GSD Holding
Anonim Şirketi

Condensed Consolidated Interim Financial Information
As at and For the Six-Month Period Ended
30 June 2024
Together With Auditors' Report on Review of
Condensed Consolidated Interim Financial Information

16 September 2024

This report includes 2 pages of auditors' review report and 60 pages of condensed consolidated interim financial information together with explanatory notes.

CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REVIEW REPORT ORIGINALLY ISSUED IN TURKISH

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

To the General Assembly of GSD Holding Anonim Şirketi

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of GSD Holding Anonim Şirketi (the "Company") and its subsidiaries (collectively referred as the "Group") as at 30 June 2024 and the related condensed consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the six-month period then ended. The management of the Group is responsible for the preparation and fair presentation of this interim condensed consolidated financial information in accordance with Turkish Accounting Standard 34 ("TAS 34") "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of review

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and the objective of which is to express an opinion on the consolidated financial statements. Consequently, a review on the interim condensed consolidated financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to conclude that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with TAS 34.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Baki Erdal, SMMM
Independent Auditor

Istanbul, 16 September 2024

GSD Holding Anonim Şirketi

TABLE OF CONTENTS

GSD HOLDİNG ANONİM ŞİRKETİ

INDEX **PAGE**

GSD HOLDİNG ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2024

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

	Notes	Audited As Of 30.06.2024	Audited As Of 31.12.2023
ASSETS (THOUSAND TL)			
Current Assets		**6,374,179**	**5,370,559**
Cash and Cash Equivalents	**4**	**1,078,803**	**1,364,594**
Financial Investments	**5**	**1,972,681**	**1,807,293**
Financial Assets Designated at Fair Value Through Profit or Loss		1,901,670	1,744,106
Financial Assets at Fair Value Through Other Comprehensive Income		71,011	14,666
Other Financial Assets Measured at Amortized Cost (net)		-	48,521
Trade Receivables	**6**	**17,349**	**2,982**
Trade Receivables Due From Related Parties		59	-
Trade Receivables Due From Unrelated Parties		17,290	2,982
Receivables From Financial Sector Operations	**7**	**3,149,058**	**2,082,374**
Receivables From Financial Sector Operations Due From Related Parties		**1,451**	**3,556**
Loans and Advances		1,451	3,556
Receivables From Financial Sector Operations Due From Unrelated		**3,147,607**	**2,078,818**
Loans and Advances		1,031,471	528,258
Factoring Receivables		2,116,088	1,550,500
Financial Leasing Receivables		48	60
Other Receivables	**16**	**30,614**	**21,590**
Other Receivables Due From Related Parties		2,692	-
Other Receivables Due From Unrelated Parties		27,922	21,590
Derivative Instruments		**-**	**6,928**
Derivative Instruments for Trading Purposes		-	6,928
Inventories	**8**	**31,792**	**14,921**
Prepayments		**81,736**	**57,671**
Prepayments to Unrelated Parties		81,736	57,671
Current Tax Assets		**-**	**86**
Other Current Assets	**17**	**10,613**	**10,587**
Other Current Assets Due From Unrelated Parties		10,613	10,587
SUBTOTAL		**6,372,646**	**5,369,026**
Fixed Assets Classified as Held for Sale	**19**	**1,533**	**1,533**
Non Current Assets		**5,625,466**	**5,918,915**
Investments in Subsidiaries, Joint Ventures and Associates	**5**	**7,673**	**7,673**
Receivables From Financial Sector Operations	**7**	**29**	**954**
Receivables From Financial Sector Operations Due From Related Parties		**-**	**904**
Loans and Advances		-	904
Receivables From Financial Sector Operations Due From Unrelated Parties		**29**	**50**
Loans and Advances		29	50
Other Receivables	**16**	**32**	**32**
Other Receivables Due From Unrelated Parties		32	32
Property, Plant and Equipment	**10**	**5,583,304**	**5,892,127**
Buildings		26	26
Machinery and Equipments		2,343	2,320
Vehicles		5,153,448	5,629,479
Fixtures and Fittings		10,456	10,882
Leasehold Improvements		2,145	2,621
Construction in Progress		408,303	240,587
Other Property, Plant and Equipment		6,583	6,212
Right of Use Assets	**11**	**16,811**	**11,549**
Intangible Assets	**12**	**3,731**	**4,115**
Brand Names		-	5
Licenses		3,644	4,001
Other Intangible Assets		87	109
Prepayments		**6,745**	**12**
Prepayments to Unrelated Parties		6,745	12
Deferred Tax Asset	**14**	**7,120**	**2,432**
Other Non-current Assets		**21**	**21**
Other Non-current Assets Due From Unrelated Parties		21	21
TOTAL ASSETS		**11,999,645**	**11,289,474**

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

GSD HOLDİNG ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2024

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

LIABILITIES (THOUSAND TL)	Notes	Audited As Of 30.06.2024	Audited As Of 31.12.2023
Current Liabilities		**2,135,469**	**1,648,956**
Current Borrowings	**5**	**10,864**	**3,851**
Current Borrowings From Related Parties		**9,371**	**3,720**
Lease Liabilities		9,371	3,720
Current Borrowings From Unrelated Parties		**1,493**	**131**
Lease Liabilities		1,493	131
Current Portion of Non-current Borrowings	**5**	**232,346**	**170,722**
Current Portion of Non-current Borrowings from Unrelated Parties		**232,346**	**170,722**
Bank Loans		230,344	168,408
Lease Liabilities		2,002	2,314
Trade Payables	**6**	**81,651**	**45,433**
Trade Payables to Unrelated Parties		81,651	45,433
Payables on Financial Sector Operations	**7**	**1,578,548**	**1,261,895**
Payables to Related Parties on Financial Sector Operations		**83,448**	**111,616**
Borrower Funds		83,448	111,616
Payables to Unrelated Parties on Financial Sector Operations		**1,495,100**	**1,150,279**
Payables from Money Market Transactions		637,514	500,697
Borrower Funds		6,000	4,503
Credits Obtained		849,700	644,651
Factoring Payables		1,689	205
Financial Leasing Receivables		197	223
Other Payables	**16**	**37,344**	**27,163**
Other Payables to Unrelated Parties		37,344	27,163
Derivative Instruments		**29,118**	**-**
Derivative Instruments for Trading Purposes		29,118	-
Deferred Income		**43,490**	**37,243**
Deferred Income from Unrelated Parties		43,490	37,243
Current Tax Liabilities, Current	**14**	**89,193**	**63,643**
Current Provisions		**32,915**	**38,995**
Current Provisions for Employee Benefits	**15**	25,074	29,563
Other Current Provisions	**21**	7,841	9,432
Other Current Liabilities		**-**	**11**
Other Short-Term Liabilities to Non-Related Parties		-	11
Subtotal		**2,135,469**	**1,648,956**
Non-Current Liabilities		**1,238,645**	**814,375**
Long Term Borrowings	**5**	**1,189,918**	**767,893**
Long Term Borrowings From Unrelated Parties		**1,189,918**	**767,893**
Bank Loans		1,189,359	765,971
Lease Liabilities		559	1,922
Other Payables		**2,559**	**-**
Other Payables to Related Parties		2,559	-
Non-Current Provisions		**12,264**	**6,935**
Non-Current Provisions for Employee Benefits	**15**	12,264	6,935
Deferred Tax Liabilities	**14**	**33,904**	**39,547**
Total Liabilities		**3,374,114**	**2,463,331**
EQUITY		**8,625,531**	**8,826,143**
Equity Attributable to Owners of Parent		**8,012,144**	**8,152,764**
Issued capital	**18**	**1,000,000**	**1,000,000**
Inflation Adjustments on Capital		**8,184,674**	**8,184,674**
Treasury Shares (-)		**(1,600,776)**	**(1,600,776)**
Share Premium (Discount)		**420,831**	**420,831**
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		**(5,297)**	**(6,527)**
Gains (Losses) on Revaluation and Remeasurement		**(5,297)**	**(6,527)**
Gains (Losses) on Remeasurements of Defined Benefit Plans		(6,039)	(5,910)
Other Revaluation and Measurement Gains (Loss)		742	(617)
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		**3,347,491**	**3,574,831**
Exchange Differences on Translation		3,347,491	3,574,831
Restricted Reserves Appropriated From Profits		**2,044,915**	**2,044,915**
Legal Reserves		444,139	444,139
Treasury Share Reserves		1,600,776	1,600,776
Prior Years' Profits or Losses		**(5,405,157)**	**(3,370,548)**
Current Period Net Profit Or Loss		**25,463**	**(2,094,636)**
Non-Controlling Interests	**18**	**613,387**	**673,379**
TOTAL LIABILITIES		**11,999,645**	**11,289,474**

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

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

NET PERIOD PROFIT / (LOSS)	Notes	Audited As Of 01.01.2024 30.06.2024	Audited As Of 01.01.2023 30.06.2023	01.04.2024- 30.06.2024	01.04.2023- 30.06.2023
PART OF NET PERIOD PROFIT / (LOSS)					
Revenue		697,352	531,647	321,442	254,967
Cost of Sales (-)		(466,044)	(441,211)	(237,773)	(250,524)
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		**231,308**	**90,436**	**83,669**	**4,443**
Revenue from Finance Sector Operations		**1,221,177**	**548,771**	**721,007**	**278,349**
Fee, Premium, Commission and Other Service Income		56,584	75,865	27,805	37,453
Foreign Exchange Gains		12,809	22,980	8,612	20,455
Interest Income		955,969	349,757	581,063	164,382
Gain from Derivative Financial Transactions		5,104	-	(601)	-
Other Revenues from Finance Sector Operations		190,711	100,169	104,128	56,059
Cost of Finance Sector Operations (-)		**(566,830)**	**(132,350)**	**(385,830)**	**(65,327)**
Fee, Premium, Commissions and Other Service Expenses		(7,847)	(31,240)	(4,106)	(17,476)
Foreign Exchange Loss		(40,364)	-	(12,360)	-
Interest Expenses (-)		(439,753)	(97,718)	(292,960)	(46,261)
Loss from Derivative Financial Transactions		(63,377)	-	(62,290)	-
Other Expenses Related with Finance Sector Operations		(15,489)	(3,392)	(14,114)	(1,590)
Gross Profit/(Loss) From Financial Sector Operations		**654,347**	**416,421**	**335,177**	**213,022**
GROSS PROFIT/(LOSS)		**885,655**	**506,857**	**418,846**	**217,465**
Administrative expenses (-)		(217,832)	(186,142)	(103,552)	(79,984)
Other income from operating activities		173,801	162,783	113,849	114,584
Other expense from operating activities (-)		(3,337)	(2,974)	(3,073)	(2,388)
OPERATING PROFIT/(LOSS)		**838,287**	**480,524**	**426,070**	**249,677**
Income from investment activities		240,790	499,113	217,953	451,063
Expense from investment activities (-)		(6,735)	-	(6,735)	-
OPERATING PROFIT/(LOSS) BEFORE FINANCING EXPENSES		**1,072,342**	**979,637**	**637,288**	**700,740**
Financing expenses (-)		(45,327)	(40,669)	(21,672)	(12,758)
Net Monetary Position Gains (Losses)		(858,760)	(533,830)	(195,699)	(272,552)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		**168,255**	**405,138**	**419,917**	**415,430**
Tax income/(expense) from continuing operations		**(164,415)**	**(150,370)**	**(93,121)**	**(118,987)**
Current tax income/(expense)	**14**	(158,956)	(136,744)	(93,251)	(103,542)
Deferred tax income/(expense)	**14**	(5,459)	(13,626)	130	(15,445)
NET PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**3,840**	**254,768**	**326,796**	**296,443**
NET PROFIT/(LOSS)		**3,840**	**254,768**	**326,796**	**296,443**
Non-controlling interest	**18**	**(21,623)**	**(56,858)**	**(8,774)**	**(18,011)**
Equity holders of the company	**18**	**25,463**	**311,626**	**335,570**	**314,454**
Earnings Per Share		**0,0283**	**0,3463**	**0,3729**	**0,3494**
Earnings per share from continuing operations	**24**	**0,0283**	**0,3463**	**0,3729**	**0,3494**
Diluted Earnings Per Share		**0,0283**	**0,3463**	**0,3729**	**0,3494**
Diluted Earnings (Loss) Per Share from Continuing Operations	**24**	**0,0283**	**0,3463**	**0,3729**	**0,3494**

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

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

	Notes	Audited As Of 01.01.2024 30.06.2024	Audited As Of 01.01.2023 30.06.2023	01.04.2024-30.06.2024	01.04.2023-30.06.2023
NET PERIOD PROFIT / (LOSS)		**3,840**	**254,768**	**326,796**	**296,443**
Other comprehensive income which will be not reclassified in profit or loss		**(4,139)**	**(5,042)**	**(900)**	**182**
Remeasurements of the net defined benefit liability (asset)		(4,139)	(5,042)	(900)	182
Other comprehensive income which will be reclassified in profit or loss		**(248,215)**	**1,700,196**	**(211,908)**	**1,707,481**
Foreign Currency Conversion Differences Regarding the Conversion of Foreign Businesses		(248,215)	1,700,196	(211,908)	1,707,481
Gains (Losses) from Foreign Currency Translation Differences Related to the Translation of Foreign Businesses		(248,215)	1,700,196	(211,908)	1,707,481
OTHER COMPREHENSIVE INCOME (EXPENSE) (AFTER TAX)		**(252,354)**	**1,695,154**	**(212,808)**	**1,707,663**
TOTAL COMPREHENSIVE INCOME		**(248,514)**	**1,949,922**	**113,988**	**2,004,106**
Non-controlling interest		**39,586**	**158,226**	**(3,847)**	**184,691**
Equity holders of the company		**(288,100)**	**1,791,696**	**117,835**	**1,819,415**

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

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

		Equity																		
		Equity Holders of Parent																		
						Other accumulated comprehensive income and expense which will be not reclassified in profit or loss				Other accumulated comprehensive income and expense which will be not reclassified in profit or loss)		Restricted Reserves Allocated from Profit			Accumulated Profits					
						Revaluation and Measurement Gains / Losses														
	Notes	Share capital	Inflation adjustment to share capital	Treasury shares (-)	Premiums (Discounts) Related to Shares)	Revaluation and remeasurement gain/loss	Other Revaluation and Measurement Gains / Losses)			Foreign Currency Conversion Differences		Legal Reserves	Reserves for Repurchased Shares		Prior Period Profit or (Loss)	Net Profit or (Loss) for the Period			Non-controlling interests	
At 1 January 2023		**1,000,000**	**8,184,674**	**(1,600,776)**	**420,831**	**(5,758)**	**-**	**(5,758)**	**(5,758)**	**2,847,250**	**2,847,250**	**451,715**	**1,600,776**	**2,052,491**	**(251,232)**	**(3,117,365)**	**(3,368,597)**	**9,530,115**	**664,873**	**10,194,988**
Amount After Adjustments		1,000,000	8,184,674	(1,600,776)	420,831	(5,758)	-	(5,758)	(5,758)	2,847,250	2,847,250	451,715	1,600,776	2,052,491	(251,232)	(3,117,365)	(3,368,597)	9,530,115	664,873	10,194,988
Transfers		-	-	-	-	**5,758**	-	**5,758**	**5,758**	-	-	-	-	-	**(3,123,123)**	**3,117,365**	**(5,758)**	-	-	-
Transfer to retained earnings/(losses)		-	-	-	-	5,758	-	5,758	5,758	-	-	-	-	-	(3,123,123)	3,117,365	(5,758)	-	-	-
Total comprehensive income (expense)		-	-	-	-	**(6,109)**	-	**(6,109)**	**(6,109)**	**669,790**	**669,790**	-	-	-	-	**311,626**	**311,626**	**975,307**	**158,228**	**1,133,535**
Net profit (loss)		-	-	-	-	(6,109)	-	(6,109)	(6,109)	-	-	-	-	-	-	311,626	311,626	305,517	(56,855)	248,662
Other comprehensive income (expense)		-	-	-	-	-	-	-	-	669,790	669,790	-	-	-	-	-	-	669,790	215,083	884,873
Share Capital Increase		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2023 After Adjustments		**1,000,000**	**8,184,674**	**(1,600,776)**	**420,831**	**(6,109)**	**-**	**(6,109)**	**(6,109)**	**3,517,040**	**3,517,040**	**451,715**	**1,600,776**	**2,052,491**	**(3,374,355)**	**311,626**	**(3,062,729)**	**10,505,422**	**823,102**	**11,328,524**
At 1 January 2024	**18**	**1,000,000**	**8,184,674**	**(1,600,776)**	**420,831**	**(5,910)**	**(617)**	**(6,527)**	**(6,527)**	**3,574,831**	**3,574,831**	**444,139**	**1,600,776**	**2,044,915**	**(3,370,548)**	**(2,094,636)**	**(5,465,184)**	**8,152,764**	**673,379**	**8,826,143**
Amount After Adjustments		1,000,000	8,184,674	(1,600,776)	420,831	(5,910)	(617)	(6,527)	(6,527)	3,574,831	3,574,831	444,139	1,600,776	2,044,915	(3,370,548)	(2,094,636)	(5,465,184)	8,152,764	673,379	8,826,143
Transfers		-	-	-	-	-	-	-	-	-	-	-	-	-	**(2,094,636)**	**2,094,636**	-	-	-	-
Transfer to retained earnings/(loss)		-	-	-	-	-	-	-	-	-	-	-	-	-	(2,094,636)	2,094,636	-	-	-	-
Total comprehensive income (expense)		-	-	-	-	**(129)**	**1,359**	**1,230**	**1,230**	**(227,340)**	**(227,340)**	-	-	-	-	**25,463**	**25,463**	**(200,647)**	**(54,424)**	**(255,071)**
Net profit (loss)		-	-	-	-	(129)	1,359	1,230	1,230	-	-	-	-	-	-	25,463	25,463	26,693	(21,622)	5,071
Other comprehensive income (expense)		-	-	-	-	-	-	-	-	(227,340)	(227,340)	-	-	-	-	-	-	(227,340)	(32,802)	(260,142)
Transactions with Non-Controlling Shareholders		-	-	-	-	-	-	-	-	-	-	-	-	-	60,027	-	60,027	60,027	(5,568)	54,459
Increase/decrease arising from other adjustments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2024	**18**	**1,000,000**	**8,184,674**	**(1,600,776)**	**420,831**	**(6,039)**	**742**	**(5,297)**	**(5,297)**	**3,347,491**	**3,347,491**	**444,139**	**1,600,776**	**2,044,915**	**(5,405,157)**	**25,463**	**(5,379,694)**	**8,012,144**	**613,387**	**8,625,531**

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

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

	Notes	Current Period Audited As Of	Prior Period Audited As Of
		01.01.2024 30.06.2024	**01.01.2023 30.06.2023**
A. CASH FLOWS FROM OPERATING ACTIVITIES		**(17,176)**	**1,750,157**
Cash flows from operating activities of continuing operations		**1,908,236**	**952,041**
- Receipts from Sales of Goods and Rendering of Services		697,352	531,647
- Cash Payments from Interest, Fees, Commissions and Other Revenues		1,198,852	420,394
- Cash Inflows Related to Contracts Held for Trading		12,032	-
Cash Outflows from Operating Activities		**(1,143,098)**	**(580,278)**
- Payments To Suppliers For Goods And Services		(400,125)	(348,419)
- Cash Outflows from Interest, Fees, Premiums, Commissions and Other Income		(579,382)	(109,886)
- Cash Outflows Related to Contracts Held for Trading		(34,259)	-
- Cash Outflows from Payments Made to and behalf of Employees		(129,073)	(121,062)
- Rent Payments		(259)	(911)
Net Cash Flows from Operations		**765,138**	**371,763**
Interest Received		**44,383**	**46,271**
Tax Refunds(Payments)		**(66,150)**	**(60,098)**
Other Cash Inputs(Outputs)		**(760,547)**	**1,392,221**
B. CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		**(326,592)**	**(670,555)**
Cash Inflows Caused by Share Sales or Capital Decrease of Associates and / or Joint Ventures		**134,679**	**2,843,424**
Cash Outflows for the Acquisition of Shares of Other Businesses or Funds or Debt Instruments		**(268,497)**	**(2,840,865)**
Cash Inflows from Sale of Tangible and Intangible Assets		**461,694**	**588**
-Cash Inflows from Sale of Tangible Fixed Assets	*10*	461,694	404
Cash Inflows from Sale of Intangible Fixed Assets	*11.12*	-	184
Cash Outflows from the Purchase of Tangible and Intangible Assets		**(902,563)**	**(736,716)**
-Cash Outflows Resulting from the Purchase of Tangible Fixed Assets	*10*	(902,563)	(736,716)
-Cash Outflows from the Purchase of Intangible Assets		**-**	**2**
Interest Received		**972**	**5,927**
Other Inflows (Outflows) of Cash		**247,123**	**57,085**
C. CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		**687,304**	**(391,435)**
Cash Inflows from Issuance of Shares and Other Equity Instruments		**131,590**	**22,323**
Cash Inflows from Borrowing	***5,7***	**2,627,674**	**608,892**
Cash Outflows Related to Debt payments	***5,7***	**(1,902,119)**	**(1,177,556)**
Cash Outflows Related to Debt Payments Arising from Rental Agreements		**(12,779)**	**(18,013)**
Dividends Paid		**(111,262)**	**213,735**
-Dividends Paid to Shareholders by the Company		(72,892)	-
Dividends Paid by Subsidiaries to Non-Parent Shares		(38,370)	213,735
Interest paid		**(44,027)**	**(35,819)**
Other inflows (outflows) of cash		**(1,773)**	**(4,997)**
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY CONVERSION DIFFERENCES		**343,536**	**688,167**
Effect of net foreign exchange difference on cash and cash equivalents		**50,313**	**215,840**
Net (decrease) / increase in cash and cash equivalents		**(464,908)**	**214,016**
Cash and cash equivalents at 1 January		**1,359,752**	**1,696,703**
Cash and cash equivalents at 31 December		**894,844**	**1,910,719**
MONETARY GAIN / LOSS		**(858,760)**	**(689,993)**
D. EFFECT OF NET FOREIGN EXCHANGE DIFFERENCES ON CASH AND CASH EQUIVALENTS		**(808,447)**	**(474,153)**
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		**(464,911)**	**214,014**
E. CASH AND CASH EQUIVALENTS AT 1 JANUARY		**1,359,752**	**1,696,703**
CASH AND CASH EQUIVALENTS AT 30 JUNE 2024	*25*	**894,841**	**1,910,717**

The accompanying policies and explanatory notes form an integral part of these consolidated financial statements

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

1. REPORTING ENTITY

GSD Holding Anonim Şirketi (the "Company") was established in Istanbul in 1986. The Company is a holding entity; investing in companies in different sectors, realizing the establishment and participating in the management of these companies.

