

**VESTEL ELEKTRONİK SANAYİ VE TİCARET
ANONİM ŞİRKETİ**

**CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS
1 JANUARY- 31 DECEMBER 2024 TOGETHER WITH INDEPENDENT
AUDITOR'S REPORTS**

**VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS FOR THE PERIODS 1 JANUARY – 31 DECEMBER 2024**

CONTENTS	PAGE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEETS)	1-5
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	6-7
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY	8
CONSOLIDATED STATEMENTS OF CASH FLOWS	9-11

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 1 JANUARY – 31 DECEMBER 2024

NOTE 1	GROUP'S ORGANISATION AND NATURE OF OPERATIONS	12-13
NOTE 2	BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS	13-40
NOTE 3	INTERESTS IN OTHER ENTITIES	41-43
NOTE 4	SEGMENT REPORTING	44-45
NOTE 5	CASH AND CASH EQUIVALENTS.....	46
NOTE 6	FINANCIAL LIABILITIES	47-50
NOTE 7	RELATED PARTY DISCLOSURES.....	51-54
NOTE 8	TRADE RECEIVABLES AND PAYABLES	55
NOTE 9	OTHER RECEIVABLES AND PAYABLES	56
NOTE 10	INVENTORIES	57
NOTE 11	PREPAID EXPENSES.....	57
NOTE 12	INVESTMENTS RECOGNIZED BY EQUITY METHOD	58
NOTE 13	PROPERTY, PLANT AND EQUIPMENT	59-62
NOTE 14	INVESTMENT PROPERTIES.....	62
NOTE 15	RIGHT OF USE ASSETS.....	63
NOTE 16	INTANGIBLE ASSETS	64
NOTE 17	GOVERNMENT GRANTS	65
NOTE 18	PROVISIONS, CONTINGENT ASSETS AND LIABILITIES	65-68
NOTE 19	COMMITMENTS	68
NOTE 20	EMPLOYEE BENEFITS.....	69-70
NOTE 21	OTHER ASSETS AND LIABILITIES.....	71
NOTE 22	CAPITAL, RESERVES AND OTHER EQUITY ITEMS.....	71-73
NOTE 23	SALES	74
NOTE 24	EXPENSES BY NATURE	74-75
NOTE 25	GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES	75-76
NOTE 26	OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES.....	77
NOTE 27	FINANCIAL INCOME AND FINANCIAL EXPENSES	77-78
NOTE 28	MONETARY GAIN / LOSS.....	78
NOTE 29	TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)	79-84
NOTE 30	EARNINGS PER SHARE	85
NOTE 31	DERIVATIVE INSTRUMENTS	85
NOTE 32	FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT	86-96
NOTE 33	FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES)	96-98
NOTE 34	SUBSEQUENT EVENTS	98

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ CONSOLIDATED STATEMENT OF FINANCIAL POSITIONS (BALANCE SHEETS) 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
		31 December	31 December
	Notes	2024	2023
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	5	2.720.031	3.313.035
Financial Assets		92.236	51.011
Trade Receivables		20.210.352	25.736.818
Trade Receivables Due from Related Parties	7	1.146.977	659.150
Trade Receivables Due from Third Parties	8	19.063.375	25.077.668
Other Receivables		2.467.470	3.256.566
Other Receivables Due from Related Parties	7	1.040.620	1.283.979
Other Receivables Due from Third Parties	9	1.426.850	1.972.587
Derivative Financial Instruments	31	554.155	270.141
Inventories	10	27.467.413	33.944.827
Prepaid Expenses		1.599.074	2.200.208
Prepayments to Related Parties	7	510.454	-
Prepayments to Third Parties	11	1.088.620	2.200.208
Current Tax Assets	29	32.763	20.037
Other Current Assets		795.068	660.461
Other Current Assets Due from Third Parties	21	795.068	660.461
TOTAL CURRENT ASSETS		55.938.562	69.453.104

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ CONSOLIDATED STATEMENT OF FINANCIAL POSITIONS (BALANCE SHEETS) 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 31 December 2024	Audited 31 December 2023
	Notes		
NON-CURRENT ASSETS			
Financial Assets		508.695	417.626
Associates Accounted by Using the Equity Method	12	5.055.946	8.456.656
Trade Receivables		564	1.186
Trade Receivables Due from Third Parties	8	564	1.186
Other Receivables		43.964.483	41.583.229
Other Receivables Due from Related Parties	7	43.863.204	41.534.562
Other Receivables Due from Third Parties	9	101.279	48.667
Investment Properties	14	1.598.625	-
Property, Plant and Equipment	13	56.601.625	50.014.842
Right of Use Assets	15	2.451.238	1.777.425
Intangible Assets	16	6.769.450	5.650.681
Prepaid Expenses		1.604.735	3.379.798
Prepayments to Related Parties	7	779.779	2.861.748
Prepayments to Third Parties	11	824.956	518.050
TOTAL NON-CURRENT ASSETS		118.555.361	111.281.443
TOTAL ASSETS		174.493.923	180.734.547

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ CONSOLIDATED STATEMENT OF FINANCIAL POSITIONS (BALANCE SHEETS) 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
		31 December	31 December
	Notes	2024	2023
LIABILITIES			
CURRENT LIABILITIES			
Short Term Borrowings	6	37.349.932	34.741.743
Short Term Borrowings from Third Parties		37.349.932	34.741.743
Bank Loans	6	33.179.394	29.282.881
Lease Liabilities	6	324.243	333.460
Issued Debt Instruments	6	3.846.295	5.125.402
Current Portion of Long Term Borrowings		5.202.032	4.078.214
Current Portion of Long Term Borrowings from			
Third Parties		5.202.032	4.078.214
Bank Loans	6	2.830.621	4.078.214
Issued Debt Instruments	6	2.371.411	-
Other Financial Liabilities		996.781	1.818.741
Trade Payables		43.619.062	60.589.668
Trade Payables to Related Parties	7	162.431	162.466
Trade Payables to Third Parties	8	43.456.631	60.427.202
Payables Related to Employee Benefits	20	1.187.997	1.317.388
Other Payables		218.496	20.453
Other Payables to Third Parties	9	218.496	20.453
Derivative Financial Liabilities	31	216.008	904.331
Deferred Revenue		677.763	1.549.434
Deferred Revenue from Related Parties		-	5.807
Deferred Revenue from Third Parties	9	677.763	1.543.627
Current Tax Liabilities	29	17.170	22.622
Current Provisions		3.689.604	4.291.163
Other Current Provisions	18	3.689.604	4.291.163
Other Current Liabilities		2.724.989	3.480.337
Other Current Liabilities to Third Parties	21	2.724.989	3.480.337
TOTAL CURRENT LIABILITIES		95.899.834	112.814.094

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ CONSOLIDATED STATEMENT OF FINANCIAL POSITIONS (BALANCE SHEETS) 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
		31 December	31 December
	Notes	2024	2023
NON-CURRENT LIABILITIES			
Long Term Borrowings		19.034.203	3.656.019
Long Term Borrowings from Third Parties		19.034.203	3.656.019
Bank Loans	6	1.936.598	2.696.240
Lease Liabilities	6	911.300	959.779
Issued Debt Instruments	6	16.186.305	-
Other Financial Liabilities		204.992	371.075
Trade Payables		122.946	257.246
Trade Payables to Third Parties	8	122.946	257.246
Non-current Provisions		2.789.662	2.786.530
Non-current Provisions for Employee Benefits	20	2.189.507	2.282.417
Other Non-current Provisions	18	600.155	504.113
Deferred Tax Liabilities	29	4.023.265	1.837.582
Other Non-current Liabilities		11.850	18.533
Other Non-current Liabilities to Third Parties		11.850	18.533
TOTAL NON-CURRENT LIABILITIES		26.186.918	8.926.985
TOTAL LIABILITIES		122.086.752	121.741.079

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ CONSOLIDATED STATEMENT OF FINANCIAL POSITIONS (BALANCE SHEETS) 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 31 December 2024	Audited 31 December 2023
	Notes		
EQUITY			
Equity Attributable to Owners of Parent		44.734.592	52.040.254
Share Capital	22	335.456	335.456
Adjustments to Share Capital		22.548.527	22.548.527
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified to Profit or Loss		14.679.546	11.197.539
Gains (Losses) on Revaluation and Remeasurement		14.679.546	11.197.539
Revaluation of Property, Plant and Equipment	22	16.805.105	13.053.398
Gains (Losses) on Remeasurement of Defined Benefit Plans		(2.125.559)	(1.855.859)
Other Accumulated Comprehensive Income (Loss) that will be Reclassified to Profit or Loss		2.330.493	2.173.005
Exchange Differences on Translation		2.140.956	2.323.749
Gains (Losses) on Hedge		127.356	(238.573)
Gains (Losses) on Cash Flow Hedges		127.356	(238.573)
Gains (Losses) on Revaluation and Reclassification		62.181	87.829
Financial Assets Measured of Fair Value through Other Comprehensive Income	22	62.181	87.829
Restricted Reserves Appropriated from Profits		1.809.347	1.809.347
Legal Reserves	22	1.809.347	1.809.347
Retained Earnings		14.051.915	11.883.429
Current Period Net Profit Or (Loss)		(11.020.692)	2.092.951
Non-controlling Interests		7.672.579	6.953.214
TOTAL EQUITY		52.407.171	58.993.468
TOTAL LIABILITIES AND EQUITY		174.493.923	180.734.547

Consolidated financial statements for the period 1 January - 31 December 2024, were approved by the Board of Directors of Vestel Elektronik Sanayi ve Ticaret A.Ş. on 10 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 consolidated financial statements.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS 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	23	142.736.499	162.015.698
Cost of Sales	23	(112.927.251)	(125.960.525)
GROSS PROFIT		29.809.248	36.055.173
General Administrative Expenses	25	(4.230.891)	(4.098.647)
Marketing Expenses	25	(19.790.832)	(20.349.227)
Research and Development Expense	25	(2.252.683)	(2.799.570)
Other Income from Operating Activities	26	4.074.625	3.038.755
Other Expenses from Operating Activities	26	(11.994.332)	(22.956.848)
LOSS FROM OPERATING ACTIVITIES		(4.384.865)	(11.110.364)
Share of Net Profit of Associates Accounted for Using the Equity Method	12	(3.515.707)	1.271.375
LOSS BEFORE FINANCING INCOME		(7.900.572)	(9.838.989)
Finance Income	27	14.006.373	26.610.648
Finance Costs	27	(24.023.510)	(26.479.315)
Monetary Gain	28	7.852.397	14.060.718
PROFIT / (LOSS) BEFORE INCOME TAX		(10.065.312)	4.353.062
Tax Expense, Continuing Operations		(781.853)	(987.362)
Current Tax Expense	29	(21.083)	(464.990)
Deferred Tax Loss	29	(760.770)	(522.372)
PROFIT / (LOSS) FOR THE PERIOD		(10.847.165)	3.365.700
Profit / (loss), attributable to			
Non-controlling Interests		173.527	1.272.749
Owners of Parent	30	(11.020.692)	2.092.951
Earnings per share with a Kr 1 of Par Value (TL)	30	(0,3285)	0,0624

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS 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 / (LOSS) FOR THE PERIOD OTHER COMPREHENSIVE INCOME		(10.847.165)	3.365.700
Other Comprehensive Income that will not be Reclassified to Profit or Loss		4.316.692	10.250.716
Gains (Losses) on Revaluation of Property, Plant and Equipment	13	5.614.690	12.811.566
Gains (Losses) on Remeasurements of Defined Benefit Plans		(398.778)	(639.142)
Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss		53.561	(267.703)
Taxes Relating to Components of Other Comprehensive Income that will not be Reclassified to Profit or Loss		(952.781)	(1.654.005)
Taxes Relating to Gains (Losses) on Revaluation of Property, Plant and Equipment		(1.052.476)	(1.919.025)
Taxes Relating to Remeasurements of Defined Benefit Plans		99.695	265.020
Other Comprehensive Income that will be Reclassified to Profit or Loss		253.952	654.145
Foreign Exchange Differences on Translation		(244.165)	886.686
Gains (Losses) on Remeasuring or Reclassification Adjustments on Financial Assets Through Other Comprehensive Income		(34.197)	(41.577)
Other Comprehensive Income (Loss) Related with Cash Flow Hedges		616.524	99.061
Gains (Losses) on Cash Flow Hedges		616.524	99.061
Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss		61.372	(267.703)
Taxes Relating to Components of Other Comprehensive Income that will be Reclassified to Profit or Loss		(145.582)	(22.322)
Taxes Relating to Gains (Losses) on Remeasuring or Reclassification Adjustments on Financial Assets Through Other Comprehensive Income		8.549	10.394
Taxes Relating to Cash Flow Hedges		(154.131)	(32.716)
OTHER COMPREHENSIVE INCOME		4.570.644	10.904.861
TOTAL COMPREHENSIVE INCOME		(6.276.521)	14.270.561
Total Comprehensive Income Attributable to			
Non-controlling Interests		1.029.141	2.564.186
Owners of Parent		(7.305.662)	11.706.375

