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ANNUAL REPORT

2024

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INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT OF THE BOARD OF DIRECTORS

To the General Assembly of Efor Çay Sanayi Ticaret A.Ş.

Opinion

Since we have audited the full set of consolidated financial statements of Efor Çay Sanayi Ticaret Anonim Şirketi (the "Company") and its subsidiary (the "Group") for the accounting period of December 31, 2024, we have also audited the annual report for this accounting period.

We are of the opinion that the financial information included in the Board of Directors' annual report and the Board of Directors' examination of the Group's situation are consistent with the audited full set of consolidated financial statements and the information we obtained during the independent audit, in all its important aspects, and reflect the truth.

Basis for the Opinion

Our independent audit was conducted in accordance with the Independent Auditing Standards ("IAS"), which are part of the Turkish Auditing Standards adopted within the framework of the Capital Markets Board (CMB) regulations and published by the Public Oversight, Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those Standards are further described the Auditor's Responsibilities in the Audit of the Board of Directors' Annual Report section of our report.

We declare that we are independent from the Company in accordance with the Ethical Rules for Independent Auditors (Ethical Rules) published by the POA and the ethical provisions in the legislation on independent auditing. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the independent auditing evidence we have obtained during the performance of the independent audit constitutes a sufficient and appropriate basis for the formation of our positive opinion.

Our Audit Opinion on the Full Set Financial Statements

We have expressed a positive opinion in our auditor's report dated 03.03.2025, on the Group's full set of consolidated financial statements for the accounting period of 01.01.2024- 31.12.2024.

Board of Director's Responsibility for the Annual Report

According to Articles 514 and 516 of the Turkish Commercial Code No. 6102 ("TTC") and the applicable provisions of the Capital Markets Board ("CMB") Communiqué No. II-14.1 on "Principles of Financial Reporting in Capital Markets" ("Communiqué"), the Company management is responsible for the following in relation to the annual report.

a) Prepares the annual report within the first three months following the balance sheet date and present it to the general assembly;
b) Prepares the annual report in a way that accurately, completely, straightforwardly, truthfully and honestly reflects the flow of the Company's activities and financial situation for that year. In this report, the financial position is assessed in accordance with the financial statements. The report also clearly indicates the development of the Company and the risks it may encounter. The board of directors' evaluation of these issues is also included in the report.
c) The annual report also includes the following matters:
i. Events of particular importance that occurred in the Company after the end of the operating year
ii. The Company's research and development activities,
iii. financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

While preparing the annual report, the Board of Directors also takes into account the secondary legislation regulations made by the Ministry of Customs and Trade and relevant authorities.

Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to determine whether the financial information included in the annual report within the framework of the provisions of the Communique and the Turkish Commercial Code as well as the analysis made by the Board of Directors about the financial situation of the Company using the information in the audited financial statements about the Company's situation are consistent with the audited financial statements of the Company and the information we obtained during the independent audit and, whether they reflect the truth, and give an opinion on whether it reflects our opinion and prepare a report containing this opinion.

Our independent audit was conducted in accordance with the independent audit standards and the IASs published by the CMB. These standards require that the independent audit be planned and conducted to ensure compliance with ethical provisions and to obtain reasonable assurance as to whether the financial information in the annual report and the Board of Directors' review of the Company's financial situation are consistent with the financial statements and the information obtained during the audit and whether they reflect the truth.

March 04, 2025, Ankara
Deneyim Bağımsız Denetim ve Danışmanlık A.Ş.
Member of Nexia International

Ayhan Çetinkaya
Cap Auditor

TABLE OF CONTENTS

EFOR TEA

In the tea sector, which we entered in 2005 under the name Aktarım, we accelerated our activities by purchasing one of the factories with the largest fresh tea processing capacity of Türkiye in Of, Trabzon. We carried out the marketing activities of our teas produced and packaged by Aktarım through Akpaş Tea, which we established in 2014. By the year 2019, we continued our operations under the name Efor Tea, having previously operated as Akpaş Tea. In 2021, we continue our production, packaging and marketing activities under the name Efor Tea by combining the powers of Aktarım and Efor Tea.

Today, we have become one of the 500 largest companies and the top 5 tea producers in Türkiye, with our production facilities covering a total of 49 thousand square meters across the country. We have three fresh tea processing facilities and one packaging facility: fresh tea processing in Of, Trabzon, fresh tea processing in Arhavi, Artvin 1, fresh tea processing in Arhavi, Artvin 2 and packaging in Erbaa, Tokat. We account for approximately 10% of the annual tea sales in our country.

Since our establishment, we have operated with the principle of "prioritizing quality above all, without compromising on tea quality." We strictly follow the entire process from soil to cup and offer our customers 100% natural and high-quality teas at a budget-friendly price. As Efor Tea, aware of the traditional value of tea, we have become the favorite of countless consumers by taking customer satisfaction to the highest level. We continue our R&D efforts to bring new tastes to our industry and our customers. We make all efforts to bring Turkish tea, which we support with domestic production, to the forefront in the international arena and to deliver the tea varieties we grow and carefully process in the fertile lands of the Black Sea to all corners of the world. As Efor Tea, we work for a stronger Türkiye and continue to implement the most innovative investments to make our country's power and beauty sustainable.

Vision

We have adopted a vision of becoming a leading organization in our industry and shaping its future with a commitment to customer satisfaction, continuous improvement, quality, teamwork, social responsibility, professional management, adaptability to technological advancements, and a culture of sharing.

Mission

Within the framework of this vision, we have embraced the mission of being an exemplary organization that creates resources and value for our customers, employees, and Türkiye, while also contributing to increased employment opportunities.

Our Values

- Quality Orientation
- Sustainability
- Innovation
- Customer Satisfaction
- Social Responsibility
- Employee Welfare and Development
- Honesty and Transparency


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efor
FORM

Assessment by Mr. İbrahim Akkuş, Chairman

''As Efor Tea, we continue to grow with determination in both local and global markets with our quality and innovative products while strengthening our financial strength with our public offering process.''

Dear Stakeholders,

The year 2024 was a year in which we opened the doors to a new era and started an important journey as Efor Tea. We are excited and proud to have successfully completed our public offering process. I would like to thank all our investors who trusted us and everyone who contributed to this process.

On July 5, 2024, our company's shares started to be traded on the stock exchange with the Gong Ceremony we held at Borsa Istanbul. Our public offering process, which we implemented through the consortium led by Halk Yatırım Menkul Değerler A.Ş. and İntegral Yatırım Menkul Değerler A.Ş., attracted great interest from individual and institutional investors. The intense demand from 540.576 investors for our shares with a nominal value of TL 90,000,000 which we offered for sale at a public offering price of TL 14.50 was the greatest indicator of the trust in our company. In this process, we offered 24.9% of our company's issued capital to the public, reaching a total public offering size of TL 1.305 billion. This success was an important milestone not only for Efor Tea, but also for all our stakeholders who share the same vision as us.

Our public offering brought us one step closer to our goal of becoming a global brand, while also strengthening the financial strength of our company and creating a strong foundation for new investments. In the coming period, we will continue our investments without slowing down in line with our sustainable growth strategy.

The year we have just completed was a year in which positive developments were experienced in terms of our country's macroeconomic balances. Successive credit rating increases, the reduction in the current account deficit, the improvement in foreign exchange reserves and the downward trend in inflation have also presented important opportunities for the business world. As Efor Tea, we achieved strong financial results by continuing our growth in this positive economic environment.

Our company has made a significant investment in the coffee sector with the aim of strengthening our position in the hot beverage sector. In our coffee production facility in Tokat Erbaa, we aim to bring together filter coffee, capsule coffee and bean coffee varieties with our Whitebird Coffee brand and traditional Turkish coffee with our brand Kırk Yıl. With this investment, we will further consolidate our position in the sector by reaching a wide consumer base.

We act with awareness of our obligations to ensure sustainable growth in our financial performance and to achieve further growth in the future. We will continue to be a leading company in our sector thanks to the projects we will implement. We completed 2024 with a consolidated sales revenue of TL 6.732 Billion and a consolidated EBITDA of TL 929 Million.

We closely follow the developments in the sector and aim to continue our stable growth by dynamically updating our investment plans. We will continue our efforts with determination to gain a stronger position in the global market without compromising our mission of offering the highest quality products to our consumers all around Türkiye.

I would like to thank all our employees, business partners, customers and our investors, who are our biggest supporters, for their contributions to this journey of success. I wholeheartedly believe that together we will achieve greater success.

I hope that our 2024 Annual Report will be beneficial to our company, our investors and all our stakeholders.

Yours respectfully

İbrahim Akkuş
Chairman

MILESTONES

2022
The facility in Arhavi, Artvin with 5,076 tons/year fresh tea capacity started production.

2023
The second facility with a capacity of 61,214 tons/year of fresh tea was put into operation in Artvin / Arhavi.

2023
The Solar Power Plant in Arapgir, Malatya started. This plant will have an installed capacity of 9.95 MW DC

2024
A 30,446 Ton/Year dry tea, herbal and fruit tea, cold tea and coffee production facility has been put into operation in Erbaa, Tokat.

2024
Efor Tea went public. The size of the public offering was TL 1.3 Billion.

2024
The Solar Power Plant (SPP) put into operation and started producing electricity.

2005 Ak Agriculture packaging started its tea activities.

2010 The production and packaging facility in Of, Trabzon acquired.

2014 Efor Çay Sanayi Ticaret A.Ş. established.

2020 İstanbul Tuzla packaging facility opened.

2021 The facility in Of, Trabzon with a fresh tea production capacity of 73,440 tons/year started operating.

2021 Ak Agriculture production company and Efor Tea marketing company merged under Efor Tea.

EFOR ÇAY SAN. TİC. A.Ş.

2024 ANNUAL REPORT

Company Profile

Ak Agriculture, in which İbrahim Akkuş, the sole shareholder of the shares representing 100% of the capital of Efor Çay Sanayi Ticaret A.Ş. ("Efor Tea" or "Company"), is among the shareholders and was transferred to the Company in 2021, was established on 11.07.2005 at the Republic of Türkiye Rize Trade Registry Office.

It was established on 16.12.2014 to carry out tea sales and marketing activities under the title of Akpaş Çay İnşaat Nakliye Sanayi ve Ticaret Anonim Şirketi. In 2019, it changed its name from "Akpaş Çay İnşaat Taşıma Sanayi ve Ticaret Anonim Şirketi" to its current name "Efor Çay Sanayi Ticaret Anonim Şirketi".

With the decision taken at its general assembly dated 29 November 2021, Efor Tea took over Ak Agriculture, which has the same partnership structure, with all its assets and liabilities through a simplified method in accordance with the provisions of the Turkish Commercial Code. All the remaining shares of Efor Fertilizer & Mining, which was a subsidiary of Ak Agriculture in 2019 and 2020, were purchased by Ak Agriculture for a nominal price before the merger. The shares in Efor Fertilizer & Mining, which became a subsidiary of the acquired company as a result of the acquisition, were transferred to Efor Tea with the completion of the above-mentioned business combination.

Today, Efor Tea is actively engaged in the processing of fresh tea to produce dry tea, packaging and selling dry tea, as well as packaging and selling herbal and fruit teas. The Company's subsidiary, Efor Fertilizer & Mining, is actively engaged in the purchase and sale of coal and other solid fuels obtained from coal or petroleum, as well as chemical fertilizers.

The Group operates in three different categories: tea, fertilizer and coal. Efor Tea mainly processes tea leaves purchased from local farmers and other tea companies and sells them to retail chains under its own brand and private label. Efor Gübre Madencilik Sanayi Ticaret A.Ş., which is 100% owned by Efor Tea, operates in the fertilizer and coal segments. Efor Fertilizer supplies fertilizer from both domestic producers and abroad and sells it in the domestic market through local dealers or directly to corporate customers. On the other hand, coal products are imported from abroad and sold to domestic dealers, and large volume orders are sold to corporate customers operating in various sectors such as cement and iron and steel.

Efor Tea has four facilities in Trabzon, Artvin and Erbaa. Fresh tea processing is carried out in Trabzon, Artvin-1 and Artvin-2 facilities, while packaging activities are carried out in the Erbaa facilities. As of 2025, within the framework of the Company's long-term business plans, it has been decided that all packaged production and shipping activities will continue in the Tokat Erbaa Factory in order to use resources more effectively, increase efficiency and carry out our packaging activities under a single roof.

A joint stock company named Efor Global Madencilik Sanayi Ticaret A.Ş. has been established, wholly owned by Efor Gübre Madencilik San. Tic. A.Ş.

Efor Fertilizer's production facilities are located in Samsun, while the production facilities of Efor Global Madencilik Sanayi Ticaret A.Ş. are located in Samsun, Rize, and Trabzon.

Efor Çay IPO.

Efor Tea went public with its unique products, long-standing corporate culture, strong financial structure and transparent financial approach.

Within the scope of Efor Tea's public offering, the book building process led by Halk Yatırım and İntegral Yatırım attracted intense investor interest. A total of 540,576 institutional and individual investors submitted requests for the public offering.

The public offering was carried out through the joint sale and capital increase method. The shares with a total nominal value of TL 90,000,000 were offered for sale at the public offering price of TL 14.50. The company's public offering size was TL 1.305 billion.

Following the gong ceremony held at Borsa Istanbul on July 5, 2024, Efor Tea started trading on the Star Market with the code EFORC. Efor Tea's free float rate was 24.9%. The 15-day period announced for the price stabilization transactions specified in the prospectus and planned to be carried out by the Company expired on July 19, 2024. During this period, the price stabilization process did not take place because the Stock Exchange price did not fall below the public offering price of TL 14.50. With the public offering, our company has been included in the BIST Food & Beverage, BIST All-100, BIST 500, BIST Industrial, BIST IPO, BIST Star, and BIST All indices.

It started trading on the Star Market with the code **EFORC.**

The company's public offering size was **TL 1.305 billion.**

ACTIVITY

FIELDS

Tea / Fertilizer / Coal

2. Sectors in which the Company operates

Tea Activities

Fresh tea harvest and purchases are made each year at the shoot (new shoot from a plant) period, and purchases are generally completed in three shoot periods, but may extend to four shoot periods depending on the ecological structure of the Eastern Black Sea Region. The said sprouting periods fall between May and November each year. During the mentioned period, dry tea production from fresh teas was carried out in the facilities of companies operating in the tea sector for a total of approximately 100 days.

Fresh teas are purchased from producers during the exile period. The fresh tea leaves procured by the company are processed into dried tea at the Trabzon / Of facility and the Artvin / Arhavi-2 facility, which became operational in 2023.

In the second stage, the teas are separated according to their thickness and quality and blended to make them ready for packaging. The company carries out packaging of dry teas in its Trabzon-Of, Istanbul-Tuzla, Artvin-Arhavi-1 and Tokat/Erbaa facilities. Teas sorted in the packaging facility are packaged in different sizes and weights.

In addition to the dry teas produced, dry teas are also purchased from other companies in line with plans and needs. Likewise, the Company sells dry tea in sack form to other companies.
On the other hand, the Company supplies herbal and fruit mixtures prepared according to various recipes and these mixtures are packaged and sold as herbal and fruit tea. Tea brought to the facility is subjected to a five-stage process.

Withering: The freshly picked tea leaves contain a water content ranging from 70% to 80%. During the withering process, which takes approximately 6 hours, the water content of the tea leaves laid on a metal plate is reduced to 50-55% by applying heat from under the metal plate to the tea leaves above.

Bending: The main purpose of bending is to break, crush and twist the tea leaves in different machines after the withering process, to extract the plant sap from the cell and spread it on the surface of the tea leaves. Thus, tea is prepared to reveal the substances called quality substances in tea. The process takes approximately 2 - 2.5 hours.

Fermentation (Oxidation): This process is the darkening of the tea leaves due to their contact with air and the burning of their sap with oxygen (oxidation). Oxidation provides the desired color, bitterness, shine, smell and aroma in the tea. This is the stage where chemical changes occur that determine the quality of the tea. The process takes approximately half an hour.

Baking (Drying): When fermentation is complete, the tea leaves still contain 45-50% water. This rate is reduced to 2 - 4% by the drying process. The purpose of the drying process is to terminate oxidation by baking the tea leaves and to prevent the loss of the acquired properties.

Classification: Once the drying process is complete, the tea has completed its final stage and has become a finished product. During the sorting phase, the dried tea coming out of the oven is sieved and separated according to their thickness and quality.

The second stage of the production of dry tea from fresh tea is when the teas are separated according to their thickness and quality and blended to make them ready for packaging. Teas sorted in the packaging facility are packaged in different sizes and weights.

Efor Tea has five facilities in Trabzon, Tuzla, Artvin, and Erbaa. Fresh tea processing is carried out at the Trabzon and Artvin-2 facilities, while packaging activities are conducted at the Trabzon, Tuzla, Artvin-1, and Erbaa facilities.

TRABZON/OF


ARTVİN/ARHAVİ-1


ARTVİN/ARHAVİ-2


TOKAT / ERBAA

Fertilizer Activities

Efor Fertilizer & Mining engages in the trade of chemical fertilizers, sourcing them from domestic producers such as Bagfaş, Eti Gübre A.Ş., and Gemlik, as well as importing from foreign manufacturers. These fertilizers are then sold domestically and exported. Chemical fertilizers supplied through import are brought to locations such as Samsun, Rize, İskenderun and Izmir as CIF delivery and are made ready for supply to the domestic market there.

Chemical fertilizers are supplied in bulk from suppliers in various types (granules, crystals, prills, powder, etc.) and packaged and offered for sale in the relevant markets.

Our Samsun Fertilizer Factory has a capacity of 151,200 tons/year of granular fertilizer and 23,040 tons/year of inhibitory - water-soluble NPK fertilizer.

Granular ammonium sulphate (21% N), Ore ammonium sulphate (33% N), NPK (25-5-10) a fertilizer specially produced for the tea plant, slow-release ammonium sulphate with inhibitors, slow-release urea with inhibitors and compound fertilizers in different formulations are produced in the facilities.

Efor Fertilizer & Mining's facility investment, located on a 36,042.48 m^2 plot of land in the Tekkeköy district of Samsun, includes a total of 18 closed structures with a combined usage area of 16,652 m^2, one administrative building with a usage area of 3,105 m^2, and a rooftop solar power system (SPP). The construction work for the facility was completed in 2023.

It was decided to start the preparations for the transition to the registered capital system and the public offering of Efor Gübre Madencilik Sanayi Ticaret Anonim Şirketi ("Efor Fertilizer") in 2024 and an application was made to the Capital Markets Board.

Coal Activities

Efor Fertilizer & Mining established Efor Global Madencilik San. Tic. A.Ş. to import coal and other solid fuels derived from coal or petroleum (metallurgical coke and petcoke) from abroad. The company has positioned its facilities in Samsun, Rize and Trabzon to provide advantages in transportation and imports most of its solid fuel from Russia. However, if needed, supply is also possible from countries such as Kazakhstan, South Africa and Indonesia. In addition, domestic purchases are also made periodically.

All solid fuels imported into our country must comply with the standards set by the Ministry of Environment. Nationalization is carried out by paying Value Added Tax and Environmental Contribution Share after the analysis results of laboratories authorized and accredited by the Ministry of Environment. The solid fuels imported by Efor Global Mining are delivered and nationalized at the ports of Samsun, Rize, and Trabzon.

Coal and other solid fuels derived from coal or petroleum are fuels subject to import control. The Ministry of Environment permits the import of solid fuels through the Solid Fuel Importer Registration Certificate in order to control the import of solid fuels for environmental protection and to ensure the entry of solid fuels with certain characteristics into Türkiye. The Company's subsidiary has received a Solid Fuel Importer Registration Certificate from the Ministry of Environment, numbered CED-Y-2024-0001-8, dated 03.01.2024, and high quality imported coal can be brought to Türkiye through the said document.

Since its establishment, the majority of the solid fuels imported by Efor Global Mining have consisted of coal. Other solid fuels derived from coal and petroleum that are traded by Efor Global Mining, other than coal, are "petroleum coke" and "metallurgical coke". Petrocoke is a substitute solid fuel with low ash content and high calorific value, which is a product of petroleum refining. With this feature, it is of great importance for our country's industry and is used in many industrial sectors, especially in the cement, lime and iron-steel sectors. Metallurgical coke is a solid fuel obtained from coking coal (heating the coal in an oxygen-free environment to increase its carbon content) and is mainly used in the industrial sector where iron and non-ferrous metals that require high heat during the production phase are produced.


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CAPITAL and SHAREHOLDING STRUCTURE

3. The Company's Capital and Shareholding Structure and Related Information

a) Capital

The company's shares were offered to the public through joint sale and capital increase in 2024, and as of July 5, 2024, they are traded on Borsa Istanbul A.Ş. Star Market, with a free float rate of 24.79%.

The company has transitioned to the registered capital system with the approval of the Capital Markets Board ("CMB" or "SPK") dated February 23, 2023, and numbered 11/207. The registered capital ceiling approval is valid for five years, from 2023 to 2027, and the registered capital ceiling is TL 850,000,000.

In accordance with the Board of Directors' decision dated March 4, 2024, and numbered 2, the company's registered capital ceiling of TL 850,000,000 has been increased from TL 300,000,000 to TL 363,000,000 by fully restricting the preemptive rights of the existing shareholders. The increase will be made through the issuance of 63,000,000 shares of Class B with a nominal value of TL 63,000,000. Additionally, the 27,000,000 shares of Class B with a nominal value of TL 27,000,000 held by the company's current shareholder, İbrahim Akkuş, will be offered to the public. The prospectus prepared for this purpose was approved at the meeting of the Capital Markets Board (CMB) on June 13, 2024, under decision number 33/868. As a result of the completion of the share sale transactions, the company's issued capital has reached TL 363,000,000.

The shares of Efor Çay Sanayi Ticaret A.Ş., which were offered to the public by collecting demand on 26-27-28 June 2024, started to be traded on BIST Star Market with the continuous transaction method as of 5 July 2024. The 15-day period announced for the price stability transactions specified in the prospectus and planned to be carried out by our Institution ended on 19 July 2024. Since the price of the shares did not fall below the public offering price of TL 14.50 within the 15-day period following the commencement of trading, no price stabilization transactions were carried out.

Following the completion of the public offering under the CMB-approved prospectus, the company, with its decision dated September 23, 2024, and numbered 18, applied for an amendment to Article 6 of the Articles of Association titled "Company's Capital." The application received a favorable opinion through a letter dated June 14, 2024, with reference number E-29833736-105.01.01.01-55634. As of the date of this report, an application has been made to the Trade Registry Office for registration and publication. The registration process was approved on November 20, 2024, and the company's issued capital has reached TL 363,000,000.

b) Shareholding Structure

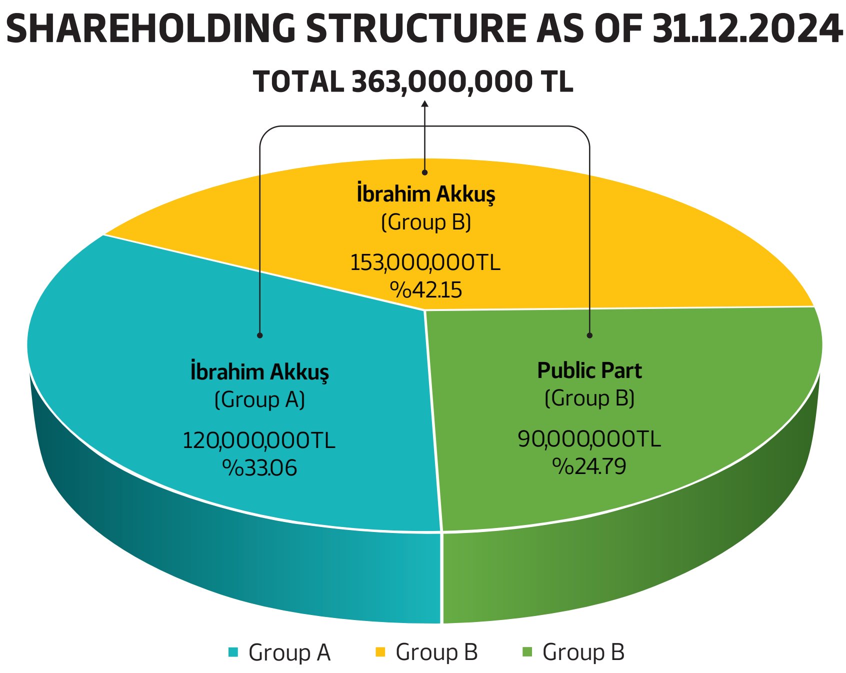
Changes in Capital and Shareholding Structure During the Period

The company went public on 26-27-28 June 2024 and started trading on Borsa Istanbul A.Ş. on 5 July 2024. With the public offering, the company's capital has been increased from TL 300,000,000 to TL 363,000,000, and shares with a nominal value of TL 63,000,000 were issued. Additionally, shares with a nominal value of TL 27,000,000, owned by the company's main shareholder, İbrahim Akkuş, were sold through the public offering. After this transaction, the partnership structure is as follows.

Shareholder Name/ Surname	Before the IPO			After the IPO		
	Shareholding Structure			Shareholding Structure		
	Group	Amount (TL)	Percentage (%)	Group	Amount (TL)	Percentage (%)
İbrahim Akkuş	A	120,000,000	40.00	A	120,000,000	33.06
	B	180,000,000	60.00	B	153,000,000	42.15
Public	B	-	-	B	90,000,000	24.79
TOTAL		**300,000,000**	**100**		**363,000,000**	**100**

The company's registered capital ceiling is TL 850,000,000. The company's issued capital is TL 363,000,000, and this issued capital has been fully paid in good faith, free from any fraudulent intent. As of the registration and announcement date of November 20, 2024, a capital increase of TL 90,000,000 has been made, fully paid in cash. This capital has been divided into a total of 363,000,000 shares, consisting of 120,000,000 Class A registered shares with a nominal value of TL 1 each and 243,000,000 Class B shares, each with a nominal value of TL 1. 120,000,000 Group A shares are closed shares and 243,000,000 Group B shares are bearer shares. 90,000,000 bearer shares are traded on the stock exchange.

The shareholding structure of the company as of 31.12.2024 is shown below:



c) Information on Privileged Shares

The company's shares are represented by two separate classes of shares, Class A and Class B, each with an equal nominal value of TL 1. The Group A shareholders have the privilege of nominating candidates to the board of directors and voting in the general assembly. The Group B shares have no privileges. Each Class A share gives its holder 5 votes, while Class B shares give their holder 1 vote.

Privilege in Nominating Candidates to the Board of Directors

According to Article 8 of the Company's Articles of Association titled "Board of Directors and Term," the management and administration of the company are carried out by a Board of Directors consisting of at least 5 (five) and at most 10 (ten) members, as determined by the General Assembly, in accordance with the provisions of the Turkish Commercial Code (TCC), capital markets legislation, and regulations of the Capital Markets Board.

The Group A shareholders have privilege in the election of board members. 2 (two) members of the Board of Directors consisting of 5 (five) members, 3 (three) members of the Board of Directors consisting of 6 (six) members, 3 (three) members of the Board of Directors consisting of 7 (seven) members, 4 (four) members of the Board of Directors consisting of 8 (eight) members, 4 (four) members of the Board of Directors consisting of 9 (nine) members and 5 (five) members of the Board of Directors consisting of 10 (ten) members are elected from among the Group A shareholders or their nominated candidates.

The number and qualifications of the independent members, who will serve on the Board of Directors, not less than 2 (two), are determined in accordance with the capital market legislation, especially the Capital Markets Board's regulations on corporate governance. The members of the board of directors to be elected from among the candidates nominated by the Group A shareholders will consist of members other than the independent members in question.

A board member may be elected for a maximum term of office of 3 (three) years. A board member, whose term of office expires, is allowed to be reelected. In the event of a vacancy on the Board of Directors, the Board of Directors will temporarily appoint a member to fill the vacancy, to be submitted for approval at the next general assembly meeting and to serve until that meeting. Instead of the Board member elected through nomination by Group A shareholders, the candidate proposed by the majority of the Board members who are still on duty and elected through nomination by Group A shareholders is appointed with the approval of the Board of Directors. The member whose appointment is approved by the General Assembly will complete the term of office of his/her predecessor. The board members may be dismissed at any time by decision of the General Assembly if there is a relevant item on the agenda or if there is a justified reason even if there is no item on the agenda.

Privilege in Appointing the Chairman and Vice Chairman

In accordance with article 9 of the Articles of Association, titled "Board of Directors Meetings", the Board of Directors elects a Chairman and at least one Vice Chairman from among its members each year. In meetings where the Chairman and his deputy are not present, one of the members is elected as the temporary Chairman only for that meeting.

On the other hand, in accordance with the provision of Article 12 titled "General Assembly" of the Company's Articles of Association; each Group A shareholder is given 5 (five) votes and each Group B shareholder is given 1 (one) vote in ordinary and extraordinary general assembly meetings. Pursuant to Article 479/3(a) of the Turkish Commercial Code (TCC), voting privileges cannot be used in amendments to the Articles of Association.

General Assembly Meetings:

In accordance with the provision of Article 12 of the Company's Articles of Association, titled "General Assembly"; the provisions of the Turkish Commercial Code and the Capital Markets Law and the regulations regarding the Corporate Governance principles of the Capital Markets Board are complied with regarding the meeting and decision quorums in General Assemblies.

Share Transfer Restrictions

Pursuant to the provision of Article 7 of the Articles of Association titled "Transfer of Shares", the transfer of the Company's shares is carried out in accordance with the Turkish Commercial Code, the Capital Markets Legislation and other relevant legislation.

The Group A and B shares can be transferred freely without any restrictions. In order for any of the Group A shares to be converted into shares eligible for trading on the stock exchange for any reason, an amendment to the Articles of Association must be made for the conversion of these shares into Group B shares, and the amendment must be approved by the General Assembly.

In case the Company buys back its own shares, it acts in accordance with the capital markets legislation and other relevant legislation and the necessary special situation disclosures are made.

d) Information regarding the shares acquired by the Company.

Not Available.

e) Information on Mutual Affiliations in Which the Direct Participation Rate in Capital Exceeds 5%

There is no mutual subsidiary relationship.

f) Information regarding the Company's direct or indirect subsidiaries and share ratios:

Subsidiary	Share Percentage (%)
Efor Gübre Madencilik Sanayi Ticaret A.Ş.	100
Indirect Affiliates	**Share Percentage (%)**
Efor Global Madencilik Sanayi Ticaret A.Ş.	100

g) Amendments to the Articles of Association

Following the completion of the public offering under the CMB-approved prospectus, the company, with its decision dated September 23, 2024, and numbered 18, has completed the capital increase from TL 300,000,000 to TL 363,000,000. In order to achieve this capital increase, an application was made for the amendment of Article 6 of the Articles of Association titled "Capital." The Capital Markets Board (CMB) issued a favorable opinion on June 14, 2024, under reference number E-29833736-105.01.01.01-55634. As of the date of this report, the application has been made to the Trade Registry Office for registration and publication, and the registration was completed on November 20, 2024.

4. Information on the Board of Directors

The Board of Directors consists of 6 members. The board members, including the independent board members, were elected to serve for a term of 3 years at the Company's Ordinary General Assembly Meeting held on 26.12.2023, and the distribution of board members is as follows:

BOARD MEMBERS

İbrahim AKKUŞ

Chairman

Born in Rize in 1980 and growing up in a family involved in business, İbrahim Akkuş became interested in entrepreneurship from a young age. Having received his university education at Karadeniz Technical University, Akkuş's business life, which began in 1998 at Akkuş Grup A.Ş., was the beginning of a journey that would change the fate of not only himself but also thousands of his employees and their families.

Today, Efor Tea, operating under his leadership, is one of Türkiye's leading tea producers, meeting approximately 10% of the country's tea needs with annual sales of nearly 30,000 tons of dry tea. Akkuş's production network, spreading from the Eastern Black Sea to a wide geography, makes significant contributions to the country's economy and employment.

Efor Tea continues to grow with its eight facilities located in various provinces of Türkiye. The company, which started tea packaging and coffee production in its newly established facility in Tokat Erbaa, aims to contribute to the region economically and socially. At the same time, it aims to provide social benefits through its investments in education, environment and technology. Supporting his activities in the business world with roles such as Rize Commodity Exchange Board Membership and ASKON Vice Chairman, İbrahim Akkuş continues to add value to the region and the country by reflecting the importance he attaches to local development into his business processes.

Executive Position	20.03.2023 20.03.2026

Muhammet AKKUŞ

Vice-Chairperson of the Board of Directors

Born in Rize in 1994, Muhammet Akkuş completed his undergraduate education at Avrasya University, Department of Civil Engineering. Akkuş is currently pursuing his master's degree in International Trade and Finance at Nişantaşı University.

Akkuş has shares in Akkuş Group Fertilizer Mining Transportation Construction Trade Industry Inc. and Efor Group Energy Fertilizer Industry and Trade Inc. companies.

Akkuş has been the Branch Unit Chairman of the Young Red Crescent Rize Branch since 2018 and a Board Member of the Young MOSİAD Rize Branch since 2015. He has been the Chairman of the TOBB Rize Young Entrepreneurs Executive Board since 2019, the Representative of the TOBB Eastern Black Sea Region Young Entrepreneurs Board since 2020, and a Board Member of the Anatolian Lions Businessmen Association (ASKON) Rize Branch since 2020.

Executive Position	20.03.2023 20.03.2026

Rıza Tuna TURAGAY

Independent Board Member

Born in Vienna in 1964, Rıza Tuna TURAGAY completed his undergraduate education at Ankara University, Faculty of Political Sciences, Department of Business Administration, and his postgraduate education at the University of Birmingham, Department of International Banking and Finance.

Turagay, who started his career in 1987 as an Assistant Expert at the Turkish Prime Ministry's Undersecretariat of Treasury and Foreign Trade, held various positions until 1997, including Expert, Branch Manager, Undersecretary Consultant, and Ministerial Consultant. Turagay also served as Deputy Director General of Exports at the Prime Ministry Undersecretariat of Foreign Trade between 1997 and 2000, President of the Prime Ministry Mass Housing Administration, Deputy Chairman of Emlak Konut Real Estate Investment Trust, Deputy Undersecretary of Customs at the Prime Ministry, Board Member of the Export Development Study Center and Deputy Undersecretary of Customs at the Prime Ministry. Turagay, who also served as a Board Member of TED and the Board of Directors of the Equestrian Federation during the same period, served as a Director and Board Member of BAT Turkey, a Board Member of Exporters' Associations, and a member of the Turkish Exporters' Assembly (TİM) between 2006 and January 2019. Turagay was appointed as Deputy Minister of Trade on 18.01.2019 and became the Deputy Chairman of the Board of Eximbank in February 2019. In October 2021, he was appointed as the Chairman of the Board of Export Development Inc. (IGE). Turagay resigned from his duties as Deputy Minister in June 2022, and from his positions on the boards of directors of Türk Eximbank and İGE in July and August 2022, respectively. He retired from civil service in September 2022.

