

**İPEK DOĞAL ENERJİ KAYNAKLARI
ARAŞTIRMA VE ÜRETİM A.Ş.**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
AS OF MARCH 31, 2025**

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İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.**Condensed consolidated statement of financial position as of March 31, 2025**

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

	Notes	<i>Not Reviewed</i> March 31, 2025	<i>Audited</i> December 31, 2024
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	2.894.517	1.115.556
Financial investments	5	10.336.283	10.377.816
Trade receivables			
- Due from third parties		102.231	95.022
Other receivables			
- Due from third parties		276.159	5.819
Inventories	6	1.908.184	3.348.895
Prepaid expenses	7	137.810	154.886
Assets related to current period tax		153.985	434.805
Other current assets	8	16.850	19.115
Subtotal		15.826.019	15.551.914
Assets held for sale		1.005.974	-
TOTAL CURRENT ASSETS		16.831.993	15.551.914
NON-CURRENT ASSETS			
Financial investments	5	2.991.696	3.046.228
Other receivables			
- Due from related parties	20	302.370	389.052
- Due from third parties		3.944	5.313
Right-of-use assets		2.297	2.964
Investment properties	9	1.856.773	2.878.172
Property, plant and equipment	10	12.685.792	11.890.139
Intangible assets			
- Other intangible assets	11	37.604	43.100
Prepaid expenses	7	1.374.611	1.692.326
Deferred tax assets		2.143.990	2.211.165
Other non-current assets	8	1.158.415	1.064.124
TOTAL NON-CURRENT ASSETS		22.557.492	23.222.583
TOTAL ASSETS		39.389.485	38.774.497

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

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.**Condensed consolidated statement of financial position as of March 31, 2025**

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

		<i>Not Reviewed</i> March 31, 2025	<i>Audited</i> December 31, 2024
	Notes		
LIABILITIES			
CURRENT LIABILITIES			
Short-term lease liabilities			
- Bank credits		20.000	22.013
- Lease liabilities		600	1.117
Trade payables			
- Due to third parties		325.060	247.384
Payables related to employee benefits		154.195	173.571
Other payables			
- Due to related parties	20	10.434	125.592
- Due to third parties		88.842	71.068
Deferred revenues (excluding liabilities arising from customer agreements)		86.679	34.831
Current income tax liabilities		35.067	18.074
Short-term provisions			
- Provisions for employee benefits	12	45.899	50.517
- Other short-term provisions	12	1.810.968	1.592.846
Other current liabilities		46.713	60.837
TOTAL CURRENT LIABILITIES		2.624.457	2.397.850
NON-CURRENT LIABILITIES			
Long-term lease liabilities			
- Lease liabilities		1.403	1.993
Other payables			
- Due to third parties		207.379	212.882
Deferred revenues (excluding liabilities arising from customer agreements)		14	38
Long-term provisions			
- Provisions for employee benefits	12	249.668	240.880
- Other long-term provisions	12	904.098	750.654
TOTAL NON-CURRENT LIABILITIES		1.362.562	1.206.447
EQUITY		35.402.466	35.170.200
Equity holders of the parent		9.677.055	9.383.991
Paid-in share capital	13	259.786	259.786
Adjustment to share capital	13	4.184.170	4.184.170
Share premium		104.079	102.638
Cross share capital adjustment		(139.976)	(143.835)
Other comprehensive income / expense not to be reclassified to profit or loss			
- Actuarial gain / (loss) fund for employee benefits		10.960	2.136
Restricted reserves	13	1.208.312	1.080.265
Reserves for withdrawn shares	13	1.113.394	1.113.394
Retained earnings		3.045.666	3.883.269
Net profit / loss for the period		(109.336)	(1.097.832)
Non-controlling interests		25.725.411	25.786.209
TOTAL LIABILITIES AND EQUITY		39.389.485	38.774.497

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

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.**Condensed consolidated statement of profit or loss and other comprehensive income
for the period ended March 31, 2025**

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL")
as of March 31, 2025, unless otherwise stated.)

	Notes	Not Reviewed January 1- March 31, 2025	Not Reviewed January 1- March 31, 2024
Revenue	14	4.403.574	4.162.031
Cost of sales (-)	14	(3.134.245)	(2.934.890)
GROSS PROFIT		1.269.329	1.227.141
Research and development expenses (-)		(369.254)	(405.686)
Marketing, sales and distribution expenses (-)		(33.242)	(5.717)
General administrative expenses (-)		(353.738)	(366.495)
Other operating income		29.163	90.700
Other operating expenses (-)		(126.276)	(274.677)
OPERATING PROFIT		415.982	265.266
Income from investing activities	15	1.110.114	1.621.862
Expenses from investment activities	16	(96)	-
OPERATING PROFIT BEFORE FINANCIAL INCOME		1.526.000	1.887.128
Financial expenses (-)		2.396	(7.928)
Monetary loss (-)		(1.137.153)	(1.494.652)
PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS		391.243	384.548
Tax expense from continued operations		(119.588)	(1.008.824)
- Current tax expense (-)	18	(39.283)	(360.569)
- Deferred tax income / (expense) (-)	18	(80.305)	(648.255)
NET PROFIT/ (LOSS) FOR THE PERIOD		271.655	(624.276)
Attribution of profit / (loss) for the period:			
Non-controlling interests		380.991	(368.970)
Equity holders of the parent		(109.336)	(255.306)
Other comprehensive expense (-)			
Total other comprehensive income not to be classified to profit or loss in subsequent years			
Gains / (losses) on remeasurements of defined benefit plans		(52.518)	(79.721)
Gains / (losses) on remeasurements of defined benefit plans, tax effect		13.130	19.930
TOTAL COMPREHENSIVE INCOME/ (EXPENSE)		232.267	(684.067)
Attribution of comprehensive (expense)/ income for the period:			
Non-controlling interests		332.779	(436.236)
Equity holders of the parent		(100.512)	(247.831)
Earnings per 100 shares	19	(0,042)	(0,098)
- common stock (TL)			
Earnings per 100 shares from total comprehensive income	19	(0,039)	(0,095)
- common stock (TL)			

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

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

Condensed consolidated statement of changes in equity for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

				Capital Adjustments due to Cross- Ownership	Other comprehensive income/expense not to be reclassified to profit or loss	Restricted reserves	Retained earnings	Net profit for the period	Equity holders of the parent	Noncontrolling interests	Total equity
	Paid in capital	Adjustment to capital	Share premium		Actuarial (loss) / gain fund for employment termination benefit						
Balance as of January 1, 2024	259.786	4.184.170	102.638	(79.014)	(16.991)	1.855.387	4.209.934	285.059	10.800.969	27.868.876	38.669.845
Net loss for the period	-	-	-	-	-	-	-	(255.306)	(255.306)	(368.970)	(624.276)
Other comprehensive loss	-	-	-	-	7.475	-	-	-	7.475	(67.266)	(59.791)
Total comprehensive income	-	-	-	-	7.475	-	-	(255.306)	(247.831)	(436.236)	(684.067)
Transfers	-	-	-	-	-	-	285.059	(285.059)	-	-	-
Increase /(decrease) through Treasury Share Transactions	-	-	-	(52.993)	-	265.632	(478.271)	-	(265.632)	(874.868)	(1.140.500)
Balance as of March 31, 2024	259.786	4.184.170	102.638	(132.007)	(9.516)	2.121.019	4.016.722	(255.306)	10.287.506	26.557.772	36.845.278
Balance as of January 1, 2025	259.786	4.184.170	102.638	(143.835)	2.136	2.193.659	3.883.270	(1.097.832)	9.383.992	25.786.207	35.170.199
Net profit for the period	-	-	-	-	-	-	-	(109.336)	(109.336)	380.991	271.655
Other comprehensive loss	-	-	-	-	8.824	-	-	-	8.824	(48.212)	(39.388)
Total comprehensive income	-	-	-	-	8.824	-	-	(109.336)	(100.512)	332.779	232.267
Transfers	-	-	-	-	-	53.832	(1.151.664)	1.097.832	-	-	-
Minority share change effect	-	-	1.441	3.859	-	74.215	314.060	-	393.575	(393.575)	-
Balance as of March 31, 2025	259.786	4.184.170	104.079	(139.976)	10.960	2.321.706	3.045.666	(109.336)	9.677.055	25.725.411	35.402.466

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

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

Condensed consolidated statement of cash flows for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

	Notes	Not Reviewed January 1 – March 31, 2025	Not Reviewed January 1 – March 31, 2024
A. Cash flows from operating activities		4.179.129	5.735.106
Profit for the period from the continuing operations		271.655	(624.276)
Adjustments to reconcile profit for the period			
Adjustments to depreciation and amortization		194.055	537.281
Adjustments for fair value (gains) of financial assets	15	(690.795)	(1.180.481)
Adjustments for impairment on receivables		(179)	239
Adjustments for provisions			
- Adjustments for sectoral provisions	12	615.319	617.308
- Adjustments for debt provisions	12	9.144	(15.183)
- Adjustments for provisions for employee benefits	12	327	22.928
Adjustments for tax expense		119.588	1.008.824
Adjustments for interest expenses		15.264	60.520
Adjustments for interest income		(342.265)	(427.386)
Adjustments for (gains) arising from disposal of tangible assets	10	(22.229)	(4.551)
Monetary loss		1.512.147	2.340.801
Total adjustments		1.410.376	2.960.300
Increase /(decrease) in trade receivables		269	22.594
Increase in inventories		1.440.711	118.395
Increase /(decrease) in prepaid expenses		1.158.627	2.956.146
Decrease in trade payables		77.676	25.361
Adjustments for increases in other receivables related to activities		248.089	137.260
Increase in other liabilities related to activities		(102.887)	377.976
Adjustments for (decrease)/ increase in deferred income		51.824	4.015
Increase in other receivables from related parties related to activities		86.682	(27.181)
Decrease / increase in payables related to employee benefits		(19.376)	(2.588)
Increase / decrease in other assets related to activities		(92.026)	(91.552)
Increase in other liabilities related to activities		(14.124)	(15.339)
Payments of employee retirement benefits	12	(41.201)	(30.477)
Decrease/ (increase) in biological assets		-	74.354
Payments related to other provisions	12	(297.166)	(149.882)
Net cash from operating activities		2.497.098	3.399.082
B. Cash flows from investing activities		(2.251.888)	(3.243.608)
Cash inflows related to sale of tangible assets	10	24.752	14.364
Cash outflows from purchase of tangible assets	10	(969.382)	(846.371)
Cash outflows from purchase of intangible assets	11	(1.261)	(62)
Interest received		308.690	444.384
Cash flows related to financial investments, net		(790.851)	(153.728)
Cash advances and debts given (-)		(823.836)	(2.702.195)
C. Net cash from financing activities		(1.539)	(1.684.908)
Cash outflows related to withdrawn transactions (-)		(825.828)	-
Cash outflows related to debt payments arising from lease agreements		(1.539)	(15.006)
Cash outflows related to borrowing (-)		-	(529.402)
D. Monetary loss on cash and cash equivalents		(180.316)	(250.116)
Net increase in cash and cash equivalents (A+B+C+D)		1.745.386	556.474
E. Cash and cash equivalents at the beginning of the year	4	1.115.556	1.698.332
F. Cash and cash equivalents at the end of the year (A+B+C+D+E)	4	2.860.942	2.254.806

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

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

Condensed consolidated statement of financial position as of March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

1. Group's organization and nature of the operations

İpek Doğal Enerji Kaynakları Araştırma ve Üretim A.Ş. ("Company") was established as a Joint Stock Company with Trade Registry Number 55759 with the articles of association published in the Trade Registry Gazette dated January 8, 1985 and numbered 1174. The Group has changed its title as İpek Doğal Enerji Kaynakları Araştırma ve Üretim A.Ş. on June 10, 2011 which was İpek Matbaacılık Sanayi ve Ticaret A.Ş., by including oil, natural gas, energy and energy resources research and production activities in its main field of activity which was printing and invitation in the establishment. This change was announced in the Trade Registry Gazette dated June 15, 2011 and numbered 7837. The company and all of its subsidiaries, whose details are explained in footnote 2.2, are named as "Group" together.

As of March 31, 2025, 62.10% of the Company's shares, including shares traded on Borsa İstanbul ("BIST"), are owned by Türk Altın Holding A.Ş. (*) (December 31, 2024: 62.10% Koza-İpek Holding A.Ş.) Shares corresponding to 37.75% of the company's capital (31 December 2024: 37.75%) traded on BIST.

The Company management was transferred to the Board of Trustees, pursuant to the decision of Ankara 5th Criminal Court of Peace, dated October 26, 2015, and subsequently transferred to the Savings Deposit Insurance Fund ("SDIF") on September 22, 2016. As of this date, all the authorities of the management have been transferred to the trustees appointed to the management of Koza Altın İşletmeleri A.Ş. and it has been decided to establish new management by these trustees. With the Decree Law No. 674 on Making Some Regulations under the State of Emergency ("Decree") published on September 1, 2016, it was decided to transfer all the powers previously given to the trustees assigned to companies by the courts to the Savings Deposit Insurance Fund ("SDIF").

In accordance with the "reservation of the rights of bona fide shareholders and third parties" stipulated in the decision of the 3rd Criminal Chamber of the Supreme Court of Appeals dated April 14, 2023, numbered 2022/18087 Principles, Decision no. 2023/2215, the Company and other Koza İpek Group companies are In a way that protects the rights of bona fide shareholders and third parties, the parent company-subsidiary structure in group companies continues as it is, and the rights of investors in companies traded on BIST are protected, and the registration and announcement of the shares of real persons other than these on behalf of the Treasury are carried out by the Trade Registry Office. It was held in July 2023.