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIODS 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											Restricted Reserves Appropriated From Profits				Equity attributable to owners of parent	Non-controlling interests	Equity		
			Increases (Decreases) on Revaluation of Property, Plant and Equipment	Gains (Losses) on Remeasurement of Defined Benefit Plans	Gains (Losses) Revaluations and Remeasurements	Other Accumulated Comprehensive Income (Loss) that will not be Reclassified to Profit or Loss	Exchange Differences on Translation	Gains (Losses) on Cash Flow Hedges	Reserve Of Gains or Losses on Hedge	Gains (Losses) on Remeasuring Financial Assets Measured of Fair Value through Other Compressive Income	Gains (Losses) on Revaluation and Reclassification	Other Accumulated Comprehensive Income (Loss) that will be Reclassified to Profit or Loss		Prior Years' Profits or Losses	Current Period Net Profit Or Loss	Retained Earnings					
Previous Period																					
1 January -31 December 2023	335.456	22.548.527	3.980.423	(1.543.402)	2.437.021	2.437.021	1.704.765	(307.761)	(307.761)	119.012	119.012	1.516.016	1.809.347	11.037.842	(160.744)	10.877.098	39.523.465	4.118.230	43.641.695		
Transfers	-	-	(192.470)	-	(192.470)	(192.470)	-	-	-	-	-	-	-	31.726	160.744	192.470	-	-	-		
Total Comprehensive Income	-	-	9.301.778	(336.621)	8.965.157	8.965.157	618.984	60.466	60.466	(31.183)	(31.183)	648.267	-	-	2.092.951	2.092.951	11.706.375	2.564.186	14.270.561		
Profit (Loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.092.951	2.092.951	2.092.951	1.272.749	3.365.700		
Other Comprehensive Income (Loss)	-	-	9.301.778	(336.621)	8.965.157	8.965.157	618.984	60.466	60.466	(31.183)	(31.183)	648.267	-	-	-	-	9.613.424	1.291.437	10.904.861		
Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(165.099)	(165.099)		
Transactions with non-controlling	-	-	(36.333)	24.164	(12.169)	(12.169)	-	8.722	8.722	-	-	8.722	-	813.861	-	813.861	810.414	435.897	1.246.311		
Closing Balance	335.456	22.548.527	13.053.398	(1.855.859)	11.197.539	11.197.539	2.323.749	(238.573)	(238.573)	87.829	87.829	2.173.005	1.809.347	11.883.429	2.092.951	13.976.380	52.040.254	6.953.214	58.993.468		
Current Period																					
1 January -31 December 2024	335.456	22.548.527	13.053.398	(1.855.859)	11.197.539	11.197.539	2.323.749	(238.573)	(238.573)	87.829	87.829	2.173.005	1.809.347	11.883.429	2.092.951	13.976.380	52.040.254	6.953.214	58.993.468		
Transfers	-	-	(75.535)	-	(75.535)	(75.535)	-	-	-	-	-	-	-	2.168.486	(2.092.951)	75.535	-	-	-		
Total Comprehensive	-	-	3.827.242	(269.700)	3.557.542	3.557.542	(182.793)	365.929	365.929	(25.648)	(25.648)	157.488	-	-	(11.020.692)	(11.020.692)	(7.305.662)	1.029.141	(6.276.521)		
Profit (Loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11.020.692)	(11.020.692)	(11.020.692)	173.527	(10.847.165)		
Other Comprehensive Income (Loss)	-	-	3.827.242	(269.700)	3.557.542	3.557.542	(182.793)	365.929	365.929	(25.648)	(25.648)	157.488	-	-	-	-	3.715.030	855.614	4.570.644		
Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(309.776)	(309.776)		
Closing Balance	335.456	22.548.527	16.805.105	(2.125.559)	14.679.546	14.679.546	2.140.956	127.356	127.356	62.181	62.181	2.330.493	1.809.347	14.051.915	(11.020.692)	3.031.223	44.734.592	7.672.579	52.407.171		

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIODS 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		(3.460.598)	10.194.526
Profit / (Loss) for the Period		(10.847.165)	3.365.700
Profit / (Loss) from Continuing Operations		(10.847.165)	3.365.700
Adjustments to Reconcile Profit for the Period		2.810.113	(15.551.549)
Adjustments for Depreciation and Amortisation Expense	13	5.063.432	6.216.690
Adjustments for Impairment Loss			
(Reversal of Impairment Loss)		170.101	(332.851)
Adjustments for Impairment Loss			
(Reversal of Impairment Loss) of Receivables	8,9	317.904	(406.032)
Adjustments for Impairment Loss			
(Reversal of Impairment Loss) of Inventories	10	(147.803)	73.181
Adjustments for Provisions		1.778.969	1.466.955
Adjustments for (Reversal of) Provisions Related with			
Employee Benefits	20	667.369	743.727
Adjustments for (Reversal of) Lawsuit and/or			
Penalty Provisions		45.029	(33.497)
Adjustments for (Reversal of) Warranty Provisions		872.604	1.291.589
Adjustments for (Reversal of) Other Provisions		193.967	(534.864)
Adjustments for Interest Expenses		6.751.506	3.377.057
Adjustments for Interest Income	27	(5.281.652)	(4.676.443)
Adjustments for Interest Expense	27	12.033.158	8.053.500
Adjustments for Unrealised Foreign			
Exchange Gains		(4.295.637)	(11.543.660)
Adjustments for Fair Value Losses (Gains)		(355.813)	(428.509)
Adjustments for Fair Value (Gains) Losses on			
Derivative Financial Instruments		(355.813)	(428.509)
Adjustments for Gains From Investments Accounted for Using Equity Method		3.515.707	(1.271.375)
Adjustments for Retained Earnings of Subsidiaries		3.515.707	(1.271.375)
Adjustments for Tax Expenses	29	781.853	987.362
Adjustments for Losses (Gains) on Disposal of Non-Current Assets		116.374	(82.642)
Adjustments for Losses (Gains) Arised from Sale of Tangible Assets		116.374	(82.642)
Other Adjustments to Reconcile Profit (Loss)	5	10	20
Monetary Gain Loss		(10.716.389)	(13.940.596)

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIODS 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
		Audited	Audited
		1 January -	1 January -
		31 December	31 December
	Notes	2024	2023
Changes in Working Capital		5.059.956	23.467.778
Decrease (Increase) in Financial Asset		(132.294)	1.064.860
Adjustments for Decrease (Increase) in Trade Accounts Receivable		(3.054.210)	(10.950.208)
Increase in Trade Accounts Receivables from Related Parties		(792.497)	(688.880)
Increase in Trade Accounts Receivables from Third Parties		(2.261.713)	(10.261.328)
Adjustments for Increase in Other Receivables Related with Operations		(122.161)	(297.033)
Increase in Other Third Party Receivables Related with Operations		(122.161)	(297.033)
Adjustments for Decrease (Increase) in Inventories		6.625.217	(1.452.173)
Increase in Prepaid Expenses		(86.270)	(1.202.623)
Adjustments for Increase (Decrease) in Trade Accounts Payable		1.782.151	34.295.211
Increase (Decrease) in Trade Accounts Payables to			
Related Parties		57.280	113.460
Increase in Trade Accounts Payables to Third Parties		1.724.871	34.181.751
Increase in Employee Benefit Liabilities		316.276	759.806
Adjustments for Increase in Other Operating Payables		234.535	18.850
Increase in Other Operating Payables to Third Parties		234.535	18.850
Decrease in Deferred Revenue		(453.861)	(297.713)
Other Adjustments for Other Increase (Decrease) in Working Capital		(49.427)	1.528.801
Decrease (Increase) in Other Assets Related with Operations		(409.205)	(462.380)
Increase (Decrease) in Other Payables Related with Operations		359.778	1.991.181
Cash Flows from (used in) Operations		(2.977.096)	11.281.929
Payments Related with Provisions for Employee Benefits	20	(448.154)	(847.340)
Income Taxes Paid	29	(35.348)	(240.063)

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIODS 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		(11.206.630)	(11.124.910)
Proceeds from sales of Shares Without			
Change in Control of Subsidiaries or Other Businesses		-	1.246.311
Cash Flows Used in Obtaining Control of Subsidiaries or			
Other Businesses		(438.668)	-
Cash Outflows Arising from Purchase of Shares or Capital			
Increase of Associates		(64)	(811.025)
Proceeds from Sales of Property, Plant, Equipment and Intangible Assets		(78.095)	96.844
Proceeds from Sales of Property, Plant and Equipment		(78.095)	96.844
Purchase of Property, Plant, Equipment and Intangible Assets		(7.062.982)	(7.882.819)
Purchase of Property, Plant and Equipment	13	(5.310.469)	(5.647.863)
Purchase of Intangible Assets	16	(1.752.513)	(2.234.956)
Cash Advances and Loans		(3.626.821)	(3.774.221)
Cash Advances and Loans Made to Related Parties		(3.387.946)	(4.022.723)
Cash Advances and Loans Made to Third Parties		(238.875)	248.502
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		15.092.586	2.002.087
Proceeds from Borrowings	6	80.356.208	70.044.952
Proceeds from Loans		54.936.308	61.488.060
Proceeds from Issued Debt Instruments		25.419.900	8.556.892
Repayments of Borrowings		(52.678.790)	(60.198.717)
Loan Repayments	6	(45.245.830)	(59.326.482)
Issued bonds repayments	6	(6.816.000)	(2.607.394)
Cash Outflows from Other Financial Liabilities		(616.960)	1.735.159
Changes of Lease Liabilities	6	(427.603)	14.792
Dividends Paid	7	(309.776)	(165.099)
Interest Paid		(12.201.853)	(8.026.630)
Interest Received		354.400	332.789
EFFECT OF MONETARY GAIN / LOSS ON CASH AND CASH EQUIVALENTS		(1.013.231)	(1.576.765)
NET INCREASE (DECREASE) IN CASH AND CASH			
EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		(587.873)	(505.062)
Effect of Exchange Rate Changes on Cash and			
Cash Equivalents		(5.121)	124.976
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(592.994)	(380.086)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	3.313.003	3.693.089
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		2.720.009	3.313.003

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – GROUP’S ORGANISATION AND NATURE OF OPERATIONS

Vestel Elektronik Sanayi ve Ticaret Anonim Şirketi (“Vestel Elektronik” or “the Company”) and its subsidiaries (together “the Group”), mainly produce and sell a range of brown goods and white goods. The Company’s head office is located at Levent 199, Büyükdere Caddesi No: 199, 34394 Şişli / İstanbul. The Group’s facilities are located in Manisa Organized Industrial Zone, and İzmir Aegean Free Zone.

The ultimate controlling party of the Company is Zorlu Family.

Vestel Elektronik is registered to Capital Market Board (“CMB”) and its shares have been quoted to Borsa İstanbul (“BİST”) since 1990. As of 31 December 2024, 47,23 % of the Group’s shares are publicly traded (2023: 44,31%).

As of 31 December 2024 the number of personnel employed at Group is 19.509 (31 December 2023: 19.304).

The Company’s subsidiaries and associates are as follows:

Subsidiaries	Country	Nature of operations
Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş.	Turkey	Production
Vestel Mobilite Sanayi ve Ticaret A.Ş.	Turkey	Production
Vestel Ticaret A.Ş.	Turkey	Sales
Vestel CIS Ltd.	Russia	Sales
Vestel Electronica SRL	Romania	Sales
Vestel Holland B.V. Iberia Branch Office	Spain	Sales
Vestel France SA	France	Sales
Vestel Holland BV	Holland	Sales
Vestel Holland B.V. Germany Branch Office	Germany	Sales
Cabot Communications Ltd.	UK	Software
Vestel UK Ltd.	UK	Sales
Vestel Holland B.V. UK Branch Office	UK	Sales
Vestek Elektronik Araştırma Geliştirme A.Ş.	Turkey	Software
Vestel Trade Ltd.	Russia	Sales
Vestel Electronics Shanghai Trading Co. Ltd	China	Service
Intertechnika LLC	Russia	Service
Vestel Central Asia LLP	Kazakhstan	Sales
Vestel Ventures Ar-ge A.Ş.	Turkey	Service
Vestel Holland B.V. Poland Branch Office	Poland	Sales
Vestel Electronics Gulf DMC	UAE	Sales
Vestel U.S.A.	United States	Sales
Levent Baza Gayrimenkul Yatırım A.Ş. (**)	Turkey	Real estate
Vestel Trade India Private Ltd.	India	Sales
Vestel Hong Kong Ltd.	China	Sales
Cylinda AB (*)	Sweden	Sales

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – GROUP’S ORGANISATION AND NATURE OF OPERATIONS (Cont’d)

(*) As of 31 May 2024, by making adjustments for financial and commercial liabilities the acquisition and transfer of all shares held by Elektroskandia Sverige AB in Cylinda AB, representing Cylinda AB's share capital of 25.000 Swedish Krona (SEK), each with nominal value of 1 Swedish Krona (SEK) totaling 25.000 shares, for a total consideration of 69.464.282 Swedish Krona (SEK) (6,08 million EUR) by Group’s subsidiary, Vestel Holland B.V. through payment of the share purchase price in cash and upfront are completed on 4 June 2024.

(**)As of December 4, 2024, it has been resolved that the entirety of the shares representing the capital of Levent Baza Gayrimenkul Yatırım A.Ş., owned by Zorlu Gayrimenkul Geliştirme ve Yatırım A.Ş., will be acquired for a total cash consideration of 502,464 TL. Of this amount, 192,100 TL will be paid in cash by Vestel Ticaret A.Ş., a subsidiary of the Group, while the remaining 310,364 TL will be settled by Zorlu Holding A.Ş. in offset against a receivable owed by Vestel Ticaret A.Ş. to Zorlu Holding A.Ş.

Associates	Country	Nature of operations
Lentatek Uzay Havacılık ve Teknoloji A.Ş.	Turkey	Production/ Sales
Aydın Yazılım Elektronik ve Sanayi A.Ş.	Turkey	Software
Meta Nikel Kobalt Madencilik San. ve Tic. A.Ş. ("Meta")	Turkey	Mining
Türkiye'nin Otomobili Girişim Grubu Sanayi ve Ticaret A.Ş. ("TOGG")	Turkey	Automotive

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

The consolidated financial statements of Vestel Elektronik have been prepared in accordance with International/Turkish Financial Reporting Standards ("IFRS") and interpretations issued by the IFRS Interpretation Committee applicable to the companies reporting under IFRS. The financial statements comply with IFRS as issued by International Accounting Standards Board ("IASB"). Also, the financial statements have been 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.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.1 Basis of presentation (Cont'd)****2.1.1 Statement of compliance (Cont'd)**

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. The significant accounting policies adopted in the preparation of these consolidated financial statements have been consistently applied to the years presented, unless otherwise stated.

The accompanying consolidated financial statements are prepared on the historical cost basis as adjusted for the effects of inflation on Turkish Lira at the reporting date based on International Accounting Standard ("IAS") No. 29 "Financial Reporting in Hyperinflationary Economies" except for the monetary assets and liabilities and those assets and liabilities which are measured at fair value.

The Group and its subsidiaries operating in Turkey maintain their accounting records and prepare its statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), tax legislation and the uniform chart of accounts issued by the Ministry of Finance. The consolidated financial statements, except for land, buildings and land improvements and investment properties, the financial assets and liabilities presented with their fair values, are maintained under historical cost conversion in TL.

Consolidated subsidiaries operating in foreign countries have prepared their financial statements in accordance with the laws and regulations of the countries in which they operate with the required adjustments and reclassifications reflected in accordance with International Financial Reporting Standards ("IFRS"). These financial statements are based on the statutory records which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the IFRS.

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 preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 2.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.1 Basis of presentation (Cont'd)****2.1.2 Financial Reporting in Hyperinflationary Economies**

Since the cumulative three-year inflation rate has risen to above 100% as of March 2022, based on the Turkish nation-wide consumer price indices announced by the Turkish Statistical Institute ("TURKSTAT"), Turkey should be considered a hyperinflationary economy under IAS 29 starting from 30 April 2022.

