

**VESTEL BEYAZ EŐYA SANAYİ VE TİCARET
ANONİM ŐİRKETİ**

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL
STATEMENTS AT 1 JANUARY – 31 DECEMBER 2024 TOGETHER
WITH INDEPENDENT AUDITOR’S REPORT**

(ORIGINALLY ISSUED IN TURKISH)

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024

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VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AS OF 31 DECEMBER 2024**

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

		Audited	Audited
	Notes	31 December 2024	31 December 2023
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	4	1.092.139	1.053.301
Financial Assets		24.331	12.948
Trade Receivables		14.549.844	20.056.940
Trade Receivables Due from Related Parties	6	14.026.210	19.316.900
Trade Receivables Due from Third Parties	7	523.634	740.040
Other Receivables		4.824.579	5.218.817
Other Receivables Due from Related Parties	6	3.810.582	3.788.884
Other Receivables Due from Third Parties	8	1.013.997	1.429.933
Derivative Financial Instruments	28	343.466	50.643
Inventories	9	9.854.564	10.446.340
Prepaid Expenses		617.167	1.268.314
Prepayments to Related Parties	6	359.151	490.351
Prepayments to Third Parties	10	258.016	777.963
Current Tax Assets	26	10.214	23.815
Other Current Assets		96.591	122.544
Other Current Assets Due from Third Parties	18	96.591	122.544
TOTAL CURRENT ASSETS		31.412.895	38.253.662
NON-CURRENT ASSETS			
Other Receivables		12.801	8.673
Other Receivables Due from Third Parties		12.801	8.673
Property, Plant and Equipment	11	36.159.328	31.158.164
Right of Use Assets	12	720.648	969.020
Intangible Assets	13	2.415.521	1.992.043
Prepaid Expenses		850.427	1.127.484
Prepaid Expenses to Related Parties	6	459.845	814.045
Prepayments to Third Parties	10	390.582	313.439
TOTAL NON-CURRENT ASSETS		40.158.725	35.255.384
TOTAL ASSETS		71.571.620	73.509.046

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

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AS OF 31 DECEMBER 2024**

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

		Audited	Audited
	Notes	31 December 2024	31 December 2023
LIABILITIES			
CURRENT LIABILITIES			
Short Term Borrowings		9.852.346	3.122.133
Short Term Borrowings from Related Parties		4.248	5.133
Lease Liabilities	5,6	4.248	5.133
Short Term Borrowings from Third Parties		9.848.098	3.117.000
Bank Loans	5	7.450.830	3.107.545
Lease Liabilities	5	4.294	9.455
Issued Debt Instruments	5	2.392.974	-
Current Portion of Long Term Borrowings		414.486	1.562.003
Current Portion of Long Term Borrowings from Third Parties		414.486	1.562.003
Bank Loans	5	414.486	451.863
Issued Debt Instruments	5	-	1.110.140
Other Financial Liabilities		64.488	83.582
Trade Payables		20.952.377	24.722.686
Trade Payables to Related Parties	6	1.789.681	1.952.886
Trade Payables to Third Parties	7	19.162.696	22.769.800
Payables Related to Employee Benefits	17	394.063	418.693
Other Payables		94.172	4.930.434
Other Payables to Related Parties	6	94.172	4.930.434
Derivative Financial Liabilities	28	30.186	557.489
Deferred Revenue		80.596	689.797
Deferred Revenues from Related Parties	6	78.710	689.289
Deferred Revenue from Third Parties	8	1.886	508
Current Tax Liabilities	26	-	14.683
Current Provisions		26.967	20.853
Other Current Provisions	15	26.967	20.853
Other Current Liabilities		190.712	277.753
Other Current Liabilities to Third Parties	18	190.712	277.753
TOTAL CURRENT LIABILITIES		32.100.393	36.400.106

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

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AS OF 31 DECEMBER 2024**

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

		Audited	Audited
	Notes	31 December 2024	31 December 2023
NON-CURRENT LIABILITIES			
Long Term Borrowings		1.225.638	1.941.608
Long Term Borrowings from Related Parties		136.797	192.476
Lease Liabilities	5,6	136.797	192.476
Long Term Borrowings from Third Parties		1.088.841	1.749.132
Bank Loans	5	1.082.808	1.739.808
Lease Liabilities	5	6.033	9.324
Other Financial Liabilities		204.973	371.075
Trade Payables		122.946	257.246
Trade Payables to Third Parties	7	122.946	257.246
Non-current Provisions		925.984	976.926
Non-current Provisions for Employee Benefits	17	925.984	976.926
Deferred Tax Liabilities	26	3.136.760	2.374.690
Other Non-current Liabilities		10.288	16.336
Other Non-current Liabilities to Third Parties		10.288	16.336
TOTAL NON-CURRENT LIABILITIES		5.626.589	5.937.881
TOTAL LIABILITIES		37.726.982	42.337.987

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

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AS OF 31 DECEMBER 2024**

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

		Audited	Audited
	Notes	31 December 2024	31 December 2023
EQUITY			
Equity Attributable to Owners of Parent		33.844.638	31.171.059
Issued Capital	19	1.600.000	1.600.000
Adjustments on Capital	19	9.706.424	9.706.424
Other Accumulated Comprehensive Income (Loss) that will not be			
Reclassified to Profit or Loss		8.281.178	4.998.051
Gains (Losses) on Revaluation and Remeasurement		8.281.178	4.998.051
Increases on Revaluation of			
Property, Plant and Equipment		9.247.536	5.834.796
Losses on Remeasurement of Defined Benefit Plans		(966.358)	(836.745)
Other Accumulated Comprehensive Income (Loss) that will be Reclassified to			
Profit or Loss		156.416	(269.096)
Losses on Hedge		156.416	(269.096)
Losses on Cash Flow Hedges		156.416	(269.096)
Restricted Reserves		2.047.715	1.730.116
Legal Reserves	19	2.047.715	1.730.116
Prior Years' Profits		11.787.077	6.584.455
Current Period Net Profit		265.828	6.821.109
TOTAL EQUITY		33.844.638	31.171.059
TOTAL LIABILITIES AND EQUITY		71.571.620	73.509.046

Financial statements for the period 1 January – 31 December 2024 were approved by the Board of Directors of Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. on 3 March 2025. General Assembly and specified regulatory bodies have the right to make amendments to statutory financial statements after issue.

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

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD****1 JANUARY – 31 DECEMBER 2024**

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

		Audited	Audited
		1 January -	1 January -
		31 December	31 December
	Notes	2024	2023
PROFIT OR LOSS			
Revenue	20	75.327.153	88.171.978
Cost of Sales	20	(67.419.256)	(73.770.279)
GROSS PROFIT		7.907.897	14.401.699
General Administrative Expenses	22	(839.585)	(759.167)
Marketing Expenses	22	(3.385.051)	(4.260.374)
Research and Development Expense	22	(948.732)	(805.477)
Other Income from Operating Activities	23	2.912.819	7.300.838
Other Expenses from Operating Activities	23	(4.224.040)	(11.991.132)
PROFIT/(LOSS) FROM OPERATING ACTIVITIES		1.423.308	3.886.387
PROFIT/(LOSS) BEFORE FINANCING INCOME		1.423.308	3.886.387
Finance Income	24	1.497.753	4.318.604
Finance Expense	24	(6.594.592)	(6.895.495)
Monetary Gain	25	3.806.116	6.632.324
PROFIT FROM CONTINUING OPERATIONS, BEFORE TAX		132.585	7.941.820
Tax (Expense) Income, Continuing Operations		133.243	(1.120.711)
Current Tax Expense	26	-	(263.234)
Deferred Tax Income	26	133.243	(857.477)
PROFIT FOR THE PERIOD		265.828	6.821.109
Earnings per 100 share with a Kr 1 of Par Value (TL)	27	0,17	4,26

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VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD****1 JANUARY – 31 DECEMBER 2024**

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

	Audited 1 January - 31 December 2024	Audited 1 January - 31 December 2023
PROFIT FOR THE PERIOD OTHER COMPREHENSIVE INCOME	265.828	6.821.109
Other Comprehensive Income that will not be Reclassified to Profit or Loss	3.348.698	5.571.959
Gains (Losses) on Revaluation of Property, Plant and Equipment	4.274.991	6.524.033
Gains (Losses) on Remeasurements of Defined Benefit Plans	(172.817)	(272.157)
Taxes Relating to Components of Other Comprehensive Income	(753.476)	(679.917)
Taxes Relating to Gains (Losses) on Revaluation of Property, Plant and Equipment	(796.680)	(747.956)
Taxes Relating to Remeasurements of Defined Benefit Plans	43.204	68.039
Other Comprehensive Income that will be Reclassified to Profit or Loss	425.512	(7.159)
Other Comprehensive Income (Loss) Related with Cash Flow Hedges	567.349	(9.546)
Taxes Relating to Components of Other Comprehensive Income	(141.837)	2.387
Taxes Relating to Cash Flow Hedges	(141.837)	2.387
OTHER COMPREHENSIVE INCOME	3.774.210	5.564.800
TOTAL COMPREHENSIVE INCOME	4.040.038	12.385.909

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VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

Issued Capital	Inflation Adjustments on Capital					Cash Flow Hedges	Reserve Of Gains or Losses on Hedge	Other Accumulated Comprehensive Income That Will Be Reclassified To Profit Or Loss	Restricted Reserves Appropriated From Profits				Equity attributable to owners of parent	Equity	
		Increases (Decreases) on Revaluation of Property, Plant and Equipment	Gains (Losses) on Remeasurement of Defined Benefit Plans	Gains (Losses) on Revaluations and Remeasurements	Other Accumulated Comprehensive Income That Will Not Be Reclassified To Profit Or Loss					Prior Years' Profits or Losses	Net Profit or Loss	Retained Earnings			

Previous Period**1 January -31 December 2023**

Beginning of Period	1.600.000	9.706.424	59.616	(632.627)	(573.011)	(573.011)	(261.937)	(261.937)	(261.937)	1.789.345	7.003.134	305.777	7.308.911	19.569.732	19.569.732
Transfers	-	-	(897)	-	(897)	(897)	-	-	-	-	306.674	(305.777)	897	-	-
Total Comprehensive Income (Loss)	-	-	5.776.077	(204.118)	5.571.959	5.571.959	(7.159)	(7.159)	(7.159)	-	-	6.821.109	6.821.109	12.385.909	12.385.909
Profit for the period (Losses)	-	-	-	-	-	-	-	-	-	-	-	6.821.109	6.821.109	6.821.109	6.821.109
Other Comprehensive Income (Loss)	-	-	5.776.077	(204.118)	5.571.959	5.571.959	(7.159)	(7.159)	(7.159)	-	-	-	-	5.564.800	5.564.800
Dividends Paid	-	-	-	-	-	-	-	-	-	(59.229)	(725.353)	-	(725.353)	(784.582)	(784.582)
End of Period	1.600.000	9.706.424	5.834.796	(836.745)	4.998.051	4.998.051	(269.096)	(269.096)	(269.096)	1.730.116	6.584.455	6.821.109	13.405.564	31.171.059	31.171.059

Current Period**1 January -31 December 2024**

Beginning of Period	1.600.000	9.706.424	5.834.796	(836.745)	4.998.051	4.998.051	(269.096)	(269.096)	(269.096)	1.730.116	6.584.455	6.821.109	13.405.564	31.171.059	31.171.059
Transfers	-	-	(65.571)	-	(65.571)	(65.571)	-	-	-	-	6.886.680	(6.821.109)	65.571	-	-
Total Comprehensive Income (Loss)	-	-	3.478.311	(129.613)	3.348.698	3.348.698	425.512	425.512	425.512	-	-	265.828	265.828	4.040.038	4.040.038
Profit for the period (Losses)	-	-	-	-	-	-	-	-	-	-	-	265.828	265.828	265.828	265.828
Other Comprehensive Income (Loss)	-	-	3.478.311	(129.613)	3.348.698	3.348.698	425.512	425.512	425.512	-	-	-	-	3.774.210	3.774.210
Dividends Paid	-	-	-	-	-	-	-	-	-	317.599	(1.684.058)	-	(1.684.058)	(1.366.459)	(1.366.459)
End of Period	1.600.000	9.706.424	9.247.536	(966.358)	8.281.178	8.281.178	156.416	156.416	156.416	2.047.715	11.787.077	265.828	12.052.905	33.844.638	33.844.638

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

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**STATEMENT OF CASH FLOW FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024**