Currently, he/she serves as a Board Member at Dünya Katılım Bankası A.Ş., Board Member at Orka Holding A.Ş., Board Member at Beylerbeyi İçecek Pazarlama A.Ş., and Board Member at Horoz Lojistik Kargo Hizmetleri ve Ticaret A.Ş., an Independent Board Member at Bilici Yatırım Sanayi ve Ticaret A.Ş. and Board Member at Hareket Proje Taşımacılığı ve Yük Mühendisliği A.Ş.

Non-executive Position	26.12.2023 20.03.2026

Information on the Transactions of Board Members and Non-Competition

Members of the Board of Directors do not engage in any activities within the scope of the non-competition prohibition through transactions with the Company on their own behalf or on behalf of others.

Prof. Dr. Adem ŞAHİN

Independent Board Member

Born in Ordu in 1958, Prof. Dr. Adem Şahin completed his undergraduate education at Hacettepe University, Department of Business Administration, and his master's and doctorate degrees at Istanbul University, Department of Economics.

He worked as a Research Assistant between 1982 and 1989, as an Assistant Professor between 1989 and 1996, and as an Associate Professor between 1996 and 1999 at the Department of Economic Policy at Istanbul University.

He served as Deputy Undersecretary of the Ministry of Industry and Trade of the Republic of Turkey between 1999 and 2000, and continued his duty as Undersecretary between 2000 and 2007.

Şahin, who started working as a faculty member at TOBB ETO Economics Department in 2007, received the title of Professor in 2009. Turagay served as the Secretary General at TOBB ETO from 2008 to 2015, as Vice Rector and Acting Rector from 2014 to 2015, and as the Rector from 2015 to 2018.

In 2018, he was elected as the Chairman of the Turkish Standards Institute and completed this duty in 2022 and returned to his position at TOBB ETO.

Şahin, who holds a Certified Public Accountant and Independent Audit Certificate, currently serves as a faculty member at TOBB ETO.

Non-executive Position	20.03.2023 20.03.2026

Prof. Dr. Habib YILDIZ

Independent Board Member

Born in 1970, Prof. Dr. Habib Yıldız completed his undergraduate studies at Atatürk University, Faculty of Economics and Administrative Sciences, Department of Business Administration and Hasan Kalyoncu University, Faculty of Law, his postgraduate studies at Istanbul University, Faculty of Economics, Department of Finance and Gedik University, Faculty of Law, Department of Private Law, and his doctorate at Istanbul University, Faculty of Economics, Department of Finance.

He worked as a Research Assistant at Atatürk University, Erzincan Faculty of Law between 1991 and 1999, as an Assistant Professor between 1999 and 2007, as an Associate Professor between 2007 and 2013, and as a Professor between 2013 and 2016 at Sakarya University, Faculty of Political Sciences, Department of Finance. In 2016, he started working as a professor in the Department of Finance, Financial Law, Faculty of Economics, Istanbul University.

He served as the Head of the Department of Finance at the Faculty of Political Sciences of Sakarya University between 2015 and 2016, and as the Head of the Department of Financial Law at the Faculty of Economics of Istanbul University between 2023 and 2024.

Habib Yıldız, who is a lawyer, certified public accountant and independent auditor, currently works at the Department of Finance, Faculty of Economics, Istanbul University, and provides consultancy services to various companies in the field of tax law.

At the meeting of the Board of Directors held on December 6, 2024, it was decided, in accordance with the Capital Markets Board's Corporate Governance Communiqué II-17.1, and under Principle 4.3.6 of the Corporate Governance Communiqué, that our board members Mr. Habib Yıldız and Mr. Rıza Tuna Turagay, who meet all the criteria for Independent Board Membership and have submitted their independence declarations to the Board of Directors, will be appointed as independent board members until the first general assembly meeting of the company.

Non-executive Position	26.12.2023 20.03.2026

Abdülhamit POLAT

Board Member

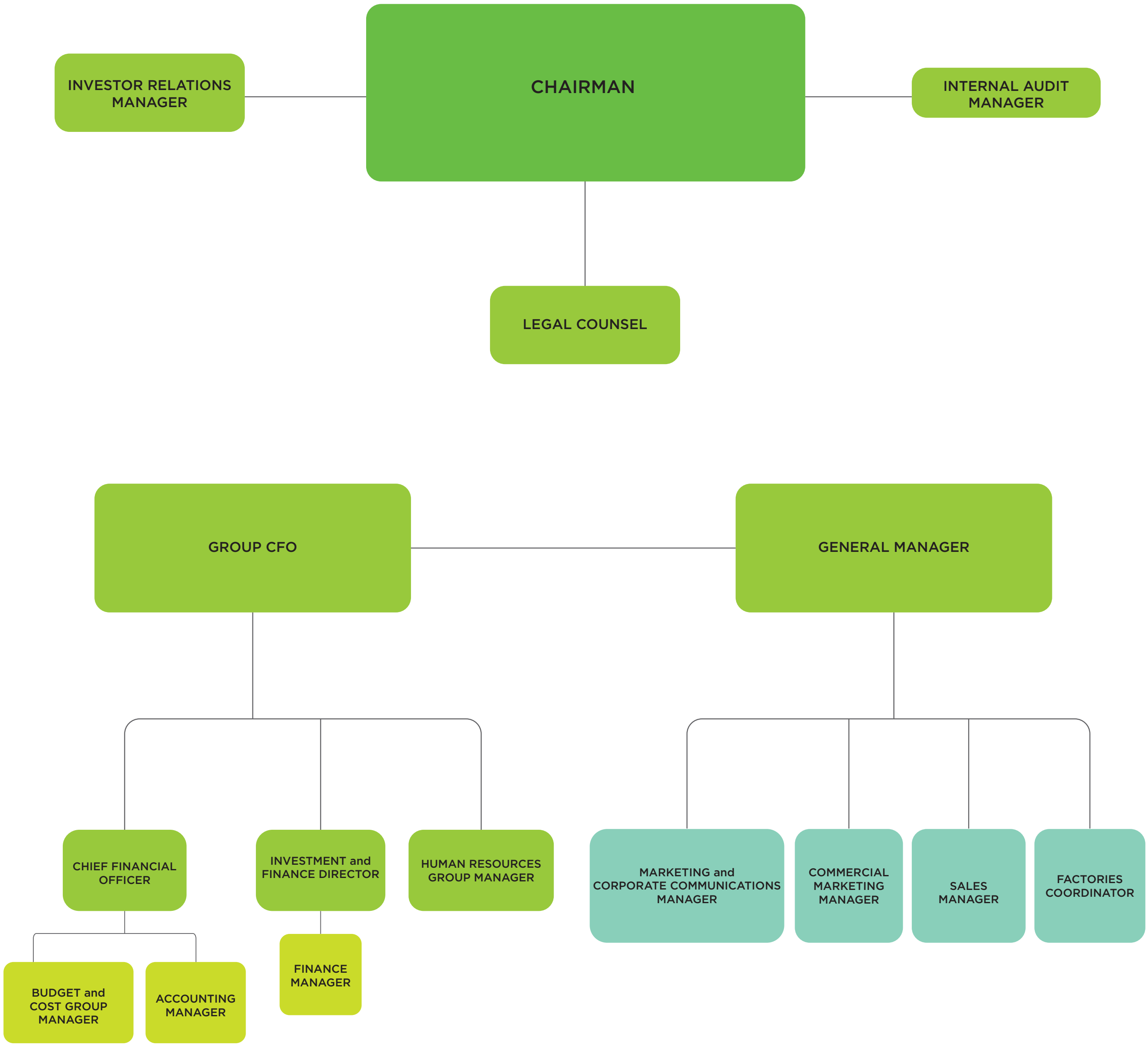
Born in Adana in 1972, Abdülhamit Polat completed his undergraduate education at Abant Izzet Baysal University, Department of Business Administration and Anadolu University, Department of Economics.

Polat, who started his business life at an early age, worked in positions ranging from employer representative at Gök-Ay Akdeniz Bread Factories between 1987 and 1998.

Polat, between 1999 and 2015, held various positions, including senior management roles, in different departments within Atlas Gıda Pazarlama San. Tic. A.Ş., Atlantik Gıda Pazarlama San. Tic. A.Ş., Biskot Gıda Sanayi Ticaret A.Ş., and Rekor Gıda Pazarlama San. Tic. A.Ş., all of which are part of Yıldız Holding A.Ş.. From 2017 to 2021, he served as the Commercial Marketing and Business Development Director, as well as the Supply Chain and Production Planning Director at Anadolu Birlik Holding A.Ş.

Non-executive Position	20.03.2023 20.03.2026

5. Personnel with a Say in Management



The Company's senior management consists of four people and the information is provided below.

Ediz KABOĞLU
General Manager

Born in Istanbul in 1975, Ediz Kaboğlu completed his high school education at Kabataş Boys' High School and graduated from Istanbul University, Department of Econometrics in 1998.

Ediz Kaboğlu started his career at Düzey Tük. A.Ş., which is part of Koç Holding. He then held various positions, including Turkey Sales Manager at Dr. Oetker from 2001 to 2011, Organized Channel Sales Manager at Tadım A.Ş. from 2011 to 2013, Turkey Sales Manager at Detay A.Ş. from 2013 to 2015, General Manager at Name Gıda A.Ş. from 2015 to 2018, Sales Group Head at Kervan Gıda A.Ş. from 2019 to 2022, and Food Group Head at Unifo A.Ş. from 2022 to 2023.

Kaboğlu has been working as the General Manager at Efor Çay Sanayi Ticaret A.Ş. since October 2023.

Selin URAS
CFO

Born in Istanbul in 1980, Saniye Selin Uras completed her undergraduate education at Uludağ University, Faculty of Economics and Administrative Sciences, and her postgraduate education at Istanbul Commerce University, Department of International Banking and Finance.

Uras started her career in 2003 at Eczabaşı Baxter Hospital Products A.Ş.. She then held various positions, including Financial Manager at Bilim İlaç San Tic. A.Ş. from 2006 to 2007, Group Financial Manager at Anel Group A.Ş. from 2007 to 2009, Financial Manager at Unmaş Unlu Mamuller San. ve Tic. A.Ş. from 2010 to 2012, Financial Director at Doğtaş Kelebek Mobilya A.Ş. from 2013 to 2021, and Group CFO at Tunçmatik Elektrik Malzemeleri San. ve Tic. A.Ş. from 2022 to 2023.

Uras has been working as the CFO at Efor Tea Sanayi Ticaret A.Ş. since June 2023.

Arda Yuşa DEMİR
Investment and Finance Director

Born in Istanbul in 1978, Arda Yuşa Demir completed his associate's degree in the USA at Troy State University, Department of Finance and Anadolu University, Department of Business Administration; and his postgraduate degree in Kadir Has University, Department of Finance and Banking.

Demir started his career at Yapı ve Kredi Bankası A.Ş. in 2000, and worked as the Financial Affairs Manager at Dost İnşaat ve Proje Yönetimi A.Ş. between 2006 and 2010, as the Financial Affairs Manager at Soyak Holding A.Ş. between 2010 and 2013, as the Financial Affairs Coordinator at the Quasar Istanbul Project of the Viatrans-Meydanbey Joint Venture between 2013 and 2017, and as the Financial Affairs Manager at Kızılkaya Gümrük Müşavirliği A.Ş. between 2017 and 2021. Demir has been working at Efor Tea Sanayi Ticaret A.Ş. since October 2022.

Musa KELEŞ
Chief Financial Officer

Born in Istanbul, Musa Keleş completed his undergraduate education at Sakarya University, Faculty of Economics and Administrative Sciences, Department of Finance, and his postgraduate education at Sakarya University, Institute of Social Sciences, Department of Finance. In 2022, he was accepted to the Istanbul University Institute of Social Sciences, Department of Business Administration Doctorate Program. Having successfully completed the course and qualification stages of his doctoral education, Keleş continues his doctoral thesis process.

After starting his career with Vakıf Emeklilik in 2015, he worked as an accounting specialist at Avrupa Tekstil ve Kozmetik A.Ş. for 2 years in 2016. From 2018 to 2023, he worked as assistant auditor, auditor, audit manager and partner at Birleşim Neks Bağımsız Denetim A.Ş.. Keleş, who holds a Certified Public Accountant and Independent Auditor Certificate, has publications in various academic journals and papers presented at international symposiums. Keleş has been working as the Financial Affairs

Benefits Provided to Members of the Management Body and Senior Executives

The senior executives of the company consist of the Chairman and Members of the Board of Directors.

As of December 31, 2024, the total accrued premiums, paid salaries, and similar benefits amount to TL 8,900,790. (As of December 31, 2023: TL 5,020,150).

6. Human Resources

The number of personnel employed by the Company as of December 31, 2024 is 351. (As of December 31, 2023: 474).

Efor Tea Human Resources Policy

Our Human Resources policy adopts a fair, transparent and voice-aware approach that allows employees to demonstrate their potential. It aims to create a high-performance, development-oriented work environment where each of our employees creates value, contributes to the future of the company and is valued at the same time. Creating a corporate culture that demonstrates strong and effective leadership and reflects the spirit of the institution and a highly committed, happy, productive, successful and healthy workforce is one of our main priorities. Our Human Resources management adopts a proactive and innovative perspective and acts in cooperation with all units. This approach, which is based on success and a fair working approach, supports innovation and creativity.

Within our company, respect for people and equality are our core values in Human Resources practices such as selection and placement, performance management, career planning, wage and fringe benefits management, training, development and communication with employees.

Our Human Resources management, which aims to increase efficiency in our activities and improve the quality of business life, adopts the principle of "placing the right person in the right job" among qualified candidates who are compatible with the corporate culture and values, experts in their fields, open to development and have high potential. These processes are carried out without any discrimination based on race, religion, language or gender.

Our employees, who aim to create value, position themselves, develop themselves and manage their career goals in cooperation with their managers with the support of the Human Resources management.

Information on Rights and Benefits Provided to Staff and Workers

As of December 31, 2024, severance pay liability and unused leave liability are calculated as TL 10,014,159 and TL 1,479,922, respectively (December 31, 2023: 10,255,766 TL and 1,402,137 TL).

Grants and Aids

The total amount of the relevant detail accounts of the income statement for the period 01.01.2024 - 31.12.2024 is TL 4,547,731. (31.12.2023: 6,663,168)

7. Activities and Important Developments Regarding Activities

Tea Activities

Tea (Camellia sinensis), the second most consumed beverage in the world after water, is an industrial agricultural plant from the Theaceae family that grows in humid climates and whose leaves and buds are used to produce beverages. Tea (Camellia sinensis) is an evergreen woody plant belonging to the Camellia genus of the Theacea family. Tea is obtained in three different ways; green tea, black tea and oolong tea are known. In addition to these, there is also white tea, which is a special group of teas made from the buds and young leaves of some varieties of the Camellia sinensis plant.
Tea, which is grown in a small area in the Eastern Black Sea Region of our country, is important as a basic beverage in addition to its contribution to the country's economy. Tea cultivation is carried out in the Eastern Black Sea Region, starting from the Georgia border and extending to the Fatsa district of Ordu. This region is considered to be the most important tea growing area in the world, reflecting its microclimate characteristics. In Asian countries such as China, India and Sri Lanka, tea is produced throughout the year due to the influence of the equatorial climate. In our country, where four seasons are experienced, the temperature drops to minus levels and the tea fields remain fallow for six months of the year.

Private sector companies have been operating in the tea sector since 1984. In our country, apart from CAYKUR, many private companies such as Doğuş Tea, Ofçay, Lipton and Doğadan Tea, as well as Efor Tea, carry out the activities of producing dry tea by processing fresh tea and packaging and selling dry tea.

Our company's dependence on foreign sources for obtaining raw materials (dry tea) tends to decrease significantly. Thanks to its subsidiary Efor Fertilizer, the company makes the best use of its own resources at all stages of production, including chemical fertilizers used for fresh tea production and coal used in dry tea production.

Efor Tea has the facilities, machinery and knowledge to produce all the product types needed by the market and also has the competence to produce products that meet the new needs and expectations of customers. The company is not satisfied with its current capabilities but aims to improve itself and provide better service to its customers. In this context, the fresh tea processing capacity of the Trabzon / Of facility was increased from 280 tons / day to 540 tons / day in 2023.
According to 2021 data, Türkiye ranks 4th in the world in dry black tea production after India, Kenya and China. As Efor Tea, we offer 55 different varieties of loose, teapot, glass bag, herbal, fruit and form tea. We have different product ranges from 1.5 grams to 40 grams in teapots and cups, and from 100 grams to 5 thousand grams in the bulk group. We offer a total of 55 different products to our consumers, including our loose tea, teapot and glass tea bags, herbal, fruit, form tea and OPA Ceylon tea varieties.

Our company has established a branch at the address "Kelkit OSB Mah. Büyük Evliya Cad. 1370-4 No:4 Erbaa/Tokat," and the branch's establishment was registered and announced with the Erbaa Trade Directorate on May 13, 2024. A contract was signed with Erbaa Toprak Sanayi Specialization + Mixed Organized Industrial Zone for the construction of the planned tea, herbal and fruit teas, iced tea and coffee production and storage facility in the Erbaa district of Tokat, and within this framework, a parcel with a total surface area of 29,354.55 m2 was allocated to the Company in 2022, partially free of charge, within the said industrial zone..

Tea Plants	Fresh Tea Processing Capacity (Fresh Tea)	Packaging Capacity (Dry Tea)
Trabzon / Of Facility	612 Tons / Day	-
Artvin / Arhavi – 1 Facility	56.4 Tons / Day	-
Artvin / Arhavi – 2 Facility	510 Tons / Day	-
Tokat / Erbaa	-	101 Tons / Day

Production of dry tea from fresh tea increases every year between May and November, which is the shoot period. However, the amount of dry tea packaged and made ready for sale is parallel to the increase in the amount of tea sales. The company produced 6,693 tons of dry tea in 2024. The amount of dry tea purchased from other tea producing companies is 18,807 tons. 18,427 tons of sales were made in 2024

Solar Power Plant Activities

The Roof Solar Power Plant (SPP) operation is carried out within the Samsun facility of Efor Fertilizer & Mining, which is a subsidiary of the company. In this context, we provide the electricity we consume from here and sell the non-consumption production.

Regarding the Malatya SPP-1 investment, the call letter and project approval letter for the establishment of a 4,800 kWe (5,806.35 kWp) SPP in the Arapgir district of Malatya have been obtained, and the facility installation has been completed.

Regarding the Malatya SPP-2 investment, the call letter and project approval letter for the establishment of a 3,900 kWe (4,529.25 kWp) SPP in the Arapgir district of Malatya have been obtained, and the facility installation has been completed. It is anticipated that the annual production at Malatya Arapgir Solar Power Plants will meet the entire electricity consumption of our factories in 2024, and an amount close to our consumption is planned to be sold to the market. In this context, the investment is expected to contribute USD 1.4 million to total revenue and USD 1 million to EBITDA.

Fertilizer Activities

Efor Fertilizer & Mining's facility investment, located on a 36,042.48 m^2 plot of land in the Tekkeköy district of Samsun, includes a total of 18 closed structures with a combined usage area of 16,652 m^2, one administrative building with a usage area of 3,105 m^2, and a rooftop solar power system (SPP). The construction work for the facility was completed in 2023.

- 15 buildings with a usable area of 13,652 m^2 are rented as warehouses and storage facilities and rental income is obtained. Type A warehouse services are provided in the 6,644 m^2 closed area of the said structures.

- Chemical fertilizer production is planned in 3 buildings with a usage area of 3,000 m^2. The necessary EIA and feasibility processes for the planned production activities have been completed, and negotiations for the purchase of equipment from abroad for the Company's chemical fertilizer production at the Samsun facility have been completed as of the date of the prospectus. Equipment orders have been placed and some of them have been received as of the prospectus date.

- A 2,550 kWp capacity SPP has been installed on the roofs of the facility buildings. Electricity generated from the SPP is providing regular income, and it helps cover the energy costs of the Company's subsidiary. Fertilizer sales amount in 2024: 86,539 tons.

Following the decision taken at our company's Board of Directors meeting on 09.08.2024, considering the volume and scale of the coal trade carried out by our subsidiary, Efor Fertilizer, and the benefits of continuing these activities under a separate structure, a joint-stock company named "Efor Global Madencilik Sanayi Ticaret A.Ş." has been established, with Efor Gübre Madencilik San Tic. A.Ş. owning all of its shares. Furthermore, it has been decided that our company's representative, Mr. İbrahim Akkuş, who is the Chairman of Efor Gübre Madencilik San Tic. A.Ş., will be fully authorized to carry out all necessary actions and transactions related to the establishment of this new company.

Our Samsun Fertilizer Factory has a capacity of 151,200 tons/year of granular fertilizer and 23,040 tons/year of inhibitory - water-soluble NPK fertilizer.

Efor Tea's Board of Directors decided on 27.09.2024, with resolution number 20, to initiate preparations for the transition of its fully owned subsidiary, Efor Gübre Madencilik Sanayi Ticaret Anonim Şirketi ("Efor Fertilizer"), to the registered capital system and to begin preparations for an initial public offering (IPO). On 02.10.2024, an application was made to the Capital Markets Board for the amendment of the Articles of Association of Efor Fertilizer to comply with the capital markets regulations, the transition to the registered capital system, and to carry out the necessary procedures.

Mining Activities

Upon the decision taken at the Board of Directors Meeting of Efor Tea dated 09.08.2024, considering the intensity and volume of the coal trade carried out by Efor Gübre Madencilik San. Tic. A.Ş, a subsidiary of our Company, and the benefits of continuing these activities under an independent structure, a joint stock company titled "Efor Global Madencilik Sanayi Ticaret A.Ş." was established, in which Efor Gübre Madencilik San. Tic. A.Ş. will own all of its shares.

Efor Gübre's subsidiary is Efor Global Madencilik Sanayi Ticaret A.Ş., which carries out coal, metcoke and petrocoke trading activities. Efor Global Mining has coal screening, packaging and storage facilities in Samsun, Trabzon and Rize, and the total areas and packaging capacities of the facilities are listed below.

Coal Plants	Total Area (m²)	Total Packaged Coal Capacity (Ton / Day)
Rize Facility	8.551	667
Trabzon Facility	12.000	666
Samsun Facility	12.380	512

Imported run-of-mine coal (raw coal extracted from a coal mine and not subjected to any processing) is sifted and classified according to size after being subjected to quality control, and the classified coal is sold as packaged (for heating purposes) and unpackaged open bulk (for industrial purposes). In 2024, a total of 457,619 tons of coal products were sold.

Consolidated Financial Statements and Basic Ratios

The Company's condensed consolidated financial statements have been prepared in accordance with the provisions of the "Communiqué on Principles Regarding Financial Reporting in Capital Markets" (Series II, No. 14.1) ("Communiqué") published in the Official Gazette dated June 13, 2013 and numbered 28676, and in accordance with the international standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA"), based on the Turkish Financial Reporting Standards ("TFRS") and the annexes and interpretations thereof.

With the statement made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, businesses applying TFRS have started to apply inflation accounting in accordance with TAS 29 Financial Reporting Standard in Hyperinflationary Economies starting from their financial statements for the annual reporting period ending on or after 31 December 2023. TAS 29 is applied to the financial statements, including consolidated financial statements, of companies whose functional currency is the currency of a hyperinflationary economy.

In accordance with this standard, financial statements prepared based on the currency of a high inflation economy are prepared in the purchasing power of this currency on the balance sheet date. For comparison purposes, comparative information in the previous period consolidated financial statements is expressed in terms of the current measurement unit at the end of the reporting period. For this reason, the Company has also presented its consolidated financial statements as of December 31, 2023 on the basis of purchasing power as of December 31, 2024.

Financial Position Statement (TL)	December 31, 2024	December 31, 2023
Current Assets	5,185,888,026	2,848,855,107
Non-Current Assets	3,370,879,761	2,669,550,850
Total Assets	**8,556,767,787**	**5,518,405,957**
Short Term Liabilities	4,256,329,949	2,275,961,620
Long Term Liabilities	396,615,023	647,986,870
Equities	3,903,828,815	2,594,457,467
Total Assets	**8,556,767,787**	**5,518,405,957**
Comprehensive Profit/Loss Statement	**December 31, 2024**	**December 31, 2023**
Net Sales	6,732,747,042	7,484,467,837
Gross profit	1,229,113,686	1,210,406,339
Profit From Main Operating Activities	803,744,215	997,317,631
Net Period Profit	441,133,242	705,642,834

	December 31, 2024	December 31, 2023
Gross Profit Margin	18.26%	16.17%
EBITDA Margin	13.81%	12.80%
Operating Profit Margin	11.94%	13.33%
Net Profit Margin	6.55%	9.43%
	December 31, 2024	**December 31, 2023**
Cash Ratio	0.10	0.04
Current Ratio	1.22	1.25
Acid Test Ratio	0.60	0.62
Leverage Ratio	0.54	0.53
Equity / Total Assets	0.46	0.47
Net Financial Debt / Equity Ratio	0.31	0.55
Net Financial Debt / EBITDA Ratio	1.31	1.50
Working Capital / Sales Percentage	24%	28%

When net sales are examined in terms of sales tonnage in the 2024 operating year, tea sales decreased by 32% due to factory relocation in the tea segment, while sales tonnage increased by 46% and 39% in the fertilizer and coal segments. In 2024, the share of tea, fertilizer and coal sales in total sales was 42%, 19% and 36%, respectively. Net sales decreased by 10% due to the factory relocation and amounted to TL 6.7 Billion. While gross profit margin increased by 2.08% to TL 1.2 Billion, EBITDA was TL 929 Million. Net profit was TL 441 Million and net profit margin was 6.55%.

While gross profit margin increased by 2.08 basis points on December 31, 2024. Compared to the same period last year, EBITDA margin, operating margin and net profit margin showed changes of +1.00, -1.39 and -2.88 points, respectively. However, the current ratio, which was 1.25 on December 31, 2023, decreased to 1.22 as of December 31, 2024, while the acid-test ratio, which was 0.62 on December 31, 2023, is 0.61 as of December 31, 2024. As of December 31, 2023, the Net Financial Debt/Equity Ratio was at 0.55, while this ratio was 0.31 on December 31, 2024. As of December 31, 2023, the ratio of net financial debt to EBITDA was 1.50, while as of December 31, 2024, this ratio was 1.31. We see that the ratio of Working Capital to sales will be 28% in 2023, while this ratio will be 24% in 2024.

	January 1–December 31, 2024	January 1–December 31, 2023	Change
Net Sales	6,732,747,042	7,484,467,837	
Gross profit	1,229,113,686	1,210,406,339	
Gross Profit Margin	18.26%	16.17%	2.08 basis points
Operating Profit Margin	11.94%	13.33%	-1.38 basis points
EBIDTA	929,634,896	958,073,185	
EBITDA Margin	13.81%	12.80%	1 basis points
Net Profit Before Tax	821,625,955	1,376,902,448	
Net Profit Margin Before Tax	12.20%	18.40%	-6.19 basis points
Net Profit	441,113,242	705,642,834	
Net Profit Margin	6.55%	9.43%	-2.88 basis points

Information on investments

In the period between January 01, 2024 and December 31, 2024, investment expenditures of TL 869,922,489 were made for renewal, modernization and capacity increase.

The Company purchased the Arhavi - 2 Çay Production Facility, of which it is the tenant, with the 187,204,110 TL portion of the public offering revenue it provided.

Information on the investments and incentives made by the company in 2024

Our company has incentive certificates received on various dates within the scope of Tokat - Erbaa, Arhavi 2, Malatya SPP I - II.

Information Regarding Related Party Transactions

The mandatory information to be provided to partners regarding related party transactions and balances is included in Article 5 of the consolidated financial statements and footnotes for the period 01.01.2024 - 31.12.2024, which are also announced on the Public Disclosure Platform (PDP). No transaction was carried out within the scope of articles 9 and 10 of the Corporate Governance Communiqué.

Related Parties	Description
Akkuş Grup Gübre Madencilik Nakliyat İnşaat Tic. A.Ş	Group Company
Efor Holding A.Ş.	Group Company
Efor Filo ve Yönetim Hizmetleri Danışmanlık A.Ş. (Former Name :Efor Grup Enerji Gübre Sanayi ve Ticaret A.Ş.)	Group Company
İbrahim Akkuş	Company Shareholder
Akkuş Antrepo Enerji Ltd. Şti. (Former Name: Akkuş Tekstil Gıda İnş. Orman Ürünleri Ltd. Şti.)	Family-Owned Company

Efor Tea aims to be a leader in the sector in the field of sustainability with its environmentally and human-friendly approach.

8. Sustainability Activities and Sustainability

Efor Tea has been awarded a certificate in the tea category within the scope of the sustainable agriculture certification of the Rainforest Alliance since 2016 and is a member of the Rainforest Alliance.

Within the scope of certification, organizations are meticulously checked to ensure that they meet the environmental, social and economic criteria specified in the Rainforest Alliance Sustainable Agriculture Standard.

The Voluntary Sustainability Standards of the Rainforest Alliance are ranked first in terms of implementation worldwide among the standards accepted in the tea sector by organizations such as Fairtrade, UTZ Certified and Organic.

The United Nations Sustainability Standards Forum defines the Rainforest Alliance's Voluntary Sustainability Standards as "standards that specify requirements that producers, traders, manufacturers, retailers or service providers may require regarding respect for basic human rights, worker health and safety, environmental impacts of production, community relations, land-use planning and other matters."

Our company is among the "Current Green Dot Contracted Companies" within the scope of the license agreement made with the CEVKO Foundation. The Green Dot was first used in Germany in 1990-1991 to identify packaging waste that was collected separately at the source under the Green Dot System. Efor Tea is among the "Current Green Dot Contracted Companies" within the scope of the license agreement made with the CEVKO Foundation. The Green Dot, which symbolizes industrial responsibility and has become an international model, means that the business that puts the packaged product bearing the mark on the market has fulfilled its legal obligations regarding the recovery of packaging waste and has made a financial contribution to the recycling system.

Malatya Arapgir Solar Power Plant Project

Within the framework of our company's sustainability goals, in order to reduce the carbon footprint and contribute to the protection of a sustainable environment; within the scope of the relevant article 5/1/h of the Regulation on Unlicensed Electricity Production in the Electricity Market, the panel installations of the power plants with a total of 9.95 MW DC installed power and 8.7 MW AC contract power, which are included in the prospectus regarding our Solar Power Plant (SPP) investment, have been completed. The acceptance process of our investment in question by the relevant public institutions has been completed, and the Solar Energy Power Plant (SPP) has been commissioned and started to produce electricity.

By continuously developing its sustainability strategies and adopting the best practices in the sector, Efor Tea is moving forward to become a leader that is sensitive to the environment and society.

Samsun Fertilizer Facilities Solar Power Plant Project

It is 2.4 MW in size and installed on the roof of the Samsun Fertilizer facility. With the solar power plant investment, the facility aims to meet all of its energy needs from green energy sources and also to provide additional energy for consumption in a reusable form.

We act with the aim of minimizing environmental impacts in accordance with local and international standards and legal obligations.

Our EMS Strategic Foundations

Environmental Responsibility

Forest and Biodiversity Protection

Climate Change

Energy Management, Renewable Energy

Supply Chain Management

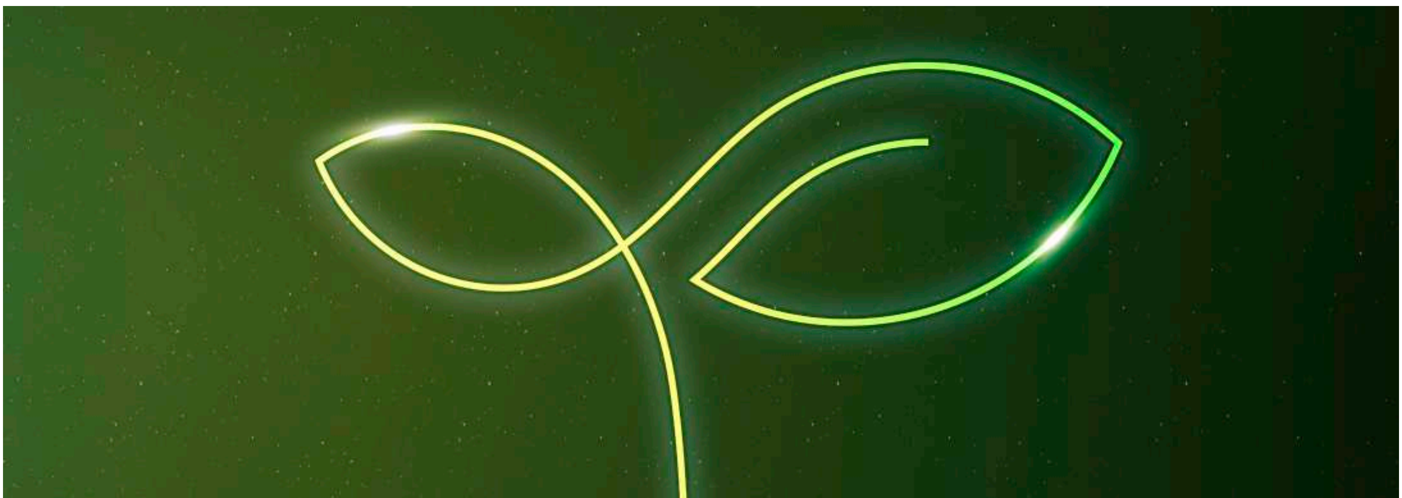
Social Responsibility and Human Rights

Occupational Health and Safety

Strengthening Relations with Society and Stakeholders

Corporate Governance

Risk Management, Ethical Compliance and Accountability



9. Information on R&D Studies

R&D efforts are one of the important points that will give new direction to the sector, develop the sector, increase the competition in the sector and the efficiency of the sector. For this reason, in order to keep up with the developments of the age, to be able to reveal innovations and to maintain a strong place in the competitive environment, innovation is encouraged and even efforts are aimed to spread these innovations throughout the sector.

In our laboratories established in 2024 for R&D studies in our production and product processing facilities, we carry out research and development studies on the defect and quality analysis of fresh tea, as well as the degree, humidity, dust ratio, fiber ratio, etc. of dry tea coming out of production.

Within the scope of R&D, our company has started work on the production of chestnut flower tea in the 2024 operating year. Due to the benefits of chestnut flower to the immune system, it is aimed to make it into tea.

Other Considerations

Company's Risk Management Policy

The Board of Directors establishes risk management and internal control systems that can minimize the effects of risks that may affect the company's stakeholders, especially the shareholders.

