of the relevant reporting period. The frequency of the revaluation studies depends on the change in the fair value of the tangible assets. In cases where the fair value of a revalued asset is considered to be significantly different from its carrying value, the revaluation study needs to be repeated, and this study is carried out for the entire class of assets with the revaluated asset as of the same date.

On the other hand, it is not necessary to repeat the revaluation studies every year for the tangible fixed assets whose fair value changes are insignificant.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Significant accounting estimates and assumptions (Continued)

In this context, as a result of the evaluations made by the Group management, the land and lands, buildings and surface improvements and machinery, facilities and devices are reflected in the financial statements at their fair values determined in the valuation studies carried out by an independent professional valuation company authorized by the CMB as of 31 December 2023.

Details of the methods and assumptions used within the scope of the valuation studies performed are as follows.

- In fair value calculations, the most effective and efficient use evaluation was made and the current usage purposes were determined as the most effective and efficient use, and the peer comparison method was used for lands and plots, and the cost approach method was used for underground and surface landscapes and buildings.

- In the peer comparison method, the existing market information was used, the prices were adjusted within the framework of the criteria that may affect the market value, considering the similar real estates that were recently put on the market, and the average m2 sales value for the plots subject to the report was determined. The peers found were compared according to criteria such as location, size, zoning status, physical characteristics, and real estate marketing firms were interviewed for an up-to-date evaluation of the real estate market, and the existing knowledge of an independent professional valuation company was used.

- In the cost approach method, the value of the real estate is determined by adding the investment costs on the land to the land value after amortization (subtracting the depreciation after adding any interest or gain). In the calculation of the land value among the components discussed in the cost approach method, the equivalent comparison method explained above was used.

- Cost approach method was used in valuation of property, plant and equipment. Due to the fact that valuation is an integrated industrial plant valuation as a whole, in the light of market data to the extent that it is applicable in valuation of property, plant and equipment; It was built on active and operational values within the integrated plant and the property, plant and equipment in question were examined on a line basis.

The values that may occur during the realization of purchase/sale transactions may differ from these values.

e) Deferred tax asset

Deferred tax liability for all taxable temporary differences is accounted for when the deductible temporary differences, deferred tax assets through future taxable profits is probable to take advantage of this difference provided are recognized.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Significant accounting estimates and assumptions (Continued)

f) Impairment of inventory

In calculating impairment, the physical status and aging of inventories are reviewed taking into consideration the technical personnel's opinion; and provision is made for items assumed unserviceable. In determining the net realizable value of inventories, inventory price lists and average discount rates of the year are used and assumptions are made in relation to sales expenses to be incurred in the future.

2.3.1 Changes in significant accounting estimates and errors

Preparation of the accompanying financial statements in accordance with Turkish Accounting Standards; The values of some assets and liabilities in the financial statements prepared by the management require some estimates to be made regarding the explanations given about possible liabilities and the amounts of reported income and expenses. Actual amounts may differ from estimates. These estimates are reviewed at regular intervals and reported in the profit or loss statement as of the known periods.

2.4 Significant accounting policies

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of cash flows comprise cash, credit card receivables, banks and short term investments of short maturity (up to 3 months) and high liquidity which are easily convertible to specific amounts of cash and maturing in a maximum of 3 months.

Inventories

Inventories are stated at the lower of cost or net realizable value. The cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present state and condition. The costs of inventories are determined by weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

Biological Assets

Biological assets are measured at their fair value less costs to sell, and changes in fair value are recognized in profit or loss. In cases where the fair value cannot be determined reliably, it is recognized in profit or loss by deducting accumulated depreciation and accumulated impairment provisions from the cost at the end of the period.

Breeding chickens, laying hens and broiler chickens are classified under biological assets in the consolidated financial statements. Laying and breeding chickens are amortized on the basis of their economic life according to the laying period. Since these biological assets do not have an active market, they are reflected in the consolidated financial statements after deducting the accumulated amortization and impairment losses, if any.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting policies (Continued)

Broiler live chickens are recorded directly at production cost, following slaughter periods at the end of their useful life.

Biological assets owned by the Group do not have a quoted market price and the company clearly understands that alternative measurements of fair value are not reliable, therefore biological assets are measured at cost less any accumulated depreciation and accumulated impairment losses. Group management determines the useful life of biological assets by calculating the potential number of eggs that they can lay under normal conditions.

Related parties

If one of the below listed criteria exists the party is regarded as related with the Group:

a) Directly, or indirectly through one or more intermediaries, the party:
   i) controls, is controlled by, or is under common control with, the Group (this includes parents, subsidiaries and fellow subsidiaries);
   ii) has an interest in the Group that gives it significant influence over the Group; or
   iii) has joint control over the Group;

b) The party is an associate of the Group;
c) The party is a joint venture in which the Group is a venture;
d) The party is member of the key management personnel of the Group or its parent;
e) The party is a close member of the family of any indiv idual referred to in (a) or (d);
f) The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
g) The party has a post-employment benefit plan for the benefit of employees of the Group, or of an entity that is a related party of the Group.

Tangible assets

All tangible assets are initially recognized at cost, Land, buildings and machinery-equipment are stated at fair value less depreciation after the fair value of land and buildings is determined by appraisal undertaken by professionally qualified valuation specialists. All other tangible assets are stated at cost less accumulated depreciation and provision for impairment, if any. When a tangible asset is sold, income after deduction of relevant cost and accumulated depreciation is stated in the statement of income and profit or loss. When a revalued asset is sold, the relevant revaluation funds are transferred to retained earnings.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting policies (Continued)

All property, plant and equipment, except Land, Building and Land Improvements, buildings and machines, were indexed as of 31 December 2004 and the dates of initial entry into the asset were taken into account when bringing the Turkish lira to purchasing power during the reporting period. Purchases after January 1, 2005 are shown at their nominal value. Depreciation for property, plant and equipment is divided using the linear depreciation method, based on the amounts adjusted for inflation accounting and the estimated useful lives of assets at the nominal values of purchases after January 1, 2005.

The cost of a tangible asset includes the purchase price, import duties and non-refundable purchase taxes, and the costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating. Expenses incurred after the asset is started to be used, i.e. maintenance and repair expenditures are recognized in profit or loss in the period in which they are incurred. If the expenditures made increase an asset's economic usefulness in the future, they are added to the cost of the asset.

The increase in the carrying value of the tangible assets arising from revaluation are initially credited after deduction of deferred tax effect to the tangible assets value increase fund account under equity. The accumulated depreciation corresponding to the revaluation fund of the tangible assets accounted for by revaluation method is recognized as an expense in the relevant period.

The ranges of useful lives applied to the assets previous and current periods are as follows:

Buildings	15 - 50 years
Land Improvements	15 - 25 years
Plant, machinery and equipment	2 - 15 years
Motor vehicles	4 - 5 years
Furniture and fixtures	3 - 15 years
Leasehold improvements	5 - 15 years

Intangible assets

Intangible assets have a limited useful life and mainly include rights and computing software. These assets are reflected in the financial statements over their acquisition costs, with their accumulated amortization and net value after deducting any impairment, if any. These assets are amortized using the straight-line method within an average of five years from the date of acquisition. Maintenance and repair costs of computer software programs are expensed when service is performed.