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

		Audited	Audited
		1 January -	1 January -
		31 December	31 December
	Notes	2024	2023
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		7.741.435	5.641.269
Profit (Loss) for the Period		265.828	6.821.109
Profit (Loss) from Continuing Operations		265.828	6.821.109
Adjustments to Reconcile Profit		3.721.108	(2.970.314)
Adjustments for Depreciation and Amortisation Expense	11,12,13	3.049.148	2.823.377
Adjustments for Impairment Loss (Reversal of Impairment Loss)		58.873	(51.383)
Adjustments for Impairment Loss			
(Reversal of Impairment Loss) of Receivables		45.954	949
Adjustments for Impairment Loss			
(Reversal of Impairment Loss) of Inventories	9	12.919	(52.332)
Adjustments for Provisions		313.187	207.050
Adjustments for (Reversal of) Provisions Related with			
Employee Benefits		307.073	213.266
Adjustments for (Reversal of) Lawsuit and/or			
Penalty Provisions	14	6.114	(6.216)
Adjustments for Interest (Income) Expenses		4.062.668	3.076.323
Adjustments for Interest Income	24	(282.454)	(446.626)
Adjustments for Interest Expense	24	4.345.122	3.522.949
Adjustments for Unrealised Foreign			
Exchange Losses (Gains)		(459.020)	(1.619.417)
Adjustments for Fair Value Losses (Gains)		(252.777)	(335.812)
Adjustments for Fair Value (Gains) Losses on			
Derivative Financial Instruments		(252.777)	(335.812)
Adjustments for Tax (Income) Expenses	26	(133.243)	1.120.711
Adjustments for Losses (Gains) on Disposal of			
Non-Current Assets		(14.748)	(18.340)
Adjustments for Losses (Gains) Arised from			
Sale of Tangible Assets		(14.748)	(18.340)
Other Adjustments to Reconcile Profit (Loss)	4	10	20
Monetary Loss/Gain		(2.902.990)	(8.172.843)

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

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**STATEMENT OF CASH FLOW FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024**

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

		Audited	Audited
		1 January -	1 January -
		31 December	31 December
	Notes	2024	2023
Changes in Working Capital		3.974.863	2.323.917
Adjustments for Decrease (Increase) in Trade Accounts Receivable		(800.765)	(9.700.929)
Decrease (Increase) in Trade Accounts Receivables from Related Parties	6	(742.116)	(9.141.081)
Decrease (Increase) in Trade Accounts Receivables from Third Parties	7	(58.649)	(559.848)
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		(34.860)	(399.868)
Decrease (Increase) in Other Third Party Receivables Related with Operations	8	(34.860)	(399.868)
Adjustments for Decrease (Increase) in Inventories	9	578.857	584.315
Decrease (Increase) in Prepaid Expenses	10	299.761	(1.369.506)
Adjustments for Increase (Decrease) in Trade Accounts Payable		4.277.042	12.550.429
Increase (Decrease) in Trade Accounts Payables to Related Parties	6	501.409	1.334.414
Increase (Decrease) in Trade Accounts Payables to Third Parties		3.775.633	11.216.015
Increase (Decrease) in Employee Benefit Liabilities	17	119.387	221.255
Increase (Decrease) in Deferred Revenues		(455.238)	436.928
Other Adjustments for Other Increase (Decrease) in Working Capital		(9.321)	1.293
Decrease (Increase) in Other Assets Related with Operations	18	(6.234)	(115.021)
Increase (Decrease) in Other Payables Related with Operations	18	(3.087)	116.314
Cash Flows from (used in) Operations		7.961.799	6.174.712
Payments Related with Provisions for Employee Benefits	17	(219.282)	(337.654)
Income Taxes Refund (Paid)	26	(1.082)	(195.789)

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

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**STATEMENT OF CASH FLOW FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024**

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

		Audited	Audited
		1 January -	1 January -
		31 December	31 December
	Notes	2024	2023
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		(4.495.005)	(2.732.824)
Proceeds from Sales of Property, Plant, Equipment and Intangible Assets		28.125	28.705
Proceeds from Sales of Property, Plant and Equipment		28.125	28.705
Purchase of Property, Plant, Equipment and Intangible Assets		(3.961.539)	(5.855.608)
Purchase of Property, Plant and Equipment	11	(3.194.163)	(5.187.049)
Purchase of Intangible Assets	13	(767.376)	(668.559)
Cash Advances and Loans Made to Other Parties		(550.208)	3.011.637
Cash Advances and Loans Made to Related Parties		(351.182)	1.850.399
Cash Advances and Loans Made to Third Parties		(199.026)	1.161.238
Other Cash Inflows (Outflows)		(11.383)	82.442
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		(2.883.821)	(2.744.153)
Proceeds from Borrowings	5	12.903.163	10.143.295
Proceeds from Loans		9.603.163	8.224.244
Proceeds from Other Financial Borrowings		3.300.000	1.919.051
Repayments of Borrowings	5	(6.250.275)	(13.560.678)
Loan Repayments		(4.445.275)	(11.587.479)
Issued bonds repayments		(1.805.000)	(1.973.199)
Increase in Other Payables to Related Parties		(3.809.605)	4.049.158
Payments of Lease Liabilities		(65.016)	8.544
Dividends Paid	6	(1.366.459)	(784.582)
Interest Paid		(4.296.480)	(2.629.469)
Interest Received		851	29.579
INFLATION EFFECT ON CASH AND CASH EQUIVALENTS		(322.033)	(541.260)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		40.576	(376.968)
Effect of Exchange Rate Changes on Cash and Cash Equivalents		(1.728)	53.401
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		38.848	(323.567)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4	1.053.269	1.376.836
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		1.092.117	1.053.269

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

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 1 – COMPANY’S ORGANISATION AND NATURE OF OPERATIONS

Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. (the “Company” or “Vestel Beyaz Eşya”) was incorporated in 1997 under the Turkish Commercial Code and its head office is located at Levent 199, Büyükdere Caddesi No: 199, 34394 Şişli / İstanbul.

The Company started its operations in 1999 and produces refrigerators, room air conditioning units, washing machines, cookers, dishwashers and water heaters. The Company’s production facilities occupy 641 square meters of enclosed area located in Manisa Organized Industrial Zone on total area of 763 square meters.

The Company is a member of Vestel Group of Companies which are under the control of Zorlu Family. The Company performs its export sales and domestic sales via Vestel Ticaret A.Ş. which is also a member of Vestel Group of Companies.

The Company is registered to Capital Market Board and its shares have been quoted to Borsa Istanbul (“BİST”) since 21 April 2006.

As of 31 December 2024, the number of personnel employed was 9.628 (31 December 2023: 9.171).

As of balance sheet dates, the shareholders of the Company and their percentage shareholdings were as follows:

	Shareholding %
Vestel Elektronik Sanayi ve Ticaret A.Ş.	77,33
Other shareholders	22,67
	100,00

As of 31 December 2024 Company have been quoted at the Borsa Istanbul 31,47% of its share capital (31 December 2023: 31,47%).

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS**2.1 Basis of presentation****2.1.1 Statement of compliance**

The accompanying financial statements are prepared in accordance with the Communiqué Serial II, No: 14.1, "Principals of Financial Reporting in Capital Markets" published in the Official Gazette numbered 28676 on 13 June 2013. According to the article 5 of the Communiqué, financial statements are prepared in accordance with Turkish Accounting Standards / Turkish Financial Reporting Standards ("TAS" / "TFRS") and its addendum and interpretations ("IFRIC") issued by the Public Oversight Accounting and Auditing Standards Authority ("POAASA") Turkish Accounting Standards Board.

Financial statements are presented in accordance with the formats determined in the "Announcement on TFRS Taxonomy" published by the POA on 3 July 2024 and in the Financial Statement Samples and User Guide published by the CMB.

The Company bases its accounting records and preparation of its legal financial statements on the Turkish Commercial Code ("TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance of the Republic of Türkiye. The financial statements have been prepared in Turkish Lira on the basis of historical cost, except for land, buildings and land improvements from the tangible assets group shown at their fair value, and financial assets and liabilities shown at their fair value.

Financial statements have been prepared by reflecting the necessary corrections and classifications in order to ensure accurate presentation in accordance with TFRS, on the legal records prepared on the historical cost basis except for derivative instruments shown at their fair value and revaluations arising from fixed assets.

Financial reporting in high-inflation economies

The Company has prepared its financial statements for the year dated 31 December 2023 and ending on the same date, by applying TAS 29 "Financial Reporting in High Inflation Economies" Standard, based on the announcement made by the POA on 23 November 2023 and the "Implementation Guide on Financial Reporting in High Inflation Economies" published. In accordance with the said standard, financial statements prepared based on the currency of a hyperinflationary economy are prepared in the purchasing power of this currency at the balance sheet date, and comparative information is expressed in terms of the current measurement unit at the end of the reporting period for the purpose of comparison in the financial statements of the previous period. For this reason, the company has presented its financial statements as of 31 December 2023 on the basis of purchasing power as of 31 December 2024.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.1 Basis of presentation (Cont'd)****2.1.1 Statement of compliance (Cont'd)****Financial reporting in high-inflation economies (Cont'd)**

In accordance with the CMB's decision dated 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards shall comply with the provisions of TAS 29, starting from their annual financial reports for the accounting periods ending as of 31 December 2024. It was decided to apply inflation accounting by applying.

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

Date	Index	Correction Coeffection	Three-Year Compound Inflation Rate
31 December 2024	2.684,55	1	291%
31 December 2023	1.859,38	1,4438	268%
31 December 2022	1.128,45	2,3790	156%

The main elements of the Company's adjustment for financial reporting purposes in high-inflation economies are as follows:

- Current period financial statements prepared in TL are expressed in purchasing power at the balance sheet date, and amounts from previous reporting periods are also expressed by adjusting according to the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are currently expressed in current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed the recoverable amount or net realizable value, the provisions of TAS 36 and TAS 2 were applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.1 Basis of presentation (Cont'd)****2.1.1 Statement of compliance (Cont'd)****Financial reporting in high-inflation economies (Cont'd)**

- All items included in the statement of comprehensive income, except for non-monetary items in the balance sheet that have an impact on the statement of comprehensive income, are indexed with coefficients calculated over the periods in which the income and expense accounts are first reflected in the financial statements.
- The effect of inflation on the Company's net monetary asset position in the current period is recorded in the net monetary position gains/(losses) account in the income statement (Note 25).

2.2 Comparative information and restatement of prior period financial statements

Financial statements of the Company have been prepared comparatively with the preceding financial period, in order to enable determination of trends in financial position and performance. Comparative figures are reclassified, where necessary, to conform to changes in presentation in the financial statements.

Comparative figures for the previous reporting period are restated by applying the general price index so that the comparative financial statements are presented in the currency in effect at the end of the reporting period. Information disclosed for previous periods is also expressed in the currency valid at the end of the reporting period.

Except for the changes mentioned in the paragraph below, consistent accounting policies have been applied in the financial statements for the periods presented and there are no significant changes in accounting policies and estimates in the current period.

In accordance with the "Implementation Guidance on Financial Reporting in Hyperinflationary Economies" published by POA, monetary position gains and losses on cash and cash equivalents are presented in the statement of cash flows, and in accordance with the 3rd approach in the implementation guidance, the effect of inflation on cash flows from operating, investing and financing activities is attributed to the relevant class of activity and the inflation effect on cash and cash equivalents is presented separately. In the 31 December 2023 Statement of Cash Flows, TL 2.038.710 has been reclassified between "Changes in Working Capital" and "Adjustments Related to Reconciliation of Net Profit for the Period" and the related reclassifications have been brought to 2024 purchasing power. There has been no change in "Cash Flows from Operating Activities".

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.3 Restatement and errors in the accounting estimates**

Major changes in accounting policies are applied retrospectively and any major accounting errors that have been detected are corrected and the financial statements of the previous period are restated. Changes in accounting policies resulting from the initial implementation of a new standard, if any, are implemented retrospectively or prospectively in accordance with the transition provisions. If changes in accounting estimates are related to only one period, they are recognized in the period when changes are applied; if changes in estimates are related to future periods, they are recognized both in the period where the change is applied and future periods prospectively.

2.4 Amendments in Türkiye Financial Reporting Standards

The accounting policies used in the preparation of financial statements for the accounting period ending 31 December 2024 are consistent with those used in the previous year, except for the new and amended Turkish Accounting Standards ("TAS")/IFRS and TAS/IFRS interpretations valid as of 1 January 2024, summarized below, has been implemented. The effects of these standards and interpretations on the financial position and performance of the Company are explained in the relevant paragraphs.

a) Standards, amendments, and interpretations applicable as of 31 December 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.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.4 Amendments in Türkiye Financial Reporting Standards (Cont'd)****a) Standards, amendments, and interpretations applicable as of 31 December 2024:**

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.

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

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.

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments; effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.4 Amendments in Türkiye Financial Reporting Standards (Cont'd)****b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024:**

Annual improvements to IFRS – Volume 11; Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

IFRS 18 Presentation and Disclosure in Financial Statements; effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 19 Subsidiaries without Public Accountability: Disclosures; effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.4 Amendments in Türkiye Financial Reporting Standards (Cont'd)****b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024:**

IFRS 19 Subsidiaries without Public Accountability: Disclosures; A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

2.5 Summary of significant accounting policies**2.5.1 Revenue**

The Company recognizes revenue in accordance with TFRS 15 “Revenue from contracts with customers” standard by applying the following five step model:

- 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.

Revenue from sale of goods is recognized when all of the following conditions are satisfied:

- (a) 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,
- (b) Company can identify each party’s rights regarding the goods or services to be transferred,
- (c) Company can identify the payment terms for the goods or services to be transferred,
- (d) The contract has commercial substance,
- (e) It is probable that Company 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.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.1 Revenue (Cont'd)**

Revenue is generated when control of the products is handed over to the customer and the customers have full authority over the product. Delivery takes place when the products are shipped to the customer's location, the risk of obsolescence and damage is transferred to the customers and the customers accept the products in accordance with the sales contract, the acceptance conditions have expired or the Company has objective evidence that all acceptance criteria have been met. If the Company is entitled to collect a fee from its customers that directly corresponds to the value of the completed performance for the customer (on delivery of the products), it recognizes the revenue in the financial statements as much as the amount it has the right to invoice.