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 3 July 2024 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.

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

Date Index Adjustment Coefficient Three -Year Inflation Rate:

Date	Index	Coefficient of Correction	Three-Year Compound Inflation Rate
31 December 2024	2.684,55	1,00000	%291
31 December 2023	1.859,38	1,4438	%268
31 December 2022	1128,45	2,379	%156

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.1 Basis of presentation (Cont'd)****2.1.2 Financial Reporting in Hyperinflationary Economies (Cont'd)**

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

- The current period consolidated financial statements prepared in TL are expressed with the purchasing power at the balance sheet date, and the 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 with 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 IAS/TAS 36 Impairment of Asset and IAS/TAS 2 Inventories are 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 corrected using the relevant correction coefficient.
- All items included in the statement of comprehensive income, except those that affect the statement of comprehensive income of non-monetary items in the balance sheet, are indexed on a quarterly basis with coefficients calculated over the periods when the income and expense accounts are first reflected in the financial statements.
- The effect of inflation on the Group's net monetary liability position in the current period is recorded in the monetary gain account in the consolidated income statement.

The Group measures its lands, land improvements, buildings and investment properties at fair value by way of revaluation policy. As part of transition provisions in IAS/TAS 29 associated revaluation funds recognised under equity was reclassified to the retained earnings as of 1 January 2021.

2.1.3 Currency used**i) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Turkish Lira ("TL"), which is the functional currency of Vestel Elektronik and the presentation currency of the Group. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.1 Basis of presentation (Cont'd)****2.1.3 Currency used (Cont'd)**ii) Transactions and balances

Transactions in foreign currencies have been translated into functional currency at the exchange rates prevailing at the date of the transaction. Exchange gains or losses arising from the settlement and translation of monetary assets and liabilities denominated in foreign currency at the exchange rates prevailing at the balance sheet dates are included in consolidated comprehensive income, except for the effective portion of foreign currency hedge of cash flow and net investment which are included under shareholders' equity.

iii) Translation of financial statements of subsidiaries having functional currency other than TL

Assets and liabilities of subsidiaries operating in foreign countries are translated into TL at the exchange rates prevailing at the balance sheet dates. Comprehensive income items of those subsidiaries are translated into TL using quarterly average exchange rates for the period (if the average exchange rates for the period do not reasonably reflect the exchange rate fluctuations, transactions are translated using the exchange rates prevailing at the date of the transaction) and then rearrangements made in accordance with IAS/TAS 29 were made using the correction coefficient obtained from the Consumer Price Index in Turkey ("CPI") published by the TURKSTAT.

2.1.4 Basis of consolidation

The consolidated financial statements include the accounts of the parent and its subsidiaries from the date on which the control is transferred to the Group until the date that the control ceases. The financial statements of the companies included in the scope of consolidation have been prepared as of the date of the consolidated financial statements and have been prepared in accordance with IFRS/TFRS by applying uniform accounting policies and presentation.

a) Subsidiaries

The Group has power over an entity when it has existing rights that give it the current ability to direct the relevant activities, i.e. the activities that significantly affect the entity's returns. On the other hand, the Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In order to be consistent with accounting policies accepted by the Group, accounting policies of the subsidiaries are modified where necessary.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.1 Basis of presentation (Cont'd)****2.1.4 Basis of consolidation (Cont'd)****a) Subsidiaries (Cont'd)**

The balance sheet and statement of income of the subsidiaries are consolidated on a line-by-line basis and all material intercompany payable /receivable balances and sales / purchase transactions are eliminated. The carrying value of the investment held by Vestel Elektronik and its subsidiaries is eliminated against the related shareholders' equity.

The non-controlling share in the net assets and results of subsidiaries for the period are separately classified as "non-controlling interest" in the consolidated statements of comprehensive income and the consolidated statements of changes in shareholders' equity.

As of the balance sheet date, consolidated companies and the proportion of ownership interest of Vestel Elektronik in these subsidiaries are disclosed in note 3.

Financial assets in which the Group has direct or indirect voting rights equal to or above 50% which are immaterial to the Group financial results or over which a significant influence is not exercised by the Group are carried at cost less any provisions for impairment.

b) Investments in associates

Investments in associates are accounted for by the equity method and are initially recognized at cost. These are entities in which the Group has an interest which is more than 20% and less than 50% of the voting rights or over which a significant influence is exercised. Unrealized gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associates, whereas unrealized losses are eliminated unless they do not address any impairment of the asset transferred. Net increase or decrease in the net asset of associates is included in the consolidated statements of comprehensive income in regards with the Group's share.

The Group ceases to account the associate using the equity method if it loses the significant influence or the net investment in the associate becomes nil, unless it has entered to a liability or a commitment. After the Group's interest in the associates becomes nil, additional losses are provided for, and a liability recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes including its share of those profits only after its share of the profits equals the share of net losses not recognized.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.1 Basis of presentation (Cont'd)****2.1.4 Basis of consolidation (Cont'd)****b) Investments in associates (Cont'd)**

The carrying amounts of the investments accounted for using the equity method are reviewed whether there is any indication of impairment at each reporting date. If such an indicator exists, the recoverable amount of the asset is estimated.

The recoverable amount of the investments accounted for using the equity method refers to the higher of value-in-use or fair value less cost to sell. Value-in-use is the present value of future cash flows expected to be generated from an asset or cash generating unit.

If the carrying amount of the investments accounted for using the equity method exceeds the recoverable amount, the impairment is accounted for. Impairments are recognized in profit and loss accounts.

Impairments are recorded in the statement of profit or loss. In investments accounted for using the equity method, impairments allocated in previous periods are re-evaluated in each reporting period in the event that impairment decreases or there are indicators that impairment is not valid. Impairment is reversed in case of changes in the estimates used when determining recoverable amount. The increase in the carrying amount of the investments due to the reversal of the impairment loss is accounted in such a way that it does not exceed the carrying amount determined if the impairment loss has not been included in the consolidated financial statements in the previous years.

Financial assets in which the Group has ownership interests below 20%, or in which a significant influence is not exercised by the Group that have quoted market prices in active markets and whose fair values can be reliably measured are classified as financial assets measured at fair value through other comprehensive income in the consolidated financial statements.

The non-controlling share in the net assets and results of Subsidiaries for the year are separately classified as "non-controlling interest" in the consolidated statements of financial position and consolidated statements of profit or loss.

2.2 Comparatives

Consolidated financial statements of the Group 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 consolidated financial statements.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.2 Comparatives (Cont'd)**

Except for the changes specified below, consistent accounting policies have been applied in the financial statements for the presented periods, and there have been no significant changes in accounting policies or estimates during the current period. In accordance with the 'Implementation Guide on Financial Reporting in High Inflation Economies' published by the Public Oversight, Accounting and Auditing Standards Authority ("POA"), monetary position gains and losses on cash and cash equivalents have been reflected in the cash flow statement. In line with the third approach outlined in the guide, the impact of inflation on cash flows arising from operating, investing, and financing activities has been attributed to the relevant activity class, and the inflation effect on cash and cash equivalents has been presented separately. In the Cash Flow Statement as of 31 December 2023, an amount of 13.609.866 TL has been classified between 'Changes in Working Capital' and 'Adjustments Related to Reconciliation of Net Income for the Period', and these classifications have been adjusted to the 2024 purchasing power. There have been no changes in the 'Cash Flows from Operating Activities'.

2.3 Changes in accounting policies and accounting estimates and errors

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 the changes in accounting estimates only apply to one period, then they are applied in the current period in which the change occurred; if the changes also apply to future periods, they are applied in both the period of change and in the future periods, prospectively.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.4 Amendments in International Financial Reporting Standards*****Standards, amendments, and interpretations applicable as of 31 December 2024:***

- **Amendment to IAS/TAS 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/TFRS 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/TFRS 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/TAS 7 and IFRS/TFRS 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.
- **IFRS/TFRS 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/TFRS 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.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.4 Amendments in International Financial Reporting Standards (Cont'd)*****Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024:***

On 29 December 2023, the Public Oversight Authority (POA) published a Board Decision in the Official Gazette, announcing that certain businesses will be subject to mandatory sustainability reporting starting from 1 January 2024. The companies included in the scope of the sustainability application are determined in order to identify the businesses that will be subject to sustainability reporting within the scope of the "Board Decision on the Determination of Businesses Subject to Sustainability Reporting Within the Scope of the Application of Turkey Sustainability Reporting Standards (TSRS)" dated 16 Aralık 2024. The related standard changes do not have any significant impact on the Group's financial statements.

- **Amendments to IAS/TAS 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/TFRS 9 and IFRS/TFRS 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 ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.4 Amendments in International Financial Reporting Standards (Cont'd)*****Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024 (Cont'd):***

- **Annual improvements to IFRS/TFRS – 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/TFRS 1 First-time Adoption of International Financial Reporting Standards;
 - IFRS/TFRS7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
 - IFRS/TFRS 9 Financial Instruments;
 - IFRS/TFRS 10 Consolidated Financial Statements; and
 - IAS/TAS 7 Statement of Cash Flows.
- **IFRS/TFRS 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/TFRS 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.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 International Financial Reporting Standards (Cont'd)*****Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024 (Cont'd):***

- **IFRS/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/IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS/IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS/IFRS 19. IFRS/IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS/IFRS 19 is a voluntary standard for eligible subsidiaries. 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/IFRS Accounting Standards.

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

Group recognizes revenue in accordance with IFRS/IFRS 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 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) Group can identify each party's rights regarding the goods or services to be transferred,

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 recognition (Cont'd)**

- c) Group can identify the payment terms for the goods or services to be transferred,
- d) The contract has commercial substance,
- e) It is probable that Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due. The amount that the group is entitled to collect may be lower than the price specified in the contract due to the offering of a price concession to the customer.

Revenue from sale of goods

Group recognizes revenue based on the production and sale of white goods, consumer electronics, air conditioners and home appliance. Sales are recognised when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the Group has objective evidence that all criteria for acceptance have been satisfied.

The products are often sold with retrospective volume discounts based on aggregate sales. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No significant element of financing is deemed present, which is consistent with market practice. The Group's obligation to repair or replace faulty products under the standard warranty terms is recognised as a provision, see Note 18. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 recognition (Cont'd)**

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself or to arrange for the other party to provide those goods or services. The Group is a principal if it controls a promised good or service before the group transfers the good or service to a customer. When a group that is a principal satisfies a performance obligation, it recognizes as revenue the gross amount of consideration which it expects to be entitled to in exchange for those goods or services. The group is an agent if its performance obligation is to arrange for the provision of goods or services by another party.

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. Group uses moving weighted average method for costing.

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 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 less accumulated depreciation, based on valuations performed by independent valuers at 31 December 2024.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the relevant asset, and the net amount is the revalued amount of the asset.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.3 Property, plant and equipment (Cont'd)**

Property, plant and equipment except for land, land improvements and buildings are carried at cost in the equivalent purchasing power of TL as at 31 December 2024, less accumulated amortization 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.

Land is not depreciated. Plant 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 - 37 years
Buildings	10 - 52 years
Leasehold improvements	3 - 10 years
Plant and machinery	2 - 30 years
Motor vehicles	5 - 10 years
Furniture and fixtures	5 - 14 years

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.3 Property, plant and equipment (Cont'd)**

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 or losses on disposals of property, plant and equipment are determined by reference to their carrying amounts and are included in the related income and expense accounts, as appropriate. On the disposal of revalued assets, amounts in the revaluation reserve relating to that asset are transferred to the retained earnings.

Subsequent costs such as repairs and maintenance or part replacement of plant and equipment are included in the asset's carrying value or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other costs are charged to the statements of comprehensive income during the financial period in which they are incurred.

Leases*The Group – as a lessee*

At inception of a contract, the Group 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 Group assesses 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 Group 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 Group has the right to direct use of the asset, The Group concludes to have the right of use, when it is predetermined how and for what purpose the Group will use the asset. The Group has the right to direct use of asset if either:
 - i. The Group 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 Group designed the asset (or the specific features) in a way that predetermines how and for what purpose it is used.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.3 Property, plant and equipment (Cont'd)****Leases (Cont'd)***Lease Liability*

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 incremental borrowing rate of the relevant Group company. The alternative borrowing rate has been determined based on the borrowing rates of the group companies at the contract dates.

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

- a) Fixed payments, including in-substance fixed payments;
- 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 Group is reasonably certain to exercise, lease payments in an optional renewable period if the Group is reasonably certain to exercise an extension option and penalties for early termination of a lease unless the Group 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 group reflects the remeasurement amount of the lease liability as an adjustment in its financial statements for the right-of-use asset.

The duration of the contracts, which constitute the lease obligation of the company, varies between 1 - 20 years.

The Group – as a lessor

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.3 Property, plant and equipment (Cont'd)****Right of use assets:**

The cost of the right-of-use asset comprises:

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

To apply the cost model, the Group 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 Group applies the depreciation requirements in IAS16 Property, Plant and Equipment in depreciating the right-of-use asset.

2.5.4 Investment properties

The investment properties held by the Group are measured at fair value in accordance with the provisions of IAS/TAS 40 "Investment Property". Lands and buildings that are held for the purpose of earning rental income, capital appreciation, or both, rather than for use in the production of goods or services, for administrative purposes, or for sale in the ordinary course of business, are classified as investment properties and are measured using the fair value model. Any gain or loss arising from a change in the fair value of investment properties is recognized in the comprehensive income statement for the period in which it occurs.

An investment property is recognized as an asset only if it is probable that future economic benefits associated with the property will flow to the entity, and its cost can be reliably measured.

2.5.5 Intangible assets**a) Research and development costs**

Research costs are recognized as expense in the period in which they are incurred. Intangible assets arising from development (or from the development phase of an internal project) are recognized as intangible assets when the following criteria are met;

- It is technically feasible to complete the intangible asset so that it will be available for use;
- Management intends to complete the intangible asset and use or sell it;
- There is an ability to use or sell the intangible asset;
- It can be demonstrated how the intangible asset will generate probable future economic benefits;

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.5 Intangible assets (Cont'd)****a) Research and development costs**

- Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- The expenditure attributable to the intangible asset during its development can be reliably measured.

In other cases, development costs are expensed as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. In cases where it is difficult to separate the research phase from the development phase in a project, the entire project is treated as research and expensed immediately.

b) Rights and other intangible assets

Rights and other intangible assets consist of 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 life of intangible assets is as follows:

	<u>Useful life</u>
Rights	2 - 15 years
Development cost	2 - 10 years
Other	2 - 15 years

2.5.6 Financial instruments**a) Financial assets**

The Group classifies its financial assets into the following specified categories: financial assets measured at amortised cost, financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.6 Financial instruments (Cont'd)****a) Financial assets (Cont'd)**Financial assets measured 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 Group's financial assets carried at amortized cost comprise "trade receivables", "other assets" and "cash and cash equivalents" in the statement of financial position.