In order to ensure compliance with Article 378 of the Turkish Commercial Code No. 6102 and the CMB's Corporate Governance Communiqué and to ensure the effective operation of the committees within the board of directors, the Early Detection of Risk Committee was established by the decision of the Company's Board of Directors dated 06.12.2024 to carry out work for the early detection of risks that may endanger the existence, development and continuity of the company, the implementation of necessary measures regarding the identified risks and the management of risks. The Early Detection of Risk Committee is chaired by Independent Board Member Mr. Adem Şahin, and the other committee members are Board Member Mr. Muhammet Akkuş and Independent Board Member Mr. Habib Yıldız.

On the other hand, the Company's internal control system and internal audit activities are managed by the Audit Committee. The Company's internal control system has been established to examine, control, monitor, evaluate the adequacy, adequacy and effectiveness of the Company's activities and the controls related to these activities, and to report the results to the relevant units. A risk-focused control approach has been adopted, and within this scope, controls developed to minimize and eliminate risks integrated with company activities and the adequacy of these controls constitute the basis of internal control activities. Our company complies with the principles set out in the Corporate Governance principles. In this context, an "Audit Committee" was established within the Board of Directors and its working principles were determined by the Board of Directors. The chairman of the Audit Committee is the Independent Board Member Mr. Adem Şahin, and the other committee member is the Independent Board Member Mr. Habib Yıldız.

Internal Control

The Company's internal audit activities are carried out by the Internal Audit Department, which reports to the Efor Tea Board of Directors. The "Audit Committee", currently composed of two Independent Board Members, closely monitors the internal audit activities carried out in the Company and provides the necessary guidance.

In the internal audit activities, communication with functions is kept at the highest level and it is aimed to increase management effectiveness through risk-focused internal audit studies.

The purpose of Efor Tea's internal audit activities is to protect tangible and intangible assets, ensure that activities are carried out in accordance with internal and external legislation, strengthen internal control processes to increase efficiency and productivity in business processes, and ensure that corrective measures are taken in a timely manner. Internal audit activities are carried out within the scope of the annual regular audit program approved by the Audit Committee.

Efor Tea Internal Audit Department audits all transactions and activities. These audits are conducted with a methodological and disciplined approach based on the risk level and in compliance with international audit standards. An internal audit is designed to

- Evaluate the "effectiveness and efficiency of internal control systems",
- Evaluate the operation of the systems and contribute to their improvement without undertaking the "risk management" and "internal control" functions,
- Provide independent and impartial assurance and advice to the Board of Directors regarding the adequacy and effectiveness of the organization's risk management activities,
- Provide "consulting services" by showing procedures and guidance, making recommendations, facilitating work and providing training in order to improve the Company's activities and add value to them, without assuming any administrative responsibility.
- Ensure that the management complies with the "Corporate Governance principles" in its business processes and relations with shareholders and stakeholders,
- Evaluate the compliance of activities with "laws, legislation and internal regulations",
- Evaluate the "reliability of financial reports",
- Evaluate the "effectiveness and efficiency of activities",
- Ensure the "protection of company assets",
- Carry out "investigation and special purpose investigation studies" in line with the requests received,
- Provide consultancy services in the "development of procedures and processes",
- Contribute to the decision-making process by systematically conveying the information and findings obtained as a result of the activities listed above to the senior management.

Efor Tea Board of Directors has the authority to determine the authority, responsibility and activity limits of the Internal Audit Department. If authorized by the Board of Directors, the Audit Committee ensures that decisions regarding the administrative structure and human resources of the internal audit system and the establishment of an effective internal audit process are carried out in accordance with the principles of the internal audit regulation.

According to the 'ISO Türkiye's Top 500 Industrial Enterprises Research' within the scope of 2023 by the Istanbul Chamber of Industry, our Company ranked 215th among the second largest 500 industrial enterprises, climbing 217 places in the ranking based on the criterion of sales from production. Within the scope of the disclosure submitted;

Ranked 184th for Profit/Loss for the Period (Before Tax) Ranked 267th for EBIDTA
tanked 273rd for Net Sales

In the "FORTUNE 500 TÜRKİYE" list, which selects the 500 largest companies in Türkiye and is prepared and published by Fortune Magazine according to the 2023 year-end data, it ranked 387th, rising 36 places compared to the previous year. In addition, it ranked 20th in the Industrial Food Manufacturing Sector ranking of Fortune 500 Türkiye, rising 3 places compared to the previous year. Our company aims to continue this successful rise in the coming years.

İSTANBUL ATAŞEHİR HEAD OFFICE

Legislative changes that may significantly affect the company's activities

Our company closely monitors all legislative changes that will affect company activities, and there have been no changes that could significantly affect company activities in 2024.

Information about lawsuits filed against the company that may affect the company's financial situation and activities and their possible outcomes.

There were no significant administrative sanctions or fines imposed on the Company or Board members during the year.

Explanations regarding private and public audits conducted during the accounting period

Apart from the independent audit conducted by the company auditor, no special audit was conducted.

Determination and management body evaluations regarding whether the company's capital is unpaid or insolvent

As of December 31, 2024, it has been determined that the Company's issued capital of TL 363,000,000 is protected and that the Company is not insolvent. Capital maintains its existence in equity at 100%.

Conflicts of interest between the company and the institutions from which it receives services such as investment consultancy and rating, and the measures taken by the company to prevent such conflicts of interest.

Our company received independent audit services in 2024. These services have been received from independent institutions authorized by the CMB, and there is no potential conflict of interest between our Company and the institutions from which these services are received.

Information About Company Registered Office Address Change

In accordance with the decision made in the Board of Directors Meeting on December 16, 2024, our company has moved its registred office from the address "Fatih Sultan Mehmet Mah. Aheste Sk. N 7/8 Ümraniye İstanbul" to "İçerenköy Mahallesi Destan Sokak Efor Plaza No:6 İç Kapı No:11 Ataşehir/ İstanbul." The address change was registered by the Istanbul Trade Registry Directorate on 24.12.2024 and announced in the Turkish Trade Registry Gazette dated 25.12.2024 and numbered 11236.

Developments After the Reporting Period

1. Approval of Eligibility of Independent Board Members

In accordance with the decision of the Capital Markets Board dated January 16, 2025, and the announcement made in the Weekly Bulletin on January 16, 2025, our company, which is part of the Group 1 Companies, has become subject to the Corporate Governance Principle 4.3.7 under Article 5/5 of the Corporate Governance Communique II-17.1.

In this context, our Company's Corporate Governance Committee, with the decision taken at its meeting dated 23.01.2025 and numbered 2025/1, has determined the independent board candidate proposals by preparing the Independent Board Member Candidates Evaluation Report within the scope of the Corporate Governance principles annexed to the Communiqué. As a result of the negotiations, the list of independent board member candidates below has been submitted to the Capital Markets Board together with the Independent Board Member Candidates Evaluation Report prepared by the Corporate Governance Committee.

At the meeting of our Board of Directors dated 06.12.2024, it was decided to appoint Mr. Habib Yıldız and Mr. Rıza Tuna TURAGAY as independent members of the board of directors to serve until the first general assembly meeting of our Company. Due to the inclusion of our company among the Group 1 Companies in the Capital Markets Board Bulletin No. 2025/3, the necessary procedure has been completed by our company, and a formal application has been made to the CMB for Mr. Habib YILDIZ and Mr. Rıza Tuna TURAGAY, who meet all the criteria for Independent Board Members as per the regulations, to be nominated as independent board member candidates at the upcoming general assembly.

2. Rating Score

The credit rating agency JCR Eurasia Rating (JCR-ER) has determined Efor Çay Sanayi Ticaret A.Ş.' Long-Term National Institution Credit Rating and outlook as "BBB (tr) / Stable Outlook" and its Short-Term National Institution Credit Rating and outlook as "J2 (tr) / Stable Outlook" for the third quarter of 2024. The company's Long-Term International Foreign and Local Currency Institution Rating and outlook are determined as "BB / Stable Outlook".

3. Branch Closing

On January 31, 2025, our company's Board of Directors convened at the registered office and, within the framework of the company's long-term business plans, decided to close the Istanbul Branch located at Orhanlı Mahallesi İrfan Cad. TRK Gıda Apt. N44/1, Tuzla, Istanbul, with the aim of utilizing resources more effectively, increasing efficiency, and consolidating our packaging operations under a single roof. All packaged production and shipping activities will continue in the Tokat Erbaa Factory.

4. Coffee Chains

With the decision of our Company's Board of Directors dated 18.02.2025; In line with the expansion strategy of our activities in the beverage sector, a new investment will be made in the coffee sector within Efor Tea.

The investment in question is planned to open a cafe chain to bring Efor branded coffee and tea varieties to consumers in order to strengthen our position in this sector and to meet the increasing demand for coffee consumption habits. In this context, it is planned that the first branch of our new coffee concept with our new products will be in Ataşehir, Istanbul, in a modern atmosphere with an innovative and sustainable approach. Our investment is expected to contribute positively to turnover, profitability and brand awareness.

5. Issuance of Lease Certificate

In the Board of Directors meeting held on February 25, 2025, it was decided that our company, Efor Çay Sanayi Ticaret A.Ş., will participate as a fund user in the issuance of lease certificates by the issuer, KT Sukuk Varlık Kiralama A.Ş., with an issuance ceiling of TL 1,500,000,000 (One Billion Five Hundred Million Turkish Liras). These lease certificates will be issued in tranches, with various maturities, based on buying and selling as specified in the Lease Certificates Communique. The lease certificates will be sold through a private placement and/or to qualified investors, without a public offering. Additionally, applications will be made to the Capital Markets Board and other relevant authorities to obtain the necessary approvals.

6. Efor Fertilizer's Application for Transition to Registered Capital System and Public Offering to the Articles of Association Amendment

Within the scope of the decision of our Company's Board of Directors dated 27.09.2024 and numbered 2024/20, the Capital Markets Board has notified that the application for amendment to the articles of association made to the Capital Markets Board on 02.10.2024 for our 100% subsidiary Efor Gübre Madencilik Sanayi Ticaret A.Ş. to go public and to enable its shares to be traded on Borsa Istanbul has been approved.

Corporate Governance

Shareholders and Investor Relations

The company has been maintaining a transparent relationship based on trust with investors since the first day of its IPO.

The Company is aware of its responsibilities towards its shareholders and has adopted the concepts of "equality", "transparency", "accountability" and "responsibility", which form the basis of corporate governance in its activities. The Company believes in the importance of full compliance with the Corporate Governance principles within the framework of the provisions of the articles of association.

The Investor Relations Department is responsible for regularly informing shareholders and potential investors about the Company's activities, financial status and strategies, excluding non-public, confidential and trade secret information, and in a manner that does not lead to information inequality, as well as responding to incoming requests for information. Investor relations establish a two-way bridge based on communication and trust between the Company and its existing and potential investors. The Investor Relations Department is responsible for ensuring that investors are informed accurately, consistently and on time, communicating with capital market regulators, fulfilling public disclosure obligations in accordance with relevant legislation, and performing all functions of the Investor Relations Department.

Responding to written requests for information from investors is one of the most important responsibilities as a public company. The Efor Tea Investor Relations e-mail communication line has been established in accordance with the Capital Markets Legislation so that investors and investor candidates can ask their questions about the Company and share their opinions and suggestions about the Company as investors or investor candidates.

Efor Tea prefers written communication with investors in order to respond to investors' requests for information more quickly and with higher quality and to keep records of these correspondences as required by the legislation. Feedback received from investors is regularly shared with senior management.

The Investor Relations ensures the coordination of the company's disclosure policy and corporate governance, and manages relations with investors, analysts, rating experts, regulatory bodies and various professional organizations related to their fields.

The Investor Relations Department carries out its activities related to the use of partnership rights of shareholders, public disclosure of special situations, answering questions regarding the use of company and partnership rights of shareholders, General Assembly (capital increase, profit distribution, amendment of articles of association) and the implementation of Public Disclosure Platform and Central Registry System implemented by CMB and BIST, and Corporate Governance principles studies. Within the framework of these activities, numerous internal administrative regulations and practices have been implemented to ensure compliance with the principles. All shareholders are provided with timely, complete and accurate information.

With the decision of our Company's Board of Directors dated December 6, 2024, Ms. Cağla Koçel was appointed as the Investor Relations Manager under the Financial Affairs Directorate and as a member of the Corporate Governance Committee under this heading, within the scope of Article 11.2 titled Investor Relations Section of the Corporate Governance Communiqué numbered II-17.1 of the Capital Markets Board.

Investor Relations Manager and Contact Information:

Full Name	Name	Phone	E-Mail	License Certificate Type	License Certificate No
Çağla Koçel	Investor Relations Director	0216 252 07 46	yatirimciiliskileri@eforcay.com	Capital Market Activities Level 3 License - Credit Rating License - Corporate Governance Rating License - Derivatives License	202906 - 931832 - 701390 - 303980

IPO and Stock Performance

Efor Tea started trading on Borsa Istanbul with the gong ceremony held on July 5, 2024. While a total of 90 million shares were sold at a price of TL 14.50 per share, the public offering size reached TL 1.30 billion, with demand 1.21 times the total allocation amount. The shares offered to the public were distributed to domestic individual investors and domestic institutional investors.

The Company shares with a nominal value of TL 90,000,000 offered to the public started to be traded on the Star Market with a base price of TL 14.50/share and the code "EFORC" as of July 5, 2024. The 15-day period specified in the prospectus and announced for the price stability transactions planned to be carried out by the Company ended on July 19, 2024. During this period, the price stabilization process did not take place because the Stock Exchange price did not fall below the public offering price of TL 14.50.

It has been included in BIST FOOD, BEVERAGE / BIST TOM-100 / BIST 500 / BIST INDUSTRIAL / BIST PUBLIC OFFERING / BIST STAR / BIST TOM indices.

Efor Tea obtained TL 913,500,000 gross and TL 875,180,849 net IPO income from the IPO through capital increase.

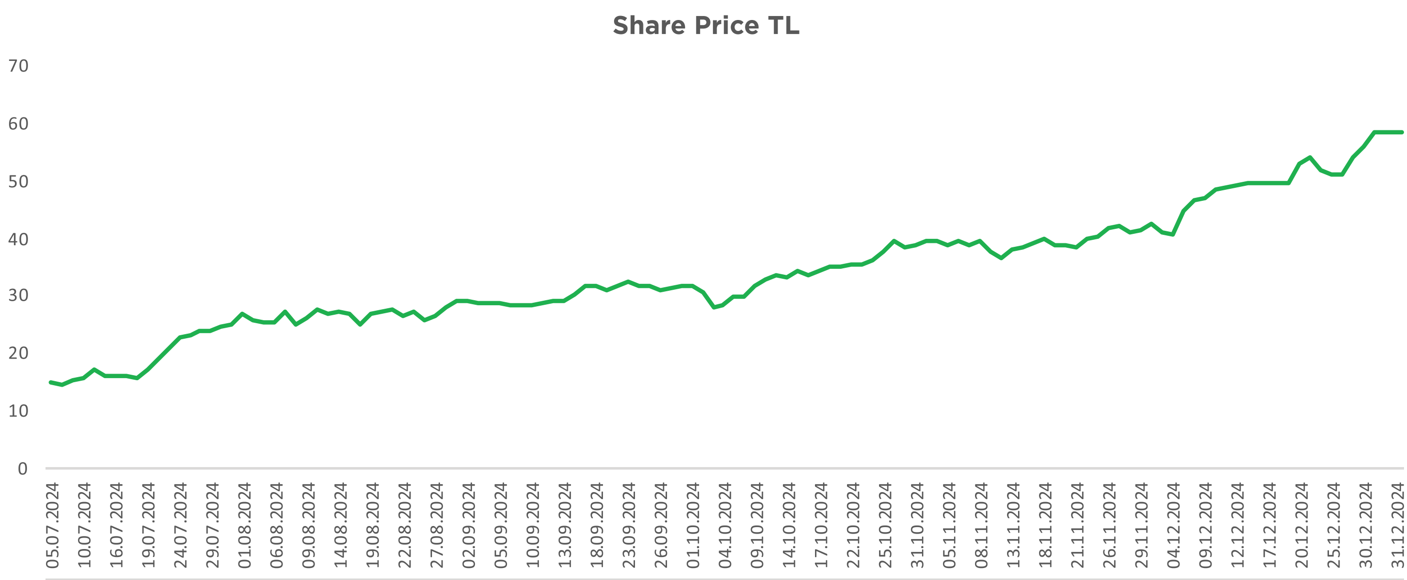
The Company planned to use the remaining net amount after deducting the expenses related to the capital increase from the gross public offering proceeds as follows. As of the end of 2024, the expenditures made from the funds obtained from the public offering are as follows:

Fund Usage Location	Planned (%)	Planned (TL)	Used (TL)
Investments	25	218,795,212	187,204,110
Venture Capital Investment	5	43,759,042	-
Payment of Financial Debts	30	262,554,255	258,070,571
Meeting the Working Capital Needs	40	350,072,340	350,069,006
TOTAL	100	875,180,849	795,343,687

Share Details	
Stock Exchange	Borsa İstanbul (BIST)
Transaction Date	7/5/2024
Market	Star Market
Company Industry	Manufacturing / Food, Beverages and Tobacco
Transaction Code	EFORC
Bloomberg Code	EFORC:TI

The company has increased by 303.79% from the date of its IPO to December 31, 2024.

As of 31.12.2024, the market value is 21,253,650,000 TL.



DECLARATION OF INDEPENDENCE

Efor Çay Sanayi Ticaret A.Ş. (the "Company")
I hereby declare that I am a candidate to serve as an "independent member" in the Board of Directors within the scope of the criteria specified in the legislation, articles of association and article 4.3.6 of the Annex to the Corporate Governance Communiqué numbered II-17.1 published by the Capital Markets Board, and in this context;

a) There is no employment relationship in a managerial position that will undertake significant duties and responsibilities between the Company, the partnerships in which the Company has management control or significant influence, the partners in which the Company has management control or significant influence over the Company, and the legal entities in which these partners have management control, and myself, my spouse, and my relatives by blood or marriage up to the second degree. I do not jointly or individually own more than 5% of the capital or voting rights or privileged shares, or have not established significant commercial relationships.

b) I did not assume key positions and responsibilities as an executive or acquired an interest (5% or more) and/or served as a Board Member within any company from which the company purchased a ' significant amount of services or products, including the company's audit (including tax audit, statutory audit, and internal audit), rating, and consultancy under agreements concluded in the past five years.

c) I have professional education, knowledge, and experience required for performing my duties in my capacity as an independent Board Member.

d) I have not worked full-time in public institutions and organizations after being elected as a member, except for university teaching staff In accordance with the applicable legislation.

d) I am a resident of Turkey pursuant to the Income Tax Law numbered 193 and 31.12.1960,

e) I have strong ethical standards, professional reputation, and experience for making positive contributions to the Company's operations and maintaining my impartiality regarding any conflict of interest between the company and shareholders and freely making decisions by taking account of the rights of stakeholders.

f) I will be able to devote enough time to Company affairs to follow the functioning of the Company's activities and fully fulfill the requirements of the duties I undertake.

g) I have not served as a member of the company's Board of Directors for more than six years in the past ten years.

ğ) I have not served as an independent board member in more than three companies in which the Company or the partners who control the management of the Company have management control, and in more than five companies traded on the stock exchange in total.

h) I was not registered and announced on behalf of a legal entity elected as a board member.
Hereby declared.

06.12.2024
Habib YILDIZ

DECLARATION OF INDEPENDENCE

Efor Çay Sanayi Ticaret A.Ş. (the "Company")

I hereby declare that I am a candidate to serve as an "independent member" in the Board of Directors within the scope of the criteria specified in the legislation, articles of association and article 4.3.6 of the Annex to the Corporate Governance Communiqué numbered II-17.1 published by the Capital Markets Board, and in this context;

a) There is no employment relationship in a managerial position that will undertake significant duties and responsibilities between the Company, the partnerships in which the Company has management control or significant influence, the partners in which the Company has management control or significant influence over the Company, and the legal entities in which these partners have management control, and myself, my spouse, and my relatives by blood or marriage up to the second degree. I do not jointly or individually own more than 5% of the capital or voting rights or privileged shares, or have not established significant commercial relationships.

b) I did not assume key positions and responsibilities as an executive or acquired an interest (5% or more) and/or served as a Board Member within any company from which the company purchased a ' significant amount of services or products, including the company's audit (including tax audit, statutory audit, and internal audit), rating, and consultancy under agreements concluded in the past five years.

c) I have professional education, knowledge, and experience required for performing my duties in my capacity as an independent Board Member.

d) I have not worked full-time in public institutions and organizations after being elected as a member, except for university teaching staff In accordance with the applicable legislation.

d) I am a resident of Turkey pursuant to the Income Tax Law numbered 193 and 31.12.1960,

e) I have strong ethical standards, professional reputation, and experience for making positive contributions to the Company's operations and maintaining my impartiality regarding any conflict of interest between the company and shareholders and freely making decisions by taking account of the rights of stakeholders.

f) I will be able to devote enough time to Company affairs to follow the functioning of the Company's activities and fully fulfill the requirements of the duties I undertake.

g) I have not served as a member of the company's Board of Directors for more than six years in the past ten years.

ğ) I have not served as an independent board member in more than three companies in which the Company or the partners who control the management of the Company have management control, and in more than five companies traded on the stock exchange in total.

h) I was not registered and announced on behalf of a legal entity elected as a board member.

Hereby declared.

06.12.2024

Rıza Tuna TURAGAY

Principles of Activity of the Board of Directors

Limits of Authority of Board Members

Our Company's Board of Directors carries out its activities in a transparent, accountable, fair and responsible manner, in accordance with all matters determined by the Corporate Governance principles. The Board of Directors plays a leading role in providing effective communication between the company and the shareholders and elimination and resolution of potential disputes and works in close cooperation with the Corporate Governance Committee and the Investor Relations Department.

The Chairman and Members of the Board of Directors have the authorities specified in the relevant articles of the Turkish Commercial Code and articles 8, 9 and 10 of the Company's Articles of Association.

A total of 19 physical board meetings were held in 2024 and attendance at these meetings was 100%.

In the annual report, the CV of the board member and the duties he/she has carried out outside the company are also presented to the shareholders. In this regard, the duties undertaken by the Board members outside the Company are shown in the table below.

Full Name	Position	Duties Undertaken Outside of the Partnership	Whether Executive/ Independent Board Member	Whether Independent Board Member
İbrahim Akkuş	Chairman	Efor Holding A.Ş. - Chairman / Efor Gübre Madencilik San Tic. A.Ş. - Chairman / Efor Grup Gayrimenkul Yatırım A.Ş. - Vice-Chairman / Efor Filo ve Yönetim Hizmetleri Danışmanlık A.Ş. - Chairman / Akkuş Grup Gübre Madencilik Nak. İnş. Tic. A.Ş. - Vice Chairman / 3A Petrol Enerji Yatırım A.Ş. - Chairman/ Efor Global Madencilik San. Tic. A.Ş.- Chairman	Executive Member	Not Independent Member
Muhammet Akkuş	Vice-Chair-person of the Board of Directors	Efor Gübre Madencilik San Tic. A.Ş. - Vice Chairman / Efor Grup Gayrimenkul Yatırım A.Ş. - Chairman / Efor Filo ve Yönetim Hizmetleri Danışmanlık A.Ş. - Vice Chairman / Akkuş Grup Gübre Madencilik Nak. İnş. Tic. A.Ş. - Chairman / 3A Petrol Enerji Yatırım A.Ş. - Board Member / Gelgit Yenilenebilir Enerji ve Elektrik Üretim A.Ş. - Board Member / Lodos Yenilenebilir Enerji ve Elektrik Üretim A.Ş. - Board Member	Executive Member	Not Independent Member
Rıza Tuna Turagay	Board Member	Dünya Katılım Bankası A.Ş. - Board Member / Orka Holding A.Ş. - Board Member / Beylerbeyi içecek Pazarlama A.Ş. - Board Member / Bilici Yatırım Sanayi ve Ticaret A.Ş. - Independent Board Member / Hareket Proje Taşımacılığı ve Yük Mühendisliği A.Ş. - Independent Board Member / Horoz Lojistik Kargo Hizmetleri ve Ticaret A.Ş.-Board Member	Not Executive	Independent Member
Adem Şahin	Board Member		Not Executive	Independent Member
Habib Yıldız	Board Member		Not Executive	Independent Member
Abdülhamit Polat	Board Member		Not Executive	Not Independent Member

It was decided, in accordance with the Capital Markets Board's Corporate Governance Communiqué II-17.1, and under Principle 4.3.6 of the Corporate Governance Communiqué, that our board members Mr. Habib Yıldız and Mr. Rıza Tuna Turagay, who meet all the criteria for Independent Board Membership and have submitted their independence declarations to the Board of Directors, will be appointed as independent board members until the first general assembly meeting of the company.

Due to the inclusion of our company among the Group 1 Companies in the Capital Markets Board Bulletin No. 2025/3, the necessary procedure has been completed by our company, and a formal application has been made to the CMB for Mr. Habib YILDIZ and Mr. Rıza Tuna TURAGAY, who meet all the criteria for Independent Board Members as per the regulations, to be nominated as independent board member candidates at the upcoming general assembly.

Board of Directors Committees and Operating Principles

With the decision of our Company's Board of Directors dated 06.12.2024, in accordance with the Capital Markets Law and the Turkish Commercial Code it was decided to

- Establish the Board Committees and to carry out the work of the committees within the framework of the legislation,
- Elect Independent Board Member Habib Yıldız as the Chairman of the Corporate Governance Committee, and Independent Board Member Adem Şahin and Investor Relations Department Manager Cağla Koçel as its members.
- Elect Independent Board Member Adem Şahin as the Chairman of the Audit Committee and Independent Board Member Habib Yıldız as its member.
- Elect Independent Board Member Adem Şahin as the Chairman of the Early Detection of Risk Committee, and Board Member Muhammet Akkuş and Independent Board Member Habib Yıldız as members.

That the duties of these committees be carried out by the Corporate Governance Committee within the framework of the legislation since a separate Nomination Committee and Remuneration Committee could not be established due to the structure of our Board of Directors.

Board Committees

With the decision of the Company's Board of Directors dated 06.12.2024, it was decided to establish the Audit Committee, Corporate Governance Committee, Early Detection of Risk Committee, to carry out the duties and authorities of the Remuneration and Nomination Committees by the Corporate Governance Committee and to determine the duties and principles of the committees, and the working principles of the Board Committees were announced on the Public Disclosure Platform.

Committee	Committee Members	Role in the Committee	Quality
Audit Committee	Adem Şahin	Chairman	Independent Board Member
	Habib Yıldız	Member	Independent Board Member
Corporate Governance Committee	Habib Yıldız	Chairman	Independent Board Member
	Adem Şahin	Member	Board Member
	Çağla Koçel	Member	Investor Relations Director
Early Detection of Risk Committee	Adem Şahin	Chairman	Independent Board Member
	Muhammet Akkuş	Member	Independent Board Member
	Habib Yıldız	Member	Board Member

Audit Committee

The Audit Committee was established to oversee the accounting system, public disclosure of financial information, independent auditing, and the operation and effectiveness of the Company's internal control and internal audit system.

The Audit Committee meets at least four times a year, at least once every three months, and the meeting results are recorded in the minutes and presented to the Board of Directors. The Committee's decisions are advisory to the Board of Directors, and the final decision-making authority on relevant matters is the Board of Directors.

The Committee ensures that the Board of Directors is informed on matters within its authority and responsibility.

Efor Çay Sanayi Ticaret A.Ş.' Audit Committee's Operating Principles

1. Establishment and Purpose

In accordance with the provisions of the Capital Markets Legislation and particularly the Corporate Governance Communiqué numbered II-17.1 of the Capital Markets Board and the Corporate Principles in its annex and the provisions of the Company's articles of association, the Audit Committee established within the body of Efor Çay Sanayi Ticaret A.Ş. ("Company", "Our Company") continues its activities in affiliation with the Board of Directors of our Company.

The Audit Committee operates to ensure the supervision of the Company's accounting system and practices, public disclosure of financial information, independent auditing, and the operation and effectiveness of the Company's internal control and internal audit system.

2. Formation of the Audit Committee

The Audit Committee consists of at least 2 members. All the members of the Audit Committee are independent board members and at least one of the members must have 5 years of experience in auditing/accounting and finance.

The chairman and other members of the Audit Committee are elected from among independent board members, but the chief executive officer/general manager cannot serve.

3. Operating Principles

The Audit Committee meets at least four times a year, at least once every three months. The Audit Committee may convene urgently when necessary and make decisions on matters within its authority and responsibility.

The Audit Committee meets with the participation of more than half of the members and takes decisions with the majority of the members present at the meeting.

The Audit Committee may hold its meetings physically, or by using a legally valid electronic information system, and may also make decisions with wet signatures or e-signatures.

The Audit Committee submits the meeting minutes containing information about its work and the meeting results to the Board of Directors and keeps a record and archives all its work in writing.

The annual report will state the number of written notifications made to the Board of Directors regarding the Audit Committee's activities and meeting results during the accounting period.

The Audit Committee's duties and working principles and any changes to these principles are determined by our Company's Board of Directors and published on the Public Disclosure Platform and the Company's corporate website.

4. Authority and Responsibility

The Audit Committee, established by the Board of Directors, acts within its own authority and responsibility, makes recommendations to the Board of Directors and, when necessary, prepares a report and presents its opinion to the Board of Directors. However, the final decision and responsibility always belongs to the Board of Directors.

The Audit Committee aims to contribute to the continuous improvement of compliance with regulations and internal company policies, as well as to enhance transparency, accountability, fairness, predictability, and efficiency within the company through its supervisory function and implementation recommendations.

The audit committee supervises the selection of the independent audit firm, drafting of independent audit agreements and the commencement of the independent audit process and works undertaken by the independent audit firm at every phase. The independent audit firm to be engaged by the company, as well as the services to be obtained from these firms, are determined by the Audit Committee and submitted for the approval of the Board of Directors.

The Audit Committee oversees the functioning and effectiveness of the company's accounting system, disclosure of its financial data to the public, its independent audit, and the company's internal control and internal audit system.

The Audit Committee also determines the methods and criteria to be used for examining and making decisions about complaints received by the company with regard to the company's accounting and internal control system as well as its independent audit and evaluating information provided by the company's employees regarding the company's accounting and independent audit based on the principle of anonymity.

The Audit Committee shares its assessments on the accuracy and conformity of the annual and intermediate financial statements to be made public with the company's accounting standards with the Board of Directors in writing alongside the opinions of the company's managers and the independent auditors.

The Audit Committee immediately submits its findings, assessments, and recommendations regarding its duties and responsibilities to the Board of Directors in writing.

All necessary resources and support for the Audit Committee to fulfill its duties are provided by the Board of Directors. The Audit Committee may invite any executive it deems necessary to its meetings to obtain their opinions and may seek independent expert opinions on matters related to its activities when needed. The cost of consultancy services required by the Audit Committee will be covered by the company. Information about the service provider and whether they have any relationship with the company will be disclosed in the annual report.

5. Entering into Force

The Audit Committee's Working Principles were approved by the Board of Directors of our company on December 6, 2024, with Decision No. 26, and have come into effect as of the same date.

Corporate Governance Committee

The Corporate Governance Committee was established to determine whether the corporate governance principles are implemented in our Company, if not, the reason for this, and the conflicts of interest that arise due to failure to fully comply with these principles, to make recommendations to the Board of Directors to improve corporate governance practices, and to oversee the work of the investor relations department.

In accordance with the principles of Corporate Governance, to the extent possible, since a separate nomination committee and remuneration committee have not been established due to the structure of our Company's board of directors, the Corporate Governance Committee will also fulfill the duties of the nomination committee and remuneration committee.

The Corporate Governance Committee meets at least four times a year, at least once every three months, and the meeting results are recorded in the minutes and presented to the Board of Directors. The Committee's decisions are advisory to the Board of Directors, and the final decision-making authority on relevant matters is the Board of Directors.

Operating Principles

1. Establishment and Purpose

The Corporate Governance Committee ("Committee") within Efor Çay Sanayi Ticaret A.Ş. ("Company", "Our Company") is established by the decision of the board of directors and continues its activities accordingly.

The purpose of the Committee ("Corporate Governance Committee") is to determine whether the corporate governance principles are implemented in our Company, if not implemented, the reason for this and the conflicts of interest that arise due to failure to fully comply with these principles, in accordance with the Corporate Governance Communiqué numbered II-17.1 of the Capital Markets Board ("Communiqué"), to make recommendations to the Board of Directors to improve corporate governance practices and to oversee the work of the Investor Relations Department.

The Committee carries out its work within the framework of the regulations, provisions and principles included in the Capital Markets Legislation, the Company's Articles of Association and the Capital Markets Board Corporate Governance principles.

2. Formation of the Corporate Governance Committee

The Committee consists of at least 3 members and the Committee Chair is elected from among the independent board members. The Investor Relations Manager serves as a member of the committee.

The majority of the members of the Committee are non-executive directors and the chief executive officer/general manager cannot serve on the Committee.

3. Operating Principles

The Committee acts within its authority and responsibility and makes recommendations to the board of directors and, when necessary, prepares a report and presents its opinion to the board of directors. However, the final decision and responsibility always belongs to the Board of Directors.
The Committee meets with the participation of more than half of the members and takes decisions with the majority of the members present at the meeting. The Committee carries out its work in coordination with the Investor Relations Department. Experts who are not members of the Board of Directors can contribute to the work of the Committee by becoming members of the Committee. All necessary resources and support for the Committee to fulfill its duties are provided by the Board of Directors.
The Committee may invite any Company executive it deems necessary to its meetings and obtain their opinions. It benefits from independent expert opinions on matters deemed necessary in relation to its activities. The cost of the consultancy services required by the Committee is covered by the company. In such a case, however, the annual report will include information about the person / company providing the services and if that person / company has any relationship with the company.
The Committee meets at least four times a year, at least once every three months. The Committee may convene urgently when necessary and make decisions on matters within its authority and responsibility.

The Committee may hold its meetings physically, or by using a legally valid electronic information system, and may also make decisions with wet signatures or e-signatures. The Committee records and archives all of its work in writing.

The Committee submits the meeting minutes, which include information about its work and the results of the meeting, to the board of directors. The Committee's decisions are advisory to the Board of Directors, and the Board of Directors makes the final decision on relevant matters.

Changes to the Committee's duties and working principles are made by decision of the Board of Directors. The Committee's Working Principles are published on the Public Disclosure Platform and the Company's corporate website.

4. Authority and Responsibility

The Committee determines whether the corporate governance principles are implemented in the Company, if not, the reason for this, and the conflicts of interest that arise due to failure to fully comply with these principles, and makes recommendations to the Board of Directors to improve corporate governance practices. Monitors the work of the investor relations department.

Ensures that the Corporate Governance principles are adopted and implemented by the Company employees, and in cases where they cannot be implemented, makes recommendations to the Board of Directors to improve the degree of compliance.