By preserving the parent partnership-subsidiary structures, the transfer of the company's shares belonging to the Treasury to the Türkiye Wealth Fund was published in the Official Gazette dated August 20, 2024 and numbered 32638, by Presidential decision numbered 8857. Taking into account the strategic importance of the sectors in which the Company and all group companies operate for the country's economy, the partnership structure and group company integrity will be ensured, without disrupting the parent company-subsidiary relations, and by protecting the rights of bona fide beneficiaries and stock market investors, it is decided to transfer of the company's shares belonging to the Treasury to the Türkiye Wealth Fund. With the decision of the Savings Deposit Insurance Fund (TMSF) Fund Board dated September 12, 2024 and numbered 2024/406 and the decision of the Board of Directors dated September 12, 2024, the transfer of the shares of the companies belonging to the Treasury to the Türkiye Wealth Fund was recorded in the share ledger. The transfer of the Company's shares belonging to the treasury to the Türkiye Wealth Fund was registered on October 18, 2024 and was published in the Trade Registry Gazette dated October 22, 2024 and numbered 11191.

The Group's consolidated financial statements for the years ended December 31, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024 have been approved by the Board of Directors with the board decisions dated April 24, 2018, April 30, 2018, February 28, 2019, February 27, 2020, March 1, 2021, March 1, 2022, March 1, 2023, May 24, 2024 and March 25, 2025 respectively and published by excluding the possible cumulative effects of the works and transactions belonging to the previous financial periods, whose judgment process continues, in accordance with the provisions of Article 401/4 of the Turkish Commercial Code No. 6102 ("TCC"). Audited financial statements for the year ended December 31, 2015 were not approved by the Board of Directors in accordance with the provisions of Article 401/4 of the TCC. Subsequently, with the decision of the Board of Directors of the Group, the phrase "excluding the possible cumulative effects of the transactions and operations from previous financial periods on the statements in accordance with the provisions of Article 401/4 of the Turkish Commercial Code No. 6102 ("TCC")" have been removed from the decisions regarding the approval of the consolidated financial statements for December 31, 2023. Ordinary general assembly meetings of the Group for the years 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024 and these financial statements of the Group could not be submitted to the approval of the General Assembly.

(*) As of February 25, 2025, company title "Koza-İpek Holding A.Ş." has changed to "Türk Altın Holding A.Ş."

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

1. Group's organization and nature of the operations (continued)

Group's consolidated participations located in Türkiye until December 31, 2015, Bugün Televizyon Radyo ve Perakende A.Ş., Yaşam Televizyon Yayın Hizmetleri A.Ş. ve Koza İpek Basın ve Basım Sanayi ve Ticaret A.Ş. and subsidiaries Koza Prodüksiyon ve Ticaret A.Ş., Rek-Tur Reklam Pazarlama ve Ticaret Ltd. Şti. ve İpek Online Bilişim Hizmetleri Ltd. Şti. has not been included in the scope of consolidation since 2016 due to the official cancellation of the trade registry record with the Decree Law in 2016.

As of March 31, 2025, the number of employees is 2.166 people (December 31, 2024: 2.173).

The registered address of the Company is below:

Uğur Mumcu Mahallesi, Fatih Sultan Mehmet Bulvarı, İstanbul Yolu 10. Km, No: 310, 06370, Yenimahalle-Ankara, Türkiye.

2. Basis of presentation of consolidated financial statements

2.1 Basis of presentation

Financial reporting standards

The Group and its subsidiaries established in Türkiye, prepare its consolidated financial statements in accordance with the Turkish Commercial Code (TCC) numbered 6102, tax legislation and the Uniform Chart of Accounts published by the Ministry of Finance.

The accompanying consolidated financial statements are prepared in accordance with the requirements of Capital Markets Board ("CMB") Communiqué Serial II, no: 14.1 "Basis of Financial Reporting in Capital Markets", which were published in the Resmi Gazete No:28676 on June 13, 2013. The accompanying consolidated financial statements are prepared based on the Turkish Financial Reporting Standards and Interpretations ("TAS/IFRS") that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA").

The consolidated financial statements and notes are presented in accordance with the "2024 TAS Taxonomy" announced by the POA with the principal decision dated July 3, 2024. The consolidated financial statements are based on legal records and expressed in TL, and have been prepared by subjecting to some corrections and classification changes in order to present the Group's status according to TAS and IFRS.

Foreign currency

Functional and reporting currency

The consolidated financial statements are presented in TL, which is the functional and presentation currency of the Group.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

2. Basis of presentation of consolidated financial statements (continued)**2.1 Basis of presentation (continued)****Foreign currency (continued)***Foreign currency transactions and balances*

Foreign currency transactions have been converted over the exchange rates valid on the dates of the transaction. Monetary assets and liabilities based on foreign currency are converted using the exchange rates valid on the date of the statement of financial position. Exchange difference income or expense arising from foreign currency-based operational transactions (trade receivables and debts) is presented under the "other income / expenses from operating activities", while the exchange difference income or expense arising from the translation of other foreign currency based monetary assets and liabilities is presented under "finance income / expenses" in the consolidated statement of profit or loss.

Adjustment of Financial Statements in High Inflation Periods

In accordance with the decision of the CMB dated December 28, 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of TAS 29, starting from their annual financial reports for the accounting periods ending as of December 31, 2023. Based on the aforementioned CMB decision, the announcement made by the KGK on November 23, 2023 and the "Implementation Guide on Financial Reporting in Hyperinflationary Economies" published, the Group has prepared its consolidated financial statements for the period and ending on the same date as of March 31, 2025 by applying the TAS 29 "Financial Reporting in Hyperinflationary Economies" Standard. According to this standard, consolidated financial statements prepared based on the currency of an economy with high inflation should be prepared in the purchasing power of this currency at the balance sheet date and the financial statements of previous periods should be restated in terms of the current measurement unit at the end of the reporting period. For this reason, the Group has presented its consolidated financial statements as of December 31, 2024 on the basis of purchasing power as of March 31, 2025. Except for financial investments, assets and liabilities are prepared on the basis of historical cost.

The re-arrangements made in accordance with TAS 29 were made using the correction coefficient obtained from the Consumer Price Index ("CPI") in Türkiye published by the Turkish Statistical Institute ("TÜİK"). As of March 31, 2025, the indexes and correction coefficients for the current and comparative periods used in the correction of the consolidated financial statements are as follows:

Period end	Index	Index, %	Three-year cumulative inflation rates
March 31, 2025	2.954,69	1,00000	250%
December 31, 2024	2.684,55	1,10063	291%
March 31, 2024	2.139,47	1,38104	309%

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira (“TL”) as of March 31, 2025, unless otherwise stated.)

2. Basis of presentation of consolidated financial statements (continued)

2.1 Basis of presentation (continued)

Adjustment of Financial Statements in High Inflation Periods (continued)

Assets and liabilities were separated into those that were monetary and non-monetary, with non-monetary items were further divided into those measured on either a current or historical basis to perform the required restatement of consolidated financial statements under TAS 29. Monetary items (other than index -linked monetary items) and non-monetary items carried at amounts current at the end of the reporting period were not restated because they are already expressed in terms of measuring unit as of March 31, 2025. Non-monetary items which are not expressed in terms of measuring unit as of March 31, 2025 were restated by applying the conversion factors. The restated amount of a non-monetary item was reduced, in accordance with appropriate TFRSs, in cases where it exceeds its recoverable amount or net realizable value. Components of shareholders’ equity in the statement of financial position and all items in the statement of profit or loss and other comprehensive income have also been restated by applying the conversion factors.

Non-monetary items measured at historical cost that were acquired or assumed and components of shareholders’ equity that were contributed or arose before the time when the Turkish lira previously ceased to be considered currency of hyperinflationary economy, i.e before January 1, 2005, were restated by applying the change in the CPI from January 1, 2005 to March 31, 2025.

The application of TAS 29 results in an adjustment for the loss of purchasing power of the Turkish lira presented in Net Monetary Position Gains (Losses) item in the profit or loss section of the statement of profit or loss and comprehensive income. In a period of inflation, an entity holding an excess of monetary assets over monetary liabilities loses purchasing power and an entity with an excess of monetary liabilities over monetary assets gains purchasing power to the extent the assets and liabilities are not linked to a price level. This gain or loss on the net monetary position is derived as the difference resulting from the restatement of non-monetary items, owners’ equity and items in the statement of profit or loss and other comprehensive income and the adjustment of index linked assets and liabilities. In addition, in the reporting period in which IAS 29 was first applied, the provisions of the Standard were applied assuming that there was always high inflation in the relevant economy. Therefore, the consolidated statement of financial position as of January 1, 2022, the beginning of the earliest comparative period, has been adjusted for inflation in order to form the basis for subsequent reporting periods. The inflation-adjusted amount of the retained earnings/losses item in the consolidated financial position statement dated January 1, 2022 was obtained from the balance sheet balance that should have occurred after adjusting the other items of the said table for inflation.

Going concern

The Group has prepared its consolidated financial statements according to the going concern principle.

Declaration of conformity to TFRS

The Group has prepared its consolidated financial statements for the period ending on March 31, 2025, in accordance with the CMB's Communiqué Serial: II-14.1 and its announcements clarifying this communiqué. The consolidated financial statements and notes are presented in accordance with the formats recommended by CMB and including the required information.

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

2. Basis of presentation of consolidated financial statements (continued)

2.2 Consolidation principles

- (a) Consolidated financial statements include the accounts of the Company and its subsidiaries prepared according to the principles stated below. During the preparation of the financial statements of the companies included in the scope of consolidation, necessary corrections and classifications were made in terms of compliance with TFRS and the accounting policies and presentation styles applied by the Group.
- (b) The subsidiaries controlled by the Company has been included in the consolidated financial statements by full consolidation method. Control is provided only when all of the following indicators are present on the enterprise in which the Company invests;
- a) has power over the enterprise in which it invests,
- b) is exposed to or is entitled to varying returns due to its relationship with the investee,
- c) has the ability to use its power over the investee to influence the amount of returns it will generate.

During the consolidation process, the registered participation values of the shares owned by the Company and its subsidiaries were netted mutually with the relevant equities. Intra-group transactions and balances between the Company and the subsidiaries have been netted during the consolidation process. The registered values of the shares owned by the Company and the dividends arising from them have been netted from the relevant equity and profit or loss statement accounts. The subsidiaries have been included in the scope of consolidation as of the date the control over its activities was transferred to the Group.

Subsidiaries

As of March 31, 2025 and December 31, 2024, the activities of the consolidated subsidiaries and the operating segments in which the subsidiaries operate in line with the purpose of the consolidated financial statements are as follows:

March 31, 2025

Title	Business segments	Nature of business
Koza Anadolu Metal Madencilik İşletmeleri A.Ş.	Mining	Mining
TR Anadolu İnşaat ve Ticaret A.Ş. (*)	Construction and mining	Mining
Koza Altın İşletmeleri A.Ş.	Mining	Mining
Özdemir Antimuan Madenleri A.Ş.	Mining	Mining
TR Otelcilik Turizm Seyahat ve Ticaret A.Ş. (**)	Tourism and hotel management	Other
ATP Koza Gıda Tarım Hayvancılık Sanayi ve Ticaret A.Ş.	Food and livestock	Other
Konaklı Metal Madencilik Sanayi Ticaret A.Ş.	Mining	Mining

December 31, 2024

Title	Business segments	Nature of business
Koza Anadolu Metal Madencilik İşletmeleri A.Ş.	Mining	Mining
ATP İnşaat ve Ticaret A.Ş.	Construction and mining	Mining
Koza Altın İşletmeleri A.Ş.	Mining	Mining
Özdemir Antimuan Madenleri A.Ş.	Mining	Mining
ATP Koza Turizm Seyahat Ticaret A.Ş.	Tourism and hotel management	Other
ATP Koza Gıda Tarım Hayvancılık Sanayi ve Ticaret A.Ş.	Food and livestock	Other
Konaklı Metal Madencilik Sanayi Ticaret A.Ş.	Mining	Mining

(*) As of February 24, 2025, the company title "ATP İnşaat ve Ticaret A.Ş." has changed to "TR Anadolu İnşaat ve Ticaret A.Ş."

(**) As of April 15, 2025, the company title "ATP Koza Turizm Seyahat ve Ticaret A.Ş." has changed to TR Otelcilik Turizm Seyahat ve Ticaret A.Ş."

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

2. Basis of presentation of consolidated financial statements (continued)

2.2 Consolidation principles (continued)

As of March 31, 2025 and December 31, 2024 titles, capitals, effective ownership rates and minority rates of the subsidiaries of the Group are as follows:

March 31, 2025

Title	Direct Ownership Share (%)	Effective Ownership Share (%)	Minority Share (%)
Koza Anadolu Metal Madencilik İşletmeleri A.Ş.	52,25	52,25	47,75
TR Anadolu İnşaat ve Ticaret A.Ş.	-	51,75	48,25
Koza Altın İşletmeleri A.Ş. (*)	-	23,29	76,71
Özdemir Antimuan Madenleri A.Ş.	-	51,75	48,25
TR Otelcilik Turizm Seyahat ve Ticaret A.Ş.	-	51,75	48,25
ATP Koza Gıda Tarım Hayvancılık San. ve Tic. A.Ş.	-	51,75	48,25
Konaklı Metal Madencilik Sanayi Ticaret A.Ş.	-	37,48	62,52
TR Tedarik Danışmanlık ve Araç Kiralama Tic. A.Ş. (**)	28,00	52,88	47,12

December 31, 2024

Title	Direct Ownership Share (%)	Effective Ownership Share (%)	Minority Share (%)
Koza Anadolu Metal Madencilik İşletmeleri A.Ş.	52,25	52,25	47,75
ATP İnşaat ve Ticaret A.Ş.	-	51,75	48,25
Koza Altın İşletmeleri A.Ş. (*)	-	23,29	76,71
Özdemir Antimuan Madenleri A.Ş.	-	51,75	48,25
ATP Koza Turizm Seyahat Ticaret A.Ş.	-	51,75	48,25
ATP Koza Gıda Tarım Hayvancılık San. ve Tic. A.Ş.	-	51,75	48,25
Konaklı Metal Madencilik Sanayi Ticaret A.Ş.	-	37,48	62,52
Koza İpek Tedarik Ticaret A.Ş. (**)	28,00	52,88	47,12

(*) Although the effective ownership rate of the Group is less than 50%, it uses its dominance power to manage the financial and operating policies of the company in question.

