

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

FOR THE PERIOD JANUARY 1 – DECEMBER 31, 2023  
CONSOLIDATED FINANCIAL STATEMENTS TOGETHER WITH INDEPENDENT  
AUDITOR'S REPORT

## INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Ulusoy Un Sanayi ve Ticaret A.Ş.

### A. Audit of the Consolidated Financial Statements

#### 1. Our Opinion

We have audited the accompanying consolidated financial statements of Ulusoy Un Sanayi ve Ticaret A.Ş. ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated statement of financial position as at December 31, 2023 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRSs").

#### 2. Basis for Opinion

Our audit was conducted following Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA") as adopted by the Capital Markets Board of Turkey ("CMB"). Our report further describes our responsibilities under those Standards in the "Independent Auditor's Responsibilities for the Independent Audit of the Consolidated Financial Statements" section. We declare that we are independent of the Group in accordance with the Code of Ethics for Independent Auditors issued by POA ("POA's Code of Ethics") and the ethical requirements regarding independent audit of consolidated financial statements in the Capital Markets Board legislation and other relevant legislation. We have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and other applicable laws and regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### 3. Key Audit Matters

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

Key Audit Matters	How our audit addressed the key audit matter
<p><b>IAS 29 "Hyperinflationary Economies Financial Reporting" Standard</b></p> <p>The Group presented its consolidated financial statements as at and for the year ended December 31, 2023 in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies".</p> <p>In accordance with IAS 29, the consolidated financial statements and financial information of prior periods have been restated to reflect the changes in the general purchasing power of the Turkish Lira and, consequently, are presented in terms of the purchasing power of the Turkish Lira at the reporting date.</p> <p>Implementing IAS 29 results in significant changes to the Group's consolidated financial statements as at and for the year ended December 31, 2023. Considering the detailed calculations and procedures involved in the implementation, we have identified the adoption of IAS 29 as a key audit matter.</p> <p>The Group's accounting policies and related explanations regarding the application of IAS 29 are disclosed in Note 2.1.</p>	<p>In our audit, we adopted the following audit procedures with respect to the implementation of IAS 29 "Financial Reporting in Hyperinflationary Economies":</p> <ul style="list-style-type: none"> <li>-Understanding and assessing the process for the implementation of IAS 29 and the Group management's design of controls,</li> <li>-Ensuring that the distinction between monetary and non-monetary items made by the Group management is in compliance with IAS 29,</li> <li>-Reviewing the calculations of non-monetary items by comparing them with the supporting documents and testing whether they have been correctly calculated,</li> <li>-Checking the general price index coefficients used in the calculations by comparing them with the coefficients obtained from the Consumer Price Index in Turkey published by TURKSTAT,</li> <li>-Testing the mathematical accuracy of non-monetary items, income statements and cash flow statements restated for the effects of inflation,</li> <li>-Evaluating the adequacy of the notes to the consolidated financial statements for implementing IAS 29.</li> </ul>

### 3. Key Audit Matters (Cont.)

Key Audit Matters	
Recognition of Revenue	How our audit addressed the key audit matter
<p>Revenue is the most significant measurement criterion for evaluating the results of the strategies implemented during the year and for monitoring performance.</p> <p>The Group's revenue is a key matter for our audit due to the high volume of transactions and the significant level of revenue for the consolidated statement of profit or loss for the period January 1-December 31, 2023. The Group's accounting policies and revenue amounts are disclosed in Note 2.6 and Note 24.</p>	<p>Our audit procedures consist of understanding internal controls relevant to the revenue recognition process, including controls performed by senior management, identifying and assessing the controls in place, detailed analytical reviews, and detailed testing.</p> <p>The risk of 'material misstatement' concerning the recognition of revenue in the consolidated financial statements is considered to be a material risk and the audit procedures we applied in addressing that risk included the following:</p> <ul style="list-style-type: none"> <li>-Sales of goods operations have been understood and automatic and manual controls within the processes have been identified and evaluated.</li> <li>-The evidence that revenue is recognized in the correct period by the periodicity principle has been tested for selected sample transactions.</li> <li>-The Group's processes for the verification of trade receivables have been understood and selected trade receivable balances have been confirmed with the related companies.</li> <li>-The evidence of the Group's transactions with its related parties has been tested for sample transactions.</li> </ul> <p>Based on our audit procedures, no material misstatement of the financial statements has been identified.</p> <p>In addition, it has been observed that the notes regarding revenue transactions are per TFRSs.</p>

#### **4. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

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

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

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

#### **5. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

As part of an audit per SIA, we use professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error, as fraud may involve collusion, forgery, intentional omission, misrepresentation or violation of internal control.
- Assess internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

## 5. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Cont.)

- Assess the appropriateness of accounting policies and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

## 5. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Cont.)

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

## B. Other Responsibilities Arising From Regulatory Requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from January 1 to December 31, 2023 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with paragraph 4 of Article 398 of the TCC, the Auditor's Report on the Early Detection of Risk System and Committee was submitted to the Company's Board of Directors on 18 May 2024.

Finansal Eksen Bağımsız Denetim ve Danışmanlık A.Ş.

*Exclusive Member of GGI Global Alliance AG*

Ufuk Doğruer  
Responsible Auditor

İstanbul, May 18, 2024

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**ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ****AS OF DECEMBER 31, 2023****CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (BALANCE SHEET)***(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

<b>Type of Financial Statement</b>	<b>Note</b>	<b>Current Period</b>	<b>Prior Period</b>
		<i>Audited</i>	<i>Audited</i>
<b>Period</b>		<b>Consolidated</b>	<b>Consolidated</b>
		<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Current Assets</b>		<b>13.117.857.690</b>	<b>12.182.724.073</b>
Cash and Cash Equivalents	5	1.785.750.484	2.504.061.911
Financial Investments	6	1.721.654.056	1.726.669.171
Trade Receivables		6.693.349.830	4.886.157.956
- Trade Receivables from Related Parties	8,31	2.941.585	167.359.715
- Trade Receivables from Third Parties	8	6.690.408.245	4.718.798.241
Other Receivables		67.072.265	95.052.588
- Other Receivables from Third Parties	9	67.072.265	95.052.588
Derivative Instruments	10	283.937.249	237.397.639
Inventories	11	2.050.369.077	2.116.516.673
Prepaid Expenses	12	417.651.937	419.202.178
Current Period Tax Assets	15	7.836.595	144.360.400
Other Current Assets	21	90.236.197	53.305.557
<b>Fixed Assets</b>		<b>7.409.571.292</b>	<b>5.735.702.832</b>
Financial Investments	6	195.402.607	-
Trade Receivables		10.197.097	16.802.054
- Trade Receivables from Third Parties	8	10.197.097	16.802.054
Other Receivables		825.339	1.382.459
- Other Receivables from Third Parties	9	825.339	1.382.459
Investments Accounted Through Equity Method	13	12.421.967	12.621.222
Investment Properties	14	1.595.002	1.595.002
Right of Use Assets	16	8.399.209	17.338.176
Tangible Fixed Assets	17	5.588.830.499	4.045.233.385
Intangible Assets		1.532.994.316	1.585.882.637
- Goodwill	3,23	310.470.229	310.041.260
- Other Intangible Assets	18	1.222.524.087	1.275.841.377
Prepaid Expenses	12	58.905.256	54.847.897
<b>TOTAL ASSETS</b>		<b>20.527.428.982</b>	<b>17.918.426.905</b>

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

**ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ****AS OF DECEMBER 31, 2023****CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (BALANCE SHEET)***(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

Type of Financial Statement Period	Note	Current Period	Prior Period
		Audited	Audited
		Consolidated	Consolidated
		December 31, 2023	December 31, 2022
<b>RESOURCES</b>			
<b>Short-term Liabilities</b>		<b>10.931.374.771</b>	<b>9.867.772.603</b>
Short-term Borrowings		2.950.592.946	2.670.368.024
- Bank Loans	7	2.950.592.946	2.670.368.024
Short-term Portion of Long-term Borrowings	7	979.284.205	1.272.985.901
Trade Payables		6.584.885.189	5.103.525.683
- Trade Payables to Related Parties	8,31	6.777.310	6.784.054
- Trade payables to Third Parties	8	6.578.107.879	5.096.741.629
Employee Benefit Payables	20	30.524.667	18.386.598
Other Payables		155.373.435	338.758.707
- Other Payables to Related Parties	9,31	151.540.896	338.298.702
- Other Payables to Third Parties	9	3.832.539	460.005
Derivative Instruments	10	-	108.016.351
Deferred Income	12	188.813.447	168.516.573
Short-term Provisions		6.212.018	28.561.329
- Short-term Provisions for Employee Benefits	20	4.367.995	4.997.455
- Other Short-term Provisions	19	1.844.023	23.563.874
Other Short-term Liabilities	21	35.688.864	158.653.437
<b>Long-term Liabilities</b>		<b>2.524.715.643</b>	<b>2.072.001.316</b>
Long-term borrowings	7	1.340.354.178	1.384.082.986
Trade Payables		170.460.921	-
- Trade Payables to Third Parties	8	170.460.921	-
Long-term Provisions		36.072.906	40.378.818
- Long-term Provisions for Employee Benefits	20	36.072.906	40.378.818
Deferred Tax Liability	29	977.827.638	647.539.512
<b>Total Equity</b>		<b>7.071.338.568</b>	<b>5.978.652.986</b>
Paid-in Capital		190.970.000	190.970.000
Capital Adjustment Differences		950.960.256	950.960.256
Repurchased Shares (-)		(258.427.315)	(167.425.594)
Share Premiums (Discounts)		725.411.038	114.309.003
Other Comprehensive Income (Expense) Not to be Reclassified to Profit or Loss		1.812.885.505	975.556.457
- Revaluation Increase / (Decrease) on Revaluation of Tangible Fixed Assets		1.835.731.107	987.783.157
- Gain on Remeasurement of Defined Benefit Plans		(22.510.229)	(12.048.540)
- Shares of Other Comprehensive Income of Investments Accounted Through Equity Method that will not be Reclassified to Profit or Loss		(335.373)	(178.160)
Other Comprehensive Income (Expense) to be Reclassified to Profit or Loss		515.030.339	238.724.692
- Currency Conversion Differences		515.030.339	238.724.692
Restricted Reserves		393.877.881	220.080.707
Retained Earnings		2.963.088.608	853.026.381
Net Profit or Loss for the Period		(649.172.070)	2.602.451.084
Shareholders' Equity Belonging to Equity Holders of the Parent Company		6.644.624.242	5.978.652.986
Non-controlling Interests		426.714.326	-
<b>TOTAL RESOURCES</b>		<b>20.527.428.982</b>	<b>17.918.426.905</b>

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

**ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**FOR THE PERIOD JANUARY 1-DECEMBER 31, 2023**  
**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS**

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

Type of Financial Statement	Note	Current Period	Prior Period
		Audited	Audited
Period		Consolidated	Consolidated
		January 1- December 31, 2023	January 1- December 31, 2022
Revenue	4,24	39.660.686.230	37.720.069.992
Cost of Sales	4,24	(37.412.443.888)	(34.575.568.048)
<b>GROSS PROFIT/LOSS</b>		<b>2.248.242.342</b>	<b>3.144.501.944</b>
General Administrative Expenses	25	(285.154.624)	(215.253.600)
Marketing Expenses	25	(1.035.808.341)	(788.035.801)
Research and Development Expenses	25	(840.067)	(307.644)
Other Operating Income	26	2.478.153.148	2.506.448.584
Other Operating Expenses	26	(1.329.064.934)	(1.520.996.204)
<b>OPERATING PROFIT/LOSS</b>		<b>2.075.527.524</b>	<b>3.126.357.279</b>
Income from Investing Activities	27	522.118.249	1.045.397.432
Expenses from Investing Activities	27	(68.099.465)	(5.779.110)
Impairment Gains (Losses) and Cancellation of Impairment Losses Determined as per TFRS 9	27	(5.217.006)	(6.101.005)
Share of Profit (Loss) of Investments Accounted Through Equity Method	13	3.140.484	4.190.478
<b>OPERATING PROFIT/LOSS BEFORE FINANCING EXPENSES</b>		<b>2.527.469.786</b>	<b>4.164.065.074</b>
Financing Income	28	1.949.216.608	1.641.397.468
Finance Expenses	28	(4.028.672.629)	(3.419.830.625)
Gain (Loss) on Net Monetary Position		(981.696.318)	545.128.731
<b>PROFIT/(LOSS) FROM CONTINUING OPERATIONS BEFORE TAX</b>		<b>(533.682.553)</b>	<b>2.930.760.648</b>
<b>Tax Expenses / Income from Continuing Operations</b>		<b>(135.096.242)</b>	<b>(328.309.564)</b>
Period Tax Expense / Income	29	(93.242.678)	(213.294.178)
Deferred Tax Expense / Income	29	(41.853.564)	(115.015.386)
<b>PERIOD PROFIT (LOSS)</b>		<b>(668.778.795)</b>	<b>2.602.451.084</b>
<b>Distribution of Profit (Loss) for the Period</b>		<b>(668.778.795)</b>	<b>2.602.451.084</b>
Non-controlling Interests		(19.606.725)	-
Parent Company Shares		(649.172.070)	2.602.451.084
<b>Earnings / (loss) per share</b>	30	<b>(3,619)</b>	<b>14,301</b>
Earnings per Share from Continuing Operations		(3,619)	14,301

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

**ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**FOR THE PERIOD JANUARY 1-DECEMBER 31, 2023**  
**CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME**

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

	Note	Current Period	Prior Period
		Audited	Audited
Type of Financial Statement		Consolidated	Consolidated
Period		January 1- December 31, 2023	January 1- December 31, 2022
<b>Period Profit</b>		<b>(668.778.795)</b>	<b>2.602.451.084</b>
<b>Not to be Reclassified to Profit or Loss</b>		<b>1.228.595.969</b>	<b>1.191.532.612</b>
Increase (decrease) in Revaluation of Tangible Fixed Assets		1.246.813.000	1.207.406.928
Gain (Loss) on Remeasurement of Defined Benefit Plans		(18.008.945)	(15.642.940)
Shares of Other Comprehensive Income of Investments Accounted Through Equity Method not to be Reclassified to Profit or Loss		(208.086)	(231.376)
<b>Taxes on Other Comprehensive Income not to be Reclassified to Profit or Loss</b>		<b>(248.569.090)</b>	<b>(215.976.155)</b>
Gain (Loss) on Remeasurement of Defined Benefit Plans, Tax Effect		4.515.168	3.594.400
Increase (decrease) in Revaluation of Tangible Fixed Assets, Tax Effect		(253.135.131)	(219.623.771)
Share of Other Comprehensive Income of Associates and Joint Ventures Accounted for Using the Equity Method not to be Reclassified to Profit or Loss, Tax Effect		50.873	53.216
<b>To be Reclassified to Profit or Loss</b>		<b>276.305.647</b>	<b>87.166.236</b>
Currency Conversion Differences		276.305.647	87.166.236
<b>Taxes on Other Comprehensive Income to be Reclassified to Profit or Loss</b>		<b>-</b>	<b>-</b>
Deferred Tax (Expense) Income		-	-
<b>OTHER COMPREHENSIVE INCOME (EXPENSE)</b>		<b>1.256.332.526</b>	<b>1.062.722.693</b>
<b>TOTAL COMPREHENSIVE INCOME/(EXPENSE)</b>		<b>587.553.731</b>	<b>3.665.173.777</b>
<b>Distribution of Total Comprehensive Income</b>		<b>587.553.731</b>	<b>3.665.173.777</b>
Non-controlling Interests		18.798.849	-
Parent Company Shares		568.754.882	3.665.173.777

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

**ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**FOR THE PERIOD JANUARY 1-DECEMBER 31, 2023**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

Note	Paid-in Capital	Capital Adjustment Differences	Repurchased Shares	Share Premiums/ Discounts	Other Comprehensive Income or Expense not to be Reclassified to Profit or Loss			Other Comprehensive Income or Expense to be Reclassified to Profit or Loss	Retained Earnings			Parent Company Shareholders' Equity	Non-controlling Interests	Equity	
					Increase (decrease) in Revaluation of Tangible Fixed Assets	Gain/(Loss) on Remeasurement of Defined Benefit Plans	Shares of Other Comprehensive Income of Investments Accounted Through Equity Method not to be Reclassified to Profit or Loss	Currency Conversion Differences	Restricted Reserves	Retained Earnings/Losses	Net Period Profit/Loss				
<b>As of 01.01.2022</b>	22	190.970.000	950.960.256	(85.151.732)	114.309.003	-	-	-	151.558.456	127.230.860	945.876.228	-	2.395.753.071	-	2.395.753.071
Transfers										10.575.985	(10.575.985)			-	
Total Comprehensive Income (Loss)						987.783.157	(12.048.540)	(178.160)	87.166.236			2.602.451.084	3.665.173.777	-	3.665.173.777
- Period Profit (Loss)												2.602.451.084	2.602.451.084	-	2.602.451.084
- Other Comprehensive Income (Expense)						987.783.157	(12.048.540)	(178.160)	87.166.236				1.062.722.693	-	1.062.722.693
Increase (Decrease) arising from Share Repurchase Transactions				(82.273.862)						82.273.862	(82.273.862)		(82.273.862)	-	(82.273.862)
<b>As of 31.12.2022</b>	22	190.970.000	950.960.256	(167.425.594)	114.309.003	987.783.157	(12.048.540)	(178.160)	238.724.692	220.080.707	853.026.381	2.602.451.084	5.978.652.986	-	5.978.652.986

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

**ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**FOR THE PERIOD JANUARY 1-DECEMBER 31, 2023**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

Note	Paid-in Capital	Capital Adjustment Differences	Repurchased Shares	Share Premiums / Discounts	Other Comprehensive Income or Expense not to be Reclassified to Profit or Loss			Other Comprehensive Income or Expense to be Reclassified to Profit or Loss	Retained Earnings			Equity			
					Increase (decrease) in Revaluation of Tangible Fixed Assets	Gain on Remeasurement of Defined Benefit Plans / (Losses)	Shares of Other Comprehensive Income of Investments Accounted Through Equity Method not to be Reclassified to Profit or Loss	Currency Conversion Differences	Restricted Reserves	Retained Earnings/Loss	Net Period Profit/Loss		Parent Company Shareholders' Equity	Non-controlling Interests	
<b>As of 01.01.2023</b>	<b>22</b>	<b>190.970.000</b>	<b>950.960.256</b>	<b>(167.425.594)</b>	<b>114.309.003</b>	<b>987.783.157</b>	<b>(12.048.540)</b>	<b>(178.160)</b>	<b>238.724.692</b>	<b>220.080.707</b>	<b>853.026.381</b>	<b>2.602.451.084</b>	<b>5.978.652.986</b>	<b>-</b>	<b>5.978.652.986</b>
Transfers		-	-	-	-	-	-	-	-	97.839.433	2.504.611.651	(2.602.451.084)	-	-	-
Total Comprehensive Income (Loss)		-	-	-	-	954.268.604	(12.490.086)	(157.213)	276.305.647	-	-	(649.172.070)	568.754.882	18.798.849	587.553.731
- Period Profit (Loss)		-	-	-	-	-	-	-	-	-	-	(649.172.070)	(649.172.070)	(19.606.725)	(668.778.795)
- Other Comprehensive Income (Expense)		-	-	-	-	954.268.604	(12.490.086)	(157.213)	276.305.647	-	-	-	1.217.926.952	38.405.574	1.256.332.526
Dividends		-	-	-	-	-	-	-	-	-	(299.011.414)	-	(299.011.414)	(28.678.976)	(327.690.390)
Increase (Decrease) Arising from Share Repurchase Transactions		-	-	(91.001.721)	-	-	-	-	-	91.001.721	(91.001.721)	-	(91.001.721)	-	(91.001.721)
Increase (Decrease) Due to Share-Based Transactions		-	-	-	748.831.859	-	-	-	-	-	-	-	748.831.859	173.091.350	921.923.209
Acquisition or Disposal of Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	1.900.753	1.900.753
Transactions with Non-controlling Shareholders		-	-	-	(137.729.824)	(106.320.654)	2.028.397	-	-	(15.043.980)	(4.536.289)	-	(261.602.350)	261.602.350	-
<b>As of 31.12.2023</b>	<b>22</b>	<b>190.970.000</b>	<b>950.960.256</b>	<b>(258.427.315)</b>	<b>725.411.038</b>	<b>1.835.731.107</b>	<b>(22.510.229)</b>	<b>(335.373)</b>	<b>515.030.339</b>	<b>393.877.881</b>	<b>2.963.088.608</b>	<b>(649.172.070)</b>	<b>6.644.624.242</b>	<b>426.714.326</b>	<b>7.071.338.568</b>