Carries out studies to increase the company's compliance with the Corporate Governance principles and provides coordination and supervision in carrying out corporate governance evaluation and rating activities.

If a separate Nomination Committee and Remuneration Committee cannot be established due to the structure of the Board of Directors, the duties assigned to these committees by legislation will be carried out by the Committee, and these duties are mainly as follows:

- Carries out analyses intended to create a transparent system for the identification, assessment and training for the positions in the Board of Directors and, other executive positions and, identify such policies and strategies in connection therewith,
- Makes regular assessments concerning the structure and efficiency of the Board of Directors and, submits to the Board of Directors its recommendations concerning possible changes thereto,
- Determines the principles, criteria and practices to be used in the remuneration of the board members and executives with administrative responsibility, taking into account the long-term goals of the company, and supervises them. Submits to the Board of Directors its recommendations regarding the remuneration to be given to the board members and senior executives, taking into account the degree to which the criteria used in remuneration have been achieved.

5. Entering into Force

The Working Principles of the Committee were approved by the Company's Board of Directors with its Resolution No. 26 dated 06/12/2024 and entered into force on the same date.

Early Detection of Risk Committee

The Early Detection of Risk Committee was established to carry out work to early detect risks that may endanger the existence, development and continuity of the Company, to take the necessary precautions regarding the identified risks and to manage the risk.

The Early Detection of Risk Committee meets at least four times a year, at least once every three months, and the meeting results are recorded in the minutes and presented to the Board of Directors. The Committee's decisions are advisory to the Board of Directors, and the final decision-making authority on relevant matters is the Board of Directors.

The Committee ensures that the Board of Directors is informed on matters within its authority and responsibility.

Efor Çay Sanayi Ticaret A.Ş.' Early Detection of Risk Committee's Operating Principlesı

1. Establishment and Purpose

The Early Detection of Risk Committee (the "Committee") within Efor Çay Sanayi Ticaret A.Ş. ("Company", "Our Company") is established by the decision of the board of directors and continues its activities accordingly.

The Early Detection of Risk Committee was established to carry out work to early detect risks that may endanger the existence, development and continuity of the Company, to take the necessary precautions regarding the identified risks and to manage the risk.

The Early Detection of Risk Committee carries out its work within the framework of the regulations, provisions and principles included in the Capital Markets Legislation, the Company's Articles of Association and the Capital Markets Board Corporate Governance principles.

2. Formation of the Early Detection of Risk Committee

The Early Detection of Risk Committee consists of at least two members, and its chairman is selected from among the independent board members. The majority of its members are non-executive directors. The Chief Executive Officer/General Manager may not serve on the Early Detection of Risk Committee. Individuals who are experts in their fields but are not members of the Board of Directors may contribute to the work of the Early Detection of Risk Committee as members.

3. Operating Principles

Early Detection of Risk Committee:
The Committee acts within its authority and responsibility and makes recommendations to the board of directors and, when necessary, prepares a report and presents its opinion to the board of directors. However, the final decision and responsibility always belongs to the Board of Directors.
The Committee meets with the participation of more than half of the members and takes decisions with the majority of the members present at the meeting.
- Carries out its efforts in coordination with the Investor Relations Department and all resources and support required to fulfill its duties are provided by the Board of Directors.
The Committee may invite any Company executive it deems necessary to its meetings and obtain their opinions. It benefits from independent expert opinions on matters deemed necessary in relation to its activities. The cost of consultancy services required by the Early Detection of Risk Committee will be covered by the company. In such a case, however, the annual report will include information about the person / company providing the services and if that person / company has any relationship with the company.
- It meets at least four times a year, at least once every three months, with a notice given by the committee chairman at least one week in advance, as a rule. The Committee may convene urgently when necessary and make decisions on matters within its authority and responsibility.
- The Committee may hold its meetings physically, or by using a legally valid electronic information system, and may also make decisions with wet signatures or e-signatures.
- Documents all of its activities in writing, keeps a record, and archives them.
- Prepares a report every two months to be submitted to the Board of Directors in accordance with Article 378 of the TCC. In this report, the Committee evaluates the situation, points out the dangers, if any, and suggests solutions. The Committee also sends the report it has prepared to the auditor. The duties and working principles of the Early Detection of Risk Committee, as well as any changes to them, are carried out by the Board of Directors' decision and are published on the Public Disclosure Platform and the company's corporate website.

4. Authority and Responsibility

The duties and responsibilities of the Early Detection of Risk Committee are as follows:
- Identifies all the risks that may endanger the existence, development and continuity of the company by evaluating their probabilities of occurrence and their effects,
- Takes the necessary precautions regarding the identified risks and to carry out studies to manage the risk,
- Ensures effective risk management by establishing risk management practices in the company.
- Ensures the integration of risk management and internal control systems into the Company's corporate structure and business processes,
- Informs the Board of Directors about the risk management activities carried out in the company.
- Prepares a report regarding the possible risks that the Company may encounter, in which the risks are evaluated, analyzed and solution suggestions are included, and to submit it to the Board of Directors and send it to the auditor every two months, within the framework of Article 378 of the Turkish Commercial Code.
- Reviews risk management systems at least annually.

5. Entering into Force

The Working Principles of the Early Detection of Risk Committee were approved by the Board of Directors of the company on December 6, 2024, with Decision No. 26, and have come into effect on the same date.

Policies Regarding the Corporate Governance

Information Regarding Disclosure Policy

In the meeting of our company's Board of Directors on December 6, 2024, it was decided, in compliance with the Capital Markets Law No. 6362 ("CML"), the Turkish Commercial Code No. 6102 ("TCC"), Capital Markets Regulations, Borsa İstanbul A.Ş. ("BIST") regulations, and other relevant legislation and regulations, especially the Capital Markets Board's ("CMB") Corporate Governance Communiqué (II-17.1) and Material Events Communiqué (II-15.1), to establish the Disclosure Policy in accordance with Capital Markets Regulations, to publish this policy on the company's corporate website at www.eforcay.com, and to present it for the shareholders' information at the next general assembly meeting.

Efor Çay Sanayi Ticaret Anonim Şirketi Information Policy

1. Purpose

The purpose of the Information Policy of Efor Çay Sanayi Ticaret Anonim Şirketi ("Company", "Our Company") is to determine the basic principles and procedures regarding informing shareholders, stakeholders and all stakeholders in a timely, complete, easily accessible and sustainable manner using transparent communication within the framework of the principles of equality, accuracy, impartiality and consistency, in accordance with the provisions of the Turkish Commercial Code and the Capital Markets Legislation, especially the Corporate Governance Communiqué numbered II-17.1 of the Capital Markets Board and the Corporate Governance principles in its annex, and the provisions of the Company's articles of association, in accordance with the article 17 of the Capital Markets Board's Communiqué on Special Circumstances numbered II-15.1 ("Communiqué").

2. General Principles

The central point of our Company's Information Policy is to meticulously comply with the procedures and principles set forth by the legislation in mandatory or optional announcements and statements to be made within the framework of the legislation to which our Company is subject, and to provide the necessary information in a timely, accurate, complete, understandable, analyzable and easily accessible manner, taking into account the rights and responsibilities of our Company, and to make every effort not to damage the legitimate interests and commercial reputation of our Company and its stakeholders.
Utmost care is taken to ensure that the statements to be made cannot be false, misleading, unfounded, exaggerated or incomplete and do not cause investors to get the wrong idea about the current conditions of the issuer.

It is essential that any information given on behalf of our Company is made by our Company officials. Accordingly, in case of any information or public disclosure regarding our Company, it is of great importance to first contact our Company's Investor Relations Department and confirm the matter in question. Our Company shows due care and attention in following up on information, news and evaluations concerning the Company's legal entity in news media.

In general, the public is promptly informed about all matters determined by the Capital Markets Legislation and developments that may cause a significant change in the financial situation and/or activities of our Company within the scope of the relevant legislation. However, information disclosed to the public cannot contain information that would hinder competitive power and cause harm to our Company, shareholders and other stakeholders, within the framework of the legislation on this subject. In this context, information within the scope of trade secrets cannot be disclosed. All questions regarding the application and procedure of this policy should be directed to the Investor Relations Department.

3. Authority and Responsibility

The Disclosure Policy is decided and implemented by our Company's Board of Directors. The implementation, development, monitoring and updating of the Disclosure Policy is the responsibility of the Board of Directors. During the creation, implementation, updating and auditing of the policy, the Board of Directors may receive technical support from units it deems necessary, especially the Investor Relations Department. The Investor Relations Department and the Corporate Governance Committee carry out the necessary work on updating and developing this Policy and submit the report they will prepare to the Board of Directors for information and approval.

Our Company's Disclosure Policy and any changes to the policy are disclosed to the public after being decided by the Board of Directors and presented to the shareholders at the general assembly. The Disclosure Policy tab on the Company's corporate website is always kept up to date.

4. Information Methods

The information methods and tools used by our Company within the framework of the Information Policy are stated below.

- Special situation statements published on the Public Disclosure Platform,
- Financial statements, independent audit reports, interim and annual reports announced on the Public Disclosure Platform,
- Prospectuses and other documents that must be prepared in accordance with CMB regulations,
- E-Company, Electronic General Assembly System,
- Information and promotional documents prepared for investors,
- The Company's website (www.eforcay.com),
- Advertisements and announcements made through the Turkish Trade Registry Gazette and other newspapers,
- Communication methods such as telephone, fax, e-mail, teleconference,

- Press releases made by the company legal entity,
- Statements made via social media,
- Statements made to data distribution organizations,
- Information meetings with investors and analysts.

5. How to access presentations and reports disclosed in investor information meetings or press conferences,

Information requests sent to the Company from shareholders, investors and analysts are answered accurately, completely and transparently in writing, verbally or through information meetings by the Investor Relations Department after evaluating whether they constitute a trade secret within the framework of publicly disclosed information and whether they may affect investment decisions and the value of capital market instruments. The answers in question are also included on the Company's website. Investor presentations are published on the Company's website and on the Public Disclosure Platform.

6. Following up on news and rumors about the company in the press and media or on websites and the principles for making statements regarding these,

News and rumors about our Company appearing in national and international press and other communication channels are monitored through the internet and data distribution software.

In the event of the existence of news or rumors, first disclosed to the public through media outlets or other communication channels, which are significant enough to affect the value, price of capital market instruments, or investors' investment decisions, or contain different content from previously disclosed information, our company will make a public statement regarding their accuracy or sufficiency. The obligation arising from the Communiqué is fulfilled without waiting for any warning, notification or request from the Capital Markets Board or the relevant stock exchange.

The disclosures required to be made within this scope are announced to the public through the Public Disclosure Platform and the Company's website (https://www.eforcay.com/).

Although there is no obligation for the Company to make a public statement regarding the adequacy and accuracy of comments, analyses, evaluations and estimates based on information disclosed to the public through press and media organs and other means of communication, in such a case, our Company will take the necessary actions under this heading if necessary.

7. Principles used in determining persons with administrative responsibility

Within the framework of the Capital Markets Legislation, "Persons with Administrative Responsibilities" are defined as the members of the Company's board of directors, and persons who, although not members of the board of directors, have regular access to the Company's internal information, directly or indirectly, and who have the authority to make administrative decisions affecting the Company's future development and commercial objectives. Persons with administrative responsibilities in our company are the Board Members, General Manager, CFO, Investment and Finance Director and Financial Affairs Director.

8. Measures taken to ensure confidentiality of special situations until they are disclosed to the public

The period from the day following the end of the accounting period in which the financial statements and reports prepared by the Company and the independent audit reports are prepared until the said statements and reports are announced to the public in accordance with the legislation is called the "Silent Period". During the Silent Period, Company officials do not comment on the Company's activities, financial performance or financial outlook, except for information publicly disclosed on behalf of the Company, and questions from capital market participants such as analysts or investors are not answered; however, this period does not prevent Company officials from attending conferences, panels and/or seminars.

Persons who have inside information or continuous information and the spouses, children or people living in the same house with such persons cannot trade in the Company's shares or capital market instruments based on such shares from the day following the end of the accounting period in which the Company's six-month and annual financial statements and reports and independent audit reports are prepared until the relevant tables and reports are announced to the public in accordance with the legislation.

The company may postpone the disclosure of internal information to the public in accordance with Article 6 of the Communiqué, provided that the disclosure of internal information to the public does not cause harm to its legitimate interests, does not mislead investors and can ensure that this information is kept confidential. In such a case, the Company takes all necessary measures to ensure the confidentiality of internal information in accordance with the Capital Markets Legislation. As soon as the reasons for postponing the public disclosure of insider information are eliminated, the public disclosure is made in accordance with the legislation. The postponement decision will be stated in the statement to be made.

If our company decides to postpone the public disclosure of internal information, persons with access to internal information will be informed in writing, in return for signature, about their obligations under the Capital Markets Law.

Our company officials cannot share non-public, internal information with third parties. Necessary measures are taken to preserve the confidentiality of internal information that may be acquired by external service providers, such as independent auditors, financial advisors and similar service providers, who may have access to internal information, due to the services they provide. Our Company's Investor Relations Unit keeps the List of Those with Access to Insider Information up-to-date within the framework of the provisions of the Communiqué.

9. Principles regarding the disclosure of forward-looking statements

The Company may, from time to time, make statements containing forward-looking assessments in accordance with the procedure set out in Article 10 of the Communiqué. Future assessments may be disclosed to the public, provided that they are subject to a decision by the board of directors or, if authorized by the board of directors, the written approval of the authorized person.

Future evaluations may be made in the form of a special situation disclosure, as well as through annual reports published within the framework of the Board's regulations regarding financial statements, or through presentations regarding informing investors, provided that they are disclosed on the Public Disclosure Platform. In statements regarding future assessments, if there is a significant difference between the previously publicly disclosed issues and the actual results, the reasons for these differences will be included.

10. Responding to written requests for information

The Company's Investor Relations Department is responsible for responding to shareholders' written requests for information about the Company, excluding confidential information that has not been disclosed to the public. In accordance with the legislation, the Company responds to information requests from investors in writing via the e-mail address yatirimciiliskileri@eforcay.com.

Information on Dividend Distribution Policy

In the meeting of our company's Board of Directors on December 6, 2024, it was decided, in compliance with the Capital Markets Law No. 6362 ("CML"), the Turkish Commercial Code No. 6102 ("TCC"), Capital Markets Regulations, Borsa İstanbul A.Ş. ("BIST") regulations, and other relevant legislation and regulations, especially the Capital Markets Board's ("CMB") Corporate Governance Communiqué (II-17.1) and Material Events Communiqué (II-19.1), to establish the Disclosure Policy in accordance with Capital Markets Regulations, to publish this policy on the company's corporate website at www.eforcay.com, and to present it for the shareholders' information at the next general assembly meeting.

Efor Çay Sanayi Ticaret A.Ş.' Dividend Policy

1. Purpose

The purpose of the profit distribution policy is to determine the profit distribution principles of the Company in accordance with the regulations and articles of association to which Efor Çay Sanayi Ticaret A.Ş. ("Company") is subject and to enable shareholders to foresee the methods and principles of distribution of the profit that the Company will obtain in the future periods. The Company follows a balanced policy between the interests of shareholders and the Company regarding profit distribution.

The Company complies with the Capital Markets Law No. 6362, the Turkish Commercial Code No. 6102, capital markets legislation and other relevant legislation regarding profit distribution.

The Dividend Distribution Policy has been prepared in accordance with the Capital Markets Board's Corporate Governance Communiqué (II-17.1) and Dividend Communiqué (II-19.1) and is announced to all stakeholders, especially shareholders, through the Company's website (www.eforcay.com).

2. General Principles

The Company's board of directors is responsible for the implementation, development and monitoring of the profit distribution policy.

The Board of Directors evaluates the Company's financial situation, profitability and cash position, the Company's investment and financing policies, short and long-term strategic goals, capital requirements of its subsidiaries, geopolitical and financial market developments, and decides on the dividend rate to be distributed within the framework of the Capital Markets Legislation. The rate of distributable profit may be reduced upon the recommendation of the board of directors and the approval of the general assembly, or it may be decided not to distribute profit.

The profit distribution policy is presented to the approval of the partners at the general assembly meeting and is disclosed to the public on the partnership's corporate website. The dividend distribution process begins on the date specified in the general assembly meeting, provided that it begins no later than the end of the accounting period in which the general assembly meeting in which the distribution decision was made was held. If the board of directors proposes to the general assembly not to distribute profits, the reasons for this and information on how to use the undistributed profits are included in the agenda item regarding profit distribution. In the event of a change to the dividend distribution policy, the decision of the Board of Directors and the rationale for the change will be disclosed to the public in accordance with the Capital Markets Board's II-15.1 Material Events Communiqué.

3. Dividend Distribution Principles

The principles of dividend distribution are regulated in article 15 of the Company's Articles of Association, titled "Determination and Distribution of Profits".

The Company will act in accordance with the provisions of the Turkish Commercial Code and the Capital Markets Legislation regarding profit determination and distribution.

The remaining amount after deducting the amounts that are required to be paid or set aside by the Company, such as general expenses of the Company and various depreciation expenses, and the taxes that are required to be paid by the Company's legal entity from the income determined at the end of the Company's operating period, and the period profit shown in the annual balance sheet, and the amount remaining after deducting the previous year's losses, if any, are distributed as shown below, respectively:

General Legal Reserve Fund:

a) Until it reaches 20% of the capital, 5% is allocated to the legal reserve fund.

First Dividend:

b) From the remaining amount, the first dividend is separated from the amount to be found by adding the donation amount made during the year, if any, in accordance with the Company's profit distribution policy and in accordance with the TCC and Capital Markets Legislation.

c) After the above reductions are made, the general assembly has the right to decide on the distribution of dividends to the members of the board of directors, employees of the partnership and persons other than shareholders.

Second Dividend:
d) The general assembly is authorized to distribute the remaining amount after deducting the amounts specified in clauses (a), (b) and (c) from the net profit, partially or completely, as a second dividend or to set aside as a reserve fund as it wishes in accordance with Article 521 of the TCC.

General Legal Reserve Fund:
e) After deducting the portion of profit determined to be distributed to the shareholders and other participants from the profit, the 10% of the remaining amount, after deducting the 5% profit share of the capital, will be added to the legal reserve in accordance with the second paragraph of Article 519 of the Turkish Commercial Code (TCC).

Unless and until the reserve funds that need to be set aside pursuant to the TTC and the dividends identified for the shareholders on the articles of association or profit distribution policies are set aside, it is not allowed to set aside any other reserve fund, transfer the profit to the next years and distribute dividends to the dividend shareholders, board members, employees and non-shareholders and, no dividend may be distributed to these persons unless and until the dividends identified for the shareholders are paid in cash.

Dividends are distributed equally to all shares existing as of the distribution date, regardless of their issuance and acquisition dates. The method and time of distribution of the profit decided to be distributed are decided by the general assembly upon the proposal of the board of directors on this matter.

According to the provisions of the Company's articles of association, the profit distribution decision made by the general assembly cannot be withdrawn.

The general assembly may decide to distribute dividend advances to shareholders within the framework of the Capital Markets Law and relevant legislation. The pertinent provisions of the applicable legislation will apply to the calculation and distribution of the amount for the advance dividends. The board of directors may be authorized to distribute advance dividends by a general assembly decision, limited to the relevant accounting period.

Information on Donation and Aid Policy

In the meeting of our company's Board of Directors dated 06.12.2024; in order to comply with the provisions of the Capital Markets Law No. 6362 ("CML"), the Turkish Commercial Code No. 6102 ("TCC"), Capital Markets Regulations, Borsa İstanbul A.Ş. ("BIST") regulations, other relevant legislation and regulations, and specifically the Corporate Governance Communiqué (II-17.1) and the Material Events Communiqué (II-15.1) of the Capital Markets Board ("CMB"),

It has been decided that the Donation and Aid Policy will be determined in accordance with the Capital Markets Legislation, this policy will be published on our company's corporate website at www.eforcay.com and will be submitted to the approval of the shareholders at the first general assembly meeting.

Efor Çay Sanayi Ticaret A.Ş.' Donation and Aid Policy

1. Purpose

The purpose of the donation and aid policy is to determine the donation and aid policy within the framework of the Turkish Commercial Code No. 6102, the Capital Market Law No. 6362, and the Capital Markets Board's Corporate Governance Communiqué No. II-17.1 and its Corporate Principles in its annex, as well as the Capital Markets Legislation and other regulations, and in accordance with the provisions of the articles of association of Efor Çay Sanayi Ticaret A.Ş. ("Company", "Our Company").

2. Authority and Responsibility

The Donation and Aid Policy is created by the Board of Directors within the framework of the CMB Corporate Governance principles. It is presented to the shareholders for approval as a separate item on the agenda of the company's general assembly meeting.

The Board of Directors is authorized and responsible for monitoring, supervising, developing and making necessary updates to our Company's Donation and Aid Policy. Changes to the Donation and Aid Policy are submitted to the approval of shareholders at the general assembly meeting, following the decision of the board of directors, and published on the Company's website and on the Public Disclosure Platform.

3. General Principles

As stated in Article 19 of the Company's articles of association, titled "Donations", the Company may make any kind of donations, in kind or in cash, provided that they do not constitute a violation of the hidden profit and transfer regulations of the capital market legislation, and with the awareness of its responsibility towards shareholders, in a manner that does not disrupt its business purpose and subject.

The upper limit of donations to be made by our Company is determined by the General Assembly. Donations made in this way are added to the distributable profit base. The Capital Markets Board has the authority to impose an upper limit on the amount of donations to be made. The donations may not be in violation of the hidden profit transfer regulations of the Capital Markets Law and other relevant legislation. Necessary special situation disclosures are made and information on donations made during the year is presented to the shareholders at the General Assembly.
The donations and payments to be made by our company are announced to the public within the framework of the CMB's regulations regarding the public disclosure of special situations. The shareholders are informed about the amount and beneficiaries of all donations and aid made during the period, as well as policy changes, with a separate agenda item at the general assembly meeting.

The Company's Donation and Aid Policy has been prepared in accordance with the capital markets legislation and is announced to all stakeholders, especially shareholders, through the Company's website and Public Disclosure Platform.

Information Regarding Remuneration Policy

In the meeting of our company's Board of Directors dated 06.12.2024; in order to comply with the provisions of the Capital Markets Law No. 6362 ("CML"), the Turkish Commercial Code No. 6102 ("TCC"), Capital Markets Regulations, Borsa İstanbul A.Ş. ("BIST") regulations, other relevant legislation and regulations, and specifically the Corporate Governance Communiqué (II-17.1) and the Material Events Communiqué (II- 1) of the Capital Markets Board ("CMB"),

It has been decided that the Remuneration Policy will be determined in accordance with the Capital Markets Legislation, this policy will be published on our company's corporate website at www.eforcay.com and will be submitted to the approval of the shareholders at the first general assembly meeting.

Efor Çay Sanayi Ticaret A.Ş.' Remuneration Policy

1. General Principles for Remuneration

Efor Çay Sanayi Ticaret A.Ş. ("Company") Remuneration Policy has been prepared within the framework of the Corporate Governance principle numbered 4.6.2 in the annex of the Corporate Governance Communiqué numbered II.17.1 of the Capital Markets Board in order to regulate the remuneration principles of the board members and managers with administrative responsibility.

The Remuneration Policy is established by the Board of Directors and is presented to the shareholders as a separate item on the agenda of the Company's general assembly meeting, and the partners' opinions on this matter are obtained.

The basis of the Remuneration Policy is a performance-based remuneration system that is fair, competitive in the market, appreciating high performance, rewarding and motivating, and providing a wage balance within the Company. The main objectives of the Remuneration Policy are to determine the remuneration by evaluating the job size, performance, contribution to the job, knowledge/skills and competencies, to motivate the employees by ensuring the balance of wages within and between the companies and competitiveness in the market, to increase their loyalty and to bring in the appropriately competent workforce to our Company that will contribute to achieving the sustainable financial and operational goals of the Company.

The Board of Directors is responsible for developing, updating and monitoring the Remuneration Policy. If any changes are made to the Remuneration Policy, it is presented to the shareholders for their information and opinion as a separate item on the agenda of the General Assembly meeting. The Remuneration Policy is published on the Company's corporate website.

2. Remuneration Principles for Board Members

When determining the remuneration levels for board members, the sector in which the company operates, macroeconomic data, wage levels prevailing in the market, the size of the company and its long-term goals, as well as the responsibility assumed by the board member in the decision-making process, the knowledge, skills, competence, experience level he/she must have and the time he/she spends are taken into consideration. The monthly remuneration and attendance allowance to be paid to the Board Members are determined by the decision of the general assembly.

In determining the remuneration levels of independent board members, in addition to the above criteria, care is taken to ensure that the remuneration is at a level that protects the independence of the member, and within the framework of Corporate Governance principles, dividends, share options or payment plans based on the performance of the Company are not used.

The Corporate Governance Committee ensures that the Company's long-term goals are taken into account in addition to the above-mentioned criteria when determining the principles and criteria for remuneration of board members and making recommendations regarding wages.

The company may not lend money to any board member or executive with administrative responsibility, cannot provide loans, cannot extend the term of loans or credits, cannot improve their terms, cannot provide loans under the name of personal loans through a third party, or cannot provide guarantees such as suretyship in their favor. The salaries and all other benefits provided to board members and executives with administrative responsibility are disclosed to the public through the annual report.

3. Remuneration Principles for Managers with Administrative Responsibilities

The remuneration of the managers with administrative responsibilities are determined by taking into account the knowledge, skills, competence, level of experience, scope of responsibility and problem-solving criteria required by the position, within the framework of the diversity and volume of the Company's activities. While determining the monthly fixed remunerations of the managers with administrative responsibilities, an effort is made to maintain balance within the company. This ensures that fair and market-competitive remuneration is provided within the Company.

Statement on Compliance with the Corporate Governance Principles

Under Article 8 titled "Corporate Governance Compliance Reports" of the Corporate Governance Communiqué No. II.17.1, the necessary disclosures are made in compliance with the provisions outlined.

a) In accordance with the decision of the Capital Markets Board dated 10.01.2019 and numbered 2/49, the corporate governance compliance reports published on the Public Disclosure Platform (PDP) using the Corporate Governance Compliance Report and Corporate Governance Information Form templates were accepted by the decision of our Company's Board of Directors dated 04.03.2025 and numbered 2025/07 and published on the PDP.

b) Our Company has not received any information indicating that any conflict of interest has occurred due to non-compliance with the principles listed below where Compliance is marked as Partial or No. Compliance with the principles that are not mandatory is evaluated on a principle-by-principle basis, and if deemed necessary within the framework of the needs of our shareholders and other stakeholders, compliance with some additional principles may be possible.

c) Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. The ordinary general assembly has not been held yet after the public offering, and it is aimed to complete compliance with the relevant principle with the first general assembly.

PUBLIC DISCLOSURES PLATFORM

EFOR ÇAY SANAYİ TİCARET A.Ş.
Corporate Governance Compliance Report
2024 – Annual Notification

Summary Information
Corporate Governance Compliance Report

	In the Compliance Status field, only one of the following options can be selected: “Yes”, “No”, “Partially”, “Exempt”, “Not Applicable”. A selection is required for each line. After entering data, click on the "Check Table" button.					
	Compliance Status					
	Yes	Partially	No	Exempted	N/A	
Corporate Governance Compliance Report						
1.1. FACILITATING THE USE OF SHAREHOLDER RIGHTS						
1.1.2 - All information and disclosures that may affect the exercise by a shareholder of their rights are update and made available to the shareholders through the corporate internet site of the Company..	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1 - The company management avoided taking any action that would make it difficult to conduct a special audit.					X	There was no request for special audit.
1.3. GENERAL ASSEMBLY						
1.3.2 - The Company ensured that the General Assembly agenda was clearly stated and that each proposal was submitted under a separate heading.					X	Our company's shares started to be traded on Borsa Istanbul on 05.07.2024, and the general assembly meeting for 2024 after the public offering has not been held yet.
1.3.7 - Persons who have privileged access to partnership information have informed the board of directors about the transactions they have made on their behalf within the scope of the partnership's field of activity, to ensure that information is provided at the general assembly meeting.					X	Our company's shares started to be traded on Borsa Istanbul on 05.07.2024, and the general assembly meeting for 2024 after the public offering has not been held yet.
1.3.8 - The members of the board of directors, other relevant persons, officers responsible for the preparation of the financial statements and auditors were present at the general assembly meeting regarding the specific agenda items.					X	Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. The ordinary general assembly has not been held yet after the public offering, and it is aimed to complete compliance with the relevant principle with the first general assembly.
1.3.10 - The amounts of all donations and aid and those who benefit from them are included in a separate item on the general assembly agenda.					X	Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. The ordinary general assembly has not been held yet after the public offering, and it is aimed to complete compliance with the relevant principle with the first general assembly.
1.3.11 - The General Assembly meeting was held open to the public, including stakeholders and the media, without the right to speak.					X	Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. The ordinary general assembly has not been held yet after the public offering, and it is aimed to complete compliance with the relevant principle with the first general assembly.
1.4. RIGHT TO VOTE						
1.4.1 - There are no restrictions or practices that make it difficult for shareholders to exercise their voting rights.	X					
1.4.2 - The company does not have any shares with privileged voting rights.			X			The company’s shares are represented by two separate classes of shares, Class A and Class B, each with an equal nominal value of TL 1. The Group A shareholders have the privilege of nominating candidates to the board of directors and voting in the general assembly. The Group B shares have no privileges. Each Class A share gives its holder 5 votes, while Class B shares give their holder 1 vote. The Group A shareholders have privilege in the election of board members. 2 (two) members of the Board of Directors consisting of 5 (five) members, 3 (three) members of the Board of Directors consisting of 6 (six) members, 3 (three) members of the Board of Directors consisting of 7 (seven) members, 4 (four) members of the Board of Directors consisting of 8 (eight) members, 4 (four) members of the Board of Directors consisting of 9 (nine) members and 5 (five) members of the Board of Directors consisting of 10 (ten) members are elected from among the Group A shareholders or their nominated candidates.
1.4.3 - The Company has not exercised its voting rights at the General Assembly of any partnership with which it has a cross-shareholding relationship that entails a dominant relationship.			X			Since our company has 100% shares of Efor Gübre Madencilik Sanayi Ticaret A.Ş., it voted in the general assembly.
1.5. MINORITY RIGHTS						
1.5.1 - The Company has taken utmost care in ensuring that minority rights are exercised.	X					
1.5.2 - Minority rights have been granted to those who own less than one twentieth of the capital by the articles of association, and the scope of minority rights has been expanded by being regulated in the articles of association.			X			The minority rights are regulated in Article 20 of our Articles of Association. Accordingly, the rights granted to shareholders constituting one twentieth of the capital in Articles 411, 420, 439, 486, 531 and 559 of the TCC, other articles of the TCC, Capital Markets Board regulations and other relevant legislation, and

						the exercise of these rights cannot be restricted or prevented. Utmost care is taken in this regard.
1.6. ENTITLEMENT TO DIVIDENDS						
1.6.1 - The profit distribution policy approved by the general assembly is disclosed to the public on the partnership's corporate website.			X			Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. The ordinary general assembly has not been held yet after the public offering, and it is aimed to complete compliance with the relevant principle with the first general assembly. The Dividend Distribution Policy to be submitted to the general assembly for approval has been determined by the Board of Directors and announced to the public on the corporate website.
1.6.2 - The profit distribution policy contains minimum information that will enable shareholders to foresee the methods and principles of profit distribution that the partnership will obtain in future periods.	X					Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. The ordinary general assembly has not been held yet after the public offering, and it is aimed to complete compliance with the relevant principle with the first general assembly. The Dividend Distribution Policy to be submitted to the general assembly for approval has been determined by the Board of Directors and announced to the public on the corporate website.
1.6.3 - Reasons for non-distribution of profit and the method of using undistributed profit are specified in the relevant agenda item.					X	Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. The ordinary general assembly has not been held yet after the public offering, and it is aimed to complete compliance with the relevant principle with the first general assembly. The Dividend Distribution Policy to be submitted to the general assembly for approval has been determined by the Board of Directors and announced to the public on the corporate website.
1.6.4 - The board of directors reviewed whether the balance was achieved between the interests of shareholders and the partnership in the profit distribution policy.	X					Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. The ordinary general assembly has not been held yet after the public offering, and it is aimed to complete compliance with the relevant principle with the first general assembly. The Dividend Distribution Policy to be submitted to the general assembly for approval has been determined by the Board of Directors and announced to the public on the corporate website.
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions that make it difficult to transfer shares.			X			Pursuant to the provision of Article 7 of the Articles of Association titled “Transfer of Shares”, the transfer of the Company's shares is carried out in accordance with the Turkish Commercial Code, the Capital Markets Legislation and other relevant legislation. The Group A and B shares can be transferred freely without any restrictions. In order for any of the Group A shares to be converted into shares eligible for trading on the stock exchange for any reason, an amendment to the Articles of Association must be made for the conversion of these shares into Group B shares, and the amendment must be approved by the General Assembly. In case the Company buys back its own shares, it acts in accordance with the capital markets legislation and other relevant legislation and the necessary special situation disclosures are made.
2.1. CORPORATE WEBSITE						
2.1.1 - The company's corporate website includes all the elements in the corporate governance principle numbered 2.1.1.		X				Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. After the public offering, the ordinary General Assembly has not been held yet. The Dividend Distribution Policy, Information Policy, Remuneration Policy and Donation Aid Policy to be submitted to the general assembly for information/approval are determined by the Board of Directors and announced to the public on the company's corporate website.
2.1.2 - Shareholding structure (names of individual shareholders owning more than 5% of the issued capital, their privileges, number and percentage of shares) is updated on the corporate website at least every 6 months.	X					
2.1.4 - The information on the company’s corporate website has been prepared in foreign languages selected as needed, with the same content as Turkish.			X			In the coming years, it is planned to ensure that the information on the corporate website is shared in English with exactly the same content as in Turkish.
2.2. ANNUAL REPORT						