(**) It is not included in the scope of consolidation due to its lack of significant impact. Ratio of total assets, revenue and net profit of the subsidiary not included in the scope of consolidation to consolidated total assets, revenue and net profit is below 1%.
(As of March 3, 2025, company title "Koza İpek Tedarik Ticaret A.Ş." has changed to "TR Tedarik Danışmanlık ve Araç Kiralama Tic. A.Ş.")

(c) The shares of non-controlling shareholders in the net assets and operating results of subsidiaries are shown as "non-controlling interests" in the consolidated financial statements.

(d) Koza Altın İşletmeleri A.Ş. ("Koza Altın"), one of the subsidiaries of the Group, established UK-based Koza Ltd., in which it has a 100% share, to make mining ventures abroad on March 31, 2014. It has been understood that the control of the Group over its subsidiary Koza Ltd, which it consolidated until September 11, 2015, was lost as a result of the general meeting held on September 11, 2015. The legal process initiated by the CMB regarding the loss of control pursuant to its decision dated February 4, 2016 continues as of the balance sheet date. In its consolidated financial statements, the Group has presented Koza Ltd. under "Financial Investments" in non-current assets at a cost of Thousands TL 2,719,797.

(e) Group's consolidated participations located in Turkey until December 31, 2015, Bugün Televizyon Radyo ve Perakende A.Ş., Yaşam Televizyon Yayın Hizmetleri A.Ş. ve Koza İpek Basın ve Basım Sanayi ve Ticaret A.Ş. and subsidiaries Koza Prodüksiyon ve Ticaret A.Ş., Rek-Tur Reklam Pazarlama ve Ticaret Ltd. Şti. ve İpek Online Bilişim Hizmetleri Ltd. Şti. has not been included in the scope of consolidation since 2016 due to the official cancellation of the trade registry record with the Decree Law in 2016.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

2. Basis of presentation of consolidated financial statements (continued)

2.3 Accounting policies, changes in accounting estimates and errors

Accounting policy changes arising from the implementation of a new TAS / TFRS for the first time are applied retrospectively or prospectively in accordance with the transition provisions of the TAS / TFRS, if any. If there is no transition requirement, significant optional changes in accounting policies or detected accounting errors are applied retrospectively and the financial statements of the previous period are restated. Changes in accounting estimates are applied in the current period when the change is made if they are related to only one period, and if they are related to future periods, they are applied both in the period of change and prospectively.

2.4 The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of March 31, 2025 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2025 and thereafter. The effects of these standards and interpretations on the Company's financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations which are effective as of January 1, 2025 are as follows:

- Amendments to IAS 21 - Lack of exchangeability

The amendments did not have a significant impact on the financial position or performance of the Company.

ii) Standards issued but not yet effective and not early adopted

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

- Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- TFRS 17 - The new Standard for insurance contracts

Overall, the Company expects no significant impact on its balance sheet and equity.

iii) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The following amendments to IAS 21 and IFRS 18 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Company will make the necessary changes to its financial statements after the amendments and new Standard are issued and become effective under TFRS.

- Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments
- Annual Improvements to IFRS Accounting Standards – Volume 11
- Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity
- IFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures

IFRS 19 is not valid for the Company and the effects of other Standards and amendments on the Company's financial position and performance are being evaluated.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

2. Basis of presentation of consolidated financial statements (continued)

2.5 Summary of significant accounting policies

Consolidated financial statements for the period ending on March 31, 2025 have been prepared by applying accounting policies consistent with the accounting policies applied during the preparation of the consolidated financial statements for the year ended on December 31, 2024. Therefore, these financial statements should be evaluated together with the financial statements for the year ended December 31, 2024.

2.6 Significant accounting judgments estimates and assumptions

In the preparation of financial statements, the Group management requires the use of estimates and assumptions that may affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the amounts of income and expenses reported during the accounting period. Accounting judgments, estimates and assumptions are continuously evaluated by considering past experience, other factors and reasonable expectations about future events under current conditions. Necessary corrections are made and presented in the profit or loss statement in the period when it realized. Although these estimates and assumptions are based on management's best knowledge of current events and transactions, actual results may differ from their assumptions.

- a) Mining assets consists of mine site development costs, mining rights, mining lands, deferred stripping costs and discounted costs associated with the improvement, rehabilitation and closure of mine sites. Mining assets are accounted in the consolidated financial statements with their net book value after deducting the accumulated depreciation and permanent impairment, if any, from their acquisition costs. Mining assets start to be amortized on a production basis according to producible ore reserve with the commencement of production. The depreciation expenses of the mining assets are associated with the production costs on the basis of the relevant mining sites.

Within the scope of long-term plan studies, which are regularly updated, the Group conducts studies to determine the remaining reserves of mining assets, production-based depreciation calculations, and rehabilitation provisions within this scope.

The Group management reviews the estimates made in relation to the visible and probable mineral reserves in each balance sheet period. In certain periods, the Group management has independent professional valuation companies make valuation studies in accordance with the Australian Exploration Results, Mineral Resources and Gold Reserves 2012 Standards ("JORC") to determine the amount of visible, possible and probable mineral reserves and it is updated by or under the supervision of persons who have the competencies specified in. The reserves and resource amounts in question have been audited and approved by the independent professional valuation company "SRK Consulting" in line with the "JORC" standards as of December 31, 2023. Inspection of reserves and resources according to UMREK standards has been completed and approved as of December 31, 2024.

Within the scope of these studies, the assumptions and methods used in determining the mineral reserves contain some uncertainties (such as gold prices, exchange rates, geographic and statistical variables), and the assumptions and methods developed in relation to the mineral reserve may change significantly depending on the availability of new information. The cost and depreciation of mining assets are adjusted prospectively based on these updates.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

2. Basis of presentation of consolidated financial statements (continued)

2.6 Significant accounting judgments estimates and assumptions

b) Mining assets are amortized using the "production" method and the visible and possible gold reserve amount is used to calculate the depreciation rate. Other tangible assets, both movable and fixed, other than mining assets are depreciated using the straight-line method over their useful lives, limited with lifetime of the mines they are related to. The depreciation amounts calculated on the basis of the visible and possible gold reserves and using the production unit's method may vary between periods and for some mining assets, the depreciation may be affected by the deviation between the actual and estimated production amounts. These differences arise from the variables or assumptions stated below;

- Changes in the amount of visible and possible gold reserves as a result of the work done,
- The reserve's tenor ("grade") ratio, which can vary significantly from time to time, actual gold price and the estimated gold price taken into account in reserve valuation and tenor determination studies,
- Other matters that may occur in the mine sites and cannot be predicted in advance and may affect the activities,
- Unpredictable changes in mining, processing and rehabilitation costs, discount rates, exchange rate changes,
- The effects of changes in mineral life on the useful life of tangible assets depreciated with the straight-line method and whose useful life are limited to the mine life.

The impairment tests performed by the Company management depend on the management's estimates about the future gold prices, current market conditions, exchange rates and pre-tax discount rate together with the relevant project risk. The recoverable value of the cash-generating units is determined as the higher one from the use value of the relevant cash-generating unit or its fair value after deducting sales costs. These calculations require the use of some assumptions and estimates. Changes in assumptions and estimates based on gold prices may affect the useful life of mines, and conditions may arise that may require adjustment on the carrying values of both goodwill and related assets.

Assets are grouped as independent and smallest cash generating units. If an impairment indicator is determined, estimates and assumptions are established for the cash flows to be obtained from each cash-generating unit determined. Impairment tests of both tangible assets and goodwill contain a certain amount of uncertainty due to the estimates and assumptions used. This uncertainty arises from the amount of visible and possible workable gold reserves used, current and future predicted gold prices, discount rates, exchange rates and estimated production costs.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

2. Basis of presentation of consolidated financial statements (continued)

2.6 Significant accounting judgments estimates and assumptions (continued)

- c) The amount of provisions reflected in consolidated financial statements regarding environmental rehabilitation, improvement of mine sites and closure of mine sites is based on the plans of the Group management and the requirements of the relevant legal regulations. Changes in the aforementioned plans and legal regulations, up-to-date market data and prices, discount rates used, changes in estimates based on mineral resources and reserves may affect provisions.

As of March 31, 2025, the Group reassessed the provision amounts due to changes in discount rates, costs, production areas subject to rehabilitation and reserve lifetimes. The Group evaluates the mine rehabilitation provision annually. Significant estimates and assumptions are made in determining the provision for mine rehabilitation due to the large number of factors that may affect the final liability to be paid. These factors include estimates of the scope and cost of rehabilitation activities, technological changes, changes in regulations, cost increases proportional to inflation rates and changes in net discount rates (March 31, 2025: 4.33%, December 31, 2024: 5.35%). These uncertainties may cause future expenditures to differ from the amounts estimated today.

The provision amount at the reporting date represents the best estimate of the present value of future rehabilitation costs. Changes in estimated future costs are accounted in the balance sheet by increasing or decreasing the rehabilitation obligation or asset if the initial estimate was initially recognized as part of an asset measured in accordance with TAS 16 Property, plant and equipment. Any reduction in the rehabilitation obligation and hence any reduction in the rehabilitation asset cannot exceed the carried value of that asset. In case of excess, the amount exceeding the carried value is immediately taken to profit or loss.

- d) As the Group operates in the mining industry, it is exposed to many risks arising from laws and regulations. As of the balance sheet date, the results of current or future legal practices can be estimated within a certain ratio, based on the past experiences of the Group management and as a result of the legal consultancy received. Negative effects of a decision or application that may be taken against the Group may significantly affect the activities of the Group. As of March 31, 2025, there is no legal risk expected to significantly affect the activities of the Group.
- e) At the stage of determining the amount of the provision for the lawsuits, the management consider the possibility of the ongoing lawsuits to be concluded against the Group and the legal advisors' evaluation of the consequences that may arise in case these lawsuits are concluded against the Group. The Group management makes the best estimate based on the information provided.
- f) The gold in circuit inventory amount, which is followed as a semi-finished product and has not yet turned into finished gold during the production process, is evaluated separately for each production facility by making technical production calculations and estimations. The gold in circuit process, which is common for both tank leaching and heap leach production plants, ends after finished gold is obtained. Since the production processes of tank leaching and heap leaching facilities are different from each other, the amount of gold stock in the circuit differs on the basis of facilities, and the estimated amount of gold that can be obtained from the gold in circuit stocks of each facility at the end of the production process and the life of mine is analyzed based on technical calculations.

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

3. Segment reporting

The Group's reporting according to the operating segments made as of March 31, 2025 is presented as follows:

	Mine	Other	Elimination adjustments	Total
Revenue				
Domestic sales	4.226.719	24.488	(1.548)	4.249.659
Exports	153.915	-	-	153.915
Total revenue	4.380.634	24.488	(1.548)	4.403.574
Operating results				
Depreciation expense (-)	(181.111)	(12.944)	-	(194.055)
Interest income from investment activities	335.326	6.939	-	342.265
Financial expense (-)	(3.569)	5.965	-	2.396
Current tax expense (-)	(39.283)	-	-	(39.283)
Deferred tax income / (expense)	48.437	(25.925)	(102.817)	(80.305)
Monetary gain / (loss)	(2.254.273)	(6.743)	1.123.863	(1.137.153)
Operating profit / (loss)	429.923	336	(14.277)	415.982
Profit / (loss) before tax from continuing operations	(1.045.532)	(8.602)	1.445.377	391.243
Assets as of March 31, 2025	67.095.203	2.110.751	(29.816.469)	39.389.485
Liabilities as of March 31, 2025	4.386.088	148.597	(547.666)	3.987.019

In the table above, the amounts related to the segments are presented at the combined level, and all elimination balances within the Group are presented in the "Elimination adjustments" column.