Losses and gains arising from the disposal of intangible assets or impairment losses over their indexed values are shown in the relevant income and expense accounts. The salvage value of intangible assets is not estimated to be significant. Intangible assets are tested for impairment if their carrying value may be higher than their recoverable value.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting policies (Continued)

Leases

At the inception date of the contract, the Group evaluates whether the contract is or contains a lease. If the contract transfers the right to control the use of the identified asset for a specified period of time, the contract is or includes a lease. To assess whether a contract provides the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Leases

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying

asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting policies (Continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Share capital

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with TAS 12.

Taxes calculated on corporate earnings

Income tax expense comprises current and deferred tax, It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any, It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting policies (Continued)

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used, Future taxable profits are determined based on business plans for individual subsidiaries in the Group and the reversal of temporary differences, Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

Government grants

All government grants including the nonmonetary incentives that are carried at fair value are recognized in the consolidated financial statements provided that the Group fulfils the necessary requirements to receive such incentives.

The government grants related assets, recognized in financial statements as deferred income. In case of that government incentives are presented as deferred income, they are systematically and reasonably associated with in the consolidated profit or loss and other comprehensive income statement throughout the useful life of the asset.

Government assistance that is provided in the form of benefits that are available in determining taxable profit or tax loss, or are determined or limited on the basis of income tax liability are recognized as the deferred tax income.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting policies (Continued)

Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Discontinued operations are an important part of the Group's disposal and its operations and cash flows can be separated from the Group as a whole. The operating results obtained until the date when the Group's control over the disposed operations ends are presented in a separate line under the heading "discontinued operations" in the consolidated statement of profit or loss. The consolidated profit or loss statement for the previous period is restated in accordance with the comparison principle, and the operating results of the discontinued operations for the previous accounting period are also classified as "discontinued operations".

The net profit/loss for the period regarding the discontinued operations is shown in a separate line as the net profit/loss from the discontinued operations in the income statement.

Employee benefits

Severance pay according to the current laws and collective bargaining agreements in Turkey, is paid in case of retirement or dismissal. In accordance with TAS 19 Employee Benefits Standard ("TAS 19"), such payments are classified as defined retirement benefit plans. The retirement pay liability recognized in the balance sheet has been calculated based on the net present value of all employees' expected future salary amounts due to their retirement and reflected in the consolidated financial statements. All actuarial gains and losses are accounted for as other comprehensive income.

Provisions, contingent assets and liabilities

Provisions are recognized if, and only if, there is a present obligation (legal or constructive) which has arisen as a result of a past event, it is likely that the resources providing economic benefit to the company flow from the company due to such obligation, and the potential liability can be estimated reliably. If the effect of the time value of money becomes material, the provisions are stated at the expected future cash outflows discounted at the reporting date. Provisions are reviewed at each reporting date and adjustments are made so as to reflect the best estimates of the Group Management.

Contingent assets are subject to continuous evaluation in order to maintain correct recognition of relevant events. When the inflow of economic benefits is virtually certain, then the related contingent asset and the relevant income are recognized in the financial statements. When the inflow of economic benefits is probable, then the subject contingent asset is recognized in the notes to the consolidated financial statements.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting policies (Continued)

Impairment on non financial assets

The Group considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

Revenue

The Group recognizes revenue in accordance with EFRS 15 "Revenue from contracts with customers" standard when the goods or services is transferred to the customer and when performance obligation is fulfilled based on the following main principles:

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

The Group assess the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer.

For each performance obligation identified, the entity determine at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If the Group transfers control of a good or sen-ice over time and therefore satisfies a performance obligation and recognises revenue over time. However, all of the Group's sales of goods and services include a single performance obligation.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting policies (Continued)

The Group recognises revenue when the entity satisfies a performance obligation by transferring a promised good or sen-ice to the customer. An asset is transferred when the customer obtains control of that asset or service. The Group recognized revenue from its customers only when all of the following criteria are met:

- The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations.
- Group can identify each party's rights regardmg the goods or services to be transferred.
- Group can identify' the payment terms for the goods or services to be transferred.
- The contract has commercial substance.
- It is probable that Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due.

At the beginning of the contract, the Group evaluates the goods or services it has committed in the contract with the customer and defines each commitment to transfer to the customer as a separate performance obligation. The Group also determines at contract inception whether it has fulfilled each performance obligation over time or at a point in time.

When a third party is involved in to sales transaction in order to provide of goods or services to the customer, the Group determines that the nature of its commitment is performed as a principal or agent by the Group. It is principal if the group controls the specified goods or services before transferring those goods or services to the customer. In that case, when (or as long as) it fulfills its performance

obligation, it includes the revenue in the consolidated financial statements equal to the gross amount of the price it expects to be entitled in return for the transferred goods or services. If the Group acts as an intermediary in the supply of goods or services for which a performance obligation has been determined by another party, it is in the position of an agent and does not reflect the revenue for the said performance obligation in the consolidated financial statements.

The Group does not adjust the promised amount of consideration for the effects of a significant financing component since the Group expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less. If the financing component is significant in revenue, future collections are discounted by the interest rate in financing component. The difference is recognised as mcoine from operatmg activities in current penod.

The Group's performance obligations consist of the sale of consumer products that it produces. The customer consumes the benefit obtained by the Group from the performance simultaneously. The sales transaction is recognized at the time of delivery of the manufactured products. The Group transfers control of the goods or services sold to the customer at the same time and the revenue is recognized when the performance obligation is fulfilled.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting policies (Continued)

Dividend and interest income

Dividend income from equity investments is accounted for when shareholders are entitled to receive dividends as long as it is economically beneficial and income can be measured reliably. Interest income from financial assets is recognized in the records as long as it is economically beneficial and the income can be reliably measured.

Finance income and expense

The Group's finance income include interest income and foreign currency gain on financial assets and liabilities (other than trade receivables and payables).

Finance expense comprises interest expense on borrowings, interest expense of long term provisions and foreign currency losses arising from financial assets and liabilities (excluding trade receivables and payables). Borrowing costs that are not directly attributable to acquisition, construction or production of qualifying assets are recognized in profit or loss.

The foreign currency gain or losses and discount income and expenses on trade receivables and trade payables are presented under other income/expense on operating activities.

Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Foreign currency

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into TL at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into TL at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the translation reserve, except to the extent that the translation difference is allocated to non-controlling interest.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the currency of the date on which the fair value was determined. Non-monetary items measured at historical cost in foreign currencies are translated from the date on which the transaction is made.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting policies (Continued)

Exchange differences are recognized in profit or loss in the period in which they are incurred, except in the following cases:

- Exchange differences that are included in the cost of such assets that are treated as adjustment to interest costs on debts denominated in foreign currencies that relate to the assets being constructed for future use.

- Foreign exchange differences arising from transactions carried out to provide financial protection against risks arising from foreign currencies (accounting policies related to establishing financial protection against risks are explained below).