Group has applied simplified approach and used impairment matrix for the calculation of impairment on its receivables carried at amortized cost, since they do not comprise of any significant finance component. In accordance with this method, if any provision to the trade receivables as a result of a specific event, Group measures expected credit loss from these receivables by the life-time expected credit loss. The calculation of expected loss is performed based on the past experience of the Group and its expectations for the future indications.

Financial assets measured at fair value

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

If the management do not plan to dispose these assets in 12 months after the balance sheet date, they are classified as non-current assets. Group make a choice for the equity instruments during the initial recognition and choose profit or loss or other comprehensive income for the presentation of fair value gain and loss:

- i) Financial assets carried at fair value through profit or loss Financial assets carried at fair value through profit or loss comprise of "derivative instruments" in the statement of financial position. Derivative instruments are recognized as asset when the fair value of the instrument is positive, as liability when the fair value of the instrument is negative. Group's financial instruments at fair value through profit or loss consist of forward contracts, and currency swaps.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.6 Financial instruments (Cont'd)****a) Financial assets (Cont'd)**

- ii) Financial assets carried at fair value through other comprehensive income Financial assets carried at fair value through other comprehensive income comprise of “financial assets” in the statement of financial position. Gains or losses arising from financial assets, other than impairment and exchange rate income or expenses, are recognized in other comprehensive income. When the financial assets carried at fair value through other comprehensive income are sold, fair value gain or loss classified in other comprehensive income is classified to retained earnings.

b) Financial liabilities

Financial liabilities are measured initially at fair value. Transaction costs which are directly related to the financial liability are added to the fair value.

c) Derivative financial instruments and hedge accounting

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value.

The derivative instruments of the Group 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 consolidated profit or loss statement.

The hedging transactions of the Group that qualify for hedge accounting are accounted regarding to IFRS/TFRS 9. As IFRS/TFRS 9 does not change the general principles of how an entity accounts for effective hedges, applying the hedging requirements of IFRS/TFRS 9 will not have a significant impact on Group's 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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED 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)**

(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.

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

2.5.7 Provisions, contingent assets and liabilities

Provisions are recognized when the Group has a present obligation as a result of a past event, and it is probable that the Group 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 Group are not included in the consolidated financial statements and treated as contingent assets or liabilities.

2.5.8 Related parties

Shareholders, key management personnel and board members, their close family members and companies controlled, jointly controlled or significantly influenced by them and Zorlu Holding Group companies are considered and referred to as related parties.

2.5.9 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.

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 Group's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.9 Taxation on income (Cont'd)**

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 Group will benefit from the related incentive.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group 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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

2.5.10 Employee benefits

Employment termination benefits, as required by the Turkish Labor Law and the laws applicable in the countries where the subsidiaries operate, represent the estimated present value of the total reserve of the future probable obligation of the Group arising in case of the retirement of the employees. According to Turkish Labor Law and other laws applicable in Turkey, the Group 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. Employment termination benefits are considered as being part of defined retirement benefit plan as per IAS/TAS 19. All actuarial gains and losses are recognized in consolidated statements of income.

The effects of the significant forecasts used in employment termination benefits provision calculations have been recognized as actuarial gains and losses and they have been explained in the relevant note.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.11 Government grants**

Government grants, including non-monetary grants at fair value, are recognized in consolidated 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 consolidated financial statements when they are authorized by the related institutions

2.5.12 Earnings/Losses per share

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

Earnings per share presented in the consolidated statements of profit or loss are determined by dividing consolidated net income attributable to that class of shares by the weighted average number of such shares outstanding during the year concerned. In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings or inflation adjustments. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them retroactive effect for the year in which they were issued and for each earlier period.

2.5.13 Statement of cash flows

In the consolidated 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 Group's production and sales activities. Cash flows from investment activities indicate cash inflows and outflows resulting from property, plant and equipment and financial investments. 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.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.14 Contingent assets and liabilities:**

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in the consolidated financial statements and are disclosed as contingent assets or liabilities Note 18. Contingent liabilities are disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote. If an outflow of resources has become probable, contingent liabilities are recognised in the financial statements. Contingent assets are not recognised in financial statements but disclosed in the notes to the financial statements where an inflow of economic benefits is probable.

2.5.15 Segment reporting

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

The Group management evaluates the operational results at industrial and geographical level. Industrial segments are measured until gross profit level while geographical segments are measured only by revenue. An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses.

Group's operations are reported under two industrial segments:

- Consumer and mobility electronic, other income
- Household appliances

Group's operations are reported under three geographical segments:

- Turkey
- Europe
- Other

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.16 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.

2.5.17 Going Concern

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

2.5.18 Subsequent Events

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 occur subsequent to the balance sheet date, the Group 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.

2.5.19 Trade payables

Trade payables are recognized at their fair values.

2.5.20 Borrowings and borrowing costs

Borrowings are recognised initially at the proceeds received, net of any transaction costs incurred. In subsequent periods, borrowings are restated at amortized cost using the effective yield method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of comprehensive income as finance cost over the period of the borrowings. Borrowing costs are expensed as incurred. If the borrowings mature within 12 months, then they are classified in current liabilities, otherwise they are classified in non-current liabilities.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.5 Summary of significant accounting policies (Cont'd)****2.5.20 Borrowings and borrowing costs (Cont'd)**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which (at least a period of one year) are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

In non-monetary items where borrowing costs are adjusted for the effect of inflation and capitalized, the portion of the borrowing costs corresponding to the effect of inflation is separated and expensed.

2.6. Critical accounting estimates and judgments

Preparation of consolidated 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 Group management's best knowledge about current events and transactions, actual outcomes may differ from those estimates and assumptions.

Significant estimates of the Group management are as follows:

i. Revaluation of land, buildings, land improvements and investment properties:

Land, land improvements, buildings and investment properties are stated at fair value, based on valuations performed by independent valuers as at 31 December 2024 (Note 13, Note 14).

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

- Revaluations of land and investment properties 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 land, building and land improvements are consistent to the highest and best use approach.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)**2.6. Critical accounting estimates and judgments (Cont'd)****i. Revaluation of land, buildings, land improvements and investment properties (Cont'd):**

- In the market comparison method, current market information was utilized, taking into consideration the comparable market prices for the recent transactions 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 approaches using quoted market prices for similar items when available and replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.

The carrying values of land, land improvements and buildings do not necessarily reflect the amounts that would result from the outcome of a sales transaction between independent parties.

As of initial recognition and as of balance sheet date, the Group performs impairment assessment for buildings and land improvements of which valuations are based on cost approach, accordance with the IAS/TAS 36 "Impairment of Assets".

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 3 – INTERESTS IN OTHER ENTITIES**Subsidiaries:**

As of 31 December 2024 and 31 December 2023 the Group's major subsidiaries are as follows:

Consolidated subsidiaries	Currency	31 December 2024		31 December 2023	
		Voting rights	Effective ownership	Voting rights	Effective ownership
Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş.	TL	77,3	77,3	77,3	77,3
Vestel Mobilite Sanayi ve Ticaret A.Ş.	TL	100	100	100	100
Vestel Ticaret A.Ş.	TL	100	100	100	100
Vestel CIS Ltd.	RUB	100	100	100	100
Vestel Holland B.V. Iberia Branch Office	EUR	100	100	100	100
Vestel France SA	EUR	100	100	100	100
Vestel Holland B.V.	EUR	100	100	100	100
Vestel Holland B.V. Germany Branch Office	EUR	100	100	100	100
Cabot Communications Ltd.	GBP	90,8	90,8	90,8	90,8
Vestel UK Ltd.	GBP	100	100	100	100
Vestel Holland B.V. UK Branch Office	GBP	100	100	100	100
Vestek Elektronik Araştırma Geliştirme A.Ş.	TL	100	100	100	100
Vestel Trade Ltd.	RUB	100	100	100	100
Intertechnika LLC	RUB	99,9	99,9	99,9	99,9
Vestel Central Asia LLP	KZT	100	100	100	100
Vestel Holland B.V. Poland Branch Office	PLN	100	100	100	100
Vestel Electronics Gulf DMC	AED	100	100	100	100
Vestel Electronics Shanghai Trading Co. Ltd.	CNY	100	100	100	100
Vestel Electronica SRL	RON	100	100	100	100
Vestel USA	USD	100	100	100	100
Vestel Ventures Ar-ge A.Ş.	USD	100	100	100	100
Levent Baza Gayrimenkul Yatırım A.Ş.	TL	100	100	-	-
Vestel Trade India Private Ltd.	INR	100	100	-	-
Vestel Hong Kong Ltd.	CNY	100	100	-	-
Cylinda AB	SEK	100	100	-	-

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 3 – INTERESTS IN OTHER ENTITIES (Cont'd)**Subsidiaries (Cont'd):**

Financial information of Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. which is not wholly owned by the Group and has significant non-controlling interests is as follows.

	31 December 2024	31 December 2023
Accumulated non-controlling interests	7.672.579	7.066.479
Comprehensive income attributable to non-controlling interests as of 31 December 2024 - 2023	1.029.141	2.564.186

The financial statements of the subsidiary is adjusted to include the effects of revaluation of land, buildings and land improvements in accordance with the Group's accounting policies applied in preparation of the consolidated financial statements.

Balance sheet:

	31 December 2024	31 December 2023
Current assets	31.412.895	38.253.662
Non-current assets	40.158.725	35.255.384
Current liabilities	(32.100.393)	(36.400.106)
Non-current liabilities	(5.626.589)	(5.937.881)
Net assets	33.844.638	31.171.059

Statement of comprehensive income:

	1 January - 31 December 2024	1 January - 31 December 2023
Net sales	75.327.153	88.171.978
Income before tax	132.585	7.941.820
Tax income / (expense)	133.243	(1.120.711)
Net income for the period	265.828	6.821.109
Total comprehensive income	4.040.038	12.385.909

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 3 – INTERESTS IN OTHER ENTITIES (Cont'd)**Subsidiaries (Cont'd):****Statement of cash flows:**

	1 January - 31 December 2024	1 January - 31 December 2023
<u>Operating activities:</u>		
Changes in working capital	3.974.863	2.323.917
Net cash provided by operating activities	7.741.435	5.641.269
<u>Investing activities:</u>		
Net cash used in investing activities	(4.495.005)	(2.732.824)
<u>Financing activities:</u>		
Proceeds from bank borrowings	9.603.163	8.224.244
Repayment of bank borrowings	(4.445.275)	(11.587.479)
Net cash (used in) / provided by financing activities	(2.883.821)	(2.744.153)
Cash and cash equivalents at the beginning of the period	1.053.269	1.376.836
Cash and cash equivalents at the end of the period	1.092.117	1.053.269

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 - SEGMENT REPORTING

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

Considering the fact that the Group's risks and rate of returns are dissimilar between product types and between geographical areas, the group management uses industrial segments as the primary reporting format and geographic regions as the secondary reporting format.

Industrial segments

	Consumer, mobility electronics and other	Household appliances	Total
1 January -31 December 2024			
Revenue	50.948.417	91.788.082	142.736.499
Cost of sales	(41.962.721)	(70.964.530)	(112.927.251)
Gross profit	8.985.696	20.823.552	29.809.248
Depreciation and amortization	2.249.388	2.814.044	5.063.432
1 January -31 December 2023			
Revenue	57.901.518	104.114.180	162.015.698
Cost of sales	(51.012.937)	(74.947.588)	(125.960.525)
Gross profit	6.888.581	29.166.592	36.055.173
Depreciation and amortization	3.449.847	2.766.843	6.216.690

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 - SEGMENT REPORTING (Cont'd)**Purchase of Property, Plant, Equipment and Intangible Assets**

	Consumer and mobility electronics	Household appliances	Total
1 January -31 December 2024	2.760.338	4.302.644	7.062.982
1 January -31 December 2023	2.204.846	5.677.973	7.882.819

Revenue by Geographic Location:

	1 January - 31 December 2024	1 January - 31 December 2023
Turkey	63.377.859	64.537.038
Europe	76.096.776	88.156.861
Other	16.862.430	21.927.494
Gross segment sales	156.337.065	174.621.393
Discounts (-)	(13.600.566)	(12.605.695)
Revenue	142.736.499	162.015.698

The amount of export for the period 1 January - 31 December 2024 is TL 92.959.206 (1 January - 31 December 2023: TL 110.084.355) Export sales are denominated in EUR, USD and other currencies as 66%, 24%, and 10% of total exports respectively. (1 January – 31 December 2023: 67% EUR, 22% USD, 11% other).

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 - CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Cash	9.586	20.870
Bank deposits		
- <i>Demand deposits</i>	<i>2.189.635</i>	<i>2.978.857</i>
- <i>Time deposits</i>	<i>268.330</i>	<i>131.815</i>
Cheques and notes	169.582	22.608
Other	82.876	158.853
	2.720.009	3.313.003
Blocked deposits	22	32
Cash and cash equivalents	2.720.031	3.313.035

The Group has has time deposits amounting to TL 267.354 and KZT 14.500 (31 December 2023: TL 108.645 and RUB 48.500 thousand). As of 31 December 2024 and 31 December 2023 the Group's time deposits have an average maturity of less than 3 months.

Based on the independent data with respect to the credit risk assessment of the banks, at which the Group 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.

Effective interest rates

	31 December 2024	31 December 2023
TL	44,85%	34,45%
RUB	-	10,00%
KZT	12,50%	-

See Note 32 for the foreign currency details of the Group's demand deposits.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – FINANCIAL LIABILITIES

	31 December 2024	31 December 2023
Short term financial liabilities		
Short term bank loans	33.179.394	29.282.881
Short term portion of long term bank loans	2.830.621	4.078.214
Short term portion of long term issued bonds (*)	2.371.411	-
Short term portion of long term lease liabilities	324.243	333.460
Short term issued bonds (*)	3.846.295	5.125.402
	42.551.964	38.819.957
Long term financial liabilities		
Long term bank loans	1.936.598	2.696.240
Long term lease liabilities	911.300	959.779
Long term issued bonds (*)	16.186.305	-
	19.034.203	3.656.019

* The maturity of the bond with the ISIN code TRSVSTL22511, with a maturity of 384 days and a quarterly payment, amounting to 370.000 TL, which was issued to qualified investors on 8 February 2024, is 26 February 2025 and the annual simple interest rate of the coupon has been determined as 55,13%.