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

**ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**FOR THE PERIOD JANUARY 1 - DECEMBER 31, 2023**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

Type of Financial Statement	Note	Current Period	Prior Period
		Audited	Audited
Period		Consolidated	Consolidated
		January 1- December 31, 2023	January 1- December 31, 2022
<b>Cash Flow from Operating Activities</b>		<b>(671.317.885)</b>	<b>1.385.159.313</b>
Period Profit (Loss)		(668.778.795)	2.602.451.084
- Period Profit (Loss) from Continuing Operations	22	(668.778.795)	2.602.451.084
Adjustments in Reconciliation of Net Profit (Loss) for the Period		63.380.270	74.666.660
- Adjustments regarding Depreciation and Amortisation Expenses	16,17,18	344.658.797	233.223.711
- Adjustments for Provisions	19,20	148.034.986	4.416.351
- Adjustments regarding the Gain on Bargain Purchase	27	-	(942.140.879)
- Adjustments for Interest (Income) and Expenses	28	(90.433.281)	(105.360.757)
- Adjustments for Tax (Income) Expense	29	330.288.125	332.043.506
- Monetary Gain / Loss		(669.168.357)	552.484.728
Changes in Working Capital		(65.919.360)	(1.291.958.431)
- Decrease (Increase) in Financial Investments	6	(190.387.492)	-
- Adjustments for Decrease (Increase) in Trade Receivables	8,31	(1.538.420.952)	(3.459.523.628)
- Adjustments for Decrease (Increase) in Other Receivables Regarding Operations	9,31	(139.525.741)	264.213.135
- Adjustments for Decrease (Increase) in Inventories	11	66.441.370	445.929.487
- Adjustments for Increase (Decrease) in Trade Payables	8,31	1.881.764.411	1.009.629.774
- Adjustments for Increase (Decrease) in Other Payables Regarding Operations	9,31	(145.790.956)	447.792.801
<b>Cash Flows from Investing Activities</b>		<b>(1.322.138.266)</b>	<b>(942.478.901)</b>
Cash Outflows for the Acquisition of Shares or Debt Instruments of Other Entities or Funds	6	(92.120.100)	-
Cash Inflows from Sale of Tangible and Intangible Assets		250.024.188	61.121.928
- Cash Inflow from Sale of Tangible Fixed Assets	17	249.870.728	61.121.928
- Cash Inflows from Sale of Intangible Assets	18	153.460	-
Cash Outflows from Purchase of Tangible Fixed and Intangible Assets		(1.257.510.378)	(883.113.392)
- Cash Outflows from Purchase of Tangible Fixed Assets	17	(1.251.532.319)	(867.776.159)
- Cash Outflows from Purchase of Intangible Assets	18	(5.978.059)	(15.337.233)
Cash Advances and Payables Given		(155.466.555)	(353.902.355)
- Cash Advances and Payables to Related Parties	31	(155.466.555)	(353.902.355)
Cash Inflows/ Outflows from Derivative Instruments		(70.177.911)	231.875.817
Dividends Received	13	3.112.490	1.539.101
<b>Cash Flows from Financing Activities</b>		<b>998.839.077</b>	<b>623.830.978</b>
Cash Inflows from Borrowings		9.101.442.148	6.161.631.226
- Cash Inflows from Loans	7	9.101.442.148	6.161.631.226
Cash Outflows Regarding Debt Payments		(6.872.230.590)	(4.753.522.436)
- Cash Outflows from Loan Repayments	7	(6.872.230.590)	(4.753.522.436)
Cash Outflows Regarding Debt Payments Arising from Lease Agreements		(6.026.357)	(8.645.997)
Dividends Paid		(327.690.391)	-
Interest Paid	28	(1.310.083.059)	(924.663.030)
Interest Received	28	413.427.326	149.031.215
<b>Net increase (decrease) in Cash and Cash Equivalents before the Effect of Foreign Currency Conversion Differences</b>		<b>(994.617.074)</b>	<b>1.066.511.390</b>
Effect of Foreign Currency Conversion Differences on Cash and Cash Equivalents		276.305.647	87.166.236
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>		<b>(718.311.427)</b>	<b>1.153.677.626</b>
<b>Cash and Cash Equivalents at the Beginning of the Period</b>	5	<b>2.504.061.911</b>	<b>1.350.384.285</b>
<b>Cash and Cash Equivalents at the End of the Period</b>	5	<b>1.785.750.484</b>	<b>2.504.061.911</b>

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

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

### NOTE 1 – GROUP'S ORGANISATION AND NATURE OF OPERATIONS

Ulusoy Un Sanayi ve Ticaret Anonim Şirketi ('the Company') was founded in 1989 to produce, distribute, import, and export various food products made from cereals and pulses, including flour, semolina, pasta, and biscuits.

The company's main office is located at 42 İç Kapı No:1 Alaçam Street, Denizevler Mahallesi, Atakum/Samsun. The following provides details of the company's branches:

Branch Name	Address
İstanbul Branch	Levent Mahallesi Şener Sokak No:5 Beşiktaş / İstanbul
Kirazlık Branch	Şabanoğlu Mahallesi Atatürk Bulvarı No:272 Tekkeköy / Samsun
Çorlu Branch	Hıdırağa İstasyon No:20/A Çorlu / Tekirdağ
Ellinci Yıl Branch	Çiftlik OSB Mahallesi 3. Cadde No:12 Tekkeköy / Samsun
Samsun Serbest Bölge Branch	Liman SB Mahallesi 1. Cadde Sasbaş Ofisler Apt. No:36/17 İlkadım / Samsun

As of December 31, 2023, the Company's authorized share capital ceiling is TL 2.500.000.000. The authorization granted by the Capital Markets Board of Turkey ("CMB") is valid until the end of 2027 (December 31, 2022: TL 422.500.000).

As of December 31, 2023, the Company's issued capital is TL 190.970.000. (One hundred ninety million nine hundred and seventy thousand Turkish Liras) This capital is divided into a total of 190,970,000 shares, as 22,035,000 Group A shares, 14,690,000 Group B shares, and 154,245,000 Group C shares, each with a nominal value of TL 1. Group A and Group B shares are registered shares. Group C shares traded on Borsa İstanbul are bearer shares, whereas other Group C shares are also registered shares. Group A shares hold privileges in electing the Board of Directors, while both Group A and B shares hold privileges in voting at the General Assembly. Excluding independent members, if the Board of Directors is formed of five members, at least two members are to be elected; if the Board of Directors is formed of six or seven members, at least three members are required; if the Board of Directors is formed of eight or nine members, at least four members are required; and if the Board of Directors is formed of ten or eleven members, at least five members are required to be elected from among the candidates nominated by the majority of Group (A) shareholders. Group A shareholders or their proxies have 15 voting rights per share at both Ordinary and Extraordinary General Assembly meetings, while Group B shareholders or their proxies have 10 voting rights per share, and Group C shareholders or their proxies have 1 voting right per share.

As of December 31, 2023, the number of employees of the Group is 961 (December 31, 2022: 791).



**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 1 – GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Cont.)**

As of December 31, 2023, the Company's distribution of share capital is as stated below:

<b>Shareholders</b>	<b>No. of Shares</b>	<b>Group</b>	<b>Ratio (%)</b>	<b>Value</b>
Nevin Ulusoy	9.548.501	A	5,00	9.548.501
	2.938.000	B	1,54	2.938.000
	19.089.237	C	10,00	19.089.237
	<b>31.575.738</b>		<b>16,54</b>	<b>31.575.738</b>
Onur Erhan Ulusoy	1.469.000	A	0,77	1.469.000
	3.407.000	B	1,78	3.407.000
	8.524.000	C	4,46	8.524.000
	<b>13.400.000</b>		<b>7,01</b>	<b>13.400.000</b>
Eren Günhan Ulusoy	11.017.499	A	5,77	11.017.499
	8.345.000	B	4,37	8.345.000
	52.380.358	C	27,43	52.380.358
	<b>71.742.857</b>		<b>37,57</b>	<b>71.742.857</b>
Mithat Denizcigil	215.518	C	0,11	215.518
	<b>215.518</b>		<b>0,11</b>	<b>215.518</b>
Kâmil Âdem	60.887	C	0,03	60.887
	<b>60.887</b>		<b>0,03</b>	<b>60.887</b>
Publicly Traded	<b>73.975.000</b>	C	<b>38,74</b>	<b>73.975.000</b>
<b>Total</b>	<b>190.970.000</b>		<b>100,00</b>	<b>190.970.000</b>

As of December 31, 2022, the Company's distribution of share capital is as stated below:

<b>Shareholders</b>	<b>No. of Shares</b>	<b>Group</b>	<b>Ratio (%)</b>	<b>Value</b>
Nevin Ulusoy	9.548.501	A	5,00	9.548.501
	2.938.000	B	1,54	2.938.000
	23.589.237	C	12,35	23.589.237
	<b>36.075.738</b>		<b>18,89</b>	<b>36.075.738</b>
Onur Erhan Ulusoy	1.469.000	A	0,77	1.469.000
	3.407.000	B	1,78	3.407.000
	13.024.000	C	6,82	13.024.000
	<b>17.900.000</b>		<b>9,37</b>	<b>17.900.000</b>
Eren Günhan Ulusoy	11.017.499	A	5,77	11.017.499
	8.345.000	B	4,37	8.345.000
	52.380.358	C	27,43	52.380.358
	<b>71.742.857</b>		<b>37,57</b>	<b>71.742.857</b>
Mithat Denizcigil	215.518	C	0,11	215.518
	<b>215.518</b>		<b>0,11</b>	<b>215.518</b>
Kâmil Âdem	60.887	C	0,03	60.887
	<b>60.887</b>		<b>0,03</b>	<b>60.887</b>
Publicly Traded	<b>64.975.000</b>	C	<b>34,02</b>	<b>64.975.000</b>
<b>Total</b>	<b>190.970.000</b>		<b>100,00</b>	<b>190.970.000</b>

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

### NOTE 1 – GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Cont.)

#### **Subsidiaries**

As of December 31, 2022, and December 31, 2023, the Company's subsidiaries are within the scope of consolidation, with their respective direct shareholding percentages detailed below:

Subsidiaries	Shareholding Ratios (%)	
	December 31, 2023	December 31, 2022
Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	100	100
Rolweg SA	100	100
Alfaway Gıda Sanayi ve Ticaret A.Ş.	100	100
Söke Değirmencilik Sanayi ve Ticaret A.Ş.	79,95	100
Ulusoy Varlık ve Endüstriyel Gayrimenkul Yatırımları Ticaret A.Ş. (*)	100	-
Ulusoy Taşınmaz Geliştirme ve Ticaret A.Ş. (*)	100	-
Gen Oyuncak Sanayi ve Ticaret A.Ş. (**)	60	-

(\*) At the Board of Directors meeting held on 19 October 2023, it was decided that a portion of the Company's assets and liabilities would be transferred to two newly established companies, namely "Ulusoy Taşınmaz Geliştirme ve Ticaret Anonim Şirketi" and "Ulusoy Varlık ve Endüstriyel Gayrimenkul Yatırımları Ticaret A.Ş." The Company will participate in these companies with 100% of the shares and will be the sole shareholder. "It is proposed that the spin-off be carried out in a facilitated manner with the participation model, in accordance with Articles 14 and 17 of Communiqué II-23.2 of the Capital Markets Board. An application was made to the Capital Markets Board on 20 October 2023. We are pleased to announce that the application was approved by the CMB on 22 November 2023, and that the company's incorporation was registered at the Samsun Trade Registry Office on 25 December 2023.

(\*\*) Söke Değirmencilik Sanayi ve Ticaret A.Ş. has taken the decision, as approved by the Board of Directors on 29 March 2023, to acquire 60% of the shares of Gen Oyuncak Sanayi ve Ticaret A.Ş. The purchase price for the shares in Gen Oyuncak was TL 2,862,586, which represents 60% of the total nominal value of TL 2,714,000. All of the shares are registered. The Share Transfer Agreement was signed between the parties on 29 March 2023.

#### **Disclosure Regarding the Nature of Operations of Subsidiaries**

##### **Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.**

Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş. ("Uludaş") was founded on February 27, 2015, to engage in licensed warehousing activities for preserving agricultural products in healthy conditions and storing them for commercial purposes within the scope of the license. The head office address of Uludaş is Şabanoğlu Mahallesi Atatürk Bulvarı No:180-1 Tekkeköy / Samsun. Its capital, which was TL 27,000,000 as of December 31, 2022, was increased to TL 300,000,000 with the General Assembly Resolution registered on 11 July 2023.

##### **Rolweg SA**

Rolweg SA was established on March 15, 2018, with a capital of CHF 1,000,000 for trading grain. All the capital of Rolweg is owned by Ulusoy Un Sanayi ve Ticaret A.Ş. The corporate address of Rolweg SA is Rue du Nant6, 1207 Geneva Switzerland. Rolweg SA's share capital, which was CHF 7,500,000 as of December 31, 2021, was added CHF 2,500,000 and increased to CHF 10,000,000 with the decision of the Board of Directors dated August 15, 2022. With the resolution of the Board of Directors dated August 11, 2023, its share capital was increased by adding CHF 10,000,000 to CHF 20,000,000.

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

### **NOTE 1 – GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Cont.)**

#### **Disclosure Regarding the Nature of Operations of Subsidiaries (Cont.)**

##### ***Alfaway Gıda Sanayi ve Ticaret A.Ş.***

Alfaway Gıda Sanayi ve Ticaret A.Ş., ("Alfaway") was founded on September 24, 2019 to produce, purchase, sell, and distribute, as well as import and export various types of food items, on a wholesale and retail basis. Alfaway's registered address is Kılıçdede Mahallesi Ülkem Sokak Niş Borkonut İş Merkezi No:8 A-Block Kat:6 Daire:56-57 İlkadım/Samsun.

The capital of TL 5.000.000 as of December 31, 2022 was increased to TL 40.000.000 by the resolution of the General Assembly registered on April 25, 2023.

##### ***Söke Değirmencilik Sanayi ve Ticaret A.Ş.***

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

The shares of Söke Değirmencilik, which were offered to the public trade with a unit price of TL 7.50 on January 4, 5, and 6, 2023, started trading on the Stars Market on January 12, 2023. The registered Board of Directors Decision at the Söke Trade Registry Office on February 8, 2023, increased Söke Değirmencilik's issued capital from TL 309,000,000 to TL 386,500,000. Additionally, 77,500,000 Group B registered shares with a nominal amount of TL 77,500,000 were made publicly available.

##### ***Gen Oyuncak Sanayi ve Ticaret A.Ş.***

Gen Oyuncak, Gen Proje Yönetimi Mimarlık İnşaat Oyuncak San. ve Tic. Ltd. Şti. was founded on November 1, 2019 to manufacture, purchase, sell, import, and export a variety of toys, including play dough, bouncing dough, modeling dough, painting supplies, pencils, erasers, and office products. The name of the company Gen Oyuncak has been changed to Gen Oyuncak Sanayi ve Ticaret Anonim Şirketi, following the General Assembly Decision on March 7, 2023, and registration on March 14, 2023.

Gen Oyuncak's head office address is Ferhatpaşa Mah. 37. Sk. No:11-13a Ataşehir / İstanbul and there is a branch at Kozyatağı Mah. Filiz Soydemir Sk. No:4/a Kadıköy / İstanbul.

As of December 31, 2023, the share capital is TL 2.714.000. (December 31, 2022: TL 20.000)

##### ***Ulusoy Varlık ve Endüstriyel Gayrimenkul Yatırımları Ticaret A.Ş.***

Ulusoy Varlık ve Endüstriyel Gayrimenkul Yatırımları Ticaret A.Ş. was established on 25 December 2023 through a partial spin-off of the Company with the main operation of buying and selling its own real estate and registered in Samsun Trade Registry Office. The head office address is Denizevleri Mah. Alaçam Cad. Ulusoy Un San. ve Tic. A.Ş. No:42 İç Kapı No: 1 Atakum/Samsun and its share capital is TL 66.420.617 as of December 31, 2023.

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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### **NOTE 1 – GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Cont.)**

#### **Disclosure Regarding the Nature of Operations of Subsidiaries (Cont.)**

##### ***Ulusoy Taşınmaz Geliştirme ve Ticaret A.Ş.***

Ulusoy Taşınmaz Geliştirme ve Ticaret A.Ş. was established on 25 December 2023 through a partial spin-off of the Company with the main activity of buying and selling its own real estate and registered in Samsun Trade Registry Office. The head office address is Denizevleri Mah. Alaçam Cad. Ulusoy Un San. ve Tic. A.Ş. No:42 İç Kapı No: 1 Atakum/Samsun and its share capital is TL 30.404.350 as of December 31, 2023.

### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS**

#### **2.1 Basis of Presentation**

The consolidated financial statements of the Group have been prepared in accordance with the communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting in Capital Markets" ("the Communiqué") announced by the Capital Markets Board ("CMB") on 13 June 2013, which is published on Official Gazette numbered 28676. They are based on Turkish Financial Reporting Standards ("TFRS") and related appendices and interpretations in accordance with international standards issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). TFRS are updated through communiqués in order to ensure alignment with the latest developments in International Financial Reporting Standards ("IFRS").

The consolidated financial statements are presented in accordance with the formats specified in the "Announcement on TFRS Taxonomy" published by POA on 4 October 2022 and the Financial Statement Examples and User Guide published by CMB.

#### **Restatement of Financial Statements in Hyperinflationary Periods**

In light of the announcement made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying TFRSs have begun to apply inflation accounting by IAS 29 Financial Reporting in Hyperinflationary Economies to their financial statements for the annual reporting period ending on or after 31 December 2023. IAS 29 is applied to the financial statements, including the consolidated financial statements, of entities whose functional currency is the currency of a hyperinflationary economy.

In accordance with the standard, financial statements prepared in the currency of a hyperinflationary economy are stated in terms of the purchasing power of that currency at the balance sheet date. For the purpose of comparison, comparative information in the prior period financial statements is expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Group has presented the consolidated financial statements as of December 31, 2022 on the basis of the purchasing power of December 31, 2023.

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

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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

#### 2.1 Basis of Presentation (Cont.)

##### Restatement of Financial Statements in Hyperinflationary Periods (Cont.)

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

Date	Index	Correction Coefficient	Three-Year Cumulative Inflation Rate
December 31, 2023	1.859,38	1,00000	268%
December 31, 2022	1.128,45	1,64773	156%
December 31, 2021	686,95	2,70672	74%

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

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

##### Functional and reporting currency

The consolidated financial statements of the Group are presented in TL, which is the functional and presentation currency. The assets and liabilities of the subsidiary operating in foreign countries, which are included in the consolidated financial statements prepared in USD (US Dollars), are translated into TL at the exchange rate at the balance sheet date and income and expenses are translated into TL at the average exchange rate. Exchange differences arising from the use of closing and average exchange rates are recognised under the currency conversion differences in equity.

##### Netting/Offsetting

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

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **2.1 Basis of Presentation (Cont.)**

##### **Approval of the Consolidated Financial Statements**

The consolidated financial statements as of December 31, 2023 have been approved by the Company Management on 18 May 2024. The General Assembly is authorized to amend the consolidated financial statements after issuance.

##### **Basis of Consolidation**

###### **a) Subsidiaries**

The consolidated financial statements include the financial statements of the Company and its subsidiary. The control is provided if the Company meets the following conditions:

- Possess power over the investee company/asset,
- Being open for, or having the right to, variable returns from the investee company/asset,
- Ability to use its authority to have an impact on returns.

In cases where the Company does not have majority voting rights over the investee company/asset, it has control power over the investee company/asset if it has sufficient voting rights to direct/manage the activities of the related investment alone.

The Company considers all relevant facts and circumstances in determining whether a majority of the voting power of the relevant investment is sufficient to confer control, including the following factors:

- Comparing the voting right of the company with the voting rights of other shareholders,
- Potential voting rights owned by the company and other shareholders;
- Rights arising from other contracts;
- Other events and conditions that may show whether the Company currently has interest in managing the relevant activities (including voting at the general assembly meetings in prior periods) when a decision is required.