Earnings/(losses) per share

Earnings/(losses) per share is calculated by dividing the net consolidated profit or loss and other comprehensive income for the period by the weighted average number of ordinary shares outstanding during the period.

Financial Instruments

Classification and measurement of financial assets and financial liabilities

Under TFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI - debt investment; FVOCI - equity investment; or FVTPL. The classification of financial assets under TFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting policies (Continued)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI, This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortised for the FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised for the at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Impairment of financial assets

The financial assets at amortised cost consist of trade receivables, cash and cash equivalents, and corporate debt securities.

- debt securities that are determined to have low credit risk at the reporting date, and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Group has elected to measure loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Under TFRS 9, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date, and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date, and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Significant accounting policies (Continued)

The Group has elected to measure loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

2.5 New and revised standards and interpretations

Standards issued but not yet effective and not early adopted

A number of new standards, interpretations of and amendments to existing standards are not effective at reporting date and earlier application is permitted; however the Group has not early adopted are as follows:

a) Standards, amendments, and interpretations applicable as of 31 March 2024:

- **Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8;** effective from annual periods beginning on or after 1 January 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.
- **Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction;** effective from annual periods beginning on or after 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.
- **IFRS 17, 'Insurance Contracts';** effective from annual periods beginning on or after 1 January 2023. This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts
- **Amendment to IAS 12 - International tax reform ;** The temporary exception is effective for December 2023 year ends and the disclosure requirements are effective for accounting periods beginning on or after 1 January 2023, with early application permitted. These amendments give companies temporary relief from accounting for deferred taxes arising from the Minimum Tax Implementation Handbook international tax reform. The amendments also introduce targeted disclosure requirements for affected companies.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 New and revised standards and interpretations (Continued)

b) Standards, amendments, and interpretations that are issued but not effective as of 31 March 2024:

- **Amendment to IAS 1 – Non-current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

- **Amendment to IFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

- **Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

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

- **IFRS S1, 'General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.

  IFRS S2, 'Climate-related disclosures'; effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities

3 CASH AND CASH EQUIVALENTS

As of 31 March 2024 and 31 December 2023, cash and cash equivalents comprised the following:

	31 March 2024	31 December 2023
Cash	1,036,165	1,253,877
Banks	1,641,244,006	1,374,847,601
- Time deposits	*689,995,852*	*659,119,839*
- Demand deposits	*951,248,154*	*715,727,762*
Cash at blockage (*)	44,914,462	72,124,989
Total	**1,687,194,633**	**1,448,226,467**

(*) As at 31 March 2024, TL 44,914,462 of cash blockage amount mainly comprised of the credit card receivables with a maturity less than 2 months (2023: TL 72,124,989).

Cash and cash equivalents included in the statement of cash flows for the three month period ended 31 March are comprised the followings:

	31 March 2024	31 March 2023
Cash and cash equivalents	1,687,194,633	488,895,505
Less: Blockage	(44,914,462)	(30,993,748)
Total	**1,642,280,171**	**457,901,757**

As of 31 March 2024 and 31 December 2023, maturity details of time and demand deposits of the Group are as follows:

	Time Deposit		Demand Deposit	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
USD	163,142,404	204,394,049	678,512,574	591,314,313
EUR	87,005,750	113,328,640	920,446	4,589,196
TL	701,100,000	398,005,073	10,562,832	63,216,330
	951,248,154	**715,727,762**	**689,995,852**	**659,119,839**

4 FINANCIAL LIABILITIES

As at 31 March 2024 and 31 December 2023, financial borrowings comprised the following:

	31 March 2024	**31 December 2023**
Short term borrowings	937,055,627	1,410,047,399
Short term portions of long term loans	56,875,291	53,100,225
Other financial liabilities (*)	50,896,959	1,475,219
Lease liabilities	70,225,665	8,565,513
Short term financial borrowings	**1,115,053,542**	**1,473,188,356**
Long term borrowings	93,036,337	79,788,863
Lease liabilities	140,168,434	12,900,115
Long term financial borrowings	**233,204,771**	**92,688,978**
Total financial borrowings	**1,348,258,313**	**1,565,877,334**

(*) The related amounts are composed of the financial liabilities related to the supplier financing activities.

The Group has no pledges or mortgages on its financial liabilities (31 December 2023: None).

The Group's loans have fixed interest rates.

As of 31 March 2024 and 31 December 2023, the maturities of the Company's loan liabilities are as following:

	31 March 2024	**31 December 2023**
Less than one year	993,930,918	1,463,147,624
Between one and five years	93,036,337	79,788,863
	1,086,967,255	**1,542,936,487**

4 FINANCIAL LIABILITIES (Continued)

As of 31 March 2024, the details of loans are as follows:

	31 March 2024		
	Currency	**TL Amount**	**Int. Rate %**
Short term bank loans	TL	937,055,627	14.44% - 48.83%
Short term portions of long term bank loans	TL	56,875,291	13.75% - 37.40%
Total		**993,930,918**	
Long Term Bank Loans	TL	93,036,337	14.70% - 32.81%
Total		**1,086,967,255**	

As of 31 December 2023, the details of loans are as follows:

	31 December 2023		
	Currency	**TL Amount**	**Int. Rate %**
Short term bank loans	TL	1,410,047,399	%14,44 - %32,81
Short term portions of long term bank loans	TL	53,100,225	%13,75 - %37,40
Total		**1,463,147,624**	
Long term bank loans	TL	79,788,863	%14,70 - %32,81
Total		**1,542,936,487**	

As at 31 March 2024 and 2023, cash flows from financial operations comprised the followings:

	1 January 2024	**Cash flows**	**Non-cash transactions (*)**	**Monetary gain/loss**	**31 March 2024**
Financial liabilities	1,542,936,487	232,131,711	(495,417,010)	(192,683,933)	1,086,967,255
Other financial liabilities	1,475,219	51,433,713	--	(2,011,973)	50,896,959
	1,544,411,706	**283,565,424**	**(495,417,010)**	**(194,695,906)**	**1,137,864,214**

	1 January 2023	**Cash flows**	**Non-cash transactions (*)**	**Monetary gain/loss**	**31 March 2023**
Financial liabilities	3,517,304,636	197,940,744	507,509,351	(854,469,212)	3,368,285,519
Other financial liabilities	94,627,390	50,797,289	--	(11,816,920)	133,607,759
	3,611,932,026	**248,738,033**	**507,509,351**	**(866,286,132)**	**3,501,893,278**

(*) As at 31 March non-cash transactions consist of interest accrued.

5 RELATED PARTIES

For the purpose of this consolidated report, the shareholders and key management personnel of the Company of companies, the ultimate shareholders of the Company and the companies controlled by/associated with them are referred to as related parties. Since transactions between the Group and its subsidiary, which is a related party of the Group, are eliminated during consolidation, they are not disclosed in this note. A number of transactions are entered into with the related parties in the normal course of business.

For the 31 March 2024, the executive members of the Group's management received aggregate compensation in amount of TL 21,326,055 (31 March 2023: TL 15,048,548).