The company has switched to the "intermediary export" model for its international sales through with its related party namely Vestel Ticaret A.Ş., which carries out marketing and sales activities, effective from 1 January 2022. In the intermediary export model, the Company is the main exporter and Vestel Ticaret is the agent. Trade receivables from Vestel Ticaret, which acts as an agent, arise from sales made through Vestel Ticaret, including to Vestel Group companies abroad.

If the company expects to refund some or all of the price collected from a customer to that customer, it reflects a refund liability in the financial statements. The refund liability is calculated based on the portion of the consideration that the business has collected (or will collect) for which it does not expect to be entitled. Previous experience is used to predict such returns at the portfolio level at the time of sale, and it is possible that a significant amount of revenue cancellation will not occur. The return obligation is updated at the end of each reporting period, taking into account changes in circumstances.

Previous experience is used to estimate sales discounts using the expected value method, with revenue recognized only to the extent that it is probable that a significant return will not occur. Sales discounts are recognized in sales discounts expected to be paid to customers in respect of sales made until the end of the period specified under other short-term provisions. There is no significant financing element as sales are made within an acceptable period of time consistent with market practice.

2.5.2 Inventories

Inventories are stated at the lower of cost and net realizable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories held by the method most appropriate to the particular class of inventory. Company uses moving weighted average method for costing.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.2 Inventories (Cont'd)**

Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make a sale. When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in statement of income in the period the write-down or loss occurred.

When the net realizable value of inventories falls below their cost, the inventories are reduced to their net realizable value and reflected as an expense in the income statement in the year in which the impairment occurs.

When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the original write-down.

2.5.3 Property, plant and equipment

Land, land improvements and buildings are stated at fair value, based on valuations performed as at 31 December 2024.

Tangible assets other than land, land improvements and buildings are shown at cost on a TL purchasing power basis as of 31 December 2024, after deducting accumulated depreciation and impairment losses, if any.

Any revaluation increase arising on the revaluation of such land, land improvements and buildings is credited in equity to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged.

A decrease in carrying amount arising on the revaluation of such land, land improvements and buildings is charged to profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued land improvements and buildings is charged to profit or loss. Each period, the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to the statements of comprehensive income) and the depreciation based on the asset's original cost is transferred from revaluation reserves to the retained earnings.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.3 Property, plant and equipment (Cont'd)**

Land is not depreciated. Machinery and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Useful lives of property, plant and equipment is as follows:

	Useful life
Land improvements	5-35 years
Buildings	20-50 years
Leasehold improvements	5 years
Plants, machinery and equipment	3-20 years
Vehicles	5 years
Furniture, fixtures and equipments	5-25 years

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Gains and losses on disposals of property, plant and equipment are included in other operating income and expenses. On disposal of revalued property, plant and equipment, the revaluation reserve related to the property, plant and equipment disposed of is transferred to retained earnings.

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

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.4 Leases**

The Company – as a lessee

At inception of a contract, the Company assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset. The Company assess whether:

- a) The contract involved the use of an identified asset – this may be specified explicitly or implicitly.
- b) The asset should be physically distinct or represent substantially all of the capacity of a physically distinct asset, if the supplier has a substantive substitution right, the asset is not identified.
- c) The Company has the right to obtain substantially all of the economic benefits from the use of an asset throughout the period of use; and
- d) The Company has the right to direct use of the asset, The Company concludes to have the right of use, when it is predetermined how and for what purpose the Company will use the asset. The Company has the right to direct use of asset if either:
 - i. The Company has the right to operate (or to have the right to direct others to operate) the asset over its useful life and the lessor does not have the rights to change the terms to operate or;
 - ii. The Company designed the asset (or the specific features) in a way that predetermines how and for what purpose it is used.

Lease Liability

At the actual commencement date of the contract, the Company reflects a right-of-use asset and a lease liability in its financial statements.

The Company rents various buildings, warehouses, forklifts and machinery. The duration of the leasing contracts for machine and equipment is usually 4 years; for building and warehouses is usually fixed from 1 to 20 years.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. Lease liabilities are discounted to present value by using the interest rate implicit in the lease if readily determined or with the Vestel Group Company's incremental borrowing rate.

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

- a) Fixed payments, including in-substance fixed payments;

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.4 Leases (Cont'd)**

b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as the commencement date.

c) The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewable 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 to terminate early.

After initial recognition, the lease liability is measured:

- a) Increasing the carrying amount to reflect interest on lease liability,
- b) Reducing the carrying amount to reflect the lease payments made and
- c) Remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The duration of the contracts, which constitute the lease obligation of the company, varies between 1 – 14 years.

The Company – as a lessor

The Company's activities as a lessor are not material.

Right of use assets:

Right of use is recognized with cost method at first and includes items below:

- a) the amount of the initial measurement of the lease liability,
- b) any lease payments made at or before the commencement date, less any lease incentives received,
- c) any initial direct costs incurred by the Company

To apply the cost model, the Company measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. The Company applies the depreciation requirements in TAS 16 Property, Plant and Equipment in depreciating the right-of-use asset.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.5 Intangible assets****a) Research and development costs**

Research costs are recognized as expense in the period in which they are incurred. An intangible asset arising from development (or from the development phase of an internal project) if and only if an entity can demonstrate all of the following:

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

Other development costs are recognized as expense as incurred. If it is not possible to distinguish the research phase from the development phase of an internal project, the entity treats the expenditure on that project as if it were incurred in the research phase only.

b) Rights and other intangible fixed assets

Rights and other intangible assets consist acquired computer software, computer software development costs and other identifiable rights. Rights and other intangible assets are recognized at their acquisition costs and are amortized on a straight line basis over their expected useful lives which are less than fifteen years.

Useful lives of intangible assets are as follows:

	Useful Life
Rights	3-15 Years
Development Costs	2-15 Years
Other	2-15 Years

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.6 Financial instruments****a) Financial assets**

The Company classifies its financial assets into three categories: financial assets measured at amortized cost, fair value through profit or loss and fair value through other comprehensive income. The classification depends on the basis of the business model determined according to utilization purposes and expected cash outflows. The Company classifies its financial assets at the time of initial recognition.

Financial assets carried at amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, whose payments are fixed or predetermined, which are not actively traded and which are not derivative instruments are measured at amortized cost.

The Company's financial assets carried at amortized cost comprise "trade receivables" and "cash and cash equivalents" in the statement of financial position.

Financial assets carried at fair value

Assets that are held by the management for collection of contractual cash flows and for selling the financial assets are measured at their fair value.

Derivative financial instruments are first recorded at their fair value as of the date of entry into force of the relevant derivative contract, and are valued at their fair value in the following periods.

Impairment of financial assets

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

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

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.6 Financial instruments (Cont'd)****b) Financial liabilities**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

c) Derivative financial instruments and hedge accounting

The derivative instruments of the Company mainly consist of foreign exchange forward contracts. These derivative transactions, even though providing effective economic hedges under risk accounting, do not generally qualify for hedge accounting under the specific rules and are therefore treated as derivatives held for trading in the financial statements. The fair value changes for these derivatives are recognised in the profit or loss statement.

The hedging transactions of the Company that qualify for hedge accounting are accounted in accordance with TFRS 9. TFRS 9 does not create any changes in hedge accounting principles. It is considered TFRS 9 has significant effect on financial statements.

Cash flow hedges:

As long as a cash flow hedge meets the qualifying criteria, the hedging relationship shall be accounted for as follows:

(a) the separate component of equity associated with the hedged item (cash flow hedge reserve) is adjusted to the lower of the following (in absolute amounts):

- (i) the cumulative gain or loss on the hedging instrument from inception of the hedge; and
- (ii) the cumulative change in fair value (present value) of the hedged item (i.e. the present value of the cumulative change in the hedged expected future cash flows) from inception of the hedge.

(b) the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge shall be recognised in other comprehensive income.

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.6 Financial instruments (Cont'd)****c) Derivative financial instruments and hedge accounting (Cont'd)**

(c) any remaining gain or loss on the hedging instrument is hedge ineffectiveness that shall be recognised in profit or loss.

2.5.7 Foreign currency transactions

Transactions in foreign currencies during the period are recorded at the rates of exchange prevailing on the dates of the transactions. Monetary items denominated in foreign currencies are translated to TL at the rates prevailing on the balance sheet date. Exchange differences on foreign currency denominated monetary assets and liabilities are recognized in profit or loss in the period in which they arise except for the effective portion of the foreign currency hedge of net investments in foreign operations. On monetary items which are denominated in foreign currency and measured with historical costs are translated using the exchange rates at the dates of initial transactions.

2.5.8 Provisions, contingent assets and liabilities

Provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the company are not included in the financial statements and treated as contingent assets or liabilities.

2.5.9 Related parties

Subsidiaries, key management personnel and board members, close family members and companies controlled by or affiliated with them, affiliates and subsidiaries, and companies within the Zorlu Holding Group and their affiliates, subsidiaries and partnerships are considered as related parties.

2.5.10 Taxation on income

Tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items directly recognized in equity. In that case, tax is recognized in shareholders' equity.

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.10 Taxation on income (Cont'd)**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which is used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Investment incentives that are conducive to payment of corporate taxes at reduced rates are subject to deferred tax calculation when there is reasonable assurance that the Company will benefit from the related incentive.

Deferred tax liabilities are recognized for taxable temporary differences except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

2.5.11 Employee benefits

Employment termination benefits, as required by the Turkish Labor Law, represent the estimated present value of the total reserve of the future probable obligation of the Company arising in case of the retirement of the employees.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.11 Employee benefits (Cont'd)**

According to Turkish Labor Law and other laws applicable in Türkiye, the Company is obliged to pay employment termination benefits to all personnel in cases of termination of employment without due cause, call for military service, be retired or death upon the completion of a minimum one year service. Provision for employment termination benefits as of 31 December 2024 is calculated in accordance with the assumptions used by the independent actuarial firm and is recorded in the financial statements at its net present value. Employment termination benefits are considered as being part of defined retirement benefit plan as per TAS 19. All actuarial gains and losses are recognized in statements of income.

2.5.12 Government grants

Government grants, including non-monetary grants at fair value, are recognized in financial statements when there is reasonable assurance that the entity will comply with the conditions attaching to them, and the grants will be received.

Incentives for research and development activities are recognized in financial statements when they are authorized by the related institutions.

2.5.13 Earnings per share

Earnings per share disclosed in the statement of income is determined by dividing net income attributable to equity holder of the parent by the weighted average number of such shares outstanding during the year concerned.

In Türkiye, companies can increase their capital by distributing shares to existing shareholders in proportion to their shares from retained earnings or inflation adjustment differences ("free shares"). In calculating earnings per share, the weighted average number of shares in existence during the period is obtained by applying the free issuance of shares retroactively.

2.5.14 Statement of cash flows

In the statement of cash flows, cash flows are classified into three categories as operating, investment and financing activities. Cash flows from operating activities are those resulting from the Company's production and sales activities. Cash flows from investment activities indicate cash inflows and outflows resulting from property, plant and equipments and financial investments.

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.14 Statement of cash flows (Cont'd)**

Cash flows from financing activities indicate the resources used in financing activities and the repayment of these resources. Cash and cash equivalents comprise of cash in hand accounts, bank deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash with maturities equal or less than three months.

2.5.15 Offsetting

All items with significant amounts and nature, even with similar characteristics, are presented separately in the financial statements. Insignificant amounts are grouped and presented by means of items having similar substance and function. When the nature of transactions and events necessitate offsetting, presentation of these transactions and events over their net amounts or recognition of the assets after deducting the related impairment are not considered as a violation of the rule of non-offsetting.

As a result of the transactions in the normal course of business, revenue other than sales are presented as net if the nature of the transaction or the event qualify for offsetting.

2.5.16 Events after the balance sheet date

Events after the balance sheet date, announcements related to net profit or even declared after other selective financial information has been publicly announced; include all events that take place between the balance sheet date and the date when balance sheet was authorized for issue.

In the case that events require a correction to be made on the balance sheet date, the Company makes the necessary corrections to the financial statements. Moreover, the events that occur subsequent to the balance sheet date and that do not require a correction to be made are disclosed in accompanying notes, where the decisions of the users of financial statements are affected.

2.5.17 Borrowing costs and loans taken

Loans received are recorded at their net value after deducting transaction costs from their fair value at the date of receipt. Loans received are subsequently shown at discounted cost using the effective interest method. The difference between the remaining amount after deducting transaction costs and the discounted cost value is reflected in the consolidated statement of profit or loss and other comprehensive income as financing cost during the loan period, using the effective interest method. When financing costs arise from loans received, they are reflected in the consolidated statement of profit or loss and other comprehensive income.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.17 Borrowing costs and loans taken (Cont'd)**

If the maturities of the loans received are less than 12 months from the date of the statement of financial position (balance sheet), they are shown in short-term liabilities, and if they are more than 12 months, they are shown in long-term liabilities.