When a situation or event occurs that may cause a change in at least one of the criteria listed above, the Company reassesses the control over its investment.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ends when the Company loses control. Any income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of acquisition to the date of disposal.

The statements of financial position and statements of profit or loss and other comprehensive income of the Subsidiaries are consolidated on a line-by-line basis.

Each element of consolidated profit or loss and other comprehensive income belongs to owners of the parent and non-controlling interests. Total consolidated profit or loss and other comprehensive income of subsidiaries are attributed to the owners of the parent and non-controlling interests, regardless of a reverse balance.

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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

#### 2.1 Basis of Presentation (Cont.)

##### Basis of Consolidation (Cont.)

Where necessary, adjustments are made to the financial statements of subsidiaries to conform to the Group's accounting policies.

All intragroup assets and liabilities, equity, income and expenses and cash flows relating to transactions between Group companies are eliminated on consolidation.

The direct ownership interests of the subsidiaries controlled by the Company as of December 31, 2023 and December 31, 2022 are as follows:

Subsidiaries	Shareholding Ratios (%)	
	December 31,	December 31,
	2023	2022
Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	100	100
Rolweg SA	100	100
Alfaway Gıda Sanayi ve Ticaret A.Ş.	100	100
Söke Değirmencilik Sanayi ve Ticaret A.Ş.	79,95	100
Ulusoy Varlık ve Endüstriyel Gayrimenkul Yatırımları Ticaret A.Ş.	100	-
Ulusoy Taşınmaz Geliştirme ve Ticaret A.Ş.	100	-
Gen Oyuncak Sanayi ve Ticaret A.Ş.	60	-

##### b) Affiliates

Affiliates are accounted for using the equity method of accounting. These are entities over which the Group generally has between 20% and 50% of the voting rights or over which the Group has significant influence, but not control, over the operations.

Unrealized gains and losses arising from transactions between the Group and its Affiliate are eliminated to the extent of the Group's interest in the Affiliate. The equity method is discontinued when the carrying amount of the investment in an Affiliate reaches zero or when the Group ceases to have significant influence over the Affiliate, unless the Group has incurred obligations or made commitments in respect of the Affiliate. The carrying amount of the investment at the date significant influence ceases is subsequently measured at fair value when the fair value can be measured reliably.

As of December 31, 2023 and December 31, 2022, interests in affiliates are as follows:

Affiliates	Shareholding Ratios (%)	
	December 31,	December 31,
	2023	2022
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş. ("Sasbaş")	17	17

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **2.2 New and Revised Standards and Commentaries**

##### **a) New standards, amendments, and commentaries to existing standards in force as of December 31, 2023**

###### **Narrow-scope amendments to TAS 1, Implementation Statement 2, and TAS 8**

Valid for annual periods beginning on or after January 1, 2023. These amendments are intended to improve accounting policy disclosures and help users of financial statements to distinguish between changes in accounting estimates and differences in accounting policies.

###### **Amendment to TAS 12, Deferred tax on assets and liabilities arising from a single transaction**

Applicable for annual periods beginning on or after January 1 2023. These amendments require companies to recognize deferred tax on transactions that, when first identified in the financial statements, give rise to taxable and deductible temporary differences in equal amounts.

###### **Amendment to TAS 12, International tax reform**

The temporary exemption is effective for the year-end December 2023, and the disclosure requirements are effective for accounting periods beginning after January 1, 2023, with early adoption permitted. These amendments clarify that TAS 12 applies to income arising from tax laws that have been enacted or are substantively enacted to apply the Second Pillar Model Rules issued by the Organisation for Economic Co-operation and Development (OECD).

These amendments also introduce certain disclosure requirements for entities affected by such tax laws. The exemption for not recognizing and disclosing information about deferred taxes and the disclosure requirement for when the exemption is applied are effective upon the amendment being issued. However, certain disclosure requirements are not mandatory for interim periods ending before December 31, 2023.

###### **TFRS 17 - Insurance Contracts**

The standard is effective for annual periods beginning on or after 1 January 2023. This standard replaces TFRS 4, which currently has a broad scope of application. TFRS 17 will fundamentally change the accounting for all entities that issue insurance contracts and investment contracts with discretionary participation features.

However, the letter dated 6 April 2023 from the Public Oversight Authority (POA) to the Association of Insurance, Reinsurance and Pension Companies of Turkey reported that it had concluded that it would be appropriate to apply TFRS 17 in the consolidated and separate financial statements of insurance, reinsurance and pension companies, banks that have partnerships/investments in these companies and other companies that have partnerships/investments in these companies from 1 January 2024.

##### **b) Standards and amendments issued but not yet in force as at December 31, 2023**

###### **Amendments to TFRS 16 - Leases on sale and leaseback;**

Effective for annual periods starting on or after January 1, 2024. These revisions add provisions in TFRS 16 for sale and leaseback transactions to clarify how a company accounts for a sale and leaseback after the transaction date. Most likely to be impacted are sale and leaseback deals in which some or all of the lease payments are variable lease payments that do not depend on an index or rate.



## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **2.2 New and Revised Standards and Commentaries (Cont.)**

##### **b) Standards and amendments issued but not yet in force as at December 31, 2023 (Cont.)**

###### **Amendment to TAS 1, Fixed liabilities with contractual terms**

Effective for annual periods beginning on or after 1 January 2024. These amendments clarify how conditions that an entity must comply with within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve the information that an entity provides about liabilities subject to these conditions.

###### **Amendments to TAS 7 and TFRS 7 on supplier financing arrangement**

Applicable for fiscal years starting on or after January 1, 2024, these changes necessitate disclosures to boost the clarity of supplier financing arrangements and their effect on a company's debt, cash flow, and exposure to liquidity risk. The disclosure requirements are IMSK's response to investor concerns that certain supplier financing agreements of some companies lack clarity and impede investor analysis.

###### **TAS 21 Lack of Interchangeability**

Effective for annual periods starting on or after January 1, 2025, an entity will be impacted if it engages in a transaction or activity involving a foreign currency that cannot be converted to another currency on a specific measurement date for a particular purpose. A currency can be exchanged when there is an availability to obtain another currency (with a regular administrative delay). The exchange must occur through a market or clearing mechanism that generates enforceable rights and obligations

###### **TSRS 1, "General Requirements for the Disclosure of Sustainability-related Financial Information"**

Effective for annual reporting periods starting on or after January 1, 2024, pending standard approval by local laws or regulations. This standard provides a fundamental framework for disclosing substantial information concerning all sustainable risks and opportunities that a company may encounter.

###### **TSRS 2, "Climate Disclosures"**

Effective for annual reporting periods starting on or after. This is subject to approval by local laws or regulations. This is the first standard to establish disclosure requirements for entities about climate-related risks and opportunities. However, in the Board Decision of the POA published in the Official Gazette dated 29 December 2023, it was announced that certain entities would be subject to mandatory sustainability reporting as of January 1, 2024. 5 January 2024, dated "Board Decision on the Scope of Implementation of Turkish Sustainability Reporting Standards (TSRS)" to determine the entities that will be subject to sustainability reporting.

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **2.3 Changes in Accounting Policies**

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

#### **2.4 Changes in Accounting Estimates and Errors**

The effect of a change in an accounting estimate is recognized in the financial statements in the current period in which the change is made if it relates to one period only and prospectively in both the current and future periods if it relates to future periods.

Corrected amounts are recognized retrospectively. An error is corrected by restating the comparative amounts for the prior periods in which it occurred or, if it occurred before the next reporting period, by restating the retained earnings account for that period. If the restatement of the information would result in an excessive expense, the comparative information for prior periods is not restated, but the retained earnings account for the subsequent period is restated for the cumulative effect of the error as at the beginning of that period.

#### **2.5 Comparative Information and Restatement of Prior Period Consolidated Financial Statements**

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

On January 11, 2022, the Company purchased 87,633,475 shares, equal to 100% of the outstanding shares of Söke Değirmencilik Sanayi ve Ticaret A.Ş., for a total consideration of TL 168,900,000 in cash and EUR 650,000 payable on January 11, 2023. In 2023, the Group's management discovered that the consolidated financial statements for the acquisition transaction under the TFRS 3 "Business Combinations" standard failed to recognize the fair values of intangible assets, specifically the "Söke Un" brand value and customer relationships. A valuation report, drafted by PWC Yönetim Danışmanlığı A.Ş. on May 3, 2023, was prepared with respect to the determination of the fair value of the "Söke Un" brand and customer relationships as of the merger date. In accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, we have retrospectively corrected errors in our consolidated financial statements regarding the values of our brand and customer relationships based on the valuation report. The following report outlines the effects of this correction on our consolidated financial statements, including the deferred tax effect.

In accordance with the provisions of TFRS 15 Revenue from Contracts with Customers, the Group has not classified and adjusted for the effect of the financing component of revenue as the period between the date when the goods or services promised to the customer at the beginning of the contract are transferred to the customer and the date when the customer pays for those goods or services is less than one year and has restated the income statement and other comprehensive income for the period 2022 accordingly.

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **Summary of Significant Accounting Policies**

##### **Revenue**

Revenue is recognized when goods are delivered, and the amount can be reliably determined. The Group expects to receive economic benefits equal to the fair value of consideration given or received in the transaction. Net sales represent the revenue from goods sold, subtracting returns, discounts, commissions, and sales-related taxes. The Group recognizes revenue based on the following main conditions:

- (a) Identifying customer contracts,
- (b) Determining performance obligations,
- (c) Establishing the transaction price in the agreement,
- (d) Allocating the cost of performance obligations,
- (e) Recognizing revenue upon fulfillment of performance obligations.

The Group recognizes revenue from its customers only under the following conditions:

- a) If the parties to the contract have approved the contract (in writing, verbally, or through customary business practices) and have committed to fulfilling their respective obligations as stated in the contract,
- b) If the Group can identify the rights and obligations of both parties regarding the provided product or service,
- c) If the Group can establish payment terms for the provided products and services,
- d) If the contract is of a commercial nature,
- e) If the Group is likely to collect payments for the goods and services it provides to its customers,
- f) When assessing the collectability of the mentioned fees, the company should consider only the customer's ability and willingness to pay as of the due date.

##### **Investment Properties**

Real estate, whether comprising land, buildings, or both, held by an owner or lessee under a finance lease for the primary purpose of generating rental income, capital appreciation, or a combination of both, rather than for utilization in the production or provision of goods or services, administrative functions, or regular business sales, is categorized as investment property.

Investment property is recognized as an asset when it is probable that there will be future economic benefits associated with the property, and the cost of the investment property can be reliably measured. Investment properties are recorded in the consolidated financial statements at their fair value. Any gains or losses resulting from valuation adjustments are recognized in the consolidated statement of profit or loss in the period they occur. If an impairment review reveals that an investment property's carrying amount exceeds its recoverable amount, the carrying amount is reduced to its recoverable amount. Impairment reviews are conducted for investment properties on a regular basis.

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

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

#### 2.6 Summary of Significant Accounting Policies (Cont.)

##### Tangible Fixed Assets

The tangible fixed assets held by the Group are carried at their initial cost, with a deduction for accumulated depreciation and impairment losses, which includes any expenses related to preparing the assets for their intended purpose. Land, land improvements, buildings, machinery and equipment, and vehicles are recognized in the consolidated financial statements based on the revaluation model, and the value difference arising from the revaluation of tangible fixed assets is reported under the revaluation reserve in equity and in the statement of comprehensive income of the related period. When disposing of tangible fixed assets, their cost and accumulated depreciation will be deducted from the related accounts, and the resulting gain or loss will be recorded in the income statement. Assets, excluding lands, are subject to depreciation based on the determined rates according to the useful life of the asset.

Costs for replacing or repairing tangible fixed assets may be capitalized if they enhance the asset's future economic benefits. Maintenance expenses fall under this category as well. All other expenses are expensed in the income statement as incurred. If events or changes in circumstances suggest that an impairment loss on an item of tangible assets may have occurred, the carrying amount of the asset is reviewed for possible impairment and, if the carrying amount of the asset exceeds its recoverable amount, the carrying amount is written down to its recoverable amount.

If an item of tangible fixed asset undergoes revaluation and its carrying amount increases, the increase will be directly recognized in equity as a "revaluation reserve" in the consolidated financial statements. Any revaluation increase that reverses a previously expensed revaluation decrease of the same asset is recognized as income to that extent. If an asset's carrying amount decreases due to revaluation, the decrease appears as an expense in the consolidated financial statements. Nonetheless, if a revaluation fund were set up beforehand for said asset, such a decrease would primarily be deducted from the account. Any excess beyond the revaluation fund is shown in the income statement.

The estimated useful lives of tangible fixed assets are as follows:

<b>Type of Tangible Fixed Asset</b>	<b>Estimated Number of Useful Lives</b>
Land Improvements	25-50 Years
Buildings	25-50 Years
Plant, Machinery and Equipment	4-50 Years
Vehicles	2-15 Years
Fixtures	3-50 Years

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

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **2.6 Summary of Significant Accounting Policies (Cont.)**

##### **Intangible Assets Excluding Goodwill**

###### Computer software and rights

Computer software and rights are recognized at their acquisition cost and amortized on a straight-line basis over their estimated useful lives. They are then carried at cost less accumulated amortization. The estimated useful lives of these assets range between 3 and 15 years.

###### Brands

Separately purchased brands are recorded at their original cost, while brands obtained as part of a business combination are recorded at fair value as of the acquisition date.

As there is no foreseeable limit to the period during which the brands are expected to generate net cash inflows to the Group, the Group has assessed the brands as having an indefinite useful life. Trademarks undergo annual impairment testing or more frequent testing if events or changes in circumstances indicate that the carrying amount may not be recoverable. If impairment exists, the carrying amount of the trademarks is adjusted to its recoverable amount.

###### Customer Relations

Customer relationships obtained through a business combination are acknowledged in the consolidated financial statements at the fair value on the date of acquisition. Customer relationships have limited useful lives and are carried at a cost less the amortization charges. Amortization of customer relationships is computed straight-line over their 15-year estimated useful lives.

##### **Impairment of assets**

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

Objective evidence of impairment of financial assets includes the following:

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

A significant or long-term drop in the fair value of an investment in equity securities below cost is also concrete proof of impairment.

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **2.6 Summary of Significant Accounting Policies (Cont.)**

##### **Borrowing Costs**

In the case of qualifying assets that require a substantial period of time to get ready for their intended use or sale, borrowing costs that are directly attributable to the acquisition, construction, or production of the asset are capitalized as an element of cost until the asset is ready for its intended use or sale. Borrowing costs that are not in this context are expensed in the period in which they are incurred. The Group records all financial expenses in the statement of profit or loss in the period in which they are incurred.

##### **Inventories**

Inventories are valued at the lower of their cost or net realizable value, including all costs of purchase and other expenses incurred in bringing the inventories to their current location and condition. Net realizable value refers to the estimated selling price in the ordinary course of business, less the anticipated costs of completion and estimated expenses necessary to facilitate a sale. The weighted average cost method is utilized to determine the inventory value.

##### **Financial Assets**

###### Cash and Cash Equivalents

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

###### Trade Receivables

Trade receivable from the sale of goods to customers are recorded at the original invoice amount and then evaluated at amortized cost using the effective interest rate method. Short-term receivables without a stated interest rate are recorded at the original invoice amount, except when imputing interest has a substantial effect. When there is an indication that the amounts owed will not be collected, the consolidated profit and loss account recognizes an allowance for estimated uncollectible amounts of trade receivable. The Group applies the expected credit loss model to assess its trade receivables for impairment.

If any or all of the impaired receivable amount is collected following the provision for impairment, the collected amount shall be deducted from the provision and recorded in "Other Operating Income" in the profit and loss statement. Credit finance income or expenses and foreign exchange gains or losses on trade transactions are also recognized in "Other Operating Income and Expenses."

The company engages in factoring to collect some of its receivables. The factoring company assumes the collection risk for certain receivables, for which the related amounts are deducted from the receivable accounts.

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **2.6 Summary of Significant Accounting Policies (Cont.)**

##### **Financial Assets (Cont.)**

###### Derivative Instruments

Derivative instruments are initially recognized at acquisition cost, which reflects the fair value at the contract date and are subsequently remeasured at fair value. Although these derivative instruments provide effective economic hedges of the Group's risks if they do not meet the conditions required for risk accounting, they are recognized as derivatives held for trading in the financial statements, and changes in fair value are recognized in the income statement.

###### Financial Investments

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

Assets with a business model of collecting contractual cash flows and/or making sales are categorized as fair-value assets through profit or loss. These assets are considered

fixed if management doesn't intend to dispose of them within 12 months from the balance sheet date.

Group evaluates any financial asset or liability, excluding trade receivables, at its fair value during the initial recognition stage. Any transaction costs directly associated with obtaining or issuing financial assets and liabilities, other than those at fair value through profit or loss, are either added to or subtracted from the fair value during the initial measurement.

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

###### *-Fair value gains or losses recognized on financial assets*

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

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **2.6 Summary of Significant Accounting Policies (Cont.)**

##### **Financial Assets (Cont.)**

###### *Financial Investments (Cont.)*

*-Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income comprise "financial investments" in the statement of financial position. The Group assesses the fair value of these assets. Any gains or losses on financial assets, excluding impairment losses and foreign exchange gains or losses, are acknowledged in other comprehensive income. When assets that are held at fair value through other comprehensive income are sold, the valuation difference that was reclassified to other comprehensive income is then moved to retained earnings.

##### **Financial Liabilities**

###### *Financial Borrowings*

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

###### *Trade and Other Payables*

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

##### **Effects of currency fluctuation**

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

##### **Earnings / (Loss) per Share**

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

In Turkey, companies can increase their share capital by making a pro rata distribution of shares (bonus shares) to existing shareholders from retained earnings and by adjusting equity for inflation. For the purpose of calculating earnings per share, such bonus shares are considered as issued shares. Accordingly, the weighted average number of shares used in the calculation of earnings/(loss) per share is derived by giving retrospective effect to the bonus shares.



## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **2.6 Summary of Significant Accounting Policies (Cont.)**

##### **Events after balance sheet date**

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

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

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

##### **Related parties**

For financial statement purposes, the term "related parties" refers to shareholders of the Group, companies they own, their directors, and other entities known to be associated with them. A related party is any entity that has control over the Group, holds significant influence over the Group due to their interest in it, or is an executive, board member, associate, or general manager of the Group, either directly or indirectly.

##### **Taxation**

Income tax expense comprises current and deferred tax.

##### **(i) Current tax**

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

It is calculated using tax rates enacted or substantively enacted at the end of the reporting period. Current tax assets and liabilities can only be offset if certain conditions are met.

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **2.6 Summary of Significant Accounting Policies (Cont.)**

##### **Taxation (Cont.)**

###### ***(ii) Deferred Tax***

Deferred income tax is recognized, using the liability method, for temporary differences that occur between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred tax liabilities are recognized for all taxable temporary differences, while deferred tax assets resulting from deductible temporary differences are recognized only if it is more likely than not that future taxable profit will be available against which the deductible temporary difference can be utilized.

##### **Employee Benefit Provisions**

###### ***(i) Short-term employee benefits***

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

###### ***(ii) Long-term employee benefits***

The severance provision reflects the estimated present value of the probable future obligation of the Group, resulting from employee retirement on a monthly basis. The provision for severance pay accrues as if all employees were to receive payment and is presented in the consolidated financial statements. Provisions for severance indemnity are calculated based on the ceiling announced by the government.

As of December 31, 2023, the maximum amount of employment severance pay is TL 35.058,58 (December 31, 2022: TL 19.982,83). The Group management has used certain assumptions in the calculation of provision for employment severance indemnity.

All actuarial gains and losses related to the provision for employment termination benefits are recognized in other comprehensive income.

##### **Contingent Assets and Liabilities**

TAS 37 "Provisions, Contingent Liabilities, and Contingent Assets" mandates that the Group must have a current legal or constructive obligation arising from past events, with a likelihood that an outflow of resources that embody economic benefits will be necessary to fulfill the obligation, and a trustworthy estimate of the amount of the obligation must be made. If these criteria are not satisfied, the Group must divulge the relevant information in the accompanying notes.