As at 31 March 2024 and 31 December 2023, due from related parties and due to related parties are as follows:

Trade receivables from related parties

	31 March 2024	31 December 2023
Al Wafi Food Products Factory LLC	20,231,923	12,106,867
BRF Global GMBH	19,465,569	24,750,580
Total	**39,697,492**	**36,857,447**

Other payables to related parties

	31 March 2024	31 December 2023
TBQ Foods GMBH	240,650,586	245,917,112
BRF S.A.	5,206,382	2,440,438
BRF Global GMBH	1,618,874	2,509,040
Federal Foods QATAR	--	208,870
Al Wafi Food Products Factory LLC	--	530,979
Total	**247,475,842**	**251,606,439**

Sales to related parties

	31 March 2024	31 March 2023
BRF Global GmbH	293,797,242	101,981,549
Al Wafi Food Products Factory LLC	16,838,235	19,848,124
Total	**310,635,477**	**121,829,673**

5 RELATED PARTIES (Continued)

Purchase from related parties

	31 March 2024	31 March 2023
BRF S.A.	2,480,276	3,118,456
BRF Global GmbH	928,382	4,119,367
Total	**3,408,658**	**7,237,823**

6 TRADE RECEIVABLE AND PAYABLE

Trade receivables

Trade receivables of Group as of 31 March 2024 and 31 December 2023 are as follows:

	31 March 2024	31 December 2023
Trade receivables from other parties	2,061,602,235	1,713,404,422
Trade receivables from related parties (Note 5)	39,697,492	36,857,447
Total	**2,101,299,727**	**1,750,261,869**

Details of trade receivables as of 31 March 2024 and 31 December 2023 are as follows:

	31 March 2024	31 December 2023
Trade receivables	2,131,175,949	1,769,754,928
Trade receivables from related parties (Note 5)	39,697,492	36,857,447
Provisions for doubtful receivables	(8,042,829)	(9,929,026)
Rediscount expense	(61,530,885)	(46,421,480)
Total	**2,101,299,727**	**1,750,261,869**

Provisions for doubtful receivables as at 1 January - 31 March 2024 and 1 January - 31 March 2023 were as follows:

	31 March 2024	31 March 2023
Beginning balance	9,929,026	15,400,989
Increase during the period	1,693,455	2,623,710
Monetary (gain)/loss	(1,278,369)	(1,724,017)
Reversal of bad-debt provision	(2,301,283)	(2,222,260)
Ending Balance	**8,042,829**	**14,078,422**

6 TRADE RECEIVABLE AND PAYABLE (Continued)

The Group's exposure to currency and credit risk and impairment for current trade receivables are disclosed in Note 18.

As of 31 March 2024 and 31 December 2023, the nature and amount of commitments obtained against notes and trade receivables are as follows:

	31 March 2024	31 December 2023
Letters of guarantee	579,636,625	498,799,426
Total	**579,636,625**	**498,799,426**

Trade payables

Trade payables of the Group as of 31 March 2024 and 31 December 2023 are as follows:

	31 March 2024	31 December 2023
Trade payables to other parties	3,585,236,435	3,886,974,514
Total	**3,585,236,435**	**3,886,974,514**

The Group's exposure to foreign currency risks for short term trade payables are disclosed in Note 18**.**

As at 31 March 2024 the Group does not have non-current trade payables (31 December 2023: None.).

7 INVENTORIES

At 31 March 2024 and 31 December 2023, inventories comprised the following:

	31 March 2024	31 December 2023
Finished goods	327,117,628	289,659,627
Semi-finished goods	287,049,851	292,566,247
Raw materials	754,952,709	916,241,667
Goods in transit	10,811,699	4,245,776
Provision for inventories	(34,619,750)	(35,033,664)
Total	**1,345,312,137**	**1,467,679,653**

7 INVENTORIES (Continued)

Movements of allowance for impairment on inventories for the period ended 31 March 2024 and 2023 are as follows:

	31 March 2024	31 March 2023
Balance as at 1 January	35,033,664	39,110,619
(Reversal)/provision for the period, net	(413,914)	(5,611,406)
Total	**34,619,750**	**33,499,213**

8 BIOLOGICAL ASSETS

Breeder chickens those have useful life of 1 year, broiler daily chickens, broiler turkeys and breeder pullets are classified as biological assets as of 31 March 2024 and 31 December 2023.

Movements of biological assets at 31 March 2024 and 31 December 2023 are as follows:

	31 March 2024	31 December 2023
Broiler daily chickens	859,348,300	854,947,880
Breeder chickens	337,685,061	267,906,792
Breeder pullets	206,365,636	223,046,987
Total	**1,403,398,997**	**1,345,901,659**

Movements of broiler daily chickens at 31 March 2024 and 31 March 2023 are as follows:

Broiler daily chickens	**31 March 2024**	**31 March 2023**
Beginning balance	854,947,880	868,014,959
Additions	531,237,527	516,562,901
Effect of physical changes (*)	2,919,861,979	3,400,759,662
Disposal (-)	(3,446,699,086)	(3,833,299,118)
Ending balance	**859,348,300**	**952,038,404**

(*) Effect of physical changes mainly composed of feed consumptions, raiser costs, medicine and care costs.

8 BIOLOGICAL ASSETS (Continued)

Movements of breeder chickens at 31 March 2024 as follows:

Breeder chickens	**Cost**	**Accumulated depreciation**	**Net carrying amount**
1 January 2024	522,398,121	(254,491,329)	267,906,792
Additions	--	(211,900,225)	(211,900,225)
Transfer	281,678,494	--	281,678,494
Disposals	(272,198,717)	272,198,717	--
31 March 2024	**531,877,898**	**(194,192,837)**	**337,685,061**

Movements of breeder chickens at 31 March 2023 as follows:

Breeder Chickens	**Cost**	**Accumulated depreciation**	**Net carrying amount**
1 January 2023	571,508,718	(143,106,777)	428,401,941
Additions	--	(266,384,737)	(266,384,737)
Transfer	204,111,519	--	204,111,519
Disposals	(196,244,482)	196,244,482	--
31 March 2023	**579,375,755**	**(213,247,032)**	**366,128,723**

As at 31 March 2024, total insurance on biological assets is TL 5,348,168 (31 December 2023: TL 6,153,796).

Movements of breeder pullets at 31 March 2024 and 31 March 2023 are as follows:

Breeder pullet	**31 March 2024**	**31 March 2023**
Beginning balance	223,046,987	276,705,117
Additions	82,682,344	55,254,192
Effect of physical changes (*)	182,314,799	85,345,000
Transfer (-)	(281,678,494)	(204,111,522)
Ending balance	**206,365,636**	**213,192,787**

(*) Effect of physical changes mainly composed of feed consumptions, raiser costs, medicine, and care costs.

8 BIOLOGICAL ASSETS (Continued)

Movements of broiler turkey at 31 March 2024 and 31 March 2023 are as follows:

Broiler turkey	**31 March 2024**	**31 March 2023**
Beginning balance	--	52,680,800
Additions	--	--
Effect of physical changes (*)	--	41,651,716
Disposal (-)	--	(94,332,516)
Ending balance	--	--

(*) Effect of physical changes mainly composed of feed consumptions, raiser costs, medicine and care costs.