The Group's reporting according to the operating segments made as of December 31, 2024 is presented as follows:

	Mine	Other	Elimination adjustments	Total
Revenue				
Domestic sales	4.049.696	97.792	(693)	4.146.795
Exports	15.236	-	-	15.236
Total revenue	4.064.932	97.792	(693)	4.162.031
Operating results				
Depreciation expense (-)	(498.008)	(39.273)	-	(537.281)
Interest income from investment activities	380.250	22.568	24.567	427.385
Financial expense (-)	28.471	(12.495)	(23.904)	(7.928)
Current tax expense (-)	(360.569)	-	-	(360.569)
Deferred tax income / (expense)	(465.030)	(222.363)	39.138	(648.255)
Monetary gain / (loss)	(1.719.708)	14.178	210.878	(1.494.652)
Operating profit / (loss)	392.258	(39.542)	(87.450)	265.266
Profit / (loss) before tax from continuing operations	443.951	(15.292)	(44.111)	384.548
Assets as of December 31, 2024	67.666.034	4.446.662	(33.338.199)	38.774.497
Liabilities as of December 31, 2024	4.024.597	259.026	(679.326)	3.604.297

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

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4. Cash and cash equivalents

	March 31, 2025	December 31, 2024
Cash	131	79
Banks		
- Demand deposits	194.212	92.379
- Time deposits	2.700.174	1.023.098
Total	2.894.517	1.115.556
Less: Interest accruals	(33.575)	-
Cash and cash equivalents presented in the cash flow statement	2.860.942	1.115.556

The details of the Group's time deposits as of March 31, 2025 are as follows;

Currency	Interest rate	Maturity	Currency amount	TL Equivalent
TL	%40,50 %47,00	1-30 Days	2.700.174	2.700.174
Total				2.700.174

The details of the Group's time deposits as of December 31, 2024 are as follows;

Currency	Interest rate	Maturity	Currency amount	TL Equivalent
TL	%46,00 - %50,00	1-30 Days	1.023.098	1.023.098
Total				1.023.098

The Group's blocked deposits of 33,242 thousand TL have been presented under financial investments account (December 31, 2024: 35,631 thousand TL).

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

5. Financial investments

i- Short-term financial investments

The short-term financial investments of the Group as of March 31, 2025 and December 31, 2024 are as follows;

	March 31, 2025	December 31, 2024
Financial assets accounted at fair value under profit or loss (***)	7.548.322	7.532.976
Currency protected time deposits (**)	2.787.961	2.844.840
Total	10.336.283	10.377.816

ii- Long-term financial investments

The long-term financial investments of the Group as of March 31, 2025 and December 31, 2024 are as follows;

	March 31, 2025	December 31, 2024
Shares in subsidiaries (*)	2.739.325	2.724.676
Blocked deposits	252.371	321.552
Total	2.991.696	3.046.228

(*) With the decisions taken at the General Assembly meeting held on September 11, 2015 and the amendment of the articles of association on the same date of Koza Ltd. which is the subsidiary of the Group with 100% share, two A Group shares each worth 1 GBP ("GBP") and the control has transferred to A Group shareholders. Pursuant to the amendment to the articles of association made as of September 11, 2015, savings regarding all operational and managerial activities of Koza Ltd., decision and approval of the articles of association, approval of liquidation transactions and share transfer transactions, etc. rights are given to directors. As a result of the mentioned changes, the Group has lost the control over Koza Ltd. and Koza Ltd. was excluded from the scope of consolidation. It has been accounted in the financial statements at cost since the date the control has ended. As of the report date, fair value measurement could not be calculated due to uncertainties arising from the ongoing legal processes about Koza Ltd.

A legal process has been initiated by the CMB with the decision dated February 4, 2016 regarding the General Assembly and the resolutions taken, in cases where the final judicial decisions regarding this decision differ from the initially recorded amounts, these differences will be accounted in the period determined.

(**) Currency protected time deposits are accounted as financial assets at fair value under profit or loss. The Group has converted foreign exchange deposit accounts amounting to 63,824 thousand USD into "Currency protected time deposits accounts". The maturity of currency protected time deposits is between 90 and 365 days. The Group's blocked deposits in the 'Currency protected time deposits accounts' of 220,000 thousand TL have been presented under financial investments account (December 31, 2024: 285,922 thousand TL).

(***) The Group has 2,807,733,694 investment fund participation certificates worth 7,548,322 thousand TL in total and the fair value of these financial investments are accounted for as financial assets recognized in profit or loss.

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

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6. Inventories

The inventories of the Group as of March 31, 2025 and December 31, 2024 are as follows;

	March 31, 2025	December 31, 2024
Ready to be processed and mined ore clusters	769.775	903.524
Gold and silver in the production process and gold and silver bars	554.865	1.815.402
Chemicals and operating materials	272.719	326.084
Other inventories (*)	310.825	303.885
Total	1.908.184	3.348.895

(*) Other inventories consist of food and concentrated antimony stocks.

7. Prepaid expenses

The prepaid expenses of the Group as of March 31, 2025 and December 31, 2024 are as follows;

i- Short-term prepaid expenses

	March 31, 2025	December 31, 2024
Costs for the future months (*)	103.704	121.304
Advances given	34.106	33.582
Total	137.810	154.886

ii- Long-term prepaid expenses

	March 31, 2025	December 31, 2024
Advances given (**)	1.368.753	1.684.795
Costs for the coming years (*)	5.858	7.531
Total	1.374.611	1.692.326

(*) The Group's expenses consist of rental fees and insurance costs for the coming years.

(**) Of the advances given, 823,836 thousand TL relates to advance payments made within the scope of the Group's ongoing Ağrı province Mollakara Gold Mine Project.

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

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8. Other current and non-current assets

i- Other current assets

The other current assets of the Group as of March 31, 2025 and December 31, 2024 are as follows;

	March 31, 2025	December 31, 2024
VAT receivables	15.207	17.855
Advances given to personnel	1.247	390
Job advances given	396	870
Total	16.850	19.115

ii- Other non-current assets

The other non-current assets of the Group as of March 31, 2025 and December 31, 2024 are as follows;

	March 31, 2025	December 31, 2024
Spare parts and other materials (*)	1.083.535	991.660
VAT receivables	74.880	72.464
Total	1.158.415	1.064.124

(*) It consists of spare parts, materials and operating materials that are generally consumed over a period of more than one year.

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.**Notes to the condensed consolidated financial statements for the period ended March 31, 2025**

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

9. Investment properties

The investment properties of the Group as of March 31, 2025 and 2024 are as follows;

	January 1, 2025	Addition	Disposals	Transfers (*)	March 31, 2025
Cost					
Flats	1.576.219	-	-	(1.005.974)	570.245
Hotel	2.566.736	-	-	-	2.566.736
Total	4.142.955	-	-	(1.005.974)	3.136.981
Accumulated amortization					
Flats	10.188	2.903	-	-	13.091
Hotel	1.254.595	12.522	-	-	1.267.117
Total	1.264.783	15.425	-	-	1.280.208
Net book value	2.878.172				1.856.773
	January 1, 2024	Addition	Disposals	Transfers	March 31, 2024
Cost					
Flats	45.961	-	-	-	45.961
Hotel	2.566.736	-	-	-	2.566.736
Total	2.612.697	-	-	-	2.612.697
Accumulated amortization					
Flats	9.269	230	-	-	9.499
Hotel	1.204.450	12.555	-	-	1.217.005
Total	1.213.719	12.785	-	-	1.226.504
Net book value	1.398.978				1.386.193

Within the scope of the lease contract of Angel's Hotel and Royal Garden Hotel, which are owned by TR Otelcilik Turizm Seyahat ve Ticaret A.Ş., the Group has obtained a rental income of 10,037 thousand TL between January 1 – March 31, 2025 (January 1 – March 31, 2024: 9,147 thousand TL).

(*) As of March 31, 2025, real estates with a cost of 1,005,974 thousand TL has been transferred to assets held for sale.

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.**Notes to the condensed consolidated financial statements for the period ended March 31, 2025**

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

10. Property, plant and equipment

The property, plant and equipment of the Group as of March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025	December 31, 2024
Mining assets	2.561.032	2.507.653
Other tangible assets	10.124.760	9.382.486
Total	12.685.792	11.890.139

a) Mining assets

As of March 31, 2025 and December 31, 2024, mining assets consists of mining rights, mine site development costs, deferred stripping costs, mining sites, and closing and rehabilitation of mines, and the net book values of these mining assets are as follows.

	March 31, 2025	December 31, 2024
Mining sites	216.050	216.050
Mine site development cost	1.802.275	1.750.044
Deferred stripping costs	-	-
Rehabilitation of mining facility	-	-
Mining rights	542.707	541.559
Total	2.561.032	2.507.653

The movements of mining assets are as follows;

	January 1, 2025	Addition	Disposals	Inflation effect (*)	March 31, 2025
Cost					
Mining sites	886.138	-	-	-	886.138
Mine site development costs	7.928.928	68.573	-	-	7.997.501
Deferred stripping costs	2.826.988	-	-	-	2.826.988
Rehabilitation of mining facility	675.053	-	-	(61.718)	613.335
Mining rights	761.626	1.159	-	-	762.785
Total	13.078.733	69.732	-	(61.718)	13.086.747
Accumulated depreciation					
Mining sites	670.088	-	-	-	670.088
Mine site development costs	6.178.884	16.342	-	-	6.195.226
Deferred stripping costs	2.826.988	-	-	-	2.826.988
Rehabilitation of mining facility	675.053	-	-	(61.718)	613.335
Mining rights	220.067	11	-	-	220.078
Total	10.571.080	16.353	-	(61.718)	10.525.715
Net book value	2.507.653				2.561.032

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.**Notes to the condensed consolidated financial statements for the period ended March 31, 2025**

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

10. Property, plant and equipment (continued)**b) Mining assets (continued)**

	January 1, 2024	Addition	Disposals	Inflation effect (*)	March 31, 2024
Cost					
Mining sites	810.035	19.009	(1.997)	-	827.047
Mine site development costs	7.657.328	83.717	-	-	7.741.045
Deferred stripping costs	2.826.988	-	-	-	2.826.988
Rehabilitation of mining facility	697.333	103.442	-	(91.292)	709.483
Mining rights	655.049	99.465	-	-	754.514
Total	12.646.733	305.633	(1.997)	(91.292)	12.859.077
Accumulated depreciation					
Mining sites	652.335	8.876	-	-	661.211
Mine site development costs	6.054.285	54.376	-	-	6.108.661
Deferred stripping costs	2.669.624	78.682	-	-	2.748.306
Rehabilitation of mining facility	577.976	103.353	-	(75.666)	605.663
Mining rights	219.746	285	-	-	220.031
Total	10.173.966	245.572	-	(75.666)	10.343.872
Net book value	2.472.767				2.515.205

(*) The reclamation, rehabilitation and closure costs of the mine sites resulting from open pit mining site development activities and open pit production, according to their current conditions, are not indexed and are evaluated in US Dollar values.

All depreciation expenses are included in the cost of goods produced.

There isn't any mortgage on mining assets as of March 31, 2025 (December 31, 2024: None).

The costs of the mine sites, mining rights and mine site development costs of the Group, which have been fully depreciated as of March 31, 2025, but are in use, are amounting to thousand TL 4,564,981. (March 31, 2024: TL 3,822,033).

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

10. Property, plant and equipment (continued)

b) Other tangible assets

Movements of other tangible assets during the period as of March 31, 2025 and 2024 are as follows;

	January 1, 2025	Addition	Disposals	March 31, 2025
Cost				
Land, buildings and land improvements	5.320.514	4.660	-	5.325.174
Machinery and equipment	11.318.207	21.808	(21.569)	11.318.446
Motor vehicles	2.009.257	11.399	(38.092)	1.982.564
Furnitures and fixtures	888.294	4.041	(19)	892.316
Construction in progress (*)	4.211.992	857.742	-	5.069.734
Total	23.748.264	899.650	(59.680)	24.588.234
Accumulated depreciation				
Buildings and land improvements	3.030.426	32.615	-	3.063.041
Machinery and equipment	9.260.384	48.995	(21.399)	9.287.980
Motor vehicles	1.328.988	61.877	(35.758)	1.355.107
Furnitures and fixtures	745.980	11.366	-	757.346
Total	14.365.778	154.853	(57.157)	14.463.474
Net book value	9.382.486			10.124.760

There isn't any mortgage on other tangible assets as of March 31, 2025 (December 31, 2024: None).

There are annotations on the Gümüşhane dormitory building (net value of 128,168 thousand TL as of March 31, 2025) by the General Directorate of National Real Estate. As of March 31, 2025, the insurance paid on the tangible assets of the Group is 7,686 thousand TL (March 31, 2024: 4,176 thousand TL).

The cost of other tangible assets of the Group, which have been fully depreciated as of March 31, 2025, but are in use, is amounting to 10,601,560 thousand TL (March 31, 2024: 6,711,453 thousand TL).

Except for the ongoing fixed expenses related to the Mastra field, the operations of which have been discontinued, depreciation expenses are included in the cost of goods produced and general administrative expenses. There is no capitalized financing expense in tangible fixed assets.

(*) The Group has made an investment decision for Mollakara Project for gold and silver production within the scope of Mollakara Gold Mine Project in Diyadin District of Ağrı Province. The construction in progress made during the year are mostly related to this Project.

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.**Notes to the condensed consolidated financial statements for the period ended March 31, 2025**

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

10. Property, plant and equipment (continued)**b) Other tangible assets (continued)**

	January 1, 2024	Addition	Disposals	Transfers	March 31, 2024
Cost					
Land, buildings and land improvements	5.324.506	79.041	(3.228)	64.852	5.465.171
Machinery and equipment	11.015.579	157.270	(263)	5.717	11.178.303
Motor vehicles	4.638.552	171.130	(154)	-	4.809.528
Furnitures and fixtures	871.022	3.395	(363)	2.342	876.396
Construction in progress	689.084	233.343	(4.556)	(154.176)	763.695
Total	22.538.743	644.179	(8.564)	(81.265)	23.093.093
Accumulated depreciation					
Buildings and land improvements	2.939.108	85.731	-	-	3.024.839
Machinery and equipment	9.101.695	56.651	(232)	-	9.158.114
Motor vehicles	1.576.531	104.905	(154)	-	1.681.282
Furnitures and fixtures	693.773	13.953	(363)	-	707.363
Total	14.311.107	261.240	(749)	-	14.571.598
Net book value	8.227.636				8.521.495

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.**Notes to the condensed consolidated financial statements for the period ended March 31, 2025**

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

11. Intangible assets**a) Other intangible assets**

The details of the Group's other intangible assets as of March 31, 2025 and 2024 are as follows:

	January 1, 2025	Additions	Disposals	Transfers	December 31, 2025
Costs					
Rights	276.240	1.261	-	-	277.501
Total	276.240	1.261	-	-	277.501
Accumulated depreciation					
Rights	233.140	6.757	-	-	239.897
Total	233.140	6.757	-	-	239.897
Net book value	43.100				37.604

	January 1, 2024	Additions	Disposals	Transfers	March 31, 2024
Costs					
Rights	194.863	62	(103)	81.265	276.087
Total	194.863	62	(103)	81.265	276.087
Accumulated depreciation					
Rights	174.569	7.518	(103)	-	181.984
Total	174.569	7.518	(103)	-	181.984
Net book value	20.294				94.103

Depreciation expenses are included in the cost of goods produced and general administrative expenses.