If it is likely that economic benefits will be received in the future, the contingent asset must be disclosed in the consolidated financial statements' notes. Conversely, if it is certain that economic benefits will be received, the asset and its related income are recognized in the consolidated financial statements on the date of the change.

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **2.6 Summary of Significant Accounting Policies (Cont.)**

##### **Business Combinations**

Business acquisitions are recorded utilizing the purchase method of accounting. The consideration exchanged in a business combination is evaluated at fair value. Fair value is then determined by adding together the acquisition-date fair values of the assets transferred by the acquirer, liabilities taken on by the acquirer from the former owners of the acquirer, and equity interests provided by the acquirer. Generally, acquisition costs are recognized as an expense as they are incurred.

Identifiable assets acquired and liabilities assumed are recognized at fair value on the date of acquisition.

However, the following items are not recognized in this manner:

- Deferred tax assets or liabilities, as well as assets or liabilities relating to employee benefits, are accounted for in accordance with the TAS 12 Income Taxes and TAS 19 Employee Benefits standards, respectively.
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or the Group's share-based payment arrangements replacing those of the acquiree are accounted for following TFRS 2 Share-based Payment during the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with TFRS 5 Fixed Assets Held for Sale and Discontinued Operations are accounted for in accordance with the rules in TFRS 5.

Goodwill is calculated as the excess of the total consideration transferred for the acquisition plus the fair value of any non-controlling interests, if applicable, in the acquiree, and, if the business combination is accomplished in stages, the fair value of any equity interest in the acquiree previously held by the acquirer, minus the net amount of the acquiree's identifiable assets acquired and liabilities assumed as of the acquisition date. If the total amount of the acquiree's identifiable assets and assumed liabilities at the acquisition date is higher than the sum of the fair value of the consideration transferred, non-controlling interests in the acquiree, and the fair value of the acquiree's interest before the acquisition, the excess is recorded as a bargain purchase gain in profit or loss after reassessment.

Non-controlling interests, which entitle shareholders to a proportionate share of the entity's net assets in the event of liquidation, are initially measured at either fair value or at the amount of the acquiree's recognizable net assets that correspond to the non-controlling interests. The determination of the measurement basis is done on a transaction-by-transaction basis. Other non-controlling interests are valued fairly, or, when appropriate, measured using specified methods in a different TFRS.

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **2.6 Summary of Significant Accounting Policies (Cont.)**

##### **Business Combinations (Cont.)**

When the Group includes contingent consideration in the consideration transferred in a business combination, it measures the contingent consideration at fair value on the acquisition date and includes it in the said consideration transferred. If the fair value of the contingent consideration requires amendment as a result of more information becoming available during the measurement period, it is adjusted retrospectively against goodwill. The measurement period is the period following the acquisition date in which the acquirer can modify the provisional amounts identified in a business combination. The duration of this period cannot exceed one year from the acquisition date.

The way in which subsequent accounting treats changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on the classification of the contingent consideration. If the contingent consideration is classified as equity, it is not remeasured, and any further payments are recognized in equity.

Where purchase accounting for a business combination is incomplete by the end of the reporting period in which the combining took place, the Group reports provisional amounts for items with incomplete accounting. These estimated amounts may be modified during the measurement period or when new information is acquired about facts and circumstances that existed at the time of acquisition, which could impact the recognized amounts at that time.

Certain assets and liabilities of the acquired company that were not previously recognized in its own financial statements are now acknowledged. At the acquisition date, we recognize the identifiable assets, identifiable liabilities, and minority interests of the acquired company at their fair value. The relevant calculations are based on specific assessments and assumptions.

##### **Goodwill**

Goodwill resulting from acquisition is measured at its cost on the date of acquisition, after deduction of any impairment losses, if applicable. For the sake of impairment testing, goodwill is divided among the cash-generating units (or groups of cash-generating units) of the Group that are expected to gain from the combination's synergies.

The cash-generating unit that receives the goodwill is assessed for impairment annually. If there are any signs that the unit may be damaged, a more frequent impairment test is carried out. If the amount recoverable from the cash-generating unit is lower than its carrying amount, an impairment loss is initially identified for the goodwill assigned to the unit, and then the carrying amount of the assets within the unit is lowered. Any impairment loss for goodwill is directly recognized in the consolidated statement of profit or loss and other comprehensive income. Goodwill impairment cannot be reversed in future periods. When disposing of the appropriate cash-generating unit, the determined goodwill amount is factored into the computation of the gain or loss on disposal.

Sometimes, the acquirer may obtain a bargain purchase, which is a business combination where the net amounts of the assets and liabilities acquired on the acquisition date, measured per TFRSs, exceed the amount paid, typically valued at fair market value, per TFRS regulations. If any surplus amount remains after the application of TFRS 3 - Paragraph 36, the acquirer will acknowledge the resulting gain in profit or loss on the acquisition date, which will be attributed to the acquirer.

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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### **NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**

#### **2.6 Summary of Significant Accounting Policies (Cont.)**

##### **Goodwill (Cont.)**

A bargain purchase might occur during a business combination as a compelled sale where the seller acts under pressure. Nevertheless, acceptance and measurement exclusions for particular items in IFRS 3 - Paragraphs 22-31 may also cause the acceptance of a gain (or a modification in the amount of the recognized profit) in a bargain purchase.

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

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

The goal of this review is to guarantee that the measurements accurately represent all the information that was available on the acquisition date.

##### **Leasing operations**

###### *Determining whether a contract contains a lease element*

Upon contract commencement, the Group assesses if it constitutes a lease or a contract incorporating a lease component. At inception or upon reassessment of the agreement, the Group categorizes the payments due under the contract into payments for lease and payments for other items based on their respective fair values.

If the Group cannot reliably allocate payments under a finance lease, it recognizes an asset and liability equal to the fair value of the related asset. The liability is decreased as subsequent payments are made, and finance expenses added to the liability are recognized using the Group's incremental borrowing rate.

###### *Leased assets*

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

###### *Lease payments*

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

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

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### NOTE 3 – BUSINESS COMBINATIONS

On March 29, 2023, the Board of Directors approved Söke Değirmencilik's acquisition of 60% of Gen Oyuncak Sanayi ve Ticaret A.Ş.'s registered shares, which have a total nominal value of TL 2,714,000. The acquired shares have a nominal value of TL 1,628,400 and were purchased for a total of TL 2,862,586 through the Share Transfer Agreement between the parties.

In the merger transactions related to the acquisition, Gen Oyuncak's financial statements as of March 31, 2023, are used following the TFRS 3 "Business Combinations" standard since no significant changes occurred after March 29, 2023.

The identifiable assets, liabilities and goodwill arising from the acquisition are as follows:

<b>Identifiable Assets and Liabilities</b>	<b>Fair Value</b>
Cash and cash equivalents	863.144
Trade receivables	532.198
Other receivables	2.963.574
Inventories	1.420.258
Tangible fixed assets	714.436
Intangible assets	3.506
Right of use assets	260.103
Short-term borrowings	(396.273)
Trade payables	(499.710)
Employee benefit obligations	(172.170)
Other short-term liabilities	(1.335.269)
Long-term borrowings	(146.588)
Long-term provisions	(27.787)
Deferred tax liabilities	(123.393)
<b>Total Identifiable Net Assets</b>	<b>4.056.029</b>
<b>Purchased Share Ratio</b>	<b>60%</b>
<b>Fair value of the consideration paid for the acquisition of shares</b>	<b>2.862.586</b>
<b>Minus: Total Identifiable Net Assets (60%)</b>	<b>2.433.617</b>
<b>Goodwill</b>	<b>428.969</b>

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

### NOTE 3 – BUSINESS COMBINATIONS (Cont.)

On 11 January 2022, the Company acquired 87.633.475 shares corresponding to 100% of the share capital of Söke Değirmencilik Sanayi ve Ticaret A.Ş., TL 168.900.000 in cash and EUR 650.000 to be paid on 11 January 2023.

The financial statements of Söke Değirmencilik Sanayi ve Ticaret A.Ş. as of December 31, 2021 have been used in the merger transactions related to the acquisition within the scope of TFRS 3 "Business Combinations" standard since there is no significant change before the transaction date of 11 January 2022.

The identifiable assets and liabilities arising from the acquisition and the calculation of bargain purchase gain are as follows:

<b>Identifiable Assets and Liabilities</b>	<b>Fair Value</b>
Cash and cash equivalents	74.206.033
Trade receivables	170.926.106
Other receivables	16.883.801
Inventories	95.513.176
Prepaid Expenses	41.852.002
Other current assets	15.611.216
Other receivables	15.624
Tangible fixed assets (*)	193.156.880
Goodwill (**)	188.739.283
Other intangible assets (***)	877.369.270
Right of use assets	3.900.916
Short-term borrowings	(213.617.377)
Trade payables	(133.573.634)
Employee benefit obligations	(1.229.224)
Deferred income	(9.589.850)
Short-term provisions	(13.217.507)
Other short-term liabilities	(8.342.362)
Long-term borrowings	(1.237.168)
Long-term provisions	(6.649.647)
Deferred tax liabilities	(54.665.514)
<b>Total Identifiable Net Assets</b>	<b>1.236.052.024</b>
<b>Purchased Share Ratio</b>	<b>100,00%</b>
<b>Fair value of the consideration paid for the acquisition of shares (****)</b>	<b>293.911.145</b>
<b>Minus: Total Identifiable Net Assets</b>	<b>1.236.052.024</b>
<b>Gain on Bargain Purchase</b>	<b>(942.140.879)</b>

(\*) Tangible fixed assets are the fixed assets of Söke Değirmencilik Sanayi ve Ticaret A.Ş. at the acquisition date and their fair values have been determined by an independent valuation company authorised by CMB.

(\*\*) Goodwill amounting to TL 188.739.283 arises from the purchase accounting calculations made in prior periods in the solo financial statements of Söke Değirmencilik Sanayi ve Ticaret A.Ş.

(\*\*\*) Other intangible assets consist of the fair value of the "Söke Un" brand and customer relationships at the date of the merger, which was determined by the independent valuation company PWC Yönetim Danışmanlığı A.Ş.

(\*\*\*\*) The purchase price is based on the fair value of the assets and liabilities acquired, expressed in terms of the purchasing power of December 31, 2023.

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 4 – SEGMENT REPORTING**

As of December 31, 2023 and December 31, 2022, information grouped according to reportable segments is as follows:

<b>December 31, 2023</b>	<b>Wheat and Flour Trade</b>	<b>Licensed Warehousing</b>	<b>Elimination</b>	<b>Total</b>
Sales	39.616.151.887	53.399.002	(8.864.659)	39.660.686.230
Cost of Sales	(37.378.372.131)	(42.936.416)	8.864.659	(37.412.443.888)
<b>Gross Operating Profit</b>	<b>2.237.779.756</b>	<b>10.462.586</b>	-	<b>2.248.242.342</b>
Research and Development Expenses	(840.067)	-	-	(840.067)
General Administrative Expenses (-)	(273.334.069)	(11.820.555)	-	(285.154.624)
Marketing, Sales and Distribution Expenses (-)	(1.035.808.341)	-	-	(1.035.808.341)
Other Operating Income	2.475.310.504	2.842.644	-	2.478.153.148
Other Operating Expenses (-)	(1.324.080.600)	(4.984.334)	-	(1.329.064.934)
<b>Operating Profit/(Loss)</b>	<b>2.079.027.183</b>	<b>(3.499.659)</b>	-	<b>2.075.527.524</b>
Income from Investing Activities	522.118.249	-	-	522.118.249
Expenses from Investing Activities	(68.099.465)	-	-	(68.099.465)
Impairment Gains (Losses) and Reversals of Impairment Losses Determined as per TFRS 9	(5.217.006)	-	-	(5.217.006)
Share of Profit / (Loss) of Investments Valued by Equity Method	3.140.484	-	-	3.140.484
<b>Operating Profit / (Loss) Before Finance Expenses</b>	<b>2.530.969.445</b>	<b>(3.499.659)</b>	-	<b>2.527.469.786</b>
Finance Profit	1.967.464.555	42.463	(18.290.410)	1.949.216.608
Finance Loss (-)	(4.024.499.591)	(22.463.448)	18.290.410	(4.028.672.629)
Net Monetary Position Gains (Losses)	(1.052.953.534)	71.257.216	-	(981.696.318)
<b>Profit Before Tax</b>	<b>(579.019.125)</b>	<b>45.336.572</b>	-	<b>(533.682.553)</b>
Tax Expenses	(119.773.536)	(15.322.706)	-	(135.096.242)
<b>Net Period Profit/(Loss)</b>	<b>(698.792.661)</b>	<b>30.013.866</b>	-	<b>(668.778.795)</b>

<b>December 31, 2022</b>	<b>Wheat and Flour Trade</b>	<b>Licensed Warehousing</b>	<b>Elimination</b>	<b>Total</b>
Sales	37.696.022.583	33.285.420	(9.238.011)	37.720.069.992
Cost of Sales	(34.557.019.665)	(27.786.394)	9.238.011	(34.575.568.048)
<b>Gross Operating Profit</b>	<b>3.139.002.918</b>	<b>5.499.026</b>	-	<b>3.144.501.944</b>
Research and Development Expenses	(307.644)	-	-	(307.644)
General Administrative Expenses (-)	(211.272.068)	(3.981.532)	-	(215.253.600)
Marketing, Sales and Distribution Expenses (-)	(788.035.801)	-	-	(788.035.801)
Other Operating Income	2.502.373.371	5.103.421	(1.028.208)	2.506.448.584
Other Operating Expenses (-)	(1.510.721.856)	(11.302.556)	1.028.208	(1.520.996.204)
<b>Operating Profit/(Loss)</b>	<b>3.131.038.920</b>	<b>(4.681.641)</b>	-	<b>3.126.357.279</b>
Income from Investing Activities	1.045.397.432	-	-	1.045.397.432
Expenses from Investing Activities	(5.779.110)	-	-	(5.779.110)
Impairment Gains (Losses) and Reversals of Impairment Losses Determined as per TFRS 9	(6.101.005)	-	-	(6.101.005)
Share of Profit / (Loss) of Investments Valued by Equity Method	4.190.478	-	-	4.190.478
<b>Operating Profit / (Loss) Before Finance Expenses</b>	<b>4.168.746.715</b>	<b>(4.681.641)</b>	-	<b>4.164.065.074</b>
Finance Profit	1.658.624.878	2.028.969	(19.256.379)	1.641.397.468
Finance Loss (-)	(3.418.576.615)	(20.510.389)	19.256.379	(3.419.830.625)
Net Monetary Position Gains (Losses)	430.305.839	114.822.892	-	545.128.731
<b>Profit Before Tax</b>	<b>2.839.100.817</b>	<b>91.659.831</b>	-	<b>2.930.760.648</b>
Tax Expenses	(325.487.428)	(2.822.136)	-	(328.309.564)
<b>Net Period Profit/(Loss)</b>	<b>2.513.613.389</b>	<b>88.837.695</b>	-	<b>2.602.451.084</b>



**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 4 – SEGMENT REPORTING (Cont.)**

<b>December 31, 2023</b>	<b>Wheat and Flour Trade</b>	<b>Licensed Warehousing</b>	<b>Total</b>
Total Assets	19.997.813.254	529.615.728	20.527.428.982
Total Liabilities	13.405.757.684	50.332.730	13.456.090.414
Equity Attributable to Parent Company	6.165.341.244	479.282.998	6.644.624.242
Non-controlling Interests	426.714.326	-	426.714.326

<b>December 31, 2022</b>	<b>Wheat and Flour Trade</b>	<b>Licensed Warehousing</b>	<b>Total</b>
Total Assets	17.456.237.590	461.889.315	17.918.426.905
Total Liabilities	11.808.330.877	131.443.042	11.939.773.919
Equity Attributable to Parent Company	5.648.206.713	330.446.273	5.978.652.986
Non-controlling Interests	-	-	-

<b>December 31, 2023</b>	<b>Wheat and Flour Trade</b>	<b>Licensed Warehousing</b>	<b>Total</b>
Depreciation Expense for the Period	315.896.750	28.762.047	344.658.797

<b>December 31, 2022</b>	<b>Wheat and Flour Trade</b>	<b>Licensed Warehousing</b>	<b>Total</b>
Depreciation Expense for the Period	230.975.062	2.248.649	233.223.711

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

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### NOTE 5 – CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents as of December 31, 2023 and December 31, 2022 are as follows:

<b>Cash and Cash Equivalents</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Safe deposit box	100.992	120.939
Demand Deposits	1.202.207.671	771.727.975
Time Deposits (*)	584.297.234	1.710.023.829
POS Accounts	1.519.237	24.350.699
Expected Credit Loss	(2.374.650)	(2.161.531)
	<b>1.785.750.484</b>	<b>2.504.061.911</b>

(\*) As of December 31, 2023, TL Time Deposit Interest Rate Range is 37%-43%. USD Time Deposit Interest Rate is 4%. (December 31, 2022: TL Time Deposits: 15%-23,50% and USD Time Deposits: 1%-3%)

The details of deposits at banks as of December 31, 2023 and December 31, 2022 are as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Demand Deposit	1.202.207.671	771.727.975
- TRY Bank	70.061.034	107.542.586
- EURO Bank	5.350.141	6.418.656
- USD Bank	1.123.729.408	655.314.787
- GBP Bank	53.202	56.712
- CHF Bank	3.013.886	483.257
- RUB Bank	-	1.911.977
Time Deposits	584.297.234	1.710.023.829
- TRY Time Deposit	573.992.170	1.232.471.543
- USD Time Deposit	10.305.064	477.552.286
Expected Credit Loss	(2.374.650)	(2.161.531)
	<b>1.784.130.255</b>	<b>2.479.590.273</b>

### NOTE 6 – FINANCIAL INVESTMENTS

The details of short-term financial investments as of December 31, 2023 and December 31, 2022 are as follows:

<b>Short-term Financial Investments</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Bonds	11.057.837	9.764.097
Share Certificates	47.770.103	43.021.511
Venture Capital Funds	24.296.037	-
Blocked Bank Accounts (*)	1.638.530.079	1.607.502.117
Currency Protected Deposit (**)	-	66.381.446
	<b>1.721.654.056</b>	<b>1.726.669.171</b>

(\*) Blocked deposits in banks as collateral for the loans used. As of December 31, 2023, all of the blocked bank accounts consist of currency protected deposits (December 31, 2022: TL 588.299.504).

(\*\*) TL Time Deposit Account with Currency Protection is a deposit product that offers foreign exchange rate protection in case the USD exchange rate increases more than the interest rate at maturity. Currency protected deposit accounts are accounted for as financial assets at fair value through profit or loss.

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 6 – FINANCIAL INVESTMENTS (Cont.)**

As of December 31, 2022, the nominal amount and fair value of unblocked currency protected deposits are as follows:

<b>Currency</b>	<b>Nominal Amount (Original Currency)</b>	<b>Fair Value (TL Equivalent)</b>	<b>Maturity</b>
ABD Doları	2.000.000	63.193.710	21.08.2023
Euro	100.000	3.187.736	21.08.2023

The details of long-term financial investments as of December 31, 2023 and December 31, 2022 are as follows:

<b>Long-term Financial Investments</b>	<b>Share rate</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Rudi's Organic and Gluten Free Brands Inc.	12,65%	195.402.607	-
		<b>195.402.607</b>	<b>-</b>

Within the scope of Söke Değirmencilik's strategy to expand globally and invest in high-value areas of the food industry that target end consumers, and under the decision made by Söke Değirmencilik's Board of Directors on September 22, 2023, Söke Değirmencilik has decided to acquire 12.65% of Rudi's Organic and Gluten Free Brands Inc. ("Rudi's"), established in 1976 in the US state of Colorado, produces and distributes delicious, organic, gluten-free bread and bakery products with leading food certifications. Rudi's, a producer and distributor of organic, gluten-free bread and bakery products, has agreed with the existing shareholders. After the capital increase, Söke Değirmencilik will pay TL 87,774,600 for 12.65% of Rudi's shares. As of December 31, 2023, the payment of the purchase consideration of TL 92.120.100 was completed on 20 November 2023.

Regarding the acquisition of Rudi's shares, Note Office Uluslararası Bağımsız Denetim Danışmanlık ve Yeminli Mali Müşavirlik A.Ş. prepared a price determination report on September 14, 2023, which calculated the current market value of Rudi's at USD 51,831,499.