9 COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

		31 March 2024		**31 December 2023**	
	Currency	**Amount of Foreign Currency**	**Amount of TL**	**Amount of Foreign Currency**	**Amount of TL**
A. CPM given in the name of own legal Entity	TL	--	--	--	--
B. CPM given in favor of full consolidated Subsidiaries	TL	--	579,636,625	--	498,799,426
C. CPM given to guarantee the debts of third parties to continue their operations	TL	--	--	--	--
D. Other CPM	TL	--	--	--	--
Total		--	**579,636,625**	--	**498,799,426**

All CPMs given by the Group consist of guarantees.

10 PROPERTY, PLANT AND EQUIPMENT

Movements of tangible assets at 31 March 2024 are as follows:

	1 January 2024	Additions	Disposals (-)	Transfers	31 March 2024
Cost					
Land, Building and Land Improvements	1,924,199,681	--	--	26,325,550	1,950,525,231
Machinery, Plant and Equipment	2,845,618,440	--	--	5,610,101	2,851,228,541
Motor Vehicles	6,949,073	--	(519,988)	--	6,429,085
Furniture and Fixture	335,419,676	--	--	2,865,539	338,285,215
Construction in Progress	57,859,662	9,924,594	--	(36,451,857)	31,332,399
Leasehold Improvements	346,817,048	--	(66,285,563)	103,398	280,634,883
Total	**5,516,863,580**	**9,924,594**	**(66,805,551)**	**(1,547,269)**	**5,458,435,354**
Accumulated Depreciation					
Land, Building and Land Improvements	(30,923,413)	(8,435,915)	--	--	(39,359,328)
Machinery, Plant and Equipment	(228,319,854)	(58,230,254)	--	--	(286,550,108)
Motor Vehicles	(6,156,126)	(235,801)	495,227	--	(5,896,700)
Furniture and Fixture	(67,675,233)	(5,626,468)	--	--	(73,301,701)
Leasehold Improvements	(230,528,517)	(9,602,830)	66,182,880	--	(173,948,467)
Total	**(563,603,143)**	**(82,131,268)**	**66,678,107**	**--**	**(579,056,304)**
Net Book Value	**4,953,260,437**				**4,879,379,050**

As at 31 March 2024 there are no mortgage or pledge on property, plant and equipment.
As at 31 March 2024, property, plant and equipment are insured against the earthquake, fire, flood and similar disasters amounting to TL 4,055,112,948.

10 PROPERTY, PLANT AND EQUIPMENT

Movements of tangible assets at 31 March 2023 are as follows:

	1 January 2023	Additions	Disposals (-)	Transfers	31 March 2023
Cost					
Land, Building and Land Improvements	1,559,514,206	--	--	169,245,257	1,728,759,463
Machinery, Plant and Equipment	2,489,535,281	--	--	341,260,518	2,830,795,799
Motor Vehicles	7,113,004	--	--	--	7,113,004
Furniture and Fixture	198,644,904	--	--	32,499,967	231,144,871
Construction in Progress	849,181,972	524,480,574	--	(599,559,580)	774,102,966
Leasehold Improvements	337,623,869	--	--	--	337,623,869
Total	**5,441,613,236**	**524,480,574**	**--**	**(56,553,838)**	**5,909,539,972**
Accumulated Depreciation					
Land, Building and Land Improvements					
Machinery, Plant and Equipment	--	(7,067,276)	--	--	(7,067,276)
Motor Vehicles	--	(59,634,853)	--	--	(59,634,853)
Furniture and Fixture	(5,228,260)	(254,035)	--	--	(5,482,295)
Leasehold Improvements	(54,472,025)	(3,647,207)	--	--	(58,119,232)
	(174,863,981)	(15,556,701)	--	--	(190,420,682)
Total	**(234,564,266)**	**(86,160,072)**	--	--	**(320,724,338)**
Net Book Value	**5,207,048,970**				**5,588,815,634**

As at 31 March 2023 there are no mortgage or pledge on property, plant and equipment.

As at 31 March 2023, property, plant and equipment are insured against the earthquake, fire, flood and similar disasters amounting to TL 2,402,943,924.

11 INTANGIBLE ASSETS

Movement of intangible assets for the interim period dated 31 March 2024 is as follows:

Cost	**1 January 2024**	**Additions**	**Disposals (-)**	**Transfers**	**31 March 2024**
Software	245,829,992	--	--	1,547,269	247,377,261
Licence	14,304,118	--	--	--	14,304,118
Toplam	**260,134,110**	**--**	**--**	**1,547,269**	**261,681,379**
Accumulated Depreciation					
Software	(153,085,333)	(15,923,085)	--	--	(169,008,418)
Licence	(10,219,243)	(97,138)	--	--	(10,316,381)
Toplam	**(163,304,576)**	**(16,020,223)**	--	--	**(179,324,799)**
Net book value	**96,829,534**				**82,356,580**

Movement of intangible assets for the interim period dated 31 March 2023 is as follows:

Cost	**1 January 2023**	**Additions**	**Disposals (-)**	**Transfers**	**31 March 2023**
Software	203,823,535	--	--	56,553,838	260,377,373
Licence	14,316,877	--	--	--	14,316,877
Total	**218,140,412**	**--**	**--**	**56,553,838**	**274,694,250**
Accumulated Depreciation					
Software	(88,293,774)	(18,249,026)	--	--	(106,542,800)
Licence	(9,833,670)	(97,352)	--	--	(9,931,022)
Total	**(98,127,444)**	**(18,346,378)**	--	--	**(116,473,822)**
Net book value	**120,012,968**				**158,220,428**

For the periods ended 31 March 2024 and 2023, amortization expenses for the current period are included in cost of sales, general administrative expenses, marketing expenses and research and development expenses.

As of 31 March 2024, the Group has no internally created intangible assets (31 March 2023: None).

12 ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

a) Assets held for sale

As of 31 March 2024 and 31 March 2023, details of the Group's assets held for sale are as follows:

	31 March 2024	**31 March 2023**
Beginning	45,778,082	147,565,181
Disposals (-)	**--**	**--**
Total	**45,778,082**	**147,565,181**

As a result of the Board of Directors decision dated 20 February 2018, property, plant and equipment amounting to TL 58,062,888 of the net book value were transferred to assets held for sale.

As of 31 March 2024, some of the asset groups consisting of the building, land and machinery and equipment have not been sold, As of 31 March 2024, assets held for sale continue to be accounted in assets, since there is no change in the sales plans of the Group Management and the sales are likely to occur in a short time.

b) Discontinued operations

i) Discontinuation of turkey activities

As part of the Group's efforts to increase efficiency and profitability, it has been determined that the turkey business unit does not make a significant contribution to the profitability; At the meeting of the Board of Directors dated 28 February 2023, the Group decided to terminate the turkey business operations in order to use its resources and workforce more efficiently and increase profitability. With this decision, operations related to Turkey production have been classified as "Discontinued operations".