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

12. Provisions, contingent assets and liabilities

As of March 31, 2025 and 2024, the details of the Group's provisions, contingent assets and liabilities are as follows:

a) Short-term provisions

	March 31, 2025	December 31, 2024
State right expense provision	1.175.055	802.569
Provisions for lawsuit	620.245	682.659
Environmental rehabilitation, rehabilitation of mining sites and mine closure provision	3.735	104.830
Other provisions	11.933	2.788
Total	1.810.968	1.592.846

b) Long-term provisions

	March 31, 2025	December 31, 2024
Environmental rehabilitation, rehabilitation of mining sites and mine closure provision	904.098	750.654
Total	904.098	750.654

The movement table for environmental rehabilitation, rehabilitation of mining sites and provision for mine closure is as follows;

	2025	2024
January 1	855.484	719.972
Paid during the period	(38.636)	(94.977)
Discount effect	46.502	21.809
Effect of changes in estimates and assumptions	122.698	311.459
Monetary gain	(78.215)	(91.471)
March 31 (*)	907.833	866.792

- (*) The amount of provisions reflected to the financial statements for environmental rehabilitation, reclamation and closure of mine sites is based on the plans of the Company management and the requirements of the relevant legal regulations, changes in the plan and legal regulations, current market data and prices, discount rates used, mineral resources and regulations. Changes in estimates based on reserves may affect provisions. As with reserve and resource amounts, rehabilitation provision amounts are evaluated by SRK Consulting and provision figures are determined in US Dollars.

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.**Notes to the condensed consolidated financial statements for the period ended March 31, 2025**

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

12. Provisions, contingent assets and liabilities (continued)**c) Provisions for employee benefits****i- Short-term provisions for employee benefits**

	March 31, 2025	December 31, 2024
Provision for unused vacation	45.899	50.517
Total	45.899	50.517

The movement of provision for unused vacation is as follows;

	2025	2024
January 1	50.517	45.777
Additions / (cancellations), net	-	26.597
Monetary gain	(4.618)	(5.992)
March 31	45.899	66.382

ii- Long-term provisions for employee benefits

	March 31, 2025	December 31, 2024
Provision for employee termination benefits	249.668	240.880
Total	249.668	240.880

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

12. Provisions, contingent assets and liabilities (continued)**c) Provisions for employee benefits (continued)**

Under the Turkish Labour Law, the Group is required to pay employment termination benefits to each employee who has qualified for such benefits as the employment ended. Also, employees who are entitled to a retirement are required to be paid retirement pay in accordance with Law No: 2422 dated March 6, 1981 and No: 4447 dated August 25, 1999 and the amended Article 60 of the existing Social Insurance Code No: 506. Some transition provisions related to the pre-retirement service term were excluded from the law since the related law was changed as of May 23, 2002.

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the real rate net of expected effects of inflation. The severance pay ceiling is revised in every six months, and the ceiling amount of TL 46,655.43 (2024: TL 41,828.42) was taken into consideration in the calculation of the provision for severance pay. TFRS requires actuarial valuation methods to be developed to estimate the provision for severance pay. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	March 31, 2025	December 31, 2024
Net discount rate	3,35%	2,00%
Probability of qualifying for seniority	95,03%	94,41%

The movements of the provision for severance pay within the accounting periods of March 31, 2025 and 2024 are as follows:

	2025	2024
January 1	240.880	235.309
Interest cost	14.547	51.116
Service cost	4.946	2.322
Severance paid	(41.201)	(30.477)
Actuarial loss	52.518	79.721
Monetary gain	(22.022)	(30.507)
March 31	249.668	307.484

Severance pay liability is not legally subject to any funding. Provision for severance pay is calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. TAS 19 ("Employee Benefits") stipulates the development of Group's liabilities within the scope of defined benefit plans by using actuarial valuation methods. The sensitivity analysis of the important assumptions used in the calculation of the provision for employee termination benefits as of March 31, 2025 and 2024 is as follows:

	Discount rate		Rate of retirement	
	0,50% increase	0,50% decrease	0,50% increase	0,50% decrease
March 31, 2025	(33.083)	40.924	9.697	(8.890)
	Discount rate		Rate of retirement	
	0,50% increase	0,50% decrease	0,50% increase	0,50% decrease
March 31, 2024	(39.850)	48.923	11.376	(19.924)

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(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

12. Provisions, contingent assets and liabilities (continued)

d) Important ongoing cases

i- Lawsuits related to mines

These lawsuits are related to the expansion of the activities in some licensed fields and / or the permits and licenses of the new areas to be operated.

Lawsuits related to Çukuralan mine:

A lawsuit numbered 2017/1656 E. was filed against the Ministry of Environment and Urbanization at the İzmir 6th Administrative Court for the cancellation of the positive EIA report given for the Çukuralan Operation 3rd Capacity Increase Project, and the Company intervened in the lawsuit. The court decided to cancel the transaction in question, and as a result of the appeal review, the Council of State found the decision of the local court to be incorrect and overturned the decision in favor of the Company. While the trial is continuing at the İzmir 6th Administrative Court on the basis of case number 2019/574, the court decided to cancel the said transaction with its decision dated February 23, 2021. The decision has been appealed. A lawsuit numbered 2019/1120 E. was filed at the İzmir 6th Administrative Court for the stay of execution and cancellation of the positive Environmental Impact Assessment (EIA) Decision given by the Ministry of Environment and Urbanization regarding the Çukuralan Gold Mine Operation 3rd capacity increase 2009/7 project. The company has intervened in the relevant case alongside the defendant Ministry. The previous main file number and court of the relevant case is İzmir 3rd Administrative Court 2019/171 E. and due to the connection with the relevant case Çukuralan 3rd Capacity Increase file, the main file record was closed by the decision of İzmir Regional Administrative Court 4th Administrative Litigation Department and due to the connection, İzmir 3rd Administrative Court decided to send it to İzmir 6th Administrative Court. While the relevant case continues with İzmir 6th Administrative Court number 2019/1120 E., according to the decision given by the court, the positive EIA decision in question was annulled and an appeal was filed. At this point, according to the Council of State decision, for the file 2019/574 E., it was concluded that due to the fact that a second positive EIA decision was given regarding the project in question, it was not possible to apply two different positive EIA decisions regarding the same project together, that the defendant Ministry should accept that the EIA positive decision in question was implicitly withdrawn, and that the subject of the ongoing case was no longer a subject, therefore, it was definitely decided that the decision numbered 2019/574 E. of the İzmir 6th Administrative Court should be overturned and that there was no need to give a decision; and for the file 2019/1120 E., it was definitely decided that there was no legal error in the part of the decision of the İzmir 6th Administrative Court regarding the cancellation of the transaction in question, and that the appeal requests of the defendant Ministry and the intervening company as well as the defendant Ministry should be rejected.

In addition, the company intervened in the lawsuit filed by some plaintiffs against the Governorship of Izmir for the annulment of the Environmental Impact Assessment Not Required decision given for the Çukuralan Gold Mine Crushing and Screening Facility Project planned to be built by the company in the Izmir 6th Administrative Court file numbered 2020/1479 E., and it was decided to partially accept and partially reject the appeal requests of the intervening company.

The company intervened in the relevant case alongside the defendant ministry in both files, and in both files, the court ruled to reject the case on the grounds that the EIA positive decision was in accordance with the law. The decision given in the file numbered 2021/1407 E. of the Izmir 4th Administrative Court and the file numbered 2021/1013 E. of the Izmir 4th Administrative Court was appealed by the plaintiffs, and as a result of the appeal trial, the plaintiffs' appeal request was accepted, and since a more detailed examination was required procedurally, the first instance court decision was overturned by a majority vote against the company, and the file was sent to the first instance court for a more detailed examination. The file numbered 2021/1407 E. of the Izmir 4th Administrative Court has received the number 2023/1278 E. of the Izmir 4th Administrative Court, and the file numbered 2021/1013 E. of the Izmir 4th Administrative Court has received the number 2023/1294 E. of the Izmir 4th Administrative Court.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

12. Provisions, contingent assets and liabilities (continued)

d) Important ongoing cases (continued)

i- Lawsuits related to mines (continued)

In both files, the court decided to cancel the transaction in question. The defendant administration and the company appealed the decision given in file numbered 2023/1294 E. of the İzmir 4th Administrative Court. The file is being viewed through the Council of State 4th Chamber Presidency file numbered 2024/1085 E. The defendant administration and the company requested a stay of execution during the appeal period, and the request for a stay of execution was rejected by the Council of State 4th Chamber Presidency with its decision dated March 28, 2024. The appeal hearing is ongoing. The decision given in file numbered 2023/1278 E. of the İzmir 4th Administrative Court was notified to the parties and the company applied for an appeal. The file is being viewed through the Council of State 4th Chamber Presidency file numbered 2024/1769 E. The defendant administration and the company requested a stay of execution during the appeal period, and the request for a stay of execution was rejected by the 4th Chamber of the Council of State with its decision dated May 16, 2024. The company objected to the decision in question with a petition dated June 16, 2024, and the objection to the decision of the Council of State 4th Chamber Presidency regarding the rejection of the request for a stay of execution dated July 4, 2024 was rejected without examination.

As a result of the appeal trial held by the 4th Chamber of the Council of State with the files numbered 2024/1769 and 2024/1085; with the decision numbered 2024/1085 E., 2024/5582 K. of the 4th Chamber of the Council of State; it was decided to accept the appeal request, to overturn the decision numbered 2023/1294 E., 2024/267 K. given by the İzmir 4th Administrative Court dated 14 February 2024, and to reject the case.

Again, with the decision numbered 2024/1769 E., 2024/5583 K. of the Council of State 4th Chamber; it was decided to accept the appeal request, to overturn the decision numbered 2023/1278 E., 2024/520 K. dated 27 March 2024 given by the İzmir 4th Administrative Court, and to reject the case.

ii- Lawsuits regarding the Company's subsidiary abroad

Legal proceedings have been initiated against the amendment of the articles of association, establishment of privileged shares and change of board of directors of Koza Ltd., headquartered in London, in which the Company has 100% shares, and the legal proceedings are ongoing in the London courts. In the decision taken on January 23, 2019 in the file numbered 2017/349 E. of the Ankara 10th Commercial Court of First Instance, it was decided that 60,000,000 British Pounds Sterling be collected from the defendants and paid to Koza Altın İşletmeleri A.Ş. together with the interest accrued as of September 1, 2015 in accordance with Article 4/a of Law No. 3095, with the right to appeal within two weeks from the notification of the decision. Against this decision, the defendants appealed, and the Ankara Regional Court of Justice 21st Civil Chamber ruled with its decision numbered 2019/699 E. and 2019/1189 K. that the defendants' appeal application should be deemed not to have been made due to procedural reasons. The defendants appealed against this decision. The Supreme Court of Appeals ruled to quash the file due to procedural reasons. The Ankara 10th Commercial Court of First Instance ruled with its additional decision that the defendants' appeal application should be deemed not to have been made. The defendants appealed the decision. The Ankara Regional Court of Justice 21st Civil Chamber ruled to reject the appeal application made by the defendants in the file numbered 2022/727 E. on the merits. The defendants appealed against the relevant decision. In response to the appeal petition submitted by the defendants, Koza Altın İşletmeleri A.Ş. submitted a response petition to the appeal. It was decided to approve the decision of the Regional Court of Justice by the decision of the 11th Civil Chamber of the Supreme Court of Appeals, numbered 2024/2772, Decision numbered 2024/3573, dated May 6, 2024.

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12. Provisions, contingent assets and liabilities (continued)

d) Important ongoing cases (continued)

iii- Liability lawsuits filed against former managers

As a result of the evaluations made by the CMB after the decision to appoint a trustee, the Company was instructed to file a liability lawsuit against previous board members for various reasons, and various liability lawsuits were filed against former managers on behalf of Ankara Commercial Courts, and the lawsuits are still pending. Lawsuits that may affect the activities of the Company are announced on the public disclosure platform in legal periods.

iv- Other legal processes

Based on the decision of the Ankara 5th Criminal Court of Peace dated October 26, 2015, the management of the Company was transferred to the Board of Trustees, and subsequently to the Savings Deposit Insurance Fund ("SDİF") on September 22, 2016. The indictment prepared by the Ankara Chief Public Prosecutor's Office regarding the events that led to the appointment of a trustee was accepted by the Ankara 24th High Criminal Court and their trial began with the file numbered 2017/44 E. and the case was concluded by the first instance court. In the decision of the first instance court; it was decided to confiscate the company shares belonging to the previous board members who were on trial. It was decided that the above-mentioned measure of appointing a trustee would continue until the decision was finalized. The appeal review of the Ankara 24th High Criminal Court regarding the file numbered 2017/44 E. has been completed and the decision of the appeal court has been announced on the Public Disclosure Platform. Following the decision of the Court of Cassation, the transfer and registration procedures of all Koza Group companies to the Ministry of Treasury and Finance have been carried out. Upon the objection made in the file in question, the Office of the Chief Public Prosecutor of the Court of Cassation has conducted an examination and as a result of the examination, no objection was filed as there was no material or legal reason requiring an objection.