The registered office address of the Company is Aydınevler Mahallesi, Kaptan Rıfat Sokak, No: 3, 34854, Maltepe, Istanbul, Türkiye.

The consolidated financial statements of the Company and its subsidiaries ("Group") were approved by the Board of Directors on September 16, 2024. The General Assembly and certain regulatory bodies have the right to change the financial statements after their publication.

As at 30 June 2024, average number of employees is 126 (31 December 2023: 121).

As at 30 June 2024 and 31 December 2023, the composition of shareholders and their respective percentages of ownership can be summarized as follows:

30 June 2024

(Full TL)	Class (A)	Class (B)	Class (C)	Class (D)	Total	Share (%)
Publicly owned (*)	-	-	-	598,611,289	598,611,289	59.861
M. Turgut Yılmaz	1,571	981	1,571	254,995,886	255,000,009	25.500
GSD Holding A.Ş.	-	112	-	100,000,000	100,000,112	10.000
MTY Delta Denizcilik İç ve Dış Ticaret A.Ş.	-	-	-	45,000,000	45,000,000	4.500
Adeo Turizm Otelcilik Ticaret Limited Şirketi	-	-	-	1,388,000	1,388,000	0.139
Other privileged shareholders	-	590	-	-	590	0.000
Share capital	**1,571**	**1,683**	**1,571**	**999,995,175**	**1,000,000,000**	**100.000**
Inflation adjustment on share capital					8,184,674,000	
Inflation adjusted share capital					**9,184,674,000**	

(*) Samet Ali Yavuz's share in the capital is 6.14% MPY Marmara Capital Portfolio Stock (TL) Fund (Stock Intensive Fund) share in the capital is 5.10%.

31 December 2023

(Full TL)	Class (A)	Class (B)	Class (C)	Class (D)	Total	Share (%)
Publicly owned (*)	-	-	-	598,611,289	598,611,289	59.861
M. Turgut Yılmaz	1,571	981	1,571	254,995,886	255,000,009	25.500
GSD Holding A.Ş.	-	112	-	100,000,000	100,000,112	10.000
MTY Delta Denizcilik İç ve Dış Ticaret A.Ş.	-	-	-	45,000,000	45,000,000	4.500
Adeo Turizm Otelcilik Ticaret Limited Şirketi	-	-	-	1,388,000	1,388,000	0.139
Other privileged shareholders	-	590	-	-	590	0.000
Share capital	**1,571**	**1,683**	**1,571**	**999,995,175**	**1,000,000,000**	**100.000**
Inflation adjustment on share capital					8,184,674,000	
Inflation adjusted share capital					**9,184,674,000**	

(*) Samet Ali Yavuz's share in the capital is 6.14%

As of 30 June 2024 in Company's, as explained in the capital structure presented above, 59.86% of the in its shares are open to the public (31 December 2023: 59.86%). According to the special situation statement announced on KAP on December 20, 2022, Samet Ali Yavuz. It has a 6.14% share in the publicly traded segment. Additionally in proportion 32% shares of GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret A.Ş., the subsidiary subject to consolidation, as of 30 June 2024, are open to the public (31 December 2023: 32%).

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

1. REPORTING ENTITY (continued)

Nature of Activities of the Company and the Consolidated Group Companies

For the purposes of the consolidated financial statements. The Company and its consolidated subsidiaries are referred to as "the Group". The subsidiaries included in consolidation and the effective ownership percentages of the Group as at 30 June 2024 and 31 December 2023 are as follows:

Subsidiaries	Country of Incorporation	BIST Code	Principal Activities	Effective Shareholding(%)	
				30 June 2024	31 December 2023
GSD Yatırım Bankası A.Ş. (1)	Türkiye	-	Banking	100	100
GSD Faktoring A.Ş. (1)	Türkiye	-	Maritime	99.36	89.36
GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret A.Ş. ("GSD Marin") (1) (2) (3)	Türkiye	GSDDE	Factoring	68.00	68.00
GSD Ship Finance B.V. (2) (3)	Netherlands	-	Maritime	68.00	68.00
Cano Maritime Ltd. (2)	Malta	-	Maritime	68.00	68.00
Hako Maritime Ltd. (2)	Malta	-	Maritime	68.00	68.00
Nehir Maritime Ltd. (2) (4)	Marshall Islands	-	Maritime	68.00	68.00
GSD Shipping B.V. (1) (2)	Netherlands	-	Maritime	100	100
Zeyno Maritime Ltd. (2)	Malta	-	Maritime	100	100
Neco Maritime Ltd. (2)	Malta	-	Maritime	100	100
Dodo Maritime Ltd. (2)	Malta	-	Maritime	100	100
Mila Maritime Ltd. (2)	Malta	-	Maritime	100	100
Lena Maritime Ltd. (2)	Marshall Islands	-	Maritime	100	100
Nejat Maritime Ltd. (2) (4)	Marshall Islands	-	Maritime	100	100
Guzide Maritime Ltd. (2) (5)	Malta	-	Maritime	100	100
Deniz Maritime Ltd. (2) (6)	Marshall Islands	-	Banking	100	-

(1) GSD Yatırım Bankası A.Ş., GSD Denizcilik Gayrimenkul İnş. San.ve Tic. A.Ş., GSD Faktoring A.Ş. and GSD Shipping B.V.'s financial statements are consolidated under GSD Holding A.Ş.

(2) The financial statements of Cano Maritime Ltd., Hako Maritime Ltd., Nehir Maritime Ltd. and GSD Ship Finance B.V. companies are consolidated under GSD Denizcilik Gayrimenkul İnş. San.ve Tic.A.Ş., Zeyno Maritime Ltd., Dodo Maritime Ltd., Neco Maritime Ltd., Mila Maritime Ltd., Lena Maritime Ltd., Nejat Maritime Ltd and Guzide Maritime Ltd.'s the financial statements are consolidated under GSD Shipping BV.

(3) GSD Ship Finance B.V. was established on April 6, 2023, as a 100% subsidiary of GSD Denizcilik Gayrimenkul İnş. San. ve Tic. A.Ş. to operate in the field of maritime transportation, with a capital of 12,000,000 USD in the Netherlands.

(4) Nejat Maritime Ltd. the purchase process of a dry cargo ship built in Japan has been completed. The ship was taken over on June 27, 2023 and started dry cargo transportation activities in international waters. The purchase of a dry cargo ship built by Nehir Maritime Limited in Japan has been completed. The ship was delivered on 9 August 2023. As of August 10, 2023, it started dry cargo transportation activities in international waters.

(5) Sumisho Marine Co. under the guarantee of Sumitomo Corporation. Ltd. to conclude a shipbuilding contract with 100% owned by our subsidiary GSD Shipping BV. based in Malta the establishment procedures of Guzide Maritime Limited company, with a capital of 5,000 USD, were completed on September 13, 2023

(6) (6) The establishment of Deniz Maritime Limited, a company established in the Marshall Islands with a capital of USD 5,000, 100% of whose shares are owned by our subsidiary GSD Shipping B.V., was completed as of April 29, 2024.

Unconsolidated Subsidiaries

The subsidiaries which are not included in consolidation and the ownership percentages of the Group in those subsidiaries as at 30 June 2024 and 31 December 2023 are as follows:

Subsidiaries	Country of Incorporation	Principal Activities	Effective Shareholding and Voting Rights (%)	
			30 June 2024	31 December 2023
GSD Eğitim Vakfı	Türkiye	Foundation	100.00	100.00

The subsidiary is not consolidated and are carried at cost and are classified in the "unquoted equity instruments" caption in the consolidated financial statements, since the volume of transactions of these companies are limited and the total assets and revenues of these subsidiaries are immaterial.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS

BASIS OF PRESENTATION

Statement of Compliance

The Company and its subsidiaries which were incorporated in Türkiye maintain their books of account and prepare their statutory financial statements in accordance with the regulations on accounting and reporting framework and accounting standards which are determined by the provisions of Turkish Banking Law, Finance Leasing, Factoring and Financing Companies Law, Turkish Commercial Code, the regulations of the Public Oversight, Accounting and Auditing Standards Authority of Türkiye and the Capital Markets Board of Türkiye ("CMB") and Tax Legislation. The foreign subsidiaries maintain their books of account and prepare their statutory financial statements in their functional currencies and in accordance with the regulations of the countries in which they operate.

The accompanying consolidated financial statements have been prepared in accordance with the Turkish Accounting Financial Reporting Standards ("TFRS") published by the Public Oversight Accounting and Auditing Standards Authority ("KGK") in accordance with the provisions of the "Communiqué on Principles Regarding Financial Reporting in Capital Markets" No. II-14.1 ("Communiqué") published in the Official Gazette dated 13 June 2013 and numbered 28676 of the Capital Markets Board ("CMB"). TFRSs include the Standards and Comments published by KGK under the names of Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards, TAS comments and TFRS comments.

The interim condensed consolidated financial statements are presented in accordance with the formats determined in the "Announcement on TMS Taxonomy" published by the KGK on October 4, 2022 and the Financial Statement Samples and User Guide published by the CMB.

Consolidated financial statements are presented in accordance with the formats determined in the "Announcement on TMS Taxonomy" published by the KGK on April 15, 2019 and the Financial Statement Samples and User Guide published by the CMB.

The preparation of the consolidated financial statements and footnotes as of June 30, 2024 has been carried out in accordance with the principles set forth in the "Announcement on Financial Statement and Footnote Formats" announced by the CMB Decision Making Body with the decision numbered 20/670 dated June 7, 2013, and the Turkish Accounting Standards ("TMS 34") "Interim Financial Reporting" published by the KGK and entered into force.

Businesses are free to prepare their interim financial statements as a complete set or summary in accordance with the TAS 34 standard. In this context, the Group has chosen to prepare summary financial statements in interim periods. Therefore, these interim summary consolidated financial statements should be read together with the Group's consolidated financial statements dated 31 December 2023.

Preparation of Financial Statements and Functional Currency

The Company and its subsidiaries located in Türkiye, submit their legal financial statements to the Turkish Commercial Code ("TCC"), tax legislation, the regulations, explanations and circulars published by the BRSA on accounting and financial reporting principles for banks and factoring companies, and the Banking Law and for other companies T.C. It is prepared in Turkish Lira in accordance with the Uniform Chart of Accounts published by the Ministry of Finance. Subsidiaries located abroad prepare their accounting records and financial statements in accordance with the principles and rules of the countries where they are established.

The consolidated financial statements are based on the legal records of the Company and its subsidiaries and are expressed in Turkish Lira ("TL"). As mentioned above, in accordance with the TFRSs issued by the POA, in order to adequately present the status of the Company and its subsidiaries, some adjustments and revisions are made prepared by classification.

In the preparation of these financial statements, the fair value for financial assets and derivative financial instruments classified as fair value through profit/loss and fair value through other comprehensive income, the book value for non-current assets held for sale and the fair value less costs to sell the lower one, and historical cost for other statement of financial position items. Functional currencies of group companies established in Türkiye are TL. Functional currencies of group companies established abroad, GSD Finance B.V. , Cano Maritime Limited, Dodo Maritime Limited, Hako Maritime Limited, Zeyno Maritime Limited, Neco Maritime Limited, GSD Shipping B.V., Mila Maritime Limited, Lena Maritime Limited, Nejat Maritime Limited, Nehir Maritime Limited, Guzide Maritime Limited and Deniz Maritime Limited are US Dollars.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Reporting in High Inflation Economies

In accordance with the decision of the CMB dated 28 December 2023 and numbered 81/1820. Issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards, it has been decided to apply inflation accounting by applying the provisions of TMS 29 "Financial Reporting Standard in Economies with High Inflation", starting from the annual financial reports for the accounting periods ending as of 31 December 2023. Group, the CMB decision in question, based on the announcement made by the KGK on 23 November 2023 and the "Implementation Guide on Financial Reporting in Economies with High Inflation" published, it has prepared its consolidated financial statements for the year dated 31 December 2023 and ending on the same date, by applying TMS 29 Standard. In accordance with the standard in question, financial statements prepared based on the currency of a hyperinflationary economy. This currency must be prepared in the purchasing power of the balance sheet date and the previous period financial statements must be rearranged in terms of the current measurement unit at the end of the reporting period. Hence the group, also the consolidated financial statements dated 30 June 2024 presented on a purchasing power basis as of 31 December 2023.

Rearrangements made in accordance with TMS 29, it was made using the correction coefficient obtained from the Consumer Price Index in Türkiye ("CPI") published by the Turkish Statistical Institute ("TURKSTAT"). As of June 30, 2024, the indices and correction coefficients used in the adjustment of the consolidated financial statements are as follows:

Date	Index	Correction coefficient	3-year compound inflation rate
30 June 2024	2,319.29	1,00000	324%
31 December 2023	1,859.38	1,24735	268%
30 June 2023	1,351.59	1,71597	190%

Applied Consolidation Principles

Consolidated financial statements include the financial statements of the companies controlled by the Company and its subsidiaries. Control is provided by the Company's fulfillment of the following conditions:

- Having power over the invested company/asset,
- Being open to or entitled to variable returns from the investee company/asset, and
- Ability to use power to have an impact on returns.

In the event of a situation or event that may cause any change in at least one of the criteria listed above, the Company re-evaluates whether it has control over its investment.

In cases where the Company does not have majority voting rights on the investee company/asset, it has control power over the investee company/asset, provided that it has sufficient voting rights to direct/manage the activities of the relevant investment. The Company considers all relevant events and circumstances in assessing whether the majority of votes in the relevant investment is sufficient to gain control, including the following:

- Comparing the voting rights of the Company with the voting rights of other shareholders,
- Potential voting rights held by the company and other shareholders,
- Rights arising from other contractual agreements and
- Other events and conditions that may indicate whether the Company has the current power to manage the relevant activities (including the voting at the previous general assembly meetings) in cases where a decision needs to be made.

Consolidation of a subsidiary begins when the Company has control over the subsidiary and ends when it loses control. Subsidiaries purchased or disposed of during the year. Each item of profit or loss and other comprehensive income belongs to the parent shareholders and non-controlling interests. Even if the non-controlling interests result in a reverse balance, the total comprehensive income of the subsidiaries is transferred to the parent shareholders and non-controlling interests Income and expenses of partnerships are included in the consolidated statement of profit or loss and other comprehensive income from the date of acquisition to the date of disposal.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Foreign Currency Translation

Foreign currency transactions are recorded by being valued at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are valued at the exchange rate at the end of the reporting period. All exchange differences arising are reflected in consolidated profit or loss.

Foreign currency translation rates used by the Group as of respective period-ends are as follows:

Date	TL/EURO	TL/US DOLLAR
30 June 2024	35,1284	32,8262
31 December 2023	32,5739	29,4382
30 June 2023	28,1540	25,8231

Turkish Accounting Standard No. 21 (TMS 21) "Effects of Exchange Rate Changes" requires that when financial statements prepared in foreign currency are included in the consolidated financial statements of the Group, in the conversion from a currency of a non-hyperinflationary economy to another currency of a non-hyperinflationary economy, all financial position statement items should be converted at the relevant period end exchange rates and the income statement should be converted at the average exchange rates of the period it ends in, and the exchange rate differences related to receivables and payables in foreign currency should be classified as other comprehensive income in the consolidated financial statements and kept in a separate account under equity as cumulative. As a result of the decision taken by the CMB on March 17, 2005, TL was determined as the currency of a non-hyperinflationary economy and therefore the above-mentioned conversion principles were valid.

Netting

Financial assets and liabilities are offset in the consolidated statement of financial position in the event that they have a legal right and sanction power to offset and there is an intention to collect/pay on a net basis or to settle them simultaneously.

Business Continuity

The Group has prepared its financial statements in accordance with the going concern principle.

Comparative Information and Correction of Prior Period Financial Statements

The Group management has restated the previous period consolidated financial statements within the scope of TFRS 9 "Financial Instruments" standard. Financial investments, which were previously evaluated as financial assets measured at fair value through other comprehensive income, were accounted for as fair value through profit/loss.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Estimates Used

Group management in the preparation of consolidated financial statements will affect reported asset and liability amounts, it is required to make certain estimates and assumptions that may affect the disclosures regarding possible assets and liabilities that will occur as of the end of the reporting period. Actual results may differ from estimates and assumptions. These estimates and assumptions are reviewed regularly necessary adjustments are made and reflected in the operating results of the relevant period. Significant estimates and assumptions that have an impact on the financial statements. It is explained in detail in the relevant sections of the footnotes of the Group's consolidated financial statements prepared as of 30 June 2024.

Changes in Accounting Policies, Comparative Information

While preparing financial statements in compliance with Turkish Accounting Standards (TMS) or Turkish Financial Reporting Standards (TFRS), changes and comments in the standards should be shown in the footnotes as follows:

Explanations regarding the effects of the new TAS/TFRS on financial statements:

a) Title of TAS/TFRS.
b) The accounting policy change has been made in accordance with the relevant transition provisions, if any
c) explanation of the change in accounting policy
d) explanation of transitional provisions, if any
e) Possible effects of transitional provisions, if any, on future periods
f) as much as possible, adjustment amounts for the current and each previous period presented:
   i. be presented for each affected financial statement item; and
   ii. If the "TAS 33, Earnings per Share" standard is valid for the company, ordinary share and diluted earnings per share amounts must be recalculated.
g) if possible, adjustment amounts for periods before the periods not presented; and
h) if retrospective application is not possible for any period or periods, the events that led to this situation should be explained and the date and how the change in accounting policy was applied should be explained.

a. Standards, amendments, and interpretations applicable as of 30 June 2024:

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

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

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

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

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

a. Standards, amendments, and interpretations applicable as of 30 June 2024(continued)

IFRS 2, 'Climate-related disclosures'; effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

In addition, in the Board Decision of the POA published in the Official Gazette dated December 29, 2023, it was announced that certain businesses will be subject to mandatory sustainability reporting as of January 1, 2024. Businesses that fall within the scope of sustainability practice are counted for the purpose of determining the businesses that will be subject to Sustainability Reporting within the scope of the "Board Decision on the Scope of Application of Turkish Sustainability Reporting Standards (TSRS)" dated January 5, 2024.

b. Standards, amendments, and interpretations that are issued but not effective as of 30 June 2024:

The IFRS codification has been preserved in the standards newly published by the International Accounting Standards Board but not yet incorporated into legislation by the Public Oversight Authority.

- **IFRS 17, 'Insurance Contracts'**; effective from annual periods beginning on or after 1 January 2023, this standard replaces IFRS 4, which permitted a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts.
  However, in its letter dated April 6, 2023 sent to the Insurance, Reinsurance and Pension Companies Association of Türkiye, the Public Oversight Authority (KGK) stated that it has reached the conclusion that it would be appropriate to apply TFRS 17 to consolidated and individual financial statements of insurance, reinsurance and pension companies, banks with partnerships/investments in these companies and other companies with partnerships/investments in these companies as of January 1, 2024.
  On the other hand, the application date of TFRS 17 has been postponed by KGK to January 1, 2025.