12 ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS(Continued)

c) Discontinued operations

ii) Liquidation of the subsidiary

Since Banvit ME FZE, a 100% subsidiary of Nutrinvestments BV, did not provide any benefit from continuing of its activities and it was already in an inactive state, it was decided to start the liquidation process at the general assembly meeting dated 29 March 2022, and the liquidation process was completed on 21 March 2023.

There are monetary debts and receivables arising from transactions between Banvit ME FZE and Group Companies, which are part of the net investment of the Group's current overseas activities. Exchange rate differences arising from these transactions have been accounted for in the consolidated financial statements in equity and foreign exchange translation differences. With the liquidation of the subsidiary company abroad, the foreign Exchange translation difference and the debt owed to the liquidated company have been presented as part of the discontinued operations period of profit/(loss).

For the accounting periods ended as of 31 March 2024 and 31 March 2023, the details of the Group's profit/(loss) for the period classified as discontinued operation are as follows:

	1 January - 31 March 2024	**1 January - 31 March 2023**
Revenue	--	85,615,483
Cost of sales (-)	--	(101,730,278)
Gross profit	**--**	**(16,114,795)**
General administrative expenses (-)	--	(6,244,360)
Operating profit/(loss)	**--**	**(22,359,155)**
Expenses from investment activities (-)	--	(323,135,165)
Profit/(loss) before tax	**--**	**(345,494,320)**
Deferred tax income/(expense)	--	--
Net profit/(loss) for the period	**--**	**(345,494,320)**

13 EQUITY

(a) Capital

As at 31 March 2024, the paid-in capital of the Company comprises of 100,023,579 shares issued (31 December 2023: 100,023,579 shares) of TL 1 each (31 December 2023: TL 1). There are no privileges rights provided to different shareholder groups or individuals. The shareholder structure of the Company is as follows:

		31 March 2024		31 December 2023	
	Class	Ownership Interest	Shares (%)	Ownership Interest	Shares (%)
Shareholders					
TBQ Foods GmbH	A	91,727,012	91.71%	91,727,012	91.71%
Publicly traded	A	8,296,567	8.29%	8,296,567	8.29%
Total		**100,023,579**		**100,023,579**	

The Company acknowledged registered capital system under the provisions of Law No, 6362 and adopted the system with the permit of CMB dated 24 February 2011 numbered 6/181, The authorized capital limit is TL 300,000,000 and the authority to increase the capital up to the registered capital limit is given to the board of directors until 2026.

(b) Capital adjustment differences

As of March 31, 2024, capital adjustment differences amounting to TL 1,571,723,572 consist of capital adjustment differences arising from the adjustment of the Group's paid-in capital amount according to inflation and not offset against previous years' losses or added to the capital (31 December 2023: TL 1,571,723,572).

(c) Defined benefit plans re-measurement losses

Consists of actuarial gains and losses recognized as other comprehensive income as a result of the adoption of TAS 19 (2011).

(d) Revaluation of property, plant and equipment

The properties revaluation fund arises on the revaluation of land. When revalued land is disposed, the portion of the properties revaluation reserves that relates to that asset is transferred directly to retained earnings.

	31 March 2024	31 March 2023
Balance as at 1 January	435,873,854	175,291,400
Fair value increase arising from sale of tangible assets (-)	(3,471,821)	(4,182,594)
Value increase/(decrease) of property, plant and equipment, net	--	--
Total	**432,402,033**	**171,108,806**

13 EQUITY (Continued)

(e) Change in foreign exchange differences

Foreign currency translation differences arise from the translation of the operating results and financial position of the Group's foreign subsidiaries into the Group's presentation currency, TL.

(f) Hedging gains

Derivative instruments are initially recorded at their acquisition cost, which reflects their fair value at the contract date, and are valued at their fair value in the following periods. Derivative instruments of the Group mainly consist of forward foreign currency purchase and sale contracts and foreign currency and interest rate swap transactions. Although these derivative instruments provide an effective protection against risks for the Group economically, if they do not meet the necessary conditions for risk accounting, they are accounted for as trading derivatives in the consolidated financial statements and the fair value changes related to them are reflected in the consolidated profit or loss statement.

(f) Restricted reserves

The legal reserves consist of the first and second reserves in accordance with the Turkish Commercial Code, The first legal reserve is appropriated out of the statutory profit at the rate of 5% until the total reserve reaches a maximum of 20% of the Company's paid-in capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's share capital. The first and second legal reserves are not available for distribution unless they exceed 50% of the share capital, however, they can be used to offset losses if there are no retained earnings. In 2023, the Company has no transfer to legal reserves (31 December 2023: None.).

	31 March 2024	31 December 2023
First legal reserve	146,508,665	146,508,665
Second legal reserve	47,489,637	47,489,637
Total	**193,998,302**	**193,998,302**

The historical values and inflation adjustment effects of the following accounts under the Company's equity are as follows as of March 31, 2024, in accordance with the CMB and TCC financial statements:

31 March 2024 (CMB)	Historical	Inflation Effect	Inflated
Paid-in share capital	100,023,579	--	100,023,579
Inflation adjustment of capital	6,348,821	1,565,374,751	1,571,723,572
Restricted reserves	15,190,838	178,807,464	193,998,302
Other reserves	5,611,290	60,224,667	65,835,957
Accumulated gains/(losses)	1,038,316,001	1,804,406,882	2,842,722,883
Total	**1,165,490,529**	**3,608,813,764**	**4,774,304,293**

13 EQUITY (Continued)

31 March 2024 (Local book)	Historical	Inflation Effect	Inflated
Paid-in share capital	100,023,579	--	100,023,579
Inflation adjustment of capital	1,654,695	2,591,735,757	2,593,390,452
Restricted reserves	13,548,963	271,699,378	285,248,341
Accumulated gains/(losses)	(697,381,036)	1,168,161,467	336,242,824
Total	**(582,153,799)**	**4,031,596,602**	**3,314,905,196**

(g) Other reserves

The immovables and all Banvit shares held by Yumtaş, a subsidiary of Banvit, were transferred to the Company prior to the bankruptcy of the subsidiary. In the consolidated financial statements as of 31 December 2009, these stocks are followed as the company's own stocks at an indexed cost of TL 22,511,632. On October 25, 2010, the company sold 4,750,293 shares of Banvit in its treasury to foreign investors at a price of 5.95 TL per share as a block.

(h) Retained earnings

The accumulated profits other than the net profit for the period is presented in retained earnings. The extraordinary reserves which are accumulated profits are also presented in retained earnings.