The value of 12,65% shares owned by Söke Değirmencilik is TL 195.402.607 and the difference of TL 103.282.507 between the transaction price of TL 92.120.100 and this amount is recognised in the statement of profit or loss as income from investing activities. (See: Note 27)

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

### NOTE 7 – FINANCIAL BORROWINGS

The details of short-term borrowings as of December 31, 2023 and December 31, 2022 are as follows:

<b>Short-term Financial Borrowings</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Short-term Financial Borrowings	2.950.592.946	2.670.368.024
- Bank Loans	2.950.592.946	2.670.368.024
	<b>2.950.592.946</b>	<b>2.670.368.024</b>

The details of short-term bank borrowings as of December 31, 2023 are as follows:

<b>Currency</b>	<b>Interest Rate Range</b>	<b>Foreign Currency Amount</b>	<b>TL Amount</b>
US Dollar	8,25%-8,75%	22.423.255	660.100.258
TL	13,50%-49,00%	2.290.492.688	2.290.492.688
			<b>2.950.592.946</b>

The details of short-term borrowings as of December 31, 2022 are as follows:

<b>Currency</b>	<b>Interest Rate Range</b>	<b>Foreign Currency Amount</b>	<b>TL Amount</b>
US Dollar	7%-9,5%	20.795.339	641.853.613
TL	11,76%-36%		2.028.514.411
			<b>2.670.368.024</b>

As of December 31, 2023 and December 31, 2022, the short-term portion of long-term borrowings are as follows:

<b>Short-term portion of long-term borrowings</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Principal installments of Long-term Loans	977.039.346	1.262.714.608
Borrowings from Leasing Transactions	2.244.859	10.271.293
	<b>979.284.205</b>	<b>1.272.985.901</b>

The details of short-term portion of long-term borrowings as of December 31, 2023 are as follows:

<b>Currency</b>	<b>Interest Rate Range</b>	<b>Foreign Currency Amount</b>	<b>TL Amount</b>
US Dollar	3,84%-10,94%	16.096.259	473.844.881
TL	8,50%-46,55%	503.194.465	503.194.465
			<b>977.039.346</b>

As of December 31, 2022, the details of short-term portion of long-term borrowings are as follows:

<b>Currency</b>	<b>Interest Rate Range</b>	<b>Foreign Currency Amount</b>	<b>TL Amount</b>
US Dollar	7,2%-9,00%	7.758.579	239.470.597
TL	3,84%-26,00%		1.023.244.011
			<b>1.262.714.608</b>

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 7 – FINANCIAL BORROWINGS (Cont.)**

The details of short-term lease payables as of December 31, 2023 are as follows:

<b>Currency</b>	<b>Foreign Currency Amount</b>	<b>TL Amount</b>
US Dollar	-	-
TL	2.244.859	2.244.859
		<b>2.244.859</b>

The details of short-term lease payables as of December 31, 2022 are as follows:

<b>Currency</b>	<b>Foreign Currency Amount</b>	<b>TL Amount</b>
US Dollar	123.117	3.800.040
TL		6.471.253
		<b>10.271.293</b>

The details of long-term borrowings as of December 31, 2023 and December 31, 2022 are as follows:

<b>Long-term Borrowings</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Long-term Bank Loans	1.338.443.287	1.379.538.599
Borrowings from Leasing Transactions	1.910.891	4.544.387
	<b>1.340.354.178</b>	<b>1.384.082.986</b>

The details of long-term borrowings as of December 31, 2023 are as follows:

<b>Currency</b>	<b>Interest Rate Range</b>	<b>Foreign Currency Amount</b>	<b>TL Amount</b>
US Dollar	3,84%-10,94%	21.758.427	640.528.931
TL	8,50%-46,55%		697.914.356
			<b>1.338.443.287</b>

The details of long-term bank borrowings as of December 31, 2022 are as follows:

<b>Currency</b>	<b>Interest Rate Range</b>	<b>Foreign Currency Amount</b>	<b>TL Amount</b>
US Dollar	9,01%	23.239.967	717.307.687
TL	3,48%-26%		662.230.912
			<b>1.379.538.599</b>

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 7 – FINANCIAL BORROWINGS (Cont.)**

The details of long-term lease payables as of December 31, 2023 are as follows:

<b>Currency</b>	<b>Foreign Currency Amount</b>	<b>TL Amount</b>
TL	-	1.910.891
		<b>1.910.891</b>

The details of long-term lease payables as of December 31, 2022 are as follows:

<b>Currency</b>	<b>Foreign Currency Amount</b>	<b>TL Amount</b>
TL	-	4.544.387
		<b>4.544.387</b>

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

<b>Currency</b>	<b>Foreign Currency Amount</b>	<b>TL Amount</b>	<b>Loan Type</b>
US Dollar	20.041.630	589.989.511	Spot Kredi
US Dollar	37.854.686	1.114.373.813	Taksitli Kredi
US Dollar	-	-	Rotatif
US Dollar	2.381.625	70.110.747	Katılım Bankaları
TL		95.611.299	Rotatif
TL		642.289.634	Taksitli Kredi
TL		2.533.480.730	Spot Kredi
TL		220.219.843	Katılım Bankaları
	<b>60.277.941</b>	<b>5.266.075.577</b>	

The details of the loans as of December 31, 2022 are as follows:

<b>Currency</b>	<b>Foreign Currency Amount</b>	<b>TL Amount</b>	<b>Loan Type</b>
US Dollar	5.160.906	159.292.723	Spot Kredi
US Dollar	31.838.917	982.716.560	Usd Taksitli
US Dollar	9.750.000	300.936.315	Rotatif
TL		600.601.385	Rotatif
TL		1.086.363.243	Taksitli Kredi
TL		1.070.035.332	Spot Kredi
TL		1.112.675.673	Katılım Bankaları
	<b>46.749.823</b>	<b>5.312.621.231</b>	

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

### NOTE 8 – TRADE RECEIVABLES AND PAYABLES

As of December 31, 2023 and December 31, 2022, short-term trade receivables comprised the following:

<b>Short-Term Trade Receivables</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Trade Receivables from Related Parties	2.941.585	167.359.715
Trade Receivables from Third Parties (*)	6.464.668.963	4.493.287.072
Notes Receivable from Third Parties	257.662.660	250.660.863
Deferred Interest Income (-)	(31.923.378)	(25.149.694)
Doubtful Trade Receivables	21.318.727	22.407.179
Provision for Doubtful Trade Receivables (-)	(21.318.727)	(22.407.179)
	<b>6.693.349.830</b>	<b>4.886.157.956</b>

(\*) As of December 31, 2022, the amount of TL 210.199.176 included in trade receivables is recognized for the deliveries of bread wheat allocations to be received from TMO in return for wheat flour sales made to the market at the committed price during the October, November and December 2022 period within the scope of the commitment agreement signed with the Turkish Grain Board ("TMO"). (None as of December 31, 2023).

The Group has the option to purchase wheat from TMO at below market price in proportion to the sales made in return for selling flour at below market price to the customers determined within the scope of the commitment given to TMO. The Group management has determined the benefit to be obtained as a government incentive as the amount remaining after deducting the amount of revenue determined according to the sales price alone from the total contract price within the scope of the accounting policy created by analogy with paragraph 10A of *TAS 20 Accounting for Government Grants and Disclosure of Government Assistance Standard*. The benefit obtained within the scope of the commitment given to TMO is recognised as revenue since it does not exceed the stand-alone selling price.

As of December 31, 2023 and December 31, 2022, movements of doubtful trade receivables during the period are as follows:

<b>Doubtful Trade Receivables</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Beginning of the Period Doubtful Trade Receivables	22.407.179	18.448.524
Provision Allocated in the Period	9.727.596	15.325.169
Subsidiary Entry	-	5.034.398
Cancelled Provision (-)	(102.379)	(8.851.514)
Monetary Position Difference	(10.713.669)	(7.549.398)
	<b>21.318.727</b>	<b>22.407.179</b>

As of December 31, 2023 and December 31, 2022, long term trade receivables comprised the following:

<b>Long-term Trade Receivables</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Trade Receivables from Related Parties	-	-
Trade Receivables from Third Parties (*)	10.197.097	16.802.054
	<b>10.197.097</b>	<b>16.802.054</b>

(\*) See Note19.

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 8 – TRADE RECEIVABLES AND PAYABLES (Cont.).**

As of December 31, 2023 and December 31, 2022, short-term trade payables comprised the following:

<b>Short-term Trade Payables</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Trade Payables to Related Parties	6.777.310	6.784.054
Trade Payables to Third Parties (*)	6.571.147.848	5.094.378.783
Notes Payable to Third Parties	18.587.954	7.414.781
Deferred Interest Expense (-)	(11.627.923)	(5.051.935)
	<b>6.584.885.189</b>	<b>5.103.525.683</b>

As of December 31, 2023 and December 31, 2022, long term trade payables comprised the following:

<b>Short-term Trade Payables</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Trade Payables to Third Parties (*)	170.460.921	-
	<b>170.460.921</b>	<b>-</b>

(\*) As of December 31, 2023, TL 4.250.172.893 of trade payables to third parties consists of letter of credits (December 31, 2022: TL 3.477.514.698).

**NOTE 9 – OTHER RECEIVABLES AND PAYABLES**

As of December 31, 2023 and December 31, 2022, other short-term receivables comprised the following:

<b>Short-term Other Receivables</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Deposits and Guarantees Given	469.278	240.972
Receivables from Public Institutions	66.602.987	94.811.616
	<b>67.072.265</b>	<b>95.052.588</b>

As of December 31, 2023 and December 31, 2022, other long-term receivables from third parties comprised the following:

<b>Long-term Other Receivables</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Deposits and Guarantees Given	825.339	1.382.459
	<b>825.339</b>	<b>1.382.459</b>

As of December 31, 2023 and December 31, 2022, other short-term payables comprised the following:

<b>Short-term Other Payables</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Other Payables to Third Parties	3.832.539	460.005
Other Payables to Related Parties	151.540.896	338.298.702
	<b>155.373.435</b>	<b>338.758.707</b>



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Notes to the Consolidated Financial Statements as of December 31, 2023

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

### NOTE 10 – DERIVATIVE INSTRUMENTS

As of December 31, 2023 and December 31, 2022, derivative financial assets are as follows:

<b>Derivative Financial Assets</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Futures Market Collaterals	-	25.440.996
Derivative Financial Instruments	283.937.249	211.956.643
	<b>283.937.249</b>	<b>237.397.639</b>

As of December 31, 2023 and December 31, 2022, derivative financial liabilities are as follows:

<b>Derivative Financial Liabilities</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Derivative Financial Instruments	-	108.016.351
	-	<b>108.016.351</b>

(\*) Collaterals given for trading in the futures market are classified as futures market collaterals, and the fair values of forward contracts and option contracts are classified as derivative financial instruments. Gains or losses arising from the transactions made during the period are reported as derivative financial instrument income and expenses in financial income and expenses in the statement of profit or loss, and the fair value differences of the open positions as of the reporting date are reported in financial income and expenses.

### Fair Values of Financial Instruments

The Group categorizes its financial instruments carried at fair value in the consolidated financial statements based on the source of the valuation inputs for each type of financial instrument, utilizing a three-tiered hierarchy.

**Level 1:** Valuation techniques that use quoted prices in active markets for identical assets or liabilities accessible to the Group on the measurement date.

**Level 2:** Other valuation techniques that utilize inputs other than quoted prices from Level 1, which are observable for either directly or indirectly linked assets or liabilities.

**Level 3:** Valuation techniques utilize unobservable inputs for assets or liabilities.

<b>December 31, 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Forward Foreign Currency Transaction Contracts (For Trading Purposes)	-	283.937.249	-
	-	<b>283.937.249</b>	-
<b>December 31, 2022</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Forward Foreign Currency Transaction Contracts (For Trading Purposes)	-	129.381.288	-
	-	<b>129.381.288</b>	-

Foreign currency forward transactions (Level 2) are valued by discounting the fair value of the foreign currency forward contract to the present value using the foreign exchange rate at the balance sheet date.

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

### NOTE 11 – INVENTORIES

The details of inventories as of December 31, 2023 and December 31, 2022 are as follows:

<b>Inventories</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Raw Materials and Supplies	857.681.452	823.932.339
Finished Products	184.359.305	324.354.493
Trade Goods	757.013.490	638.725.629
Other Inventories	27.907.892	16.322.678
Provision for Impairment of Inventory (-)	(293.468)	(376.629)
Semi-finished Products	223.700.406	313.558.163
	<b>2.050.369.077</b>	<b>2.116.516.673</b>

There are no mortgages, guarantees and pledges on inventories and inventories are insured.

### NOTE 12 – PREPAID EXPENSES AND DEFERRED INCOME

As of December 31, 2023 and December 31, 2022, the details of short-term prepaid expenses are as follows:

<b>Short-term Prepaid Expenses</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Order Advances Given to Related Parties	3.925.659	15.603.653
Order Advances Given to Third Parties (*)	385.575.590	362.085.951
Insurance and Other Prepaid Expenses	28.150.688	41.512.574
	<b>417.651.937</b>	<b>419.202.178</b>

(\*) Advances given consist of advances given by the Group to suppliers for the purchase of raw materials used in production. There is no impairment in the related prepaid expenses as of the end of the period.

The details of long-term prepaid expenses as of December 31, 2023 and December 31, 2022 are as follows:

<b>Long-term Prepaid Expenses</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Insurance Expenses	37.920.371	33.863.032
Order Advances Given to Third Parties	20.984.885	20.984.865
	<b>58.905.256</b>	<b>54.847.897</b>

The details of short-term deferred income as of December 31, 2023 and December 31, 2022 are as follows:

<b>Short-term Deferred Income</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Advances Received from Third Parties	188.813.447	168.516.573
	<b>188.813.447</b>	<b>168.516.573</b>

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 13 – INVESTMENTS ACCOUNTED BY USING THE EQUITY METHOD**

As of December 31, 2023 and December 31, 2022, the details of investments accounted using the equity method are as follows:

<b>Name of Affiliate</b>	<b>%</b>	<b>December 31, 2023</b>	<b>%</b>	<b>December 31, 2022</b>
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	17	12.421.967	17	12.621.222

<b>Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
<b>As of 1 January</b>	12.621.222	10.148.002
Share of Profit/Loss	3.140.484	4.190.478
Share of Other Comprehensive Income / Expense	(157.213)	(178.159)
Dividend Income Accrued	(3.182.526)	(1.539.099)
<b>As of the Period End</b>	<b>12.421.967</b>	<b>12.621.222</b>

The condensed financial statements of the investment accounted by using the equity method are as follows:

<b>Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Current Assets	21.680.879	39.336.745
Fixed Assets	49.854.990	51.361.012
<b>Total Assets</b>	<b>71.535.869</b>	<b>90.697.757</b>
Short-term Liabilities	5.685.113	14.279.132
Long-term Liabilities	3.126.661	11.834.713
Equity	62.724.095	64.583.912
<b>Total Resources</b>	<b>71.535.869</b>	<b>90.697.757</b>

	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Sales Revenues	71.012.457	90.454.686
Net Profit/(Loss) for the Period	18.473.436	24.649.871

For the periods ended December 31, 2023 and December 31, 2022, the details of share of profit/loss of investments accounted by using the equity method are as follows:

	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	3.140.484	4.190.478
	<b>3.140.484</b>	<b>4.190.478</b>

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 14 – INVESTMENT PROPERTIES**

The details of investment properties as of December 31, 2023 and December 31, 2022 are as follows:

<b>Description</b>	<b>January 1, 2023</b>	<b>Inflows</b>	<b>Outflows</b>	<b>Revaluation</b>	<b>December 31, 2023</b>
Land Plots	-	-	-	-	-
Buildings	1.595.002	-	-	-	1.595.002
<b>Total Cost</b>	<b>1.595.002</b>	-	-	-	<b>1.595.002</b>

  

<b>Description</b>	<b>January 1, 2022</b>	<b>Inflows</b>	<b>Outflows</b>	<b>Revaluation</b>	<b>December 31, 2022</b>
Land Plots	15.318.938	-	(15.318.938)	-	-
Buildings	11.525.866	-	(11.071.093)	1.140.229	1.595.002
<b>Total Cost</b>	<b>26.844.804</b>	-	<b>(26.390.031)</b>	<b>1.140.229</b>	<b>1.595.002</b>

Investment properties are reported at fair value. Fair value differences of investment properties are reported in the income/expense from investing activities account.

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 15 – CURRENT PERIOD TAX ASSETS**

As of December 31, 2023 and December 31, 2022, the details of assets related to current period tax are as follows:

<b>Current Period Tax Assets</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Prepaid Taxes and Funds	7.836.595	144.360.400
	<b>7.836.595</b>	<b>144.360.400</b>

**NOTE 16 – RIGHT OF USE ASSETS**

As of December 31, 2023 and December 31, 2022, the details of right of use assets are as follows:

<b>Description</b>	<b>January 1, 2023</b>	<b>Inflows</b>	<b>Outflows</b>	<b>Transfer</b>	<b>Subsidiary acquisition</b>	<b>December 31, 2023</b>
Buildings	7.920.161	568.902	-	-	-	8.489.063
Vehicles	33.279.042	6.079.641	(8.207.247)	-	-	31.151.436
Machinery	-	-	-	-	515.651	515.651
<b>Total</b>	<b>41.199.203</b>	<b>6.648.543</b>	<b>(8.207.247)</b>	<b>-</b>	<b>515.651</b>	<b>40.156.150</b>

Buildings	(4.785.180)	(1.680.997)	-	-	-	(6.466.177)
Vehicles	(19.075.847)	(14.078.163)	7.979.701	-	-	(25.174.309)
Machinery	-	-	-	-	(116.455)	(116.455)
<b>Accumulated Depreciation</b>	<b>(23.861.027)</b>	<b>(15.759.160)</b>	<b>7.979.701</b>	<b>-</b>	<b>(116.455)</b>	<b>(31.756.941)</b>
<b>Net Book Value</b>	<b>17.338.176</b>					<b>8.399.209</b>

<b>Description</b>	<b>January 1, 2022</b>	<b>Inflows</b>	<b>Outflows</b>	<b>Transfer</b>	<b>Subsidiary acquisition</b>	<b>December 31, 2022</b>
Buildings	5.950.354	2.185.560	(215.753)	-	-	7.920.161
Vehicles	15.196.357	7.254.645	(2.213.364)	-	13.041.404	33.279.042
Machinery	<b>21.146.711</b>	<b>9.440.205</b>	<b>(2.429.117)</b>	<b>-</b>	<b>13.041.404</b>	<b>41.199.203</b>

Buildings	(2.744.001)	(2.256.931)	215.753	-	-	(4.785.180)
Vehicles	(4.953.894)	(9.701.933)	2.213.364	-	(6.633.384)	(19.075.847)
<b>Accumulated Depreciation</b>	<b>(7.697.895)</b>	<b>(11.958.865)</b>	<b>2.429.117</b>	<b>-</b>	<b>(6.633.384)</b>	<b>(23.861.027)</b>
<b>Net Book Value</b>	<b>13.448.816</b>					<b>17.338.176</b>

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

### NOTE 17 – TANGIBLE FIXED ASSETS

The details of tangible fixed assets as of December 31, 2023 are as follows:

Description	January 1, 2023	Inflows	Outflows	Transfer	Revaluation	Subsidiary acquisition	December 31, 2023
Land and Plots	916.721.404	48.884.015	-	-	223.938.925	-	1.189.544.344
Land Improvements	57.828.483	6.016.919	-	-	-	-	63.845.402
Buildings	828.314.619	83.014.783	-	1.174.892	334.750.028	-	1.247.254.322
Plant, Machinery and Equipment	1.685.826.334	392.803.840	(105.974.606)	5.945.151	196.799.085	106.931	2.175.506.735
Vehicles	286.815.279	365.429.327	(109.166.999)	-	-	-	543.077.607
Fixtures	61.241.905	31.401.446	(723.613)	155.253	-	351.948	92.426.939
Investments in Progress	171.374.968	89.091.273	(34.005.510)	30.294.144	-	-	256.754.875
Special Costs	18.295.965	9.901.349	-	-	-	242.987	28.440.301
Advances Given (*)	51.632.520	224.287.501	-	(50.754.178)	-	-	225.165.843
<b>Total Cost</b>	<b>4.078.051.477</b>	<b>1.250.830.453</b>	<b>(249.870.728)</b>	<b>(13.184.738)</b>	<b>755.488.038</b>	<b>701.866</b>	<b>5.822.016.368</b>

  

Accumulated Depreciation	January 1, 2023	Inflows	Outflows	Transfer	Revaluation	Subsidiary acquisition	December 31, 2023
Land and Plots	-	-	-	-	-	-	-
Land Improvements	(1.379.416)	(4.942.542)	-	-	-	-	(6.321.958)
Buildings	-	(26.378.490)	-	-	(6.060.067)	-	(32.438.557)
Plant, Machinery and Equipment	-	(140.543.796)	213.953	-	58.097.449	(13.235)	(82.245.629)
Vehicles	-	(84.384.306)	16.650.683	-	-	-	(67.733.623)
Fixtures	(28.935.130)	(10.818.794)	331.085	-	-	(138.267)	(39.561.106)
Special Costs	(2.503.546)	(2.281.161)	-	-	-	(100.289)	(4.884.996)
<b>Total</b>	<b>(32.818.092)</b>	<b>(269.349.089)</b>	<b>17.195.721</b>	<b>-</b>	<b>52.037.382</b>	<b>(251.791)</b>	<b>(233.185.869)</b>
<b>Tangible Fixed Assets (Net)</b>	<b>4.045.233.385</b>						<b>5.588.830.499</b>

(\*) As of December 31, 2023; TL 184.022.686 consists of advances given for Solar Power Plant project, TL 30.731.764 for Ankara Factory revisions, TL 6.456.023 for Samsun Cookie Plant and TL 3.955.370 for other advances given.