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

- **Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments**; effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available) These amendments:
  • clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
  • clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
  • add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
  • make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

b. Standards, amendments, and interpretations that are issued but not effective as of 30 June 2024:

c. **IFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
● the structure of the statement of profit or loss;
● required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management defined performance measures); and
● enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures;** effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:
● it does not have public accountability; and

● it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

These changes have no impact on the Group's financial position and performance.

CHANGES TO ACCOUNTING POLICIES

Significant changes in accounting policies are applied retrospectively and prior period financial statements are restated. The Group has applied its accounting policies consistent with the previous financial year.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

TFRS 9 Financial Instruments

TFRS 9, regulates the provisions regarding the recognition and measurement of financial assets and financial liabilities. This standard replaces TMS 39 Financial Instruments: Recognition and Measurement. The details of significant new accounting policies and the impact and nature of changes in previous accounting policies are set out below.

Classification of financial assets and liabilities

The amendments made in TFRS 9 mainly affect the classification and measurement of financial assets and the measurement of financial liabilities classified as measured at fair value through profit or loss, and require the presentation of the credit risk-related portion of the fair value changes of such financial liabilities in the other comprehensive income statement.

The impact of TFRS 9 on the classification and measurement of financial assets is stated below.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI ("financial asset measured at fair value through other comprehensive income") – debt investment; FVOCI - equity investment; or FVTPL ("financial asset measured at fair value through profit/loss"). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

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

1. It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
2. Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

1. It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
2. Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

Classification of financial assets and liabilities (continued)

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI ("other comprehensive income"). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized for the FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized for the at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

The effect of adopting IFRS 9 on the carrying amounts of financial assets relates solely to the new impairment and reclassification requirements, as described further below.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

Classification of financial assets and liabilities (continued)

Borrowing Funds

The most important funding sources of the Group are equity placed in liquid assets, funds obtained from domestic and foreign banks, interbank money market and their borrowers. Due to the short-term nature of the borrowed funds, it is assumed that their fair values approximate their book values.

Loans

Loans are financial assets created by providing money, goods or services to the borrower. The said loans and receivables are first recorded over the acquisition cost reflecting their fair value and are afterwards measured at their amortized amounts using the effective rate of interest (internal rate of return) method. Paid fees and other similar expenses related to the assets received as collateral of these are not accepted as part of the transaction cost and are reflected in the expense accounts. All of the Bank's loans are recorded under the account "Measured at Amortized Cost".

Evaluation of the Business Model Used by the Bank

The Bank classifies its financial assets based on the business model for managing the financial assets. According to IFRS 9 the business model is determined to show how financial asset groups are managed together in order to manage a specific management purpose. When evaluating the business model used for the management of financial assets, all relevant evidence that can be obtained at the date of the assessment is taken notice.

Impairment of Financial Assets

The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

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

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

–12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and

–Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The expected credit loss estimates are required to be unbiased, probability-weighted and include supportable information about past events, current conditions, and forecasts of future economic conditions.

These financial assets are divided into three categories depending on the gradual increase in credit risk observed since their initial recognition:

Stage 1: For the financial assets at initial recognition or that do not have a significant increase in credit risk since initial recognition. Impairment for credit risk is recorded in the amount of 12-month expected credit losses.

Stage 2: In the event of a significant increase in credit risk since initial recognition, the financial asset is transferred to Stage 2. Impairment for credit risk is determined on the basis of the instrument's lifetime expected credit losses.

The purpose of the provision for impairment is to include the expected credit losses to financial statements that have material increases in the credit risk since the first time credit risks applied to the financial statements.

Stage 3: Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit losses are recognized and interest revenue is calculated on the net carrying amount.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

TFRS 16 Leases

TFRS 16 introduced a single lease accounting model for lessees. As a result, the Group, as a lessee, recognized the right-of-use asset representing the right to use the underlying asset and lease liabilities representing the lease payments that it is obligated to pay rent. Accounting for the lessor is similar to previous accounting policies

a) Rental Definition

Previously, the Group decided whether a contract contains a lease at the inception of the contract according to TFRS Interpretation 4 "Determining whether an arrangement includes a lease", but the Group now evaluates whether a contract includes a lease based on the new definition of lease. In accordance with TFRS 16, if the right to control the use of the asset defined under a contract is transferred for a specified period, that contract is or includes a lease.

The group allocates to each lease and non-lease component on the basis of its relative stand-alone price at reassessment or contract inception of a contract that includes a lease component. However, for properties of which it is a lessee, the Group has chosen not to separate the non-lease components and to account for the non-lease and non-lease components as a single lease component.

b) As a tenant

The Group leases many assets, including real estate and land vehicles. As a lessee, the Group has previously classified the lease as an operating or finance lease based on an assessment of whether all of the risks and benefits of ownership of the asset are transferred.

In accordance with TFRS 16, the Group has recognized right-of-use assets and lease liabilities for most leases. In other words, these lease transactions are presented in the statement of financial position.

The Group has presented its lease liabilities in the statement of financial position in the "Liabilities from Lease Transactions".

The Group recognizes the right-of-use asset and the lease liability at the commencement date of the lease. The right-of-use asset is measured initially at cost and subsequently at cost less accumulated depreciation and accumulated impairment losses and adjusted for remeasurement of the lease liability. Right-of-use asset is initially measured at cost and after the lease actually commenced, it is measured at fair value in accordance with the Group's accounting policies.

At the commencement date of the lease, the lease liability is measured at the present value of the lease payments not paid at that date. Lease payments are discounted using the Group's alternative borrowing rate, if the implied interest rate in the lease can be easily determined, if not easily determined. Generally, the Group has used the alternative borrowing interest rate as the discount rate.
After the commencement date of the lease, the lessee increases the carrying amount of the lease liability to reflect the interest on the lease liability and the carrying amount to reflect the lease payments made.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

Tangible Assets

An item of tangible assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement as of June 30, 2024 the asset is derecognized.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of tangible assets since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated. The residual values of the ships of the Group are determined based on the actual sale prices published as of the report date for the ships having the same or similar qualifications which are of the age and condition expected at the end of their useful lives being equal to the depreciation period of 18 years. Depreciation methods, useful lives and residual values are reviewed at least annually unless there is a triggering event.

Upon acquisition of a vessel, the components of the vessel which are required to be replaced at the next dry-docking are identified and their costs are depreciated over the period to the next estimated dry-docking date. Costs incurred on subsequent dry-docking of vessels are capitalized and depreciated over the period to the next estimated drydocking date. When significant dry-docking costs incurred prior to the expiry of the depreciation period, the remaining costs of the previous dry-docking are written off immediately.

Repairs and maintenance costs are charged to the consolidated income statement during the financial period in which they are incurred. The cost of major renovations are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

	Years
Buildings	50 years
Ships	18 years
Office and vehicle equipment	2-15 years
Motor vehicles	5 years
Drydock	5 years
Leasehold improvements	Lease term, not less than 5 years

In case of any event or change that indicates that the carrying values of tangible fixed assets will not be realized, it is examined whether there is any impairment. If the said indicators are present and the carrying values exceed the realizable value, the relevant assets are reduced to their realizable value. Value impairments are reflected in the consolidated profit or loss.

Intangible Assets

Intangible assets acquired without the purchase of a business are stated by deducting amortization shares from the indexed acquisition cost. Intangible assets created within the business, except for development costs, are not capitalized and are recorded as expenses in the year they are incurred. Intangible assets are amortized on a straight-line basis over their estimated useful lives. Intangible assets are amortized over their estimated useful lives of 3 to 15 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated income statement when the asset is derecognized.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

Assets Held for Sale

A property is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. A property is not depreciated and is stated at the lower of it carrying amount and fair value less costs to sell while it is classified as held for sale or while it is a part of a disposal group classified as held for sale. A property that ceases to be classified as held for sale or ceases to be included in a disposal group classified as held for sale is measured at the lower of its carrying amount before the property or disposal group was classified as held for sale, adjusted for any depreciation or revaluations that would have been recognized had the property or disposal group not been classified as held for sale, and its recoverable amount at the date of subsequent decision not to sell.

Impairment of Non-Financial Assets

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Cash Flow Statement

In terms of the presentation of the consolidated statement of cash flows, cash and cash equivalents, cash in hand and bank deposits with original maturity less than 3 months, Türkiye Cumhuriyet Merkez Bankası A.Ş. ("CBRT") and other financial institutions, money market receivables and other short-term investments with high liquidity that can be converted into cash.

Leases

Finance leases (the Group as lessor)

The Group presents leased assets as receivables equal to the net investment in the leases. Finance income is based on a pattern reflecting a constant periodic rate of return on the net investment outstanding

Finance leases (the Group as lessee)

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalized leased assets are depreciated over the estimated useful life of the asset.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

Factoring Receivables

Factoring receivables are measured at amortized cost less specific allowances for uncollectibility and unearned interest income. Specific allowances are made against the carrying amount of factoring receivables and that are identified as being impaired based on regular reviews of outstanding balances to reduce factoring receivables to their recoverable amounts. When a factoring receivable is known to be uncollectible, all the necessary legal procedures have been completed, and the final loss has been determined, receivable is written off immediately.

Taxes Calculated on Corporate Income

Tax expense/(income) represents the total balance used in determining the net profit or loss for the period, taking into account current and deferred tax. The tax is included in the statement of profit or loss, provided it is not directly related to a transaction accounted for under equity. Otherwise, the tax is accounted for under equity along with the related transaction.

Deferred tax is calculated using the statement of financial position liability method, taking into account the tax effect of temporary differences between the values of assets and liabilities reflected in the financial reporting and the amounts that are the basis for the tax calculation. Deferred tax liability is calculated over all temporary differences except transactions that have no taxable profit effect.

Deferred tax asset is calculated over carried and unused accumulated losses and all kinds of deductible temporary differences, when it is deemed possible to generate sufficient profit to be able to deduct these losses in the future.

The Group reviews the deferred tax assets at the end of each reporting period and reverses the deferred tax assets that are determined not to be deductible from taxable income in the following years by expense. Deferred tax assets and liabilities are calculated on the basis of tax rates that are enacted or enacted at the end of the reporting period, which are expected to be valid when the related asset will be realized or the liability will be fulfilled.

Since the current tax amounts to be paid are related to the prepaid tax amounts and corporate tax, they are netted for each group company. Deferred tax assets and liabilities are also netted off for each group company. Companies in Türkiye cannot file consolidated tax returns, therefore, deferred tax positions of companies with deferred tax assets and companies with deferred tax liabilities have not been netted and disclosed separately

Derivative Financial Instruments

Most of the derivative transactions are considered as effective economic hedges under the Group's risk management policies; however since they do not qualify for hedge accounting under the specific provisions of IFRS 9 "Financial Instruments", they are treated as derivatives held for trading. Derivative financial instruments are initially recognized at fair value on the date at which a derivative contract is entered into and subsequently re-measured at fair value. Any gains or losses arising from changes in fair value on derivatives are recognized in the consolidated income statement.

Fair values are obtained from quoted market prices in active markets, including recent market transactions, to the extent publicly available, and valuation techniques, including discounted cash flow models and options pricing models as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Custody Assets

Assets held by the Group in a custody agency or custodian capacity for its customers are not included in the statement of financial position, since such items are not treated as assets of the Group.

Credits Used

The credits used are recorded with the fair value of the acquired value after deducting the costs directly related to the transaction. After initial recognition, the repaid amounts are deducted and carried from the discounted amounts using the effective interest method. The discounted amount is calculated by taking into account all discounts and premiums on the transaction date. Income or expense incurred when the related liability is derecognised or impaired is recognized in consolidated profit or loss.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing costs may include interest expense calculated using the effective interest method, finance charges in respect of finance leases and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest cost. The Group begins capitalizing borrowing costs as part of the cost of a qualifying asset when it incurs expenditures for the asset and borrowing costs and undertakes activities that are necessary to prepare the asset for its intended use or sale. The Group ceases capitalizing borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Other borrowing costs are recognized as an expense in the period in which they are incurred

Repurchased Shares and Mutual Affiliate Capital Adjustment

The amount paid on purchase for Company shares acquired by the Group's companies subject to consolidation is deducted from equity under the item "Redeemed Shares" for those acquired directly by the Company itself and "Mutual Participation Capital Adjustment" for those acquired by the Company's consolidated subsidiaries; On disposal, these items are credited in the amount of the purchase cost. The profit/loss on disposal of the shares followed in the "Repurchased Shares" and "Mutual Participation Capital Adjustment" items is recorded in the "Repurchased Shares Reserves" and "Premiums/Discounts on Shares" items, respectively, in the consolidated equity. In the change table, the items related to the changes of these items are shown. No profit or loss is recorded in the consolidated statement of profit or loss due to the purchase, disposal, issue or cancellation of its own shares acquired by the Company or its consolidated subsidiaries.

Short – Term Employee Benefits

(i) Defined benefit plans

For defined contribution plans, the Group pays contributions to publicly administered social security funds on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due.

(ii) Defined Benefit Plan for Bonus Provisions:

Without the Group having any legal obligation to pay, bonus provisions are set aside on a short-term basis for premium payments, which become a tacit obligation as they are implemented regularly every year.

An obligation under profit-sharing and bonus plans results from employee service and not from a transaction with the Group's owners. Therefore, the Group recognises the cost of profit-sharing and bonus plans not as a distribution of profit but as an expense.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

Benefits Provided to Long-Term Employees

(i) Defined Benefit Plan for Severance Pay:

Group, in accordance with current labor law, it is obliged to pay a certain amount of severance pay to the personnel who leave the job due to retirement after serving for at least one year or whose employment is terminated for reasons other than resignation and bad behavior. Group, the severance pay provision in the attached consolidated financial statements was calculated using the "Projection Method" and based on the Group's experience in the past years in completing the personnel service period and being entitled to severance pay, and discounted it at the end of the reporting period. Group except where another IFRS permits or requires inclusion in the cost of an asset. The service cost and net interest on the net defined benefit liability (asset), which are the components of defined benefit cost, are included in profit or loss. Remeasurements of the net defined benefit liability (asset) have been recognized in other comprehensive income. Other remeasurements of the net defined benefit liability (asset) recognized in comprehensive income. It is not reclassified to profit or loss in subsequent periods. However, these amounts recognized in other comprehensive income may be transferred to another element of equity, Group within the scope of this provision. The previous year-end balance of the "Defined Benefit Plans Remeasurement Gains/Losses" fund followed in equity. It is transferred to "Retained Years Profit/(Loss)" in shareholders' equity at the beginning of each year.

(ii) Defined contribution plans:

The Group has recognized the expected cost of employee benefits in the form of accumulated vesting paid absences relating to the unused entitlement arising from the services rendered by the Group's employees, required to be paid when the employment of the personnel is terminated due to any reason in accordance with the existing social legislation in Türkiye, as a long-term liability by measuring it on an undiscounted basis since its discounting does not have a significant impact on the consolidated financial position or performance of the Group.

Provisions, Contingent Liabilities and Assets

(i) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

(ii) Contingent liabilities and assets

Contingent liabilities are not recognized in the financial statements but disclosed in the notes if the possibility of any outflow is low. Contingent assets are not included in financial statements but explained in the notes if an inflow of economic benefits is probable.

Trade Payables

All debts are recorded with the cost value found by deducting the resource cost of the debt from their fair values at the date of receipt.

After the initial recording date, the liabilities are valued at their amortized cost using the effective interest rate method in the following periods. Discounted cost is calculated taking into account issuance costs, discounts and premiums.

Gains or losses on these liabilities are shown in net profit or loss as liabilities arise.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

Income and Expense Recognition

Interest income and expense are recognized in the consolidated income statement for all interest bearing instruments on an accrual basis using the effective yield method based on the actual purchase price. Interest income recognition on loans and factoring receivables are suspended when loans and factoring receivables are overdue by more than 90 days and on financial lease receivables overdue by more than 150 days. Interest accrual does not start until such loans become performing. Interest income includes interest income earned on financial assets– fair value through profit/loss, financial assets– fair value through other comprehensive income.

Factoring commission income represents the upfront charge to the customer to cover the service given and the collection expenses incurred. Factoring commission is accounted for on accrual basis.

General model for accounting of revenue

In accordance with IFRS 15, a five-step model is followed in recognizing revenue for all contacts with customers.

Step 1: Identify the contract
A contract with a customer is in the scope of the new standard when the contract is legally enforceable and certain criteria are met. If the criteria are not met, then the contract does not exist for purposes of applying the general model of the new standard, and any consideration received from the customer is generally recognized as a deposit (liability). Contracts entered into at or near the same time with the same customer (or a related party of the customer) are combined and treated as a single contract when certain criteria are met.

Step 2: Identify the performance obligations

The Group defines the "performance obligations" as a unit of account for revenue recognition. The company assesses the goods or services it has committed in a contract with the customer and determines each commitment to the customer as one of the performance obligations as a performance obligation:

(a) good or service (or a bundle of goods or services) that is distinct; or

(b) series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The Group may define a contract or a service separately from other contractual obligations and define it as a different commodity or service if the customer makes use of such goods or services alone or in combination with other resources available for use. A single contract may contain promises to deliver to the customer more than one good or service. At contract inception, an entity evaluates the promised goods or services to determine which goods or services (or bundle of goods or services) are distinct and therefore constitute performance obligations

Step 3: Determine the transaction price

When determining the transaction price, an entity assumes that the goods or services will be transferred to the customer based on the terms of the existing contract. In determining the transaction price, an entity considers variables considerations and significant financing components

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

Income and Expense Recognition (continued)

Significant financing component

To estimate the transaction price in a contract, the Group adjusts the promised amount of consideration to reflect the time value of money if the contract contains a significant financing component. Significant financing component exists if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. The Group does not have a sales transaction with a significant financing component.

Variable consideration

The Entity identifies items such as price concessions, incentives, performance bonuses, completion bonuses, price adjustment clauses, penalties, discounts, credits, or similar items may result in variable consideration if there is any in a customer contract.

Step 4: Allocate the transaction price

The transaction price is allocated to each performance obligation – generally each distinct good or service – to depict the amount of consideration to which an entity expects to be entitled in exchange for transferring the promised goods or services to the customer.

Step 5: Recognize revenue

An entity recognizes revenue over time when one of the following criteria's are met:

• Customer simultaneously receives and consumes the benefits as the entity performs, or

• The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced, or

• The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

For each performance obligation that is satisfied over time, an entity applies a single method of measuring progress toward complete satisfaction of the obligation. The objective is to depict the transfer of control of the goods or services to the customer. To do this, an entity selects an appropriate output or input method. It then applies that method consistently to similar performance obligations and in similar circumstances.

If a performance obligation is not fulfilled in time, then the Group recognizes revenue when the control of goods or services is transferred to the customer.

Contract changes

If the Group commits to providing an additional service, it accepts the contract modification as a separate contract. In case of termination of the existing contract and creation of a new contract, the relevant changes are accounted for if the services provided are different. If the modification to the contract does not create separate services, the entity accounts for combining the additional services with the original contract as if they were part of the original contract. The main revenue elements of the Group in non-financial sectors consist of ship chartering and other maritime sector service income. When the Group fulfills its performance obligation by transferring a promised service to its customer, it recognizes revenue in its consolidated financial statements.

2. BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Accounting Policies, Comparative Information (continued)

Income and Expense Recognition (continued)

The Group's main revenues in non-financial sectors consist of ship chartering and other maritime sector service revenues. The Group recognizes revenue in its consolidated financial statements when it fulfills its performance obligation by transferring a promised service to its customer.

Rental income is obtained by renting ships within the scope of time charter. Rental fees are collected at the beginning of the rental period in 15-day periods within the scope of the contract, and are income at the end of the rental period.

Interest and other income from finance sector activities are accounted for on an accrual basis using the effective interest method. Dividend income is recognized in profit or loss on the date of declaration. Other income and expenses are accounted for on an accrual basis. Financial income and expenses are accounted for on an accrual basis using effective interest management.

Earnings per Share

The Group presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Increases in the number of shares due to share capital increases made from internal resources during the period or after the end of the period until the financial statements are authorized for issue are taken into consideration in the calculation of weighted average number of the shares from the beginning of the period.

Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the reporting dates (adjusting events) are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

Related Parties

A party is related to an entity if:

(a) Directly, or indirectly through one or more intermediaries, the party:

(i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);

(ii) has an interest in the entity that gives it significant influence over the entity; or

(iii) has joint control over the entity;

(b) the party is an associate of the entity;

(c) the party is a joint venture in which the entity is a venturer

(d) the party is a member of the key management personnel of the entity or its parent;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

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

Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Group management to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

3. SEGMENT INFORMATION

For management purposes, the Group has divided its reporting into four separate business segments, namely Banking, Shipping, Factoring and Holding, and two separate geographical areas, namely Türkiye and International (Netherlands, Malta and Marshall Islands). The results for each reported segment are presented below:

Country of Operation	**Türkiye**	**Türkiye & International**	**Türkiye**	**Türkiye**			**Segment Information Combined by Countries**			
Consolidated Income Statement (01.01.2024-30.06.2024)	**Banking**	**(1) (2) Marine**	**Factoring**	**Holding**	**Inter-segment eliminations**	**Group**	**Türkiye**	**(3) International**	**Inter-country elimination**	**Group**
Revenue	-	709,138	-	4,260	(16,046)	697,352	24,711	695,562	(22,921)	697,352
Cost of sales (-)	-	(466,044)	-	(3,241)	3,241	(466,044)	(5,352)	(466,044)	5,352	(466,044)
Gross profit/(loss) from financial activities	**-**	**243,094**	**-**	**1,019**	**(12,805)**	**231,308**	**19,359**	**229,518**	**(17,569)**	**231,308**
Revenue from finance activities	**520,838**	**5**	**715,419**	**-**	**(15,085)**	**1,221,177**	**1,236,262**	**-**	**(15,085)**	**1,221,177**
Fee, commission and other service income	56,323	-	287	-	(26)	56,584	56,610	-	(26)	56,584
Foreign exchange income	7,813	5	5,616	-	(625)	12,809	13,434	-	(625)	12,809
Interest income	261,879	-	706,389	-	(12,299)	955,969	968,268	-	(12,299)	955,969
Dividend Income	5,104	-	-	-	-	5,104	5,104	-	-	5,104
Gain from Derivative Financial Transactions	189,719	-	3,127	-	(2,135)	190,711	192,846	-	(2,135)	190,711
Other financial sector operations income, net	**(208,817)**	**(1)**	**(372,565)**	**-**	**14,553**	**(566,830)**	**(581,383)**	**-**	**14,553**	**(566,830)**
Cost of finance activities (-)	(2,025)	-	(5,850)	-	28	(7,847)	(7,875)	-	28	(7,847)
Fee, commission and other service expense	(42,108)	(1)	(2,392)	-	4,137	(40,364)	(44,501)	-	4,137	(40,364)
Foreign exchange expense	(100,259)	-	(349,882)	-	10,388	(439,753)	(450,141)	-	10,388	(439,753)
Interest expense	(63,377)	-	-	-	-	(63,377)	(63,377)	-	-	(63,377)
Other financial sector operations expense net	(1,048)	-	(14,441)	-	-	(15,489)	(15,489)	-	-	(15,489)
Gross profit/(loss) from financial sector operations	**312,021**	**4**	**342,854**	**-**	**(532)**	**654,347**	**654,879**	**-**	**(532)**	**654,347**
GROSS PROFIT/(LOSS)	**312,021**	**243,098**	**342,854**	**1,019**	**(13,337)**	**885,655**	**674,238**	**229,518**	**(18,101)**	**885,655**
General administrative expenses (-)	(70,612)	(34,888)	(77,480)	(49,467)	14,615	(217,832)	(216,842)	(20,369)	19,379	(217,832)
Other income from operating activities	-	57,129	-	122,422	(5,750)	173,801	126,873	52,678	(5,750)	173,801
Other expense from operating activities (-)	-	(3,359)	-	(603)	625	(3,337)	(1,309)	(2,653)	625	(3,337)
OPERATING PROFIT/(LOSS)	**241,409**	**261,980**	**265,374**	**73,371**	**(3,847)**	**838,287**	**582,960**	**259,174**	**(3,847)**	**838,287**
Income from investment activities	-	212,869	-	27,921	-	240,790	61,842	210,643	(31,695)	240,790
Expense from investment activities (-)	-	(6,475)	-	(260)	-	(6,735)	(260)	(6,475)	-	(6,735)
OPERATING PROFIT/(LOSS) BEFORE FINANCING EXPENSES	**241,409**	**468,374**	**265,374**	**101,032**	**(3,847)**	**1,072,342**	**644,542**	**463,342**	**(35,542)**	**1,072,342**
Financing expenses (-)	(829)	(46,401)	(598)	(1,348)	3,849	(45,327)	(34,617)	(46,254)	35,544	(45,327)
Net Monetary Position Gains (Losses)	(621,491)	(121,202)	(36,940)	(1,587,965)	1,508,838	(858,760)	(2,367,598)	-	1,508,838	(858,760)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**(380,911)**	**300,771**	**227,836**	**(1,488,281)**	**1,508,840**	**168,255**	**(1,757,673)**	**417,088**	**1,508,840**	**168,255**
Tax income/(expense) from continuing operations	**(29,701)**	**(23,230)**	**(87,309)**	**(24,175)**	**-**	**(164,415)**	**(145,116)**	**(19,299)**	**-**	**(164,415)**
Current tax income/(expense)	(28,432)	(23,247)	(87,706)	(19,571)	-	(158,956)	(139,657)	(19,299)	-	(158,956)
Deferred tax income/(expense)	(1,269)	17	397	(4,604)	-	(5,459)	(5,459)	-	-	(5,459)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**(410,612)**	**277,541**	**140,527**	**(1,512,456)**	**1,508,840**	**3,840**	**(1,902,789)**	**397,789**	**1,508,840**	**3,840**

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

3. SEGMENT INFORMATION (Continued)

Country of Operation	**Türkiye**	**Türkiye & International**	**Türkiye**	**Türkiye**			**Segment Information Combined by Countries**			
(01.01.2024-30.06.2024)	**Banking**	**(1) (2) Marine**	**Factoring**	**Holding**	**Inter-segment eliminations**	**Group**	**Türkiye**	**(3) International**	**Inter-country elimination**	**Group**
NET PROFIT/(LOSS)	**(410,612)**	**277,541**	**140,527**	**(1,512,456)**	**1,508,840**	**3,840**	**(1,902,789)**	**397,789**	**1,508,840**	**3,840**
Non-controlling interest	**-**	**(22,512)**	**903**	**-**	**(14)**	**(21,623)**	**(21,608)**	**-**	**(15)**	**(21,623)**
Equity holders of the company	**(410,612)**	**300,053**	**139,624**	**(1,512,456)**	**1,508,854**	**25,463**	**(1,881,181)**	**397,789**	**1,508,855**	**25,463**
OTHER COMPREHENSIVE INCOME										
Which will be not classified in profit or loss	**94**	**50**	**(2,483)**	**(1,800)**	**-**	**(4,139)**	**(4,139)**	**-**	**-**	**(4,139)**
Defined benefit plans re-measurement gains / losses	94	50	(2,483)	(1,800)	-	(4,139)	(4,139)	-	-	(4,139)
Reinstated as Other Profit or Loss Other Comprehensive Income Items That Will Not Be Classified	**-**	**(248,215)**	**-**	**-**	**-**	**(248,215)**	**(100,166)**	**(148,049)**	**-**	**(248,215)**
Which will be classified in profit or loss	-	(248,215)	-	-	-	(248,215)	(100,166)	(148,049)	-	(248,215)
Foreign Currency Conversion Differences for Foreign Operations	**94**	**(248,165)**	**(2,483)**	**(1,800)**	**-**	**(252,354)**	**(104,305)**	**(148,049)**	**-**	**(252,354)**
OTHER COMPREHENSIVE INCOME (AFTER TAX)	**(410,518)**	**29,376**	**138,044**	**(1,514,256)**	**1,508,840**	**(248,514)**	**(2,007,094)**	**249,740**	**1,508,840**	**(248,514)**
TOTAL COMPREHENSIVE INCOME	**-**	**(55,298)**	**888**	**-**	**93,996**	**39,586**	**(54,410)**	**-**	**93,996**	**39,586**
Non-controlling interest	**(410,518)**	**84,674**	**137,156**	**(1,514,256)**	**1,414,844**	**(288,100)**	**(1,952,684)**	**249,740**	**1,414,844**	**(288,100)**
Equity holders of the company										
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (31 December 2023)	**2,133,412**	**7,204,749**	**2,200,777**	**5,315,210**	**(4,854,503)**	**11,999,645**	**9,708,969**	**7,885,449**	**(5,594,773)**	**11,999,645**
TOTAL ASSETS	**1,127,718**	**1,664,992**	**1,459,982**	**59,198**	**(937,776)**	**3,374,114**	**2,651,175**	**2,400,986**	**(1,678,047)**	**3,374,114**
TOTAL LIABILITIES										
Other segment information (continued and discontinued operations)	-	92,180	-	-	(15,104)	77,076	-	92,180	(15,104)	77,076
(Advances given)/Transfer of advances given for capital expenditures	1,670	705,954	1,320	101,435	15,109	825,488	109,125	701,254	15,109	825,488
Capital (Fixed Asset) expenditures (****)	(2,443)	(122,553)	(3,380)	(2,050)	1	(130,425)	(8,584)	(121,842)	1	(130,425)
Depreciation expense	(197)	(21)	(49)	(116)	-	(383)	(383)	-	-	(383)
Amortization expense	(587)	-	(14,108)	-	-	(14,695)	(14,695)	-	-	(14,695)

(1) The marine segment consists of the relevant amounts of GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret A.Ş. and GSD Shipping B.V.

(2) The vessels of the subsidiaries established in Malta of GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret A.Ş. and GSD Shipping B.V. are registered in Malta International Ship Register and operating in international freight forwarding.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

3. SEGMENT INFORMATION (Continued)

Country of Operation	**Türkiye**	**Türkiye & International**	**Türkiye**	**Türkiye**			**Segment Information Combined by Countries**			
Consolidated Statement of and Other Comprehensive Income		**(1) (2)**						**(3)**		
(01.01.2023-30.06.2023)	**Banking**	**Marine**	**Factoring**	**Holding**	**Inter-segment eliminations**	**Group**	**Türkiye**	**International**	**Inter-country elimination**	**Group**
Revenue	-	542,978	-	5,294	(16,625)	531,647	28,034	531,515	(27,902)	531,647
Cost of sales (-)	-	(441,211)	-	(4,127)	4,127	(441,211)	(7,990)	(441,211)	7,990	(441,211)
Gross profit/(loss) from financial activities	**-**	**101,767**	**-**	**1,167**	**(12,498)**	**90,436**	**20,044**	**90,304**	**(19,912)**	**90,436**
Revenue from finance activities	**270,671**	**21**	**299,351**	**-**	**(21,272)**	**548,771**	**570,043**	**-**	**(21,272)**	**548,771**
Fee, commission and other service income	84,601	-	643	-	(9,379)	75,865	85,244	-	(9,379)	75,865
Foreign exchange income	21,153	21	59	-	1,747	22,980	21,233	-	1,747	22,980
Interest income	64,778	-	296,211	-	(11,232)	349,757	360,989	-	(11,232)	349,757
Other financial sector operations income, net	100,139	-	2,438	-	(2,408)	100,169	102,577	-	(2,408)	100,169
Cost of finance activities (-)	**(18,410)**	**-**	**(137,906)**	**-**	**23,966**	**(132,350)**	**(156,317)**	**-**	**23,967**	**(132,350)**
Fee, commission and other service expense	(1,980)	-	(38,638)	-	9,378	(31,240)	(40,618)	-	9,378	(31,240)
Foreign exchange expense	(353)	-	(35)	-	388	-	(388)	-	388	-
Interest expense	(13,108)	-	(98,810)	-	14,200	(97,718)	(111,919)	-	14,201	(97,718)
Other financial sector operations expense net	(2,969)	-	(423)	-	-	(3,392)	(3,392)	-	-	(3,392)
Gross profit/(loss) from financial sector operations	**252,261**	**21**	**161,445**	**-**	**2,694**	**416,421**	**413,726**	**-**	**2,695**	**416,421**
GROSS PROFIT/(LOSS)	**252,261**	**101,788**	**161,445**	**1,167**	**(9,804)**	**506,857**	**433,770**	**90,304**	**(17,217)**	**506,857**
General administrative expenses (-)	(68,964)	(34,544)	(54,810)	(42,300)	14,476	(186,142)	(184,112)	(23,921)	21,891	(186,142)
Other income from operating activities	6,565	39,227	5,937	118,311	(7,257)	162,783	118,404	51,637	(7,258)	162,783
Other expense from operating activities (-)	-	(1,960)	-	(1,012)	(2)	(2,974)	(2,972)	-	(2)	(2,974)
OPERATING PROFIT/(LOSS)	**189,862**	**104,511**	**112,572**	**76,166**	**(2,587)**	**480,524**	**365,090**	**118,020**	**(2,586)**	**480,524**
Income from investment activities	-	20,353	-	478,760	-	499,113	528,001	8,503	(37,391)	499,113
Expense from investment activities (-)	**189,862**	**124,864**	**112,572**	**554,926**	**(2,587)**	**979,637**	**893,091**	**126,523**	**(39,977)**	**979,637**
OPERATING PROFIT/(LOSS) BEFORE FINANCING EXPENSES	(3,049)	(33,376)	(374)	(4,348)	478	(40,669)	(16,252)	(62,286)	37,869	(40,669)
Financing income	(492,029)	(159,395)	(130,376)	(2,026,932)	2,274,902	(533,830)	(2,808,731)	-	2,274,901	(533,830)
Net Monetary Position Gains (Losses)	**(305,216)**	**(67,907)**	**(18,178)**	**(1,476,354)**	**2,272,793**	**405,138**	**(1,931,892)**	**64,237**	**2,272,793**	**405,138**
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**(26,855)**	**(7,110)**	**(30,583)**	**(85,822)**	**-**	**(150,370)**	**(141,868)**	**(8,502)**	**-**	**(150,370)**
Tax income/(expense) from continuing operations	(25,717)	(6,023)	(29,462)	(75,542)	-	(136,744)	(128,242)	(8,502)	-	(136,744)
Current tax income/(expense)	(1,138)	(1,087)	(1,121)	(10,280)	-	(13,626)	(13,626)	-	-	(13,626)
Deferred tax income/(expense)	**(332,071)**	**(75,017)**	**(48,761)**	**(1,562,176)**	**2,272,793**	**254,768**	**(2,073,760)**	**55,735**	**2,272,793**	**254,768**

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

3. SEGMENT INFORMATION (Continued)

Country of Operation	Türkiye	Türkiye & International	Türkiye	Türkiye			Segment Information Combined by Countries			
(01.01.2023-30.06.2023)	**Banking**	**(1) (2) Marine**	**Factoring**	**Holding**	**Inter-segment eliminations**	**Group**	**Türkiye**	**(3) International**	**Inter-country elimination**	**Group**
NET PROFIT/(LOSS)	**(332,071)**	**(75,017)**	**(48,761)**	**(1,562,176)**	**2,272,793**	**254,768**	**(2,073,760)**	**55,735**	**2,272,793**	**254,768**
Non-controlling interest	**-**	**(51,666)**	**(5,192)**	**-**	**-**	**(56,858)**	**(56,855)**	**-**	**(3)**	**(56,858)**
Equity holders of the company	**(332,071)**	**(23,351)**	**(43,569)**	**(1,562,176)**	**2,272,793**	**311,626**	**(2,016,905)**	**55,735**	**2,272,796**	**311,626**
OTHER COMPREHENSIVE INCOME										
Which will be not classified in profit or loss	**(2,450)**	**503**	**(1,332)**	**(1,763)**	**-**	**(5,042)**	**(5,042)**	**-**	**-**	**(5,042)**
Defined benefit plans re-measurement gains / losses	(2,450)	503	(1,332)	(1,763)	-	(5,042)	(5,042)	-	-	(5,042)
Reinstated as Other Profit or Loss Other Comprehensive Income Items That Will Not Be Classified	-	**1,700,196**	-	-	-	**1,700,196**	**457,943**	**1,242,253**	-	**1,700,196**
Which will be classified in profit or loss	-	1,700,196	-	-	-	1,700,196	457,943	1,242,253	-	1,700,196
Foreign Currency Conversion Differences for Foreign Operations	**(2,450)**	**1,700,699**	**(1,332)**	**(1,763)**	**-**	**1,695,154**	**452,901**	**1,242,253**	**-**	**1,695,154**
OTHER COMPREHENSIVE INCOME (AFTER TAX)	**(334,521)**	**1,625,682**	**(50,093)**	**(1,563,939)**	**2,272,793**	**1,949,922**	**(1,620,859)**	**1,297,988**	**2,272,793**	**1,949,922**
TOTAL COMPREHENSIVE INCOME	**-**	**163,606**	**(5,380)**	**-**	**-**	**158,226**	**158,228**	**-**	**(2)**	**158,226**
Non-controlling interest	**(334,521)**	**1,462,076**	**(44,713)**	**(1,563,939)**	**2,272,793**	**1,791,696**	**(1,779,087)**	**1,297,988**	**2,272,795**	**1,791,696**
Equity holders of the company										
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (31 December 2023)	**1,376,539**	**8,359,718**	**1,329,396**	**6,603,764**	**(3,606,248)**	**14,063,169**	**8,497,866**	**9,805,181**	**(4,239,878)**	**14,063,169**
TOTAL ASSETS	**289,707**	**1,531,841**	**1,004,628**	**158,494**	**(367,944)**	**2,616,726**	**890,014**	**2,728,287**	**(1,001,575)**	**2,616,726**
TOTAL LIABILITIES										
Other segment information (continued and discontinued operations)	-	42,903	-	-	(42,903)	-	-	42,903	(42,903)	-
(Advances given)/Transfer of advances given for capital expenditures	3,204	683,173	5,266	2,170	42,903	736,716	10,733	683,080	42,903	736,716
Capital (Fixed Asset) expenditures (****)	(685)	(142,899)	(839)	(1,565)	-	(145,988)	(3,243)	(142,745)	-	(145,988)
Depreciation expense	(77)	(10)	(21)	(14)	-	(122)	(122)	-	-	(122)
Amortization expense	(2,584)	-	911	-	-	(1,673)	(1,673)	-	-	(1,673)

(1) The marine segment consists of the relevant amounts of GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret A.Ş. and GSD Shipping B.V.

(2) The vessels of the subsidiaries established in Malta of GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret A.Ş. and GSD Shipping B.V. are registered in Malta International Ship Register and operating in international freight forwarding.

4. CASH AND CASH EQUIVALENTS

	30 June 2024	31 December 2023
Reserve deposits at the central bank	52	17
CBRT	2,772	1,665
Cash on hand and balances with the Central Bank	**2,824**	**1,682**
Banks and financial institutions [1]	1,034,282	1,330,844
Receivables from money market	41,434	31,542
Reserve requirements	263	526
Cash and cash equivalents in the statement of financial position	**1,078,803**	**1,364,594**

[1] The period-end cash and cash equivalents balance includes the blocked amount of Hako Maritime Limited.

5. FINANCIAL INSTRUMENTS

a) Financial Assets Measured at Fair Value Through Other Comprehensive Income

	30 June 2024	31 December 2023
Other	71,011	14,666
Government domestic debt securities	**71,011**	**14,666**

b) Financial assets at fair value through profit/loss

	30 June 2024	31 December 2023
Bonds	212,580	57,046
Investment fund	826,771	832,675
Common stocks (*)	862,319	854,385
Total	**1,901,670**	**1,744,106**

(*) It includes the fair value of Borsa İstanbul A.Ş. shares owned by GSD Yatırım Bankası A.Ş. (TL 1,517) and the 9.6% share owned by GSD Holding A.Ş. in Silopi Elektrik Üretim A.Ş. (TL 791,908) and the minimum dividend valuation amounts accrued due to these shares as per the additional agreement (TL 68,894).

30 June 2024			**GSD Holding A.Ş's Shareholding**		
Subsidiaries in Financial Assets Classified as Fair Value Through Profit/Loss	**Carrying Value**	**Paid Capital**	**Direct (%)**	**Indirect (%)**	**Total (%)**
Silopi Elektrik Üretim A.Ş. (*)	860,802	1,501,125	9,6	-	9,6
Borsa İstanbul A.Ş.	1,517	423,234	-	0.36	0.36
Total	**862,319**				

(*) As of 31 December 2023, the fair value of the 9.60% shares of the Company in Silopi Elektrik Üretim A.Ş. has been determined by an independent valuation company using income and market approaches. The remaining shares are shown in the statement of financial position with their fair value of TL 791,908 (31 December 2023: TL 791,908), which is the result of the valuation. While calculating the fair value, discounted cash flows ("DC") and market approach (similar companies) are used and minority discount is also taken into account. In the DCF approach, the business plan until 31 December 2047 is used. The weighted average cost of capital ("WCM") rate used in the model is calculated as 18.6% throughout the business plan.

In addition, the dividend income obtained by years in accordance with the supplementary agreement has been re-arranged according to the terms of the agreement as of 1 January 2020 and shown in the financial statements.

With the Law No. 7352 Amending the Tax Procedure Law and the Corporate Tax Law, published in the Official Gazette dated 29 January 2022 and numbered 31734, and the temporary article 14 was added to the Corporate Tax Law No. 5520, and the foreign currencies and gold accounts in the balance sheets of 31 December 2021 were recorded in Turkish. For the taxpayers, who convert the Turkish lira assets into Turkish lira and use them in Turkish lira deposit and participation accounts with a maturity of at least three months opened in this context, the exchange gains they have obtained in the period between October 1, 2021 and December 31, 2021, are obtained at the end of maturity. Within the scope of the principles specified in the regulation for the interest, dividends and other earnings obtained, corporate tax exemption has been introduced for the 2021 accounting period. This exception is valid in 2022, 2023 and was abolished in 2024.