	31 March 2024	31 December 2023
Retained Earning	2,842,722,883	1,743,884,961
Total	**2,842,722,883**	**1,743,884,961**

14 REVENUE AND COST OF SALES

For the periods 1 January - 31 March 2024 and 2023, gross profit as a result of revenues and cost of sales related operating are as follows:

	1 January - 31 March 2024	**1 January - 31 March 2023**
Domestic sales	7,219,905,629	7,207,035,431
Export	961,948,956	657,460,528
Other sales	41,806	1,471,088
Gross sales	**8,181,896,391**	**7,865,967,047**
Returns and discounts (-)	(1,870,856,027)	(1,957,043,865)
Net sales	**6,311,040,364**	**5,908,923,182**
Cost of sales (-)	(5,001,730,184)	(5,835,408,560)
Gross profit	**1,309,310,180**	**73,514,622**

15 INCOME TAX

Current tax expense

Total income tax benefit recognized in profit or loss for the period ended 31 March 2024 and 2023 are as follows:

	1 January - 31 March 2024	**1 January - 31 March 2023**
Current period tax expense	(323,695,549)	--
Deferred tax income	42,572,319	20,429,887
Tax benefit	**(281,123,230)**	**20,429,887**

16 EARNINGS/(LOSSES) PER SHARE

Earnings/(losses) per share for the 3-month period ended 31 March 2024 amounting to TL 6.6634 (31 March 2023: TL 2.4812). Earnings/(losses) per share is computed by dividing the net profit/(losses) for the 3-months periods ended to the weighted average of the shares during these periods.

	1 January - 31 March 2024	1 January - 31 March 2023
Earnings/(Losses) per share		
Net profit/(loss)	666,497,919	(97,318,487)
Number of weighted average of ordinary shares	100,023,579	100,023,579
Number of weighted average of ordinary shares	**6.6634**	**2.4812**
Basic Earnings/(Losses) per share (TL)	**--**	**(3.4541)**

17 OTHER OPERATING INCOME AND EXPENSES

For the three-month period ended 31 March, other operating income comprised the following:

	1 January - 31 March 2024	1 January - 31 March 2023
Rediscount income, net	113,872,051	15,473,639
Foreign exchange gains	58,608,591	103,443,909
Scrap sales revenues	4,172,544	4,647,941
Other	4,273,508	18,737,663
Other operating income	**180,926,694**	**142,303,152**

For the three-month period ended 31 March, other operating expenses comprised the following:

	1 January - 31 March 2024	1 January - 31 March 2023
Foreign exchange losses	(173,526,340)	(217,789,589)
Other	(3,010,219)	(9,714,626)
Other operating expenses	**(176,536,559)**	**(227,504,215)**

18 FINANCIAL INSTRUMENTS

Financial risk management

The Group has exposure to the following risks from its operations:

- Credit risk
- Market risk
- Operational risk

This note informs about, Group's exposures towards risks mentioned above, Group's goals, policies and processes for measuring and managing risks and capital management policy of the Group.

Financial risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit, Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The carrying amounts of financial assets and contract assets represents the maximum credit exposure. Financial instruments that could cause the Group to considerably increase credit risk are mainly cash and commercial receivables. The Group has cash and cash equivalents in various financial institutions. The Group manages this risk by limiting transactions with financial institutions and by constantly evaluating the reliability of such institutions. Credit risk that may arise from trade receivables is limited by the fact that the Group management limits the amount of credit applied to customers. Trade receivables are assessed by considering their past experiences and current economic situation in the Group management and are presented as net in the balance sheet after the provision for doubtful receivables is settled (Note 6).

18 FINANCIAL INSTRUMENTS (Continued)

Market risk

Market risk is the risk that changes in market prices, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The Group is subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or reprise at different times or in differing amounts.

Currency risk

The Group is exposed to currency risk due to its sales, import transactions and borrowings in foreign currency. These transactions are held mostly in USD and Euro.

Operational risk

Operational risk is the direct or indirect loss arising from a wide variety of factors related to the Group's processes, employees, technology and infrastructure, and external factors such as legal and regulatory requirements outside the credit risk, market risk and liquidity risk, and generally accepted standards for legal entity Risk. Operational risks arise from all Group activities.

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses. In this context, the following company procedures and internal control issues have been identified:

- requirements for appropriate segregation of duties, including the independent authorization of transactions
- requirements for the reconciliation and monitoring of transactions compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- requirements for the reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance where this is effective.

19 NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

Credit risk

	Receivables				
	Trade receivables		Other receivables		
31 March 2024	**Related party**	**Other**	**Related party**	**Other**	**Deposits on banks**
Exposure to maximum credit risk as at reporting date (A +B+C+D+E)	**54,695,042**	**2,061,602,235**	**--**	**140,952,371**	**1,641,244,006**
- The part of maximum risk under guarantee with collateral	--	(579,636,625)	--	--	--
A. Net carrying value of financial assets which are neither impaired nor overdue	54,695,042	1,854,435,882	--	140,952,371	1,641,244,006
B. Net carrying value of financial assets that are restructured, otherwise which will be regarded as overdue or impaired	--	--	--	--	--
C. Net carrying value of financial assets which are overdue but not impaired	--	207,166,353	--	--	--
Covered portion of net book value (with letter of guarantee etc.)	--	(579,636,625)	--	--	--
D. Net carrying value of financial assets which are impaired	--	--	--	--	--
- Past due (gross book value)	--	8,042,829	--	--	--
- Impairment (-)	--	(8,042,829)	--	--	--
- Covered portion of net book value (with letter of guarantee etc.)	--	--	--	--	--
Impairment (-)	--	--	--	--	--
E. Off balance sheet items with credit risks	--	--	--	--	--

31 March 2024	**Receivables**	
	Trade receivables	**Other receivables**
Past due 1 - 30 days	207,166,353	--
Past due 1 - 3 months	--	--
Past due 3 - 12 months	--	--
More than 1 - 5 years	--	--

19 NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Credit risk (Continued)

	Receivables				
	Trade receivables		Other receivables		
31 December 2023	**Related party**	**Other**	**Related party**	**Other**	**Deposits on banks**
Exposure to maximum credit risk as at reporting date (A +B+C+D+E)	**36,857,447**	**1,713,404,422**	**--**	**129,144,747**	**1,374,847,601**
- The part of maximum risk under guarantee with collateral	--	(498,799,426)	--	--	--
A. Net carrying value of financial assets which are neither impaired nor overdue	36,857,447	1,604,920,058	--	129,144,747	1,374,847,601
B. Net carrying value of financial assets that are restructured, otherwise which will be regarded as overdue or impaired	--	--	--	--	--
C. Net carrying value of financial assets which are overdue but not impaired	--	108,484,364	--	--	--
Covered portion of net book value (with letter of guarantee etc.)	--	(498,799,426)	--	--	--
D. Net carrying value of financial assets which are impaired	--	--	--	--	--
- Past due (gross book value)	--	9,929,026	--	--	--
- Impairment (-)	--	(9,929,026)	--	--	--
- Covered portion of net book value (with letter of guarantee etc.)	--	--	--	--	--
Impairment (-)	--	--	--	--	--
E. Off balance sheet items with credit risks	--	--	--	--	--

31 March 2023	**Receivables**	
	Trade receivables	**Other Trade receivables**
Past due 1 - 30 days	108,484,364	--
Past due 1 - 3 months	--	--
Past due 3 - 12 months	--	--
Past due 1 - 5 years	--	--

19 NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Credit risk (Continued)

The Group works with most of its customers since its foundation and there has not been any loss due to receivables from these customers. In order to monitor credit risks, customers are regrouped according to their credit character and customer types. Most of the accounts receivable consist of the receivables from store chains.