With the Presidential Decree No. 8857 published in the Official Gazette dated August 20, 2024 and numbered 32638, it was decided that all of the shares belonging to the Treasury in the capitals of the Koza Group companies mentioned in the confiscation decision would be transferred to the Türkiye Wealth Fund as a whole, while preserving the parent company-subsidiary relations. Following the relevant Presidential decision, transfer and registration procedures for all Koza Group companies were carried out with the Türkiye Wealth Fund.

In the Ankara 24th High Criminal Court case numbered 2017/44 E., it was also decided that the files of the previous board members, whose trials could not be held because they did not come to court, be separated and recorded on a new basis, the trials continue on this file, and the measure of appointing a trustee, as explained above, be continued until the end of the trial. The separated file received the Ankara 24th High Criminal Court number 2020/20 E. and the trial continues on the relevant file.

In the file numbered 2017/44 E. of the Ankara 24th High Criminal Court, the defense counsel of Cafer Tekin İpek requested the court to retry the trial with a petition dated September 23, 2024. The request for a new trial was rejected by the court with an additional decision dated September 26, 2024 on the grounds that the issues put forward as reasons for a new trial were not new events or new evidence, no legal reason was given and no evidence was disclosed to confirm them, and the issues listed in the law regarding the retrial did not occur. With the petition submitted by Ebru Şedele Tınmaz's defense, the court was requested to lift the measure imposed on Ebru Şedele Tınmaz's assets. The request was rejected by the court with an additional decision dated September 30, 2024 on the grounds that the relevant injunction decision was given by the Ministry of Treasury and Finance and that there was no action to be taken by the court. The defense counsel of Ebru Şedele Tınmaz appealed against the additional decision, and the Ankara 25th High Criminal Court ruled to reject the objection with the decision dated October 15, 2024 in the file number 2024/735 D. İş.

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(Amounts are expressed in thousands of TL, based on the purchasing power of Turkish Lira ("TL") as of March 31, 2025, unless otherwise stated.)

12. Provisions, contingent assets and liabilities (continued)

d) Important ongoing cases (continued)

iv- Other legal processes (continued)

In the case where the defendants Cafer Tekin İpek and Özlem Özdemir are tried, which is a case file numbered 2021/157 E. of the Ankara 24th High Criminal Court, it was decided that the defendants would be punished with the appeal being open, and as a result of the appeal trial, the file was partially returned (overturned) by the appeal and it was decided that the file be sent to the first instance court, where the verdict was overturned, to be reexamined and ruled on behalf of the defendant Cafer Tekin İpek. The trial process continued with the defendant Cafer Tekin İpek with the file number 2022/193 E. of the Ankara 24th High Criminal Court. The relevant file was decided on January 10, 2024, and the case was rejected based on the prosecutor's opinion; because the same defendant was sentenced for the same crimes in the file number 2022/133 E. of the Ankara 24th High Criminal Court. The company and the Revenue Administration Presidency appealed against this decision. With the decision numbered 2024/464 E., 2024/464 K. of the Ankara Regional Court of Justice, 4th Criminal Chamber, dated May 28, 2024, it was decided to reject our appeal on the merits. An objection was filed against this decision on June 14, 2024, and the Ankara Regional Court of Justice 4th Criminal Chamber decided that there was no need to correct the decision and that the file be sent to the Ankara Regional Court of Justice 5th Criminal Chamber for evaluation. The Ankara Regional Court of Justice 5th Criminal Chamber's decision dated July 3, 2024 definitively ruled to reject the objection.

The file numbered 2022/133 E. heard at the Ankara 24th High Criminal Court is the file that was separated from the main file numbered 2017/44 E. heard at the Ankara 24th High Criminal Court in terms of the crime of contravention of the Tax Procedure Law against the defendants Ali Serdar Hasırcıoğlu, Orhan Selçuk Hasırcıoğlu, Şaban Aksöyek and Cafer Tekin İpek. In the relevant file, a decision was made regarding the punishment of all defendants, including the defendant Cafer Tekin İpek, and the relevant decision was annulled by the decision numbered 2024/26 D. İş of the Ankara 25th High Criminal Court dated February 5, 2024, as a result of the objections made by the defendants and the participating Revenue Administration Presidency. Following the aforementioned annulment decision, the file was sent back to the Ankara 24th High Criminal Court and received the number 2024/115 E. and the trial continues on the relevant file. In the relevant file, a reversal in the interest of law was sought regarding the decision numbered 2024/26 D. İş of the Ankara 25th High Criminal Court dated February 5, 2024, and at the hearing dated May 14, 2024, it was decided to await the result of the relevant reversal in the interest of law and to postpone the next hearing to September 10, 2024.

It was reported by the Ankara Chief Public Prosecutor's Office Legal Remedies Bureau that no reversal was sought in the interest of the law because the problem could be resolved through judicial channels. At the hearing held on September 10, 2024, it was decided that a warrant be written to the penal institution so that Cafer Tekin İpek would be present at the next hearing and that the next hearing would be postponed to October 16, 2024. At the hearing dated October 16, 2024, the prosecution requested that the defendants be punished. Due to the change of the panel, the court decided to review the file for a verdict and the next hearing was postponed to December 10, 2024. At the hearing dated December 10, 2024; it was decided that the defendants Cafer Tekin İpek, Ali Serdar Hasırcıoğlu, Şaban Aksöyek, Orhan Selçuk Hasırcıoğlu would be penalized for their violation of the Tax Procedure Law. The reasoned decision regarding the punishment has been notified to the parties; the defendants and the participating Revenue Administration have filed an objection against the decision numbered 2024/469, case numbered 2024/115, dated 10 December 2024, of the Ankara 24th High Criminal Court. The file was sent to the Ankara 25th High Criminal Court for the examination of the objection on January 14, 2025, and the relevant objections are being examined by the Ankara 25th High Criminal Court.

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12. Provisions, contingent assets and liabilities (continued)

d) Important ongoing cases (continued)

v- Lawsuit regarding the TR Anadolu İnşaat ve Ticaret A.Ş.

The subject of the file numbered 2017/976 E. of the Istanbul 10th Commercial Court of First Instance is that the Share Sale and Transfer Agreement dated 12.05.2008 was made by eliminating the will of Ahmet Burak Mızrak and that with the said agreement, Kanaltürk's licensee and operator Yaşam Television Yayın Hizmetleri A.Ş., Rektur Reklam Paz. and Tic. Ltd. Ltd. and Gökcan Production Tic. It constitutes a claim for financial compensation on the grounds that it had to be transferred to TR Anadolu İnşaat ve Ticaret A.Ş. for a price below one-third of the value of its shares in A.Ş. In the relevant case, the material damage suffered by the plaintiff Ahmet Burak Mızrak; Defendants Hamdi Akın İpek and TR Anadolu İnşaat ve Ticaret A.Ş. together with the annual 6% and increasing USD interest paid by the state banks to the 1-year maturity deposit account opened in USD, which will be processed as of 100,000.00 USD as an indefinite receivable as of 12.05.2008. It was requested that it be collected and paid to Ahmet Burak Mızrak. In addition, as an additional case filed by Ahmet Mızrak to the file numbered 2022/441 E. of the Istanbul 4th Commercial Court of First Instance and the file numbered 2017/976 E. of the Istanbul 10th Commercial Court of First Instance, the plaintiff was exposed to the same allegations by repeating the same allegations and based on the same allegations. material damage; from the defendants Hamdi Akın İpek and TR Anadolu İnşaat ve Ticaret A.Ş., together with the annual 6% and increasing USD interest paid by the state banks to the 1-year maturity deposit account opened in USD, which will be processed as of 12.05.2008 as an indefinite receivable of 200,000.00 USD. It was requested that it be collected and paid to Ahmet Burak Mızrak. The file numbered 2022/441 E. of the Istanbul 4th Commercial Court of First Instance has been merged into the file numbered 2017/976 E. of the Istanbul 10th Commercial Court of First Instance. At the hearing held on 05/07/2023, it was decided to reject the plaintiff's case and the combined case due to the limitation period, with the possibility of appeal. The file was appealed by the plaintiff. The file has not yet been finalized and the trial continues at the appeal stage.

vi- Employee lawsuits and cases of contract receivables

As of March 31, 2025, the provision amount accounted for ongoing employee and other lawsuits against the Group is amounting to TL 614,615 thousand (December 31, 2024: TL 330,255 thousand)

e) Commitments and contingent liabilities

i- Letter of guarantees given

The details of the letter of guarantees given by the Group as of March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025	December 31, 2024
A. CPM's given on behalf of own legal entity	249.171	383.261
- <i>Guarantee</i>	249.171	383.261
- <i>Mortgage</i>	-	-
B. CPM's given in favor of partnerships which are fully consolidated	-	-
C. CPM's given for assurance of third parties debts in order to conduct usual business activities	-	-
D. Total amount of other CPM's given	-	-
i. Total amount of CPM's given in favor of the parent company	-	-
ii. Total amount of CPM's given in favor of other group companies which are not in scope of B and C	-	-
iii. Total amount of CPM's given on behalf of third parties which are not in scope of C	-	-
Total	249.171	383.261

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12. Provisions, contingent assets and liabilities (continued)

e) Commitments and contingent liabilities (continued)

ii- Letter of gurantees received

The details of the Group's letter of guarantees received as of March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025	December 31, 2024
Guarantee letters	2.592.580	2.663.528
Guarantee cheques	2.450.142	2.713.755
Security bonds	128.686	134.890
Total	5.171.408	5.512.173

iii- Government grants

6% of the income tax calculated on the Employer's Insurance Premium Share for the employees of the Group's mining processing facility in Mastra-Gümüşhane is covered by the Treasury within the scope of the "Regional Insurance Premium Incentive" numbered 56486. The company also benefits from the 5% employer's insurance premium incentive within the scope of the "Social Insurance and General Health Insurance Law" No. 5510 in all workplaces.

The Group benefits from investment incentives in İzmir Çukuralan, Kayseri-Himmetdede, Eskişehir-Kaymaz, Ağrı-Mollakara enterprises and Ankara Central Solar Power Plant (Electricity Generation, Transmission and Distribution). Within the scope of the investment incentive certificates in question, the Company's contribution to investment rate is 40% in İzmir Çukuralan, Kayseri-Himmetdede, Eskişehir-Kaymaz enterprises and 80% as corporate tax reduction rate, 50% as contribution to investment rate in Ağrı-Mollakara and 50% as corporate tax reduction rate. 90%, Ankara Central Solar Power Plant (Electricity Generation, Transmission and Distribution) investment incentive Contribution to Investment rate is 30% and corporate tax reduction rate is 70%.

Within the scope of the incentive used in the İzmir Çukuralan region, on March 27, 2018, within the scope of the incentive used for the Himmetdede region, on December 21, 2017, within the scope of the incentive used in the Ağrı-Mollakara region, on October 06, 2022, within the scope of the incentive used in the Kaymaz region, on May 08, 2023, within the scope of the incentive used in the Ankara Central Solar Power Plant. Within the scope of the incentive, investment started on March 17, 2023.

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13. Equity

As of March 31, 2025, the Company's paid-in capital is amounting to thousands TL 259,786 (December 31, 2024: thousands TL 259,786) and consists of 25,978,556,100 shares (December 31, 2024: 25,978,556,100 shares) with a nominal share value of 1 Kuruş, fully paid. The registered capital ceiling of the Company is thousands TL 400,000 (December 31, 2024: thousands TL 400,000).

In accordance with the Capital Markets Board's document regarding the Registration of the shares to be issued by the Joint Stock Companies for the Capital Increase dated February 2, 2012 and numbered 5/10, the Group was registered at the Ankara Trade Registry Office on February 2, 2012 and registered a registered capital ceiling of Thousands TL 400,000 has increased its issued capital from Thousands TL 129,893 to Thousands TL 259,786.

The transfer of the Company's shares belonging to the treasury to the Türkiye Wealth Fund was registered on October 18, 2024 and was published in the Trade Registry Gazette dated October 22, 2024 number 11191. The Company's main parent is the Türkiye Wealth Fund.

The breakdown of partners with capital is as follows;

Equity	March 31, 2025		December 31, 2024	
	Share Rate	Share Amount	Share Rate	Share Amount
Türk Altın Holding A.Ş.	62,10%	161.317	62,12%	161.383
Publicly traded	37,75%	98.069	37,72%	98.003
Other	0,15%	400	0,16%	400
Paid-in capital		259.786		259.786
Capital adjustment differences		4.184.170		4.184.170
Total		4.443.956		4.443.956

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

Notes to the condensed consolidated financial statements for the period ended March 31, 2025

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13. Equity (continued)

The privileges given to shares representing the capital are as follows;

Group	Registered / Bearer	Par value	Concession type (*)
A	Registered	22.052	3-4
B	Bearer	51.455	3
C	Bearer	186.279	-

(*) Concession type:

1. Dividend privilege
2. Voting privilege
3. Privilege in the election of the board of directors
4. Privilege in the selection of the supervisory board
5. Limitations on privileges about buy new shares, transfer etc.
6. Other privileges

There are no privileges for (A) and (B) type shares with registered and bearer type shares other than the privileges stated above, and a trustee was appointed to the Group pursuant to the decision of Ankara Criminal Court of Peace on October 26, 2015. Subsequently, the Group was transferred to the SDIF on September 22, 2016. For this reason, the privileges of (A) and (B) share groups cannot be used. Share premiums represent the cash inflows generated by selling the shares at market prices. These premiums are accounted under equity and cannot be distributed. However, it can be used for future capital increases.