* The maturity date of the bond with the ISIN code TRFVEST22513, amounting to TL 200.000, 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 TRFVSTL12519, amounting to TL 209.000, with a maturity of 161 days, a single coupon payment, issued to qualified investors on 21 August 2024 is 29 January 2025 and the annual simple interest rate of the coupon has been determined as 52%.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – FINANCIAL LIABILITIES (Cont'd)

* The maturity date of the bond with the ISIN code TRFVSTL12527, amounting to TL 220.000, with a maturity of 161 days, a single coupon payment, issued to qualified investors on 21 August 2024 is 29 January 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, 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 Group issued a bond with a fixed interest payment coupon every 6 months, quoted on the Irish Stock Exchange, amounting to a total of USD 500 million, USD 450 million on 15 May 2024 and USD 50 million on 6 June 2024. The maturity of the bond is 15 May 2029 and the coupon interest rate is 9,75%. Vestel Mobilite Sanayi ve Ticaret A.Ş and Vestel Ticaret A.Ş are guarantors in issued bonds.

* The maturity date of the bond with the ISIN code TRFVEST42511, amounting to TL 395.000, 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 TRFVSTL52515, amounting to TL 675.000, with a maturity of 182 days, a single coupon payment, issued to qualified investors on 26 November 2024 is 27 May 2025 and the annual simple interest rate of the coupon has been determined as 50%.

* The maturity of the bond with the ISIN code TRSVSTLA2514, with a maturity of 379 days and a semi-annually payment, amounting to 340.000 TL, which was issued to qualified investors on 5 December 2024, is 19 December 2025 and the annual simple interest rate of the coupon has been determined as 49,5%.

* The maturity date of the bond with the ISIN code TRFVSTL62514, amounting to TL 224.000, with a maturity of 183 days, a single coupon payment, issued to qualified investors on 12 December 2024 is 13 June 2025 and the annual simple interest rate of the coupon has been determined as 50%.

* The maturity date of the bond with the ISIN code TRFVEST62519, amounting to TL 800.000, 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%.

The group is required to calculate certain financial ratios related to the bond in question. As of December 31, 2024, some of these ratios have exceeded the specified limits; however, this does not have any impact on the consolidated financial statements as of December 31, 2024.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – FINANCIAL LIABILITIES (Cont'd)

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

Currency	31 December 2024			31 December 2023		
	Weighted average of effective interest	Original currency	TL Equivalent	Weighted average of effective interest	Original currency	TL Equivalent
- USD	9,10%	290.887	10.281.052	10,48%	317.322	13.511.309
- EUR	8,33%	180.988	6.660.793	10,12%	105.507	4.970.915
- TL	34,56%	16.193.111	16.193.111	37,80%	9.923.686	9.923.686
- CNY	-	-	-	7,96%	145.484	876.971
- GBP	7,50%	1.000	44.438	-	-	-
			33.179.394			29.282.881

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

Currency	31 December 2024			31 December 2023		
	Weighted average of effective interest	Original currency	TL Equivalent	Weighted average of effective interest	Original currency	TL Equivalent
- USD	10,40%	67.608	2.389.524	11,03%	28.587	1.217.211
- EUR	-	-	-	10,96%	14.190	668.556
- TL	26,06%	441.097	441.097	29,96%	2.192.447	2.192.447
Short term portion			2.830.621			4.078.214
- USD	12,54%	24.157	853.800	11,21%	15.690	668.067
- EUR	-	-	-	10,96%	6.135	289.048
- TL	20,65%	1.082.798	1.082.798	20,65%	1.739.125	1.739.125
Long term portion			1.936.598			2.696.240
			4.767.219			6.774.454

Total amount of Group's floating bank loans is amounting to TL 17.838.640 (31 December 2023: TL 18.407.982).

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – FINANCIAL LIABILITIES (Cont'd)

The maturity schedule of Group's long term bank loans (excluding bonds) is given below:

	31 December 2024	31 December 2023
One to two years	786.804	1.422.304
Two years and more	1.149.794	1.273.936
	1.936.598	2.696.240

The analysis of Group's bank loans in terms of periods remaining to contractual re-pricing dates is as follows:

	31 December 2024	31 December 2023
3 months or less	3.670.847	7.566.868
Between 3-6 months	5.700.786	4.476.016
Between 6-12 months	8.467.007	6.365.098
	17.838.640	18.407.982

Guarantees given for the bank loans are presented in Note 18.

Fair values of short-term bank borrowings are considered to approximate their carrying values. Fair values are determined using average effective annual interest rates. Long term bank borrowings are stated at amortized cost using effective interest rate method and their fair values are considered to approximate their carrying values since loans usually have a re-pricing period of six months.

As of 31 December 2024 and 31 December 2023, the Group's net financial debt reconciliation is shown below:

	31 December 2024	31 December 2023
Net financial debt as of 1 January	39.162.973	47.301.841
Cash inflows from loans and issued bonds	81.775.525	70.044.952
Cash outflows from loan and bonds payments	(52.061.830)	(61.933.876)
Changes of lease liabilities	(427.603)	14.792
Unrealized exchange gain	2.768.018	5.044.203
Changed interest	(331.907)	977.974
Change in cash and cash equivalents	592.994	380.086
Monetary loss	(12.612.012)	(22.666.999)
Net financial debt at the end of the period	58.866.158	39.162.973

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – RELATED PARTY DISCLOSURES**a) Short term trade receivables from related parties**

	31 December 2024	31 December 2023
ZES Dijital Ticaret A.Ş. (1)	219.459	36.312
Zorlu Enerji Elektrik Üretim A.Ş. (1)	432.439	277
Türkiye'nin Otomobili Girişim Grubu Sanayi ve Ticaret A.Ş. (4)	430.982	556.397
Other related parties	64.097	66.164
	1.146.977	659.150

b) Short term trade payables to related parties

	31 December 2024	31 December 2023
ABH Turizm Temsilcilik ve Ticaret A.Ş. (1)	13.048	25.261
Zorlu Holding A.Ş. (2)	66.341	58.280
Other related parties	83.042	78.925
	162.431	162.466

c) Other short term receivables from related parties

	31 December 2024	31 December 2023
Lentatek Uzay Havacılık ve Teknoloji A.Ş. (4)	1.040.620	1.283.979
	1.040.620	1.283.979

As of 31 December 2024, the annual average effective interest rate of other receivables in TL and USD are 50% and 9%. (31 December 2023: USD 8%, TL 50%).

d) Other long term receivables from related parties

	31 December 2024	31 December 2023
Zorlu Holding A.Ş. (2)	13.905.851	16.360.377
Lentatek Uzay Havacılık ve Teknoloji A.Ş. (4)	16.854.719	14.523.448
Meta Nikel Kobalt Madencilik Sanayi ve Ticaret A. Ş. (4)	13.102.634	10.650.737
	43.863.204	41.534.562

As of 31 December 2024, the annual average effective interest rate of other receivables in TL 50% and in USD is 9%. (31 December 2023: USD 8%, TL 50%).

(1) Zorlu Holding Group Company, (2) Parent, (3) Subsidiary, (4) Associate

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – RELATED PARTY DISCLOSURES (Cont'd)**e) Long-term prepaid expenses to related parties**

	31 December 2024	31 December 2023
Zorlu Enerji Elektrik Üretim A.Ş. (1)	-	2.716.819
Rotor Elektrik Üretim A.Ş. (1)	742.614	-
Other	37.165	144.929
	779.779	2.861.748

f) Short-term prepaid expenses to related parties

	31 December 2024	31 December 2023
Rotor Elektrik Üretim A.Ş. (1)	493.473	-
Other related parties	16.981	-
	510.454	-

g) Transactions with related parties

	1 January - 31 December 2024	1 January - 31 December 2023
Sales		
ZES Dijital Ticaret A.Ş. (1)	921.334	489.936
Türkiye'nin Otomobili Girişim Grubu Sanayi ve Ticaret A.Ş. (4)	1.585.318	1.464.318
Other related parties	76.106	129.485
	2.582.758	2.083.739

(1) Zorlu Holding Group Company, (2) Parent, (3) Subsidiary, (4) Associate

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – RELATED PARTY DISCLOSURES (Cont'd)**g) Transactions with related parties (Cont'd)**

	1 January - 31 December 2024	1 January - 31 December 2023
Operating expenses		
Zorlu Holding A.Ş. (2)	707.570	557.446
ABH Turizm Temsilcilik ve Ticaret A.Ş. (1)	220.340	204.968
Other related parties	207.674	219.871
	1.135.584	982.285
	1 January - 31 December 2024	1 January - 31 December 2023
Other income from operating activities		
Other related parties	226.384	892.031
Other expense from operating activities		
Other related parties	37.098	32.822
	1 January - 31 December 2024	1 January - 31 December 2023
Financial income		
Zorlu Holding A.Ş. (2)	4.211.111	7.821.707
Lentatek Uzay Havacılık ve Teknoloji A.Ş. (4)	4.688.153	7.556.415
Meta Nikel Kobalt Madencilik Sanayi ve Ticaret A.Ş. (4)	3.368.200	5.277.760
Other related parties	-	932.906
	12.267.464	21.588.788
Financial expense		
Other related parties	12.650	9.558
	12.650	9.558

(1) Zorlu Holding Group Company, (2) Parent, (3) Subsidiary, (4) Associate

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – RELATED PARTY DISCLOSURES (Cont'd)**g) Transactions with related parties (Cont'd)**

	1 January - 31 December 2024	1 January - 31 December 2023
Dividend payment to non-controlling interests	309.776	165.099

h) Guarantees received from and given to related parties are disclosed in note 18.

i) Compensation paid to key management including directors, the Chairman and members of Board of Directors, general managers and assistant general managers for the year ended 31 December 2024 is TL 296.487 (1 January - 31 December 2023: 333.284).

j) Financial income from related parties result from interest income from financial liabilities.

(1) Zorlu Holding Group Company, (2) Parent, (3) Subsidiary, (4) Associate

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – TRADE RECEIVABLES AND PAYABLES

	31 December 2024	31 December 2023
Short term trade receivables		
Trade receivables		
- <i>Related parties (Note 7)</i>	1.146.977	659.150
- <i>Other parties</i>	18.498.188	22.889.667
Cheques and notes receivables	1.205.063	2.458.616
Other	77.340	117.092
	20.927.568	26.124.525
Unearned interest expense (-)		
- <i>Other parties</i>	(213.145)	(205.321)
Allowance for doubtful receivables (-)	(504.071)	(182.386)
Total short term trade receivables	20.210.352	25.736.818
Long term trade receivables		
Cheques and notes receivables	564	1.186
Total long term trade receivables	564	1.186

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

	31 December 2024	31 December 2023
Short term trade payables		
Trade payables		
- <i>Related parties (Note 7)</i>	162.431	162.466
- <i>Other parties</i>	43.447.925	60.418.843
Other	8.706	8.359
	43.619.062	60.589.668
Long term trade payables		
Trade payables		
- <i>Other parties</i>	122.946	257.246
Total long term trade payables	122.946	257.246

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – OTHER RECEIVABLES

	31 December 2024	31 December 2023
Short term other receivables		
Receivables from public institutions	1.004.378	1.613.593
Receivables from related parties (Note 7)	1.040.620	1.283.979
Deposits and guarantees given	226.417	330.076
Other	196.266	29.238
	2.467.681	3.256.886
Allowance for doubtful receivables (-)	(211)	(320)
	2.467.470	3.256.566

	31 December 2024	31 December 2023
Long term other receivables		
Deposits and guarantees given	36.356	29.766
Receivables from related parties (Note 7)	43.863.204	41.534.562
Other	73.202	30.852
	43.972.762	41.595.180
Allowance for doubtful receivables (-)	(8.279)	(11.951)
	43.964.483	41.583.229

Short term other payables

Other payables		
- Other parties	218.496	20.453
	218.496	20.453

Deferred revenue

- Other parties	677.763	1.543.627
	677.763	1.543.627

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 10 – INVENTORIES

	31 December 2024	31 December 2023
Raw materials	13.734.897	17.338.823
Work in process	693.245	833.374
Finished goods	11.796.053	14.629.217
Merchandise	1.558.551	1.609.749
Other	47.484	44.284
	27.830.230	34.455.447
Provision for impairment on inventories (-)	(362.817)	(510.620)
	27.467.413	33.944.827

Cost of the inventory included in the consolidated statement of comprehensive income in the period 1 January – 31 December 2024 is TL 95.383.286 (2023: TL 108.260.252).

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

NOTE 11 – PREPAID EXPENSES

	31 December 2024	31 December 2023
Prepaid expenses in current assets		
Order advances given	319.746	1.757.563
Prepaid expenses	764.064	430.112
Business advances given	4.810	12.533
	1.088.620	2.200.208
Prepaid expenses in non-current assets		
Advances given for fixed asset purchases	527.109	430.805
Prepaid expenses	297.847	87.245
	824.956	518.050

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	31 December 2024		31 December 2023	
	%	Amount	%	Amount
Subsidiaries				
Türkiye'nin Otomobili Girişim Grubu Sanayi ve Ticaret A.Ş.	23%	5.055.946	23%	8.456.656
		5.055.946		8.456.656

Within the framework of Turkey's Automobile Project, following the work undertaken by the Joint Initiative Group, to which Group's controlling shareholder, Zorlu Holding AŞ was a party, Vestel Elektronik Sanayi ve Ticaret AŞ decided to participated with 19% share in "Türkiye'nin Otomobili Girişim Grubu Sanayi ve Ticaret A.Ş.", which was planned to be established to produce mainly electric passenger cars and carry out supporting activities. In this respect, the Shareholders Agreement and Articles of Association have been signed on 31 May 2018. Establishment of the new Group was completed on 28 June 2018.

Within the scope of the decision taken at the Annual General Meeting of TOGG which was held on 31 May 2021, the Group's stake in TOGG has reached to 23%.