Assets that necessarily require a long period of time (one year or more) to be ready for intended use or sale are defined as special assets. General or specific borrowing costs related to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset until the asset is brought to the necessary formation and location to operate in line with management's objectives.

In non-monetary items where borrowing costs are adjusted for the effect of inflation and capitalized, the part of borrowing costs that falls on the effect of inflation is separated and expensed.

2.5.18 Going concern

The Company prepared financial statements in accordance with the going concern assumption.

2.6. Critical accounting estimates and judgments

Preparation of financial statements requires the use of estimates and assumptions that may affect the amount of assets and liabilities recognized as of the balance sheet date, disclosures of contingent assets and liabilities and the amount of revenue and expenses reported. Although these estimates and assumptions rely on the Company management's best knowledge about current events and transactions, actual outcomes may differ from those estimates and assumptions.

Significant estimates of the Company management are as follows:

i. Revaluation of lands, buildings and land improvements

Land, land improvements and buildings are stated at fair value, based on valuations performed at 31 December 2024 by professional independent valuer firm (Note 11).

As there were no recent similar buying/selling transactions nearby, revaluations of land were based on the method of market approach whereas revaluations of buildings and land improvements and machinery and equipment were based on the method of cost approach and based on the following valuation techniques and assumptions:

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)**2.6. Critical accounting estimates and judgments (Cont'd)**

- Revaluations of land were based on the method of reference comparison whereas revaluations of buildings and land improvements were based on the method of cost approach, considering existing utilization of the aforementioned property, plant and equipments are consistent to the highest and best use approach.

In the market reference comparison method, current market information was utilized, taking into consideration the comparable property in the market in recent past in the region, price adjustment was made within the framework of criteria that could affect market conditions, and accordingly an average m2 sale value was determined for the lands subject to the valuation. The similar pieces of land found were compared in terms of location, size, settlement status, physical conditions, real estate marketing firms were consulted for up-to-date valuation of the estate market, also, current information and experience of the professional valuation company was utilized.

- In the cost approach method, fair value of the buildings and land improvements was calculated by considering depreciation on the re-construction costs. In the cost approach method, above explained market reference comparison method was used in calculation of the land value, one of the components.
- The values that may occur during the purchase/sale transactions may differ from these values.
- The values determined by the cost approach method were evaluated as of the date they were first reflected in the financial statements and the relevant period ends, in accordance with the provisions of the TAS 36 "Impairment of Assets" standard, whether there were impairment indicators and it was concluded that there was no impairment.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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NOTE 3 - SEGMENT REPORTING

Operating segments are identified on the same basis as financial information is reported internally to the Company's chief operating decision maker. The Company's Board of Directors has been identified as the Company's chief operating decision maker who is responsible for allocating resources between segments and assessing their performance. The Company management determines operating segments by reference to the reports reviewed by the Board of Directors to make strategic decisions.

The Management believes that the Company operates in a single industry sector as the risks and returns for the activities do not show any material difference because the scope of activity covers only the production of white goods and the production processes and classes of customers are similar. As a result, all information related to the industrial segment has been fully presented in the attached financial statements.

The Management has decided to use geographical segments for segment reporting considering the fact that risks and returns are affected by the differences in geographical regions.

Geographical segments

	1 January - 31 December 2024	1 January - 31 December 2023
Segment revenue		
Türkiye	24.090.362	26.339.001
Europe	35.533.462	43.304.362
Other	15.981.939	18.934.142
Gross segment sales	75.605.763	88.577.505
Discounts (-)	(278.610)	(405.527)
Net sales	75.327.153	88.171.978

The amount of exports is TL 51.515.401 for the period ended 31 December 2024 (1 January-31 December 2023: TL 62.238.504). 84,8% of the export amount was realized in EUR, 11,1% in USD and 4,1% in other foreign currencies. Segment assets are not shown separately because a significant portion of the segment assets and the significant portion of the costs incurred to acquire the segment assets are incurred in Türkiye. (As of 31 December 2023, 88,3% of the export amount was realized in EUR, 9,0% in USD and 2,7% in other foreign currencies.)

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 4 – CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Cash	2.253	1.786
Bank deposits		
- Demand deposits	841.559	969.289
- Time deposits	248.305	82.194
	1.092.117	1.053.269
Blocked deposits	22	32
Cash and cash equivalents	1.092.139	1.053.301

The effective interest rates for time deposits are as below:

	31 December 2024	31 December 2023
TL	45,00%	34,74%

As of 31 December 2024 and 31 December 2023, the average maturity of the Group's time deposits is less than 3 months.

Based on the independent data with respect to the credit risk assessment of the banks, at which the Company has deposits, the credit quality of the banks is sufficient. The market values of cash and cash equivalents approximate carrying values, including accrued income at the respective balance sheet date.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 5 – FINANCIAL LIABILITIES

	31 December 2024	31 December 2023
Short term financial liabilities		
Short term bank loans	7.450.830	3.107.545
Short term portion of long term bank loans	414.486	451.863
Short term lease liabilities	8.542	14.588
Short term issued bonds	2.392.974	1.110.140
	10.266.832	4.684.136
Long term financial liabilities		
Long term bank loans	1.082.808	1.739.808
Long term lease liabilities	142.830	201.800
	1.225.638	1.941.608

* The maturity date of the bond with the ISIN code TRFVEST22513, amounting to TL 200.000.000, with a maturity of 175 days, a single coupon payment, issued to qualified investors on 21 August 2024 is 12 February 2025 and the annual simple interest rate of the coupon has been determined as 52%.

* The maturity date of the bond with the ISIN code TRFVSTL22521, amounting to TL 800.000.000, with a maturity of 147 days, a single coupon payment, issued to qualified investors on 18 September 2024 is 12 February 2025 and the annual simple interest rate of the coupon has been determined as 52,5%.

* The maturity date of the bond with the ISIN code TRFVEST42511, amounting to TL 395.000.000, with a maturity of 175 days, a single coupon payment, issued to qualified investors on 1 November 2024 is 25 April 2025 and the annual simple interest rate of the coupon has been determined as 51%.

* The maturity date of the bond with the ISIN code TRFVEST62519, amounting to TL 800.000.000, with a maturity of 181 days, a single coupon payment, issued to qualified investors on 27 December 2024 is 26 June 2025 and the annual simple interest rate of the coupon has been determined as 51%.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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NOTE 5 – FINANCIAL LIABILITIES (Cont'd)

Details of the Company's short term bank loans are given below:

	31 December 2024			31 December 2023		
	Weighted average of effective interest rates	Original currency	TL Equivalent	Weighted average of effective interest rates	Original currency	TL Equivalent
- USD	8,59%	22.239	786.011	10,65%	31.573	1.344.364
- EUR	8,47%	16.303	599.990	11,09%	10.683	503.345
- TL	34,28%	6.064.829	6.064.829	38,97%	1.259.836	1.259.836
			7.450.830			3.107.545

Details of the Company's long term bank loans are given below:

	31 December 2024			31 December 2023		
	Weighted average of effective interest rates	Original currency	TL Equivalent	Weighted average of effective interest rates	Original currency	TL Equivalent
Currency						
- TL	20,65%	414.486	414.486	23,14%	451.863	451.863
Short term portion			414.486	451.863		
- TL	20,65%	1.082.808	1.082.808	20,65%	1.739.808	1.739.808
Long term portion			1.082.808	1.739.808		
			1.497.294	2.191.671		

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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NOTE 5 – FINANCIAL LIABILITIES (Cont'd)

A significant portion of long-term loans consists of loans used within the approval of the Investment Committed Advance Loan (YTAK) with a fixed interest rate of 1.5 billion TL, originating from the Central Bank, with a total maturity of 10 years, including a grace period of 2 years for principal repayment.

The redemption schedule of the Company's long term bank loans are given below:

	31 December 2024	31 December 2023
One to two years	321.152	465.874
Two to three years	233.229	366.901
Three to four years	171.039	270.647
Over five years	357.388	636.386
	1.082.808	1.739.808

Fair value of short term bank borrowings are considered to approximate their carrying values due to immateriality of discounting. Fair values are determined using average effective annual interest rates.

It has fulfilled its financial commitments arising from its borrowings as of 31 December 2024 and 2023.

Guarantees given for the bank loans obtained are disclosed in note 15.

As of 31 December 2024 and 31 December 2023, reconciliation of net financial debt is as below:

	31 December 2024	31 December 2023
Net financial debt as of 1 January	5.572.475	13.095.822
Cash inflows from loans and issued bonds	12.903.163	10.143.295
Cash outflows from loan and bonds payments	(6.250.275)	(13.560.678)
Payments of lease liabilities	(65.016)	8.544
Unrealized exchange	116.460	533.651
Accrued interest	132.487	107.135
Change in cash and cash equivalents	(38.848)	(323.567)
Monetary gain / (loss)	(1.970.093)	(4.431.727)
Net financial debt at the end of the period	10.400.353	5.572.475

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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NOTE 6 – RELATED PARTY DISCLOSURES**a) Short term trade receivables from related parties**

	31 December 2024	31 December 2023
Vestel Ticaret A.Ş. ⁽¹⁾	14.025.980	19.316.659
Other related parties	230	241
	14.026.210	19.316.900

The receivables result from the Company's foreign and domestic sales performed via Vestel Ticaret A.Ş. which is also a member of Vestel Group Companies.

b) Short term trade payables to related parties

	31 December 2024	31 December 2023
Vestel Elektronik Sanayi ve Ticaret A.Ş. ⁽²⁾	1.343.370	671.507
Vestel Ticaret A.Ş. ⁽¹⁾	422.531	628.449
Vestel Holland B.V. ⁽¹⁾	3.620	595.357
Other related parties	32.032	61.282
	1.801.553	1.956.595
Deferred finance income (-)	(11.872)	(3.709)
	1.789.681	1.952.886

The short term payables to related parties consist of goods and service purchases.

c) Other short term receivables from related parties

	31 December 2024	31 December 2023
Vestel Elektronik Sanayi ve Ticaret A.Ş. ⁽²⁾	3.810.582	3.788.884
	3.810.582	3.788.884

As of 31 December 2024, the Company's interest rate of other short-term receivables in USD 9% and in EUR 7,5% (As of 31 December 2023 the Company's interest rate of other short-term receivables in USD 8% and in EUR 7%).

(1) Vestel Elektronik Sanayi ve Ticaret A.Ş. Group Company, (2) Parent, (3) Zorlu Holding Group Company

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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NOTE 6 – RELATED PARTY DISCLOSURES (Cont'd)**d) Other short term liabilities to related parties**

	31 December 2024	31 December 2023
Vestel Elektronik Sanayi ve Ticaret A.Ş. ⁽²⁾	94.172	4.930.434
	94.172	4.930.434

As of 31 December 2024, Company's interest rate of short-term other payables denominated in TL is 50% (31 December 2023: TL 50%).

e) Lease liabilities to related parties

	31 December 2024	31 December 2023
Vestel Elektronik Sanayi ve Ticaret A.Ş. ⁽²⁾	141.045	197.609
	141.045	197.609

As of 31 December 2024, the Company's short term lease liabilities to Vestel Elektronik Sanayi ve Ticaret A.Ş. are amounted to TL 4.248 and long-term lease liabilities are amounted to TL 136.797 (31 December 2023: short term TL 5.133 and long term TL 192.476)

f) Deferred income from related parties

	31 December 2024	31 December 2023
Vestel Ticaret A.Ş. ⁽¹⁾	78.710	683.484
Other related parties	-	5.805
	78.710	689.289

g) Long-term prepaid expenses to related parties

	31 December 2024	31 December 2023
Zorlu Enerji Elektrik Üretim A.Ş. ⁽³⁾	-	814.045
Rotor Elektrik Üretim A.Ş. ⁽³⁾	422.680	-
Other related parties	37.165	-
	459.845	814.045

(1) Vestel Elektronik Sanayi ve Ticaret A.Ş. Group Company, (2) Parent, (3) Zorlu Holding Group Company

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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NOTE 6 – RELATED PARTY DISCLOSURES (Cont'd)**h) Short-term prepaid expenses to related parties**

	31 December 2024	31 December 2023
Rotor Elektrik Üretim A.Ş. ⁽³⁾	279.643	-
Vestel Holland B.V. ⁽¹⁾	75.611	484.485
Other related parties	3.897	5.866
	359.151	490.351

i) Transactions with related parties

	1 January - 31 December 2024	1 January - 31 December 2023
Sales		
Vestel Ticaret A.Ş. ⁽¹⁾	73.419.348	86.288.989
Vestel Elektronik Sanayi ve Ticaret A.Ş. ⁽²⁾	503.195	670.381
Other related parties	266.491	66.777
	74.189.034	87.026.147
Operating expenses		
Vestel Holland B.V. ⁽¹⁾	3.948.287	4.314.013
Vestel Ticaret A.Ş. ⁽¹⁾	1.634.569	2.061.514
Vestel Elektronik Sanayi ve Ticaret A.Ş. ⁽²⁾	3.600.083	4.339.720
Other related parties	324.977	334.048
	9.507.916	11.049.295

The Company's transactions to related parties consist of goods and service purchases.