According to the Turkish Commercial Code, legal reserves consist of first and second legal reserves. The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is 10% of the distributed profit in excess of 5% of the paid-in share capital. According to the Turkish Commercial Code, as long as the legal reserves do not exceed 50% of the paid-in capital, they can only be used to offset the losses, it is not possible to use them in any other way.

Public companies make their dividend distributions according to the CMB's "Dividend Communiqué" numbered II 19.1, which entered into force as of February 1, 2014.

Companies distribute their profits within the framework of profit distribution policies to be determined by their general assemblies and in accordance with the provisions of the relevant legislation, by the decision of the general assembly. Within the scope of the said communiqué, a minimum distribution rate has not been determined. Companies pay dividends as specified in their articles of association or profit distribution policies. In addition, dividends can be paid in installments of equal or different amounts and dividend advances can be distributed over the profit in the financial statements.

Unless the reserves that should be set aside according to the TCC and the dividend determined for the shareholders in the articles of association or in the profit distribution policy are reserved; it cannot be decided to allocate other reserves, to transfer profits to the next year, and to distribute dividends to dividend owners, members of the board of directors, company employees and persons other than shareholders, and no dividends can be distributed to these persons unless the dividend determined for shareholders is paid in cash.

Regarding the share buy-back and share purchase and sale transactions initiated by the decision of the Koza Altın İşletmeleri A.Ş. Board of Directors, 75,000,000 Koza Altın İşletmeleri A.Ş. shares, 13,856,558 Koza Anadolu Metal Madencilik İşletmeleri A.Ş. shares and 10,630,047 İpek Doğal Enerji Kaynakları Araştırma ve Üretim A.Ş. shares were bought back for a total of 4,780,397 Thousand TL during the period until March 31, 2025.

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Notes to the condensed consolidated financial statements for the period ended March 31, 2025

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13. Equity (continued)

The Group's restricted reserves are as follows:

	March 31, 2025	December 31, 2024
Restricted reserves	1.208.312	1.080.265
Reserves for withdrawn shares	1.113.394	1.113.394
Total	2.321.706	2.193.659

According to the Turkish Commercial Code, legal reserves consist of first and second legal reserves. The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is 10% of the distributed profit in excess of 5% of the paid-in share capital. According to the Turkish Commercial Code, as long as the legal reserves do not exceed 50% of the paid-in capital, they can only be used to offset the losses, it is not possible to use them in any other way.

According to the Turkish Commercial Code, the Company allocates reserves for its own shares acquired in an amount that meets the acquisition value. These reserves can be dissolved in an amount that meets their acquisition value if the aforementioned shares are transferred or destroyed. In accordance with the legislation related to the revaluation fund, other funds in the liabilities can be dissolved if they are converted into capital and the reassessed assets are amortized or transferred.

It was published in the Official Gazette dated December 30, 2023 and numbered 32415 (Second Extraordinary) pursuant to the Tax Procedure Law. According to the relevant Communiqué, the balance sheet dated December 31, 2023, prepared in accordance with the Tax Procedure Law, has been corrected by using the Producer Prices General Indices (PPI) published by the Turkish Statistical Institute within the scope of inflation accounting application. The attached financial statements have been subjected to inflation adjustment using the Consumer Price Indices (CPI) published by the Turkish Statistical Institute in accordance with TAS 29, and ultimately the amounts for the current and previous reporting period are expressed in terms of purchasing power as of March 31, 2025. Due to the use of distinct indices in the Tax Procedural Law and TAS 29 inflation accounting differences have emerged between the amounts included in the balance sheet prepared in accordance with the Tax Procedure Law regarding the items "Inflation Adjustment on Capital" and "Restricted reserves appropriated from profits" the amounts included in the financial statements prepared in accordance with TAS / TFRS.

These differences are accounted in the "Retained Earnings or Losses" item in the TAS/TFRS financial statements, and these differences are given in detail below:

	March 31, 2025		
	Adjustment to capital	Share premium	Restricted reserves
To TAS/TFRS Financial Reports	4.184.170	104.079	1.208.312
To Tax Procedure Law	6.902	1.715	1.018.109
Differences	4.177.268	102.364	190.203

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14. Revenue and cost of sales

The details of the Group's revenue and cost of sales as of January 1 – March 31, 2025 and 2024 are as follows:

a) Revenue

	January 1 – March 31, 2025	January 1 – March 31, 2024
Domestic sales	4.250.084	4.147.296
Exports	153.915	15.236
Total sales	4.403.999	4.162.532
Sales returns	(380)	(23)
Sales discounts and other discounts	(45)	(478)
Net sales	4.403.574	4.162.031
Cost of sales	(3.134.245)	(2.934.890)
Gross profit	1.269.329	1.227.141

The distribution of the Group's revenues by product type as of January 1 – March 31, 2025 and 2024 are as follows:

	January 1 – March 31, 2025	January 1 – March 31, 2024
Sales of gold bars	4.197.216	4.034.469
Sales of silver bars	23.136	11.245
Other (*)	183.647	116.818
Toplam	4.403.999	4.162.532

(*) 107,548 thousand TL of other revenues in 2025 comes from Özdemir Antimuan Madenleri A.Ş., 14,848 thousand TL from ATP Koza Gıda Tarım Hayvancılık Sanayi ve Ticaret A.Ş. and the remaining portion comes from other subsidiaries.

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.

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15. Income from investing activities

The details of the Group's income from investing activities as of January 1 – March 31, 2025 and 2024 are as follows:

	January 1 – March 31, 2025	January 1 – March 31, 2024
Investment fund and stock fair value increases	520.461	573.103
Interest income (*)	342.265	427.385
Currency-protected deposit fair value increases	170.333	607.379
Income from fixed asset sales	22.325	4.551
Other	54.730	9.444
Total	1.110.114	1.621.862

(*) Consists of interest income obtained from time deposits and currency protected time deposit accounts.

16. Expense from investing activities

The details of the Group's expense from investing activities as of January 1 – March 31, 2025 and 2024 are as follows:

	January 1 – March 31, 2025	January 1 – March 31, 2024
Loss on fixed asset sales	96	-
Total	96	-

İPEK DOĞAL ENERJİ KAYNAKLARI ARAŞTIRMA ve ÜRETİM A.Ş.**Notes to the condensed consolidated financial statements for the period ended March 31, 2025**

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17. Explanations on net monetary position gains/(losses)

The amounts related to net monetary position gains and (losses) of the Group's Subsidiaries after consolidation, elimination and adjustments are as follows;

Non-monetary items	January 1 – March 31, 2025
Statement of financial position items	
Inventories	162.721
Prepaid expenses	(11.286)
Financial investments	693.771
Tangible assets	964.107
Intangible assets	17.746
Right of use assets	792
Mining assets	232.167
Investment properties	155.151
Adjustment to share capital	(2.527.397)
Restricted reserves	(2.222.122)
Retained earnings	161.705
Reserves for withdrawn shares	279.433
Other comprehensive income/expense not to be reclassified to profit/loss	(195)
Deferred income	(81)
Share premium	(377)
Deferred tax	186.154
Statement of profit/loss items	
Revenues	(146.469)
Sales returns	29.574
Cost of sales	52.798
Marketing, sales and distribution expenses	155
General administrative expenses	14.265
Other operating income	(1.216)
Other operating expense	450
Income from investing activities	807.072
Financial income	(2.232)
Financial expenses	153
Current tax expense	16.008
Net monetary loss	(1.137.153)

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18. Income tax

Current income tax

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, dividend income from domestic companies, other exempt income and investment incentives utilized.

As of March 31, 2025, the effective corporate tax rate applied is 25% (December 31, 2024: 25%).

In Türkiye, advance tax is calculated and accrued on a three-month basis. The provisional tax rate to be calculated on corporate earnings during the taxation of 2025 corporate earnings as of the provisional tax periods is 25%. Losses can be carried forward for a maximum of 5 years to be deducted from taxable profits in future years. However, losses incurred cannot be deducted retroactively from profits in previous years.

Income Withholding Tax

In addition to corporate tax, income tax withholding must be calculated separately on dividends, excluding those distributed to full-fledged corporations and foreign companies' branches in Türkiye, which receive dividends in case of distribution and declare these dividends by including them in corporate income. Income tax withholding was applied as 10% in all companies between April 24, 2003 and July 22, 2006. As of December 22, 2021, this rate is applied as 15% with the President's decision numbered 4936. Dividends that are not distributed and added to the capital are not subject to income tax withholding.

Corporate tax liabilities / (assets) recognized in the consolidated balance sheet as of March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025	December 31, 2024
Current tax expense	40.511	79.525
Prepaid taxes (-)	(159.429)	(496.256)
Current income tax liability	(118.918)	(416.731)

Tax expense details recognized in the consolidated income statement as of March 31, 2025 and 2024 are as follows:

	March 31, 2025	December 31, 2024
Current tax expense	(39.283)	(360.569)
Deferred tax expense / (income)	(80.305)	(648.255)
Total tax expense	(119.588)	(1.008.824)

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18. Income tax (continued)**Deferred taxes**

The Group recognizes deferred tax assets and liabilities for temporary differences arising from differences between its tax base legal financial statements and its financial statements prepared in accordance with TMS / TFRS. The aforementioned differences are generally due to the fact that some income and expense items are included in different periods in the financial statements subject to tax and the financial statements prepared in accordance with TMS / TFRS, and these differences are stated below. In the calculation of deferred tax assets and liabilities, the tax rates expected to be applied in the periods when assets are converted into income or debts are paid are taken into account.

The breakdown of cumulative temporary differences and the resulting deferred tax assets/(liabilities) at March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025		December 31, 2024	
	Cumulative temporary differences	Deferred tax	Cumulative temporary differences	Deferred tax
Inventories	420.451	(105.113)	420.676	(105.169)
Leasing transactions	1.866	(467)	1.759	(439)
IFRS 9 provision	(59)	15	(320)	80
Provisions for doubtful receivables	(9.365)	2.341	(10.452)	2.613
Provision for unused vacation	(45.899)	11.475	(50.518)	12.630
Employee termination benefit	(249.668)	62.417	(240.880)	60.220
Tangible and intangible assets	(447.786)	111.947	(210.355)	52.589
Lawsuit provision	(614.794)	153.699	(672.018)	168.004
Financial investments	(845.920)	211.480	(1.335.556)	333.889
State right provision	(1.175.055)	293.764	(802.569)	200.642
Investment properties	(2.058.751)	514.688	(2.300.309)	575.077
Mining assets	(4.095.709)	1.023.927	(4.063.179)	1.015.795
Other	(7.275)	1.817	(10.415)	2.601
Total deferred tax assets	(9.127.964)	2.281.990	(9.274.136)	2.318.532
Deferred tax provision		(138.000)		(107.367)
Deferred tax assets, net		2.143.990		2.211.165

Movement of deferred tax is as follows:

	2025	2024
January 1	2.211.165	2.410.160
Deferred tax recognized in profit or loss	(80.305)	(648.255)
Deferred tax recognized in equity	13.130	19.930
March 31	2.143.990	1.781.835

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19. Earnings per share

Earnings per share is calculated by dividing the current year net profit of the parent company by the weighted average number of shares traded throughout the year. Companies in Türkiye have right to increase its capital through the distribution of bonus shares to be met from the re-valuation fund or accumulated profits. During the calculation of earnings per share, these increases are accepted as shares distributed as dividends. Dividend distributions added to the capital are also evaluated in the same way. Therefore, while calculating the average number of shares, it is assumed that such shares are in circulation throughout the year. For this reason, the weighted average of the number of shares used in calculating the earnings per share is determined by considering the retroactive effects.

The earnings per share of the Group as of March 31, 2025 and 2024 are as follows:

	January 1 – March 31, 2025	January 1 – March 31, 2024
Net profit / loss attributable to the owners of the Group	(109.336)	(255.306)
Weighted average number of share certificates (*)	25.971.442.975	25.974.246.318
Earnings per 100 shares	(0,042)	(0,098)
Total comprehensive income attributable to the owners of the Group	(100.512)	(247.831)
Earnings per 100 shares from total comprehensive income	(0,039)	(0,095)

- (*) If the number of ordinary or potential ordinary shares outstanding increases as a result of capitalization, bonus issue or share split, or decreases as a result of a share merger, the calculation of basic and diluted earnings per share for all periods presented is adjusted retrospectively. If these changes occur after the reporting period but before the financial statements are approved for issue, the calculations per share in the financial statements of the current period and prior periods presented are based on the number of new shares outstanding. It is disclosed to the public that the calculations per share reflect the changes in the number of shares. In addition, for all periods presented, basic and diluted earnings per share figures are adjusted for the effects of retrospectively corrected errors and changes in accounting policies. The average number of shares in the current period was determined by calculating on a daily basis according to the repurchased shares.

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20. Related party disclosures

The other trade payables and other receivables of the Group consist of the payables and receivables given and received in order to meet the financing needs of the Group and its related parties during the year. Other payables and other receivables do not have a certain maturity, and the Group accrues interest on the related payables and receivables at the end of the period, using the current interest rate determined monthly, taking into account the evaluations made by the Group management and the developments in the markets. In this context, the current interest for March 2025 was applied as %51,92 per year (December 31, 2024: 55,56%).