The movements of TOGG, which is an investment accounted for using the equity method during the period 1 January – 31 December 2024 and 2023 is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Balance at 1 January	8.456.656	5.452.167
Shares from profit / (loss)	(3.515.707)	2.227.461
Shares from other comprehensive income / (expense)	114.933	(33.997)
Capital Increase	64	811.025
Balances at 31 December 2024	5.055.946	8.456.656

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – PROPERTY, PLANT AND EQUIPMENT

	1 January 2024	Additions	Disposals	Currency translation differences	Transfers	Fair value increase	31 December 2024
Cost or revaluation							
Land	19.780.422	398.185	-	(13.669)	-	5.619.141	25.784.079
Land improvements	623.228	-	-	(41.481)	5.569	21.188	608.504
Buildings	14.477.868	604.568	(182)	448.381	3.521.950	(1.567.706)	17.484.879
Leasehold improvements	1.999.984	16.056	(1.503)	(971.683)	389	-	1.043.243
Plant and machinery	48.236.872	1.592.974	(691.330)	(210.837)	612.641	-	49.540.320
Motor vehicles	92.812	4.392	(5.418)	(1.142)	17	-	90.661
Furniture and fixtures	8.298.496	484.600	(18.374)	(33.767)	117.541	-	8.848.496
Other tangible assets	19.966	-	-	-	-	-	19.966
Construction in progress	2.563.531	2.209.694	-	(836)	(4.262.357)	-	510.032
	96.093.179	5.310.469	(716.807)	(825.034)	(4.250)	4.072.623	103.930.180
Accumulated depreciation							
Land improvements	47.137	24.658	-	(12.912)	-	(20.303)	38.580
Buildings	565.844	709.883	(182)	709.882	-	(1.521.764)	463.663
Leasehold improvements	1.640.136	74.838	(1.026)	(887.370)	-	-	826.578
Plant and machinery	36.318.558	2.716.573	(677.071)	(203.268)	-	-	38.154.792
Motor vehicles	73.811	7.481	(3.867)	(558)	-	-	76.867
Furniture and fixtures	7.412.885	382.583	(17.040)	(30.319)	-	-	7.748.109
Other tangible assets	19.966	-	-	-	-	-	19.966
	46.078.337	3.916.016	(699.186)	(424.545)	-	(1.542.067)	47.328.555
Net book value	50.014.842						56.601.625

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	1 January 2023	Additions	Disposals	Currency translation differences	Transfers	Fair value increase	31 December 2023
Cost or revaluation							
Land	7.599.683	-	-	97.945	-	12.082.794	19.780.422
Land improvements	661.591	3.474	-	(44.284)	1.282	1.165	623.228
Buildings	12.259.287	226.777	(64)	(468.427)	2.218.716	241.579	14.477.868
Leasehold improvements	1.855.143	137.391	(563)	(1.206)	9.219	-	1.999.984
Plant and machinery	45.126.443	2.325.315	(1.447.085)	(215.259)	2.447.458	-	48.236.872
Motor vehicles	85.072	8.283	(2.496)	(904)	2.857	-	92.812
Furniture and fixtures	7.876.444	370.063	(28.290)	(10.798)	91.077	-	8.298.496
Other tangible assets	19.966	-	-	-	-	-	19.966
Construction in progress	4.764.410	2.576.560	-	-	(4.777.439)	-	2.563.531
	80.248.039	5.647.863	(1.478.498)	(642.933)	(6.830)	12.325.538	96.093.179
Accumulated depreciation							
Land improvements	44.124	30.110	-	(4.395)	-	(22.702)	47.137
Buildings	614.317	570.674	(7)	(155.814)	-	(463.326)	565.844
Leasehold improvements	1.562.391	78.915	(159)	(1.011)	-	-	1.640.136
Plant and machinery	34.693.520	3.292.210	(1.437.057)	(230.115)	-	-	36.318.558
Motor vehicles	71.130	6.048	(2.496)	(871)	-	-	73.811
Furniture and fixtures	7.061.860	388.565	(26.603)	(10.937)	-	-	7.412.885
Other tangible assets	19.966	-	-	-	-	-	19.966
	44.067.308	4.366.522	(1.466.322)	(403.143)	-	(486.028)	46.078.337
Net book value	36.180.731						50.014.842

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – PROPERTY, PLANT AND EQUIPMENT (Cont'd)

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

		Land improvements and buildings
31 December 2024	Land	
Cost	1.727.604	13.713.881
Accumulated depreciation (-)	-	(2.704.989)
Net book value	1.727.604	11.008.892

		Land improvements and buildings
31 December 2023	Land	
Cost	1.325.421	8.619.697
Accumulated depreciation (-)	-	(2.386.779)
Net book value	1.325.421	6.232.918

As of 31 December 2024, the Group has collateral on property, plant and equipment amounting to TL 3.000.000 (2023: TL 4.331.363).

Allocation of current year depreciation and amortization expenses is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Cost of sales	2.860.157	3.905.954
Research and development expenses	1.165.414	1.569.834
Marketing, selling and distribution expenses	899.590	514.791
General administrative expenses	138.271	226.111
	5.063.432	6.216.690

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – PROPERTY, PLANT AND EQUIPMENT (Cont'd)

31 December 2024	Level 1	Level 2	Level 3
Tangible Assets			
Lands	-	25.784.079	-
Buildings and land improvements	-	18.093.383	-
31 December 2023	Level 1	Level 2	Level 3
Tangible Assets			
Lands	-	19.780.422	-
Buildings and land improvements	-	15.101.096	-

NOTE 14 – INVESTMENT PROPERTIES

	1 January 2024	Additions	31 December 2024
Land	-	299.483	299.483
Buildings	-	1.299.142	1.299.142
Net book value	-	1.598.625	1.598.625

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – RIGHT OF USE ASSETS

	1 January			31 December
	2024	Additions	Disposals	2024
Cost				
Land and buildings	3.419.824	1.198.902	(60.075)	4.558.651
Motor vehicles	678.019	56.610	(1.218)	733.411
	4.097.843	1.255.512	(61.293)	5.292.062
Accumulated amortization				
Land and buildings	1.756.879	475.376	(8.957)	2.223.298
Motor vehicles	563.539	54.186	(199)	617.526
	2.320.418	529.562	(9.156)	2.840.824
Net book value	1.777.425			2.451.238
	1 January			31 December
	2023	Additions	Disposals	2023
Cost				
Land and buildings	2.637.825	812.556	(30.557)	3.419.824
Motor vehicles	628.312	49.707	-	678.019
	3.266.137	862.263	(30.557)	4.097.843
Accumulated amortization				
Land and buildings	1.348.415	439.021	(30.557)	1.756.879
Motor vehicles	489.340	74.199	-	563.539
	1.837.755	513.220	(30.557)	2.320.418
Net book value	1.428.382			1.777.425

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 16 – INTANGIBLE ASSETS

	1 January		Currency translation		31 December	
	2024	Additions	Disposals	differences	Transfers	2024
Cost						
Rights	866.809	396	-	(8.293)	-	858.912
Development cost	17.249.206	1.473.563	(19.218)	-	-	18.703.551
Other intangible assets	2.677.454	278.554	(1.739)	(9.876)	4.250	2.948.643
	20.793.469	1.752.513	(20.957)	(18.169)	4.250	22.511.106
Accumulated amortization						
Rights	728.090	34.705	-	(8.196)	-	754.599
Development cost	12.447.171	427.814	-	-	-	12.874.985
Other intangible assets	1.967.527	155.335	(299)	(10.491)	-	2.112.072
	15.142.788	617.854	(299)	(18.687)	-	15.741.656
Net book value	5.650.681					6.769.450
	1 January		Currency translation		31 December	
	2023	Additions	Disposals	differences	Transfers	2023
Cost						
Rights	866.673	1.571	-	(1.435)	-	866.809
Development cost	15.209.873	2.039.333	-	-	-	17.249.206
Other intangible assets	2.488.440	194.052	(2.026)	(9.842)	6.830	2.677.454
	18.564.986	2.234.956	(2.026)	(11.277)	6.830	20.793.469
Accumulated amortization						
Rights	694.621	34.748	-	(1.279)	-	728.090
Development cost	11.239.643	1.207.528	-	-	-	12.447.171
Other intangible assets	1.883.483	94.672	-	(10.628)	-	1.967.527
	13.817.747	1.336.948	-	(11.907)	-	15.142.788
Net book value	4.747.239					5.650.681

Development costs, incurred by the Group on development projects relating to television and electronic devices, mobility, refrigerators, split air conditioners, washing machines, cookers, drying machines and dish washers are capitalized as intangible assets.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – GOVERNMENT GRANTS

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

- i) Exemption from customs duty on machinery and equipment to be imported,
- ii) VAT exemption with respect to purchases of investment goods both from domestic and export markets,
- iii) Incentives under the jurisdiction of the research and development law,(Note 29)
- iv) Inward processing permission certificates,
- v) Cash refund from Tübitak - Teydeb for research and development expenses,
- vi) Discounted corporate tax incentive,
- vii) Insurance premium employer share incentive
- viii) Brand support incentive (Turquality) given by Republic of Turkey Ministry of Economy
- ix) Interest incentive.

NOTE 18 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**a) Provisions**

	31 December 2024	31 December 2023
Short term provisions		
Warranty and assembly provision	1.699.502	1.718.499
Other provisions	1.874.369	2.462.210
Provision for lawsuit risks	115.733	110.454
	3.689.604	4.291.163
Long term provisions		
Warranty and assembly provision	600.155	504.113
	600.155	504.113

As of 31 December 2024, the amount of provision provided for the cases for which the probability of losing the case is assessed to be high by the Group management and legal advisors is TL 115.733 (2023: TL 110.454).

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 18 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont'd)**b) Guarantees received by the Group****Guarantee letters, collaterals, cheques and notes received**

	31 December 2024	31 December 2023
Guarantee letters	5.545.175	5.272.131
Cheques and notes	3.258.355	2.983.301
Collaterals and pledges	7.050.029	6.484.658
	15.853.559	14.740.090

Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. and Vestel Ticaret A.Ş. has given collaterals to various banks on behalf of the Company for its forward contracts and loans utilized. 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 Group. The amount of guarantees received by the Group, including the total collaterals amount, is 356.521.444 TL.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 18 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont'd)**c) Collaterals, pledges and mortgages ("CPMB's") given by the Group**

CPMB's given by the Group	USD ('000)	EUR ('000)	GBP ('000)	TL	TL Equivalent
31 December 2024					
A. CPMB's given on behalf of its own legal entity	518.359	2.135	-	6.638.006	25.037.356
B. CPMB's given on behalf of fully consolidated subsidiaries (*)	2.572.245	193.450	52.611	22.311.973	122.682.227
C. CPMB's given on behalf of third parties for ordinary course of business	-	-	-	-	-
D. Total amount of other CPMB's given	59.579	-	-	15.868	2.121.616
i. Total amount of CPMB's given on behalf of the other group companies which are not in scope of B and C.	-	-	-	-	-
iii. Total amount of CPMB's given on behalf of third parties which are not in scope of C.	-	-	-	-	-
Total	3.150.183	195.585	52.611	28.965.847	149.841.199

(*) Fully consolidated subsidiaries have given collaterals to various financial institutions on behalf of each other for their forward contracts and for the total amount of loans utilized.

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 Group. The total guarantee amount, as well as the guarantees, pledges, mortgages and guarantees given by the Company, are 7.403.813 thousand USD, 489.191 thousand Euro, 52.650 thousands GBP and 41.424.401 TL, equivalent to a total of 323.446.346 TL.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 18 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont'd)**c) Collaterals, pledges and mortgages ("CPMB's") given by the Group (Cont'd)**

CPMB's given by the Group	USD ('000)	EUR ('000)	GBP ('000)	TL	TL Equivalent
31 December 2023					
A. CPMB's given on behalf of its own legal entity	509	2.135	-	4.359.383	4.481.646
B. CPMB's given on behalf of fully consolidated subsidiaries (*)	2.182.426	148.778	60.346	20.417.197	123.631.900
C. CPMB's given on behalf of third parties for ordinary course of business	-	-	-	-	-
D. Total amount of other CPMB's given	36.565	-	-	29.020	1.585.926
parent company	-	-	-	-	-
other group companies which are not in scope of B and C.	36.565	-	-	29.020	1.585.926
iii.Total amount of CPMB's given on behalf of third parties which are not in scope of C.	-	-	-	-	-
Total	2.219.500	150.913	60.346	24.805.600	129.699.472

As of 31 December 2024, proportion of other CPM's given by the Group to its equity is 4% (31 December 2023: 3%).

NOTE 19 – COMMITMENTS

As of the balance sheet date the Group has committed to realize exports amounting to 2.633.587 thousand USD (31 December 2023: 3.121.967 thousand USD) due to the export and investment incentive certificates obtained.

As of 31 December 2024, the Group has forward foreign currency purchase contract that amounts to USD 695.839 thousand, EUR 335.927 thousand, GBP 139.822 thousand, PLN 26.121 thousand, SEK 100.568 thousand and TL 1.940.500 against forward foreign currency sales contract that amounts to USD 589.656 thousand, EUR 507.886 thousand, GBP 90.040 thousand, PLN 47.893 thousand, RUB 953.771 thousand and SEK 181.368 thousand. (31 December 2023: USD 1.068.802 thousand, EUR 227.544 thousand, GBP 135.899 thousand, PLN 21.625 thousand and CNY 156.580 thousand against forward foreign currency sales contract that amounts to USD 419.731 thousand, EUR 704.294 thousand, GBP 142.433 thousand, PLN 60.525 thousand, RUB 987.000 and TL 4.029.267 against forward foreign currency sales contract).

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 20 – EMPLOYEE BENEFITS**Liabilities for employee benefits:**

	31 December 2024	31 December 2023
Due to personnel	653.601	738.006
Social security payables	534.396	579.382
	1.187.997	1.317.388

Long-Term provisions for employee benefits:

	31 December 2024	31 December 2023
Provision for employment termination benefits	2.189.507	2.282.417

Under Turkish law, the Group 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 Group 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 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 – in terms of purchasing power of TL as of 31 December 2024).

Provision for employment termination benefits is not subject to any funding.

The provision is calculated by estimating the present value of the future obligation of the Group arising from retirement of employees. IAS/TAS 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 are 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 Group arising from retirement of employees. As of 31 December 2024 provision is calculated based on real discount rate of 2,47%, assuming 26,71% annual inflation rate and 11,54% discount rate (31 December 2023: 3,72% real discount rate, 49,25% inflation rate and 23,60% discount rate).

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 20 – EMPLOYEE BENEFITS (Cont'd)

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. The maximum amount of TL 46.655,43 which is effective from 1 January 2025 (1 January 2024: TL 50.617,15 – in terms of the purchasing power of TL as of 31 December 2024) has been taken into consideration in calculating the provision for employment termination benefits of the Group which is calculated once in every six months.