It was decided to open a 3-month Currency Protected Deposit Account on December 7, 2023. A return of 16,611 thousand TL was made on March 8, 2024 and was closed at the end of the term. The tax advantage provided for the 2024 period is 83 thousand TL.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

5. FINANCIAL INSTRUMENTS (Continued)

c) Financial Assets Measured at Amortized Cost

	30 June 2024	31 December 2023
Opening balance	**48,521**	**110,024**
Additions	13,161	47,252
Disposals (sales and redemptions)	(60,597)	(64,513)
Interest received due to redemptions	191	(6,214)
Exchange	(1,276)	5,223
Monetary gain / (loss)	-	(43,251)
Period end balance	**-**	**48,521**

d) Unconsolidated Subsidiaries

The unconsolidated subsidiaries and other unquoted equity instruments which are classified in the "unquoted equity instruments" caption in the consolidated financial statements as at 30 June 2024 and 31 December 2023 are as follows:

	30 June 2024	31 December 2023
GSD Eğitim Vakfı	7,673	7,673
Total	**7,673**	**7,673**

e) Bank credits

	30 June 2024				31 December 2023			
	Amount		Effective interest rate (%)		Amount		Effective interest rate (%)	
	Turkish Lira	Foreign Currency	Turkish Lira	Foreign Currency	Turkish Lira	Foreign Currency	Turkish Lira	Foreign Currency
Short term	**-**	**1,419,703**	-	-	**-**	**934,379**	-	-
Fixed interest	-	-	-	-	-	-	-	-
Floating interest	-	1,419,703	-	9.36-9.36	-	934,379	-	9.37-9.37
Total	**-**	**1,419,703**			**-**	**934,379**		

Repayment schedule of borrowings initially recognized as medium/long term borrowings is as follows:

	30 June 2024		31 December 2023	
	Fixed rate	Floating rate	Fixed rate	Floating rate
Less than 1 year	-	230,344	-	168,408
Up to 2 years	-	441,112	-	167,445
Up to 3 years	-	322,938	-	598,526
Up to 4 years	-	77,070	-	-
More than 5 years	-	348,239	-	-
Total	**-**	**1,419,703**	**-**	**934,379**

f) Lease liabilities

	30 June 2024		31 December 2023	
	Amount		Amount	
	Turkish Lira	Foreign Currency	Turkish Lira	Foreign Currency
Short term	**10,711**	**-**	**2,588**	**-**
Fixed interest	10,711	-	2,588	-
Medium/long	**2,714**	**-**	**5,499**	**-**
Fixed interest	2,714	-	5,499	-
Total	**13,425**	**-**	**8,087**	**-**

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

6. TRADE RECEIVABLES & TRADE PAYABLES

a) Trade Receivables

	30 June 2024	31 December 2023
Customers	61	65
Trade receivables from maritime activities	17,288	2,917
Doubtful export goods receivables	1,980	2,470
Less: Provision for doubtful trade receivables	(1,980)	(2,470)
Total	**17,349**	**2,982**

Movement in the provision for doubtful trade receivables:

	30 June 2024	31 December 2023
Provision at the beginning of year	**2,470**	**4,069**
Monetary gain / (loss)	(490)	(1,599)
Provision at the end of period	**1,980**	**2,470**

b) Trade payables

Short Term Trade Payables

	30 June 2024	31 December 2023
Payables to marine sector suppliers	78,677	43,297
Payables to suppliers	2,896	2,039
Export trade payables	78	97
Total	**81,651**	**45,433**

7. RECEIVABLES FROM FINANCE SECTOR ACTIVITIES

LOANS AND ADVANCES TO CUSTOMERS

a) Loans and Advances

	30 June 2024					
	Amount			Effective interest rate (%)		
	Turkish lira	Foreign Currency	Foreign Currency Indexed	Turkish lira	Foreign Currency	Foreign Currency Indexed
Corporate loans	1,033,756	-	-	12.48-12.68	7.00-7.00	-
Total	**1,033,756**	-	-			
Expected credit loss (*)	(805)	-	-	-	-	-
Total	**1,032,951**	-	-			

(*) The expected credit loss in the current period are presented in other provisions

	31 December 2023					
	Amount			Effective interest rate (%)		
	Turkish lira	Foreign Currency	Foreign Currency Indexed	Turkish lira	Foreign Currency	Foreign Currency Indexed
Corporate loans	512,886	20,519	-	12.48-12.58	7.00-8.00	-
Total	**512,886**	**20,519**	-			
	(637)	-	-	-	-	-
Expected credit loss (*)	**512,249**	**20,519**	-			

(*) The expected credit loss in the current period are presented in other provisions.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

7. RECEIVABLES FROM FINANCE SECTOR ACTIVITIES (continued)

LOANS AND ADVANCES TO CUSTOMERS (continued)

Movement in the provision for doubtful factoring receivables

	30 June 2024	31 December 2023
Allowance at the beginning of the year	**637**	**924**
Recoveries	-	(131)
Provision for possible losses allocated during the period	778	654
Allowance net of recoveries	**778**	**523**
Monetary gain / (loss)	(126)	(355)
Classification of general provisions	(279)	(455)
Allowance at the end of the period	**1,010**	**637**

As at 30 June 2024 and 31 December 2023, all of the loans and advances to customers have fixed interest rates. The Group does not recognize interest accrual on non-performing loans. As of June 30, 2024. There are no loans for which interest has not been accrued. (31 December 2023: None.)

b) Factoring Receivables and Payables

	30 June 2024					
	Amount			Effective interest rate (%)		
	Turkish Lira	Foreign Currency Indexed	Foreign Currency	Turkish Lira	Foreign Currency Indexed	Foreign Currency
Factoring receivables	2,113,854	-	-	54.00-84.96	-	-
Doubtful factoring receivables	27,849	-	-	-	-	-
Total factoring receivables	**2,141,703**	**-**	**-**			
Less: Provision for doubtful factoring receivables	(25,615)	-	-	-	-	-
Factoring receivables, net	**2,116,088**	**-**	**-**			
Factoring payables	**1,689**	**-**	**-**			

	31 December 2023					
	Amount			Effective interest rate (%)		
	Turkish Lira	Foreign Currency Indexed	Foreign Currency	Turkish Lira	Foreign Currency Indexed	Foreign Currency
Factoring receivables	1,550,500	-	-	31.82-86.00	-	-
Doubtful factoring receivables	14,353	-	-	-	-	-
Total factoring receivables	**1,564,853**	**-**	**-**			
Less: Provision for doubtful factoring receivables	(14,353)	-	-	-	-	-
Factoring receivables, net	**1,550,500**	**-**	**-**			
Factoring payables	**205**	**-**	**-**			

Movement in the provision for doubtful factoring receivables:

	30 June 2024	31 December 2023
Provision at the beginning of year	**14,353**	**22,495**
Recoveries	-	(2,936)
Provision for doubtful factoring receivables	14,440	3,329
Provision net of recoveries	**14,440**	**393**
Monetary gain / (loss)	(3,178)	(8,535)
Provision at the end of period	**25,615**	**14,353**

c) Finance lease receivables, net

	30 June 2024	31 December 2023
Invoiced lease receivables	61	76
Finance lease receivables, gross	**61**	**76**
Less: Unearned interest income	(13)	(16)
Finance lease receivables, net	**48**	**60**

The aging of net finance lease receivables is as follows:

	30 June 2024	31 December 2023
Not later than 1 year	48	60
Finance lease receivables	**48**	**60**

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

7. LOANS AND ADVANCES TO CUSTOMERS (continued)

PAYABLES FROM FINANCE SECTOR ACTIVITIES LEASE LIABILITIES

a) Loans Received

	30 June 2024				31 December 2023			
	Amount		Effective interest rate (%)		Amount		Effective interest rate (%)	
	Turkish lira	Foreign Currency	Turkish lira	Foreign Currency	Turkish lira	Foreign Currency	Turkish lira	Foreign Currency
Short Term	**849,700**	**-**			**644,651**	**-**		
Fixed interest	849,700	-	45.00-62.65	-	644,651	-	42.00-48.00	-
Total	**849,700**	**-**			**644,651**	**-**		

b) Liabilities from Money Market Transactions

	30 June 2024				31 December 2023			
	Amount		Effective interest rate (%)		Amount		Effective interest rate (%)	
	Turkish lira	Foreign Currency	Turkish lira	Foreign Currency	Turkish lira	Foreign Currency	Turkish lira	Foreign Currency
Loans from the interbank money market	637,514	-	40.50-53.20	-	500,697	-	40.00-43.10	-
Total money market debts from transactions	**637,514**	**-**	**-**	**-**	**500,697**	**-**	**-**	**-**

c) Borrowing Funds

	30 June 2024				31 December 2023			
	Amount		Effective interest rate (%)	Amount	Effective interest rate (%)		Amount	
	Turkish lira	Foreign Currency	Turkish lira	Foreign Currency	Turkish lira	Foreign Currency	Turkish lira	Foreign Currency
Term	4,524	1,501	-	-	2,733	1,764	-	-
Due date	50,498	32,925	53.00-53.00	5.50-5.50	37	111,585	35.00-35.00	7.00-9.00
Total	**55,022**	**34,426**			**2,770**	**113,349**		

d) Payables from Financial Leasing Activities

Payables from Short-Term Financial Leasing Activities:

	30 June 2024	31 December 2023
Advances received under financial leasing	197	223
Total	**197**	**223**

8. INVENTORIES

	30 June 2024	31 December 2023
Ship oil	31,792	14,921
Total	**31,792**	**14,921**

9. RENTAL PROCEDURES

The Group has leased nine dry cargo ships owned by its subsidiaries with time charter agreements. The technical management of the said ships is outsourced to a company abroad by Cano Maritime Limited, Dodo Maritime Limited, Hako Maritime Limited, Zeyno Maritime Limited, Neco Maritime Limited, Lena Maritime Limited and Mila Maritime Limited, under a contract.

(Amounts expressed in Turkish Lira (“TL”), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

10. TANGIBLE ASSETS

	Buildings	Office and Vehicle Equipment	Leasehold Improvements	Ships	Dry Docking	Motor Vehicles	Construction In Progress[3]	Total
At 1 January 2024, net of accumulated depreciation and impairment	**26**	**19,414**	**2,621**	**5,416,819**	**170,875**	**41,785**	**240,587**	**5,892,127**
Additions	-	2,916	32	701,262	-	6,173	192,180	902,563
Disposals, net	-	-	-	(451,209)	(5,091)	(5,394)	-	(461,694)
Transfers	-	-	-	-	-	-	-	-
Foreign currency translation differences	-	-	-	(632,479)	37,676	-	(24,464)	(619,267)
Depreciation charge for the period	-	(2,948)	(508)	(89,664)	(32,178)	(5,127)	-	(130,425)
At 30 June 2024, net of accumulated depreciation and impairment	**26**	**19,382**	**2,145**	**4,944,729**	**171,282**	**37,437**	**408,303**	**5,583,304**
At 30 June 2024								
Cost	**49**	**105,556**	**21,206**	**2,325,264**	**72,249**	**54,123**	**385,059**	**2,963,506**
Revaluation	-	-	-	-	-	-	-	-
Foreign currency translation differences	-	-	-	4,076,350	270,660	-	23,244	4,370,254
Accumulated impairment provision	-	-	-	-	-	-	-	-
Accumulated depreciation[1]	(23)	(86,174)	(19,061)	(1,456,885)	(171,627)	(16,686)	-	(1,750,456)
Net carrying amount at 30 June 2024	**26**	**19,382**	**2,145**	**4,944,729**	**171,282**	**37,437**	**408,303**	**5,583,304**

[1] Accumulated depreciation contains the foreign currency translation differences relating to the accumulated depreciation
[2] Information on the dry docking is disclosed in the note titled "Summary of Significant Accounting Policies and Estimates" under the heading Tangible Assets.
[3] It consists of the advance payment given for the construction of 1 dry cargo ship with a carrying capacity of 42,350 DWT, which is currently under construction on behalf of Guzide Maritime Ltd. companies, the advance payment given for the construction of 1 dry cargo ship, which is currently under construction on behalf of Zeyno Maritime Ltd. companies, and the advance payment given for the establishment capital of GSD Varlık Yönetimi A.Ş.

	Buildings	Office and Vehicle Equipment	Leasehold Improvements	Ships[4][5]	Dry Docking [2]	Motor Vehicles	Construction In Progress[3]	Total
At 1 January 2023, net of accumulated depreciation and impairment	**27**	**17,036**	**2,626**	**3,965,912**	**64,947**	**9,444**	**649,625**	**4,709,617**
Additions	-	8,342	1,014	408,708	96,638	37,403	766,712	1,318,817
Disposals, net	-	-	-	-	-	-	-	-
Transfers	-	-	-	1,049,275	-	-	(1,049,275)	-
Foreign currency translation differences	-	-	-	196,239	72,305	-	(126,475)	142,069
Depreciation charge for the period	(1)	(5,964)	(1,019)	(203,315)	(63,015)	(5,062)	-	(278,376)
At 31 December 2023, net of accumulated depreciation and impairment	**26**	**19,414**	**2,621**	**5,416,819**	**170,875**	**41,785**	**240,587**	**5,892,127**
At 31 December 2023	48	85,704	21,174	2,018,975	91,705	55,320	240,587	2,513,513
Cost	-	-	-	-	-	-	-	-
Revaluation	-	-	-	5,292,769	290,527	-	-	5,583,296
Foreign currency translation differences	-	-	-	-	-	-	-	-
Accumulated impairment provision	(22)	(66,290)	(18,553)	(1,894,925)	(211,357)	(13,535)	-	(2,204,682)
Accumulated depreciation[1]	**26**	**19,414**	**2,621**	**5,416,819**	**170,875**	**41,785**	**240,587**	**5,892,127**

[1] Accumulated depreciation contains the foreign currency translation differences relating to the accumulated depreciation.
[2] Information on the dry docking is disclosed in the note titled "Summary of Significant Accounting Policies and Estimates" under the heading Tangible Assets.
[3] Guzide Maritime Ltd. It consists of the advance amount given for the construction of 1 dry cargo ship with a carrying capacity of 42,350 DWT, which is under construction on behalf of the companies.
[4] Nejat Maritime Ltd. was established in the Marshall Islands with 100% capital share of GSD Shipping BV, our company's 100% subsidiary operating in the Netherlands. The procurement process for a dry cargo ship built in Japan has been completed. The ship was taken over on June 27, 2023 and started dry cargo transportation activities in international waters.
[5] GSD Maritime Real Estate Cons. San.ve Tic. Nehir Maritime Ltd. was established in the Marshall Islands by A.Ş. with 100% capital share. The purchase process of a dry cargo ship built in Japan has been completed. The ship was delivered on 9 August 2023 and started dry cargo transportation activities in international waters on 10 August 2023.

As of 30 June 2024, the effects of the ship's impairment have been evaluated for nine dry cargo ships owned by the Group's subsidiaries and they have been carried with their recorded values.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

11. RIGHT OF USE ASSETS

As at 30 June 2024 and 31 December 2023 the balances of right of use asset and depreciation expenses are as follow:

	Buildings	Motor Vehicles	Total
1 January 2024, net book value	**4,826**	**6,723**	**11,549**
Addition	21,573	573	22,146
Disposal	-	(363)	(363)
Current period depreciation expense	(14,590)	(1,931)	(16,521)
30 June 2024, net book value	**11,809**	**5,002**	**16,811**
1 January 2024			
Cost	**38,240**	**16,095**	**54,335**
Accumulated depreciation	(26,431)	(11,093)	(37,524)
30 June 2024, net book value	**11,809**	**5,002**	**16,811**

	Buildings	Motor Vehicles	Total
1 January 2023, net book value	**7,993**	**9,889**	**17,882**
Addition	28,214	3,472	31,686
Disposal	(12,976)	(3,357)	(16,333)
Current period depreciation expense	(18,405)	(3,281)	(21,686)
31 December 2023, net book value	**4,826**	**6,723**	**11,549**
1 January 2023			
Cost	**33,129**	**15,783**	**48,912**
Accumulated depreciation	(28,303)	(9,060)	(37,363)
31 December 2023, net book value	**4,826**	**6,723**	**11,549**

12. INTANGIBLE ASSETS

	Patents and Licenses
1 January 2024, net carrying amount	**4,115**
Amortization charge for the period	(384)
30 June 2024, net carrying amount	**3,731**
1 January 2024	
Cost	31,611
Accumulated amortization	(27,880)
30 June 2024, net carrying amount	**3,731**

	Patents and Licenses
1 January 2023, net carrying amount	**3,837**
Additions	919
Amortization charge for the period	(641)
31 December 2023, net carrying amount	**4,115**
~~At~~ 31 December 2023	
Cost	30,214
Accumulated amortization	(26,099)
31 December 2023, net carrying amount	**4,115**

13. BORROWING COSTS

There is no borrowing cost as of June 30, 2024. (31 December 2023: TL None)

In the consolidated financial statements dated 31 December 2023, our subsidiaries GSD Shipping BV and GSD Denizcilik Gayrimenkul İnşaat San. and Tic. A.Ş., located in the Marshall Islands as a 100% subsidiary. The construction of two dry cargo ships of Nejat Maritime Limited and Nehir Maritime Limited, each with a capacity of 38,000 DWT, has been completed.

The M/V Nejat dry cargo ship, built by Nejat Maritime Limited in Japan, was received on June 27, 2023, and the ship is followed in the ships account classified under tangible assets after the delivery date. The M/V Nehir dry cargo ship, built by Nehir Maritime Limited in Japan, was received on August 9, 2023, and is followed in the ships account classified under tangible fixed assets after the delivery date.

14. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES

Tax Law

The Company and its subsidiaries located in Türkiye are subject to the tax legislation and practices in force in Türkiye. The subsidiaries of the Company operating abroad are subject to the tax laws of the countries in which they are located.

Corporate Tax Rate

The Company and its subsidiaries located in Türkiye are subject to the tax legislation and practices in force in Türkiye. Corporate tax is declared until the evening of the last day of the fourth month following the end of the relevant accounting period and is paid in one installment until the end of the relevant month.

In Türkiye, the corporate tax rate is 25% for 2024 (2023: 25%). The corporate tax rate for Banks, companies subject to Law No. 6361 (Financial Leasing, Factoring, Financing and Savings Financing Companies) is 30%. Corporate tax rate is the addition of expenses that are not deductible in accordance with tax laws to the commercial income of corporations. It is applied to the tax base to be found as a result of deducting the exemptions (such as participation earnings exemption, investment discount exemption, etc.) and deductions (such as R&D discount) in the tax laws. If the profit is not distributed, no other tax is paid (except for the 19.8% withholding tax, which is calculated and paid based on the exemption amount used in case of investment incentive exemption within the scope of Provisional Article 61 of the Income Tax Law).

With the amendment of Law No. 7456 published in the Official Gazette on July 15, 2023 The Corporate Tax rate is determined as 25%, the rate in question; Banks, Financial Lease dated 21 November 2012 and numbered 6361. Factoring, Companies within the scope of the Financing and Savings Financing Companies Law, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies. It will be applied as 30% for corporate earnings of capital market institutions, insurance and reinsurance companies and pension companies.

Related regulation, starting from the declarations that must be submitted as of October 1, 2023; To the earnings of corporations in 2023 and subsequent taxation periods. It entered into force on July 15, 2023, to be applied to the profits of institutions subject to the special accounting period, earned in the special accounting period starting in the 2023 calendar year and the following taxation periods.

The law on amending the Tax Procedure Law and the Corporate Tax Law was enacted with the law numbered 7352 on January 20, 2022. It has been decided that the financial statements will not be subject to inflation adjustment, regardless of whether the financial statements have been made. The financial statements dated 31.12.2023 will be subject to inflation adjustment regardless of whether the inflation adjustment conditions are met, the profit/loss difference arising from the inflation adjustment will be shown in the previous years' profit/loss account, the previous year's profit determined in this way will not be taxed, and the previous year's loss will be considered a loss, will not be taken into account in the determination of corporate income.

14. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES (continued)

Corporate Tax Rate (continued)

Corporate tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. The tax authorities can inspect the tax returns and the related accounting records for a retrospective maximum period of five years.

There is a withholding tax liability on dividend distributions, and this withholding liability is accrued in the period when the dividend payment is made. Dividend payments are subject to a 15% withholding tax until 22 December 2021, except for non-resident companies that generate income through a workplace or their permanent representative in Türkiye, and those made to companies residing in Türkiye. However, in accordance with the President's Decision No. 4936, published in the Official Gazette dated 22 December 2021 and numbered 31697, the withholding tax rate of 15% has been reduced to 10%.