2.2.1 - The board of directors ensures that the annual report fully and accurately reflects the company's activities.	X					Within the framework of Article 12 of the Communiqué on Special Circumstances, changes in shareholding resulting from transactions on the Stock Exchange are monitored and updated by the Central Registry Agency. The shareholding structure is included on the company's corporate website.
2.2.2 - The annual report includes all the elements in principle 2.2.2.	X					
3.1. COMPANY POLICY REGARDING STAKEHOLDERS						
3.1.1 - The rights of stakeholders are protected within the framework of relevant regulations, contracts and good faith rules.	X					
3.1.3 - Policies and procedures regarding stakeholders' rights are published on the company's corporate website.			X			Policies and procedures regarding stakeholders' rights are not published on the website.
3.1.4 - Necessary mechanisms have been established for stakeholders to report transactions that are against the legislation and unethical.	X					
3.1.5 - The Company handles conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING STAKEHOLDERS' PARTICIPATION IN COMPANY MANAGEMENT						
3.2.1 - Employees' participation in management is regulated by the articles of association or internal company regulations.		X				Although there is no specific provision regarding this issue in our Articles of Association or Internal Company Regulations, employee participation in management is supported by internal company practices.
3.2.2 - Methods such as surveys / consultations have been applied to obtain the opinions of stakeholders on important decisions that have consequences for stakeholders.		X				Although methods such as surveys/consultations are not used to obtain the opinions of all stakeholders, research is conducted among employees and customers, especially regarding the perception of the company. In addition, communication channels are kept open for all stakeholders (suppliers, business partners, etc.).
3.3. COMPANY'S HUMAN RESOURCES POLICY						
3.3.1 - The Company has adopted an equal opportunity employment policy and succession planning for all key management positions.		X				These efforts are in progress.
3.3.2 - Criteria with respect to personnel hiring have been set forth in writing.	X					
3.3.3 - The company possesses a Human Resources Improvement Policy and, carries out training activities for the employees accordingly.		X				These efforts are in progress.
3.3.4 - Meetings were held to inform employees about issues such as the company's financial situation, remuneration, career planning, education and health.		X				Employees are informed about training, but no information meeting has been held regarding health, career planning and the financial situation of the Company.
3.3.5 - Decisions that may affect employees are notified to them and their employee representatives. The opinions of the relevant unions were also taken into account on these issues.					X	Our company's employees are not members of any union and have not signed any collective agreements.
3.3.6 - Job descriptions and performance criteria were prepared in detail for all employees and announced to employees and used in remuneration decisions.	X					
3.3.7 - Measures such as procedures, training, awareness-raising, targets, monitoring, and complaint mechanisms have been taken to prevent discrimination among employees and to protect employees against physical, mental, and emotional abuse within the company.	X					
3.3.8 - The Company supports freedom of association and the effective recognition of the right to collective bargaining.					X	
3.3.9 - A safe working environment is provided for employees.	X					
3.4. RELATIONSHIPS WITH CUSTOMERS AND SUPPLIERS						
3.4.1 - The company has measured customer satisfaction and has operated with the understanding of unconditional customer satisfaction.	X					
3.4.2 - If there is a delay in processing the customer's requests for goods and services purchased, this situation is notified to the customer.	X					
3.4.3 - The company adheres to quality standards regarding goods and services.	X					
3.4.4 - The Company has controls in place to protect the confidentiality of sensitive trade secret information of customers and suppliers.	X					
3.5. CODES OF CONDUCT AND SOCIAL RESPONSIBILITY						
3.5.1 - The board of directors has determined the Code of Ethical Conduct and published it on the company's corporate website.		X				Our efforts on the establishment of the Code of Ethics continue.
3.5.2 - The partnership is sensitive to social responsibility. It has taken measures to prevent corruption and bribery.	X					
4.1. FUNCTION OF THE BOARD OF						

DIRECTORS						
4.1.1 - The board of directors ensures that strategies and risks do not threaten the long-term interests of the company and that effective risk management is implemented.	X					
4.1.2 - Meeting agendas and minutes reveal that the board of directors discussed and approved the company's strategic goals, determined the resources needed, and audited the management's performance.	X					
4.2. PRINCIPLES OF ACTIVITY OF THE BOARD OF DIRECTORS						
4.2.1 - The board of directors has documented its activities and presented them to the shareholders.	X					
4.2.2 - The duties and authorities of the board members are explained in the annual report.	X					
4.2.3 - The board of directors has established an internal control system appropriate to the scale of the company and the complexity of its activities.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The duties of the chairman and CEO (general manager) have been separated from one another and defined accordingly.						The chairman of the board and the chief executive officer are not the same person. However, there is no written regulation specific to this issue, and studies on a written regulation are ongoing.
4.2.7- The board of directors ensures that the investor relations department and the corporate governance committee efficiently operate and, has functioned in a close relationship with the investor relations department and the corporate governance committee in respect of the settlement of the disputes between the company and the shareholders and, connection with the shareholders.	X					
4.2.8 - The Company has taken out a directors' liability insurance for damages that may be caused to the company by the faults of the board members during their duties, with an amount exceeding 25% of the capital.			X			The Company has not obtained director liability insurance for its Board of Directors and senior executives. Our evaluations on the issue are continuing.
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The company has established a policy to achieve this goal by setting a target of at least 25% for the ratio of female members on the board of directors. The board structure is reviewed annually and the nomination process is carried out in accordance with this policy.			X			We do not have a policy on the subject and we have a female board member on our six-member board of directors. Our evaluations are ongoing.
4.3.10 - At least one of the members of the audit committee has 5 years of experience in auditing/accounting and finance.	X					
4.4. FORM OF BOARD MEETINGS						
4.4.1 - All board members attended most board meetings, either physically or electronically.	X					
4.4.2 - The board of directors has defined a minimum period for sending information and documents related to the agenda items to all members before the meeting.		X				Although the company's articles of association do not specify a time period in this regard, information and documents that will facilitate the decision-making of board members are shared with members via e-mail as soon as they are ready. It is planned to continue this practice.
4.4.3 - The opinions of members who could not attend the meeting but submitted their opinions to the board of directors in writing were presented to the other members.					X	Although there was an opportunity to express an opinion, no such notification was received from members who did not attend the meeting.
4.4.4 - Each Board Member has one vote.	X					
4.4.5 - The manner in which the board of directors meetings will be held is set out in written form in the company's internal regulations.			X			Since the board of directors meetings are held in accordance with the TCC, CMB and other relevant legislation, there is no internal regulation in this context other than our articles of association. This issue will be presented to the Board of Directors for re-evaluation in the coming period.
4.4.6 - The board meeting minutes show that all items on the agenda have been discussed and the decision minutes are prepared to include dissenting opinions.	X					
4.4.7 - The board members are restricted from taking on other duties outside the company.. The duties undertaken by the board members outside the company were presented to shareholders at the general assembly meeting.			X			There are no restrictions on the board members taking on other duties outside the Company. This situation does not cause a conflict of interest and does not disrupt the member's duty in the Company. The positions held by the board members outside the Company are presented to the shareholders in the annual report.
4.5. COMMITTEES ESTABLISHED WITHIN THE BOARD OF DIRECTORS						
4.5.5 - Each board member serves on only one committee.			X			Due to the presence of independent members on our company's board of directors and the committee structuring requirements in line with the CMB Corporate Governance Principles, some of the Board members serve on more than one committee. This situation does not cause any conflict of interest within the Company.
4.5.6 - The committees invited the people they deemed necessary to the meetings to get their opinions and received their opinions.					X	

4.5.7 - Information about the independence of the person/organization from which the Committee receives consultancy services is included in the annual report.			X			There is no consultancy service received in this direction.
4.5.8 - A report on the results of the committee meetings was prepared and presented to the board members.					X	
4.6. FINANCIAL RIGHTS PROVIDED TO THE BOARD MEMBERS AND MANAGERS WITH ADMINISTRATIVE RESPONSIBILITIES						
4.6.1 - The board of directors has conducted a performance evaluation of the board of directors to assess whether it has effectively discharged its responsibilities.			X			There is no performance evaluation system for the Board of Directors.
4.6.4 - The Company has not provided any credit, lent money or extended the term of the loaned debt to any of its board members or executives with administrative responsibility, improved the conditions, provided a loan under the title of a personal loan through third parties or provided guarantees such as suretyship in their favor.	X					
4.6.5 - The remuneration paid to the members of the board of directors and managers with administrative responsibility is disclosed on an individual basis in the annual report.			X			In not disclosing the salaries and fringe benefits provided to Board Members and senior executives, it is aimed to establish a balance between the rights and interests that need to be protected in terms of the Personal Data Protection Law and the rights of shareholders and stakeholders to obtain information in terms of the transparency requirement in accordance with the Corporate Governance Communiqué, taking into account the principle of proportionality. Payments made to the senior managers and Board Members are collectively disclosed to the public in the annual report. The disclosure of personal wages, which are considered as trade secrets in terms of competitiveness, will be determined in line with the general practices in the country.

PUBLIC DISCLOSURES PLATFORM

EFOR ÇAY SANAYİ TİCARET A.Ş.
Corporate Governance Information Form
2024 – Annual Notification

Summary Information
Corporate Governance Compliance Report

Corporate Governance Information Form

1. SHAREHOLDERS	
1.1. Facilitating the Use of Shareholder Rights	
Number of investor conferences and meetings organized by the company during the year	Many investor meetings were held during our company's IPO, but no investor conferences or meetings were held after the July 2024 IPO date.
1.2. Right to Obtain and Review Information	
Number of special auditor requests	0
Number of special auditor requests accepted at the general assembly meeting	0
1.3. General Assembly	
Link to the PDP announcement announcing the information requested under Principle 1.3.1 (ad)	Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange; the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. After the public offering, the ordinary General Assembly has not been held yet.
Whether the documents related to the general assembly meeting are presented in English simultaneously with Turkish	Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. After the public offering, the ordinary General Assembly has not been held yet.
Links to the PDP announcements regarding transactions that do not require the approval of a majority of independent members or unanimous vote of participants, as per Principle 1.3.9.	Since there is no transaction within the scope of the relevant article, no announcement was made.
Links to the PDP announcements regarding related party transactions carried out within the scope of Article 9 of the Corporate Governance Communiqué (II-17.1)	Since there is no transaction within the scope of the relevant article, no announcement was made.
Links to the PDP announcements regarding widespread and continuous transactions carried out within the scope of Article 10 of the Corporate Governance Communiqué (II-17.1)	Since there is no transaction within the scope of the relevant article, no announcement was made.
The name of the section on the company's corporate website that includes the policy on donations and aid.	Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. After the public offering, the ordinary General Assembly has not been held yet. The Donation and Aid Policy to be submitted to the General Assembly for approval has been determined by the Board of Directors and announced to the public on the Company's corporate website.
Link to the PDP announcement containing the minutes of the general assembly where the policy on donations and aid was approved	Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. After the public offering, the ordinary General Assembly has not been held yet.
Article number of the articles of association regulating the participation of stakeholders in the general assembly	The participation of shareholders in the general assembly is regulated in article 12 of our articles of association; the participation of stakeholders in the general assembly is not regulated.
Information about stakeholders attending the general assembly	Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. After the public offering, the ordinary General Assembly has not been held yet.
1.4. Voting Rights	
Whether there are any voting privileges	Yes
If there is a voting privilege, the privileged shareholders and their voting rates	The company shares are represented by two separate share groups, A and B, each with an equal nominal value of TL 1, and Group A shares provide the shareholder with the privilege of voting rights and the privilege of nominating candidates to the Board of Directors. Each Class A share gives its holder 5 votes, while Class , B shares give their holder 1 vote. Additionally, in the formation of the Board of Directors; the Group A shareholders have privilege in the election of the members of the board of directors. 2 (two) members of the Board of Directors consisting of 5 (five) members, 3 (three) members of the Board of Directors consisting of 6 (six) members, 3 (three) members of the Board of Directors consisting of 7 (seven) members, 4 (four) members of the Board of Directors consisting of 8 (eight) members, 4 (four) members of the Board of Directors consisting of 9 (nine) members and 5 (five) members of the Board of Directors consisting of 10 (ten) members are elected from among the Group A shareholders or their nominated candidates. The Group B shares have no privileges.
Shareholding ratio of the largest shareholder	75.21%
1.5. Minority Rights	
Whether the minority rights are expanded (in terms of content or percentage) in the company's articles of association	No
If the minority rights have been expanded in terms of content and proportion, please indicate the number of the relevant articles of association.	Not Available.
1.6. Entitlement to Dividends	
The name of the section on the corporate website that includes the profit distribution policy	Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. Following the public offering, the ordinary General Assembly has not yet been held, and the Dividend Distribution Policy to be submitted to the General Assembly for approval has been determined by the Board of Directors and disclosed to the public on the Company's corporate website.
If the board of directors proposes to the general assembly not to distribute the profit, the minutes of the general assembly agenda item stating the reasons for this and the method of using the undistributed profit.	Since our Company's shares will be offered to the public for the first time in 2024 and will start trading on the stock exchange, the necessary compliance must be ensured as of the date of the first General Assembly to be held after the shares start trading on the stock exchange. After the public offering, the ordinary General Assembly has not been held yet.
If the board of directors proposes to the General Assembly not to distribute profits, the link to the PDP announcement containing the relevant general assembly minutes	Not Available.

2. PUBLIC DISCLOSURES AND TRANSPARENCY	
2.1. Corporate Website	
Names of the sections on the corporate website that contain the information requested in the corporate governance principle numbered 2.1.1.	Investor Relations
The section on the corporate website that contains the list of individual shareholders who directly or indirectly own more than 5% of the shares.	Investor Relations / Corporate Governance / Shareholding Structure and Privileged Shares
Languages in which the corporate website is prepared	Turkish and English
2.2. Annual Report	
Page numbers or section names in the annual report where the information specified in the corporate governance principle numbered 2.2.2.	
a) Page number or section name containing the duties of the board members and managers outside the company and the members' declarations of independence.	Corporate Governance
b) Page number or section name of information regarding committees established within the Board of Directors.	Corporate Governance
c) Page number or section name of the number of board meetings during the year and the attendance status of the members at the meetings.	Corporate Governance
d) Page number or section name of information on legislative changes that may significantly affect the company's activities.	Other Considerations
d) Page number or section name of information about important lawsuits filed against the company and their possible outcomes.	Other Considerations
e) Page number or section name of the information regarding the conflicts of interest between the Company and the institutions from which it receives services such as investment consultancy and rating, and the measures taken to prevent these.	Investment consultancy and rating services are not received.
f) Page number or section name of the information regarding cross-shareholdings where the direct participation rate in the capital exceeds 5%.	There is no cross-shareholding in which the direct participation rate in the capital exceeds 5%.
g) Page number or section name of information on corporate social responsibility activities related to employees' social rights, vocational training and other company activities that have social and environmental consequences.	Not Available.

3. STAKEHOLDERS	
3.1. Company Policy Regarding Stakeholders	
The name of the section on the corporate website that includes the compensation policy	Investor Relations / Policies / Compensation Policy
Number of final court decisions against the company due to violation of employee rights	0
Title of the person responsible for the reporting mechanism	Erkan Eken
Access information to the company's whistleblower mechanism	erkan.eken@eforholding.com
3.2. Supporting Stakeholder Participation in Company Management	
The name of the section on the corporate website that contains internal regulations regarding employee participation in management bodies.	Not Available.
Management bodies where employees are represented	Not Available.
3.3. Company's Human Resources Policy	
The role of the board in developing a succession plan for key management positions	The Board of Directors instructs the work on the backup of key positions, and based on the instructions, the process is carried out by Human Resources under the supervision of the General Manager.
The name of the section on the corporate website that includes the human resources policy covering equal opportunities and personnel recruitment criteria, or a summary of the relevant articles of the policy.	Information containing the Company's Human Resources Policies is shared with the public at https://www.eforcay.com/insan-kaynaklari. We act with the principle of "We create opportunities to determine and develop the long-term goals of our companies through career management carried out with an impartial and equal opportunity approach, and we make a significant contribution to the motivation of individuals by meeting the need for self-realization of employees."
Whether there is a share acquisition plan	There is no share acquisition plan.
The name of the section on the corporate website that includes the human resources policy, which includes measures to prevent discrimination and mistreatment, or a summary of the relevant articles of the policy.	Not Available.
Number of final court decisions against the company due to liability related to work accidents	0
3.5. Codes of Conduct and Social Responsibility	
The name of the section on the corporate website that includes the ethical rules policy.	Not Available.
The name of the section on the corporate website where the corporate social responsibility report is located. In case there is no corporate social responsibility report, then please indicate the measures taken in environmental, social and corporate management aspects	Not Available.
Measures taken to combat all forms of corruption, including bribery and extortion	Within the scope of Internal Control, Risk Management and Internal Audit Directorate activities, internal investigations are carried out in order to detect incurred or potential damages and losses or to investigate the reality of allegations on issues such as corruption, abuse and ethical violations within the company. In this context, preventive and deterrent inspections are carried out and help is provided to strengthen internal control awareness and measures.

4. BOARD OF DIRECTORS- I	
4.2. Principles of Activity of the Board of Directors	
Date of the last board performance review	Not conducted.
Whether independent experts are used in the board of directors' performance evaluation	No
Whether all board members have been discharged	Yes
The names of the board members to whom authority is delegated, with the distribution of duties, and the content of the said authority.	There is no delegation of authority among the Board members.
Number of reports submitted by the internal control unit to the audit board or other relevant committees	Not Available.
The name or page number of the section in the annual report that includes the evaluation of the effectiveness of the internal control system.	Other Considerations
Name of the chairman	İbrahim Akkuş
Name of chief executive officer/general manager	Ediz Kaboğlu
Link to the PDP announcement stating the reason for the chairman of the board and the chief executive officer/general manager being the same person	It is not the same person.
Link to the announcement on the Public Disclosure Platform (PDP) stating that any damages that board members may cause to the company due to their negligence during their duties are insured for an amount exceeding 25% of the company's capital.	Not Available.
The name of the section on the corporate website that provides information about the diversity policy aimed at increasing the proportion of female board members.	Not Available.
Number and percentage of female members	0%

Structure of the Board of Directors							
Board Member's Name and Surname	Executive or not?	Independent or not?	Date of First Election to the Board of Directors	Link to the PDP Announcement Containing the Declaration of Independence	Whether the Independent Member Has Been Considered by the Nomination Committee	Whether There Are Any Members Who Have Lost Their Independence	Whether or not the member has at least 5 years of experience in auditing, accounting and/or finance
İbrahim Akkuş	Executive	Not Independent Member	1.04.2009		Not Evaluated	No	Yes
Muhammet Akkuş	Executive	Not Independent Member	1.04.2009		Not Evaluated	No	Yes
Rıza Tuna Turagay	Not Executive	Independent Member	7/12/2021		Evaluated	No	Yes
Adem Şahin	Not Executive	Independent Member	7/12/2021		Evaluated	No	Yes
Habib Yıldız	Not Executive	Independent Member	7/12/2021		Evaluated	No	Yes
Abdulhamit Polat	Not Executive	Not Independent Member	7/12/2021		Not Evaluated	No	Yes

4. BOARD OF DIRECTORS- II	
4.4. Form of the Board Meetings	
Number of the board meetings held physically during the reporting period	19
Average attendance rate at the board meetings	100%
Whether an electronic portal is used to facilitate the work of the board of directors	No
In accordance with the board of directors' working principles, how many days before the meeting should information and documents be provided to the members?	Although there is no written rule, in practice, information and documents related to the issues on the Board of Directors meeting agenda are presented to the Board members for review sufficient time before the meeting in order to ensure equal flow of information.
The name of the section on the corporate website that contains information about the internal company regulations that determine how board meetings will be held.	There are no internal regulations regarding board meetings other than the articles of association.
The upper limit set in the policy limiting members from taking other positions outside the company	Our company does not have a policy restricting board members from taking on other duties outside the company.
4.5. Committees Established within the Board Of Directors	
Page number or name of the relevant section in the annual report containing information on board committees	Corporate Governance
Link to the PDP announcement announcing the committee's working principles	https://www.kap.org.tr/tr/Bildirim/1363690

Board Committees-I				
Names of the Board Committees	Name of Committee Marked as "Other" in the First Column	Name-Surname of Committee Members	Whether or not there is a Committee Chair	Board Member or not
Corporate Governance Committee		Habib Yıldız	Yes	Board Member
Corporate Governance Committee		Adem Şahin	No	Board Member
Corporate Governance Committee		Çağla Koçel	No	Non-Board Member
Audit Committee		Adem Şahin	Yes	Board Member
Audit Committee		Habib Yıldız	No	Board Member
Early Detection of Risk Committee		Adem Şahin	Yes	Board Member
Early Detection of Risk Committee		Muhammet Akkuş	No	Board Member
Early Detection of Risk Committee		Habib Yıldız	No	Board Member

4. BOARD OF DIRECTORS- III	
4.5. Committees Established within the Board Of Directors-II	
Please indicate the section of the annual report or corporate website where information about the audit committee's activities is provided (page number or section name)	Corporate Governance
Please indicate the section of the annual report or corporate website that provides information about the activities of the corporate governance committee (page number or section name)	Corporate Governance
Please indicate the section of the annual report or corporate website where information about the activities of the nomination committee is provided (page number or section name)	Not Available.
Please indicate the section of the annual report or corporate website where information about the early detection of risk committee committee's activities is provided (page number or section name)	Annual Report / Information on Corporate Governance / Section 5. Board of Directors / 5.5 Committees Established Within the Board of Directors
Please indicate the section of the annual report or corporate website where information about the remuneration committee's activities is provided (page number or section name).	Not Available.
4.6. Financial Rights Provided To The Board Members And Managers With Administrative Responsibilities	
Page number or section name of the annual report where information is given regarding operational and financial performance targets and whether they have been achieved.	Annual Report / Financial Status
The name of the section of the corporate website that includes the remuneration policy for executive and non-executive members.	It is given under the "Policies" heading in the "Investor Relations" section of our company's corporate website.
Page number or section name of the annual report that specifies the fees and other benefits provided to the board members and executives with administrative responsibility.	Benefits Provided to Members of the Management Body and Senior Executives

Board Committees- II					
Names of the Board Committees	Name of Committee Marked as "Other" in the First Column	Percentage of Non-Executive Directors	Percentage of Independent Members in the Committee	Number of Physical Meetings Held by the Committee	Number of Reports Submitted to the Board of Directors by the Committee on Its Activities
Audit Committee		100%	100%	0	0
Corporate Governance Committee		100%	66.60%	0	0
Early Detection of Risk Committee		100%	66.60%	0	0

EFOR ÇAY SANAYİ TİCARET ANONİM ŞİRKETİ and ITS SUBSIDIARY

JANUARY 1 - DECEMBER 31, 2024
ACCOUNTING PERIOD
CONSOLIDATED FINANCIAL STATEMENTS,
NOTES and INDEPENDENT AUDITOR'S REPORT

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT

Efor Çay Sanayi Ticaret Anonim Şirketi

General Assembly

A) AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

1) Qualified Opinion

We have audited the consolidated financial statements of Efor Çay Sanayi Ticaret Anonim Şirketi ("Company") and its subsidiary ("Group"), which comprise the consolidated statement of financial position as at 31 December 2024, 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 financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Turkish Accounting Standards ("TMS").

2) Basis for Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing issued by the Capital Markets Board ("SPK") and the Standards on Auditing which are part of the Turkish Auditing Standards issued by the Public Oversight, Accounting and Auditing Standards Authority ("KGK"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We declare that we are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Turkey and with the ethical requirements set forth in the Independent Auditors' Ethical Rules published by the KGK. We have also fulfilled our other ethical responsibilities in accordance with the ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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. These 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 these matters.

We have identified the following matters as key audit matters:

Key audit matter	**How the key audit matter was addressed**
Property, plant, and equipment and investment properties reported at fair value	
The land, buildings, and investment properties, which hold a significant share within the Group's total assets, are accounted for at their fair values. The accounting policies adopted by the Group Management for the accounting of these assets involve the fair value method, and the fair values of these assets are determined by an independent valuation firm authorized by the Capital Markets Board. The values are then taken as the carrying amounts in the financial statement following the Group Management’s assessments. The fair values of these assets depend on the adopted valuation method and the inputs and assumptions used in the valuation model. To reach the valuation result, detailed valuation studies are conducted considering the specific characteristics of the assets based on comparable market information derived from current market data and transactions. The studies related to determining the fair values of these assets have been identified as a key audit matter due to the significant portion of the assets' recorded values in relation to the Group’s total assets and the subjective nature of the valuations, which involve significant assumptions and judgments.	In our audit work, we applied the following audit procedures concerning the determination of the fair value of the land, buildings, and investment properties. - We evaluated the design and operational effectiveness of control activities implemented by the Group management in determining the value of the land, buildings, and investment properties. - We verified the real estate valuation accreditation and license granted by the Capital Markets Board to the expert firm. - We assessed the competence, capability, and impartiality of the expert firm. - We reviewed and evaluated the valuation reports prepared by the expert firm for any asset. - The values identified in the valuation work were compared with the assets' post-inflation values, and it was tested whether the value increment amounts were adjusted for inflation impact and whether there was any impairment. - We tested the title deed records and ownership ratios of the land and buildings. - We checked the consistency of the fair values stated in the valuation report with the notes, evaluated whether the values in the notes were consistent with the valuation reports, and assessed the adequacy of note disclosures in terms of TFRS. - As a result of the procedures applied, we have no significant findings.

Key audit matters	How the key audit matter is addressed
Revenue	
Revenue is one of the most significant items in terms of measuring the financial performance of companies. Revenue is a structural risk element for any business that aims to generate profit. Revenue arises when the consideration received or receivable for the delivery of the product or provision of the service, the significant risks and rewards associated with the product have been transferred to the buyer, the revenue amount can be measured reliably, and it is highly probable that the economic benefits associated with the transaction will be obtained by the company, is recorded on an accrual basis at the fair value of the consideration. The Group’s main revenue items consist of sales of tea, fertilizer, and coal. Due to the significance of revenue in the Group’s consolidated financial statements, it is of key importance to our audit.	The Group's revenue originates from domestic and, to a lesser extent, international sales. The customers consist of large institutional buyers. The following audit procedures were determined to understand the accounting process of the Group’s revenue balances: - During our audit, sample tests were conducted to verify whether these sales were completely and accurately recorded in the consolidated financial statements. - In addition to external confirmations conducted as part of substantive verification procedures, alternative audit techniques were also applied to test the accounts related to the Group’s domestic sales. - Discussions were held with key persons involved in the revenue cycle (management, those responsible for top management, and accounting officials) to obtain information regarding the process flow. - Information regarding key controls related to revenue recognition and the operational effectiveness of these controls was obtained, and this was taken into account when deciding on the subsequent audit procedures to be applied. - Accrual records related to the periodic formation principles of revenue were examined. - With the audit procedures applied, assurance was obtained regarding the completeness, occurrence, and periodicity of sales.

Key audit matters	How the key audit matter is addressed
Application of TMS 29 "Financial Reporting in Hyperinflationary Economies"	
As stated in Note 2, the Group has applied the IAS 29 "Financial Reporting in Hyperinflationary Economies" standard in its consolidated financial statements for the year ended 31 December 2024. TMS 29 requires that financial statements be restated in terms of the current purchasing power at the end of the reporting period. Therefore, transactions during 2024 and non-monetary balances at the end of the period have been restated to reflect the current price index as of the 31 December 2024 balance sheet date. The application of TMS 29 has a pervasive and significant impact on the financial statements and involves various management estimates. The Group has also restated the financial position statement as of 31 December 2024, which is presented as comparative information, as well as the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the same period, in accordance with TMS 29. Considering these reasons, along with the risk of incomplete or inaccurate data used in the application of TMS 29 and the additional audit effort expended, we have determined the application of TMS 29 as a key audit matter.	The following audit procedures were applied concerning the application of TMS 29 "Financial Reporting in Hyperinflationary Economies": - Understanding, examining, and evaluating the process related to the application of TMS 29 designed and implemented by management, - Checking whether the classification of monetary and non-monetary items made by management is in accordance with TFRS, - Obtaining detailed lists of non-monetary items and testing by sampling whether the original cost and purchase dates are compared with supporting documents, - Evaluating the appropriateness of the judgments used by management, comparing them with prevailing practices, and checking for consistent application in each period, - Verifying the general price index rates used in calculations with the coefficients obtained from the Consumer Price Index in Turkey published by the Turkish Statistical Institute; testing the restatement of non-monetary items, the income statement, and the cash flow statement for the effects of inflation and mathematical accuracy, - Assessing the adequacy of disclosures in the footnotes to the financial statements concerning the application of TMS 29 according to TFRS. As a result of our work related to the application of TMS 29 "Financial Reporting in Hyperinflationary Economies," we have no significant findings.

4) Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Group management is responsible for the preparation of the consolidated financial statements in accordance with TMS, their fair presentation, and for the internal control necessary to ensure they 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 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) Independent Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

In an independent audit, we, the independent auditors, have the following responsibilities:

In an independent audit, the responsibilities of us as independent auditors are:

Our objective is to obtain reasonable assurance about whether the consolidated 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 obtained through an audit conducted in accordance with BDSs is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with BDSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. 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 conducted in accordance with BDSs, we exercise 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 resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.)

- Obtain an understanding of 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Based on the audit evidence obtained, conclusions are drawn about whether there is significant uncertainty related to events or conditions that may cast substantial doubt on the Group's ability to continue as a going concern, and the appropriateness of management's use of the going concern basis. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to express a modified 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.
- The overall presentation, structure, and content of the consolidated financial statements, including the disclosures, are evaluated to determine whether they reflect the underlying transactions and events in a manner that achieves fair presentation.
- Sufficient and appropriate audit evidence is obtained regarding the financial information of the entities or business units 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.

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

We have communicated to those charged with governance that we have complied with the relevant ethical requirements regarding independence. We have also communicated all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the current period consolidated financial statements and are therefore the key audit matters. We describe these matters in our independent 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 Liabilities Arising from Legislation

1) According to Article 5 of the "Corporate Governance Communiqué" numbered II-17.1, "Partnerships that apply to the Board for their shares to be offered to the public for the first time and/or to start trading on the stock exchange shall be subject to the obligations of the third group until the list specified in the second paragraph is announced. They must ensure necessary compliance as of the date of the first general assembly meeting after their shares start trading on the stock exchange. The company's shares started trading on the stock exchange in July 2024, established the Early Detection of Risk System and Committee, and plans to complete the process by submitting it for approval at the first general assembly meeting to be held.

2) No significant issues have been found regarding the Group's bookkeeping system not being in compliance with the financial reporting provisions of the law and the articles of association for the accounting period of January 1 - December 31, 2024.

3) Pursuant to Article 402 of the Turkish Commercial Code ("TTK") numbered 6102, the Board of Directors has made the explanations requested within the scope of the audit and provided the requested documents.

The responsible auditor who conducted and concluded this independent audit is Ayhan Çetinkaya.

March 4, 2025, Ankara
Deneyim Bağımsız Denetim ve Danışmanlık A.Ş.
Member of Nexia

Ayhan Cetinkaya
Responsible Auditor

EFOR ÇAY SANAYİ TİCARET ANONİM ŞİRKETİ and ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024
(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") in terms of purchasing power as of December 31, 2024.)

ASSETS	**NOTE**	**31.12.2024**	**31.12.2023**
Current assets		**5.185.888.026**	**2.848.855.107**
Cash and Cash Equivalents	4	433.474.790	98.582.986
Trade Receivables		1.231.203.312	1.082.130.939
- *Trade Receivables from Related Parties*	5	*31.505.251*	*18.404.643*
- *Trade Receivables from Unrelated Parties*	6	*1.199.698.061*	*1.063.726.296*
Other Receivables		18.829.900	9.337.544
- *Other Receivables from Unrelated Parties*	7	*18.829.900*	*9.337.544*
Inventories	8	2.632.480.783	1.432.903.385
Prepaid Expenses	9	677.411.906	118.626.673
Other Current Assets	18	192.487.335	107.273.580
Non-current Assets		**3.370.879.761**	**2.669.550.850**
Other Receivables	7	1.631.763	1.554.884
Investment Properties	13	842.363.742	859.806.688
Property, Plant and Equipment	14	2.377.756.856	1.706.038.694
Right-of-Use Assets	12	41.813.386	56.710.779
Intangible Assets	15	10.624.174	1.011.681
Prepaid Expenses	9	37.136.507	44.428.124
Deferred Tax Asset	25	59.553.333	-
TOTAL ASSETS		**8.556.767.787**	**5.518.405.957**

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

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") in terms of purchasing power as of December 31, 2024.)

LIABILITIES	**NOTE**	**31.12.2024**	**31.12.2023**
Short-term liabilities		**4.256.329.949**	**2.275.961.620**
Short Term Borrowings	11	1.365.867.228	1.154.366.191
- Bank Loans		*1.288.304.744*	*1.064.465.385*
- Liabilities from Financial Leasing Transactions		*8.798.452*	*4.642.397*
-Liabilities Arising from Rental Transactions		*6.505.198*	*11.246.260*
-Other Financial Liabilities		*62.258.834*	*74.012.149*
Trade Payables		2.259.341.093	423.887.419
- Trade payables to Related parties	5	337.070	-
- Trade Payables to Unrelated Parties	6	*2.259.004.023*	*423.887.419*
Employee Benefit Payables	17	26.952.865	20.221.872
Other Payables	7	112.506.753	30.857.151
Deferred Income		490.045.697	643.999.476
- Deferred Income from Related Parties	5	*339.112*	-
- Deferred Income from Unrelated Parties	10	*489.706.585*	*643.999.476*
Period Profit Tax Liability	21	-	1.201.711
Short Term Provisions		1.479.922	1.402.137
- Short Term Provisions for Employee Benefits	17	*1.479.922*	*1.402.137*
Other Short Term Liabilities	18	136.391	25.663
Long-term liabilities		**396.615.023**	**647.986.870**
Long Term Borrowings	11	383.117.168	498.957.593
- Bank Loans		*359.357.558*	*470.469.149*
- Liabilities from Financial Leasing Transactions		*4.255.815*	*321.928*
-Liabilities Arising from Rental Transactions		*19.503.795*	*28.166.516*
Deferred Income (Excluding Contract Liabilities)	10	821.991	3.809.762
- Deferred Income from Unrelated Parties		*821.991*	*3.809.762*
Long Term Provisions		12.675.864	12.976.939
- Long Term Provisions for Employee Benefits	16	*10.014.159*	*10.255.766*
- Other Long Term Provisions		*2.661.705*	*2.721.173*
Deferred Tax Liability	25	-	132.242.576
TOTAL RESOURCES		**4.652.944.972**	**2.923.948.490**
Equity	19	**3.903.822.815**	**2.594.457.467**
Paid-in Capital		363.000.000	300.000.000
Positive Capital Adjustment Differences		413.693.765	406.049.484
Share premium		910.713.879	-
Accumulated other comprehensive income or expenses not to be reclassified to profit or loss		521.302.363	634.428.417
- Increases (decreases) in the revaluation of tangible fixed assets		*526.101.903*	*635.272.177*
- Gains (losses) from remeasurement of defined benefit plans		*(4.799.540)*	*(843.760)*
Other Comprehensive Income or Expense to be Reclassified to Profit or Loss (+/-)		-	-
Restricted Reserves Appropriated from Profit		22.875.533	13.837.992
Retained Earnings/Losses		1.231.104.033	534.498.740
Net Profit/Loss for the Period		441.133.242	705.642.834
TOTAL EQUITY AND LIABILITIES		**8.556.767.787**	**5.518.405.957**

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

(Unless otherwise indicated, amounts are expressed in Turkish Lira ("TL") in terms of purchasing power as of December 31, 2024.)