The movement in the provision for employment termination benefit is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Balance at 1 January	2.282.417	2.949.939
Increase during the year	291.364	484.413
Payments during the year	(448.154)	(847.340)
Actuarial (gain) /loss	398.778	639.142
Interest expense	376.005	259.314
Monetary gain / (loss)	(710.903)	(1.203.051)
Balance at 31 December	2.189.507	2.282.417

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 21 – OTHER ASSETS AND LIABILITIES

	31 December 2024	31 December 2023
Other current assets		
VAT carried forward	233.097	68.944
Rebates from suppliers and incentives income accruals	174.488	202.634
Other	387.483	388.883
	795.068	660.461
	31 December 2024	31 December 2023
Other current liabilities		
Taxes payables	1.305.498	1.788.090
Other	1.419.491	1.692.247
	2.724.989	3.480.337

NOTE 22 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS**a) Paid in capital**

	31 December 2024	31 December 2023
Shares of par value Kr 1 each		
limit on registered share capital	2.000.000	2.000.000
Issued share capital	335.456	335.456

As of 31 December 2024 and 31 December 2023 the shareholding structures are as follows:

	Share		Amount	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Zorlu Holding A.Ş.	52,77%	55,69%	177.019	186.815
Other shareholders (Publicly Listed)	47,23%	44,31%	158.437	148.641
	100%	100%	335.456	335.456

b) Adjustment to share capital

Adjustment to share capital (restated to 31 December 2024 purchasing power of money) is the difference between restated share capital and historical share capital.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 22 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Cont'd)**c) Share premium**

Share premium account refers the difference between par value of the Company's shares and the amount the company received for newly issued shares. The share premium account is disclosed under equity as a separate line item and may not be distributed. It may be used in capital increase.

d) Restricted Reserves Appropriated from Profits

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.

	31 December 2024	31 December 2023
Legal reserves	1.809.347	1.809.347

The differences arising from the conversion of the amounts below, which are adjusted for inflation in the company's legal records, to amounts adjusted according to the CPI (Consumer Price Index) under IAS/TAS 29, have been recognized under the 'Retained Earnings of Previous Years' item.

	PPI - Indexed Legal Records	CPI Indexed Amounts	Differences Tracked in Retained Earnings
Capital Adjustment Gains / Losses	30.463.337	22.548.527	7.914.810
Appropriated Retained Earnings	2.385.753	1.809.347	576.407

e) Revaluation reserves

	31 December 2024	31 December 2023
Fair value gains on financial assets	62.181	87.829
Revaluation of property, plant and equipment	16.805.105	13.053.398
	16.867.286	13.141.227

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 22 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Cont'd)**f) 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 interim 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 usufruct 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, the net period income is allocated after deducting the accumulated losses from the previous years, if any, as follows:

- a) As per Article 519 of the Turkish Commercial Code, 5% is allocated to a general legal reserve.
- b) A dividend is allocated from the remaining amount, at the rate determined by the General Assembly over an amount to be found after the addition of a donation, which is made in line with the Turkish Commercial Code and Capital Market Legislation.
- c) After the deductions above, the General Assembly has the right to decide how to allocate the dividend to members of the board of directors and officers, employees and workers, foundations established with various purposes, and similar persons and corporations.
- d) After the amounts stated in paragraph (a), (b) and (c) are deducted from the net period profit, the General Assembly is authorized to allocate the remaining amount as a second dividend or to allocate the remaining amount to its own reserve as per Article 521 of the Turkish Commercial Code.
- e) One tenth of the amount obtained after a dividend of 5% of the paid in capital and other legal reserve are deducted from the amount that is agreed to be allocated to the shareholders and other persons participating to the profit is added to the general legal reserve as per paragraph (c) of the second clause of article 519 of the Turkish Commercial Code.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 23 – SALES

	1 January - 31 December 2024	1 January - 31 December 2023
Domestic sales	63.377.859	64.537.038
Export sales	92.959.206	110.084.355
Gross sales	156.337.065	174.621.393
Sales discounts (-)	(13.600.566)	(12.605.695)
Net sales	142.736.499	162.015.698
Cost of sales	(112.927.251)	(125.960.525)
Gross profit	29.809.248	36.055.173

NOTE 24 – EXPENSES BY NATURE

	1 January - 31 December 2024	1 January - 31 December 2023
Raw materials, supplies and finished goods	95.383.286	108.260.252
Personnel expenses	16.882.152	15.906.638
Depreciation and amortization	5.039.450	6.206.946
Export, transportation, warehouse expenses	5.352.772	7.265.598
Warranty and assembly expenses	4.703.843	4.477.913
Advertising expenses	1.985.212	1.438.378
Other	9.854.942	9.652.244
	139.201.657	153.207.969

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 24 – EXPENSES BY NATURE (Cont'd)

Fees for Services Provided by the Independent Auditor/Independent Audit Firm

The Group's disclosure regarding the fees for services provided by the independent audit firm is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Independent audit fee for the reporting period	35.934	30.353
	35.934	30.353

NOTE 25 – 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	1.745.046	1.633.158
Depreciation and amortization	138.271	226.111
Consultancy expenses	660.843	439.001
Information technology expenses	416.008	427.889
Tax and duties	134.177	83.481
Insurance expenses	77.617	81.224
Other	1.058.929	1.207.783
	4.230.891	4.098.647

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 25 – GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (Cont'd)
b) Marketing expenses:

	1 January - 31 December 2024	1 January - 31 December 2023
Export, transportation, warehouse expenses	5.028.406	6.911.517
Warranty and assembly expenses	4.703.843	4.477.913
Personnel expenses	4.298.544	4.206.510
Advertising expenses	1.977.501	1.433.613
Depreciation and amortization	899.590	514.791
Other	2.882.948	2.804.883
	19.790.832	20.349.227

c) Research and development expenses:

	1 January - 31 December 2024	1 January - 31 December 2023
Depreciation and amortization	1.165.414	1.569.834
Personnel expenses	646.654	669.905
Other	440.615	559.831
	2.252.683	2.799.570

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 – OTHER INCOME AND EXPENSE FROM OPERATING ACTIVITIES**a) Other income from operating activities:**

	1 January - 31 December 2024	1 January - 31 December 2023
Overdue interest charges	1.572.520	720.430
Foreign exchange gains arising from trading activities	1.597.923	1.863.750
Other income	904.182	454.575
	4.074.625	3.038.755

b) Other expense from operating activities:

	1 January - 31 December 2024	1 January - 31 December 2023
Interest expense on term purchases	2.769.397	1.697.315
Foreign exchange expenses arising from trading activities	7.350.823	19.903.052
Other expenses	1.874.112	1.356.481
	11.994.332	22.956.848

NOTE 27 – FINANCIAL INCOME AND FINANCIAL EXPENSE**a) Financial income:**

	1 January - 31 December 2024	1 January - 31 December 2023
Foreign exchange gains	7.091.701	17.635.795
Gains on derivative financial instruments	1.633.020	4.298.410
Interest income	5.281.652	4.676.443
	14.006.373	26.610.648

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 27 – FINANCIAL INCOME AND FINANCIAL EXPENSE (Cont'd)**b) Financial expense:**

	1 January - 31 December 2024	1 January - 31 December 2023
Foreign exchange losses	5.538.446	10.032.076
Losses on derivative financial instruments	4.017.123	6.754.771
Interest expense	12.033.158	8.053.500
Commission and other finance expenses	2.434.783	1.638.968
	24.023.510	26.479.315

NOTE 28 – MONETARY GAIN / LOSS

Non monetary items	31 Aralık 2024
Balance sheet items	5.568.041
Inventory	3.468.790
Investments Valued by Equity Method, Financial Investments, Subsidiaries	2.639.711
Tangible and Intangible Fixed Assets	11.366.865
Right of Use Assets	1.133.375
Capital Adjustment Differences	(7.034.019)
Accumulated Other Comprehensive Income (Expense) Not to Be Reclassified to Profit or Loss	(568.832)
Accumulated Other Comprehensive Income (Expense) to be Reclassified to Profit or Loss	63.963
Restricted Reserves Allocated from Profit	(556.152)
Retained Earnings or Losses	(4.945.660)
Income statement items	2.284.356
Revenue	(18.059.235)
Cost of Goods Sold	15.492.940
General Administrative Expenses	488.802
Marketing Expenses	2.375.421
Research and Development Expenses	128.270
Other Operating Income	(645.885)
Other Operating Expenses	1.339.802
Finance Income	(1.639.054)
Finance Expenses	2.803.295
Net monetary gain	7.852.397

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 29 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

	31 December 2024	31 December 2023
Corporation and income taxes	17.170	22.622
Prepaid taxes (-)	(32.763)	(20.037)
Current income tax liabilities - net	(15.593)	2.585
Deferred tax liabilities	(4.023.265)	(1.837.582)
Deferred tax liabilities - net	(4.023.265)	(1.837.582)

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.

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 2024 and the following taxation periods.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 29 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)

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 taxpayers corporations or limited taxpayers exempt from corporate tax, except for those who obtain dividends through a place of business or permanent representative in Turkey.

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

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 July 15, 2023 for the same period.

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.

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.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 29 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)

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.

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.

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.

The tax results of Company's subsidiaries in other countries are not material to consolidated financial statements.

As of 1 January - 31 December 2024 and 2023 tax benefit in the consolidated statement of income is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Current period tax expense	(21.083)	(464.990)
Deferred tax income / (loss)	(760.770)	(522.372)
Total tax expense	(781.853)	(987.362)

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 29 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)

Reconciliation between the current period tax expense and deferred tax benefit as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
(Loss) / profit before tax	(10.065.312)	4.353.062
Local tax rate	25%	25%
Tax income calculated using local tax rate	2.516.328	(1.088.266)
Non-deductible expenses	(315.785)	(495.127)
Loss from equity accounted investment	(878.927)	(86.767)
Adjustments with no tax effects	(184.449)	(1.258.058)
Deduction and exemptions	592.319	1.296.988
Tax incentives	1.067.181	2.327.181
Deferred tax asset calculated on tax loss	174.853	-
Financial losses on which no tax is calculated (*)	(1.914.833)	-
Deferred tax effect of change in legal tax rate	-	310.154
Other	424.107	190.135
Monetary gain / loss	(2.262.647)	(2.183.602)
Total tax benefit	(781.853)	(987.362)

(*) A net loss was incurred in the financials for the accounting period of January 1 - December 31, 2024, prepared in accordance with the Group Tax Procedure Law, and no tax was calculated on the current year losses.

Due to modernization, plant extension and investments incentive documents in Manisa Organized Industrial Zone, the Group is subject to reduced rate due to incentives.

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between their financial statements prepared in accordance with CMB Communiqué II, No. 14.1 and their statutory financial statements. These temporary differences usually result from the recognition of revenue and expenses in different reporting periods for the Communiqué and tax purposes.

Deferred tax assets and liabilities

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between their financial statements prepared in accordance with CMB Communiqué II, No. 14.1 and their statutory financial statements. These temporary differences usually result from the recognition of revenue and expenses in different reporting periods for the Communiqué and tax purposes.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 29 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)**Deferred tax assets and liabilities (Cont'd)**

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 2024	31 December 2023	31 December 2024	31 December 2023
Deferred tax assets / (liabilities)				
Employment termination benefits	(2.189.507)	(2.282.417)	547.377	570.604
Investment incentive	-	-	1.201.998	1.070.975
Warranty provision	(2.299.657)	(2.222.612)	574.914	555.653
Provision for doubtful receivables	(504.071)	(182.386)	126.018	45.596
Net difference between book values and tax bases of property, plant and equipment and intangible asset	38.776.155	25.959.977	(8.078.974)	(4.933.193)
Net difference between book values and tax bases of inventories	2.342.532	2.587.955	(585.633)	(646.989)
Provision for derivative instruments	338.147	(634.190)	(84.537)	158.548
Deferred tax calculated on financial loss	-	-	174.853	-
R&D incentives	-	-	1.480.735	1.261.538
Other	(2.479.936)	(318.736)	619.984	79.686
Deferred tax assets / (liabilities) - net			(4.023.265)	(1.837.582)

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

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 ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 29 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)**Deferred tax assets and liabilities (Cont'd)**

As of 31 December 2024, the tax advantage amounting to TL 1.201.998 that the Group 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 year 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 impact on the recoverability of the related deferred tax assets.

	31 December 2024	31 December 2023
Subsidiaries with net deferred tax liabilities	(4.023.265)	(1.837.582)
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	(1.837.582)	(23.563)
Tax expense recognized in income statement	(760.770)	(522.372)
Recognized in other comprehensive income	(1.098.363)	(1.676.327)
Currency translation differences	(326.550)	384.680
Deferred tax liabilities at the end of the period, net	(4.023.265)	(1.837.582)

The latest year of use of the deductible financial losses on which deferred tax assets are calculated as of December 31, 2024 is as follows:

	31 December 2024	31 December 2023
2029	699.412	-
	699.412	-

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 30 – EARNINGS PER SHARE

	1 January - 31 December 2024	1 January - 31 December 2023
Net income / (loss) attributable to equity holders of the parent	(11.020.692)	2.092.951
Weighted number of ordinary shares with a Kr 1 of par value (hundred shares)	33.545.600	33.545.600
Earnings per share	(0,3285)	0,0624

NOTE 31 – DERIVATIVE INSTRUMENTS

	31 December 2024		31 December 2023	
	Fair Value		Fair Value	
	Contract amount	Assets / (Liabilities)	Contract amount	Assets / (Liabilities)
<u>Derivative financial instruments:</u>				
Held for trading				
Forward foreign currency transactions	6.013.452	56.911	13.205.863	201.173
Cash flow hedge				
Forward foreign currency transactions	14.496.921	497.244	11.118.817	68.968
<u>Derivative financial liabilities:</u>				
Held for trading				
Forward foreign currency transactions	21.174.257	(212.391)	14.836.104	(232.808)
Cash flow hedge				
Forward foreign currency transactions	282.767	(3.617)	25.480.166	(671.523)
	41.967.397	338.147	64.640.950	(634.190)

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 32 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT**a) Capital risk management:**

The Group 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.