SS(1) Vestel Elektronik Sanayi ve Ticaret A.Ş. Group Company, (2) Parent, (3) Zorlu Holding Group Company

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 6 – RELATED PARTY DISCLOSURES (Cont'd)**i) Transactions with related parties (Cont'd)**

	1 January - 31 December 2024	1 January - 31 December 2023
Other income from operating activities		
Vestel Ticaret A.Ş. ⁽¹⁾	2.165.016	6.292.399
Other related parties	420.787	832.237
	2.585.803	7.124.636
Other expense from operating activities		
Vestel Ticaret A.Ş. ⁽¹⁾	762.080	636.723
Vestel Holland B.V. ⁽¹⁾	150.887	172.878
Other related parties	104.518	257.479
	1.017.485	1.067.080
Financial income		
Vestel Elektronik Sanayi ve Ticaret A.Ş. ⁽²⁾	872.161	3.137.440
	872.161	3.137.440
Financial expense		
Vestel Elektronik Sanayi ve Ticaret A.Ş. ⁽²⁾	1.666.264	833.393
Vestel Ticaret A.Ş. ⁽¹⁾	-	513.756
	1.666.264	1.347.149
Dividend payment to non-controlling interests		
Vestel Elektronik Sanayi ve Ticaret A.Ş. ⁽²⁾	1.056.683	606.717
Publicly available part	309.776	177.865
	1.366.459	784.582

(1) Vestel Elektronik Sanayi ve Ticaret A.Ş. Group Company, (2) Parent, (3) Zorlu Holding Group Company

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 6 – RELATED PARTY DISCLOSURES (Cont'd)**j) Compensation paid to key management including directors, the Chairman of Board of Directors, general managers and assistant general managers.**

Compensation paid to key management for the twelve months period ended 31 December 2024 is TL 85.412 (1 January -31 December 2023: TL 65.422).

NOTE 7 – TRADE RECEIVABLES AND PAYABLES

	31 December 2024	31 December 2023
Short term trade receivables		
Trade receivables		
- Related parties (note 6)	14.026.210	19.316.900
- Other parties	573.204	743.656
	14.599.414	20.060.556
Allowance for doubtful receivables (-)	(49.570)	(3.616)
Total short term trade receivables	14.549.844	20.056.940

The Company has made a provision considering its past experience in collecting its trade receivables.

The Company has made a provision considering its past experience in collecting its trade receivables. Hence, the Company management made a provision assessment according to the expected credit losses model within the scope of TFRS 9 and as of 31 December 2024, no additional doubtful trade receivables risk was detected.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 7 – TRADE RECEIVABLES AND PAYABLES (Cont'd)

	31 December 2024	31 December 2023
Short term trade payables		
Trade payables		
- Related parties (note 6)	1.801.553	1.956.595
- Other parties	19.326.645	22.833.952
	21.128.198	24.790.547
Unearned interest income (-)		
- Related parties (note 6)	(11.872)	(3.709)
- Other parties	(163.949)	(64.152)
Total short term trade payables	20.952.377	24.722.686

	31 December 2024	31 December 2023
Long term trade payables		
- Other parties	122.946	257.246
Total long term trade payables	122.946	257.246

NOTE 8 – OTHER RECEIVABLES AND PAYABLES

	31 December 2024	31 December 2023
Other short-term receivables from third parties		
Receivables from public institutions	977.890	1.377.131
Deposits and guarantees given	19.493	39.396
Other	16.614	13.406
Total short term other receivables	1.013.997	1.429.933

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 8 – OTHER RECEIVABLES AND PAYABLES (Cont'd)

	31 December 2024	31 December 2023
Long term other receivables		
Deposits and guarantees given	12.801	8.673
	12.801	8.673

	31 December 2024	31 December 2023
Short term other payables		
Related parties (Note 6)	94.172	4.930.434
	94.172	4.930.434

	31 December 2024	31 December 2023
Deferred revenue		
Related parties (Note 6)	78.710	689.289
Other parties	1.886	508
	80.596	689.797

NOTE 9 – INVENTORIES

	31 December 2024	31 December 2023
Raw materials	6.378.314	6.553.929
Work in process	169.544	263.904
Finished goods	3.341.354	3.631.161
Merchandise	254	19.329
	9.889.466	10.468.323
Provision for impairment on inventories (-)	(34.902)	(21.983)
	9.854.564	10.446.340

As of 31 December 2024, the Company does not have inventories pledged as security for liabilities (31 December 2023: None).

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 9 – INVENTORIES (Cont'd)

Cost of the inventory included in the cost of sales for the current period amounts to TL 57.488.019 (1 January – 31 December 2023: TL 63.664.286).

NOTE 10 – PREPAID EXPENSES

	31 December 2024	31 December 2023
Short-term prepaid expenses to third parties		
Order advances given	67.180	680.988
Prepaid expenses	190.836	96.975
	258.016	777.963

	31 December 2024	31 December 2023
Long-term prepaid expenses to third parties		
Advances given for purchase of fixed assets	385.612	312.189
Prepaid expenses	4.970	1.250
	390.582	313.439

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 11 – PROPERTY, PLANT AND EQUIPMENT

	1 January 2024	Additions	Disposals	Transfer	Fair value increase	31 December 2024
Cost or revaluation						
Land	10.232.491	239.948	-	-	4.353.127	14.825.566
Land improvements	229.517	-	-	4.293	44.143	277.953
Buildings	8.030.692	15.655	-	3.438.577	(511.173)	10.973.751
Leasehold improvements	3.692	1.059	-	-	-	4.751
Plants, machinery and equipment	30.543.125	913.542	(381.153)	547.948	-	31.623.462
Motor vehicles	10.520	-	-	-	-	10.520
Furniture and fixtures	1.393.978	57.433	(7.644)	115.527	-	1.559.294
Construction in progress (*)	2.522.855	1.966.526	-	(4.106.345)	-	383.036
	52.966.870	3.194.163	(388.797)	-	3.886.097	59.658.333
Accumulated depreciation						
Land improvements	-	8.979	-	-	(8.979)	-
Buildings	-	379.915	-	-	(379.915)	-
Leasehold improvements	3.342	248	-	-	-	3.590
Plants, machinery and equipment	20.745.093	1.964.590	(367.836)	-	-	22.341.847
Motor vehicles	6.630	1.240	-	-	-	7.870
Furniture and fixtures	1.053.641	99.641	(7.584)	-	-	1.145.698
	21.808.706	2.454.613	(375.420)	-	(388.894)	23.499.005
Net book value	31.158.164					36.159.328

(*) A significant part of the investments being made are related to ongoing machinery investments.

There is no mortgage on property, plant and equipment as of 31 December 2024 (31 December 2023:None)

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 11 – PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	1 January				Fair value	31 December
	2023	Additions	Disposals	Transfer	increase	2023
Cost or revaluation						
Land	4.282.980	-	-	-	5.949.511	10.232.491
Land improvements	227.109	1.421	-	362	625	229.517
Buildings	5.302.463	213.943	(56)	2.201.163	313.179	8.030.692
Leasehold improvements	3.363	329	-	-	-	3.692
Plants, machinery and equipment	26.932.809	1.514.321	(338.334)	2.434.329	-	30.543.125
Motor vehicles	8.257	2.771	(508)	-	-	10.520
Furniture and fixtures	1.267.716	61.617	(10.533)	75.178	-	1.393.978
Construction in progress	3.842.419	3.392.647	-	(4.712.211)	-	2.522.855
	41.867.116	5.187.049	(349.431)	(1.179)	6.263.315	52.966.870
Accumulated depreciation						
Land improvements	-	13.440	-	-	(13.440)	-
Buildings	-	247.278	-	-	(247.278)	-
Leasehold improvements	3.159	183	-	-	-	3.342
Plants, machinery and equipment	18.960.949	2.112.448	(328.304)	-	-	20.745.093
Motor vehicles	6.213	925	(508)	-	-	6.630
Furniture and fixtures	964.320	99.575	(10.254)	-	-	1.053.641
	19.934.641	2.473.849	(339.066)	-	(260.718)	21.808.706
Net book value	21.932.475					31.158.164

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 11 – PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Allocation of period depreciation and amortization expenses is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Cost of sales	2.344.115	2.376.502
Research and development expenses	607.328	413.660
Marketing, selling and distribution expenses	74.563	11.381
General administrative expenses	23.142	21.834
	3.049.148	2.823.377

Cost and accumulated depreciation of land, land improvements and buildings before revaluation are as follows:

	Buildings and land	
31 December 2024	Land	improvements
Cost	2.071.756	8.738.613
Accumulated depreciation (-)	-	(1.314.428)
Net book value	2.071.756	7.424.185

	Buildings and land	
31 December 2023	Land	improvements
Cost	1.831.808	5.280.088
Accumulated depreciation (-)	-	(1.119.969)
Net book value	1.831.808	4.160.119

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 12 – RIGHT OF USE ASSETS

	1 January 2024	Additions	Disposals	31 December 2024
Cost				
Land and buildings	1.397.966	30.724	(37.505)	1.391.185
Motor vehicles and machinery	308.130	2.877	-	311.007
	1.706.096	33.601	(37.505)	1.702.192
Accumulated amortization				
Land and buildings	512.873	244.992	(6.169)	751.696
Motor vehicles and machinery	224.203	5.645	-	229.848
	737.076	250.637	(6.169)	981.544
Net book value	969.020			720.648

	1 January 2023	Additions	Disposals	31 December 2023
Cost				
Land and buildings	851.526	562.606	(16.166)	1.397.966
Motor vehicles and machinery	304.551	3.579	-	308.130
	1.156.077	566.185	(16.166)	1.706.096
Accumulated amortization				
Land and buildings	377.865	145.786	(10.778)	512.873
Motor vehicles and machinery	207.573	16.630	-	224.203
	585.438	162.416	(10.778)	737.076
Net book value	570.639			969.020

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 13 – INTANGIBLE ASSETS

	1 January			31 December
	2024	Additions	Transfer	2024
Cost				
Rights	151.131	-	-	151.131
Development cost	4.426.595	717.712	-	5.144.307
Other intangible assets	351.587	49.664	-	401.251
	4.929.313	767.376	-	5.696.689
Accumulated amortization				
Rights	150.379	152	-	150.531
Development cost	2.597.803	310.393	-	2.908.196
Other intangible assets	189.088	33.353	-	222.441
	2.937.270	343.898	-	3.281.168
Net book value	1.992.043			2.415.521

	1 January			31 December
	2023	Additions	Transfer	2023
Cost				
Rights	151.131	-	-	151.131
Development cost	3.772.717	653.878	-	4.426.595
Other intangible assets	335.727	14.681	1.179	351.587
	4.259.575	668.559	1.179	4.929.313
Accumulated amortization				
Rights	150.225	154	-	150.379
Development cost	2.440.420	157.383	-	2.597.803
Other intangible assets	159.513	29.575	-	189.088
	2.750.158	187.112	-	2.937.270
Net book value	1.509.417			1.992.043

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 13 – INTANGIBLE ASSETS (Cont'd)

Development costs, incurred by the Company on development projects relating to refrigerators, split air conditioners, washing machines, cookers and dish washers are capitalized as intangible assets since it is highly probable that it will derive economic benefit from these projects and the economic benefits and expenditures made during the development process can be reliably measured.

NOTE 14 – GOVERNMENT GRANTS

There are investment incentive certificates to which the Company has been entitled by the official authorities in connection with certain capital expenditures. The grants obtained by the Company in nature are as follows:

- i) Exemption from customs duty on machinery and equipment to be imported,
- ii) Value-added tax exemption with respect to purchases of investment goods both from domestic and export markets,
- iii) Incentives under jurisdiction of the research and development law
- iv) Inward processing permission certificates,
- v) Cash refund from Scientific and Technological Research Council of Türkiye(Tubitak)- Technology and Innovation Funding Programs Directorate (Teydeb) for research and development expenses,
- vi) Discounted corporate tax incentive,
- vii) Insurance premium employer share incentive,
- viii) Interest incentive.

NOTE 15 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**a) Provisions**

	31 December 2024	31 December 2023
Short term provisions		
Provision for lawsuit risks	26.967	20.853
	26.967	20.853

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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NOTE 15 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont'd)**b) Guarantees received by the Company**

	31 December 2024	31 December 2023
Guarantee letters	412.306	300.703
Cheques and notes	650	23.464
Collaterals and pledges	45.287.280	58.495.110
	45.700.236	58.819.277

Vestel Elektronik Sanayi ve Ticaret A.Ş., Vestel Mobilite Sanayi ve Ticaret A.Ş. and Vestel Ticaret A.Ş. has given guarantees to various banks on behalf of the Company for its forward contracts and bank borrowings.