As of December 31, 2023, there are bank mortgages on fixed assets amounting to USD 50.000.000 and TL 91.005.707. (December 31, 2022 USD 50.000.000 and TL 16.765.644) The Group has recognized property, plant, and equipment at revalued amounts calculated based on the fair values of the assets for which the revaluation model is adopted.

The difference between the fair value and the net book value of these assets is recognized in "Tangible Fixed Assets Revaluation Increases (Decreases)" in assets and "Tangible Fixed Asset Revaluation Increases (Decreases)" in liabilities.

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 17 – TANGIBLE FIXED ASSETS (Cont.)**

The details of tangible fixed assets as of December 31, 2022 are as follows:

<b>Description</b>	<b>January 1, 2022</b>	<b>Inflows</b>	<b>Outflows</b>	<b>Transfer</b>	<b>Revaluation</b>	<b>Subsidiary acquisition</b>	<b>December 31, 2022</b>
Land and Plots	328.829.744	30.474.738	-	-	501.257.935	56.158.987	916.721.404
Land Improvements	20.498.917	6.930.377	-	297.372	22.761.360	7.340.457	57.828.483
Buildings	371.260.429	34.598.973	-	5.086.690	349.312.171	68.056.356	828.314.619
Plant, Machinery and Equipment	982.415.165	151.078.887	(2.766.265)	5.290.191	381.718.453	168.089.903	1.685.826.334
Vehicles	78.660.901	149.097.273	(699.230)	-	49.998.616	9.757.719	286.815.279
Fixtures	39.344.174	9.096.731	(926.970)	67.341	-	13.660.629	61.241.905
Investments in Progress	127.475.267	61.070.515	(7.284.650)	(10.093.900)	-	207.736	171.374.968
Special Costs	17.864.113	431.852	(49.444.812)	(647.694)	-	50.092.506	18.295.965
Advances Given	-	51.632.520	-	-	-	-	51.632.520
<b>Total Cost</b>	<b>1.966.348.710</b>	<b>494.411.866</b>	<b>(61.121.927)</b>	<b>-</b>	<b>1.305.048.535</b>	<b>373.364.293</b>	<b>4.078.051.477</b>

  

<b>Accumulated Depreciation</b>	<b>January 1, 2022</b>	<b>Inflows</b>	<b>Outflows</b>	<b>Transfer</b>	<b>Revaluation</b>	<b>Subsidiary acquisition</b>	<b>December 31, 2022</b>
Land and Plots	-	-	-	-	-	-	-
Land Improvements	(941.704)	(2.114.967)	-	-	1.677.255	-	(1.379.416)
Buildings	(2.009.705)	(11.635.893)	-	-	13.645.598	-	-
Plant, Machinery and Equipment	(10.680.560)	(75.283.516)	85.955	-	85.878.121	-	-
Vehicles	(42.886.036)	(9.346.245)	551.080	-	51.681.201	-	-
Fixtures	(11.857.715)	(8.860.949)	1.157.655	-	-	(9.374.121)	(28.935.130)
Special Costs	(640.618)	(2.891.147)	47.720.363	-	-	(46.692.144)	(2.503.546)
<b>Total</b>	<b>(69.016.338)</b>	<b>(110.132.717)</b>	<b>49.515.053</b>	<b>-</b>	<b>152.882.175</b>	<b>(56.066.265)</b>	<b>(32.818.092)</b>
<b>Tangible Fixed Assets (Net)</b>	<b>1.897.332.372</b>						<b>4.045.233.385</b>

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 18 – INTANGIBLE ASSETS EXCLUDING GOODWILL**

The details of other intangible assets as of December 31, 2023 are as follows:

<b>Description</b>	<b>January 1, 2023</b>	<b>Inflows</b>	<b>Outflows</b>	<b>Transfer</b>	<b>Subsidiary acquisition</b>	<b>December 31, 2023</b>
Customer Relations	708.933.847	-	-	-	-	708.933.847
Brand	587.123.908	-	-	-	-	587.123.908
Rights (Computer Programmes)	17.686.507	4.214.347	-	40.049	8.797	21.949.700
Other	7.212.258	1.754.915	(153.460)	-	-	8.813.713
Investments in Progress	7.053.276	-	-	-	-	7.053.276
<b>Total Cost</b>	<b>1.328.009.796</b>	<b>5.969.262</b>	<b>(153.460)</b>	<b>40.049</b>	<b>8.797</b>	<b>1.333.874.444</b>

  

<b>Accumulated Amortisation</b>	<b>January 1, 2023</b>	<b>Period Expense</b>	<b>Outflows</b>	<b>Transfer</b>	<b>Subsidiary acquisition</b>	<b>December 31, 2023</b>
Customer Relations	(37.848.039)	(56.676.474)	-	-	-	(94.524.513)
Rights (Computer Programmes)	(11.777.215)	(1.303.218)	-	-	(3.524)	(13.083.957)
Other	(2.543.165)	(1.199.086)	364	-	-	(3.741.887)
<b>Total</b>	<b>(52.168.419)</b>	<b>(59.178.778)</b>	<b>364</b>	<b>-</b>	<b>(3.524)</b>	<b>(111.350.357)</b>
<b>Intangible Assets (Net)</b>	<b>1.275.841.377</b>					<b>1.222.524.087</b>



**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 18 – INTANGIBLE ASSETS EXCLUDING GOODWILL (Cont.)**

The details of other intangible assets as of December 31, 2022 are as follows:

<b>Description</b>	<b>January 1, 2022</b>	<b>Inflows</b>	<b>Outflows</b>	<b>Transfer</b>	<b>Subsidiary acquisition (*)</b>	<b>December 31, 2022</b>
Customer Relations	-	-	-	-	708.933.847	708.933.847
Brand	-	-	-	-	587.123.908	587.123.908
Rights (Computer Programmes)	3.808.750	3.814.403	-	-	10.063.354	17.686.507
Other	6.569.431	642.827	-	-	-	7.212.258
Investments in Progress	6.236.627	816.649	-	-	-	7.053.276
<b>Total Cost</b>	<b>16.614.808</b>	<b>5.273.879</b>	<b>-</b>	<b>-</b>	<b>1.306.121.109</b>	<b>1.328.009.796</b>

  

<b>Accumulated Amortisation</b>	<b>January 1, 2022</b>	<b>Period Expense</b>	<b>Outflows</b>	<b>Transfer</b>	<b>Subsidiary acquisition</b>	<b>December 31, 2022</b>
Customer Relations	-	-	-	-	(37.848.039)	(37.848.039)
Rights (Computer Programmes)	(2.144.691)	(846.107)	-	-	(8.786.417)	(11.777.215)
Other	(1.591.248)	(951.917)	-	-	-	(2.543.165)
<b>Total</b>	<b>(3.735.939)</b>	<b>(1.798.024)</b>	<b>-</b>	<b>-</b>	<b>(46.634.456)</b>	<b>(52.168.419)</b>
<b>Intangible Assets (Net)</b>	<b>12.878.869</b>					<b>1.275.841.377</b>

(\*) These entries are related to the acquisition of Söke Değirmencilik shares on 11 January 2022.

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

### NOTE 19 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

As of December 31, 2023 and December 31, 2022, details of other short term provisions are as follows:

<b>Other Short-term Provisions</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Litigation Provisions	1.844.023	2.377.092
Provision for Contingent Consideration	-	21.186.782
	<b>1.844.023</b>	<b>23.563.874</b>

The details of the Group's receivables from Samsun Yem Sanayi ve Ticaret A.Ş. ("Samsun Yem"), Yemsel Tavukçuluk Hayvancılık Yem Hammaddeleri Sanayi ve Ticaret A.Ş. ("Yemsel") and Çakıroğlu Gıda Tarım Ürünleri Hayvancılık ve Yem Tavukçuluk Nakliyat Ticaret ve Sanayi A.Ş. ("Çakıroğlu") as of December 31, 2023 and December 31, 2022 are as follows:

<b>Company Title (*)</b>	<b>Trade Receivables</b>	<b>Order Advances Given</b>	<b>Total</b>	<b>Mortgage Received</b>
Samsun Yem	1.232.128		1.232.128	1.894.703
Yemsel	1.793.727	20.984.865	22.778.592	16.240.309
Çakıroğlu	7.671.242		7.671.242	27.067.181
	<b>10.197.097</b>	<b>20.984.865</b>	<b>31.681.962</b>	<b>45.202.193</b>

(\*) Together will be referred to as Çakıroğlu Group.

Samsun Yem, Yemsel, and Çakıroğlu have filed for bankruptcy postponement with the Samsun Commercial Court of First Instance. The Group has established mortgages on the properties of Samsun Yem, Yemsel, and Çakıroğlu for the receivables mentioned above. The mortgages established by the Group allow the collecting of all receivables through the mortgaged properties owned by the Çakıroğlu Group. Samsun Yem and Çakıroğlu are ranked 1st in mortgages. It ranks 2nd in the mortgage on Yemsel's real estate. Akbank T.A.Ş. is ranked 1st in the real estate mortgage of Yemsel. The total mortgage amount of Akbank T.A.Ş. is 6.000.000 TL.

Çakıroğlu Group was notified to pay its debts. On January 8, 2016, an appraisal of the properties was requested. On December 29, 2016, a discovery was made with the Court Committee for Valuation. On January 18, 2017, the experts submitted their reports to the court. The total value of the mortgaged properties belonging to Çakıroğlu was determined to be TL 10,858,440.75. For the mortgaged properties belonging to Yemsel, the total value of TL 11,527,728.25 was appraised. The total value of the mortgaged properties belonging to Samsun Yem was estimated to be 263,249.19 TL. The bankruptcy postponement decision of Samsun Yem Sanayi ve Ticaret A.Ş. was rejected by the Samsun Commercial Court of First Instance on September 30, 2020. The Group requested a revaluation of the real estate. Çakıroğlu and Yemsel were declared bankrupt by the Samsun Commercial Court of First Instance on September 30, 2020.

No provision has been recognised since the fair values of the mortgages and real estates in the valuation reports are sufficient to fully recover the receivables.

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 19 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont.)**

As of December 31, 2023 and December 31, 2022, collaterals, pledges and mortgages of the Group are as follows:

<b>December 31, 2023</b>	<b>TL Equivalent</b>	<b>US Dollar</b>	<b>Euro</b>	<b>TL</b>
Total amount of GPMs given by its own legal entity and other companies within the scope of consolidation				
- Collateral	361.612.076	4.834.000	-	229.273.108
- Mortgages	1.540.486.732	50.000.000	-	91.005.707
- Pledges	-	-	-	-
<b>Total</b>	<b>1.902.098.808</b>	<b>54.834.000</b>	<b>-</b>	<b>320.278.815</b>
<b>December 31, 2022</b>	<b>TL Equivalent</b>	<b>US Dollar</b>	<b>Euro</b>	<b>TL</b>
Total amount of GPMs given by its own legal entity and other companies within the scope of consolidation				
- Collateral	753.322.777	5.980.600	2.000.000	503.367.445
- Mortgages	1.557.252.376	50.000.000	-	16.765.644
- Pledges				
<b>Total</b>	<b>2.310.575.153</b>	<b>55.980.600</b>	<b>2.000.000</b>	<b>520.133.089</b>

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

### NOTE 20 – EMPLOYEE BENEFIT PROVISIONS

Under Turkish law, the Group is required to make severance payments to any employee who has completed one year of service and whose employment is terminated without just cause, who is called up for military service, who dies or who retires after completing 25 years of service (20 years for women and 25 years for men) and reaching retirement age (58 years for women and 60 years for men). Due to a change in the law effective September 8, 1999, there are certain transitional obligations regarding the length of service required for retirement.

Such payments are calculated on the basis of 30 days' salary as of December 31, 2023, based on a maximum of full TL 35.058,58 (December 31, 2022: TL 19.982,83) per year of service at the rate of pay applicable at the date of retirement or termination. Provision for employment termination benefits is calculated on a current basis and recognized in the financial statements. Provision is calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. The calculation is based on the retirement pay ceiling announced by the Government.

The provision for severance pay is calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. TFRS requires actuarial valuation methods to be used to estimate the Group's obligation under defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of the total liability are set out below.

The basic assumption is that the maximum liability for each year of service will increase in line with inflation. Accordingly, the discount rate applied represents the expected real interest rate after adjusting for the effects of future inflation. Consequently, in the accompanying consolidated financial statements as at December 31, 2023, the liabilities are calculated by estimating the present value of the future probable obligation arising from the retirement of the employees. The provision at December 31, 2023 has been calculated assuming an annual inflation rate of 19.00 percent and an interest rate of 23.00 percent, resulting in a discount rate of approximately 3.36 percent. (The provision at December 31, 2022 has been calculated assuming an annual inflation rate of 18.00 percent and an interest rate of 21.00 percent, resulting in a discount rate of approximately 2.54 percent).

As of December 31, 2023, and December 31, 2022, the movement of the Group's provision for severance payment is as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b>January 1 Balance</b>	40.378.818	9.675.534
Current Service Cost	10.560.079	9.265.724
Interest Cost	10.839.621	9.966.315
Subsidiary acquisition	27.787	10.923.348
In-Period Payments	(26.738.976)	(5.223.018)
Actuarial Difference	18.061.138	15.782.037
Monetary Position Difference	(17.055.561)	(10.011.122)
<b>End of Period Balance</b>	<b>36.072.906</b>	<b>40.378.818</b>

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 20 – EMPLOYEE BENEFIT PROVISIONS (Cont.)**

As of December 31, 2023 and December 31, 2022, short-term provisions for employee benefits are as follows:

<b>Short-term Provisions for Employee Benefits</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Provision for Unused Vacation	4.367.995	4.997.455
	<b>4.367.995</b>	<b>4.997.455</b>

As of December 31, 2023 and December 31, 2022, employee benefit obligations are as follows:

<b>Employee Benefit Obligations</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Social Security Premiums to be Paid	9.834.698	6.126.421
Payables to Employee	20.689.969	12.260.177
	<b>30.524.667</b>	<b>18.386.598</b>

**NOTE 21 – OTHER ASSETS AND LIABILITIES**

As of December 31, 2023 and December 31, 2022, details of other current assets are as follows:

<b>Other Current Assets</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Carried forward VAT	90.091.363	53.279.170
Employee Advances	-	5.714
Work Advances	11.749	2.763
Other VAT	133.085	17.910
	<b>90.236.197</b>	<b>53.305.557</b>

As of December 31, 2023 and December 31, 2022, details of other current liabilities are as follows:

<b>Other Short-term Liabilities</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Taxes and Funds Payable	26.614.786	129.520.214
Expense Accruals	8.876.187	27.867.451
Other Liabilities Payable	29.143	49.431
Overdue, Deferred or Postponed Taxes and Other Liabilities	168.748	1.216.341
	<b>35.688.864</b>	<b>158.653.437</b>

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

### NOTE 22 – EQUITY

#### Capital and Reserves

As of December 31, 2023, the issued capital of the Company is TL 190.970.000. (One hundred ninety million nine hundred and seventy thousand Turkish Liras) This capital is divided into a total of 190,970,000 shares, as follows: 22,035,000 Group A shares, 14,690,000 Group B shares and 154,245,000 Group C shares, each with a nominal value of TL 1.

As of December 31, 2023, the capital structure of the Company is as follows:

<u>Shareholders</u>	<u>No. of Shares</u>	<u>Group</u>	<u>Ratio (%)</u>	<u>Value</u>
Nevin Ulusoy	9.548.501	A	5,00	9.548.501
	2.938.000	B	1,54	2.938.000
	19.089.237	C	10,00	19.089.237
	<b>31.575.738</b>		<b>16,54</b>	<b>31.575.738</b>
Onur Erhan Ulusoy	1.469.000	A	0,77	1.469.000
	3.407.000	B	1,78	3.407.000
	8.524.000	C	4,46	8.524.000
	<b>13.400.000</b>		<b>7,01</b>	<b>13.400.000</b>
Eren Günhan Ulusoy	11.017.499	A	5,77	11.017.499
	8.345.000	B	4,37	8.345.000
	52.380.358	C	27,43	52.380.358
	<b>71.742.857</b>		<b>37,57</b>	<b>71.742.857</b>
Mithat Denizcigil	215.518	C	0,11	215.518
	<b>215.518</b>		<b>0,11</b>	<b>215.518</b>
Kâmil Âdem	60.887	C	0,03	60.887
	<b>60.887</b>		<b>0,03</b>	<b>60.887</b>
Publicly Traded	<b>73.975.000</b>	C	<b>38,74</b>	<b>73.975.000</b>
<b>Total</b>	<b>190.970.000</b>		<b>100,00</b>	<b>190.970.000</b>

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

### NOTE 22 – EQUITY (Cont.)

As of December 31, 2022, the capital structure of the Company is as follows:

Shareholders	No. of Shares	Group	Ratio (%)	Value
Nevin Ulusoy	9.548.501	A	5,00	9.548.501
	2.938.000	B	1,54	2.938.000
	23.589.237	C	12,35	23.589.237
	<b>36.075.738</b>		<b>18,89</b>	<b>36.075.738</b>
Onur Erhan Ulusoy	1.469.000	A	0,77	1.469.000
	3.407.000	B	1,78	3.407.000
	13.024.000	C	6,82	13.024.000
	<b>17.900.000</b>		<b>9,37</b>	<b>17.900.000</b>
Eren Günhan Ulusoy	11.017.499	A	5,77	11.017.499
	8.345.000	B	4,37	8.345.000
	52.380.358	C	27,43	52.380.358
	<b>71.742.857</b>		<b>37,57</b>	<b>71.742.857</b>
Mithat Denizcigil	215.518	C	0,11	215.518
	<b>215.518</b>		<b>0,11</b>	<b>215.518</b>
Kâmil Âdem	60.887	C	0,03	60.887
	<b>60.887</b>		<b>0,03</b>	<b>60.887</b>
Publicly Traded	<b>64.975.000</b>	C	<b>34,02</b>	<b>64.975.000</b>
<b>Total</b>	<b>190.970.000</b>		<b>100,00</b>	<b>190.970.000</b>

The legal reserves consist of the first and second legal reserves, established per the Turkish Commercial Code. The first legal reserve is appropriated from the statutory profit at the rate of 5% per year until the total reserve reaches 20% of the company's paid-up share capital.

Publicly traded companies distribute dividends in accordance with the CMB's Communiqué on Dividends No. II-19.1.

Companies distribute profits based on distribution policies determined by the general assembly and in compliance with relevant legislation. The communiqué does not establish a minimum distribution rate. Dividends are distributed according to a company's articles of association or dividend distribution policies. Dividends may be disbursed in equal or varying portions, and dividend payments can be distributed in cash over the earnings noted in the financial statements.