The management considers the Group's 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 31 December 2023 the Group's net debt / total equity ratios are as follows:

	31 December 2024	31 December 2023
Total financial liabilities (Note 6)	61.586.167	42.475.976
Cash and cash equivalents (Note 5)	(2.720.009)	(3.313.003)
Net debt	58.866.158	39.162.973
Total shareholders equity	52.407.171	58.993.468
Total capital invested	111.273.329	98.156.441
Net debt/capital invested	53%	40%

b) Financial risk factors:

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 32 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)**b) Financial risk factors (Cont'd):****b.1) Credit risk:**

The Group is exposed to credit risk arising from receivables from credit finance sales and deposits with banks. Credit risk of receivables from third parties is managed by securing receivables with highest possible coverage. Methods used are:

- Bank guarantees (guarantee letters, etc.)
- Credit insurance
- Mortgages
- Cheque-notes

For customers receivables from which are not secured with collaterals, the credit quality of the customer is assessed by taking into account its financial position, past experience and other factors and individual risk limits are determined and monitored regularly.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 32 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

31 December 2024	Receivables				Bank deposits	Other
	Trade receivables		Other receivables			
	Related party	Other party	Related party	Other party		
Maximum exposed credit risk as of 31 December 2024 (A+B+C+D)	1.146.977	19.063.939	44.903.824	1.528.129	2.457.965	262.066
- Secured portion of the maximum credit risk by guarantees, etc.	-	(15.228.827)	-	-	-	-
A.Net book value of financial assets either are not due or not impaired	1.146.977	13.514.455	44.903.824	1.528.129	2.457.965	262.066
- Secured portion by guarantees etc.	-	(11.481.659)	-	-	-	-
B. Financial assets with renegotiated conditions	-	-	-	-	-	-
C.Net book value of the overdue but not impaired financial assets	-	5.549.484	-	-	-	-
- Secured portion by guarantees etc.	-	(3.747.168)	-	-	-	-
D.Net book value of the impaired financial assets	-	-	-	-	-	-
-Over due (gross book value)	-	504.071	-	8.490	-	-
-Impairment (-)	-	(504.071)	-	(8.490)	-	-
-Secured portion of the net value by guarantees etc.	-	-	-	-	-	-

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 32 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

	Receivables					
	Trade receivables		Other receivables		Bank deposits	Other
	Related party	Other party	Related party	Other party		
31 December 2023						
Maximum exposed credit risk as of 31 December 2023 (A+B+C+D)	659.150	25.078.854	42.818.541	2.021.254	3.110.672	202.363
- Secured portion of the maximum credit risk by guarantees, etc.	-	(16.954.891)	-	-	-	-
A.Net book value of financial assets either are not due or not impaired	659.150	12.084.058	42.818.541	2.021.254	3.110.672	202.363
- Secured portion by guarantees etc.	-	(10.833.777)	-	-	-	-
B. Financial assets with renegotiated conditions	-	-	-	-	-	-
C.Net book value of the overdue but not impaired financial assets	-	12.994.796	-	-	-	-
- Secured portion by guarantees etc.	-	(6.121.114)	-	-	-	-
D.Net book value of the impaired financial assets	-	-	-	-	-	-
-Over due (gross book value)	-	254.738	-	12.271	-	-
-Impairment (-)	-	(254.738)	-	(12.271)	-	-
-Secured portion of the net value by guarantees etc.	-	-	-	-	-	-

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 32 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

Aging of trade receivable from other parties which are overdue but not impaired is as follows:

	31 December 2024	31 December 2023
Overdue 1 - 30 days	2.240.281	3.752.736
Overdue 1 - 3 months	2.096.265	2.756.107
Overdue 3 - 12 months	652.837	4.373.532
Overdue more than 1 year	300.931	2.112.421
Overdue more than 5 years	259.170	-
Total	5.549.484	12.994.796

The terms, including interest and maturity elements, of the Group's non-trade receivables from its related parties are reviewed according to market conditions and strategic plans, and necessary updates are made regularly.

b.2) Liquidity risk:

The Group 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 Group'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 Group 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.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 32 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

As of 31 December 2024, maturity analysis of the Group's financial liabilities is as follows:

Contractual maturities	Carrying value	Contractual cash flows	Up to 3 months	3 - 12 months	1 - 5 years	More than 5 years
Non-derivative financial liabilities						
Financial and lease liabilities	61.586.167	65.788.846	12.918.109	32.963.790	18.745.757	1.161.190
Trade payables	43.742.008	44.045.131	39.270.003	4.307.918	384.725	82.485
Other payables and liabilities	218.496	218.496	218.496	-	-	-
	105.546.671	110.052.473	52.406.608	37.271.708	19.130.482	1.243.675
Derivative financial instruments						
Derivative cash inflows		41.967.397	34.189.639	7.777.758	-	-
Derivative cash outflows		(41.405.376)	(34.007.512)	(7.397.864)	-	-
	(338.147)	562.021	182.127	379.894	-	-

As of 31 December 2023, maturity analysis of the Group's financial liabilities is as follows:

Contractual maturities	Carrying value	Contractual cash flows	Up to 3 months	3 - 12 months	1 - 5 years	More than 5 years
Non-derivative financial liabilities						
Financial and lease liabilities	42.475.976	48.965.875	13.998.216	28.719.802	4.023.627	2.224.230
Trade payables	60.846.914	60.982.033	51.098.503	9.098.705	619.773	165.052
Other payables and liabilities	20.453	20.453	20.453	-	-	-
	103.343.343	109.968.361	65.117.172	37.818.507	4.643.400	2.389.282
Derivative financial instruments						
Derivative cash inflows		64.640.950	41.251.381	23.389.569	-	-
Derivative cash outflows		(59.783.803)	(36.613.151)	(23.170.652)	-	-
	634.190	4.857.147	4.638.230	218.917	-	-

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 32 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)**b.3) Foreign currency risk:**

The Group 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 Group mainly prefers using foreign exchange forward contracts.

	USD (Thousand)	EUR (Thousand)	Other (TL Equivalent)	TL Equivalent
31 December 2024				
1. Trade receivables	138.209	248.494	1.356.827	15.361.607
2a. Monetary financial assets (including cash and cash equivalents)	16.274	18.480	5.725	1.258.762
2b. Non-monetary financial assets	-	-	-	-
3. Other	94.101	2.125	-	3.397.976
4. Current assets (1+2+3)	248.584	269.099	1.362.552	20.018.345
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-
7. Other	1.163.262	8.966	-	41.369.609
8. Non-current assets (5+6+7)	1.163.262	8.966	-	41.369.609
9. Total assets (4+8)	1.411.846	278.065	1.362.552	61.387.954
10. Trade payables	708.949	234.192	81.036	33.756.815
11. Financial liabilities	408.492	182.740	-	21.162.930
12a. Other monetary liabilities	2.490	1.282	-	135.187
12b. Other non-monetary liabilities	-	-	-	-
13. Current liabilities (10+11+12)	1.119.931	418.214	81.036	55.054.932
14. Trade payables	-	3.340	-	122.920
15. Financial liabilities	482.124	5.570	-	17.245.084
16a. Other monetary liabilities	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-
17. Non-current liabilities (14+15+16)	482.124	8.910	-	17.368.004
18. Total liabilities (13+17)	1.602.055	427.124	81.036	72.422.936
19. Off-balance sheet derivative instruments	-	-	-	-
net asset / (liability) position (19a+19b) (*)	106.183	(171.959)	1.504.244	(1.137.773)
19a. Hedged total assets	695.839	335.927	10.281.454	47.171.544
19b. Hedged total liabilities	(589.656)	(507.886)	(8.777.210)	(48.309.317)
20. Net foreign currency asset/ (liability) position (9-18+19)	(84.026)	(321.018)	2.785.760	(12.172.755)
21. Net foreign currency monetary asset/ (liability) position (=1+2a+3+5+6a+7-10-11-12a-14-15-16a)	(190.209)	(149.059)	1.281.516	(11.034.982)
22. Fair value of financial instruments used in foreign currency hedging	-	-	-	338.147
23. Export	324.690	1.026.778	4.727.281	92.959.206
24. Import	1.275.441	165.953	64.106	51.250.506

(*) The net asset / (liability) positions of derivative instruments in foreign currency are included outside the statement of financial position.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 32 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

	USD	EUR	Other		
	(Thousand)	(Thousand)	(TL Equivalent)	TL Equivalent	TL Equivalent
31 December 2023				(Historic Date)	
1. Trade receivables	92.538	238.713	1.575.155	12.075.124	17.433.916
2a. Monetary financial assets (including cash and cash equivalents)	-	-	-	-	-
	27.790	8.261	2.081	1.089.263	1.572.664
2b. Non-monetary financial assets	-	-	-	-	-
3. Other	68.685	893	-	2.051.052	2.961.284
4. Current assets (1+2+3)	189.013	247.867	1.577.236	15.215.439	21.967.864
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non-monetary financial assets	18.643	3.115	-	650.277	938.862
7. Other	819.838	51	-	24.136.218	34.847.575
8. Non-current assets (5+6+7)	838.481	3.166	-	24.786.495	35.786.438
9. Total assets (4+8)	1.027.494	251.033	1.577.236	40.001.934	57.754.301
10. Trade payables	857.466	187.826	154.204	31.571.227	45.582.150
11. Financial liabilities	345.908	118.528	599.569	14.668.741	21.178.548
12a. Other monetary liabilities	80	1.415	-	48.528	70.064
12b. Other non-monetary liabilities	-	-	-	-	-
13. Current liabilities (10+11+12)	1.203.454	307.769	753.773	46.288.497	66.830.763
14. Trade payables	-	5.460	-	178.174	257.246
15. Financial liabilities	15.690	16.633	-	1.005.474	1.451.691
16a. Other monetary liabilities	-	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-	-
17. Non-current liabilities (14+15+16)	15.690	22.093	-	1.183.648	1.708.936
18. Total liabilities (13+17)	1.219.144	329.862	753.773	47.472.145	68.539.701
19. Off-balance sheet derivative instruments	-	-	-	-	-
net asset / (liability) position (19a+19b)	649.071	(476.750)	108.175	3.692.531	5.331.231
19a. Hedged total assets	1.068.802	227.544	5.896.185	44.841.898	64.742.181
19b. Hedged total liabilities	(419.731)	(704.294)	(5.788.010)	(41.149.367)	(59.410.951)
20. Net foreign currency asset/ (liability) position (9-18+19)	457.421	(555.579)	931.638	(3.777.680)	(5.454.168)
21. Net foreign currency monetary asset/ (liability) position (=1+2a+3+5+6a+7-10-11-12a-14-15-16a)	(210.293)	(81.943)	823.463	(8.120.488)	(11.724.260)
22. Fair value of financial instruments used in foreign currency hedging	-	-	-	(439.254)	(634.190)
23. Export	541.555	1.533.534	9.851.005	76.246.912	110.084.355
24. Import	1.404.462	207.252	542.079	39.158.737	56.536.903

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 32 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)

As of 31 December 2024 and 31 December 2023 sensitivity analysis of foreign exchange rates is presented in below tables. Secured portions include impact of off-balance sheet 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	(681.235)	681.235	(681.235)	681.235
Secured portion from USD risk (-)	(762.113)	762.113	(232.619)	232.619
USD net effect	(1.443.348)	1.443.348	(913.854)	913.854
+/- 10% fluctuation of EUR rate:				
EUR net asset / liability	(550.413)	550.413	(550.413)	550.413
Secured portion from EUR risk (-)	388.433	(388.433)	(274.786)	274.786
EUR net effect	(161.980)	161.980	(825.199)	825.199
+/- 10% fluctuation of other currency rates:				
Other currencies net asset / liability	128.152	(128.152)	128.152	(128.152)
Secured portion from other currency risk (-)	216.277	(216.277)	364.474	(364.474)
Other currency net effect	344.429	(344.429)	492.626	(492.626)

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 32 – 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	(823.905)	823.905	(823.905)	823.905
Secured portion from USD risk (-)	7.512	(7.512)	1.071.085	(1.071.085)
USD net effect	(816.393)	816.393	247.180	(247.180)
+/- 10% fluctuation of EUR rate:				
EUR net asset / liability	(373.525)	373.525	(373.525)	373.525
Secured portion from EUR risk (-)	229.008	(229.008)	(1.442.142)	1.442.142
EUR net effect	(144.517)	144.517	(1.815.667)	1.815.667
+/- 10% fluctuation of other currency rates:				
Other currencies net asset / liability	118.890	(118.890)	118.890	(118.890)
Secured portion from other currency risk (-)	288.566	(288.566)	879.222	(879.222)
Other currency net effect	407.456	(407.456)	998.112	(998.112)

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 32 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont'd)**b.4) Interest rate risk:**

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

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

	31 December 2024	31 December 2023
Financial instruments with fixed interest rates		
Bank deposits	268.330	131.815
Financial liabilities	43.747.527	27.458.794
Financial instruments with floating interest rates		
Financial liabilities	17.838.640	15.017.182

On 31 December 2024, if interest rates of all currency denominated financial assets and liabilities with variable interest rates has increased / decreased by 100 base point with all other variables held constant, income before taxes would have been TL 178.386 (2023: TL 166.167) lower / higher as a result of interest expenses.

NOTE 33 - FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES)**Categories of financial instruments and fair values**

Among Group's financial assets, cash and cash equivalents (note 5), trade receivables (notes 7 and 8) and other receivables (notes 9), are classified as amortized cost, as fair value through other comprehensive income, derivative instruments (note 31) as fair value through profit or loss.

Group's financial liabilities consist of financial liabilities (note 6), trade payables (note 7 and 8) and other payables (note 9) and are measured at amortized cost using the effective interest method, derivative instruments (note 31) are classified as fair value through profit or loss.

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 33 - 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 Group, using available market information and appropriate valuation methodologies. However, judgement is necessarily required interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group 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 Group 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)

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

Level 3: Valuation techniques does not contains observable market inputs

VESTEL ELEKTRONİK SANAYİ VE TİCARET ANONİM ŞİRKETİ**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIODS 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 33 - FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES) (Cont'd)

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	-	554.155	-	554.155
Financial investments	43.400	-	-	43.400
Financial liabilities				
Derivative financial liabilities	-	(216.008)	-	(216.008)
31 December 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Derivative financial instruments	-	270.141	-	270.141
Financial investments	60.062	-	-	60.062
Financial liabilities				
Derivative financial liabilities	-	(904.332)	-	(904.332)

An independent valuation of the Group's land, land improvements and buildings were performed by valuers to determine the fair value of the land and buildings as at 31 December 2024. The fair value of land, land improvements and buildings were determined using the inputs other than quoted prices (Level 2), (Note 2.6.i).

NOTE 34 - SUBSEQUENT EVENTS

It has been resolved that the entire 120.000 shares, each with a nominal value of 1 Euro, of Gruppo Industriale Vesit S.p.A., a company incorporated and registered in Milan under Italian law, and a subsidiary of Vestel Holland B.V., which is based in the Netherlands, shall be acquired for a total amount of 120.000 Euros, to be paid in full in cash. A share transfer agreement will be executed for this purpose, and the transfer of shares was completed on 9 January 2025.