The table above has been prepared based on the lower of the limits used or the amounts of guarantees received regarding the guarantees received by the Company. The amount of guarantees received by the Company, including the total collaterals amount, is 83.117.959 TL.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 15 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont'd)**c) Collaterals, pledges and mortgages ("CPMB's") given by the Company are as follows:**

CPMB's given by the Group	USD ('000)	EUR ('000)	TL	TL Equivalent
31 December 2024				
A. CPMB's given on behalf of its own legal entity	-	2.000	5.402.661	5.476.266
B. CPMB's given on behalf of fully consolidated subsidiaries	-	-	-	-
C. CPMB's given on behalf of third parties for ordinary course of business	-	-	-	-
D. Total amount of other CPMB's given	500.742	-	277.439	17.975.564
i. Total amount of CPMB's given on behalf of the parent company	380.820	-	155.076	13.614.702
ii. Total amount of CPMB's given to on behalf of other group companies which are not in scope of B and C.	119.922	-	122.363	4.360.862
iii.Total amount of CPMB's given on behalf of third parties which are not in scope of C.	-	-	-	-
Total	500.742	2.000	5.680.100	23.451.830

The Company has given guarantees to various banks on behalf of Vestel Elektronik Sanayi ve Ticaret A.Ş. and Vestel Ticaret A.Ş. for the purpose of carrying out its usual commercial activities.

The table above has been prepared based on the lower of the limits used or the amounts of guarantees received regarding the guarantees given by the Company. The total guarantee amount, as well as the guarantees, pledges, mortgages and guarantees given by the Company, are 930.300 thousand USD, 2.000 thousand EUR, 6.234.061 TL, equivalent to a total of 39.188.003 TL.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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NOTE 15 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont'd)

CPMB's given by the Group	USD (‘000)	EUR (‘000)	TL	TL Equivalent
31 December 2023				
A. CPMB's given on behalf of its own legal entity	15.800	13.895	902.662	2.230.070
B. CPMB's given on behalf of fully consolidated subsidiaries	-	-	-	-
C. CPMB's given on behalf of third parties for ordinary course of business	-	-	-	-
D. Total amount of other CPMB's given	501.042	-	724.388	22.058.343
i. Total amount of CPMB's given on behalf of the parent company	380.820	-	543.390	16.758.392
ii. Total amount of CPMB's given to on behalf of other group companies which are not in scope of B and C.	120.222	-	180.998	5.299.951
iii. Total amount of CPMB's given on behalf of third parties which are not in scope of C.	-	-	-	-
Total	516.842	13.895	1.627.050	24.288.413

Proportion of other CPMB's given by the Company to its equity 53% as of 31 December 2024 (31 December 2023: 71%).

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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NOTE 16 – COMMITMENTS

As of the balance sheet date the Company has committed to realize exports amounting to USD 1.119.701 thousand (31 December 2023: USD 1.093.911 thousand) due to the export and investment incentive certificates obtained.

As of 31 December 2024 the Company has forward foreign currency purchase contract that amounts to EUR 95.197 thousand, PLN 11.401 thousand, GBP 2.272 thousand, USD 383.643 thousand, SEK 96.848 thousand and TL 1.940.500 and against forward foreign currency sales contract that amounts to EUR 351.173 thousand, GBP 10.584 thousand, PLN 17.853 thousand, USD 136.707 thousand and SEK 177.648 thousand (31 December 2023 : The Company has forward foreign currency purchase contract of EUR 23.517 thousand, PLN 6.895 thousand, GBP 10.794 thousand and USD 675.619 thousand against forward foreign currency sales contract that amounts to EUR 548.376 thousand, GBP 18.642 thousand, PLN 20.350 thousand, USD 12.352 thousand and TL 3.671.155).

NOTE 17 – EMPLOYEE BENEFITS**Liabilities for employee benefits:**

	31 December 2024	31 December 2023
Due to personnel	261.049	279.229
Social security payables	133.014	139.464
	394.063	418.693

Long term provisions for employee benefits:

	31 December 2024	31 December 2023
Provision for employment termination benefits	925.984	976.926
	925.984	976.926

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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NOTE 17-EMPLOYEE BENEFITS (Cont'd)

Under Turkish law, the Company is required to pay employment termination benefits to each employee whose employment is terminated without due cause. In addition, under the existing Social Security Law No. 506, clause No. 60, amended by the Labor Laws dated 6 March 1981, No. 2422 and 25 August 1999, No. 4447, the Company is also required to pay termination benefits to each employee who has earned the right to retire by receiving termination indemnities.

The amount payable is the equivalent of one month's gross salary for each year of service and is limited to a maximum of TL 41.828,42 / year as of 31 December 2024 (31 December 2023: TL 33.914,33/year - at 31 December 2024 purchasing power).

The provision for employee termination benefits is not funded.

The provision is calculated by estimating the present value of the future obligation of the company arising from retirement of employees. Turkish Accounting Standards No: 19 ("Employee Benefits") requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined employee plans. Accordingly actuarial assumptions were used in the calculation of the total liability which is described below:

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. An expected inflation rate and appropriate discount rate should both be determined, the net of these being real discount rate. Consequently, in the accompanying financial statements as of 31 December 2024 the provision is calculated by estimating the present value of the future obligation of the company arising from retirement of employees. As of 31 December 2024, provision is calculated based on real discount rate of 11,54% assuming 26,71% annual inflation rate and 2,47% discount rate. (31 December 2023: 23,60% inflation rate, 49,25% real discount rate, 3,72% discount rate)

The main assumption is that the seniority ceiling for each year of service increases in line with inflation. Thus, the discount rate applied represents the actual rate adjusted for the expected effects of inflation.

The maximum liability is revised every six months, the maximum amount of TL 46.655,43 (1 January 2024: TL 50.617,15 - at 31 December 2024 purchasing power) effective from 1 January 2025 has been taken into consideration in the calculation of provision for employment termination benefits of the Company.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 17-EMPLOYEE BENEFITS (Cont'd)

The movements in the provision for employment termination benefit are as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Balance at 1 January	976.926	1.234.114
Increase during the year	139.959	213.266
Payments during the year	(219.282)	(337.654)
Actuarial (gain) /loss	172.817	272.157
Interest expense	167.114	114.849
Monetary gain/ (loss)	(311.550)	(519.806)
Balance at 31 December	925.984	976.926

NOTE 18 – OTHER ASSETS AND LIABILITIES

	31 December 2024	31 December 2023
Other current assets		
VAT carried forward	3.655	1.918
Revenue and discount accruals	92.936	120.626
	96.591	122.544
Other current liabilities		
Tax payables	179.331	265.790
Other	11.381	11.963
	190.712	277.753

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 19 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS**a) Paid in capital**

	31 December 2024	31 December 2023
Shares of par value Kr 1 each		
issued share capital	1.600.000	1.600.000

As of 31 December 2024 and 31 December 2023, the shareholding structure is as follows:

	Shareholding		Amount	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Vestel Elektronik Sanayi ve Ticaret AŞ	77,33%	77,33%	1.237.302	1.237.302
Stocks traded on BIST	22,67%	22,67%	362.698	362.698
	100%	100%	1.600.000	1.600.000

b) Adjustments to share capital

Adjustment to share capital is the difference between the share capital recalculated to adjust the effects of inflation and historical share capital.

	31 December 2024	31 December 2023
Adjustments to share capital	9.706.424	9.706.424

c) Restricted reserves ("Legal reserves")

The legal reserves consist of first and second legal reserves appropriated in accordance with the Turkish Commercial Code ("TCC"). The first legal reserve is appropriated out of the statutory profits at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's share 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. Under TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid in share capital.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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NOTE 19 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Cont'd)**c) Restricted reserves ("Legal reserves") (Cont'd)**

	31 December 2024	31 December 2023
Legal reserves	2.047.715	1.730.116

The differences arising as a result of converting the following inflation-adjusted amounts in the company's legal records into CPI-adjusted amounts within the scope of TAS 29 are accounted under the Retained Earnings item.

	PPI-Indexed Legal	CPI Indexed	Differences Tracked in
	Records	Amounts	Past Years
			Profits/Losses
Capital Adjustment Gains/Losses	10.928.588	9.706.424	1.222.164
Appropriated Retained Earnings	2.783.055	2.047.715	735.340

d) Dividend distribution

For quoted companies dividends are distributed in accordance with the Communiqué Serial II -19.1 on "Principals Regarding Distribution of Interim Dividends" issued by the CMB effective from 1 February 2014. Companies distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly and in conformity with relevant legislations. The communiqué does not state a minimum dividend rate.

Companies distribute dividends in accordance with the method defined in their dividend policy or articles of association. Additionally, dividend can be distributed in fixed or variable installments and dividend advances can be paid over the profit on financial statements.

Unless the general reserves that has to be appropriated in accordance with TCC or the dividend to shareholders as determined in the articles of association or dividend policy are set aside; no decision can be taken to set aside other reserves, to transfer reserves to the subsequent year or to distribute dividends to holders of redeemed shares right certificates, to board of directors members or to employees; and no dividend can be distributed to those unless the determined dividend to shareholders is paid in cash.

On the other hand, in accordance with the Articles of Association of the Company, up to 5% of retained earnings after dividend distribution could be allocated to the Board of Directors or used for certain reasons designated by the Board of Directors when necessary.

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NOTE 19 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Cont'd)**d) Dividend distribution (Cont'd)**

- Based on the approval of the General Assembly, up to 3% of retained earnings after dividend distribution could be allocated to plant investments designated in accordance with article of 468 in TCC,
- Up to 5% of retained earnings after dividend distribution could be allocated to the Board of Directors as necessary, up to 5% of retained earnings after dividend distribution could be allocated to donations, bonuses etc.

NOTE 20 – SALES

	1 January - 31 December 2024	1 January - 31 December 2023
Domestic sales	24.090.362	26.339.001
Overseas sales	51.515.401	62.238.504
Gross sales	75.605.763	88.577.505
Sales discounts (-)	(278.610)	(405.527)
Net sales	75.327.153	88.171.978
Cost of sales	(67.419.256)	(73.770.279)
Gross profit	7.907.897	14.401.699

NOTE 21 – EXPENSES BY NATURE

	1 January - 31 December 2024	1 January - 31 December 2023
Raw materials, supplies and finished goods	57.488.019	63.664.286
Personnel expenses	7.067.841	6.363.191
Depreciation and amortization	3.049.148	2.823.377
Export, transportation, warehouse expenses	2.469.090	3.435.821
Other	2.518.526	3.308.622
	72.592.624	79.595.297

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NOTE 21 – EXPENSES BY NATURE (Cont'd)**Fees for Services Received from Independent Auditor/Independent Audit Firm**

The Company's explanation of the fees for the services received from the independent audit firm is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Independent Audit Fees	4.344	4.896
	4.344	4.896

NOTE 22 – GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES**a) General Administrative Expenses:**

	1 January - 31 December 2024	1 January - 31 December 2023
Personnel expenses	234.834	213.177
Depreciation and amortization	23.142	21.834
Other	581.609	524.156
	839.585	759.167

b) Marketing Expenses:

	1 January - 31 December 2024	1 January - 31 December 2023
Transportation,commission, distribution and warehouse expenses	2.372.890	3.354.461
Personnel expenses	332.687	315.225
Depreciation and amortization	74.563	11.381
Other	604.911	579.307
	3.385.051	4.260.374

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

NOTE 22 – GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (Cont'd)**c) Research and Development Expenses:**

	1 January - 31 December 2024	1 January - 31 December 2023
Depreciation and amortization	607.328	413.660
Personnel expenses	203.767	232.450
Other	137.637	159.367
	948.732	805.477

NOTE 23 – OTHER INCOME AND EXPENSE FROM OPERATING ACTIVITIES**a) Other Operating Income:**

	1 January - 31 December 2024	1 January - 31 December 2023
Credit finance gains arising from trading activities	482.923	270.824
Foreign exchange gains arising from trading activities	2.399.850	7.005.102
Other income	30.046	24.912
	2.912.819	7.300.838

b) Other Operating Expense:

Debit finance charges and interest income arising from trading activities	12.041	46.574
Foreign exchange expenses arising from trading activities	4.020.571	11.666.282
Other expenses	191.428	278.276
	4.224.040	11.991.132

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NOTE 24 – FINANCIAL INCOME AND FINANCIAL EXPENSE**a) Financial income:**

	1 January - 31 December 2024	1 January - 31 December 2023
Foreign exchange gains	623.721	2.798.925
Gains on derivative financial instruments	591.578	1.073.053
Interest income	282.454	446.626
	1.497.753	4.318.604

b) Financial expense:

	1 January - 31 December 2024	1 January - 31 December 2023
Foreign exchange losses	405.541	1.654.200
Losses on derivative financial instruments	1.186.053	1.770.808
Interest expense	4.345.122	2.666.674
Commission and other finance expenses	657.876	803.813
	6.594.592	6.895.495

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NOTE 25 – MONETARY LOSS/GAIN

Non-monetary items	31 December 2024
Balance sheet items	(327.066)
Inventories	833.971
Tangible and intangible assets	9.078.792
Right of use assets	54.115
Inflation adjustments on capital	(3.475.339)
Other comprehensive income (expenses) that will not be reclassified to profit or loss	(2.266.219)
Other comprehensive income (expenses) that will be reclassified to profit or loss	82.714
Restricted reserves	(579.440)
Prior years' profits or loss	(4.055.660)
Profit and loss items	4.133.182
Sales	(9.007.419)
Cost of sales	11.332.010
General administration expenses	114.132
Marketing expenses	448.467
Research and development expenses	423.397
Other income from operating activities	(412.168)
Other expenses from operating activities	689.007
Financial income	(166.220)
Financial expense	711.976
Net monetary position gains/(losses)	3.806.116

NOTE 26 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

	31 December 2024	31 December 2023
Corporation and income taxes	-	186.768
Prepaid taxes (-)	(10.214)	(195.900)
Current income tax liabilities - net	(10.214)	(9.132)
Deferred tax liabilities - net	(3.136.760)	(2.374.690)

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 26 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)

Pursuant to paragraph 1 of Article 6 of the Corporate Tax Law No. 5520, corporate tax is calculated on the net corporate income of the taxpayers for an accounting period. Pursuant to paragraph 2 of the same article, by taking into account the provisions of Income Tax Law No. 193 on commercial income, pure corporate income is calculated by adding legally unacceptable expenses to the commercial income and deducting the exempt earnings and discounts from the commercial income.