Unless the reserves required by the Turkish Commercial Code and the dividends determined for the shareholders in the Articles of Association or the Dividend Distribution Policy have been set aside, no decision can be taken to set aside other reserves, to carry forward profits to the following year and to distribute dividends to the holders of usufruct shares, members of the Board of Directors, employees of the Company and persons other than shareholders, and no dividend can be distributed to these persons unless the dividends determined for the shareholders are paid in cash.

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 22 – EQUITY (Cont.)**

The details of equity items as of December 31, 2023 and December 31, 2022 are as follows:

<b>Equity</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Paid-in Capital	190.970.000	190.970.000
Capital Adjustment Differences	950.960.256	950.960.256
Repurchased Shares	(258.427.315)	(167.425.594)
Share Premiums (Discounts)	725.411.038	114.309.003
Other Comprehensive Income (Expense) Not to be Reclassified to Profit or Loss	1.812.885.505	975.556.457
- <i>Revaluation Differences on Tangible Fixed Assets (Net)</i>	<i>1.835.731.107</i>	<i>987.783.157</i>
- <i>Actuarial Gain/(Loss) on Employee Benefits</i>	<i>(22.510.229)</i>	<i>(12.048.540)</i>
- <i>Shares of Other Comprehensive Income of Investments Accounted Using Equity Method Not To Be Reclassified to Profit or Loss</i>	<i>(335.373)</i>	<i>(178.160)</i>
Other Comprehensive Income (Expense) to be Reclassified to Profit or Loss	515.030.339	238.724.692
- <i>Foreign Currency Conversion Differences</i>	<i>515.030.339</i>	<i>238.724.692</i>
Restricted Reserves	393.877.881	220.080.707
Retained Earnings	2.963.088.608	853.026.381
Net Period Profit/Loss	(649.172.070)	2.602.451.084
Non-controlling Interests	426.714.326	-
	<b>7.071.338.568</b>	<b>5.978.652.986</b>



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Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

### NOTE 22 – EQUITY (Cont.)

#### Repurchased Shares

Based on the decision taken by the Company's Board of Directors on 20 February 2023, a share buy-back program was initiated. Within the scope of the current program, shares equivalent to 1.31% of the Company's share capital were repurchased between 24 February 2023 and 14 June 2023.

Based on the decision taken by the Company's Board of Directors on 1 February 2022, a share buy-back programme was initiated. Within the scope of the current program, between 2 February 2022 and 30 June 2022, a total of TL 5,000,000 nominal value of shares corresponding to 2.62% of the Company's share capital was repurchased. (December 31, 2021: Based on the decision taken by the Company's Board of Directors on 30 June 2021, a share repurchase program was initiated. Within the scope of the program, shares with a nominal value of TL 5,000,000, equivalent to 2.62% of the Company's share capital, were repurchased between 1 July - December 31, 2021).

The share repurchases were financed by the Company's cash and cash equivalents. As of December 31, 2023, there has been no sale of the repurchased shares.

Pursuant to Article 520 of the Law No. 6102, a reserve is set aside for the repurchased shares in an amount that meets their acquisition value. As of December 31, 2023, the Group has allocated a reserve amounting to TL 258.427.315 for the repurchased shares in the restricted reserves in the consolidated financial statements.

#### Additional Information on Capital, Reserves and Other Equity Items

Due to the use of different indices in the application of inflation accounting in accordance with the Tax Procedural Law and IAS 29, differences have arisen between the amounts recognized in the balance sheet prepared in accordance with the Tax Procedural Law and the amounts recognized in the consolidated financial statements prepared in accordance with TAS/TFRS for the items "adjustment to share capital", "share premium" and "restricted reserves". These differences are recognized under "Retained Earnings or Losses" in the TAS/TFRS financial statements.

<b>December 31, 2023</b>	<b>Inflation-adjusted amounts in the solo financial statements prepared as per the Tax Procedure Law</b>
Capital Adjustment Differences	1.551.515.886
Share Premiums (Discounts)	1.201.292.625
Restricted Reserves	257.016.480

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

### NOTE 23 – GOODWILL

Söke Değirmencilik merged with its parent company, MKU Un, on 29 December 2016. Before this merger, MKU Un acquired all of the shares of the Company on 16 April 2015, and since the acquisition cost includes control power, goodwill was calculated as a result of this transaction.

Söke Değirmencilik management has performed impairment test on goodwill using discounted cash flow method in accordance with TAS 36. No impairment was identified in the goodwill impairment tests performed by the Company management.

Söke Değirmencilik acquired 60% of Gen Oyuncak Sanayi ve Ticaret A.Ş. shares with a total nominal value of TL 2.714.000 for TL 2.862.586 on 29 March 2023. As a result of this transaction, goodwill amounting to TL 428.969 has been calculated.

The details of goodwill as of December 31, 2023 and December 31, 2022 are as follows:

	<b>December 31, 2023</b>	<b>December 31, 2022</b>
<b>As of January 1</b>	310.041.260	310.041.260
Changes during the Period	428.969	-
<b>As of Period End</b>	<b>310.470.229</b>	<b>310.041.260</b>
	<b>December 31, 2023</b>	<b>December 31, 2022</b>
MKU Un San. ve Tic. A.Ş.	310.041.260	310.041.260
Gen Oyuncak San. ve Tic. A.Ş.	428.969	-
	<b>310.470.229</b>	<b>310.041.260</b>

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 24 – REVENUE AND COST OF SALES**

Revenue and cost of sales for the periods ended December 31, 2023 and December 31, 2022 are as follows:

<b>Revenue and Cost of Sales</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Domestic Sales Revenues	13.232.894.382	14.075.716.453
International Sales Revenues	26.792.184.575	24.080.021.721
Other Revenues	67.581.705	156.627.209
<b>Gross Sales</b>	<b>40.092.660.662</b>	<b>38.312.365.383</b>
Returns from Sales (-)	(151.926.934)	(285.996.520)
Sales Discounts (-)	(273.601.420)	(271.166.813)
Other Discounts	(6.446.078)	(35.132.058)
<b>Net Sales</b>	<b>39.660.686.230</b>	<b>37.720.069.992</b>
<b>Cost of Sales</b>	<b>(37.412.443.888)</b>	<b>(34.575.568.048)</b>
Cost of Trade Goods Sold	(27.491.582.700)	(24.552.897.892)
Cost of Products Sold	(9.821.523.946)	(9.951.338.015)
Cost of Service Sold	(86.476.249)	(61.869.793)
Other Cost of Sales	(12.860.993)	(9.462.348)
<b>Gross Profit</b>	<b>2.248.242.342</b>	<b>3.144.501.944</b>

Cost of sales for the periods ended December 31, 2023 and December 31, 2022 are as follows:

<b>Cost of Sales</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
<b>Cost of Trade Goods Sold</b>	<b>(27.491.582.700)</b>	<b>(24.552.897.892)</b>
<b>Cost of Products Sold</b>	<b>(9.821.523.946)</b>	<b>(9.951.338.015)</b>
<b>Other Cost of Sales</b>	<b>(12.860.993)</b>	<b>(9.462.348)</b>
<b>Cost of Service Sold</b>	<b>(86.476.249)</b>	<b>(61.869.793)</b>
Amortisation Expenses	(38.712.081)	(20.988.852)
Fuel Expenses	(14.061.327)	(13.208.764)
Benefits and Services Provided Externally	(9.425.004)	(8.169.175)
Employee Expenses	(8.970.733)	(6.873.169)
Vehicle Expenses	(3.698.718)	(4.367.927)
Insurance Expenses	(5.764.910)	(2.527.462)
Other Expenses	(3.748.599)	(2.493.215)
Transport Expenses	(207.406)	(2.345.310)
Maintenance and Repair Expenses	(796.488)	(550.331)
Taxes, Duties and Fees	(1.090.983)	(345.588)
	<b>(37.412.443.888)</b>	<b>(34.575.568.048)</b>

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 25 – GENERAL ADMINISTRATIVE AND MARKETING EXPENSES**

Total operating expenses for the periods ended December 31, 2023 and December 31, 2022 are as follows:

<b>Operating Expenses</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
General Administrative Expenses	(285.154.624)	(215.253.600)
Marketing Expenses	(1.035.808.341)	(788.035.801)
Research and Development Expenses	(840.067)	(307.644)
	<b>(1.321.803.032)</b>	<b>(1.003.597.045)</b>

For the periods ended December 31, 2023 and December 31, 2022, general administrative expenses are as follows:

<b>General Administrative Expenses</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Employee Expenses	(110.285.463)	(64.035.231)
Depreciation Expenses	(47.322.357)	(27.903.601)
Benefits and Services Provided Externally	(18.442.413)	(21.823.666)
Consultancy Expenses	(18.530.719)	(20.710.801)
Taxes, Duties and Fees	(18.111.677)	(18.094.818)
Other Expenses	(14.125.183)	(13.908.721)
Training and Publication Expenses	(2.025.151)	(7.115.496)
Lease Expenses	(3.989.607)	(5.989.927)
Insurance Expenses	(3.305.803)	(3.980.157)
Donations and Aids	(5.260.892)	(3.381.685)
Public Offering Costs	(157.759)	(3.321.889)
Vehicle Expenses	(3.625.450)	(3.187.013)
Fair Expenses	(12.354.173)	(3.033.014)
Transport Expenses	(4.356.780)	(3.017.415)
Food Expenses	(6.783.566)	(2.898.862)
Representation and Hospitality Expenses	(4.277.352)	(2.702.813)
Advertisement Expenses	(887.679)	(2.552.256)
Electricity, Heating and Water Expenses	(2.144.389)	(2.086.553)
Information Technology Expenses	(3.320.124)	(2.001.680)
Maintenance and Repair Expenses	(1.430.547)	(1.429.439)
Depreciation Expense on Leasing Transactions	(524.973)	(1.240.133)
Court Expenses	(108.834)	(449.823)
Notary Expenses	(1.169.573)	(215.363)
Accommodation Expenses	(2.339.631)	(105.105)
Trademark, Patent Application and Renewal Expenses	(274.529)	(68.139)
	<b>(285.154.624)</b>	<b>(215.253.600)</b>

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 25 – GENERAL ADMINISTRATIVE AND MARKETING EXPENSES (Cont.)**

For the periods ended December 31, 2023 and December 31, 2022, marketing expenses are as follows:

<b>Marketing Expenses</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Export Expenses	(499.313.038)	(358.858.370)
Transport Expenses	(205.023.181)	(236.150.936)
Employee Expenses	(128.443.879)	(79.788.857)
Customer Relations Depreciation	(56.676.474)	(37.848.039)
Other Expenses	(13.541.917)	(11.070.721)
Depreciation Expenses	(47.143.567)	(10.362.168)
Advertisement and Promotion Expenses	(18.286.705)	(9.315.275)
Vehicle Expenses	(16.761.869)	(9.203.986)
Depreciation Expense on Leasing Transactions	(3.382.249)	(9.153.414)
Stock Exchange Expenses	(6.761.513)	(5.186.339)
Benefits and Services Provided Externally	(5.563.052)	(3.590.469)
Food Expenses	(5.008.880)	(3.111.038)
Commission Expenses	(2.174.403)	(3.076.234)
Fair Expenses	(4.559.383)	(2.984.221)
Transport Expenses	(4.167.364)	(2.435.868)
Lease Expenses	(6.170.024)	(2.026.357)
Taxes, Duties and Fees Expenses	(3.719.377)	(1.985.378)
Accommodation Expenses	(4.155.788)	(1.144.718)
Insurance Expenses	(3.236.698)	(448.571)
Promotion Expenses	(1.524.225)	(183.815)
Consultancy Expenses	(194.755)	(111.027)
	<b>(1.035.808.341)</b>	<b>(788.035.801)</b>

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 26 – OTHER OPERATING INCOME AND EXPENSES**

For the periods ended December 31, 2023 and December 31, 2022, other operating income comprised the following:

<b>Other Operating Income</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Foreign Exchange Gains on Trade Receivables and Payables	2.170.283.912	2.345.094.184
Price Difference Revenues	73.013.468	53.199.083
Service Reflection Revenues	80.276.049	34.663.688
Provisions for Uncollectibles	39.282.511	18.194.832
Revenues from Returned Expenses	38.364.994	17.588.894
Other Revenues	22.687.990	15.872.760
Rediscount Interest Income	31.266.927	13.049.902
Revenues from Law No. 5510 and Law No. 6661	14.475.230	5.502.965
Income from Incentives and Supports	8.502.067	3.282.276
	<b>2.478.153.148</b>	<b>2.506.448.584</b>

For the periods ended December 31, 2023 and December 31, 2022, other operating expenses comprised the following:

<b>Other Operating Expenses</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Foreign Currency Exchange Expenses on Trade Receivables and Payables	(1.113.133.925)	(1.436.656.686)
Rediscount Interest Expense	(41.929.938)	(28.349.334)
Returned Expenses	(19.187.849)	(23.346.597)
Other Expenses	(24.630.305)	(14.932.137)
Provision Expenses	(7.668.355)	(12.701.845)
Price Difference Expenses	(122.514.562)	(5.009.605)
	<b>(1.329.064.934)</b>	<b>(1.520.996.204)</b>

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 27 – INCOME AND EXPENSES FROM INVESTING ACTIVITIES**

Income from investing activities for the periods ended December 31, 2023 and December 31, 2022 are as follows:

<b>Income from Investing Activities</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Gain on Bargain Purchase (Note 3)	-	942.140.879
Gain on Sale of Investment Properties	-	22.078.017
Gain on Sale of Fixed Assets	35.567.814	23.706.731
Fair Value Increase of Currency Protected Deposits	380.677.062	56.623.857
Investment Property Fair Value Difference	-	847.948
Venture Capital Fund Fair Value Difference	2.590.866	-
Gain on Rudi's Share Purchase (*)	103.282.507	-
	<b>522.118.249</b>	<b>1.045.397.432</b>

(\*) See Note 6.

For the periods ended December 31, 2023 and December 31, 2022, expenses from investing activities are as follows:

<b>Expenses from Investing Activities</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Contingent Consideration Valuation Expense	-	(5.577.096)
Loss on Sale of Fixed Assets	(67.848.850)	(202.014)
Other Expenses	(250.615)	-
	<b>(68.099.465)</b>	<b>(5.779.110)</b>

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

	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Expected Credit Loss	(5.217.006)	(6.101.005)
	<b>(5.217.006)</b>	<b>(6.101.005)</b>

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 28 – FINANCIAL INCOME AND EXPENSES**

For the periods ended December 31, 2023 and December 31, 2022, financial income is as follows:

<b>Financing Income</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Foreign Exchange Gains	739.884.415	908.414.576
Gain on Sale of Marketable Securities	320.413.229	292.676.597
Derivative Financial Instrument Income	475.868.622	291.275.079
Interest Income	413.050.342	149.031.216
	<b>1.949.216.608</b>	<b>1.641.397.468</b>

For the periods ended December 31, 2023 and December 31, 2022, financial expenses are as follows

<b>Finance Expenses</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Foreign Exchange Losses	(2.384.535.847)	(1.656.053.855)
Finance Expenses	(1.307.293.477)	(922.837.010)
Loss on Sale of Marketable Securities	(218.658.156)	(541.696.024)
Derivative Financial Instrument Fair Value Differences	(115.395.567)	(297.417.716)
Finance Expense Arising from Lease Liabilities	(2.789.582)	(1.826.020)
	<b>(4.028.672.629)</b>	<b>(3.419.830.625)</b>



## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

### NOTE 29 – INCOME TAXES

#### **Corporate Tax**

In Turkey, corporate tax rate is 25% as of December 31, 2023 (December 31, 2022: 23%). Corporate tax is payable at a rate of 25% on the total income of the Group after adjusting for certain disallowable expenses and deducting certain exemptions and deductions.

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

In Turkey, there is no such practice as reconciliation with the tax administration regarding the taxes payable. Corporate tax returns are filed within four months following the close of the accounting period. The tax authorities may examine the tax returns and the underlying accounting records for a period of five years following the accounting period and may make a re-assessment based on their findings.

Rolweg, a subsidiary of the Company, operates in Switzerland. Swiss income tax rate is 14,00%.

#### **Income tax withholding**

According to the Presidential Decree dated 21.12.2021 and numbered 4936, the income tax deduction rate for dividend payments made by joint stock companies resident in Turkey to real persons resident in Turkey, non-residents of income and corporate taxes or those who are exempt from these taxes, and real persons and legal entities who are not residents of Turkey has been reduced from 15% to 10%. Dividend payments made from joint stock companies resident in Turkey to joint stock companies also resident in Turkey are not subject to tax deduction. In addition, there is no tax deduction in the event that the profit is not distributed or added to capital.

As of December 31, 2023 and December 31, 2022, total tax income/expense is as follows:

	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Period Tax Income / Expense	(93.242.678)	(213.294.178)
Deferred Tax Income / Expense	(41.853.564)	(115.015.386)
	<b><u>(135.096.242)</u></b>	<b><u>(328.309.564)</u></b>

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 29 – INCOME TAXES (Cont.)****Deferred tax assets and liabilities**

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between their financial statements as reported for TFRS purposes and their statutory financial statements. These temporary differences usually result in recognizing revenue and expenses in different reporting periods for TFRS and tax purposes.

The components of the Group's deferred tax assets and liabilities as of December 31, 2023 are as follows:

<b>December 31, 2023</b>	<b>Temporary Differences</b>	<b>Deferred Tax Assets</b>	<b>Deferred Tax Liability</b>
<b>Recognized in Profit/Loss</b>			
Tangible and Intangible Fixed Assets	2.854.046.468		(662.839.126)
Customer Relations and Brand	1.201.533.240		(300.383.310)
Derivative Instruments	(12.634.256)	3.158.564	
Severance Pay Provision	(2.468.180)	617.045	
Inventories	(43.240.252)	10.810.063	
Provision for Unused Leave Days	369.740		(92.435)
Income and Expense Accruals	14.743.560		(3.685.890)
Loans	(17.817.824)	4.454.456	
Litigation Provisions	(1.788.756)	447.189	
Non-moving Receivables	(6.547.864)	1.636.966	
Rediscount of Receivables and Notes Receivable	(17.260.688)	4.315.172	
Accounts Payable and Accounts Payable Rediscount	3.716.488		(929.122)
Currency Exchange Gains and Losses	15.575.592		(3.893.898)
Lease Liability	6.129.636		(1.532.409)
Prepaid Expenses and Deferred Income	48.900.980		(12.225.245)
Other	(16.724.956)	4.181.239	
Financial Investments	87.467.588		(21.866.897)
<b>Total</b>	<b>4.114.000.516</b>	<b>29.620.694</b>	<b>(1.007.448.332)</b>
<b>a. Net Deferred Tax Asset/Liability (Profit/Loss)</b>			<b>(977.827.638)</b>

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 29 – INCOME TAXES (Cont.)**

As of December 31, 2022, the Group's deferred tax assets and liabilities are as follows:

<b>December 31, 2022</b>	<b>Temporary Differences</b>	<b>Deferred Tax Assets</b>	<b>Deferred Tax Liability</b>
<b>Recognized in Profit/Loss</b>			
Tangible and Intangible Fixed Assets	1.690.747.448		(355.056.964)
Customer Relations and Brand	1.094.095.404		(251.641.943)
Akreditifler	892.004	205.161	
Derivative Instruments	(108.214.989)	22.348.517	
Severance Pay Provision	8.144.365	1.873.204	
Inventories	(669.274)	153.933	
Provision for Unused Leave Days	147.391	33.900	
Income and Expense Accruals	(81.422.126)		(18.727.089)
Loans	(2.737.652)	629.660	
Litigation Provisions	(2.387.374)	549.096	
Non-moving Receivables	559.070		(128.586)
Rediscount of Receivables and Notes Receivable	(12.770.348)	2.937.180	
Accounts Payable and Accounts Payable Rediscount	265.296		(61.018)
Currency Exchange Gains and Losses	34.841.417		(8.013.526)
Lease Liability	9.849.913		(2.265.480)
Prepaid Expenses and Deferred Income	81.625.148		(18.773.784)
Other	92.155.060		(21.601.773)
Financial Investments	<b>2.805.120.753</b>	<b>28.730.651</b>	<b>(676.270.163)</b>
<b>A. Net Deferred Tax Asset/Liability (Profit/Loss)</b>			<b>(647.539.512)</b>

**NOTE 30 – EARNINGS/LOSS PER SHARE**

Earnings/loss per share for the periods ended December 31, 2023 and December 31, 2022 are as follows:

	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Net Profit/(Loss) for the Period	(649.172.070)	2.602.451.084
Weighted Average Number of Total Ordinary Shares in Circulation	179.360.097	181.979.925
<b>Earnings/Loss per Share</b>	<b>(3,619)</b>	<b>14,301</b>

**NOTE 31 – RELATED PARTY DISCLOSURES**

For the periods ended December 31, 2023 and December 31, 2022, details of related party disclosures are as follows:

<b>Trade Receivables from Related Parties</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Unay Un San. ve Tic. A.Ş.	2.941.585	167.359.715
	<b>2.941.585</b>	<b>167.359.715</b>

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

### NOTE 31 – RELATED PARTY DISCLOSURES (Cont.)

<b>Trade Payables to Related Parties</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Unay Un San. ve Tic. A.Ş.	5.778.936	6.089.843
Ulusoy Petrol Ürünleri Tic. A.Ş.	552.628	438.986
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşletmecisi A.Ş.	159.258	26.203
Ulusoy Çay Gıda San. ve Tic. A.Ş.	156.687	206.934
GFC Denizcilik ve Ticaret A.Ş.	129.801	22.088
	<b>6.777.310</b>	<b>6.784.054</b>

  

<b>Other Payables to Related Parties</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Unay Un San. ve Tic. A.Ş.	151.540.896	338.298.702
	<b>151.540.896</b>	<b>338.298.702</b>

  

<b>Order Advances Given to Related Parties</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Unay Un San. ve Tic. A.Ş.	3.925.659	15.603.653
	<b>3.925.659</b>	<b>15.603.653</b>

  

<b>Sales Income from Related Parties</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Unay Un San. ve Tic. A.Ş.	337.542.010	294.117.299
Ulusoy Çay Gıda San. ve Tic. A.Ş.	3.562	4.001
	<b>337.545.572</b>	<b>294.121.300</b>

  

<b>Purchases from Related Parties</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Ulusoy Çay Gıda San. ve Tic. A.Ş.	40.476	62.670
Unay Un San. ve Tic. A.Ş.	714.128.763	956.816.780
Ulusoy Petrol Ürünleri Tic. A.Ş.	-	3.629.303
GFC Denizcilik ve Ticaret A.Ş.	56.792	35.148
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşletmecisi A.Ş.	3.971.778	9.855.607
	<b>718.197.809</b>	<b>970.399.508</b>

  

<b>Finance Expenses from Related Parties</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Unay Un San. ve Tic. A.Ş.	(19.252.486)	(57.027.364)
	<b>(19.252.486)</b>	<b>(57.027.364)</b>

  

<b>Financial Income from Related Parties</b>	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Unay Un San. ve Tic. A.Ş.	65.343.261	14.886.843
	<b>65.343.261</b>	<b>14.886.843</b>

The Group's key management consists of board members, general manager and department managers. The Group's remuneration and benefits provided to key management amounted to TL 53.478.369 as of December 31, 2023 (December 31, 2022: TL 33.056.305).