	NOTE	01.01.-31.12.2024	01.01.-31.12.2023
Revenue	20	6.732.747.042	7.484.467.837
Cost of Sales (-)	20	(5.503.633.356)	(6.274.061.498)
Gross Profit (Loss)		**1.229.113.686**	**1.210.406.339**
Marketing, Selling and Distribution Expenses (-)	21	(144.001.849)	(158.607.068)
General Administrative Expenses (-)	21	(232.152.317)	(144.168.025)
Other Income from Main Operations	22	181.844.531	293.009.520
Other Expenses from Main Operations (-)	22	(231.059.836)	(203.323.135)
Operating Profit (Loss)		**803.744.215**	**997.317.631**
Income from Investing Activities	23	34.985.211	393.785.540
Expenses from Investing Activities (-)	23	(11.186.470)	(8.446.558)
Impairment Gains (Losses) and Reversal of Impairment Losses Determined in Accordance with TFRS 9	28	(5.917.001)	(5.754.165)
Operating Profit (Loss) Before Financial Income (Expense)		**821.625.955**	**1.376.902.448**
Finance Income	24	111.249.057	30.680.630
Finance Expenses (-)	24	(524.723.085)	(535.833.795)
Net Monetary Position Gains or Losses		(129.394.118)	(98.414.697)
Profit (Loss) Before Tax from Continuing Operations		**278.757.809**	**773.334.586**
Tax Income/Expense from Continuing Operations	**25**	**162.375.433**	**(67.691.752)**
- Current Tax Expense		(2.547.934)	(62.729.468)
- Deferred Tax Income/Expense		164.923.367	(4.962.284)
Profit (Loss) for the Period		**441.133.242**	**705.642.834**
Earnings per Share	26	1,33	4,64
Other Comprehensive Income			
Profit (Loss) for the Period		441.133.242	705.642.834
Items not to be reclassified to profit or loss		**(113.126.054)**	**189.855.405**
Revaluation Increases (Decreases) of Tangible Fixed Assets, After Tax	19	(109.170.274)	191.206.002
Actuarial Gains (Losses) Related to Employee Benefits, After Tax	19	(3.955.780)	(1.350.597)
Items to be Reclassified to Profit or Loss		**-**	**-**
Total Comprehensive Income		**328.007.188**	**895.498.239**

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

EFOR ÇAY SANAYİ TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 JANUARY – 31 DECEMBER 2024
(Unless otherwise stated, amounts are expressed in terms of Turkish Lira ("TL") purchasing power as of 31 December 2024.)

					Other comprehensive income or expenses not to be reclassified to profit or loss			Accumulated Losses		
	Note	Paid-in Capital	Positive Differences from Capital Adjustment	Premiums on Share	Accumulated Remeasurement Gains/Losses from Defined Benefit Plans	Increases (Decreases) in Revaluation of Tangible Fixed Assets	Restricted Reserves Appropriated from Profit	Retained Earnings/Losses from Previous Years	Net Profit/Loss for the Period	**Total Equity**
1.01.2023	**19**	**150.000.000**	**339.483.413**		**506.837**	**514.225.094**	**1.905.990**	**268.699.438**	**207.572.385**	**1.482.393.157**
Transfers			-	-	-	(70.158.919)	11.932.002	265.799.302	(207.572.385)	**-**
Total Comprehensive Income		-	-	-	(1.350.597)	191.206.002		-	705.642.834	**895.498.239**
Capital Increase		150.000.000	66.566.071	-	-	-	-		-	**216.566.071**
31.12.2023	**19**	**300.000.000**	**406.049.484**	**-**	**(843.760)**	**635.272.177**	**13.837.992**	**534.498.740**	**705.642.834**	**2.594.457.467**
1.01.2024	**19**	**300.000.000**	**406.049.484**	**-**	**(843.760)**	**635.272.177**	**13.837.992**	**534.498.740**	**705.642.834**	**2.594.457.467**
Transfers		**-**	**-**	**-**	**-**		9.037.541	696.605.293	(705.642.834)	**-**
Total Comprehensive Income		**-**	**-**	**-**	(3.955.780)	(109.170.274)	-	-	441.133.242	**328.007.188**
Capital Increase (*)		63.000.000	7.644.281	-	-	-	**-**	**-**	-	**70.644.281**
Increase due to Share Based Transactions		-	-	910.713.879	-	-	-	-	-	**910.713.879**
										-
31.12.2024	**19**	**363.000.000**	**413.693.765**	**910.713.879**	**(4.799.540)**	**526.101.903**	**22.875.533**	**1.231.104.033**	**441.133.242**	**3.903.822.815**

(*) The Company's shares started to be traded on Borsa Istanbul A.Ş. on July 5, 2024. After the public offering, the Company's issued capital of TL 300,000,000 was increased to TL 363,000,00.

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

CASH FLOW STATEMENT

A. Cash Flows from Operating Activities	NOTE	01.01.- 31.12.2024	01.01.- 31.12.2023
Net Profit (Loss) for the Period		**441.133.242**	**705.642.834**
Adjustments Related to Reconciliation of Net Period Profit (Loss)			
Adjustments Related to Depreciation and Amortization Expense	12,14,15	76.675.376	50.441.939
Adjustments Related to Impairment (Reversal)		(1.410.453)	(11.477.973)
- Adjustments Related to Impairment (Reversal) of Receivables	6,7	2.200.696	10.466.857
- Adjustments Related to Impairment (Reversal) of Inventory	8	(3.611.149)	(21.944.830)
Adjustments Related to Provisions		9.119.247	5.422.442
- Adjustments Related to Provisions (Reversals) for Employee Benefits		8.342.288	5.422.442
- Adjustments Related to Provisions (Reversals) of Lawsuits and/or Penalties		776.959	-
Adjustments Related to Interest (Income) and Expenses	24	170.627.727	149.668.834
Adjustments Related to Fair Value Losses (Gains)	23	(6.731.218)	(337.330.103)
- Adjustments Related to Fair Value Losses (Gains) of Investment Properties		(6.731.218)	(337.330.103)
Adjustments Related to Tax (Income) Expense	25	(162.375.433)	67.691.752
Adjustments Related to Losses (Gains) from Disposal of Fixed Assets	23,24	9.086.942	(14.296.227)
Other Adjustments Related to Monetary Position Gains or Losses		31.124.066	76.048.191
		567.249.496	**691.811.689**
Cash Flows from Operating Activities			
Adjustments for Decrease (Increase) in Trade Receivables	6	(145.759.089)	(47.089.820)
Adjustments for Decrease (Increase) in Other Receivables Related to Operations	7	(9.569.235)	18.608.501
Adjustments for Decrease (Increase) in Inventories	8	(1.192.431.797)	(387.650.058)
Decrease (Increase) in Prepaid Expenses	9	(558.785.241)	85.737.320
Adjustments Related to Increase (Decrease) in Trade Payables	6	1.835.453.680	(820.181.925)
Adjustments Related to Increase (Decrease) in Liabilities Within the Scope of Employee Benefits		6.730.993	10.108.249
Adjustments Related to Increase (Decrease) in Other Liabilities Related to Operations	7	81.649.602	3.140.386
Adjustments Related to Increase (Decrease) in Deferred Income	10	(156.941.550)	386.230.542
Adjustments for Other Increase (Decrease) in Operating Capital		(88.396.752)	41.858.597
Payments from Provisions for Employee Benefits	17	(11.418.915)	(1.515.664)
Tax Refunds (Payments)	25	(46.708.883)	(43.786.644)
Cash Flows from Operating Activities		**281.072.309**	**(62.728.827)**
B. Cash Flows from Investing Activities			
Cash Inflows from Sales of Tangible and Intangible Fixed Assets	14,15	14.619.018	57.581.001
Cash Outflows from Purchases of Tangible and Intangible Fixed Assets	14,15	(880.241.688)	(581.945.484)
Advances and Loans Given		7.291.618	(14.442.506)
Interest Received		-	260.365
Cash Flow from Investing Activities		**(858.331.052)**	**(538.546.624)**
C. Cash Flows from Financing Activities			
Cash Inflows from Issuance of Shares and Other Equity Instruments	19	910.713.879	-
Cash Inflows from Capital Increase		63.000.000	150.000.000
Cash Inflows (Outflows) from Borrowing	11	109.064.395	608.298.738
Interest Paid	24	(249.575.179)	(167.928.933)
Interest Received	24	78.947.452	17.999.734
Other Cash Inflows (Outflows)			
Cash Flows from Financing Activities		**912.150.547**	**608.369.539**
Net Increase (Decrease) in Cash and Cash Equivalents before the Effect of Exchange Rate Changes		-	-
D. Effect of Exchange Rate Changes on Cash and Cash Equivalents		-	-
Net Increase (Decrease) in Cash and Cash Equivalents		**334.891.804**	**7.094.088**
Cash and Cash Equivalents at the Beginning of the Period	4	**98.582.986**	**91.488.898**
Cash and Cash Equivalents at the End of the Period	4	**433.474.790**	**98.582.986**

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

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

1. ORGANIZATION AND NATURE OF THE GROUP'S OPERATIONS

Efor Çay Sanayi Ticaret Anonim Şirketi ("Company" or "Efor Çay") was established in Istanbul in 2014 under the name "Akpaş Çay İnşaat Nakliye Sanayi ve Ticaret A.Ş." The Company changed its name to "Efor Çay Sanayi Ticaret A.Ş." with the General Assembly decision dated 17 October 2019. This change was registered and announced in the Turkish Trade Registry Gazette dated 31 October 2019 and numbered 9941. The Company is registered with the Istanbul Trade Registry Office with the trade registry number 377302-5.

The legal center of the Company is as follows: **İçerenköy Mahallesi Destan Sokak Efor Plaza No 6 Inner Door No 11 Ataşehir/Istanbul**

The main activity of the Company is to produce, package, purchase, sell, and market tea and tea-like substances.

The Company and its subsidiary will hereinafter be referred to as the "Group."

As of 31 December 2024, the Group employs 351 people. (31 December 2023: 474 people)

As of 31 December 2024, the Group's paid-in capital is TL 363,000,000.

The shareholding structure of the Group is as follows:

Shareholders	%	**31.12.2024**	%	**31.12.2023**
Ibrahim Akkush	75,21	273.000.000	100	300.000.000
Publicly Held Part	24,79	90.000.000		-
Paid-in capital		**363.000.000**		**300.000.000**
Capital adjustment differences		413.693.765		406.049.484
Adjusted capital		**776.693.765**		**706.049.484**

The Company has been listed on Borsa Istanbul A.Ş. as of 5 July 2024, and its shares have been traded since that date. The public float rate of the Company is 24,79%.

The Company's registered capital ceiling is TL 850.000.000.

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

Subsidiaries

Information regarding the subsidiary that is part of the Group and included in the consolidation is as follows.

Direct Participation	**31.12.2024**	**31.12.2023**	
Subsidiary Title	**Share Ratio (%)**	**Share Ratio (%)**	**Field of Activity**
Efor Gübre Madencilik Sanayi Ticaret Limited Şirketi	100	100	Fertilizer and coal

Efor Gübre Madencilik Sanayi Ticaret Limited Şirketi ("Efor Gübre") was was established on March 8, 2019, and its main activity is the production, packaging, purchase, sale, import, and export of fertilizer auxiliary materials used in the production of agricultural and forestry products, and all kinds of coal.

The legal headquarters of Efor Fertilizer is located in Ataşehir Istanbul, and its paid-in capital is 400.000.000 TL as of December 31, 2024.

As announced in the Turkish Trade Registry Gazette dated December 30, 2022, and numbered 10737, Efor Fertilizer changed its title to "Efor Fertilizer Mining Industry and Trade Joint Stock Company" by a decision taken at the General Assembly on December 27, 2022.

Indirect Participation	**31.12.2024**	**31.12.2023**	
Subsidiary Title	**Pay Rate (%)**	**Pay Rate (%)**	**Activity Area**
Efor Global Madencilik Sanayi Ticaret A.S.	100	-	Fertilizer and coal

Efor Global Madencilik Sanayi Ticaret A.Ş. ("Efor Global") was established on August 27, 2024, with its main activity being the production, packaging, purchase, sale, import, and export of seeds and fertilizer auxiliary materials used in the production of agricultural and forestry products, as well as all kinds of coal.
Efor Global's registered headquarter is located in Ümraniye Istanbul and its share capital is TL 150.000.000 as of December 31, 2024. All of the capital belongs to Efor Gübre Madencilik Sanayi ve Ticaret A.Ş.

2. PRINCIPLES OF FINANCIAL STATEMENT PRESENTATIONS

2.1. Basic Principles of Presentation

Declaration of Compliance with Turkish Accounting Standards

The Group's consolidated financial statements have been prepared in accordance with the provisions of the "Communiqué on Principles of Financial Reporting in Capital Markets" (the "Communiqué") numbered II, 14.1, published in the Official Gazette dated June 13, 2013, and numbered 28676, by the Capital Markets Board ("SPK"), based on Turkish Financial Reporting Standards ("TFRS") and related appendices and interpretations, which are in compliance with international standards published by the Public Oversight Accounting and Auditing Standards Authority ("KGK"). TFRS are updated through communiqués to ensure parallelism with changes in International Financial Reporting Standards ("IFRS").

The consolidated financial statements have been presented in accordance with the formats specified in the "Announcement on TFRS Taxonomy" published by the KGK on July 3, 2024, and the Financial Statement Samples and Usage Guide published by the SPK.

The Group prepares its statutory consolidated financial statements in accordance with accounting principles determined by the Turkish Commercial Code and tax legislation. However, the consolidated financial statements attached here have been obtained by making additional adjustments and deductions to the financial statements prepared in accordance with tax laws, in accordance with the Turkish Accounting Standards/Turkish Financial Reporting Standards ("TMS/TFRS") and the related annexes and interpretations promulgated by the Public Oversight Accounting and Auditing Standards Authority ("KGK").

Adjustment of Consolidated Financial Statements in Periods of High Inflation

In accordance with the decision of the SPK dated December 28, 2023, and numbered 81/1820, and the announcement and "Application Guide on Financial Reporting in Hyperinflationary Economies" published by the KGK on November 23, 2023, it has been decided that issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards will apply inflation accounting starting from the annual financial reports for the accounting periods ending on December 31, 2024, by implementing the provisions of TMS 29.

As of December 31, 2024, adjustments have been made in accordance with the provisions of TMS 29 ("Financial Reporting in Hyperinflationary Economies") regarding changes in the general purchasing power of the Turkish Lira. The conditions of TMS 29 require that financial statements prepared in the currency of an economy with high inflation be presented in the purchasing power of the currency at the balance sheet date, and amounts from previous periods be restated in the same manner. One of the requirements for the application of TMS 29 is a three-year cumulative inflation rate approaching or exceeding 100%. The indexing process has been carried out using the coefficients obtained from the Consumer Price Index in Turkey published by the Turkish Statistical Institute ("TUIK").

The indices and correction coefficients used in the adjustment of financial statements for the periods ended December 31, 2024, and December 31, 2023, are as follows:

Date	**Index**	**Correction Coefficient**
31.12.2024	2.684,55	1,000
31.12.2023	1.859,38	1,444

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

- The consolidated financial statements for the current period prepared in Turkish Lira are expressed in the purchasing power of money at the balance sheet date, while amounts from previous reporting periods are also restated in the purchasing power of money at the most recent balance sheet date.

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

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

- Non-monetary assets and liabilities and equity items that are not expressed in the purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.

- All items in the consolidated income statements and other comprehensive income statements, except for the cost of sales, depreciation expense, and asset sale profit/(loss) items, were adjusted using the relevant monthly adjustment coefficients. The cost of sales, depreciation expense, and asset sale profit/(loss) items were recalculated based on the balance sheet items adjusted using the adjustment coefficients.

- All items in the consolidated cash flow statement are expressed in the measurement unit valid at the end of the reporting period.

- The effect of inflation on the Group's net monetary asset position in the current period is recorded in the income statement as a net monetary position loss.

Comparative Presentation

- The relevant figures for the previous reporting period are re-arranged by applying the general price index to present the comparative financial statements in the measurement unit valid at the end of the reporting period. Information disclosed for previous periods is also presented in the measurement unit valid at the end of the reporting period.

Functional Currency and Financial Statement Presentation

The Group's consolidated financial statements are presented in the currency (functional currency) valid in the primary economic environment in which they operate. The Group's functional currency and the presentation currency for the consolidated financial statements are expressed in T.

Going Concern

The Group has prepared its consolidated financial statements based on the going concern principle.

Netting / Offsetting

Financial assets and liabilities are presented on a net basis 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 to realize the assets and settle the liabilities simultaneously.

Foreign Currency Transactions

Foreign currency transactions during the year are translated into Turkish Lira at the exchange rates prevailing at the transaction dates. Foreign currency denominated monetary assets and liabilities are translated into Turkish Lira at the exchange rates prevailing at the end of the period. Exchange rate income or losses arising from the translation of foreign currency denominated monetary assets and liabilities are recognized in the income statement in the period in which they arise.

The exchange rates used at the end of the periods are as follows;

	USD		EURO	
	Buying Rate	Selling Rate	Buying Rate	Selling Rate
31.12.2024	35,2803	35,3438	36,7362	36,8024
31.12.2023	29,4382	29,4913	32,5739	32,6326

Comparative Information and Restatement of Financial Statements for Prior Periods

To enable the identification of the Group's consolidated financial position and performance trends, the consolidated financial statements for the period ending December 31, 2024, have been prepared on a comparative basis with the previous period (December 31, 2023). Comparative information can be reclassified when necessary to ensure consistency with the presentation of the current period consolidated financial statements.

Changes in Accounting Estimates and Errors

Changes in accounting estimates are applied prospectively, if they pertain to a single period, in the current period in which the change is made, and if they pertain to future periods, both in the period in which the change is made and in future periods. There have been no significant changes in the Group's accounting estimates during the current year.

2.2 Principles of Consolidation

The consolidated financial statements include the financial statements of the Company and the entities controlled by the Company. Control is achieved when the Group meets the following conditions;

- Has power over the investee,
- Is exposed, or has rights, to variable returns from its involvement with the investee,
- Has the ability to use its power to affect its returns.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether the Group's voting rights in an investee are sufficient to give it power, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders,
- Potential voting rights held by the Group and other shareholders,
- Rights arising from other contractual agreements and
- Any additional facts and circumstances that may indicate whether the Group has, or does not have, the current power to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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

Profit or loss and each component of other comprehensive income belongs to the shareholders of the parent company and non-controlling interests. Even if non-controlling interests result in a negative balance, the total comprehensive income of the subsidiaries is transferred to the shareholders of the parent company and non-controlling interests.

If necessary, adjustments related to accounting policies have been made in the consolidated financial statements of the subsidiaries to align with the accounting policies followed by the Group.

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

Changes in the Capital Share of the Group's Current Subsidiaries

Changes in the capital share of the Group's subsidiaries that do not result in a loss of control are accounted for as equity transactions. The book values of the Group's share and non-controlling interests are adjusted to reflect changes in subsidiary shares. The difference between the amount adjusted for non-controlling interests and the fair value of the consideration received or paid is directly accounted for as the Group's share in equity.

In the event that the Group loses control of a subsidiary, the post-sale profit/(loss) is calculated as:

i) The sum of the fair value of the consideration received and the fair value of the remaining interest

ii) It is calculated as the difference between the previous carrying amounts of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred directly to retained earnings in accordance with TFRSs). The fair value of the investment remaining after the sale of the subsidiary at the date of loss of control is measured at fair value in accordance with TMS 39 Financial Instruments: Recognition and Measurement or, where applicable, the cost of an investment in an associate or a jointly controlled entity at initial recognition.

2.3 New and Revised Turkish Financial Reporting Standards

The accounting policies applied in the preparation of the consolidated financial statements for the period ended 31 December 2024 are consistent with those used in the previous year, except for the new and amended Turkish Accounting Standards and Turkish Financial Reporting Standards and their interpretations effective as of 1 January 2024, summarized below. The effects of these standards and interpretations on the Group's financial position and performance are explained in the relevant paragraphs..

a-) New standards, amendments and interpretations to existing standards effective as of January 1, 2024:

- Classification of Liabilities as Current or Non-Current (Amendments to TMS 1)
- Lease liability in sale and leaseback transactions - Amendments to TFRS 16 Leases
- Amendments to IAS 7 Statement of Cash Flows and TFRS 7 Financial Instruments: Disclosures - Supplier Financing Arrangements

- TFRS S1 General requirements for disclosure of sustainability-related financial information and TFRS S2 Climate-related disclosures

b-) Standards issued but not yet effective and not early adopted:

The new standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

- **Amendments to TFRS 10 and TMS 28: Sale or Contribution of Assets by an Investor to an Associate or Joint Venture**

In December 2017, KGK postponed indefinitely the effective date of the amendments to TFRS 10 and TMS 28, to be modified depending on the outcomes of the ongoing research project on the equity method. However, early adoption is still permitted. The Group will assess the impact of these amendments when the standards are finalized.

- **Elimination of Exchangeability - Amendments to TMS 21 The Effects of Changes in Foreign Exchange Rates**

In May 2024, KGK issued amendments to TMS 21. The amendments clarify how to assess whether a currency is not exchangeable and how to determine the exchange rate when a currency is not exchangeable. According to the amendments, when estimating the exchange rate because a currency is not exchangeable, information that enables users of financial statements to understand how the inability to exchange one currency for another currency has affected, or is expected to affect, an entity's performance, financial position and cash flows is disclosed. The amendments are effective for annual periods beginning on or after January 1, 2025. Early application is permitted, in which case information is disclosed in the notes. When the amendments are applied, comparative information is not restated. The amendments are not applicable for the Group and will not have an impact on the financial position or performance of the Group.

- **TFRS 17 - New Insurance Contracts Standard**

In February 2019, KGK issued TFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 introduces a model that both measures insurance contract liabilities at their current balance sheet value and recognizes profit over the period in which the services are provided. With the announcement made by KGK, the mandatory effective date of the Standard has been postponed to accounting periods beginning on or after January 1, 2025. The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

- **TFRS 18 - Presentation and Disclosures in Financial Statements**

On April 9, 2024, KGK issued TFRS 18 Presentation and Disclosures of Financial Statements, which will replace TMS 1 Presentation of Financial Statements. It carries forward many of the provisions of TMS 1 unchanged.

The objective of TFRS 18 is to set out the requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help provide relevant information that fairly reflects an entity's assets, liabilities, equity, income and expenses.

TFRS 18 introduces three defined categories for income and expenses (operating, investing and financing) to improve the structure of the income statement and requires all entities to present newly defined subtotals, including operating profit.

TFRS 18 is effective for annual periods beginning on or after January 1, 2027 and will be applied retrospectively. Early application is permitted.

The Group is in the process of assessing the potential impact of the application of TFRS 18 on its consolidated financial statements.

- **TFRS 19 Subsidiaries that are not accountable to the public: Disclosures**

Subsidiaries of companies using TFRS Accounting Standards can significantly reduce their disclosures and focus more on the needs of users following the issuance of TFRS 19.

A subsidiary may elect to apply the new standard in its consolidated, separate or individual financial statements if it meets the following criteria:

-Lack of public accountability,

-The parent company prepares consolidated financial statements in accordance with TFRS Accounting Standards.

A subsidiary that applies the reduced disclosure standards under TFRS 19 will fully comply with the recognition, measurement and presentation requirements of TFRSs, but will reduce disclosures and will be required to clearly and unambiguously state that it applies TFRS 19 in its statement of compliance with TFRS Accounting Standards.

- **Changes Relating to the Classification and Measurement of Financial Instruments - Amendments to TFRS 9 Financial Instruments and TFRS 7 Financial Instruments: Disclosures**

Classification of Financial Assets with Contingent Features

The amendments introduce an additional SPPI (Solely Payments of Principal and Interest) test to clarify the classification of financial assets with contingent features that are not directly related to a change in the underlying credit risks or costs - for example, where cash flows vary depending on whether the borrower meets an ESG (environmental, social and governance) objective specified in the loan contract, the classification of that contingent financial asset would be based on the SPPI test. The SPPI test determines whether the asset is recognized at amortized cost or at fair value.

Under the amendments, certain financial assets, including those with ESG-linked characteristics, may now meet the SPPI criterion, provided that their cash flows are not materially different from an identical financial asset without such a characteristic. However, companies will need to undertake additional work to prove this, which will require judgment.

The amendments also include additional disclosures for all financial assets and financial liabilities with the following specific contingent characteristics:

- Not directly related to a change in the underlying lending risks or costs and

- Not measured at fair value through profit or loss.

Settlement of Trade Receivables through Electronic Payments

A company that settles its trade payables using an electronic payment system typically derecognizes its trade payables on the payment date. The amendments introduce an exception to the derecognition of such financial liabilities. This exception allows a company to derecognize its trade payables before the payment date if it uses an electronic payment system that meets all of the following criteria:

- It is not possible to withdraw, stop or cancel the payment order;

- Lack of access to cash to be used for payment as a result of the payment instruction; and

- The settlement risk associated with the electronic payment system is insignificant.

Other Amendments

Contractual Instruments (CLIs) and Non-Recourse Features

The amendments clarify the key features of contractual instruments and how they differ from financial assets with non-recourse features. The amendments also set out the factors that an entity should consider when assessing the cash flows that comprise its financial assets with non-recourse features (the 'review' test).

Disclosures Relating to Investments in Equity

The amendments require additional disclosures for investments in equity instruments measured at fair value with gains or losses recognized in other comprehensive income (FVOCI).

The amendments are effective for annual periods beginning on or after January 1, 2026. Entities may choose to early adopt these amendments (including the related disclosure requirements) separately from the amendments on the recognition and derecognition of financial assets and financial liabilities.

The Group does not expect that application of these amendments to TFRS 9 and TFRS 7 will have significant impact on its consolidated financial statements.

2.4 Summary of Significant Accounting Policies

Cash and Cash Equivalents

Within the scope of TMS/TFRS, cash is defined as cash on hand and demand deposits, and cash equivalents are defined as short-term, highly liquid assets that are readily convertible to a known amount of cash and that are held to meet short-term cash requirements and are not used for investment or other purposes.

Of these, the TL balance of the cash account is valued at its carrying amount, which is considered to be its fair value, foreign currency balances are valued at the buying exchange rates determined by the Central Bank of the Republic of Turkey, and liquid funds are valued at their current values on the balance sheet date. Credit card slips to be collected in the following month are valued at their book values. Interest is accrued on time deposits based on the day of maturity.

Trade Receivables and Payables

Trade and other receivables are measured at amortized cost using the effective interest method. Trade and other receivables with no stated interest rate and maturity are measured at invoice amount unless the effect of imputing interest is significant.

Notes and post-dated cheques classified under trade receivables and payables are carried at amortized cost using the effective interest rate method.

The Group recognizes allowance for doubtful receivables when there is an objective evidence that collection is no longer possible. However, according to the decision taken by the Group management, overdue receivables may be covered by shareholders.

Revenue

Revenue Recognition

The Group recognizes revenue in its consolidated financial statements based on the five-step model outlined in TFRS 15 "Revenue from Contracts with Customers":

- Identification of contracts with customers,
- Identification of the performance obligations in the contracts,
- Determination of the transaction price,
- Allocation of the transaction price to the performance obligations in the contracts,
- Recognition of revenue.

The Group evaluates the goods or services promised in each contract with customers and determines each commitment to transfer such goods or services as a separate performance obligation.

For each performance obligation, it is determined at the inception of the contract whether the performance obligation is to be satisfied over time or at a particular point in time. If the Group transfers control of a good or service over time and therefore fulfills the performance obligations related to the related sales over time, the Group recognizes revenue over time by measuring the progress towards the complete fulfillment of these performance obligations.

When the Group fulfills its performance obligation by transferring a promised good or service to a customer, the Group recognizes the transaction price corresponding to this performance obligation as revenue in its consolidated financial statements. The good is transferred.

The Group assesses the transfer of control of goods or services sold to customers when (or as) control of the goods or services is transferred to the customer,

a) The Group's right to collect the goods or services,
b) The customer's legal ownership of the good or service,
c) The transfer of possession of goods or services,
d) The customer’s significant risks and rewards of ownership of the good or service,
e) It considers the conditions for the customer to accept the goods or services.

The Group does not adjust the promised amount of consideration for the effect of a significant financing component if, at the inception of the contract, the Group estimates that the period between the date of transfer of the promised goods or services to the customer and the date on which the customer pays for those goods or services will be one year or less. On the other hand, if there is a significant financing component in the revenue, the revenue value is determined by discounting the future collections with the interest rate included in the financing component. The difference is recognized on an accrual basis as other operating income in the related periods.

Real Estate Sales

Revenue is recognized in the consolidated financial statements when the performance obligation specified in the contract is fulfilled by transferring the real estate promised in accordance with the contract to the customer. The real estate is transferred when the control of the real estate is transferred to the customer.

Inventories

Inventories are valued at the lower of cost or net realizable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories held by the method most appropriate to the particular class of inventory, using the monthly weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Investment Properties

An entity may hold some of its real estate (land, buildings or both) for investment purposes, either to earn rental income or for capital appreciation or both. Assets with these characteristics are classified as investment property.

Investment properties are measured at cost on initial recognition. Subsequent to initial recognition, investment properties may be measured using the fair value method or the cost method. This choice is an accounting policy choice and the selected method is applied to all investment properties.

The Group's investment properties are reported using the fair value method.

Property, Plant and Equipment

Property, plant and equipment, if not revalued, are carried at cost restated to the purchasing power of TL as at December 31, 2024, less accumulated depreciation.

The cost of property, plant and equipment is depreciated on a straight-line basis over their estimated useful lives. Although depreciation rates in accordance with the Tax Procedural Law are used in the statutory records, depreciation rates based on economic life estimates are used in the preparation of the accompanying consolidated financial statements.

The estimated depreciation rates used are as follows.

Type of Tangible Asset	Amortization Rate
Land and Plots	%2
Buildings	%1-8
Machinery and Equipment	%4-25
Vehicles	%8-50
Fixtures	%1-25
Special Costs	%14

If the carrying value of tangible fixed assets has increased as a result of revaluation, this increase is recognized in other comprehensive income and accumulated directly in the equity account group under the title of revaluation surplus. The group reports land and buildings at fair value.

However, a revaluation surplus is recognized as income to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss. If the carrying value of an asset decreases as a result of revaluation, this decrease is recognized as an expense. However, this decrease is recognized in other comprehensive income to the extent of any credit balance in the revaluation surplus related to that asset. The decrease recognized in other comprehensive income reduces the accumulated amount under the title of revaluation surplus in equity.

Intangible Assets

Intangible assets consist of rights. Intangible assets are initially recognized at cost. They are subsequently measured at cost.

Although depreciation rates in accordance with the Tax Procedure Law are used in the statutory records, depreciation rates based on economic life estimates are used in the preparation of the accompanying financial statements. The depreciation method has been determined on a straight-line basis and depreciation expense has been calculated on a pro-rata basis. The depreciation rates and methods used are as follows:

Type of Intangible Asset	Depreciation Rate
Rights	%6-50

Leasing Transactions

Group in Tenant Status

The Group assesses whether a contract is, or contains, a lease at inception of the contract. The Group recognizes a right-of-use asset and the related lease liability for all leases in which it is the lessee, except for short-term leases (leases with lease terms of 12 months or less) and leases of low-value assets. For these leases, the Group recognizes lease payments as an operating expense on a straight-line basis over the lease term unless there is another systematic basis that better reflects the timing of the economic benefits derived from the leased assets. On initial recognition, lease liabilities are recognized at the present value of the lease payments that are not paid at the inception of the contract, discounted at the lease rate. If this rate is not specified in advance, the Group uses an alternative borrowing rate determined by the Group.

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

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Penalty payment for lease cancellation if there is a right to cancel the lease during the lease period.

Lease liabilities are presented as a separate line item in the consolidated statement of financial position.

Subsequently, lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- There is a change in the lease term or the assessment of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

The Group has not made any such changes during the periods presented in the consolidated financial statements. Right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made on or before the commencement date and other direct initial costs. These assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are presented as a separate line item in the consolidated statement of financial position. The Group applies TMS 36 to determine whether right-of-use assets are impaired and recognizes all identified impairment losses as described in the 'Property, Plant and Equipment' policy. Variable rents that are not linked to an index or rate are not included in the measurement of the lease liability and right-of-use asset. Related payments are recognized as an expense in the period in which the events or circumstances giving rise to the payments occur.

The Group pays rent expense for factories, warehouses and vehicles and capitalizes it in accordance with TFRS 16.

Impairment of Assets

TMS 36 - Impairment of Assets Standard; when internal and external economic indicators require, the carrying amounts of tangible and intangible assets and goodwill should be compared with their recoverable amounts. If the carrying amount of the asset is estimated to exceed its recoverable amount, it is considered to be impaired. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. The estimated impairment is recorded as a loss in the period when the determination is made. No impairment was identified on the company's assets in the relevant period.

Borrowing Costs

Borrowing costs are capitalized as an element of the cost of a qualifying asset when they are directly attributable to the acquisition, construction or production of that asset. Such costs are included in the cost of the asset if they can be measured reliably and it is probable that future economic benefits will flow to the entity. Borrowing costs that are not in this scope are expensed as incurred. Capitalized borrowing costs are classified as purchases of property, plant and equipment and intangible assets in the statement of cash flows.

Borrowing costs are recognized in the statement of profit or loss in the period in which they are incurred. However, with the decision taken by the Company management, financing costs related to borrowings can also be borne by shareholders.

Financial Instruments

TFRS 9 Financial Instruments Standard explains how to classify, measure (value) and derecognize financial instruments (such as core financial assets and liabilities, derivatives, options, synthetic products, financial guarantee contracts and guarantees). It provides guidance on how to value these financial instruments at initial acquisition or acquisition, at subsequent valuation dates, how to apply hedge accounting and, most importantly, how to measure impairment of financial instruments.

TFRS 9 Financial Instruments Standard recognizes two different situations in the classification of financial instruments and determines the classification and measurement criteria accordingly. These two situations are; a) the nature or pattern of cash flows provided by the financial instrument and b) the entity's management model or intended use of these instruments.

TFRS 9 Financial Instruments Standard considers two different situations in the classification of financial instruments and determines the classification and measurement criteria accordingly. These two situations are:

a) The nature or form of the cash flows provided by the financial instrument, and

b) The management model or purpose of use of these instruments by the entity.

If the contractual terms of the financial asset cause cash flows that include only principal and interest payments arising from the principal balance on specified dates, this financial asset is measured at its amortized cost. The effective interest rate is predominantly used in measurement. Valuation differences are recognized directly in profit or loss. In this context, receivables from customers, other receivables, and debt instruments held for interest (associated securities fall into this category) are included. Their primary purpose is to collect the principal of the financial asset rather than earning income such as trading or dividends.