With the amendment made to Article 32 of the Corporate Tax Law No. 5520 with Article 21 of the Law No. 7456, corporate taxpayers other than banks, companies within the scope of the Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies are subject to corporate tax at the rate of 25% on their net corporate earnings in 2023 and the following taxation periods.

The above-mentioned amendment regarding the corporate tax rate will take effect starting from the declarations to be submitted on October 1, 2023. For the declarations submitted before this date, the corporate tax rate is 20%.

In addition to the corporate tax levied on corporate income, withholding income/corporate tax burden may arise if all or part of the profits of corporations are subject to profit distribution. By full taxpayer corporations;

- Full taxpayer real persons,
- For non-income and corporate taxpayers,
- For those exempt from income tax,
- Limited taxpayer real persons,
- Limited taxpayers exempt from income tax,
- Institutions exempt from corporate tax,
- To limited taxpayer corporations or limited taxpayers exempt from corporate tax, except for those who obtain dividends through a place of business or permanent representative in Türkiye,

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

NOTE 26 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)

In Türkiye, the Domestic Minimum Corporate Tax has entered into force with the laws published in the Official Gazette dated 2 August 2024. The regulation will be applied to corporate earnings for the taxation period of 2025. Within this scope, a regulation has been made stating that the corporate tax calculated cannot be less than 10% of the corporate earnings before deductions and exemptions. Since the application will start on the earnings of the corporations as of 1 January 2025, it will not have an impact on the current period tax expense in the financials dated 31 December 2024. On the other hand, the effects of the International Tax Reform - Second Pillar Model Rules on the financial position and performance of the Company have been evaluated and it has been determined that it does not have a significant impact.

In case of dividend distribution, 10% withholding income/corporate tax is payable. According to the Turkish tax legislation, capitalization of profit is not considered as dividend distribution.

Corporations are required to calculate advance tax on their quarterly earnings for the first 9 months of their accounting periods in accordance with the principles set out in the Income Tax Law No. 193 and at the corporate tax rate and declare it until the 17th day of the second month following that period and pay it until the evening of the 17th day. Advance tax paid during the year belongs to that year and is deducted from the corporate tax to be calculated on the corporate tax return to be submitted in the following year.

Corporations are exempt from corporate tax on 75% of the gains arising from the sale of participation shares included in their assets for at least two full years and 25% of the gains arising from the sale of immovables included in their assets on 15 July 2023 for the same period. As of 15 July 2023, corporate tax exemption is not applied to the gains arising from the sale of immovables taken into assets.

Under Turkish tax legislation, tax losses carried forward can be carried forward to offset against future taxable income for up to 5 years. However, tax losses cannot be offset against retained earnings.

In Türkiye, there is no such practice as reconciliation with the tax authority on taxes payable. Corporate tax returns are required to be filed with the tax office by the 30th of the fourth month following the close of the accounting period and corporate tax is payable within the same period.

However, tax authorities may examine the accounting records within five years and the amount of tax payable may change if incorrect transactions are detected.

Earnings from the Company's investments subject to incentive certificates are subject to corporate tax at reduced rates from the accounting period in which the investment starts to be operated partially or completely until the investment contribution amount is reached.

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

NOTE 26 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which they can be utilized. Where it is probable that taxable income will be available, deferred tax assets are recognized in respect of deductible temporary differences, tax losses and tax advantages arising from investment incentives with indefinite useful lives that allow for the payment of reduced corporate income tax.

For the periods 31 December 2024 and 31 December 2023, tax expenses recognized in the statement of comprehensive income are as follows;

	1 January - 31 December 2024	1 January - 31 December 2023
Current period tax expense	-	(263.234)
Deferred tax benefit	133.243	(857.477)
Total tax benefit	133.243	(1.120.711)

Due to modernization, plant extension and investments incentive documents in Manisa Organized Industrial Zone, the Company has reduced rate of corporate tax advantage.

The reconciliation of the period tax expense with the calculated tax provision is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Profit before tax	132.585	7.941.820
Local tax rate	%25	%25
Tax income calculated using local tax rate	(33.146)	(1.985.455)
Non-deductible expenses	(182.196)	(190.036)
Deduction and exemptions	217.750	267.756
Reduced taxation	460.216	1.492.430
Deferred tax amount calculated on the financial period loss	174.853	-
Deferred tax effect of change in legal tax rate	-	(80.982)
Monetary gain / loss	(677.409)	(1.079.976)
Other	173.175	455.552
Total tax benefit	133.243	(1.120.711)

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NOTE 26 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)**Deferred tax assets and liabilities**

The breakdown of cumulative temporary differences and the resulting deferred tax assets and liabilities provided using principal tax rate as of the balance sheet dates is as follows:

	Cumulative temporary differences		Deferred tax	
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
Deferred tax assets/(liabilities)				
Employment termination benefits	(925.984)	(976.926)	231.496	244.232
Investment incentive	-	-	1.201.998	1.070.975
Deferred tax calculated on financial period loss	-	-	174.853	-
Net difference between recorded values and tax bases of tangible and intangible assets	20.763.189	17.817.020	(4.264.199)	(3.807.031)
Net difference between registered values of stocks and tax bases	2.149.888	556.522	(537.472)	(139.131)
Derivative financial instruments	313.280	(506.846)	(78.320)	126.713
Other	(539.536)	(518.210)	134.884	129.552
			(3.136.760)	(2.374.690)

The Company's earnings from investments subject to incentive certificates are subject to corporate tax at reduced rates from the accounting period in which the investment starts to be operated partially or fully until the investment contribution amount is reached.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which they can be utilized. Where it is probable that taxable income will be available, deferred tax assets are recognized for deductible temporary differences, tax losses and investment incentives with indefinite useful lives that allow for the payment of reduced corporate income tax.

Furthermore, financial statements consist of the deferred tax effect of the temporary differences accounted by the adjustments made regarding inflation accounting together with the notification of the Corporate Tax Law dated 30 December 2023 and numbered 32415.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024**

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

NOTE 26 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)**Deferred tax assets and liabilities (Cont'd)**

As of 31 December 2024, the most recent year of use of deductible tax losses over which deferred tax assets are calculated is as follows:

	31 December 2024	31 December 2023
2029	699.412	-
	699.412	-

As of 31 December 2024, the tax advantage amounting to TL 1.201.998 that the Company will benefit from in the foreseeable future is reflected in the financial statements as deferred tax asset. In line with the precautionary principle of accounting and in line with the budget made by the Company, the tax advantage arising from the investment incentives that the Company expects to benefit from in the coming years has been recognized as deferred tax asset in the financial statements. However, the tax advantage amounting to TL 4.244.964 that the Company is entitled to use has not been recognized in deferred tax assets in accordance with the precautionary principle of accounting.

The Company assesses the recoverability of deferred tax assets related to investment incentives based on business models that include estimates of taxable profit. These business models include forward-looking management estimates such as sales volumes, selling prices and exchange rate expectations. As a result of the sensitivity analyses on the forward-looking use of investment incentives, it has been concluded that a 10% increase/decrease in the related estimates has no an important impact on the recoverability of the related deferred tax assets.

The movement of net deferred tax assets and liabilities is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Opening balance, 1 January	(2.374.690)	(839.683)
Tax benefit recognized in income statement	133.243	(857.477)
Recognized in shareholders' equity	(895.313)	(677.530)
Deferred tax assets at the end of the period, net	(3.136.760)	(2.374.690)

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NOTE 27– LOSSES PER SHARE

	1 January - 31 December 2024	1 January - 31 December 2023
Net income / (loss) attributable to equity holders of the parent	265.828	6.821.109
Weighted number of ordinary shares with a Kr 1 of par value (hundred shares)	1.600.000.000	1.600.000.000
Losses per share	0,17	4,26

NOTE 28 – DERIVATIVE INSTRUMENTS

	31 December 2024		31 December 2023	
	Contract	Fair Value Assets / (Liabilities)	Contract amount	Fair Value Assets / (Liabilities)
<u>Derivative financial instruments:</u>				
Held for trading				
Forward foreign currency transactions	3.718.586	21.919	670.808	4.585
Cash flow hedge				
Forward foreign currency transactions	9.937.550	321.547	7.963.677	46.058
<u>Derivative financial liabilities:</u>				
Held for trading				
Forward foreign currency transactions	5.520.447	(26.568)	4.644.356	(81.848)
Cash flow hedge				
Forward foreign currency transactions	282.767	(3.618)	17.200.981	(475.641)
	19.459.350	313.280	30.479.822	(506.846)

NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT**a) Capital risk management:**

The Company manages its capital to ensure that it will maintain its status as a going concern while maximizing the return to stakeholders through optimization of the debt and equity balance.

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NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)**a) Capital risk management (Cont'd):**

The management considers the cost of capital and the risks associated with each class of capital. The management aims to balance its overall capital structure through the payment of dividends, share issues and proceeds from or repayments of debt.

As of 31 December 2024 and 2023 the Company's net debt / total equity ratios are as follows:

	31 December 2024	31 December 2023
Total financial liabilities (Note 5)	11.492.470	6.625.744
Cash and cash equivalents (Note 4)	(1.092.139)	(1.053.301)
Net debt	10.400.331	5.572.443
Total shareholders equity	33.844.638	31.171.059
Total capital invested	44.244.969	36.743.502
Net debt/capital invested	24%	15%

b) Financial risk factors:

The Company's activities expose it to a variety of financial risks including the foreign currency exchange rates risk, credit risk and liquidity risk. The Company's overall risk management program on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments in order to protect itself from various financial risks.

b.1) Credit risk:

Credit risk arises from bank deposits, trade receivables and other trade receivables. Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of these agreements.

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

NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)**b.1) Credit risk (Cont'd):**

The Company sells significant portion of its products to Vestel Ticaret A.Ş. which is a group company. Credit risk is evaluated by considering past experiences and current economic conditions and receivables is presented in the balance sheet after appropriate amount of provision for doubtful receivables is allocated. The company considers that the credit risk is managed effectively. The following statements show the analysis of credit risk as of 31 December 2024 and 31 December 2023:

	Receivables				Bank deposits	Other
	Trade receivables		Other receivables			
	Related party	Other party	Related party	Other party		
31 December 2024						
Maximum exposed credit risk as of 31 December 2024 (A+B+C+D)	14.026.210	523.634	3.810.582	1.026.798	1.089.864	2.275
- Secured portion of the maximum credit risk by guarantees, etc. (*)	(1.765.804)	(242.770)	-	-	-	-
A.Net book value of financial assets either are not due or not impaired	7.546.409	124.828	3.810.582	1.026.798	1.089.864	2.275
- Secured portion by guarantees etc.	(1.352.009)	-	-	-	-	-
B. Financial assets with renegotiated conditions	-	-	-	-	-	-
C.Net book value of the overdue but not impaired financial assets	6.479.801	398.806	-	-	-	-
- Secured portion by guarantees etc.	(413.795)	(242.770)	-	-	-	-
D.Net book value of the impaired financial assets	-	-	-	-	-	-
-Over due (gross book value)	-	49.570	-	-	-	-
-Impairment (-)	-	(49.570)	-	-	-	-
-Secured portion of the net value by guarantees etc.	-	-	-	-	-	-
E. Off-balance sheet elements involving credit risk	-	-	-	-	-	-

(*) The receivables in question are the balances arising from the Company's foreign sales through Vestel Ticaret A.Ş., which is a member of the Vestel group, and from domestic sales made directly to Vestel Ticaret A.Ş., and the relevant guarantees are mainly based on export receivables made through Vestel Ticaret A.Ş.

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NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

31 December 2023	Receivables					
	Trade receivables		Other receivables		Bank deposits	Other
	Related party	Other party	Related party	Other party		
Maximum exposed credit risk as of 31 December 2023 (A+B+C+D)	19.316.900	740.040	3.788.884	1.438.606	1.051.483	1.818
- Secured portion of the maximum credit risk by guarantees, etc.	(1.421.985)	(92.401)	-	-	-	-
A.Net book value of financial assets either are not due or not impaired	17.705.405	170.749	3.788.884	1.438.606	1.051.483	1.818
- Secured portion by guarantees etc.	(1.269.291)	-	-	-	-	-
B. Financial assets with renegotiated conditions	-	-	-	-	-	-
C.Net book value of the overdue but not impaired financial assets	1.611.495	569.291	-	-	-	-
- Secured portion by guarantees etc.	(152.694)	(92.401)	-	-	-	-
D.Net book value of the impaired financial assets	-	-	-	-	-	-
-Over due (gross book value)	-	3.616	-	-	-	-
-Impairment (-)	-	(3.616)	-	-	-	-
-Secured portion of the net value by guarantees etc.	-	-	-	-	-	-
E. Off-balance sheet elements involving credit risk	-	-	-	-	-	-

Aging of financial assets which are overdue but not impaired is as follows:

	31 December 2024	31 December 2023
Overdue 1 - 30 days	3.709.173	906.118
Overdue 1 - 3 months	2.229.049	341.791
Overdue 3 - 12 months	940.385	932.877
Total overdue receivables	6.878.607	2.180.786

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NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)**b.2) Price risk:**

Due to the fact that the Company's operating profit and cash flows from operating activities has been affected by competition in the sector and changes in raw material prices, the prices are monitored by the Company management and cost-cutting measures has been taken in order to mitigate cost pressure effect on price level. In addition, the Company reviews market prices for active financial and operational risk management regularly.