Dividend payments made from joint stock companies residing in Türkiye to joint stock companies residing in Türkiye are not subject to income tax. In addition, if the profit is not distributed or added to the capital, income tax is not calculated. Dividend earnings of corporations from participation in the capital of another fully liable corporation (except for participation certificates of mutual funds and dividends obtained from shares of investment partnerships) are exempt from corporate tax

In addition, 75% of the profits arising from the sale of the participation shares in the assets of the institutions for at least two full years and the founding certificates of the real estates (immovables) that they own for the same period, the usufruct shares and the preference rights are exempt from corporate tax as of 31 December 2017. However, with the law numbered 7061. With the amendment, this rate was reduced from 75% to 50% in terms of immovables and the tax to be prepared as of 2018. With the amendment of Law No. 7456 published in the Official Gazette on July 15, 2023, the Corporate Tax Exemption for the Sale of Real Estate was abolished and the exemption rate for the sale of real estate in assets before July 15, 2023 was reduced from 50% to 25%. With the regulation made, Corporate Tax exemption will not be applied on the profits generated from the sale of real estate acquired by institutions after July 15, 2023, which is the date of entry into force of the Law.

In order to benefit from the exemption, the said income must be kept in a passive fund account and not withdrawn from the business for 5 years. The sales price must be collected until the end of the second calendar year following the year of sale. There is no practice in Türkiye to reach an agreement with the tax administration regarding the taxes to be paid. Corporate tax returns are submitted within four months following the end of the accounting period. The tax inspection authorities may examine the tax returns and the accounting records underlying them for five years following the accounting period and make a reassessment as a result of their findings.

Income Tax Withholding

There is a withholding tax liability on dividend distributions, and this withholding liability is accrued in the period when the dividend payment is made. Dividend payments are subject to 10% withholding tax, excluding those made to non-resident companies that generate income through a workplace or their permanent representative in Türkiye, and to companies residing in Türkiye. In the application of withholding tax rates for profit distributions to non-resident companies and real persons, the withholding tax rates in the relevant Double Taxation Agreements are also taken into account. Adding retained earnings to the capital is not considered a dividend distribution, so it is not subject to withholding tax.

Annex to Presidential Decree No. 7343 dated July 6, 2023

Within the scope of the fourth paragraph of Article 94 of Law No. 193. A 0% withholding is applied on the Amounts considered as distributed dividends in relation to their own shares acquired by full-time taxpayer capital companies whose shares are traded in Borsa Istanbul.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

14. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES (continued)

Corporate Tax Declaration and Review Period

There is no practice in Türkiye to reach a final agreement with the tax authorities. Corporate tax returns are submitted to the tax offices from the first day of the fourth month to the evening of the thirtieth day following the year in which they are concerned. However, the tax inspection authorities may retrospectively review the five-year accounting records and/or change their views on taxation

Investment allowance

Effective from 24 April 2003, investment allowances provided a deduction from the corporate tax base of 40% of the cost of the purchases or production of the new fixed assets subject to depreciation and exceeding 10 TL and directly related with the production of goods and services. Investment allowance that arose prior to 24 April 2003 was subject to 19.8% withholding tax unless they were converted to the new application at the will of companies. All investment allowances were carried forward with indexed amounts. With respect to the new legislation effective from 1 January 2006, these unused investment allowances could be used until 31 December 2008 and investment allowances ceased to apply to the new investments to be made beginning from 1 January 2006, but continued to apply to the investments started before 1 January 2006. Afterwards, a decision rendered by the Constitutional Court of Türkiye cancelling the clause of this legislation limiting the deduction period of the unused investment allowances has again made effective the deductibility of the unused investment allowances after 31 December 2008. According to the decision mentioned above, investment allowances transferred to 2006 due to lack of profit and investment allowances gained by the investments that are commenced before 1 January 2006 and continued after that date constituting economic and technical integrity will not be only used in 2006, 2007 and 2008, but also in the following years. An amendment to the Income Tax Law promulgated in Official Gazette no 6009 dated 1 August 2010 limited the amount of investment allowance to be utilised to 25% of earnings for the year, but the Constitutional Court of Türkiye has cancelled this amendment providing 25% utilization of investment allowance and has again made effective utilization of investment allowance up to 100% of tax base by means of a decision dated 9 February 2012, being effective starting from the tax returns to be filed for the fiscal period as at 31 December 2011.

No tax withholding is made from the investment expenditures without incentive certificate. The company is obliged to accrue 19.8% Income Tax Withholding due to the use of investment discounts for the period before dated 24 April 2003. Investment Tax Credit used by the company for the period before 24 April 2003 and related Income Tax Withholding amounting reported in April 2023 corporate tax return has been paid on 17 May 2023.

As at 30 June 2024 and 31 December 2023, the Group has the following unused investment allowances:

Unused investment allowances				
Group company	**31 June 2024**		**31 December 2023**	
	Subject to 19.8% withholding tax	**Subject to 0% withholding tax**	**Subject to 19.8% withholding tax**	**Subject to 0% withholding tax**
GSD Denizcilik Gayrimenkul İnşaat San. ve Tic. A.Ş.	575,767	-	725,700	-
Total	**575,767**	**-**	**725,700**	**-**

Consolidated Tax Calculation

Turkish tax legislation, a parent company does not permit its consolidated subsidiaries and affiliates have the financial statements on a consolidated basis over corporate tax declaration and payment arrangements. Therefore, corporate tax provisions that is reflected on the consolidated financial statements and the companies that is in the scope of consolidation is calculated separately

Prepaid Income Tax

The prepaid income taxes are netted off against the corporate income taxes payable as follows:

	30 June 2024	**31 December 2023**
Corporate income taxes payable	151,396	242,266
Prepaid income taxes	(62,203)	(178,623)
Income taxes payable, net	**89,193**	**63,643**

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

14. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES (continued)

Current and deferred corporate tax (expense)/income according to Consolidated Statement of Profit or Loss and Consolidated Other Comprehensive Income

	30 June 2024			31 December 2023		
	Consolidated income statement	Consolidated other comprehensive income	Consolidated statement of comprehensive income	Consolidated income statement	Consolidated other comprehensive income	Consolidated statement of comprehensive income
Current income tax benefit/(expense)	(158,946)	6,459	(150,269)	(295,799)	53,534	(242,265)
Deferred income tax benefit /(expense)	(5,459)	(335)	(5,794)	3,288	2,787	6,075
Total	**(164,415)**	**6,124**	**(156,063)**	**(292,511)**	**56,321**	**(236,190)**

Prepaid Income Tax	31 December 2024	Recognized in Period	(Taken Back) / Paid in Period	30 June 2024
Taken back from 2024's overpaid corporate tax	119	-	(119)	-
Taken back current year's overpaid corporate tax	-	-	-	-
Prepaid Income Tax	**119**	**-**	**(119)**	**-**

Prepaid Income Tax	1 January 2023	Recognized in Period	(Taken Back) / Paid in Period	31 December 2023
Taken back from 2023's overpaid corporate tax	(27)	-	(148)	(175)
Taken back current year's overpaid corporate tax	175	86	-	261
Prepaid Income Tax	**148**	**86**	**(148)**	**86**

Corporate tax liability regarding foreign subsidiaries of the Group

The net profits of Cano Maritime Limited, Dodo Maritime Limited, established on 26 March 2013, Hako Maritime Limited, established on 1 April 2013, Zeyno Maritime Limited, established on 22 April 2013, Neco Maritime Limited, established on 5 May 2016, Mila Maritime Limited, established on 21 November 2016 and Güzide Maritime Limited, established on 13 September 2023 all domiciled in Malta, are subject to 0% corporate tax in Malta. Period profits of Lena Maritime Limited established on 18 March 2021, Nejat Maritime Limited and Nehir Maritime Limited established on 23 June 2021 and Deniz Maritime Limited established on 29 April 2024 are subject to 0% corporate tax in the Marshall Islands.

GSD Shipping B.V., established on October 19, 2016, and GSD Ship Finance B.V., established on April 6, 2023, are subject to corporate income tax at varying rates in the Netherlands. The period and previous year profits of Cano Maritime Limited, Hako Maritime Limited and Nehir Maritime Limited, in the period in which the profit is earned and recorded by GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret A.Ş., which owns 100% of the capital shares, through cash or free profit distribution or free capital increase, are subject to corporate tax at a rate of 20% in Türkiye for the 1st provisional tax period of 2021, 25% in the 2nd, 3rd and 4th provisional tax periods, 23% for 2022, and 20% for 2023.

With the amendment to Law No. 7456 published in the Official Gazette on July 15, 2023, the Corporate Tax rate has been determined as 25%, and the said rate will be applied as 30% for the corporate earnings of banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law No. 6361 dated November 21, 2012, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies.

Related regulation, starting from the declarations that must be submitted as of October 1, 2023; to the earnings of corporations in 2023 and subsequent taxation periods, it entered into force on July 15, 2023, to be applied to the profits of institutions subject to the special accounting period, earned in the special accounting period starting in the 2023 calendar year and the following taxation periods.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

14. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES (continued)

Deferred tax assets and liabilities

Deferred tax assets or liabilities of the consolidated assets and liabilities with the values shown in the financial statements of the temporary differences arising between the tax base and amounts considered in the calculation is determined by calculating the tax effects of the balance sheet method.

The company takes into account developments in the sector in which it operates, taxable profit estimates in future periods, the overall economic and political situation of the country of Türkiye and its affiliates and/or the general international economic factors such as the political situation may affect the Company in the financial statements of the deferred tax assets.

As at 30 June 2024 and 31 December 2023 the Company's unconsolidated allocated over tax losses and unused in the financial statements and the separation of deferred tax assets, are given in the table above as titled 'Unused Tax losses and Expiry Years' under the group company separation issue. Calculated deferred tax assets and deferred tax liabilities are shown net in the financial statements of different companies subject to consolidation. However, consolidated net deferred tax assets and liabilities in the consolidated financial statements without offsetting assets and liabilities are shown separately in the financial statements arising from different companies that are subject to consolidation in the financial statements.

Deferred tax assets and liabilities as at 30 June 2024 and 31 December 2023 are as follows:

	30 June 2024	31 December 2023
Deferred tax liabilities		
Valuation differences of securities	36,220	38,337
Valuation and depreciation differences of fixed assets	(301)	2,113
Other	8,035	7,338
Gross deferred tax liabilities	**43,954**	**47,788**
Deferred tax assets		
Provisions arising from financial sector operations	2,594	3,021
Effect of financial losses carried forward	-	573
Provision for employee termination benefits obligation	2,151	1,568
Derivative financial instruments, net	8,735	-
Provision for employee unused paid vacation obligation	1,135	568
Provision for employee bonus	1,726	2,591
Valuation differences on fixed asset	169	616
Other	660	1,736
Gross deferred tax assets	**17,170**	**10,673**
Deferred tax assets/(liabilities), net	**(26,784)**	**(37,115)**

Movement of net deferred tax assets can be presented as follows:

	30 June 2024	31 December 2023
Deferred tax assets, net at 1 January	**(37,115)**	**(68,012)**
Deferred tax recorded in the income statement	1,154	3,288
Deferred income tax recognized in consolidated other comprehensive income	(335)	2,787
Use of investment allowance for the past period	-	(388)
Monetary gain / (loss)	9,512	25,210
Deferred tax assets, net at the end of period	**(26,784)**	**(37,115)**

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

15. EMPLOYEE BENEFITS

Provisions for Short-Term Employee Benefits

The Group allocates short-term bonus provisions for premium payments, which it regularly applies every year without legal obligation to pay and therefore becomes a constructive obligation.

	30 June 2024	31 December 2023
Bonus provision (*)	25,074	29,563
Total	**25,074**	**29,563**

(*) TL 19,019 of the bonus provision is the board of directors' dividend provision to GSD Faktoring A.Ş. (December 31, 2023: TL 20,892)

Movements of Bonus Provisions during the Period:

	30 June 2024	31 December 2023
Balance at the beginning of the period	**29,563**	**21,021**
Provision reversed during the period	(2,003)	-
Provision made during the period	473	21,244
Monetary gain / (loss)	(2,959)	(12,702)
Period end balance	**25,074**	**29,563**

Provisions for Long-Term Employee Benefits

	30 June 2024	31 December 2023
Provision for severance pay	8,084	5,080
Permission charge	4,180	1,855
Total	**12,264**	**6,935**

Turkish Accounting Standard No. 19 "Employee Benefits" requires actuarial valuation methods to be used to estimate the severance pay liability. The severance pay provision is calculated according to the net present value of the future liabilities due to the retirement of all employees and is reflected in the accompanying consolidated financial statements. The main statistical assumptions used to calculate the liability at the end of the reporting periods are as follows:

	30 June 2024	31 December 2023
Interest rate (%)	28.00	28.00
Estimated Salary / Severance Pay Ceiling Increase Rate (%)	24.61	24.61
Net Discount Rate	3.39	3.39

The basic assumption is that the ceiling liability for each year of service will increase in line with inflation. The discount rate applied represents the expected long-term interest rate. The severance pay liability of the Group is calculated over the severance pay ceiling of 35,058.58 full TL as of 1 January 2024 (1 July-31 December 2023: full 23,489.83 TL)

In the event that the employment contract of its employees is terminated for any reason, the Group classifies the unused leave provision for the annual leave periods that the employees are entitled to but not used over the wages on the date of termination according to the applicable labor law in Türkiye, as long-term and the Group's consolidated since it does not have a material effect on its financial position or performance, it is separated according to the estimated payment date without discounting.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

15. EMPLOYEE BENEFITS (continued)

Movements of Provision for Severance Pay during the Period:

	30 June 2024	31 December 2023
Balance at the beginning of the period	**5,080**	**18,109**
Actuarial loss/(gain)	2,194	8,809
Interest expense on provision	(39)	317
Response paid back	(361)	(14,377)
Unpaid reimbursement	-	(889)
Current service expense	3,969	(1,754)
Monetary gain / (loss)	(2,759)	(5,135)
Period end balance	**8,084**	**5,080**

Movements of Leave Provision during the Period:

	30 June 2024	31 December 2023
Balance at the beginning of the period	**1,855**	**8,513**
Provision reversed during the period	-	(4,287)
Provision made during the period	2,647	-
Monetary gain / (loss)	(322)	(2,371)
Period end balance	**4,180**	**1,855**

16. OTHER RECEIVABLES AND PAYABLES

Other Receivables

	30 June 2024	31 December 2023
Transitory receivables (*)	6,535	6,825
Deposits and guarantees given	7,427	6,935
Other	16,652	7,830
Total	**30,614**	**21,590**

(*) There are payment orders for other payables for the same amount as the clearing account amount for other receivables, and the relevant amounts of these two accounts work reciprocally.

Collaterals given in other receivables

	30 June 2024	31 December 2023
Other collaterals given	32	32
Total	**32**	**32**

Guarantees Given on Other Receivables

As of 30 June 2024 and 31 December 2023, the details of current assets and deposits and guarantees given in fixed assets are as follows:

Guarantees Given on Other Receivables	30 June 2024	31 December 2023
Other given guarantee	7,458	6,968
Total	**7,458**	**6,968**

Other Payables Short-Term Liabilities	30 June 2024	31 December 2023
Transfer orders	7,757	8,074
Taxes and funds payable other than on income	21,809	10,858
Other	7,778	8,231
Total	**37,344**	**27,163**

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

17. OTHER ASSETS&LIABILITIES

Other Current Assets

	30 June 2024	31 December 2023
Personnel and work advance	370	307
Deferred VAT	10,243	10,280
Total	**10,613**	**10,587**

18. SHARE CAPITAL / TREASURY SHARES

Share Capital

As at 30 June 2024 and 31 December 2023, the nominal values and number of shares of the issued capital of the Company are as follows in terms of share groups:

	30 June 2024			31 December 2023		
	Total number of shares	Nominal value per share (full TL)	Total nominal value (full TL)	Total number of shares	Nominal value per share (full TL)	Total nominal value (full TL)
A (bearer shares)	157,120	0.01	1,571.20	157,120	0.01	1,571.20
B (bearer shares)	168,332	0.01	1,683.32	168,332	0.01	1,683.32
C (bearer shares)	157,120	0.01	1,571.20	157,120	0.01	1,571.20
D (bearer shares)	99,999,517,428	0.01	999,995,174.28	99,999,517,428	0.01	999,995,174.28
Total	**100,000,000,000**		**1,000,000,000.00**	**100,000,000,000**		**1,000,000,000.00**

Privileges

The Company's Board of Directors consists of 9 members which are selected by the general assembly according to Turkish Commercial Code. 5 members of the board of directors, 2 of whom are required to meet the criteria stipulated by the Corporate Governance Principles for independent board members, are selected from the candidates nominated by Class (A) shareholders, 2 members of the board of directors are selected from the candidates nominated by Class (B) shareholders and 2 members of the board of directors are selected from the candidates nominated by Class (C) shareholders by the general assembly.

The cancellation of privileges given to Class (A) shareholders is possible only with a quorum for meeting and decision of 60% of the Class (A) shareholders, the quorum for decision being independent from the numbers of shareholders who attend the assembly. The cancellation of privileges given to Class (B) shareholders is possible only with a quorum for meeting and decision of 60% of the Class (B) shareholders, the quorum for decision being independent of the numbers of shareholders who attend the assembly. The cancellation of privileges given to Class (C) shareholders is possible only with a quorum for meeting and decision of 60% of the Class (C) shareholders, the quorum for decision being independent of the numbers of shareholders who attend the assembly.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

18. SHARE CAPITAL / TREASURY SHARES (continued)

Registered Capital Ceiling

The company is subject to the registered capital system and can increase the capital by issuing shares up to the registered capital ceiling determined in the company's articles of association, regardless of the provisions of the Turkish Commercial Code on increasing the capital, with the decision of the Board of Directors. The registered capital ceiling can be exceeded for once by adding all internal resources other than cash increase to the capital. However, the registered capital ceiling cannot be exceeded with a cash capital increase. The registered capital ceiling allowed by the CMB is valid for a maximum of 5 years, including the year it was allowed.

At the Board of Directors meeting of GSD Holding A.Ş. dated February 24, 2021, it is decided to increase the registered capital ceiling from TL 1,000,000 to TL 1,500,000, which is stated in article 7 of the articles of association, and the period of the registered capital ceiling to be valid for the years 2021-2025. to be extended for another 5 (five) years, Article 7 of the company's articles of association is amended in accordance with the said registered capital ceiling increase and validity period, and the Capital Markets Board and T.C. After making the necessary applications to the Ministry of Commerce and obtaining the necessary permissions, it was decided to submit the amendment to the shareholders for approval at the first General Assembly to be held.

After the approval of the Capital Markets Board dated March 4, 2021, the relevant amendment draft was approved by the Republic of Türkiye. Approved by the Ministry of Commerce, General Directorate of Domestic Trade, on March 18, 2021. After the relevant amendment was approved at the General Assembly meeting on May 26, 2021, the General Assembly decision was registered by the Istanbul Trade Registry on June 2, 2021.

Treasury Shares

Which is shown under the Group's equity in the consolidated financial statements dated June 30, 2024 and December 31, 2023 the repurchased shares including GSD Holding A.Ş.'s shares are presented below:

	30 June 2024			31 December 2023		
The owner of the treasury Shares	**Carrying value**	**Nominal value**	**Ownership percentage**	**Carrying value**	**Nominal Value**	**Ownership percentage**
GSD Holding A.Ş.	1,600,776	100,000	10,000%	1,600,776	100,000	10,000%
Total	**1,600,776**	**100,000**	**10,000%**	**1,600,776**	**100,000**	**10,000%**

Profit Distribution

Publicly traded companies make their dividend distributions by their general assemblies in accordance with Article 19 of the Capital Markets Law No. 6362, which came into effect on 30 December 2012, and the Dividend Communiqué No. II.19.1 of the CMB, which entered into force as of February 1, 2014, distribute them within the framework of the profit distribution policies to be determined and in accordance with the provisions of the relevant legislation.

According to the TCC, legal reserves consist of first and second legal reserves. The ceiling of the first legal reserve, which is allocated as 5% of the annual net profit, is limited to 20% of the paid-in capital. Except for holding companies, 10% of the distributed dividends exceeding 5% of the paid-in capital must be set aside as a secondary legal reserve. Except for holding companies, legal reserves cannot be distributed unless they exceed 50% of the paid-in capital, but can be used to cover losses in case of exhaustion of extraordinary reserves.

Pursuant to the regulations of the CMB on profit distribution; There is no minimum profit distribution obligation for publicly held joint stock companies whose shares are traded on the stock exchange, and companies that are obliged to prepare consolidated financial statements, the amount to be decided to be distributed, the remaining period profit after deducting the previous year's losses in the legal records of the companies and other resources that may be subject to profit distribution. They will calculate the net distributable profit amount by taking into account the net period profits included in the consolidated financial statements that they will prepare and announce to the public within the framework of the CMB's Communiqué on the Principles of Financial Reporting in the Capital Markets, provided that it can be covered by the total amount.