A financial asset is measured by reflecting the fair value change to other comprehensive income if both of the following conditions are met:

(a) The financial asset is held within a business model whose objective is to collect contractual cash flows and to sell financial assets,

(b) The contractual terms of the financial asset lead to cash flows that include only principal and interest payments arising from the principal balance on specified dates.

n such financial assets, the primary objective is to gain commercial profit by selling, in addition to earning interest or dividend income. In other words, the company's priority is to protect or enhance its liquidity and to sell when necessary. In such cases, the asset is measured at fair value. However, apart from interest income, price increases and decreases are recognized in other comprehensive income and accounted for in equity.

The accounting of increases and decreases in fair value in profit or loss is valid for the accounting of securities that do not meet the above conditions. That is, if it is not measured at amortized cost and there is no intention of selling in addition to principal income, i.e., if it is held solely for trading purposes, the financial asset is measured at fair value and value increases or decreases are directly recognized in profit or loss. However, entities may also account for the measurement gains and losses of some financial assets in Other Comprehensive Income (equity). However, this option must be decided upon the initial acquisition of the financial asset and the financial instrument must only be financial instruments representing equity, such as shares.

Another issue detailed by this standard is how the loss incurred in the event of impairment of financial instruments will be measured and how it will be included in the financial statements. These losses are referred to as expected credit losses. All financial instruments, except those for which changes in fair value are transferred to profit or loss, should be subject to an expected credit loss test either individually or on a portfolio basis at each reporting period.

Some financial instruments may be significantly credit-impaired upon acquisition. Except for these, if there has not been a significant increase in the credit risk of a financial instrument from its initial recognition in the financial statements up to the reporting date, the entity measures the loss allowance for that financial instrument at an amount equal to the 12-month expected credit losses. If the credit risk of a financial instrument has increased significantly since its initial recognition in the financial statements, the entity measures the loss allowance for that financial instrument at an amount equal to the lifetime expected credit losses at each reporting period.

In the 12-month credit loss, the borrower's exposure to credit risk has not yet been observed. However, during the following year, the probability of exposure to credit risk and the potential loss in such a case is estimated. A provision is set aside for this amount. If it is observed that there is a significant reduction in the borrower's credit risk, the total risk amount is calculated by considering all of the borrower's defaulted and non-defaulted debts. This risk amount is the difference between the amounts that can be collected from the borrower and the amounts that need to be collected, taking into account the time value of money.

However, the standard also provides a simplified approach for trade receivables, contract assets, and lease receivables measured at amortized cost. If the receivable subject to the expected loss provision has arisen in accordance with TFRS 15 Revenue from Contracts with Customers Standard and does not include a financing component, or if it includes a financing component but chooses to measure it from an amount equal to the lifetime expected credit loss, the simplified approach can be used, and the expected credit losses are measured at a level equal to the lifetime expected credit losses.

The Group has adopted the simplified method for loans and receivables measured at amortized cost in all reporting periods, but has accepted as an accounting policy to measure receivables with significant credit risk according to the general approach at a level appropriate to the lifetime expected credit risk.

Severance Pay and Employee Benefit Plans

The current Labor Law requires the company to pay each employee a severance pay of at least 30 days for each year of service, other than those who are terminated due to misconduct. Therefore, the company must estimate the future payments representing the total burden it carries and discount these estimated payments to present value. The Group uses the "net present value of expected rights" method for this purpose and thus reports the discounted net value of its total liability as of the balance sheet date.

In line with this, the Group tries to estimate the severance pay liability that will be paid upon retirement or dismissal, based on the assumption that the employee will retire on the day they are eligible for retirement. It is assumed that male employees will retire after 25 years and female employees after 20 years, and it is accepted that the severance pay will be paid on this date.

The net present value of the portion of this total liability, which the employee is entitled to due to their tenure as of the balance sheet date, is recognized as severance pay provision in the balance sheet. It is assumed that the ratio of employees who leave without being entitled to severance pay in past periods will be the same in future periods, and the total burden is reduced by this ratio. The discount rate used to reduce the future obligation to the value on the balance sheet date is the average of bank loan interest rates.

The total severance pay burden, which changes between two periods, is divided into interest cost, current period service cost, and actuarial gains and losses. Interest Cost is the cost of using the liability in the balance sheet from the previous accounting period within the period, and it is the amount obtained by multiplying the beginning balance of the liability related to the continuing employees with the discount rate used in that year.

The current period service cost is the portion derived from discounting the amount expected to be paid in the period when the severance pay that employees are entitled to for their work during the current accounting period will be paid, using the discount rate to bring it to the balance sheet date. Differences other than this reflect actuarial gains and losses. While Interest Cost and Current Period Service Cost are reported in the Income Statement, Actuarial Gains and Losses are reported within equity in the balance sheet and within Other Comprehensive Income in the Profit/(Loss) Statement.

Apart from the normal salary, bonus, and other social benefit payments to employees, there is no contribution plan to be paid in periods after retirement or termination of employment.

Related Parties

The Group's related parties include entities that can directly or indirectly control or significantly influence the other party through shareholding, contractual rights, family relationships, or similar means.

In the accompanying consolidated financial statements, the Group's shareholders and companies owned by these shareholders, their key management personnel and other companies known to be related to them are referred to as related parties.

A party is related to the Group if one of the following criteria exists

i) The party, directly or indirectly through one or more intermediaries:

- Controls, is controlled by, or has control over the Group
- Is under common control with the Group (including parents, subsidiaries and fellow subsidiaries within the same business sector.);
- Has an interest in the Group that gives it significant influence over the Group or has joint control over the Company;

ii) The party is an associate of the Group;

iii) The party is a joint venture in which the Group is a joint venturer;

iv) The party is a member of the key management personnel of the Group or its parent;

v) The Party is a close family member of any individual referred to in points (i) or (iv);
vi) The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
vii) The party must have a post-employment benefit plan for the benefit of employees of the entity or of an entity that is a related party of the entity.

A transaction with a related party is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

The Company's related parties and the reasons for their relatedness are as follows;

Related Parties	Description
Akkuş Grup Gübre Madencilik Nakliyat İnşaat Tic. A.Ş.	Group Company
Efor Filo ve Yönetim Hizmetleri Danışmanlık A.Ş. (Eski Unvan : Efor Grup Enerji Gübre Sanayi ve Ticaret A.Ş.)	Group Company
Efor Holding A.Ş.	Group Company
İbrahim Akkuş	Company Partner
Akkuş Antrepo Enerji Ltd. Şti. (Eski Unvan: Akkuş Tekstil Gıda İnş. Orman Ürünleri Ltd. Şti.)	Family Company

Taxes on corporate income and deferred tax assets and liabilities

The Group's tax assets and liabilities, as well as tax income or expenses, consist of corporate tax for the current year and deferred taxes.

Current Period Taxes

The current period tax liability includes the tax liability records calculated on the taxable portion of the period's profit and at the tax rates applicable as of the consolidated statement of financial position date, in accordance with the prevailing tax legislation.

Deferred Tax

Deferred tax is calculated on temporary differences between the carrying values of assets and liabilities in the financial statements and their tax bases. Deferred tax is not recognized for the following temporary differences:

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

- Temporary differences associated with investments in subsidiaries, associates, and jointly controlled entities, to the extent that it is probable that these differences will not reverse in the foreseeable future and the Group can control the timing of the reversal of these differences.

A deferred tax asset is recognized for unused tax losses carried forward, tax credits, and deductible temporary differences to the extent that it is probable that sufficient taxable profit will be available against which the deductible temporary differences can be utilized. Taxable profits are determined according to the business plans of each subsidiary within the Group. Deferred tax assets are reviewed at each reporting date and recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. The Group measures deferred tax liabilities and deferred tax assets with reference to the expected tax consequences of recovering the carrying value of its assets or settling its liabilities, consistent with the expectations at the reporting period end. Deferred tax assets and deferred tax liabilities are offset only under specified conditions.

In previous periods, the Company did not calculate deferred tax as its income was exempt from corporate tax according to the Corporate Tax Law. However, following the changes in tax legislation detailed above, the Company calculated deferred tax for the current year. Since the decision to distribute profits is under the authority of the general assembly, the tax rate used for calculating deferred tax assets and liabilities for the year 2024 was determined as 30%. If the general assembly decides to distribute profits and the exemption condition is met, resulting in a minimum corporate tax rate of 10%, necessary adjustments will be reported under the item period tax income/(expense) in the profit or loss statement within the next accounting period.

Netting

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

Earnings per Share

The earnings per share stated in the consolidated profit or loss and other comprehensive income statement are calculated by dividing the net profit for the period by the number of shares available in the market during the current period.

In Turkey, companies can increase their capital by distributing shares (bonus shares) from retained earnings to current shareholders in proportion to their equity shares. Such bonus share distributions are considered as issued shares in the calculations of earnings per share.

Cash Flow Reporting

The Group prepares cash flow statements to inform the users of the financial statements about the changes in net assets, financial structure, and the amount and timing of cash flows according to changing conditions. Consolidated cash flows from operating activities show the consolidated cash flows arising from the Group's operations.

Consolidated cash flows related to investing activities show the consolidated cash flows used and obtained by the Group in its investing activities (fixed asset investments and financial investments).

Consolidated cash flows related to financing activities show the resources used by the Group in financing activities and the repayments of these resources. Cash and cash equivalents include cash and bank deposits, as well as short-term, highly liquid investments that are readily convertible to a known amount of cash and have original maturities of three months or less.

Provisions, Contingent Liabilities and Contingent Assets

If the Group has a present obligation arising from past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation, and if the amount of the obligation can be estimated reliably, then this liability is recognized as a provision in the financial statements. Contingent liabilities are continually assessed to determine whether an outflow of resources embodying economic benefits has become probable.

If it becomes probable that an outflow of resources embodying economic benefits will be required for items treated as contingent liabilities, then these contingent liabilities, except in cases where a reliable estimate cannot be made, are recognized as provisions in the consolidated financial statements of the period in which the change in probability occurs.

The Group discloses contingent liabilities in the notes when it is probable that an outflow of resources embodying economic benefits will be required but the amount of the obligation cannot be reliably estimated. An asset arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity is considered a contingent asset.

If the inflow of resources embodying economic benefits is probable, the contingent assets are disclosed in the notes. When it is expected that all or part of the economic benefits required to settle a provision will be reimbursed by a third party, the reimbursement is recognized as an asset if the reimbursement is virtually certain and the amount can be reliably measured.

Events Occurring After the Balance Sheet Date

Events that occur between the balance sheet date and the date when the balance sheet is authorized for issue. If there is new evidence of the existence of the aforementioned events as of the balance sheet date or if the related events occur after the balance sheet date, the Group discloses the related issues in the related footnotes.

The Group adjusts the amounts recognized in the financial statements if events requiring an adjustment occur after the balance sheet date.

2.5. Significant Accounting Estimates and Assumptions

During the application of the accounting policies detailed above, the Group management has made the following estimates and interpretations regarding events that have a significant impact on the amounts recognized in the consolidated financial statements. Inaccuracies in these estimates and interpretations may significantly affect the Group's financial performance in future periods. The subjects of these estimates are as follows.

- Useful lives of tangible and intangible assets (Depreciation Rates)
- Provision for employment termination benefits and unused vacation
- Litigation provisions
- Doubtful receivables
- Deferred tax assets and liabilities

- Useful Lives of Tangible and Intangible Assets

The Group allocates depreciation and amortization based on the useful lives specified in the accounting policies for its tangible and intangible assets. The useful lives are reviewed annually by the Group according to the nature of the tangible and intangible assets.

- Liabilities Related to Employee Benefits

The Group is obliged to estimate the timing and amount of severance pay and unused leave provisions expected to be paid in the future and to determine the discount rate to be used in the present value calculation of these amounts as of the balance sheet date. Various assumptions such as the discount rate, the rate of increase in salaries, and the likelihood of voluntary resignation are used in calculating the severance pay liability.

- Litigation Provisions

The Group sets aside provisions based on the amounts likely to be paid in the future from lawsuits filed against it, according to the reports from its legal advisors.

- Doubtful Receivables

The Group uses a monitoring system for the timely collection of its receivables and takes measures against credit risk. However, credit losses arising from the cyclical nature of the economy may occur. In this context, overdue receivables are identified separately, the creditworthiness of the debtor is assessed, and thus the potential loss is estimated. When these receivables are brought to court, the potential loss is estimated based on legal opinions.

- Deferred Tax

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the statutory consolidated financial statements prepared based on tax laws and the consolidated financial statements prepared according to TFRS/TMS. The Group has deferred tax assets arising from deductible temporary differences and deferred tax liabilities arising from taxable temporary differences.
The recognition of deferred tax assets depends on the availability of taxable profits when the temporary differences are expected to reverse. Therefore, the entity must be confident that the deferred tax asset will be recoverable. When calculating deferred tax on temporary differences, the Group considers the tax rates that will be in effect at the time the temporary differences are expected to reverse.

3. SEGMENT REPORTING

The summary of operating profit or loss by the Group's operating segments is as follows:

For an operating segment to be identified as a reportable segment, its reported revenue, including sales to external customers and inter-segment sales or transfers, must constitute 10% or more of the total revenue of all operating segments, its reported profit or loss must constitute 10% or more of the total profit or loss of all operating segments, or its assets must constitute 10% or more of the total assets of all operating segments. If the management believes that the information about the segment would be useful to the financial statement users, operating segments that do not meet any of the above numerical thresholds may also be considered as reportable segments, and information about them can be disclosed separately.

The Group management determines the operating segments based on the reports evaluated by the Board of Directors when making strategic decisions. The Group has presented the performance of its reportable consolidated operating segments over the periods below

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

December 31, 2024	**Tea**	**Coal**	**Fertilizer**	**Other**	**Elimination and Adjustments**	**Consolidated**
	01.01-31.12.2024	**01.01-31.12.2024**	**01.01-31.12.2024**	**01.01-31.12.2024**	**01.01-31.12.2024**	**01.01-31.12.2024**
Revenue	2.789.980.454	2.612.347.221	1.301.057.028	235.221.961	(205.859.623)	6.732.747.042
Cost of Sales (-)	(2.204.973.882)	(2.092.485.155)	(1.230.875.716)	(178.555.269)	203.256.666	(5.503.633.356)
Gross Profit (Loss)	**585.006.572**	**519.862.066**	**70.181.313**	**56.666.692**	**(2.602.957)**	**1.229.113.686**
Marketing, Selling and Distribution Expenses (-)	(89.082.972)	(36.077.776)	(17.968.225)	(3.397.232)	2.524.356	(144.001.849)
General Administrative Expenses (-)	(106.597.539)	(79.554.560)	(39.023.622)	(7.055.196)	78.601	(232.152.317)
Other Operating Income	75.274.739	73.698.881	36.705.093	6.636.023	(10.470.205)	181.844.531
Other Operating Expenses (-)	(32.327.826)	(131.732.481)	(65.608.227)	(11.861.506)	10.470.205	(231.059.836)
Operating Profit (Loss)	**432.272.974**	**346.196.130**	**(15.713.669)**	**40.988.780**	**-**	**803.744.215**

December 31, 2023	**Tea**	**Coal**	**Fertilizer**	**Other**	**Elimination and Adjustments**	**Consolidated**
	01.01-31.12.2023	**01.01-31.12.2023**	**01.01-31.12.2023**	**01.01-31.12.2023**	**01.01-31.12.2023**	**01.01-31.12.2023**
Revenue	3.601.585.784	2.333.257.563	837.803.185	812.189.126	(100.367.821)	7.484.467.837
Cost of Sales (-)	(2.992.018.061)	(1.769.546.994)	(769.095.085)	(835.706.183)	92.304.825	(6.274.061.498)
Gross Profit (Loss)	**609.567.723**	**563.710.569**	**68.708.100**	**(23.517.057)**	**(8.062.996)**	**1.210.406.339**
Marketing, Sales and Distribution Expenses (-)	(125.357.183)	(25.249.842)	(8.227.408)	(511.954)	739.319	(158.607.068)
General Administrative Expenses (-)	(77.156.701)	(60.146.505)	(12.353.136)	(1.835.360)	7.323.677	(144.168.025)
Other Operating Activities Revenues	74.222.221	182.723.532	51.840.971	-	(15.777.204)	293.009.520
Other Operating Activities Expenses (-)	(74.143.262)	(144.957.077)	-	-	15.777.204	(203.323.135)
Operating Profit (Loss)	**407.132.798**	**516.080.677**	**99.968.527**	**(25.864.371)**	**-**	**997.317.631**

(Unless otherwise stated, amounts are expressed in Turkish Lira (“TL”) as of 31 December 2024 purchasing power.)

4. CASH AND CASH EQUIVALENTS

The Group's cash and cash equivalents as of December 31, 2024 and December 31, 2023 are as follows:

Cash and Cash Equivalents	**31.12.2024**	**31.12.2023**
Cash	38.418	77.484
Bank - demand deposits	*84.017.932*	*66.698.582*
Bank - time deposits	*339.793.174*	*25.964.666*
Credit card receivables	9.625.266	5.842.254
	433.474.790	**98.582.986**

5. RELATED PARTY DISCLOSURES

The details of the Group's related party balances as of December 31, 2024 and December 31, 2023 are as follows:

Trade Receivables from Related Parties (Short Term)	**31.12.2024**	**31.12.2023**
Akkuş Antrepo Enerji Limited Şirketi	-	3.650.085
Efor Holding Anonim Şirketi	31.505.251	-
Oma İplik Anonim Şirketi	**-**	14.754.558
	31.505.251	**18.404.643**

Trade Payables from Related Parties (Short Term)	**31.12.2024**	**31.12.2023**
Akkuş Antrepo Enerji Limited Şirketi	337.070	-
	337.070	**-**

Deferred Income to Related Parties (Long Term)	**31.12.2024**	**31.12.2023**
Akkuş Antrepo Enerji Limited Şirketi	339.	-
	339.	**-**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

The details of the Group's related party transactions as of December 31, 2024 and December 31, 2023 are as follows:

	01.01.-31.12.2024							
	Purchases	Rent Expense	Purchase of Fixed Assets	Other Purchases	Sales	Sale of Fixed Assets	Other Sales	Imputed Interest Income
Akkuş Grup Gübre Mad. Nak. İnş. Tic. San. A.Ş.	539.762	1.106.262	295.846	31.101.757	27.501.888	-	14.903.297	-
Akkuş Antrepo Enerji Ltd. şti.	244.090	-	-	886.353	18.039.012	-	204.546	-
Efor Filo ve Yönetim Hizmetleri A.Ş	-	11.711.282	-	-	-	2.255.134	-	-
Efor Grup Enerji Gübre San.ve Tic.A.Ş.	-	-	-	-	-	-	-	-
Efor Holding A.Ş.	-	5.977.459	45.195	78.752.400	2.000.166	-	2.809.900	26.254.376
	783.852	**18.795.003**	**341.041**	**110.740.510**	**47.541.067**	**2.255.134**	**17.917.743**	**26.254.376**

	01.01.-31.12.2023							
Transactions with related parties	Purchases	Rent Expense	Purchase of Fixed Assets	Other Purchases	Sales	Sale of Fixed Assets	Other Sales	Rental Income
Akkuş Grup Gübre Mad. Nak. İnş. Tic. San. A.Ş.	12.519.551	-	79.188.896	2.581.596	123.713.686	-	3.707.985	-
Efor Grup Enerji Gübre Sanayi ve Ticaret A.Ş.	-	6.444.871	834.210	661.383	-	12.723.050	511.195	36.765
Efor Holding A.Ş.	-	379.124	-	25.227.856	165.568	-	795.720	-
Akkuş Antrepo Enerji Ltd. Şti.	49.378.608	-	-	3.047.082	148.865.102	-	535.125	-
Efor Grup Gayrimenkul Yatırım A.Ş.	-	-	-	-	-	-	-	36.835
Oma İplik A.Ş.	20.740.519	-	6.672.684	14.144.924	46.859.626	-	129.398.662	-
Real Person	-	-	-	-	-	-	2.987.218	-
	82.638.678	**6.823.995**	**86.695.791**	**45.662.842**	**319.603.982**	**12.723.050**	**137.935.906**	**73.600**

The indexed amount of gross attendance fees paid to the management in the current period is 8.900.790 TL. (31.12.2023 indexed amount: 5.020.150 TL)

(Unless otherwise stated, amounts are expressed in Turkish Lira (“TL”) as of 31 December 2024 purchasing power.)

6. TRADE RECEIVABLES AND PAYABLES

The details of the Group's short-term trade receivables as of December 31, 2024 and December 31, 2023 are as follows:

Short Term Trade Receivables	**31.12.2024**	**31.12.2023**
Trade receivables from third parties	1.103.828.729	334.701.235
Trade receivables - due from related parties	-	4.833.038
Notes receivable - from 3rd parties	108.212.637	740.461.148
Notes receivable - due from related parties	31.505.251	13.571.605
Doubtful trade receivables from third parties	2.697.175	6.917.
Provision for doubtful trade receivables - from 3rd parties (-)	(2.697.175)	(6.917.676)
TFRS 9 expected loss provisions - commercial (-)	(12.343.305)	(11.436.087)
	1.231.203.312	**1.082.130.939**

The Group's receivables from related parties are disclosed in Note 5.

The movement of the Group's doubtful trade receivables as of December 31, 2024 and December 31, 2023 is as follows:

Movements in Provision for Doubtful Trade Receivables	**31.12.2024**	**31.12.2023**
Opening Balance	**(6.917.676)**	**(9.466.695)**
Provision expense for the period	-	(1.790.167)
Reversed provisions	2.221.718	617.889
Inflation impact	1.998.783	3.721.296
Closing Balance	**(2.697.175)**	**(6.917.676)**

The details of the Group's short-term trade payables as of December 31, 2024 and December 31, 2023 are as follows:

Short Term Trade Payables	**31.12.2024**	**31.12.2023**
Trade payables to third parties	1.711.077.163	255.150.429
Trade payables - to related parties	337.070	-
Notes payable	547.926.860	168.736.990
	2.259.341.093	**423.887.419**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

7. OTHER RECEIVABLES AND PAYABLES

Details of the Group's other short term receivables as of December 31, 2024 and December 31, 2023 are as follows

Short Term Other Receivables	**31.12.2024**	**31.12.2023**
Deposits and guarantees given	4.323.367	428.245
Receivables from employees	-	58.473
Other miscellaneous receivables - from third parties	8.755.061	8.622.010
Other miscellaneous receivables - tax receivables	5.751.472	228.816
	18.829.900	**9.337.544**

The details of the Group's other long term receivables as of December 31, 2024 and December 31, 2023 are as follows:

Other Long Term Receivables	**31.12.2024**	**31.12.2023**
Deposits and guarantees given	1.631.763	1.554.884
	1.631.763	**1.554.884**

The details of the Group's other short-term payables as of December 31, 2024 and December 31, 2023 are as follows:

Short Term Other Payables	**31.12.2024**	**31.12.2023**
Deposits and guarantees received	2.095	3.025
Other miscellaneous payables	101.153.743	27.640.296
Taxes and funds payable	11.350.915	3.213.830
	112.506.753	**30.857.151**

8. INVENTORIES

The details of the Group's net inventories as of December 31, 2024 and December 31, 2023 are as follows:

Inventories	**31.12.2024**	**31.12.2023**
Tea stocks	1.617.302.379	668.846.070
Fertilizer stocks	147.862.361	154.799.419
Coal stocks	833.738.260	570.996.267
Other Inventories (*)	33.577.783	45.407.230
Inventory Impairment (-)	-	(7.145.601)
	2.632.480.783	**1.432.903.385**

(*) Other inventories consist of coal and fertilizer packaging materials and residential inventories.

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

9. PREPAID EXPENSES

The details of the Group's prepaid short-term expenses as of December 31, 2024 and December 31, 2023 are as follows:

Short Term Prepaid Expenses	**31.12.2024**	**31.12.2023**
Advances given to third parties	638.961.206	87.196.429
Prepaid expenses - insurance	11.159.005	31.430.244
Prepaid expenses - other	27.291.695	-
	677.411.906	**118.626.673**

As of December 31, 2024 and December 31, 2023, the details of the Group's prepaid long-term expenses are as follows:

Long Term Prepaid Expenses	**31.12.2024**	**31.12.2023**
Advances given - for fixed asset acquisition	37.136.507	44.428.124
	37.136.507	**44.428.124**

10. DEFERRED INCOME

The details of the Group's short-term deferred income as of December 31, 2024 and December 31, 2023 are as follows:

Short Term Deferred Income	**31.12.2024**	**31.12.2023**
Order advances received (*)	488.001.310	641.537.421
Advances received - from related parties	339.112	-
Deferred income - from third parties	1.705.275	2.462.055
	490.045.697	**643.999.476**

(*) A significant portion of the related balance consists of advances received from chain stores.

The details of the Group's long-term deferred income as of December 31, 2024 and December 31, 2023 are as follows:

Long Term Deferred Income	**31.12.2024**	**31.12.2023**
Deferred income - from third parties	821.991	3.809.762
	821.991	**3.809.762**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

11. SHORT AND LONG TERM BORROWINGS

a) Bank Loans

The details of the Group's short-term and long-term borrowings as of December 31, 2024 and December 31, 2023 are as follows:

Financial Liabilities	**31.12.2024**	**31.12.2023**
Bank Loans	1.647.662.302	1.534.934.534
	1.647.662.302	**1.534.934.534**

31.12.2024	**Short Term**		**Long Term**	
	Foreign Currency Balance	**TL Balance**	**Foreign Currency Balance**	**TL Balance**
TRY Loan	-	173.834.099	-	101.080.799
USD Loan	6.985.718	246.901.795	3.374.474	119.266.734
EUR Loan	23.573.703	867.568.850	3.777.200	139.010.025
		1.288.304.744		**359.357.558**

The related foreign currency borrowings consist of letters of credit, short-term revolving and installment loans.

31.12.2023	**Short Term**			**Long Term**		
	Foreign Currency Balance	**TL Balance**	**TL Indexed Balance**	**Foreign Currency Balance**	**TRY Balance**	**TRY Indexed Balance**
TRY Loan	-	125.348.395	180.976.473	-	325.857.564	470.469.149
USD Loan (*)	4.998.751	147.419.679	212.842.720	-	-	-
Euro Loan (*)	14.234.376	464.504.709	670.646.192	-	-	-
	19.233.127	**737.272.783**	**1.064.465.385**	**-**	**325.857.564**	**470.469.149**

The maturities of the Group's bank borrowings are as follows:

Loan Maturity Structure	**31.12.2024**	**31.12.2023**
To be paid within 1-3 months	140.720.760	93.790.434
To be paid within 3-12 months	1.147.583.984	970.674.951
To be paid within 1-2 years	104.192.391	87.108.623
To be paid within 2-3 years	71.938.146	87.485.307
To be paid within 3-4 years	86.472.025	85.865.392
To be paid within 4-5 years	73.315.245	94.714.383
To be paid within 5+ years	23.439.751	115.295.444
	1.647.662.302	**1.534.934.534**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

b) Payables from Financial Lease Transactions

The Group's payables arising from financial lease transactions are as follows:

Short Term Financial Lease Liabilities	**31.12.2024**	**31.12.2023**
Payables from financial lease transactions - TL	233.705	3.116.520
Payables from financial lease transactions - yp	9.267.569	2.094.090
Deferred financial lease borrowing costs (-)	(10.633)	(518.460)
Deferred financial lease borrowing costs - yp (-)	(692.189)	(49.753)
	8.798.452	**4.642.397**

Long Term Financial Lease Liabilities	**31.12.2024**	**31.12.2023**
Payables from financial lease transactions - TL	-	337.444
Payables from financial lease transactions - yp	4.381.291	-
Deferred financial lease borrowing costs (-)	(27.410)	(15.516)
Deferred financial lease borrowing costs - yp (-)	(98.066)	-
	4.255.815	**321.928**

c) Payables from Leasing Transactions

The Group's payables arising from lease transactions within the scope of TFRS 16 are as follows:

Short Term Lease Payables	**31.12.2024**	**31.12.2023**
Lease payables (TFRS 16)	6.505.198	11.246.260
	6.505.198	**11.246.260**

Long Term Lease Payables	**31.12.2024**	**31.12.2023**
Lease payables (TFRS 16)	19.503.795	28.166.516
	19.503.795	**28.166.516**

d) Other Short Term Financial Liabilities

Other Short Term Financial Liabilities	**31.12.2024**	**31.12.2023**
Credit card debts	62.258.834	74.012.149
	62.258.834	**74.012.149**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

12. RIHT-OF-USE ASSETS

The details of the Group's right-of-use assets as of December 31, 2024 and December 31, 2023 are as follows:

	31.12.2024	**31.12.2023**
Right-of-use assets	69.418.443	79.528.501
Depreciation of right-of-use assets (-)	(27.605.057)	(22.817.722)
	41.813.386	**56.710.779**

13. INVESTMENT PROPERTIES

The details of the Group's investment properties recognized at fair value are as follows:

	1.01.2024	**Inputs**	**Valuations**	**31.12.2024**
Lands	353.424.828	-	(53.684.837)	299.739.991
Buildings	506.381.860	-	36.241.891	542.623.751
December 31, 2024 closing balance	**859.806.688**	**-**	**(17.442.946)**	**842.363.742**

The Group reports its investment properties at fair value. The fair values have been determined by Gözlem Taşınmaz Değerleme ve Danışmanlık Anonim Şirketi and A.R.E.A. Gayrimenkul Değerleme ve Danışmanlık A.Ş. which are independent appraisal companies authorized by SPK. The total fair value of investment land and buildings is 842.363.742 TL.

	1.01.2023	**Inputs**	**Valuations**	**31.12.2023**
Lands	223.224.471	-	130.200.357	353.424.828
Buildings	192.750.964	67.179.442	246.451.454	506.381.860
December 31, 2023 closing balance	**415.975.435**	**67.179.442**	**376.651.811**	**859.806.688**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

14. PROPERTY, PLANT AND EQUIPMENT

The details of the Group's property, plant and equipment as of December 31, 2024 and December 31, 2023 are as follows:

31.12.2024

Cost Value	Land and Plots	Buildings	Plant, Machinery and Equipment	Vehicles	Fixtures	Special Costs	Investments in Progress	Total
Opening Balance as of 01.01.2024	586.565.759	473.059.265	491.756.732	63.862.438	63.200.168	7.677.532	118.763.513	1.804.885.406
Inflows	-	189.894.967	39.561.367	25.562.934	30.494.568	3.023.816	581.384.838	869.922.489
Outflows	-	-	(3.183.736)	(25.442.796)	(468.664)	(1.030.640)	-	(30.125.836)
Revaluation	(33.681.428)	(92.911.465)	-	-	-	-	-	(126.592.892)
Capitalization	-	180.570	289.431.157	-	-	-	(289.611.727)	-
Closing balance as of 31.12.2024	**552.884.331**	**570.223.337**	**817.565.520**	**63.982.576**	**93.226.072**	**9.670.708**	**410.536.623**	**2.518.089.167**
Accumulated Amortization								
Opening balance as of 01.01.2024	-	-	(51.257.444)	(16.603.811)	(30.068.487)	(916.968)	-	(98.846.706)
Period expense	-	(17.510.955)	(33.590.573)	(4.331.254)	(9.053.141)	(930.513)	-	(65.416.436)
Revaluation		17.510.955	-	-	-	-		17.510.954
Outflows	-	-	944.685	5.022.330	53.527	399.334	-	6.419.876
Closing balance as of 31.12.2024	**-**	**-**	**(83.903.332)**	**(15.912.735)**	**(39.068.101)**	**(1.448.147)**	**-**	**(140.332.311)**
Closing balance as of 31.12.2024	**552.884.331**	**570.223.338**	**733.662.187**	**48.069.841**	**54.157.971**	**8.222.561**	**410.536.623**	**2.377.756.856**

The pledges, mortgages, and guarantees on the Group's property, plant, and equipment are detailed in Note 16.

The Group's land and buildings have been valued at their fair values. The fair values were determined by Gözlem Taşınmaz Değerleme ve Danışmanlık Anonim Şirketi and A.R.E.A. Gayrimenkul Değerleme ve Danışmanlık A.Ş., which are appraisal companies authorized by the Capital Markets Board (SPK). The total fair value of the Group's land and buildings is 1.123.107.669 TL (Note 19).

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

December 31, 2023

Cost Value	**Land and Plots**	**Buildings**	**Plant, Machinery and Equipment**	**Vehicles**	**Fixtures**	**Special Costs**	**Investments in Progress**	**Total**
Opening balance as of January 1, 2023	387.003.339	444.543.560	185.751.473	70.946.673	49.902.181	1.454.583	72.781.369	1.212.383.177
Inflows	10.304.991	-	247.408.917	9.016.718	13.372.427	6.689.110	294.800.349	581.592.513
Outflows	-	(29.891.772)	(199.540)	(16.100.953)	(74.439)	(466.163)	-	(46.732.867)
Transfers (*)	-	(110.693.528)	-	-	-	-	-	(110.693.528)
Revaluation	189.257.430	(20.921.316)	-	-	-	-	-	168.336.113
Transfers from Investments in Progress	-	190.022.322	58.795.883	-	-	-	(248.818.205)	-
Closing balance as of December 31, 2023	**586.565.759**	**473.059.265**	**491.756.732**	**63.862.438**	**63.200.168**	**7.677.532**	**118.763.513**	**1.804.885.408**
Accumulated Amortization								
Opening balance as of January 1, 2023	-	-	(29.113.149)	(13.798.435)	(22.844.802)	(329.256)	-	(66.085.640)
Period expense	-	(8.219.531)	(22.147.550)	(5.133.617)	(7.254.389)	(825.608)	-	(43.580.698)
Revaluation	-	7.371.532	-	-	-	-	-	7.371.532
Outflows	-	847.999	3.256	2.328.239	30.704	237.896	-	3.448.093
Closing balance as of December 31, 2023	**-**	**-**	**(51.257.444)**	**(16.603.814)**	**(30.068.488)**	**(916.968)**	**-**	**(98.846.713)**
Closing balance as of December 31, 2023	**586.565.759**	**473.059.265**	**440.499.288**	**47.258.624**	**33.131.681**	**6.760.563**	**118.763.513**	**1.706.038.692**

The guarantees, pledges, mortgages and sureties on the Group's property, plant and equipment are disclosed in Note 16.