As of 31 March 2024, the maximum credit limit granted by the Group to the branches is TL 10,000 and each credit limit offer above TL 10,000 is evaluated according to the processes determined in the Group CRM policies.

As of 31 March 2024, the Group enters its customers within the scope of the commercial credit insurance with a limit of TL 10,000-250,000 in order to secure their receivables. For the limits demanded above these limits, commercial credit insurance is applied to the processes determined in the Group's CRM policies.

Group obtains a letter of bank guarantee from its customers to avoid exposure of the collection risk or ensures that it is included in the DBS system.

Market risk

Currency risk

Transactions in foreign currency cause the risk of exchange. The exchange rate risk is managed by forward foreign exchange purchase/sale contracts based on approved policies.

Assets and liabilities in foreign currencies of the Group as of 31 March 2024 and 31 December 2023 are as follows:

	31 March 2024			
	TRY Equivalent	**USD**	**EUR**	**GBP**
1. Trade Receivables	184,239,822	4,017,511	1,566,933	--
2. Cash and Cash Equivalents	929,581,171	26,069,213	2,526,448	--
3. Other	--	--	--	--
4. Current Assets (1+2+3)	**1,113,820,993**	**30,086,724**	**4,093,381**	**--**
5. Total Assets (4)	**1,113,820,993**	**30,086,724**	**4,093,381**	**--**
6. Trade Payables	(1,605,989,667)	(38,615,106)	(10,240,322)	(228)
7. Financial Liabilities	--	--	--	--
8. Short-Term Liabilities (6+7)	**(1,605,989,667)**	**(38,615,106)**	**(10,240,322)**	**(228)**
9. Financial Liabilities	--	--	--	--
10. Long-Term Liabilities (9)	**--**	**--**	**--**	**--**
11. Total Liabilities (8+10)	**(1,605,989,667)**	**(38,615,106)**	**(10,240,322)**	**(228)**
Total (4+11)	**(492,168,674)**	**(8,528,382)**	**(6,146,941)**	**(228)**

19 NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Market risk (Continued)

	31 Aralık 2023			
	TL Karşılığı	ABD Doları	Avro	GBP
1, Trade Receivables	190,205,253	3,135,314	2,241,255	--
2, Monetary Financial Assets	913,626,207	23,491,169	3,146,094	--
3, Other	--	--	--	--
4, Current Assets (1+2+3)	**1,103,831,460**	**26,626,483**	**5,387,349**	**--**
5, Total Assets (4)	**1,103,831,460**	**26,626,483**	**5,387,349**	**--**
6, Trade Payables	(1,716,588,383)	(39,357,132)	(10,147,951)	(350)
7, Financial Liabilities	--	--	--	--
8, Short-Term Liabilities (6+7)	**(1,716,588,383)**	**(39,357,132)**	**(10,147,951)**	**(350)**
9, Financial Liabilities	--	--	--	--
10, Long-Term Liabilities (9)	**--**	**--**	**--**	**--**
11, Total Liabilities (8+10)	**(1,716,588,383)**	**(39,357,132)**	**(10,147,951)**	**(350)**
Total (4+11)	**(612,756,923)**	**(12,730,649)**	**(4,760,602)**	**(350)**

	Exchange Rate Sensitivity Analysis 31 March 2024			
	Profit/(Loss)		Equities	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
10% appreciation/depreciation of USD against TL				
1-USD net asset/liability	(27,583,854)	27,583,854	--	--
2-Portion of hedged for USD (-)	--	--	--	--
3-Net effect of USD (1+2)	**(27,583,854)**	**27,583,854**	**--**	**--**
10% appreciation/depreciation of EUR against TL				
4- EUR net asset/liability	(21,392,772)	21,392,772	--	--
5- Portion of hedged for EUR (-)	--	--	--	--
6- Net effect of EUR (4+5)	**(21,392,772)**	**21,392,772**	**--**	**--**
10% appreciation/depreciation of other currencies against TL				
7- Other currencies net asset/liability	(927)	927	--	--
8- Portion of hedged for other currencies (-)	--	--	--	--
9- Net effect of other currencies (7+8)	**(927)**	**927**	--	--
Total (3+6+9)	**(48,977,553)**	**48,977,553**	**--**	**--**

19 NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Market risk (Continued)

	Exchange Rate Sensitivity Analysis 31 December 2023			
	Profit/(Loss)		Equities	
	Appreciation of foreign currency	**Depreciation of foreign currency**	**Appreciation of foreign currency**	**Depreciation of foreign currency**
10% appreciation/depreciation of USD against TL				
1-USD net asset/liability	(41,175,502)	41,175,502	--	--
2-Portion of hedged for USD (-)	--	--	--	--
3-Net effect of USD (1+2)	**(41,175,502)**	**41,175,502**	**--**	**--**
10% appreciation/depreciation of EUR against TL				
4- EUR net asset/liability	(16,567,990)	16,567,990	--	--
5- Portion of hedged for EUR (-)	--	--	--	--
6- Net effect of EUR (4+5)	**(16,567,990)**	**16,567,990**	**--**	**--**
10% appreciation/depreciation of other currencies against TL				
7- Other currencies net asset/liability	(1,423)	1,423	--	--
8- Portion of hedged for other currencies (-)	--	--	--	--
9- Net effect of other currencies (7+8)	**(1,423)**	**1,423**	**--**	**--**
Total (3+6+9)	**(57,744,915)**	**57,744,915**	**--**	**--**

20 SUBSEQUENT EVENTS

According to the information that Banvit has received by the Competition Authority on 19 January 2024, by the "Investigation Notification" numbered E-13183850-110.03.99-81897, the preliminary investigation report has been completed due to the violation of Article 4 of the Law on the Protection of Competition (Law No. 4054) and accordingly, it was decided to launch an investigation against Banvit.

At this stage, it is not yet possible to make a definite assessment about possible financial liabilities and other possible administrative sanctions to Banvit after the completion of the investigation by the Competition Authority.

Since it was not deemed beneficial for Banvit Enerji ve Elektrik Üretim A.Ş., a 100% subsidiary of Banvit, to continue its activities, it was decided to initiate liquidation procedures at the company's general assembly meeting held on April 4, 2024. The liquidation of Banvit Enerji ve Elektrik Üretim A.Ş. is not expected to have a significant impact on Banvit's operations and financial statements.

21 STATEMENT OF CASH FLOW DISCLOSURES

As at 31 March 2024, net cash used from operating activities of the Group is TL 5,801,308 (31 March 2023: TL 98,565,551), net cash used in investing activities is TL (765,256,952) (31 March 2023: TL (733,024,816)), net cash provided from financing activities is TL (115,644,824) (31 March 2023: TL 116,890,673).

22 STATEMENTS OF CHANGES IN EQUITY DISCLOSURES

The equity of the Group consist the equity Parent company in amount of TL 5,703,927,032 as of 31 March 2024 (31 March 2023: TL 4,687,910,053).

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