18. SHARE CAPITAL / TREASURY SHARES (continued)

Profit Distribution (continued)

According to the regulations in force, partnerships distribute their profits within the framework of the profit distribution policies to be determined by their general assembly and in accordance with the provisions of the relevant legislation. Companies pay dividends as determined in their articles of association or dividend policy.

In publicly held corporations, dividends are distributed equally to all existing shares as of the distribution date, regardless of their issuance and acquisition dates. Rights regarding profit share privilege are reserved. In capital increases of publicly held companies, bonus shares are distributed to existing shares on the date of increase.

According to Temporary Article 25 and Repetitive Article 298 of the Tax Procedure Law, if the inflation difference accounts of the liabilities are transferred to another account or withdrawn from the enterprise in any way, they are subject to tax in this period, without being associated with the earnings of the periods in which these transactions were made. However, inflation differences pertaining to equity items can be deducted from previous year's losses as a result of adjustment or added to the capital by corporate taxpayers; These transactions are not considered profit distribution. XII of the General Communiqué on Tax Procedure Law No. 328. According to the section titled "Drawing of Values in Inflation Difference Account for Liabilities", excluding "advance and deposits, progress payments, profit reserves and special funds (such as fixed asset replacement fund)" which are among non-monetary liabilities; If the inflation difference accounts of the liability items are transferred to another account or withdrawn from the business for any reason, they will be subject to tax in this period, without being associated with the earnings of the periods in which these transactions are made.

According to section 19. Profit Distribution of the Tax Procedure Law Circular No. 17, if the previous year's profit, which was not present before the first inflation adjustment and occurred after the first inflation adjustment, is transferred to another account or withdrawn from the enterprise by any means other than addition to the capital, the earnings of the periods in which these transactions are made, will be subject to tax during this period without being associated with.

Profit Distribution Policy

GSD Holding A.Ş.'s Ordinary General Assembly dated June 3, 2024, in line with the Corporate Governance Principles, the dividend distribution policy of the Company for 2024 and the following years "takes into account the growth plans, investment activities and current financing structures of subsidiaries and affiliates". to be used for the financing of growth by retaining profits, to be accumulated in extraordinary reserves to the extent that the criteria in the regulations of the Capital Markets Board regarding bonus issues are met, and to be distributed as a share in bonus capital increases to be met from internal resources or directly from dividends. It has decided to reevaluate this policy every year, taking into account the profit distribution regulations of the Company and the liquidity situation of the Company.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

18. SHARE CAPITAL / TREASURY SHARES (continued)

Non-controlling interests

The movement in non-controlling interests classified into the subsidiaries that has non-controlling interests	GSD Denizcilik Gay. İnş. San.ve Tic.A.Ş.	GSD Faktoring A.Ş.	Consolidated
1 January 2024	**634,260**	**39,119**	**673,379**
Non-controlling interest in net profit/(loss) in the income statement	(22,512)	904	(21,608)
Non-controlling interest in profit/(loss) from foreign currency translation in other comprehensive income	(3,071)	-	(3,071)
Non-controlling interest in profit/(loss) from remeasurements of the net defined benefit liability (asset) in other comprehensive income	16	(16)	-
The effect of change in minority share ratio	-	(35,313)	(35,313)
30 June 2024	**608,693**	**4,694**	**613,387**

The movement in non-controlling interests classified into the subsidiaries that has non-controlling interests	GSD Denizcilik Gay. İnş. San.ve Tic.A.Ş.	GSD Faktoring A.Ş.	Consolidated
1 January 2023	**610,311**	**54,562**	**664,873**
Non-controlling interest in net profit/(loss) in the income statement	(109,548)	(15,105)	(124,653)
Non-controlling interest in profit/(loss) from foreign currency translation in other comprehensive income	133,490	-	133,490
Non-controlling interest in profit/(loss) from remeasurements of the net defined benefit liability (asset) in other comprehensive income	7	(338)	(331)
31 December 2023	**634,260**	**39,119**	**673,379**

Summarized financial information for the subsidiaries that has non-controlling interests (*)

30 June 2024	GSD Denizcilik Gay. İnş. San.ve Tic.A.Ş.	GSD Faktoring A.Ş.
Current Assets	608,074	2,173,178
Non- Current Assets	1,857,780	27,599
Total Asset	**2,465,854**	**2,200,777**
Short term liabilities	226,148	1,456,748
Long term liabilities	309,076	3,234
Total liabilities	**535,224**	**1,459,982**
Equity	1,930,630	740,795
Total Liability	**2,465,854**	**2,200,777**
Net period profit/(loss)	(70,350)	140,529
Other comprehensive income	(96,369)	(2,483)
Total comprehensive income	**(166,719)**	**138,046**

31 December 2023	GSD Denizcilik Gay. İnş. San.ve Tic.A.Ş.	GSD Faktoring A.Ş.
Current Assets	642,343	1,590,625
Non- Current Assets	2,075,282	35,259
Total Asset	**2,717,625**	**1,625,884**
Short term liabilities	235,286	1,255,974
Long term liabilities	386,898	2,374
Total liabilities	**622,184**	**1,258,348**
Equity	2,095,441	367,537
Total Liability	**2,717,625**	**1,625,885**
Net period profit/(loss)	(380,426)	(141,924)
Other comprehensive income	303,914	(1,816)
Total comprehensive income	**(76,512)**	**(143,740)**

(*) Intragroup eliminations are not included in the table and the data comprised from consolidated IFRS financial statements which are adjusted for consolidation procedures

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

19. ASSETS HELD FOR SALE

Non-current assets held for sale consist of real estates acquired by the Group in return for "Receivables from Financial Sector Activities". In accordance with the "Regulation on the Procedures and Principles Regarding the Classification of Loans and Provisions to be Set aside for These", banks are obliged to dispose of the assets they have to acquire due to their receivables within three years from the day of acquisition. Banks may allocate the real estates they acquire due to their receivables for their own use, provided that they do not exceed the limit specified in the first paragraph of Article 57 of the Law and the number and size they need to carry out their banking activities, and that they have their reasons ready for inspection. Banks may allocate the commodities they have acquired due to their receivables for their own use, provided that they are of the number and quality they need in order to carry out their banking activities.

	30 June 2024	31 December 2023
Assets held for sale from continuing operations	1,533	1,533
Total	**1,533**	**1,533**

Assets held for sale from continuing operations:

	30 June 2024	31 December 2023
Cost	1,533	1,533
Total	**1,533**	**1,533**

Assets with the criteria of classification as assets held for sale; as measured by the lower of the book values and of fair value less cost for sale..

Movement Table of Fixed Assets Held for Sale from Continuing Operations:

	30 June 2024	31 December 2023
Opening balance	**1,533**	**1,229**
Monetary gain / (loss)	-	304
Closing balance at the end of period	**1,533**	**1,533**

There are no liabilities related to asset groups classified as held for sale from continuing operations.

As at 30 June 2024, the Group has no discontinued operations.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

20. RELATED PARTY DISCLOSURES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making the financial and operating decisions. For the purpose of these consolidated financial statements, unconsolidated subsidiaries and other companies of the shareholders are referred to as related parties. Related parties also include individuals that are principle owners, management and members of the Board of Directors and their families.

In the course of conducting its business, the Group conducted various business transactions with related parties on commercial terms and at rates which approximate market rates:

	30 June 2024				31 December 2023		
	GSD Group	Share-holders	Key Executives		GSD Group	Share-holders	Key Executives
Cash loans given	-	1,451	-	Cash loans given	-	4,461	-
Deposits-Borrowers' funds	-	83,448	-	Deposits-Borrowers' funds	-	111,616	-

	30 June 2024				30 June 2023		
	GSD Group	Share-holders	Key Executives		GSD Group	Share-holders	Key Executives
Interest expense	-	10,064	-	Interest expense	-	3,137	-
Rent expense	-	11,185	-	Rent expense	-	9,747	-

In the above table, the balances related with the shareholders belong to the Chairman of the Board of Directors of the Company, Mehmet Turgut Yılmaz and Delta Group is under the control of Mehmet Turgut Yılmaz. The balances related with GSD Eğitim Vakfı.

Rent expenses from the related party balances in the table above, from the amounts paid to Mehmet Turgut Yılmaz by the Group companies; donation expenses consist of donations made by Group companies to the GSD Eğitim Vakfı. In the table above, the related party transactions with the names of deposit-borrower funds, interest expense, rent expense, commission income and other income consist of the transactions carried out by the related parties with the Group banks under market conditions. Comparable price method is applied in determination of rental expenses from related party transactions.

The executive and non-executive members of the Board of Directors and the management received remuneration and fees totalling 43,661 TL for continuing operations for the annual period ended 30 June 2024 (30 June 2023: 41,028 TL).

21. COMMITMENTS, PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Litigation and Claims

As of 30 June 2024 and 31 December 2023, there are no lawsuits that require disclosure and provision for continued operations.

Short term provisions

	30 June 2024	31 December 2023
General provision for non-cash loans (*)	7,841	9,432
Total	**7,841**	**9,432**

(*) Expected credit loss for non-cash loans are presented in the short-term provisions in liabilities.

Commitments and Contingencies

In the normal course of business, the Group undertakes various commitments and incurs certain contingent liabilities that are not presented in the financial statements including:

	30 June 2024	31 December 2023
Letters of guarantee	9,390,669	10,938,894
Total non-cash loans and off-balance sheet commitments	**9,390,669**	**10,938,894**

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

22. FINANCIAL RISK MANAGEMENT

Financial Risk Factors

The Group is exposed to market risk (exchange rate risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk due to its activities. The Group's risk management program generally focuses on minimizing the potential adverse effects of uncertainty in financial markets on the Group's financial performance.

Sensitivity Analysis for Currency Risk

Sensitivity Analysis for Currency Risk Table				
	30 June 2024			
	Net Profit/(Loss)(*)		Other Components of Equity (*)	
	Foreign currencies' strengthening	Foreign currencies' weakening	Foreign currencies' strengthening	Foreign currencies' weakening
The 10% change in TL/USD				
1- The change in USD denominated assets/liabilities except derivatives	(38,000)	38,000	163,795	(163,795)
2- Hedging effect arising from the derivatives(-)	-	-	-	-
3- Net effect due to the change in TL/USD (1+2)	**(38,000)**	**38,000**	**163,795**	**(163,795)**
The 10% change in TL/EUR:				
4- The change in EUR denominated assets/liabilities except derivatives	(607)	607	-	-
5- Hedging effect arising from the derivatives(-)	-	-	-	-
6- Net effect due to the change in TL/EUR (4+5)	**(607)**	**607**	**-**	**-**
The 10% change in TL/Other foreign currencies:				
7- The change in other foreign currencies denominated assets/liabilities except derivatives	928	(928)	-	-
8- Hedging effect arising from the derivatives(-)	-	-	-	-
9- Net effect due to the change in TL/Other foreign currencies (7+8)	**928**	**(928)**	**-**	**-**
TOTAL (3+6+9)	**(37,679)**	**37,679**	**163,795**	**(163,795)**

Sensitivity Analysis for Currency Risk Table				
	31 December 2023			
	Net Profit/(Loss)(*)		Other Components of Equity (*)	
	Foreign currencies' weakening	Foreign currencies' strengthening	Foreign currencies' weakening	Foreign currencies' weakening
The 10% change in TL/USD				
1- The change in USD denominated assets/liabilities except derivatives	(71,694)	71,694	278,031	(278,031)
2- Hedging effect arising from the derivatives(-)	-	-	-	-
3- Net effect due to the change in TL/USD (1+2)	**(71,694)**	**71,694**	**278,031**	**(278,031)**
The 10% change in TL/EUR:				
4- The change in EUR denominated assets/liabilities except derivatives	3,601	(3,601)	-	-
5- Hedging effect arising from the derivatives(-)	-	-	-	-
6- Net effect due to the change in TL/EUR (4+5	**3,601**	**(3,601)**	**-**	**-**
The 10% change in TL/Other foreign currencies:				
7- The change in other foreign currencies denominated assets/liabilities except derivatives	928	(928)	-	-
8- Hedging effect arising from the derivatives(-)	-	-	-	-
9- Net effect due to the change in TL/Other foreign currencies (7+8)	**928**	**(928)**	**-**	**-**
TOTAL (3+6+9	**(67,165)**	**67,165**	**278,031**	**(278,031)**

(*) The amounts included in the foreign currency sensitivity analysis under the heading "Profit / Loss" are presented for the net profit for the period of the parent company shares and the other comprehensive income for the shares of the parent company given under "Equity"

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

22. FINANCIAL RISK MANAGEMENT (continued)

FOREIGN CURRENCY POSITION TABLE	**30 June 2024**				**31 December 2023**			
(Unless indicated,original currency)	**TL**	**Thousand USD**	**Thousand Euro**	**Other (TL)**	**TL**	**Thousand USD**	**Thousand Euro**	**Other (TL)**
1. Trade Receivables	17,230	525	-	-	2,901	79	-	-
2a. Monetary Financial Assets (Cash and Bank	1,186,759	35,693	76	12,390	1,470,799	38,239	1,261	12,380
2b. Non-Monetary Financial Assets	68,895	2,099	-	-	60,587	1,650	-	-
3. Other	76,631	2,332	2	-	40,090	1,094	(2)	-
4. Current Asset (1+2+3)	**1,349,515**	**40,649**	**78**	**12,390**	**1,574,377**	**41,062**	**1,259**	**12,380**
5. Trade Receivables	-	-	-	-	-	-	-	-
6a. Monetary Financial Assets (Cash and Bank	-	-	-	-	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-	-	-	-	-
7. Other	5,424,236	165,242	-	-	5,828,285	158,724	-	-
8. Non Current Assets (5+6+7)	**5,424,236**	**165,242**	**-**	**-**	**5,828,285**	**158,724**	**-**	**-**
9. Total Assets (4+8)	**6,773,751**	**205,891**	**78**	**12,390**	**7,402,662**	**199,786**	**1,259**	**12,380**
10. Trade Payables	78,387	2,392	(4)	-	43,577	1,179	7	-
11. Financial Liabilities	264,964	8,069	2	-	281,941	7,676	2	-
12a. Monetary Other Financial Liabilities	17,848	214	307	-	-	-	-	-
12b. Non Monetary Other Financial Liabilities	43,350	1,321	-	-	37,087	1,010	-	-
13. Short Term Liability (10+11+12)	**404,549**	**11,996**	**305**	**-**	**362,605**	**9,865**	**9**	**-**
14. Trade Payables	-	-	-	-	-	-	-	-
15. Financial Liabilities	1,189,359	36,232	-	-	765,971	20,860	-	-
16 a. Monetary Other Financial Liabilities	-	-	-	-	-	-	-	-
16 b. Non Monetary Other Financial Liabilities	-	-	-	-	-	-	-	-
17. Long Term Liability (14+15+16)	**1,189,359**	**36,232**	**-**	**-**	**765,971**	**20,860**	**-**	**-**
18. Total Liability (13+17)	**1,593,908**	**48,228**	**305**	**-**	**1,128,576**	**30,725**	**9**	**-**
19. Net Asset/(Liability) Position of Off Balance Sheet Foreign Currency Derivative Instruments(19a-19b)	**1,313,048**	**40,000**	-	-	**1,628,588**	**44,352**	-	-
19a. Amount of Liability Characteristic Off Balance Sheet Derivative Instruments	1,313,048	40,000	-	-	1,628,588	44,352	-	-
19b. Amount of Liability Characteristic Off Balance Sheet Derivative Instruments	-	-	-	-	-	-	-	-
20. Net financial position (9-18+19)	**6,492,891**	**197,663**	**(227)**	**12,390**	**7,902,675**	**213,413**	**1,250**	**12,380**
21. Position of Net Monetary Units of Foreign Currency Assets / (Liabilities) (=1+2a+5+6a-10-11-12a-14-15-16a)	**(346,569)**	**(10,689)**	**(229)**	**12,390**	**382,211**	**8,603**	**1,252**	**12,380**
22. Total Fair value of Financial Instruments used for Currency Hedge	**(29,118)**	**-**	**-**	**(29,118)**	**6,928**	**-**	**-**	**6,928**
23. Amount of hedged Foreign Currency Assets	-	-	-	-	-	-	-	-
24. Amount of hedged Foreign Currency Liabilities	**1,313,048**	**40,000**	**-**	**-**	**1,628,588**	**44,352**	**-**	**-**
25. Export	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
26. Import	-	-	-	-	-	-	-	-

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

22. FINANCIAL RISK MANAGEMENT (continued)

Collaterals, pledges, mortgages and guarantees given by the Group

According to a regulation of the Capital Markets Board of Türkiye dated 9 September 2009, the public listed companies except financial institutions and investment trusts can give a collateral, pledge, mortgage and guarantee only in favor of their own judicial entities and their consolidated subsidiaries and other third parties can be a beneficiary of a collateral, pledge, mortgage and guarantee given by exchange-traded companies only if it is provided with the sole aim of conducting ordinary business activities.

As of 30 June 2024 and 31 December 2023, the tables regarding the Group's collateral/pledge/mortgage (CPM) position are as follows:

Collaterals, pledges, mortgages and guarantees given by the Group			**30 June 2024**		
	TL	**USD [3]**	**Euro[3]**	**Other**	**Total**
A. Collaterals, pledges, mortgages and guarantees given by the Group Companies in favor of their own judicial entities	**50**	**965,117**	**7,408**	**-**	**972,575**
1. Letters of guarantee given by the Group Company	-	-	-	-	-
2. Letters of guarantee given by the Non-Group Banks as collateral against cash loans	-	-	-	-	-
3. Other letters of guarantee given by the Non-Group Banks	-	-	-	-	-
4. Marketable Securities	-	-	-	-	-
5. Cash and bank deposit pledges	50	-	7,408	-	7,458
6. Mortgage given as collateral against cash loans [2]	-	965,117	-	-	965,117
7. Subsidiary share pledge given as collateral against cash loans	-	-	-	-	-
8.Other	-	-	-	-	-
B. Collaterals, pledges, mortgages and guarantees given by the Group in favor of consolidated Group Companies	**12,142**	**1,880,692**	**-**	**-**	**1,892,834**
1.Guarantees given as collateral against cash loans [1]	-	1,880,692	-	-	1,880,692
2.Guarantees given as collateral against derivative contracts	-	-	-	-	-
3.Letters of guarantee given as collateral against cash loans	-	-	-	-	-
4. Other non-cash loans	12,142	-	-	-	12,142
5. Mortgage given as collateral against cash loans	-	-	-	-	-
6. Subsidiary share pledge given as collateral against cash loans	-	-	-	-	-
7. Bank deposit given as collateral against cash loans	-	-	-	-	-
8.Other	-	-	-	-	-
C. Collaterals, pledges, mortgages and guarantees given by the Group while conducting ordinary business activities in favor of non-Group entities	**9,173,224**	**88,530**	**128,915**	**-**	**9,390,669**
1. Non-cash loans given by the Group Bank	9,173,224	88,530	128,915	-	9,390,669
2.Other	-	-	-	-	-
D. Collaterals, pledges, mortgages and guarantees given by the Group in favor of the associates and joint ventures with direct shareholdings pursuant to the Article 12/2. of the Communique on the Corporate Governance	-	-	-	-	-
E. Other collaterals, pledges, mortgages and guarantees given by the Group	-	-	-	-	-
1. Collaterals, pledges, mortgages and guarantees given by the Group in favor of the main shareholder	-	-	-	-	-
2. Collaterals, pledges, mortgages and guarantees given by the Group in favor of Group Companies other than those covered under the classes B and C	-	-	-	-	-
3. Collaterals, pledges, mortgages and guarantees given by the Group in favor of non-Group entities other than those covered under the class C	-	-	-	-	-
Total	**9,185,416**	**2,934,339**	**136,323**	**-**	**12,256,078**

(1) Guarantees given as collateral against cash loans and derivative contracts indicate the total risk exposure arising from guarantees given by the Company as collateral against outstanding cash loans and derivative contracts of its consolidated subsidiaries. The Company has no income or consideration arising from such guarantees it has given in favor of its consolidated subsidiaries.

(2) The dry bulk cargo ships named M/V Dodo, M/V Cano, M/V Hako, M/V Lena and M/V Mila owned by Dodo Maritime Limited, Cano Maritime Limited, Hako Maritime Limited, Lena Maritime Limited and Mila Maritime Limited, respectively, and the 100% shares of owned by GSD Shipping B.V. are mortgaged and pledged, respectively, against the bank loans obtained to finance the ship purchase in favour of the creditor banks.

(3) In the tables above, the amounts given for foreign currencies are shown in TL equivalent.