(*) The group has started leasing its offices located in Istanbul/Kartal, which are intended for use, as of the current period and has classified them as investment properties (Note: 13)

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

15. INTANGIBLE ASSETS

The details of the Group's intangible assets as of December 31, 2024 and December 31, 2023 are as follows:

31.12.2024	**Rights**	**Total**
Cost Value		
Opening balance as of January 1, 2024	4.334.981	4.334.981
Inflows	10.319.198	10.319.198
Outflows	-	-
Closing balance as of December 31, 2024	**14.654.179**	**14.654.179**
Accumulated Depreciation		
Opening balance as of January 1, 2024	(3.323.328)	(3.323.328)
Period expense	(706.677)	(706.677)
Outflows	-	-
Closing balance as of December 31, 2024	**(4.030.005)**	**(4.030.005)**
Closing balance as of December 31, 2024	**10.624.174**	**10.624.174**

31.12.2023	**Rights**	**Total**
Cost Value		
Opening balance as of January 1, 2023	3.982.010	3.982.010
Inflows	352.971	352.971
Outflows	-	-
Closing balance as of December 31, 2023	**4.334.981**	**4.334.981**
Accumulated Depreciation		
Opening balance as of January 1, 2023	(2.713.388)	(2.713.388)
Period expense	(609.912)	(609.912)
Outflows	-	-
Closing balance as of December 31, 2023	**(3.323.328)**	**(3.323.328)**
Closing balance as of December 31, 2023	**1.011.681**	**1.011.681**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

16. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a) The breakdown of guarantees, pledges, mortgages and sureties given by the Group is as follows:

31.12.2024	**TL Equivalent**	**USD**	**TL**
A. Total amount of GPMs given on behalf of its own legal entity	5.444.911.348	10.722.700	5.065.882.131
-Letters of Guarantee	*781.857.626*	*690.300*	*757.456.695*
-Cheques Given as Collateral	*126.680.721*	*32.400*	*125.535.436*
-Mortgage	*3.882.890.000*	-	*3.882.890.000*
-Bonds	*653.483.000*	*10.000.000*	*300.000.000*
B. Total amount of GPMs given in favor of subsidiaries included in the scope of full consolidation	12.910.917.400	78.000.000	10.153.750.000
C. Total Amount of GPMs Given to Secure Debts of Other Third Parties for the Execution of Ordinary Commercial Activities	-	-	-
D. Total amount of other GPMs given	2.692.600.700	29.000.000	1.667.500.000
	21.048.429.448	**117.722.700**	**16.887.132.131**

31.12.2023	**TL Equivalent (indexed values)**	**TL Equivalent (historical values)**	**USD**	**TL**
A. Total amount of GPMs given on behalf of its own legal entity	2.556.700.091	1.770.828.264	-	1.770.828.264
-Letters of Guarantee	509.768.077	*353.076.891*	-	*353.076.891*
-Cheques Given as Collateral	230.805.886	*159.861.373*	-	*159.861.373*
-Mortgages	*1.816.126.128*	*1.257.890.000*	-	*1.257.890.000*
-Bonds	-	-	-	-
B. Total amount of GPMs given in favor of subsidiaries included in the scope of full consolidation	9.196.395.273	6.369.631.202	43.540.000	5.085.580.000
C. Total amount of GPMs given in order to guarantee the debts of other third parties for the purpose of carrying out ordinary business activities	-	-	-	-
D. Total amount of other GPMs given	3.111.048.500	2.154.782.500	*25.000.000*	1.417.500.000
	14.864.143.864	**10.295.241.966**	**68.540.000**	**8.273.909.264**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

b) Provisions for lawsuits filed against the Group are as follows:

Other Long Term Provisions	**31.12.2024**	**31.12.2023**
Litigation provision	2.661.705	2.721.173
	2.661.705	**2.721.173**

17. EMPLOYEE BENEFITS

a) Provisions for Employee Benefits

According to the Turkish Labor Law, the Group is obliged to pay severance pay to each employee who retires after completing at least one year of service and a 25-year working life (age 58 for women and age 60 for men), whose employment relationship is terminated, who is called for military service, or who passes away. The severance pay to be paid is equivalent to one month's salary for each year of service, and this amount is capped at 41.828,42 TL as of December 31, 2024 (December 31, 2023: 23.489,83 TL). Severance pay provision is not subject to any funding and there is no requirement for any funding.

The severance pay provision represents the present value of the Group's estimated total future obligations arising from the retirement of personnel under the Turkish Labor Law. The provision for the present value of the defined benefit obligation is calculated using the projected unit credit method. All actuarial gains and losses are recognized in equity as other comprehensive income.

TFRS requires the development of actuarial valuation assumptions to estimate the potential severance obligation within defined benefit plans. In the consolidated financial statements, the Group calculates a liability based on the projected unit credit method and its past experience, by considering those eligible for severance pay at the termination date of their service. This provision is determined by estimating the present value of the potential future obligations arising from the retirement of employees.

Developments in severance pay provision accounts are as follows:

Long-term provisions for employee benefits	**31.12.2024**	**31.12.2023**
Severance pay provision	10.014.159	10.255.766
	10.014.159	**10.255.766**

Movements in the severance pay provision table:	**01.01-31.12.2024**	**01.01-31.12.2023**
Provision as of January 1	10.255.766	5.551.781
Service cost	6.506.490	6.290.941
Interest cost	1.327.028	397.443
Severance payments	(11.418.915)	(1.515.664)
Actuarial loss / gain	6.496.181	1.713.633
Inflation differential	(3.152.391)	(2.182.368)
Provision as of December 31	**10.014.159**	**10.255.766**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

The details of the Group's unused vacation provision by years are as follows:

Short-term provisions for employee benefits	**31.12.2024**	**31.12.2023**
Provision for unused vacation	1.479.922	1.402.137
	1.479.922	**1.402.137**

b) Employee Benefit Payables

The details of the Group's employee benefit obligations as of December 31, 2024 and December 31, 2023 are as follows:

Employee Benefit Payables	**31.12.2024**	**31.12.2023**
Payables to personnel	21.439.138	11.661.237
Social security deductions payable	5.513.727	8.560.635
	26.952.865	**20.221.872**

18. OTHER ASSETS AND LIABILITIES

The details of the Group's other current assets as of December 31, 2024 and December 31, 2023 are as follows:

Other Current Assets	**31.12.2024**	**31.12.2023**
VAT carried forward	191.688.191	107.062.028
Other VAT	-	3.517
Work advances	799.144	208.035
	192.487.335	**107.273.580**

Other Short Term Liabilities	**31.12.2024**	**31.12.2023**
Other liabilities payable	136.391	25.663
	136.391	**25.663**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

19. SHAREHOLDERS' EQUITY

The capital structure of the Group as of December 31, 2024 and December 31, 2023 is as follows:

The entire capital has been paid.

Shareholders	%	**31.12.2024**	%	**31.12.2023**
İbrahim Akkuş	75,21	273.000.000	100,00	300.000.000
Publicly Traded Portion	24,79	90.000.000		
Paid-in capital		**363.000.000**		**300.000.000**
Positive differences in capital adjustment		413.693.765		406.049.
Adjusted capital		**776.693.765**		**706.049.484**

The Company was listed on Borsa Istanbul A.Ş. as of July 5, 2024, and its shares started trading from that date. As a result of the public offering, the Company's capital increased by 63.000.000 TL, reaching 363.000.000 TL. The public float ratio of the Company is 24,79%.

The Group adopted the registered capital system in accordance with the provisions of the Capital Markets Law and transitioned to the registered capital system with the permission of the Capital Markets Board dated February 23, 2023, and numbered 11/207. The Company's registered capital ceiling is 850.000.000 Turkish Lira, divided into 850.000.000 shares, each with a nominal value of 1 Turkish Lira. The registered capital ceiling is valid for 5 years from the date of approval.

The capital consists of 363.000.000 shares, each with a nominal value of 1 TL, divided into two different types of shares: 120.000.000 of which are Group A and 243.000.000 of which are Group B. Group A shares have 5 voting rights at the general assembly and the privilege to elect members of the board of directors..

	31.12.2024	**31.12.2023**
Share Premiums	910.713.879	-
	910.713.879	-

Accumulated Other Comprehensive Income or Loss Not to Be Reclassified to Profit or Loss

The details of the balances reported by the Group under Accumulated Other Comprehensive Income or Loss Not to Be Reclassified to Profit or Loss are as follows:

	31.12.2024	**31.12.2023**
Revaluation increases (decreases) of property, plant and equipment	619.107.364	747.379.031
Gains (losses) from remeasurement of defined benefit plans	(6.545.394)	(1.080.500)
Deferred tax effect	(91.259.607)	(111.870.114)
Total	**521.302.363**	**634.428.417**

(Unless otherwise stated, amounts are expressed in Turkish Lira (“TL”) as of 31 December 2024 purchasing power.)

Revaluation Increase on Property, Plant and Equipment

The Group has revalued its land and buildings as of December 31, 2024. The valuation of the related assets was determined by Adım Gayrimenkul Değerleme A.Ş., an independent valuation company authorized by the Capital Markets Board, with a valuation report dated 31 December 2024.

Nature of Asset	Valuation Method	Report No	Report Date	Fair Value
Samsun Tekkeköy	Comparable Approach/Cost Method	2025/3	3.02.2025	1.200.000.000
Istanbul Office	Comparable Approach	2025/6	15.02.2025	113.225.000
Rize Hamzabey Coal Plant	Comparable Approach /Cost Method	2025/10	15.02.2025	20.160.739
Arhavi 1 Factory	Comparable Approach /Cost Method	2025/12	15.02.2025	136.200.000
Arhavi 2 Factory	Comparable Approach /Cost Method	2025/12	15.02.2025	185.035.672
Trabzon Of Tea Factory	Comparable Approach /Cost Method	2025/001	3.02.2025	277.500.000
Malatya Land	Comparable Approach /Cost Method	2025/7	15.02.2025	33.350.000
Total				**1.965.471.411**

The historical values and inflation adjustment effects of the following accounts under the Group's equity are as follows as of December 31, 2024, in accordance with TFRS and VUK financial statements:

31.12.2024 (TFRS)	Historical Value	Inflation Adjustment Effect	Indexed Value
Capital	363.000.000	413.694.670	776.694.670
Legal Reserves	14.247.710	4.410.419	18.658.129
Share premiums	812.180.849	98.533.030	910.713.879

31.12.2024 (VUK)	Historical Value	Inflation Adjustment Effect	Indexed Value
Capital	363.000.000	336.658.475	699.658.475
Legal Reserves	14.247.710	1.707.993	15.955.703
Share premiums	812.180.849	44.751.165	856.932.014

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

20. REVENUE AND COST OF SALES

The details of the Group's sales and cost of sales for the period are as follows:

Revenue	**01.01.- 31.12.2024**	**01.01.- 31.12.2023**
Tea sales	2.840.754.709	3.616.315.184
Fertilizer sales	1.301.057.028	839.279.972
Coal sales	2.453.506.549	2.303.824.049
Transit sales	171.949.818	804.938.565
Other sales	82.277.898	44.228.996
Sales returns (-)	(76.392.333)	(47.918.213)
Sales discounts and allowances (-)	(40.406.627)	(76.200.716)
	6.732.747.042	**7.484.467.837**

Cost of Sales	**01.01.- 31.12.2024**	**01.01.- 31.12.2023**
Cost of goods sold	(4.078.803.272)	(5.570.386.191)
Cost of traded goods sold	(1.375.691.679)	(697.662.293)
Other costs	(49.138.405)	(6.013.014)
	(5.503.633.356)	**(6.274.061.498)**

21. OPERATING EXPENSES

For the years ended December 31, 2024 and December 31, 2023, the Group's general administrative expenses are as follows:

	01.01.- 31.12.2024	**01.01.- 31.12.2023**
General administrative expenses (-)	(232.152.317)	(144.168.025)
Marketing expenses (-)	(144.001.849)	(158.607.068)
	(376.154.166)	**(302.775.093)**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

The details of the Group's general administrative expenses as of December 31, 2024 and December 31, 2023 are as follows:

General Administrative Expenses Detail	**01.01.- 31.12.2024**	**01.01.- 31.12.2023**
Board of directors fees	(8.900.790)	(5.020.150)
Personnel expenses	(51.804.760)	(38.623.925)
Provision for severance pay	(2.376.833)	(1.635.588)
Provision for vacation leave	(669.756)	(540.008)
Depreciation and amortization	(12.913.289)	(8.855.982)
Outsourced benefits and services	(9.297.830)	(23.785.203)
Rent expenses	(11.864.651)	(8.950.067)
Repair and maintenance expenses	(4.121.278)	(856.374)
Office and material expenses	(1.543.244)	(1.850.451)
Travel expenses	(3.892.038)	(2.917.840)
Hospitality expenses	(5.255.740)	(2.252.452)
Motor vehicle expenses	(2.936.478)	(1.056.066)
Taxes, duties and fees	(14.370.641)	(10.361.540)
Subscription expenses	(1.529.213)	(3.030.809)
Provision for litigation expenses	(776.959)	(1.072.817)
Consultancy expenses	(86.964.615)	(20.141.309)
Donation and aid expenses	(4.547.731)	(6.663.168)
Other expenses	(8.386.471)	(6.554.276)
	(232.152.317)	**(144.168.025)**

The details of the Group's marketing expenses as of December 31, 2024 and December 31, 2023 are as follows:

Marketing Expenses Detail	**01.01.- 31.12.2024**	**01.01.- 31.12.2023**
Marketing, selling and distribution expenses	(557.895)	(511.826)
Personnel expenses	(16.464.939)	(7.280.756)
Provision for severance pay	(299.580)	(408.621)
Provision for vacation leave	(5.331)	(193.801)
Depreciation and amortization	(1.397.774)	(6.400.516)
Rent expense	(3.358.730)	(4.375.957)
Insurance expenses	(4.167.468)	(40.404)
Travel expenses	(1.713.855)	(1.622.611)
Sales premiums	(34.842.386)	(34.971.677)
Freight and shipping expenses	(69.630.211)	(90.723.146)
Advertising and promotion expenses	(3.170.022)	(4.858.555)
Other expenses	(8.393.658)	(7.219.198)
	(144.001.849)	**(158.607.068)**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

22. OTHER OPERATING INCOME AND EXPENSES FROM MAIN ACTIVITIES

The details of the Group's income and expenses from main activities for the years ended December 31, 2024 and December 31, 2023 are as follows:

Other Operating Income from Main Activities	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Commission income	372.900	112.274
Provisions for doubtful receivables	2.221.718	617.889
Provisions - other provisions	3.611.149	21.944.830
Foreign exchange gains	141.495.312	214.019.450
Rental income	3.084.243	826.443
Deferred interest income	-	47.748.760
Other income and profits	31.059.209	7.739.874
	181.844.531	**293.009.520**

Other Operating Expenses from Main Activities	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Provision for doubtful trade receivables	-	(1.790.167)
Provision for other receivables	-	(3.540.414)
Provision for impairment	(24.174.165)	-
Foreign exchange losses	(203.137.535)	(194.007.278)
Other expenses and losses	(3.748.136)	(3.985.276)
	(231.059.836)	**(203.323.135)**

23. INCOME FROM INVESTING ACTIVITIES

The Group's income from investing activities for the periods ended December 31, 2024 and December 31, 2023 are as follows:

Income from Investing Activities	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Rental income from investment properties	26.154.465	33.712.652
Fair value gains on investment properties	6.731.218	337.330.103
Profit from the sale of fixed assets	2.099.528	22.742.785
	34.985.211	**393.785.540**

Expenses from Investing Activities	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Loss on sale of fixed assets	(11.186.470)	(8.446.558)
	(11.186.470)	**(8.446.558)**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

24. FINANCIAL INCOME AND EXPENSES

The details of the Group's financial income for the years ended December 31, 2024 and December 31, 2023 are as follows:

Financial Income	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Interest income	78.947.452	27.459.784
Foreign exchange gains	32.301.605	3.220.846
	111.249.057	**30.680.630**

The details of the Group's financial expenses for the years ended December 31, 2024 and December 31, 2023 are as follows:

Financial Expenses	**01.01.-31.12.2024**	**01.01.-31.12.2023**
Foreign exchange losses	(120.454.211)	(270.365.460)
Interest expense on loans	(249.575.179)	(167.928.933)
Other interest expense	(11.934.212)	(8.813.508)
Letter of guarantee expenses	(2.181.423)	(2.500.512)
Bank commission expenses	(139.230.836)	(85.812.121)
Termination indemnity interest cost	(1.327.028)	(397.443)
Other financial expenses	(20.196)	(15.818)
	(524.723.085)	**(535.833.795)**

25. TAX ASSETS AND LIABILITIES AND TAX EXPENSES

In Turkey, the corporate tax rate is 25% as of June 30, 2024. According to the regulation in the Corporate Tax Law, institutions whose shares are offered to the public for the first time on the Borsa Istanbul Equity Market by at least 20% are subject to a 2-point reduced corporate tax rate for the corporate income of 5 fiscal periods starting from the fiscal period in which the shares are first offered to the public. This rate is applied to the tax base found by adding non-deductible expenses according to tax laws to the commercial income of the institutions and deducting the exemptions (such as participation income exemption) and deductions in tax laws. If profits are not distributed, no additional tax is due.
The Group's provisions for corporate tax provisions for the related periods are as follows:

Tax provisions	**31.12.2024**	**31.12.2023**
Current period tax and other legal liability provisions	2.240.886	47.910.594
Current period prepaid taxes and other liabilities (-)	(2.240.886)	(46.708.883)
	-	**1.201.711**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

The Group's tax income/(expense) for the periods is as follows:

a) Tax Income and Expense

Tax Income/ (Expense) from Continuing Operations	31.12.2024	31.12.2023
Corporate tax expense (-)	(2.547.934)	(62.729.468)
Deferred tax income/(expense)	164.923.367	(4.962.284)
	162.375.433	**(67.691.752)**

	31.12.2024	31.12.2023
Tax Asset (Liability) at the Beginning of the Period	**(132.242.576)**	**(77.497.789)**
Deferred tax income/(expense)	164.923.367	(4.962.284)
Recognized in equity	20.621.153	(111.856.480)
Inflation effect	6.251.389	(62.073.977)
End of Period Tax Asset/ (Liability)	**59.553.333**	**(132.242.576)**

b) Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities arise from the revaluation of balance sheet items or from being accounted for in the balance sheet with a valuation different from that determined by the tax procedure law. If there is a difference between the two regulations and these differences will be eliminated in a future period, they cause a deferred tax asset or liability. These temporary differences are generally due to the accounting of income and expenses in different reporting periods.

Nature of Temporary Difference	Deferred Tax Asset/Liability 31.12.2024	Deferred Tax Asset/Liability 31.12.2023
Cash and Cash Equivalents	907	183.601
Trade Receivables	3.576.333	4.467.436
Other Receivables	(227.715)	(134.044)
Inventories	(9.079.346)	(2.098.049)
Deferred Income	1.433.793	22.153.698
Prepaid Expenses	3.862.759	1.517.165
Property, Plant and Equipment	(29.012.180)	(5.535.250)
Right of Use Assets	(1.270.667)	(819.671)
Intangible Assets	(207.225)	34.844
Investment Properties	(92.935.554)	(90.098.049)
Bank Loans	2.283.180	11.111.663
Financial Leases	(12.832)	31.605
Trade Payables	700.130	52.388
Other Payables	9.851	71.785
Lease Liabilities	(2.605.350)	(3.367.586)
Provisions for Employment Termination Benefits	805.144	2.443.612
Actuarial Gain/(Loss) Fund	1.341.567	250.374
Revaluation Increase (Decrease) in Property, Plant and Equipment	(92.576.894)	(112.106.854)
Investment Allowances	272.851.871	38.945.674
Other Provisions	615.561	653.081
	59.553.330	**(132.242.576)**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

26. EARNINGS PER SHARE

Earnings per share are calculated by dividing the net period profit or loss by the average number of Group shares during the year. The Group has determined the nominal share value as 1 TL in the current period. Therefore, the earnings per share calculation for the current year is weighted based on this unit price.

Earnings per Share	**01.01.- 31.12.2024**	**01.01.- 31.12.2023**
Net Profit/Loss for the Period	**441.133.242**	**705.642.834**
Number of shares	363.000.000	300.000.000
Value of 1 share	1	1
Weighted average number of shares	331.155.737	152.169.178
Profit/Loss per Share	**1,**	**4,**

27. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Capital Risk Management

The Group's objective in managing capital is to increase earnings per share over the years. In this regard, the Group aims to grow and increase the volume of operations. The Group provides growth through both its internal funds and external resources. However, while following a borrowing policy, the Group also tries to maintain the balance between debt and equity.

	31.12.2024	**31.12.2023**
Financial liabilities	1.660.716.569	1.539.898.859
Less: cash and cash equivalents	433.474.790	98.582.986
Net debt	**1.227.241.779**	**1.441.315.873**
Total Equity	3.903.822.815	2.594.457.467
Total Capital	5.131.064.594	4.035.773.340
Net Debt/Total Capital Ratio	**0,24**	**0,36**

The ratio is found by dividing the net debt by the total equity. Net debt is calculated by subtracting the total amount of debt (including financial liabilities shown on the balance sheet) from cash and cash equivalent values. Group management aims to achieve higher profitability and equity levels to manage existing debts.

Credit Risk

Selling goods on credit to customers, lending to other persons and institutions, providing guarantees, and making deposits in banks constitute the sources of credit risk. Part of the receivables from customers is taken as bank credit card receivables and part as promissory notes. A portion of the receivables may also be given entirely unsecured. To ensure the return of these receivables, their terms are kept as short as possible according to market conditions, and efforts are made to sell to well-known individuals and enterprises in the market. After the credit is granted (goods are delivered), the situations are continuously monitored, and the borrower's creditworthiness is kept under control.

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

The overview of assets exposed to credit risk is as follows.

31.12.2024	Receivables				Bank Deposits
	Trade Receivables		Other Receivables		
	Related Party	Other Party	Related Party	Other Party	
Maximum credit risk exposure as of reporting date (A+B)	**31.505.251**	**1.199.698.061**	**-**	**20.461.663**	**423.811.106**
A. Net book value of assets not past due or impaired	31.505.251	1.199.698.061	-	20.461.663	425.861.279
B. Net Book Value of Impaired Assets	-	-	-	-	(2.050.173)
- Past Due	-	15.040.481	-	-	-
- Impairment	-	(15.040.481)	-	-	(2.050.173)

31.12.2023	Receivables				Bank Deposits
	Trade Receivables		Other Receivables		
	Related Party	Other Party	Related Party	Other Party	
Maximum credit risk exposure as of reporting date (A+B)	**18.404.643**	**1.063.726.296**	**-**	**10.892.428**	**92.663.248**
A. Net book value of assets not past due or impaired	18.404.643	1.063.726.296	-	10.892.428	93.465.396
B. Net Book Value of Impaired Assets	-	-	-	-	(802.148)
- Past Due	-	18.353.765	-	-	-
- Impairment	-	(18.353.765)	-	-	(802.148)

Liquidity Risk

Liquidity risk is the risk that a business may have difficulty in meeting obligations arising from its debts by providing cash or other financial instruments. Group management keeps liquidity risk at a minimum level by ensuring sufficient cash availability and enabling funding through credit, as in previous years. The Group manages liquidity not according to expected maturities but in accordance with the maturities determined by contract. The Group has no derivative financial liabilities.

31.12.2024

A. Contractual Maturities	**Book Value**	Between 1-12 Months	Between 1-5 Years	Over 5 years
Non-Derivative Financial Liabilities				
Bank Loans	**1.647.662.302**	1.288.304.744	359.357.558	-
Liabilities from financial leases	**13.054.267**	8.798.452	4.255.815	-
Liabilities from financial lease transactions	**26.008.993**	6.505.198	19.503.795	-
B. Expected Maturities	**Book Value**	Between 1-12 Months	Between 1-5 Years	Over 5 years
Non-Derivative Financial Liabilities				
Trade Payables	**2.259.341.093**	2.259.341.093	-	-
Other Payables	**112.506.753**	112.506.753	-	-
Deferred Income	**490.867.688**	490.045.697	821.991	-
Liabilities to Employees	**26.952.865**	26.952.865	-	-
Other Liabilities	**62.258.834**	62.258.834	-	-
C. Derivative Financial Liabilities	**-**	-	-	-

31.12.2023

A. Contractual Maturities	**Book Value**	Between 1-12 Months	Between 1-5 Years	Over 5 years
Non-Derivative Financial Liabilities	**1.534.934.534**	1.064.465.385	470.469.149	-
Bank Loans	**4.964.325**	4.642.397	321.928	-
Liabilities from financial leases	**39.412.776**	11.246.260	28.166.516	-
Liabilities from financial lease transactions	**1.534.934.534**	1.064.465.385	470.469.149	-
B. Expected Maturities	**Book Value**	Between 1-12 Months	Between 1-5 Years	Over 5 years
Non-Derivative Financial Liabilities				
Trade Payables	**423.887.419**	423.887.419	-	-
Other Payables	**30.857.151**	30.857.151	-	-
Deferred Income	**647.809.238**	643.999.476	3.809.762	-
Liabilities to Employees	**20.221.872**	20.221.872	-	-
Other Liabilities	**74.012.149**	74.012.149	-	-
C. Derivative Financial Liabilities	**-**	-	-	-

Foreign Currency Risk (Currency Risk)

Exchange rate risk arises from the Group's possession of foreign currency liabilities and assets in US Dollars and Euros. Additionally, there is exchange rate risk stemming from the transactions conducted by the Group. These risks are monitored and limited by analyzing the foreign exchange position. The distribution of the Group's monetary and non-monetary assets and liabilities in foreign currency as of the balance sheet date is as follows:

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

	December 31, 2024			
Foreign Currency Position Table	**TL Equivalent (Functional Currency)**	**US Dollar**	**Euro**	**GBP**
1. Trade Receivables	565.607.427	8.310.788	7.413.686	-
2a. Monetary Financial Assets (including cash and bank accounts)	151.726.190	4.264.270	34.883	-
2b. Non-monetary Financial Assets	-	-	-	-
3. Other	483.102.823	12.731.789	512.187	-
4. Current Assets (1+2+3)	**1.200.436.439**	**25.306.847**	**7.960.756**	**-**
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. Fixed Assets (5+6+7)	-	-	-	-
9. Total Assets (4+8)	**1.200.436.439**	**25.306.847**	**7.960.756**	**-**
10. Trade Payables	**1.576.216.748**	**24.082.333**	**19.703.004**	**1.400**
11. Financial Liabilities	1.134.226.439	6.985.218	23.796.742	-
12a. Other Monetary Liabilities	84.160.581	2.341.953	37.690	-
12b. Other Non-Monetary Liabilities	-	-	-	-
13. Short Term Liabilities (10+11+12)	**2.794.603.768**	**33.409.503**	**43.537.435**	**1.400**
14. Trade Payables	-	-	-	-
15. Financial Liabilities	248.313.443	3.374.474	3.891.104	-
16a. Other Monetary Liabilities	-	-	-	-
16b. Other Non-Monetary Liabilities	-	-	-	-
17. Long Term Liabilities (14+15+16)	244.785.356	3.374.474	3.891.104	-
18. Total Liabilities (13+17)	**3.039.389.124**	**36.783.977**	**47.428.540**	**1.400**
19. Net Off-Balance Sheet Foreign Currency Derivative Asset/Liability Position (19a-19b)	**-**	**-**	**-**	**-**
19a. Amount of Off-Balance Sheet Foreign Currency Derivative Assets	**-**	**-**	**-**	**-**
19b. Amount of Off-Balance Sheet Foreign Currency Derivative Liabilities	**-**	**-**	**-**	**-**
20. Net Foreign Currency Asset/Liability Position (9-18+19)	**(1.838.952.685)**	**(11.477.130)**	**(39.467.784)**	**(1.400)**
21. Net Foreign Currency Asset/Liability Position of Monetary Items (1+2a+5+6a-10-11-12a-14-15-16a)	**(2.325.583.594)**	**(24.208.919)**	**(39.979.971)**	**(1.400)**
22. Total Fair Value of Financial Instruments Used for Hedging Foreign Exchange	**-**	**-**	**-**	**-**
23. Amount of Hedged Foreign Currency Assets	**-**	**-**	**-**	**-**
24. Amount of Hedged Foreign Currency Liabilities	**-**	**-**	**-**	**-**
25. Export	-	-	-	-
26. Import	-	-	-	-

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

	December 31, 2023			
Foreign Currency Position Table	**TL Equivalent (Indexed Value)**	**TL Equivalent (Functional currency)**	**US Dollar**	**Euro**
1. Trade Receivables	233.829.406	161.955.531	5.501.543	-
2a. Monetary Financial Assets (including cash and bank accounts)	1.385.954	959.943	30.576	1.837
2b. Non-monetary Financial Assets	-	-	-	-
3. Other	19.849.907	13.748.494	467.029	-
4. Current Assets (1+2+3)	**255.065.267**	**176.663.968**	**5.999.148**	**1.837**
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. Fixed Assets (5+6+7)	**-**	**-**	**-**	**-**
9. Total Assets (4+8)	**255.065.267**	**176.663.968**	**5.999.148**	**1.837**
10. Trade Payables	150.396.376	104.167.929	3.207.251	293.630
11. Financial Liabilities	894.102.156	619.275.360	5.248.010	14.234.376
12a. Other Monetary Liabilities	1.357.715	940.384	31.887	-
12b. Other Non-Monetary Liabilities	-	-	-	-
13. Short Term Liabilities (10+11+12)	**1.045.856.247**	**724.383.673**	**8.487.148**	**14.528.006**
14. Trade Payables	-	-	-	-
15. Financial Liabilities	2.044.337	1.415.954	-	43.391
16a. Other Monetary Liabilities	-	-	-	-
16b. Other Non-Monetary Liabilities	-	-	-	-
17. Long Term Liabilities (14+15+16)	**-**	**-**	**-**	**-**
18. Total Liabilities (13+17)	**2.044.337**	**1.415.954**	**-**	**43.391**
19. Net Off-Balance Sheet Foreign Currency Derivative Asset/Liability Position (19a-19b)	-	-	-	-
19a. Amount of Off-Balance Sheet Foreign Currency Derivative Assets	-	-	-	-
19b. Amount of Off-Balance Sheet Foreign Currency Derivative Liabilities	-	-	-	-
20. Net Foreign Currency Asset/Liability Position (9-18+19)	**253.020.930**	**175.248.014**	**5.999.148**	**(41.554)**
21. Net Foreign Currency Asset/Liability Position of Monetary Items (1+2a+5+6a-10-11-12a-14-15-16a)	**(812.685.225)**	**(562.884.153)**	**(2.955.029)**	**(14.569.560)**
22. Total Fair Value of Financial Instruments Used for Hedging Foreign Exchange	-	-	-	-
23. Amount of Hedged Foreign Currency Assets	-	-	-	-
24. Amount of Hedged Foreign Currency Liabilities	-	-	-	-
25. Export	-	-	-	-
26. Import	-	-	-	-

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of 31 December 2024 purchasing power.)

31.12.2024	**TL Equivalent (According to functional currency)**	
	Profit/Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
In case of a 10% change in USD against TL:		
1- USD net asset/liability	(40.491.659)	40.491.659
2- Portion hedged against USD risk (-)		
3- USD Net Effect (1+2)	**(40.491.659)**	**40.491.659**
In case of a 10% change in the Euro against TL:		
4- Euro net asset/liability	(145.250.917)	145.250.917
5- Portion hedged against Euro risk (-)		
6- Euro Net Effect (4+5)	**(145.250.917)**	**145.250.917**
TOTAL (3+6+9)	**(185.742.576)**	**185.742.576**

31.12.2023	**TL Equivalent (According to functional currency)**		**TL Equivalent (According to functional currency indexed values)**	
	Profit/Loss		**Profit/Loss**	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case of a 10% change in USD against TL:				
1- USD net asset/liability	17.692.267	(17.692.267)	25.543.878	(25.543.878)
2- Portion hedged against USD risk (-)	-	-	-	-
3- USD Net Effect (1+2)	**17.692.267**	**(17.692.267)**	**25.543.878**	**(25.543.878)**
In case of a 10% change in the Euro against TL:				
4- Euro net asset/liability	(135.600)	135.600	(195.777)	195.777
5- Portion hedged against Euro risk (-)	-	-	-	-
6- Euro Net Effect (4+5)	**(135.600)**	**135.600**	**(195.777)**	**195.777**
TOTAL (3+6+9)	**17.556.667**	**(17.556.667)**	**25.348.100**	**(25.348.100)**

(Unless otherwise stated, amounts are expressed in Turkish Lira (“TL”) as of 31 December 2024 purchasing power.)

Market Risk

Market risk is the risk of fluctuations in the fair value of a financial instrument or future cash flows of an enterprise due to changes in market prices. These include foreign currency risk, interest rate risk, and the price change risk of financial instruments or commodities.

28. IMPAIRMENT GAINS (LOSSES) DETERMINED IN ACCORDANCE WITH TFRS 9

Impairment Gains (Losses) Determined in Accordance with TFRS 9	01.01.-31.12.2024	01.01.-31.12.2023
Impairment loss on cash and cash equivalents during the period	(1.494.587)	(669.028)
mpairment loss on trade receivables during the period	(4.422.414)	(5.085.137)
Closing balance	**(5.917.001)**	**(5.754.165)**

29. EXPLANATIONS ON NET MONETARY POSITION GAINS/(LOSSES)

Gains or Losses on Monetary Positions	31.12.2024
Inventories	38.102.370
Prepaid expenses	3.672.532
Right of use assets	5.054.660
Deposits and guarantees given	534.100
Property, plant and equipment	215.866.128
Intangible assets	1.805.642
Deferred Income	47.394.310
Capital	(224.667.396)
Share Premium	(98.533.030)
Increase (Decrease) in the Revaluation of Property, Plant, and Equipment	130.005.635
Legal Reserves	(2.284.292)
Defined benefit plans remeasurement losses	(699.167)
Retained Earnings	(384.249.035)
Income Statement Indexating	138.603.425
Total	**(129.394.118)**

30. SUBSEQUENT EVENTS AFTER THE BALANCE SHEET DATE

In accordance with the decision of the Company's Board of Directors dated 27.09.2024 and numbered 2024/20, it has been notified by the Capital Markets Board that the amendment application to the articles of association made on 02.10.2024 for the public offering of Efor Gübre Madencilik Sanayi Ticaret A.Ş., a 100% subsidiary, and for its shares to be traded on Borsa Istanbul, has been approved.

31.OTHER MATTERS THAT SIGNIFICANTLY AFFECT THE FINANCIAL STATEMENTS OR THAT NEED TO BE DISCLOSED FOR THE CLEAR, INTERPRETABLE AND UNDERSTANDABLE PRESENTATION OF THE FINANCIAL STATEMENTS

None.

32. FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR/INDEPENDENT AUDIT FIRM

The Group's disclosure regarding the fees of services provided by independent audit firms, based on the Board Decision published in the duplicate Official Gazette dated March 30, 2021, and the principles set out in the KGK's letter dated August 19, 2021, states that the audit fee for the consolidated financial statements of the parent company for the period ending December 31, 2024, indexed to the audit period, is 1,241,739 TL (December 31, 2023 indexed: 1.370.948 TL).

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