Existing risks has been monitored on Audit Committee and Board of Directors meetings and raw material prices in market is reviewed closely.

b.3) Liquidity risk:

Prudent liquidity risk management means holding sufficient cash and securities, availability of sufficient credit transactions and funding sources, and the ability to close market positions.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows. Derivative financial liabilities are presented by undiscounted net inflows and outflows.

The analysis of the Company's financial liabilities with respect to their maturities as of 31 December 2024:

Contractual maturities	Carrying value	Contractual			More than 5	
		cash flows	Up to 3 months	3 - 12 months	1 - 5 years	years
Non-derivative financial liabilities						
Financial and lease liabilities	11.492.470	14.085.260	4.871.753	6.516.683	1.535.634	1.161.190
Trade payables	21.075.323	21.274.724	17.060.792	3.584.319	552.689	76.924
Other payables and liabilities	94.172	94.172	94.172	-	-	-
	32.661.965	35.454.156	22.026.717	10.101.002	2.088.323	1.238.114
Derivative financial instruments						
Derivative cash inflows		(19.459.350)	(12.434.954)	(7.024.396)	-	-
Derivative cash outflows		18.907.470	12.255.672	6.651.798	-	-
	(313.280)	(551.880)	(179.282)	(372.598)	-	-

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NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

The analysis of the Company's financial liabilities with respect to their maturities as of 31 December 2023:

Contractual maturities	Carrying value	Contractual			More than 5	
		cash flows	Up to 3 months	3 - 12 months	1 - 5 years	years
Non-derivative financial liabilities						
Financial and lease liabilities	6.625.744	8.724.751	2.251.071	2.177.581	2.071.869	2.224.230
Trade payables	24.979.932	25.072.247	22.139.704	2.147.719	619.773	165.051
Other payables and liabilities	4.930.434	4.930.434	4.930.434	-	-	-
	36.536.110	38.727.432	29.321.209	4.325.300	2.691.642	2.389.281
Derivative financial instruments						
Derivative cash inflows		(30.479.823)	(13.505.651)	(16.974.172)	-	-
Derivative cash outflows		31.214.823	13.950.847	17.263.976	-	-
	505.612	735.000	445.196	289.804	-	-

b.4) Foreign currency risk:

The Company is exposed to exchange rate risk due to its foreign currency denominated transactions. The main principle of foreign currency risk management is to maintain foreign exchange position at the level that minimizes the impact of foreign exchange fluctuations.

Derivative instruments are used in foreign currency risk management where necessary. In this respect the Company mainly prefers using foreign exchange forward contracts.

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NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

31 December 2024	USD (Thousand)	EUR (Thousand)	Other (TL Equivalent)	TL Equivalent
1. Trade receivables	43.277	214.998	377.588	9.802.623
2a. Monetary financial assets (including cash and cash equivalents)	11.204	11.313	1.325	812.202
2b. Non-monetary financial assets	-	-	-	-
3. Other	70.925	1.330	-	2.551.114
4. Current assets (1+2+3)	125.406	227.641	378.913	13.165.939
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-
7. Other	14.113	8.875	-	823.945
8. Non-current assets (5+6+7)	14.113	8.875	-	823.945
9. Total assets (4+8)	139.519	236.516	378.913	13.989.884
10. Trade payables	259.615	208.998	34.926	16.902.335
11. Financial liabilities	22.239	18.055	-	1.450.478
12a. Other monetary liabilities	-	-	20	20
12b. Other non-monetary liabilities	-	-	-	-
13. Current liabilities (10+11+12)	281.854	227.053	34.946	18.352.833
14. Trade payables	-	3.341	-	122.957
15. Financial liabilities	-	5.570	-	204.973
16a. Other monetary liabilities	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-
17. Non-current liabilities (14+15+16)	-	8.911	-	327.930
18. Total liabilities (13+17)	281.854	235.964	34.946	18.680.763
19. Off-balance sheet derivative instruments				
net asset / (liability) position (19a+19b)(*)	246.936	(255.976)	(681.221)	(1.388.618)
19a. Hedged total assets	383.643	95.197	507.874	17.518.851
19b. Hedged total liabilities	(136.707)	(351.173)	(1.189.095)	(18.907.469)
20. Net foreign currency asset/ (liability) position (9-18+19)	104.601	(255.424)	(337.254)	(6.079.497)
21. Net foreign currency monetary asset/ (liability) position (=1+2a+3+5+6a+7-10-11-12a-14-15-16a)	(142.335)	552	343.967	(4.690.879)
22. Fair value of financial instruments used in foreign currency hedging	-	-	-	313.280
23. Export	152.583	1.091.070	1.411.440	51.515.401
24. Import	514.039	152.022	44.418	22.210.095

(*) Consists of net asset/(liability) positions of off-balance sheet derivative instruments denominated in foreign currencies.

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NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

	USD (Thousand)	EUR (Thousand)	Other (TL Equivalent)	TL Equivalent
31 December 2023				
1. Trade receivables	16.067	182.605	198.433	9.557.260
2a. Monetary financial assets (including cash and cash equivalents)	18.739	2.341	590	907.403
2b. Non-monetary financial assets	-	-	-	-
3. Other	52.992	47.760	2	4.498.440
4. Current assets (1+2+3)	87.798	232.706	199.025	14.963.103
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	6.636	2.017	-	376.906
7. Other	-	-	-	-
8. Non-current assets (5+6+7)	6.636	2.017	-	376.906
9. Total assets (4+8)	94.434	234.723	199.025	15.340.008
10. Trade payables	245.638	193.029	87.968	19.680.545
11. Financial liabilities	31.573	12.461	-	1.931.447
12a. Other monetary liabilities	-	-	19.675	28.407
12b. Other non-monetary liabilities	-	-	-	-
13. Current liabilities (10+11+12)	277.211	205.490	107.643	21.640.399
14. Trade payables	-	5.460	-	257.245
15. Financial liabilities	-	7.890	-	371.733
16a. Other monetary liabilities	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-
17. Non-current liabilities (14+15+16)	-	13.350	-	628.979
18. Total liabilities (13+17)	277.211	218.840	107.643	22.269.378
19. Off-balance sheet derivative instruments				
net asset / (liability) position (19a+19b)	663.267	(524.859)	(398.637)	2.883.499
19a. Hedged total assets	675.619	23.517	455.990	30.479.823
19b. Hedged total liabilities	(12.352)	(548.376)	(854.627)	(27.596.324)
20. Net foreign currency asset/ (liability) position (9-18+19)	480.490	(508.976)	(307.255)	(4.045.871)
21. Net foreign currency monetary asset/ (liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)	(189.413)	13.866	91.382	(7.306.276)
22. Fair value of financial instruments used in foreign currency hedging	-	-	-	(506.846)
23. Export	132.539	1.231.812	753.533	62.238.504
24. Import	526.414	192.062	28.675	24.710.941

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NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

As of 31 December 2024 and 31 December 2023, sensitivity analysis of foreign exchange rate tables is presented below, secured portions include impact of derivative instruments.

	Gain / Loss		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
31 December 2024				
+/- 10% fluctuation of USD rate:				
USD net asset / liability	(504.747)	504.747	(504.747)	504.747
Secured portion from USD risk (-)	(105.963)	105.963	875.611	(875.611)
USD net effect	(610.710)	610.710	370.864	(370.864)
+/- 10% fluctuation of EUR rate:				
EUR net asset / liability	(898)	898	(898)	898
Secured portion from EUR risk (-)	(5.845)	5.845	(983.346)	983.346
EUR net effect	(6.743)	6.743	(984.244)	984.244
+/- 10% fluctuation of other currency rates:				
Other currencies net asset / liability	34.397	(34.397)	34.397	(34.397)
Secured portion from other currency risk (-)	(45.934)	45.934	(17.462)	17.462
Other currency net effect	(11.537)	11.537	16.935	(16.935)
Total	(628.990)	628.990	(596.445)	596.445

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NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

	Gain / Loss		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
31 December 2023				
+/- 10% fluctuation of USD rate:				
USD net asset / liability	(778.974)	778.974	(778.974)	778.974
Secured portion from USD risk (-)	582.922	(582.922)	2.775.178	(2.775.178)
USD net effect	(196.052)	196.052	1.996.204	(1.996.204)
+/- 10% fluctuation of EUR rate:				
EUR net asset / liability	72.843	(72.843)	72.843	(72.843)
Secured portion from EUR risk (-)	(248.567)	248.567	(2.547.816)	2.547.816
EUR net effect	(175.724)	175.724	(2.474.973)	2.474.973
+/- 10% fluctuation of other currency rates:				
Other currencies net asset / liability	13.193	(13.193)	13.193	(13.193)
Secured portion from other currency risk (-)	8.188	(8.188)	62.790	(62.790)
Other currency net effect	21.381	(21.381)	75.983	(75.983)
Total	(350.395)	350.395	(402.786)	402.786

b.5) Interest rate risk:

The Company is exposed to interest rate risk as the Company borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, by the use of interest rate hedge contracts and forward interest rate contracts.

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NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)**b.5) Interest rate risk (Cont'd):**

Analysis of financial instruments of the Company which are sensitive to interest rate changes is as follows:

	31 December 2024	31 December 2023
Financial instruments with fixed interest rates		
Bank deposits	248.305	82.194
Financial liabilities	9.092.764	5.215.598
Financial instruments with floating interest rates		
Financial liabilities	2.399.706	1.410.146

On 31 December 2024, if interest rates of all currency denominated financial assets and liabilities with variable interest rates has strengthened / weakened by 100 basis points with all other variables held constant, income before taxes would have been TL 13.367 (2023: TL 67.704) lower / higher as a result of interest expenses.

NOTE 30– FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES)**Categories of financial instruments**

The Company classifies its financial assets into three categories: financial assets measured at amortized cost, fair value through profit or loss and fair value through other comprehensive income. Among Company's financial assets, cash and cash equivalents (note 4), trade receivables (notes 6 and 7) and other receivables (notes 6 and 8), are classified as loans and receivables and are measured at amortized cost using the effective interest method.

Company's financial liabilities consist of financial liabilities (note 5) and trade payables (note 7) are measured at amortized cost using the effective interest method.

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NOTE 30– FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES)
(Cont'd)
Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The estimated fair values of financial instruments have been determined by the Company, using available market information and appropriate valuation methodologies. However, judgement is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange. Following methods and assumptions were used to estimate the fair value of the financial instruments for which is practicable to estimate fair value:

Monetary assets

The book value of foreign currency denominated balances which are translated to TL using exchange rates prevailing on the date of the balance sheet approximate their fair values. For financial assets measured at cost including cash and cash equivalents, the carrying amounts are the same with fair values due to their short-term nature. Carrying amounts of trade receivables net of impairments approximate their fair values.

Monetary liabilities

The fair values of short-term financial liabilities and other financial liabilities are estimated to be their fair values since they are short term. Fair value is calculated by discounting the cash out flows regarding due dates of financial liabilities considering the changing country risk premium and changes in the market interest rates.

Fair value hierarchy

The Company classifies the fair value measurement of each class of financial instruments according to the source, using the three level hierarchy, as follows:

Level 1: Market price valuation techniques for the determined financial instruments traded in markets (unadjusted)

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NOTE 30– FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES)
(Cont'd)
Fair value hierarchy

Level 2: Other valuation techniques include direct or indirect observable inputs

Level 3: Valuation techniques do not contain observable market inputs

Fair value hierarchy tables as of 31 December 2024 and 31 December 2023 are as follows:

31 December 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Derivative financial instruments	-	313.280	-	313.280
31 December 2023				
Financial assets				
Derivative financial instruments	-	(506.846)	-	(506.846)

The Company's non-financial assets, calculated at fair value as of 31 December 2024 and 31 December 2023 are as follows:

31 December 2024	Level 1	Level 2	Level 3	Total
Tangible Assets				
Lands	-	14.825.566	-	14.825.566
Buildings and land improvements	-	11.251.704	-	11.251.704
31 December 2023				
Tangible Assets				
Lands	-	10.232.491	-	10.232.491
Buildings and land improvements	-	8.260.209	-	8.260.209

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NOTE 31 - OTHER FINANCIAL LIABILITIES

The maturity of other financial liabilities is 30 July 2030 and the interest rate is EURIBOR+2.5.

NOTE 32– SUBSEQUENT EVENTS

None.