As at 30 June 2024, the rate of the other GPMs the Company have given to the Company's shareholders' equity is 14.85%.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

22. FINANCIAL RISK MANAGEMENT (continued)

Collaterals, pledges, mortgages and guarantees given by the Group (continued)

Collaterals, pledges, mortgages and guarantees given by the Group	31 December 2023				
	TL	USD [3]	Euro[3]	Other	Total
A. Collaterals, pledges, mortgages and guarantees given by the Group Companies in favor of their own judicial entities	**35**	**1,138,311**	**6,933**	**-**	**1,145,279**
1. Letters of guarantee given by the Group Company	-	-	-	-	-
2. Letters of guarantee given by the Non-Group Banks as collateral against cash loans	-	-	-	-	-
3. Other letters of guarantee given by the Non-Group Banks	-	-	-	-	-
4. Marketable Securities	-	-	-	-	-
5. Cash and bank deposit pledges	35	-	6,933	-	6,968
6. Mortgage given as collateral against cash loans [2]	-	1,138,311	-	-	1,138,311
7. Subsidiary share pledge given as collateral against cash loans	-	-	-	-	-
8.Other	-	-	-	-	-
B. Collaterals, pledges, mortgages and guarantees given by the Group in favor of consolidated Group Companies	**6,023**	**1,302,618**	**-**	**-**	**1,308,641**
1.Guarantees given as collateral against cash loans [1]	-	1,302,618	-	-	1,302,618
2.Guarantees given as collateral against derivative contracts	-	-	-	-	-
3.Letters of guarantee given as collateral against cash loans	-	-	-	-	-
4. Other non-cash loans	6,023	-	-	-	6,023
5. Mortgage given as collateral against cash loans	-	-	-	-	-
6. Subsidiary share pledge given as collateral against cash loans	-	-	-	-	-
7. Bank deposit given as collateral against cash loans	-	-	-	-	-
8.Other	-	-	-	-	-
C. Collaterals, pledges, mortgages and guarantees given by the Group while conducting ordinary business activities in favor of non-Group entities	**10,381,577**	**531,196**	**26,122**	**-**	**10,938,895**
1. Non-cash loans given by the Group Bank	10,381,577	531,196	26,122	-	10,938,895
2.Other	-	-	-	-	-
D. Collaterals, pledges, mortgages and guarantees given by the Group in favor of the associates and joint ventures with direct shareholdings pursuant to the Article 12/2. of the Communique on the Corporate Governance	**-**	**-**	**-**	**-**	**-**
E. Other collaterals, pledges, mortgages and guarantees given by the Group	**-**	**-**	**-**	**-**	**-**
1. Collaterals, pledges, mortgages and guarantees given by the Group in favor of the main shareholder	-	-	-	-	-
2. Collaterals, pledges, mortgages and guarantees given by the Group in favor of Group Companies other than those covered under the classes B and C	-	-	-	-	-
3. Collaterals, pledges, mortgages and guarantees given by the Group in favor of non-Group entities other than those covered under the class C	-	-	-	-	-
Total	**10,387,635**	**2,972,125**	**33,055**	**-**	**13,392,815**

[1] Guarantees given as collateral against cash loans and derivative contracts indicate the total risk exposure arising from guarantees given by the Company as collateral against outstanding cash loans and derivative contracts of its consolidated subsidiaries. The Company has no income or consideration arising from such guarantees it has given in favor of its consolidated subsidiaries.

[2] The dry bulk cargo ships named M/V Dodo, M/V Mila, M/V Cano, M/V Hako and M/V Lena owned by Dodo Maritime Limited, Cano Maritime Limited, Hako Maritime Limited and Lena Maritime Limited, respectively, and the 100% shares of owned by GSD Shipping B.V. are mortgaged and pledged, respectively, against the bank loans obtained to finance the ship purchase in favour of the creditor banks.

[3] In the tables above, the amounts given for foreign currencies are shown in TL equivalent.

As at 31 December 2023, the rate of the other GPMs the Company have given to the Company's shareholders' equity is 10.56%.

The ratio of other GPMs given by the Group, shown in the "Total amount of other GPMs given by the Group" row in the table above, to the Group's equity is 0% as of 30 June 2024 (31 December 2023: 0%).

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair Value of Financial Instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction.

The table below gives a comparison of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair values in the consolidated financial statements.

	30 June 2024		31 December 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loans and advances to customers	1,032,951	1,032,951	532,768	532,768
Finance lease receivables	48	48	60	60
Factoring receivables	2,116,088	2,116,088	1,550,500	1,550,500
Total	**3,149,087**	**3,149,087**	**2,083,328**	**2,083,328**
Financial liabilities				
Funds borrowed	2,269,403	2,269,403	1,579,030	1,579,030
Lease liabilities	13,425	13,425	8,087	8,087
Factoring payables	1,689	1,689	205	205
Total	**2,284,517**	**2,284,517**	**1,587,322**	**1,587,322**

The following methods and assumptions were used to estimate the fair values of the financial instruments:

- Fair values of certain financial assets and liabilities carried at cost or amortized cost, including cash and cash equivalents, balances with the Central Bank, deposits with banks and other financial institutions, other money market placements, factoring receivables and payables, demand deposits and reserve deposits at the central bank are considered to approximate their respective carrying values due to their short-term nature.
- Fair values of other financial instruments are determined by using estimation techniques that include taking reference to the current market value of another instrument with similar characteristics or by discounting the expected future cash flows at prevailing interest rates.

Fair Value Hierarchy

The table below analyzes the financial investments carried with the valuation method system and the value appropriate to the systems:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed debt instruments.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). This level includes the OTC derivative contracts. The sources of input parameters like LIBOR yield curve or counterparty credit risk are Bloomberg and Reuters.

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.

(Amounts expressed in Turkish Lira ("TL"), in terms of purchasing power of the Thousand TL at 30 June 2024 unless otherwise indicated.)

23. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Fair Value Hierarchy (continued)

30 June 2024	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit/loss	1,038,466	69,779	793,425	**1,901,670**
Fair Value Difference to Other Comprehensive Income Reflected Financial Assets	71,011	-	-	**71,011**
Total	**1,109,092**	**69,779**	**793,425**	**1,972,296**

31 December 2023	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit/loss	870,118	80,188	793,800	**1,744,106**
Fair Value Difference to Other Comprehensive Income Reflected Financial Assets	14,666	-	-	**14,666**
Derivative financial assets held for trading	-	6,928	-	**6,928**
Total	884,784	87,116	793,800	**1,765,700**

24. EARNINGS PER SHARE

	30 June 2024	30 June 2023
Parent share in net profit for the period	25,463	311,626
Weighted average number of shares with 1 full TL nominal value (*)	899,999,999	899,999,999
Basic earnings per share with a nominal value of full TL 1	**0.028**	**0.346**
Diluted earnings per share with a nominal value of full TL 1	**0.028**	**0.346**

(*) As of June 30, 2024, the Company's weighted average shares, excluding repurchased shares, were calculated as 899,999,999. The Company calculated earnings per share by dividing the parent company profit by the weighted average number of shares.

25. EXPLANATIONS ON STATEMENT OF CASH FLOWS

Cash And Cash Equivalents In The Statement Of Cash Flows:

Continuing operations	30 June 2024	30 June 2023
Cash on hand and balances with the Central Bank	2,824	3,619
Banks and financial institutions	1,034,282	2,033,418
Receivables from money market	41,434	14,802
Reserve requirements	263	491
Cash and cash equivalents in the statement of financial position	**1,078,803**	**2,052,330**
Less: Required reserve	(263)	(491)
Less: Accured interest	(85,220)	(8,187)
Less: Blocked amount (*)	(98,479)	(132,935)
Cash and cash equivalents in the statement of cash flows	**894,841**	**1,910,717**

(*) It consists of the blocked amount of Hako Maritime Limited.

26. OTHER MATTERS THAT MAY AFFECT THE FINANCIAL STATEMENTS OR MUST BE DISCLOSED FOR THE FINANCIAL STATEMENTS TO BE CLEAR, INTERPRETABLE AND UNDERSTANDABLE

Amendments to the Corporate Tax Law with Law No. 7456

With the amendment of Law No. 7456, the Corporate Tax rate has been determined as 25% and the said rate is; Within the framework of the law no. 6361 dated 21 November 2012, banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies are institutions. It will be applied as 30% for earnings.

The relevant regulation starts with the declarations that must be submitted as of October 1, 2023; It entered into force on July 15, 2023 to be applied to the earnings of institutions in 2023 and subsequent taxation periods, and to the earnings of institutions subject to the special accounting period, earned in the special accounting period starting in the 2023 calendar year and subsequent taxation periods.

Corporate Tax Exemption for the Sale of Real Estate has been Removed and the Exemption Rate for the Sale of Real Estate in Assets Before July 15, 2023 has been reduced from 50% to 25%. With the regulation made, Corporate Tax exemption will not be applied on the profits generated from the sale of real estate acquired by institutions after July 15, 2023, which is the date of entry into force of the Law.

Taxpayers will be able to benefit from the pre-amendment provisions of subparagraph (e) of the first paragraph of Article 5 of Law No. 5520 for immovable properties that were in the assets of institutions before July 15, 2023, the date of entry into force of Law No. 7456. However, for the sales of immovable properties that were in the assets of institutions before July 15, 2023, as of July 15, 2023. The exemption rate, which was applied as 50% based on subparagraph (e) of the first paragraph of Article 5 of the Corporate Tax Law, will be applied as 25%.

Annex to Presidential Decree No. 7343 dated July 6, 2023

Within the scope of the fourth paragraph of Article 94 of Law No. 193. A 0% withholding is applied on the Amounts considered as distributed dividends in relation to their own shares acquired by full-time taxpayer capital companies whose shares are traded in Borsa Istanbul.

Silopi Elektrik Üretim A.Ş. Shares

The closing of the transaction in connection with the agreement for purchase and sale of shares and of shareholders comprising the purchase of the Class (B) shares with a nominal value of full TL 30,308 representing a ratio of 15 % in the share capital of full TL 202,050,000 of Silopi Elektrik Üretim A.Ş. by GSD Holding A.Ş. from Park Holding A.Ş. signed on 8 June 2015, being conditional upon obtaining the necessary regulatory approvals from the relevant regulatory authorities in Türkiye, has been executed between GSD Holding A.Ş and Park Holding A.Ş. on 29 June 2015, the total price of US 125,000,000 having been paid by GSD Holding A.Ş. to Park Holding A.Ş. and the assignment by Park Holding A.Ş. to GSD Holding A.Ş. of the shares constituting the subject of the agreement having been made and entered to the share ledger of Silopi Elektrik Üretim A.Ş. as of this date.

On 8 June 2020 it has been decided that GSD Holding A.Ş. has used its put option and sold its 5.40 % shares to Park Holding A.Ş. with a nominal value of TL 10,910,700 that represent 5.40% of capital of Silopi Elektrik Üretim A.Ş. in return of USD 45,000,000 with respect to derogation of existing agreement that was signed on 8 June 2015 between GSD Holding A.Ş. and Park Holding A.Ş.. For the remaining shares representing 9.60% of capital of Silopi Elektrik Üretim A.Ş., GSD Holding A.Ş. and Park Holding A.Ş. agreed on extending the period for the public offering of the company until 31 December 2024, agreed to increase this company's paid in capital by Park Holding A.Ş. from TL 202,050,000 to TL 1,500,000,000. After the capital increase, bonus issues are going to be transferred to GSD Holding A.Ş. from Park Holding A.Ş. through protecting its 9.60% shares of Silopi Elektrik Üretim A.Ş. with a nominal value of TL 124,603,200, cover the remuneration by Park Holding A.Ş., finally in case the Silopi Elektrik Üretim A.Ş.'s public offering is not realized by the stipulated date, the new addendum established right to GSD Holding A.Ş. for the sale of the remaining shares with an option price of USD 30,000,000 to Park Holding A.Ş. and it has been agreed that the minimum dividend to be paid is determined as 3% per annum with respect to the remaining balance of the receivable until 31 December 2024.

The income rediscount calculated at the rate of the number of days until the end of the period based on the annual minimum profit share guarantee specified in the additional agreement made on June 8, 2020, was recorded as valuation income under the item "Other Income from Investment Activities" in the profit or loss statement.

26. OTHER MATTERS THAT MAY AFFECT THE FINANCIAL STATEMENTS OR MUST BE DISCLOSED FOR THE FINANCIAL STATEMENTS TO BE CLEAR, INTERPRETABLE AND UNDERSTANDABLE (continued)

Mehmet Turgut Yılmaz and Shareholders taking joint actions with Mehmet Turgut Yılmaz

As of December 31, 2023, the direct share rate of Mehmet Turgut Yılmaz, the real person ultimate controlling partner of GSD Holding A.Ş., is 25.50%, the direct and indirect total share rate is 28.14%, and the treasury shares are deducted from the capital is 31.27%.

As at 31 December 2022 according to the Communique on Prospectus and Issue Document (II-15.1), the total share of Mehmet Turgut Yılmaz and people acting together is 40.14% and the total share is 33.49% with treasury shares deducted from capital. Regarding the shares of GSD Holding A.Ş., 25.50% of shares owned by Mehmet Turgut Yılmaz, 4.50% of shares owned by MTY Delta Denizcilik İç ve Dış Ticaret A.Ş., 10.00% of shares owned by GSD Holding A.Ş. and 0.14% of shares owned by Adeo Turizm Otelcilik Limited Şirketi, which in total adds up to 40.14%, act in unison.

Currency Protected Deposit Account

With the Law No. 7352 Amending the Tax Procedure Law and the Corporate Tax Law, which was published in the Official Gazette dated 29 January 2022 and numbered 31734, and the temporary article 14 was added to the Corporate Tax Law No. 5520, and the foreign currencies and gold accounts in the balance sheets of 31 December 2021 were recorded in Turkish. For the taxpayers, who convert the Turkish lira assets into Turkish lira and use them in Turkish lira deposit and participation accounts with a maturity of at least three months opened in this context, the exchange gains they have obtained in the period between October 1, 2021 and December 31, 2021, are obtained at the end of maturity. Within the scope of the principles specified in the regulation for the interest, dividends and other earnings obtained, corporate tax exemption has been introduced for the 2021 accounting period.

With this law amendment, it was decided to open a 3-month Currency Protected Deposit Account on December 7, 2023. A return of 16,611 thousand TL was made on March 8, 2024 and it was closed at the end of the maturity.

GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret A.Ş. to establish a new company in the Netherlands with a capital of 12 million USD

GSD Denizcilik Gayrimenkul İnşaat San. ve Tic. A.Ş. in the Netherlands as a subsidiary and participation in this company to be established with a capital of 12 million USD and the Capital Markets Board's Share Communiqué No. VII-128.1 regarding the use of funds obtained from paid capital increase. In accordance with Article 33 titled "Disclosures to be made", the company to be established in the Netherlands will provide funds for the ongoing ship investment of Nehir Maritime Limited, which is included in the Audit Committee Report dated 25.03.2022, which was recently announced to the public; Regarding this resource, following the delivery of the 38,000 tons carrying capacity, approximately 25 Million USD ship, which is under construction at the Japanese Imabari shipyard, in August 2023, following the receipt of the 97,778 TL fund obtained from the capital increase, the Audit Committee Report on the use of the entire It has been decided to publish it on the Lighting Platform and our Company's website.

It participated in the GSD Ship Finance BV company, whose establishment was completed in the Netherlands, with a capital of 12 million US dollars, with a 100% share.

Capital increase of GSD Faktoring A.Ş.

At the meeting of our Board of Directors dated October 25, 2023; The capital of our company's subsidiary, GSD Faktoring A.Ş., is 55,000,000 Full TL. Regarding the increase to 400,000,000 Full TL, with 73,269,919.08 Full TL being covered from internal resources and 271,730,080.92 Full TL being paid in cash. The preemptive right corresponding to the current 88,010% shares of our company will be fully used and the entire capital amount corresponding to our shares will be paid in cash, free from any collusion. In addition, it was decided to issue a letter of undertaking to irrevocably accept that the pre-emptive rights not used by the Other shareholders will be used by our Company and that the entire capital amount corresponding to these shares will be paid in cash, free from all kinds of collusion. After these transactions take place. Shares of GSD Faktoring A.Ş. with a nominal value of 12,826,991.90 TL, corresponding to 3.21% of the capital of GSD Faktoring A.Ş., for a total price of 26,026,517.80 TL. It was purchased in cash and cash on February 12, 2024, and the share transfer and payment transactions were completed. Our company's total direct share in GSD Faktoring A.Ş. has increased to 98.01%.

26. OTHER MATTERS THAT MAY AFFECT THE FINANCIAL STATEMENTS OR MUST BE DISCLOSED FOR THE FINANCIAL STATEMENTS TO BE CLEAR, INTERPRETABLE AND UNDERSTANDABLE (continued)

About the purchase of a new dry cargo ship to be built by GSD Shipping BV (Guzide Maritime Limited)

Sumisho Marine Co., under the guarantee of Sumitomo Corporation, located in Japan. Ltd. To conclude a shipbuilding contract with. 100% owned by our subsidiary GSD Shipping BV. Based in Malta. The establishment procedures of Guzide Maritime Limited company with a capital of 5,000 USD were completed on September 13, 2023.

On September 29, 2023, Sumisho Marine Co. Ltd. between. A contract was signed for the construction of a dry cargo ship with a carrying capacity of 42,350 DWT to be built at the Japanese Oshima shipyard to be delivered in 2026.

Establishment of Deniz Maritime Limited Company

It has been decided to purchase a dry cargo ship within GSD Shipping BV and to establish the company structure to which the purchased ship will be affiliated.

In line with the transactions initiated by the decision of our Company's Board of Directors dated April 24, 2024, Deniz Maritime Limited was established in the Marshall Islands with a capital of USD 5,000, to participate with USD 5,000 in return for 5,000 registered shares with a nominal value of USD 1.

Pursuant to the ship purchase agreement signed between our subsidiary GSD Shipping BV and Anchor Trans Inc, located in Panama, announced in the Public Disclosure Platform dated April 25, 2024, the purchase process of the dry cargo ship to be renamed Deniz has been completed.

Sale of Dry Cargo Ship Named Zeyno

A sales contract was signed on February 27, 2024 for the sale of the dry cargo ship named Zeyno, which belongs to Zeyno Maritime Limited, a company established in Malta, whose entire shares are owned by GSD Shipping BV, a subsidiary of our Company established in the Netherlands with a 100% share in the capital, and the sale transactions were completed and the ship was delivered on May 10, 2024.

Purchase of a Dry Cargo Ship by Zeyno Maritime Limited, a subsidiary of GSD Shipping BV, located in Malta

In the meeting of our Board of Directors dated June 14, 2024, it was decided to purchase a dry cargo ship by Zeyno Maritime Limited, a subsidiary of our Company, GSD Shipping BV, located in Malta. It was decided to conduct the ship purchase contract process regarding the purchase of the relevant ship, to conduct the commercial title change transactions of our Zeyno Maritime Limited Company, and to authorize our Company's Board of Directors to conduct other necessary transactions. Regarding the said ship purchase in the KAP announcement dated June 14, 2024, a ship purchase contract was signed by our subsidiary Zeyno Maritime Limited, located in Malta, for the purchase of an ultramax type dry cargo ship.

27. EVENTS AFTER THE REPORTING PERIOD

About the Purchase of a Newbuilding Dry Cargo Ship by GSD Shipping BV (Neco Maritime Limited)

A purchase agreement for a dry cargo ship with a carrying capacity of 64,000 DWT to be built by the Japanese NSY Group for delivery in 2028 was signed on 30 July 2024 between Malta-based Neco Maritime Limited, a subsidiary of GSD Shipping BV, and Laurel World Maritime SA, a subsidiary of Japan-based Itochu Corporation, as guarantor.

About the Purchase of a Newbuilding Dry Cargo Ship by GSD Shipping BV (Dodo Maritime Limited)

A contract was signed on 30 August 2024 between Dodo Maritime Limited, established in Malta, in which GSD Shipping BV has a 100% share, and Sumisho Marine Co. Ltd., a subsidiary of Sumitomo Corporation, established in Japan, for the construction of a dry cargo ship with a carrying capacity of 42,350 DWT to be built at the Oshima shipyard for delivery in 2028.

About the Purchase of a Newly Built Dry Cargo Ship by GSD Shipping Real Estate Construction Industry and Trade Inc. (Hako Maritime Limited)

A purchase agreement for a dry cargo ship with a carrying capacity of 64,000 DWT to be built within the Japanese NSY Group for delivery in 2028 was signed on July 30, 2024 between Hako Maritime Limited, established in Malta, in which GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret A.Ş. has a 100% stake, and Laurel World Maritime SA, its subsidiary, in which Itochu Corporation, established in Japan, is the guarantor.

Establishment and Operating Permit of GSD Asset Management Inc.

The establishment registration procedures of the company titled GSD Varlık Yönetim Anonim Şirketi with a capital of x100,000,000 TL, as a 100% subsidiary of GSD Holding A.Ş., to operate for the purpose of purchasing, collecting, restructuring and selling the receivables and other assets of the source institutions, were completed on July 5, 2024. The operating license was granted by the Banking Regulation and Supervision Agency with the Official Gazette - Board Decision of the Presidency of the Republic of Türkiye dated September 11, 2024.