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 32 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS****Credit Risk**

December 31, 2023	Receivables				Bank Deposits	Derivative Instruments	Other
	Trade Receivables		Other Receivables				
	Related party	Third party	Related party	Third party			
<b>Maximum credit risk exposure as of the reporting date (A+B+C+D+E+F)</b>	<b>2.941.585</b>	<b>6.700.605.342</b>	<b>-</b>	<b>67.897.604</b>	<b>1.784.130.255</b>	<b>283.937.249</b>	<b>(754.421)</b>
- The part of maximum risk under guarantee with collaterals etc.							
<b>A.</b> Net book value of financial assets that are neither past due nor impaired	2.941.585	6.705.822.348	-	67.897.604	1.784.130.255	283.937.249	(754.421)
<b>B.</b> Carrying amount of financial assets with renegotiated terms that would otherwise be regarded as past due or impaired	-	-	-	-	-	-	-
<b>C.</b> Net book value of overdue but not impaired assets	-	-	-	-	-	-	-
- Portion secured with collateral etc.	-	-	-	-	-	-	-
<b>D.</b> Net book value of impaired assets	-	-	-	-	-	-	-
- Past due (gross carrying amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Not overdue (gross carrying amount)	-	21.525.361	-	-	-	-	-
- Impairment (-)	-	(21.525.361)	-	-	-	-	-
<b>E.</b> Off-balance sheet items comprising loans	-	-	-	-	-	-	-
<b>F.</b> Expected Credit Loss	-	(5.217.006)	-	-	-	-	-

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 32 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Cont.)****Credit Risk (Cont.)**

December 31, 2022	Receivables				Bank Deposits	Derivative Instruments	Other
	Trade Receivables		Other Receivables				
	Related party	Third party	Related party	Third party			
<b>Maximum credit risk exposure as of the reporting date (A+B+C+D+E+F)</b>	<b>167.359.715</b>	<b>4.735.600.295</b>	<b>-</b>	<b>96.435.047</b>	<b>2.479.590.273</b>	<b>237.397.639</b>	<b>22.310.107</b>
- The part of maximum risk under guarantee with collaterals etc.							
<b>A.</b> Net book value of financial assets that are neither past due nor impaired	167.359.715	4.741.701.300	-	96.435.047	2.479.590.273	237.397.639	22.310.107
<b>B.</b> Carrying amount of financial assets with renegotiated terms that would otherwise be regarded as past due or impaired	-	-	-	-	-	-	-
<b>C.</b> Net book value of overdue but not impaired assets	-	-	-	-	-	-	-
- Portion secured with collateral etc.	-	-	-	-	-	-	-
<b>D.</b> Net book value of impaired assets	-	-	-	-	-	-	-
- Past due (gross carrying amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Not overdue (gross carrying amount)	-	22.407.179	-	-	-	-	-
- Impairment (-)	-	(22.407.179)	-	-	-	-	-
<b>E.</b> Off-balance sheet items comprising loans	-	-	-	-	-	-	-
<b>F.</b> Expected Credit Loss	-	(6.101.005)	-	-	-	-	-

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Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 32 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Cont.)****Liquidity risk**

<b>December 31, 2023</b>						
<b>Non-derivative Financial Liabilities</b>	<b>Book Value</b>	<b>Total cash outflows per contract (I+II+III+IV)</b>	<b>Less than 3 Months (I)</b>	<b>3-12 Months (II)</b>	<b>1-5 Years(III)</b>	<b>More than 5 Years (IV)</b>
Bank Loans	5.270.231.329	5.270.231.329	1.467.009.939	2.462.867.212	1.338.266.953	2.087.225
Trade Payables	6.755.346.110	6.755.346.110	2.266.800.834	4.318.084.355	170.460.921	-
Other Payables	155.373.435	155.373.435	155.373.435	-	-	-
<b>Total Liabilities</b>	<b>12.180.950.874</b>	<b>12.180.950.874</b>	<b>3.889.184.208</b>	<b>6.780.951.567</b>	<b>1.508.727.874</b>	<b>2.087.225</b>

<b>December 31, 2022</b>						
<b>Non-derivative Financial Liabilities</b>	<b>Book Value</b>	<b>Total cash outflows per contract (I+II+III+IV)</b>	<b>Less than 3 Months (I)</b>	<b>3-12 Months (II)</b>	<b>1-5 Years(III)</b>	<b>More than 5 Years (IV)</b>
Bank Loans	5.327.436.911	5.327.436.911	1.171.731.410	2.771.622.515	1.376.721.869	7.361.117
Trade Payables	5.103.525.683	5.103.525.683	2.643.173.759	2.460.351.924	-	-
Other Payables	338.758.707	338.758.707	338.758.707	-	-	-
<b>Total Liabilities</b>	<b>10.769.721.301</b>	<b>10.769.721.301</b>	<b>4.153.663.876</b>	<b>5.231.974.439</b>	<b>1.376.721.869</b>	<b>7.361.117</b>

**ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 32 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Cont.)****Foreign Currency Exchange Rate Risk**

	December 31, 2023			
	TL equivalent	US Dollar	Euro	Other
1. Trade receivables	4.993.545.945	163.524.501	5.516.041	-
2a. Monetary financial assets (including cash and bank accounts)	1.142.451.701	38.522.548	164.246	87.614
2b. Non-monetary financial assets	-	-	-	-
3. Other	292.721.906	9.943.607	-	-
<b>4. Current assets (1+2+3)</b>	<b>6.428.719.552</b>	<b>211.990.656</b>	<b>5.680.288</b>	<b>87.614</b>
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-
7. Other	189.820.788	6.334.970	102.250	-
<b>8. Fixed assets (5+6+7)</b>	<b>189.820.788</b>	<b>6.334.970</b>	<b>102.250</b>	-
<b>9. Total assets (4+8)</b>	<b>6.618.540.340</b>	<b>218.325.626</b>	<b>5.782.538</b>	<b>87.614</b>
10. Trade payables	6.043.185.636	200.270.038	874.089	13.401.026
11. Financial liabilities	1.133.945.139	38.450.158	-	-
12a. Other monetary liabilities	-	-	-	-
12b. Other non-monetary liabilities	-	-	-	-
<b>13. Short-term liabilities (10+11+12)</b>	<b>7.177.130.775</b>	<b>238.720.196</b>	<b>874.089</b>	<b>13.401.026</b>
14. Trade payables	-	-	-	-
15. Financial liabilities	640.528.931	21.719.250	-	-
16 a. Other monetary liabilities	-	-	-	-
16 b. Other non-monetary liabilities	-	-	-	-
<b>17. Long-term liabilities (14+15+16)</b>	<b>640.528.931</b>	<b>21.719.250</b>	-	-
<b>18. Total liabilities (13+17)</b>	<b>7.817.659.706</b>	<b>260.439.446</b>	<b>874.089</b>	<b>13.401.026</b>
19. Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	1.371.514.667	46.589.624	-	-
19a. Total amount of hedged assets	1.371.514.667	46.589.624	-	-
19b. Total amount of hedged liabilities	-	-	-	-
<b>20. Net foreign currency asset/(liability) position (9-18+19)</b>	<b>172.395.301</b>	<b>4.475.804</b>	<b>4.908.449</b>	<b>(13.313.412)</b>
21. Total fair value of financial instruments used for foreign currency hedges (1 +2a+3+5+6a+7-10-11 -12a-14-15-16a)	<b>(1.388.940.154)</b>	<b>(48.448.790)</b>	<b>4.806.199</b>	<b>(13.313.412)</b>
21. Export (Average Exchange Rate)	<b>3.518.796.934</b>	<b>142.438.301</b>	<b>2.017.187</b>	<b>12.571.500</b>
21. Imports (Average Exchange Rate)	<b>4.428.953.968</b>	<b>76.875.861</b>	<b>5.523.039</b>	<b>107.733.846</b>



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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 32 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Cont.)****Foreign Currency Exchange Rate Risk**

		<b>December 31, 2022</b>			
		<b>TL equivalent</b>	<b>US Dollar</b>	<b>Euro</b>	<b>Other</b>
1.	Trade receivables	1.695.377.101	54.349.482	28.014	46.632.515
2a.	Monetary financial assets (including cash and bank accounts)	1.301.482.453	41.954.657	195.409	4.487.957
2b.	Non-monetary financial assets	-	-	-	-
3.	Other	47.284.349	1.534.721	-	-
<b>4.</b>	<b>Current assets (1+2+3)</b>	<b>3.044.143.902</b>	<b>97.838.860</b>	<b>223.423</b>	<b>51.120.472</b>
5.	Trade receivables	-	-	-	-
6a.	Monetary financial assets	-	-	-	-
6b.	Non-monetary financial assets	-	-	-	-
7.	Other	-	-	-	-
<b>8.</b>	<b>Fixed assets (5+6+7)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9.</b>	<b>Total assets (4+8)</b>	<b>3.044.143.902</b>	<b>97.838.860</b>	<b>223.423</b>	<b>51.120.472</b>
10.	Trade payables	4.208.864.409	135.902.048	431.889	-
11.	Financial liabilities	885.124.249	28.677.036	-	-
12a.	Other monetary liabilities	-	-	-	-
12b.	Other non-monetary liabilities	-	-	-	-
<b>13.</b>	<b>Short-term liabilities (10+11+12)</b>	<b>5.093.988.658</b>	<b>164.579.084</b>	<b>431.889</b>	<b>-</b>
14.	Trade payables	-	-	-	-
15.	Financial liabilities	717.307.687	23.239.967	-	-
16 a.	Other monetary liabilities	-	-	-	-
16 b.	Other non-monetary liabilities	-	-	-	-
<b>17.</b>	<b>Long-term liabilities (14+15+16)</b>	<b>717.307.687</b>	<b>23.239.967</b>	<b>-</b>	<b>-</b>
<b>18.</b>	<b>Total liabilities (13+17)</b>	<b>5.811.296.345</b>	<b>187.819.050</b>	<b>431.889</b>	<b>-</b>
19.	Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	1.662.316.508	53.954.262	-	-
19a.	Total amount of hedged assets	1.662.316.508	53.954.262	-	-
19b.	Total amount of hedged liabilities	-	-	-	-
<b>20.</b>	<b>Net foreign currency asset/(liability) position (9-18+19)</b>	<b>(1.104.835.935)</b>	<b>(36.025.928)</b>	<b>(208.466)</b>	<b>51.120.472</b>
21.	Total fair value of financial instruments used for foreign currency hedges (1 +2a+3+5+6a+7-10-11 -12a-14-15-16a)	<b>(2.767.152.443)</b>	<b>(89.980.191)</b>	<b>(208.466)</b>	<b>51.120.472</b>
21.	Export (Average Exchange Rate)	<b>3.102.030.684</b>	<b>96.661.453</b>	<b>16.185.369</b>	<b>7.466</b>
21.	Imports (Average Exchange Rate)	<b>6.102.255.676</b>	<b>196.791.958</b>	<b>14.765.013</b>	<b>269.870.187</b>

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*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)***NOTE 32 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Cont.)****Foreign Currency Exchange Rate Risk (Cont.)**

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

<b>Foreign currency sensitivity analysis table</b>				
<b>December 31, 2023</b>				
	<b>Profit/loss</b>		<b>Equity</b>	
	APPRECIATION OF FOREIGN CURRENCY	DEPRECIATION OF FOREIGN CURRENCY	APPRECIATION OF FOREIGN CURRENCY	DEPRECIATION OF FOREIGN CURRENCY
If the US Dollar appreciates/depreciates by 10% against TL				
1- USD net asset/liability	11.793.027	(11.793.027)	11.793.027	(11.793.027)
2- US Dollar hedged portion (-)				-
<b>3- USD net effect (1+2)</b>	<b>11.793.027</b>	<b>(11.793.027)</b>	<b>11.793.027</b>	<b>(11.793.027)</b>
If Euro appreciates/depreciates by 10% against TL				
4- Euro net asset/liability	15.983.601	(15.983.601)	15.983.601	(15.983.601)
5- Portion hedged against Euro risk (-)				-
<b>6- TL net effect (4+5)</b>	<b>15.983.601</b>	<b>(15.983.601)</b>	<b>15.983.601</b>	<b>(15.983.601)</b>
If Other appreciates/depreciates by 10% against TL				
7- Other net assets/liabilities	(10.537.098)	10.537.098	(10.537.098)	10.537.098
8- Portion hedged from other risk (-)				-
<b>9- TL net effect (7+8)</b>	<b>(10.537.098)</b>	<b>10.537.098</b>	<b>(10.537.098)</b>	<b>10.537.098</b>
<b>Total (3+6+9)</b>	<b>17.239.530</b>	<b>(17.239.530)</b>	<b>17.239.530</b>	<b>(17.239.530)</b>

<b>Foreign currency sensitivity analysis table</b>				
<b>December 31, 2022</b>				
	<b>Profit/loss</b>		<b>Equity</b>	
	APPRECIATION OF FOREIGN CURRENCY	DEPRECIATION OF FOREIGN CURRENCY	APPRECIATION OF FOREIGN CURRENCY	DEPRECIATION OF FOREIGN CURRENCY
If the US Dollar appreciates/depreciates by 10% against TL				
1- USD net asset/liability	(278.269.510)	278.269.510	(278.269.510)	278.269.510
2- US Dollar hedged portion (-)				-
<b>3- USD net effect (1+2)</b>	<b>(278.269.510)</b>	<b>278.269.510</b>	<b>(278.269.510)</b>	<b>278.269.510</b>
If Euro appreciates/depreciates by 10% against TL				
4- Euro net asset/liability	(687.310)	687.310	(687.310)	687.310
5- Portion hedged against Euro risk (-)				-
<b>6- TL net effect (4+5)</b>	<b>(687.310)</b>	<b>687.310</b>	<b>(687.310)</b>	<b>687.310</b>
If Other appreciates/depreciates by 10% against TL				
7- Other net assets/liabilities	2.241.576	(2.241.576)	2.241.576	(2.241.576)
8- Portion hedged from other risk (-)				-
<b>9- TL net effect (7+8)</b>	<b>2.241.576</b>	<b>(2.241.576)</b>	<b>2.241.576</b>	<b>(2.241.576)</b>
<b>Total (3+6+9)</b>	<b>(276.715.244)</b>	<b>276.715.244</b>	<b>(276.715.244)</b>	<b>276.715.244</b>

## ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2023

(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)

### NOTE 33 – FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES)

#### Fair Value of Financial Instruments

The Group classifies its financial instruments carried at fair value in the consolidated financial statements according to the source of the valuation inputs for each class of financial instruments, using a three-level hierarchy.

Level 1: Valuation techniques using quoted prices in active markets for identical assets or liabilities that the Group has access to at the measurement date,

Level 2: Other valuation techniques involving inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly,

Level 3: Valuation techniques that use unobservable inputs for the asset or liability.

<b>Financial Assets (December 31, 2023)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Derivative Assets	-	283.937.249	-
Financial Investments	1.721.654.056	195.402.607	-
<b>Financial Liabilities (December 31, 2023)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Derivative liabilities	-	-	-
Financial Investments	-	-	-
<b>Financial Assets December 31, 2022)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Derivative Assets	-	237.397.639	-
Financial Investments	1.726.669.171	-	-
<b>Financial Liabilities (December 31, 2022)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Derivative liabilities	-	108.016.351	-
Financial Investments	-	-	-

### NOTE 34 – INDEPENDENT AUDIT ORGANISATION SERVICE FEES

The Group's explanation regarding the fees for the services provided by independent audit firms, prepared in accordance with the Board Decision of POA published in the Official Gazette dated 30 March 2021 and based on the POA letter dated 19 August 2021, is as follows:

	<b>January 1- December 31, 2023</b>	<b>January 1- December 31, 2022</b>
Independent Audit Fee for the Reporting Period	3.915.636	2.171.385
	<b>3.915.636</b>	<b>2.171.385</b>

(\*) The above fees have been determined by including the statutory audit fees of all subsidiaries, and the foreign currency-denominated fees of foreign subsidiaries have been converted into TL by using the annual average exchange rates of the relevant years.

## **ULUSOY UN SANAYİ VE TİCARET A.Ş.**

Notes to the Consolidated Financial Statements as of December 31, 2023

*(Amounts expressed in terms of the purchasing power of the Turkish Lira ("TL") as at December 31, 2023, unless otherwise stated.)*

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### **NOTE 35 – EVENTS AFTER BALANCE SHEET DATE**

- The Company sold 11.500.000 of its Group B shares in Söke Değirmencilik to an institutional investor through special order block sale method on 15 February 2024. After the related sale transaction, the Company's shareholding in Söke Değirmencilik decreased to 76,97% from 79,95% as of December 31, 2023.
- In order to support the existing commercial operations in the field of international commodity trade and to evaluate potential investment opportunities, two different companies, Edel Food and Agriculture Limited and Agromark Trading Commodities Limited, were established on 23 February 2024 and 28 February 2024, respectively, in accordance with the laws and obligations of Malta, which has a strategic importance in terms of access to EU opportunities due to its location as a member of the European Union.
- The acceptance process of the Group's Solar Power Plant with a total power of 11.000 kw on an area of 153.539 m<sup>2</sup> in Konya Province, Ilgın District, Göstere Mahallesi, Dede Ardiç Mevkii, has been completed as of 8 March 2024 and the plant has been commissioned and started production. It is estimated that the annual production of the power plant will be 97% of the total electricity consumption of the Group's Söke/Aydın and Sincan/Ankara factories in 2023.