Transactions with related parties are classified according to the following groups and include all related party disclosures in this note:

- (1) Main shareholders
- (2) Subsidiaries of other company of the main shareholders
- (3) Other

The details of the transactions between the Group and other related parties are explained as below;

a) Related party balances

Long term receivables of the Group from related parties as of March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025	December 31, 2024
Türk Altın Holding A.Ş. (1) (*)	297.852	384.571
Other (3)	4.518	4.481
Total	302.370	389.052

(*) The majority of the related amount is related to the sale of investment properties to Türk Altın Holding A.Ş.

Other payables of the Group to related parties as of March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025	December 31, 2024
TR Anadolu Sigorta Aracılık Hizmetleri A.Ş.	4.972	11.148
Türk Altın Holding A.Ş. (1)	3.476	112.933
Other (3)	1.986	1.511
Total	10.434	125.592

- As of February 25, 2025, company title "Koza-İpek Holding A.Ş." has changed to "Türk Altın Holding A.Ş."

- As of March 13, 2025, company title "Koza-İpek Sigorta Aracılık Hizmetler A.Ş." has changed to "TR Anadolu Sigorta Aracılık Hizmetleri A.Ş."

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20. Related party disclosures (continued)

b) Transactions with related parties

The purchases of the Group from related parties between January 1 – March 31, 2025 and 2024 are as follows;

	January 1 – March 31, 2025		January 1 – March 31, 2024	
	Interest	Other	Interest	Other
Türk Altın Holding A.Ş. (1) (**)	-	7.083	-	6.114
Türkiye Petrolleri A.O.	-	3.688	-	-
Diğer	-	6.366	-	-
Total	-	17.137	-	6.114

Sales of the Group to related parties between January 1 – March 31, 2025 and 2024 are as follows;

	January 1 – March 31, 2025		January 1 – March 31, 2024	
	Interest	Other	Interest	Other
Türk Altın Holding A.Ş. (1)	40.343	1.476	161.581	2.226
T.C. Ziraat Bankası A.Ş. (3) (*)	-	4.153.518	-	-
Other (3)	354	755	-	497
Total	40.697	4.155.749	161.581	2.723

(*) The Group sells its dore bars of gold to T.C. Ziraat Bankası A.Ş. on consignment to be sold to the Central Bank of the Republic of Türkiye which has pre-emptive rights.

(**) A significant portion of these transactions relate to sales of investment properties.

- c) **Compensations provided to key management;** The Group's key management consist of the general manager and assistant general managers. Compensations provided to senior management include benefits such as wages and bonuses. Total amount of wages and similar benefits paid to key management between January 1 – March 31, 2025 is amounting to TL 19,383 thousand. The entire amount consists of the wages. (January 1 – March 31, 2024: TL 15,565 thousand)

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21. Nature and level of risks arising from financial instruments

The Group’s main financial instruments consist of cash, short-term deposits, currency protected deposits and funds. The main purpose of financial instruments is to finance the activities of the Group. Apart from these, the Group has financial instruments such as trade receivables and payables that arise as a result of its activities.

The Group is exposed to market risk, which consists of currency, cash flow and interest rate risks, capital risk, credit risk and liquidity risk, due to operations. Risk management policy is to focus on unexpected changes in the financial markets.

The management policy of financial risks should be made by the Group’s senior management and commercial and financial affairs department in line with the policies and strategies approved by the Board of Directors. The Board of Directors should prepare general principles and policies for the management of currency, interest and capital risks, and closely monitor financial and operational risks (especially arising from fluctuations in gold prices). The Group does not have an Early Risk Detection Committee.

The purpose that the Group should set to manage financial risks can be summarized as follows:

- Ensuring the continuity of the cash flow obtained from the activities and main assets of the Group, taking into account the exchange rate and interest risks,
- Keeping a sufficient amount of credit resources available to be used effectively and efficiently under the most appropriate conditions in terms of type and maturity,
- Keeping the risks arising from the counterparty at a minimum level and following them effectively.

The main risks arising from the financial instruments of the Group are interest rate risk, foreign currency risk, credit risk and liquidity risk. The policies of the management regarding to manage these risks are summarized below.

a) Credit risk:

The risk of financial loss of the Group due to the failure of one of the parties to the financial instrument to fulfill its contractual obligation is defined as credit risk. Financial instruments of the Group that may cause a significant concentration of credit risk mainly consist of cash and cash equivalents and trade receivables. The maximum credit risk that the Group may be exposed to is up to the amounts reflected in the financial statements.

The Group has cash and cash equivalents in various financial institutions.

The Group sells its dore bars of gold to a domestic bank on consignment to be sold to the Central Bank of the Republic of Türkiye which has pre-emptive rights, and silver to a domestic refinery again on consignment. Due to the fact that the sales are made on demand and the customer is corporate, the Group considers that there is no significant risk of receivables.

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21. Nature and level of risks arising from financial instruments (continued)

a) Credit risk (continued)

The analysis of the Group's credit risk as of March 31, 2025 and December 31, 2024 are as follows;

	Trade receivables		Other receivables		Cash and cash equivalents
	Related party	Third party	Related party	Third party	Deposits in banks
March 31, 2025					
Maximum credit risk exposure as of the reporting date (A+B+C+D+E) *	-	102.231	302.370	280.103	2.894.386
Portion of the maximum risk that is guaranteed with a collateral, etc	-	-	-	-	-
A. Net book value of financial assets that are not overdue or not impaired	-	102.231	302.370	280.103	2.894.386
B. The book value of financial assets whose conditions have been renegotiated or that would be deemed overdue or impaired	-	-	-	-	-
C. Net book value of assets that are overdue but not impaired	-	-	-	-	-
D. Net book values of impaired assets	-	-	-	-	-
Overdue (gross book value)	-	72.788	-	-	-
Impairment (-)	-	(72.788)	-	-	-
The part of net value under guarantee with collateral, etc	-	-	-	-	-
Not due (gross book value)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of net value under guarantee with collateral, etc	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-
December 31, 2024					
Maximum credit risk exposure as of the reporting date (A+B+C+D+E) *	-	95.022	389.052	11.132	1.115.477
Portion of the maximum risk that is guaranteed with a collateral, etc	-	-	-	-	-
A. Net book value of financial assets that are not overdue or not impaired	-	95.022	389.052	11.132	1.115.477
B. The book value of financial assets whose conditions have been renegotiated or that would be deemed overdue or impaired	-	-	-	-	-
C. Net book value of assets that are overdue but not impaired	-	-	-	-	-
D. Net book values of impaired assets	-	-	-	-	-
Overdue (gross book value)	-	80.266	-	-	-
Impairment (-)	-	(80.266)	-	-	-
The part of net value under guarantee with collateral, etc	-	-	-	-	-
Not due (gross book value)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of net value under guarantee with collateral, etc	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-

(*) In determining the amount, factors that increase credit reliability, such as guarantees received, have not been taken into account.

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21. Nature and level of risks arising from financial instruments (continued)

b) Market risk

Due to operations, the Group is exposed to financial risks related to changes in exchange rates and interest rates. Market risks encountered by the Group are measured on the basis of sensitivity analysis. In the current year, there isn't any change in the market risk that the Group is exposed to, or the method of handling the encountered risks or the method used to measure these risks, compared to the previous year. Transactions in foreign currency cause exchange risk. The Group controls this risk through a natural precaution that occurs by netting foreign currency assets and liabilities.

The distribution of the monetary and non-monetary assets and monetary and non-monetary liabilities of the Group in foreign currency as of the date of financial position is as follows:

March 31, 2025	Foreign exchange position table TL equivalent (Functional currency)	Usd	Euro	Gbp
Cash and cash equivalents	173.757	2.872	1.603	1
Trade receivables	45.281	1.199	-	-
Other receivables	17.966	35	343	55
Current assets	237.004	4.106	1.946	56
Total assets	237.004	4.106	1.946	56
Trade payables	185.461	2.450	1.974	258
Other payables	18.543	491	-	-
Current liabilities	204.004	2.941	1.974	258
Total liabilities	204.004	2.941	1.974	258
Net foreign currency position	33.000	1.165	(28)	(202)

As of March 31, 2025, the Group has foreign currency protected deposits amounting to thousand TL 2,787,961.

December 31, 2024	Foreign exchange position table TL equivalent (Functional currency)	Foreign exchange position table TL equivalent (functional currency) (Historical values)	Usd	Euro	Gbp
Cash and cash equivalents	51.957	47.207	504	801	-
Prepaid expenses	46.215	41.989	-	1.258	-
Other receivables	10.652	9.678	40	225	-
Current assets	108.824	98.874	544	2.284	-
Total assets	108.824	98.874	544	2.284	-
Trade payables	6.757	6.139	174	-	-
Other payables	228.789	207.872	5.892	-	-
Current liabilities	235.546	214.011	6.066	-	-
Total liabilities	235.546	214.011	6.066	-	-
Net foreign currency position	(126.722)	(115.137)	(5.522)	2.284	-

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21. Nature and level of risks arising from financial instruments (continued)**b) Market risk (continued)****Sensitivity analysis:**

The Group is exposed to currency risk mainly in US Dollars, Euro and GBP.

The table below shows the sensitivity of the Group to 10% increase and decrease in US Dollar, Euro and GBP exchange rates. The sensitivity analysis includes only open monetary items in foreign currency at the end of the period and shows the effects of the 10% exchange rate change at the end of the year. Positive value indicates an increase in profit / loss and other equity items.

March 31, 2025	Profit / Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Appreciation of foreign currency
In case of 10% appreciation / depreciation of USD against TL				
1- USD net asset/liability	4.400	(4.400)	4.400	(4.400)
2- Portion protected from USD risk (-)	-	-	-	-
3- USD net effect (1+2)	4.400	(4.400)	4.400	(4.400)
In case of 10% appreciation / depreciation of EUR against TL				
4- EUR net asset/liability	(114)	114	(114)	114
5- Portion protected from EUR risk (-)	-	-	-	-
6-EUR net effect (4+5)	(114)	114	(114)	114
In case of 10% appreciation / depreciation of GBP against TL				
7-GBP net asset/liability	(986)	986	(986)	986
8- Portion protected from GBP risk (-)	-	-	-	-
9-GBP Net effect (7+8)	(986)	986	(986)	986
Total (3+6+9)	3.300	(3.300)	3.300	(3.300)

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21. Nature and level of risks arising from financial instruments (continued)

b) Market risk (continued)

December 31, 2024	Profit / Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Appreciation of foreign currency
In case of 10% appreciation / depreciation of USD against TL				
1- USD net asset/liability	(18.254)	18.254	(18.254)	18.254
2- Portion protected from USD risk (-)	-	-	-	-
3- USD net effect (1+2)	(18.254)	18.254	(18.254)	18.254
In case of 10% appreciation / depreciation of EUR against TL				
4- EUR net asset/liability	7.968	(7.968)	7.968	(7.968)
5- Portion protected from EUR risk (-)	-	-	-	-
6-EUR net effect (4+5)	7.968	(7.968)	7.968	(7.968)
In case of 10% appreciation / depreciation of GBP against TL				
7-GBP net asset/liability	-	-	-	-
8- Portion protected from GBP risk (-)	-	-	-	-
9-GBP Net effect (7+8)	-	-	-	-
Total (3+6+9)	(10.286)	10.286	(10.286)	10.286

Price risk

The most important operational risk of the Group is the gold price risk.

The operational profitability of the Group and the cash flows it provides from its operations are affected by the changes in gold and silver prices in the markets. If the gold prices decrease comparing under the cash-based operational production costs of the Group and continue in this way for a certain period, the operational profitability of the Group may decrease.

The Group does not expect any change in gold prices to drop significantly in the near future. Accordingly, the Group has not used any derivative instruments to hedge the risk of falling gold prices and has not made a similar agreement.

c) Capital risk management:

While managing the capital, the Group's objectives are to maintain the most appropriate capital structure in order to benefit its shareholders and reduce the cost of capital and to ensure the continuity of the Group's activities.

In order to return capital to shareholders, the Group could maintain or reorganize its capital structure, issue new shares, and sell assets to reduce borrowing.

The Group uses the net financial debt / equity ratio to monitor the capital structure. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (including loans and other payables to related parties as shown in the balance sheet). Group management should follow the net debt / equity ratio regularly and update it when necessary. The Group does not have an Early Detection of Risk Committee.

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22. Financial instruments (fair value disclosures and disclosures within the framework of hedge accounting)*Fair value of the financial instruments*

The Group classifies the fair value measurements of the financial instruments measured at their fair values in the financial statements according to the source of the inputs of each financial instrument class, using a three-level hierarchy as follows.

- First level: Quotation prices (unadjusted prices) in active markets for identical assets and liabilities that the entity can reach at the measurement date.
- Second level: These are directly or indirectly observable inputs for the asset or liability and other than quoted prices within Level 1.
- Third level: These are unobservable inputs to the asset or liability.

Level classifications of financial assets measured at their fair values:

March 31, 2025	Level 1	Level 2	Level 3	Total
Assets:				
Financial investments	7.548.322	2.787.961	-	10.336.283
December 31, 2024	Level 1	Level 2	Level 3	Total
Assets:				
Financial investments	7.532.976	2.844.840	-	10.377.816

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23. Subsequent events after balance sheet date

- On November 28, 2024, the company announced on the Public Disclosure Platform that the case numbered 2020/20 E. of the Ankara 24th High Criminal Court was postponed to May 15, 2025. As a result of the hearing held regarding the relevant case, Ankara 24th High Criminal Court decided to continue the arrest and detention orders in absentia against the defendants and to wait for their execution, and to postpone the hearing to October 23, 2025.

24. Other matters that significantly affect the financial statements or are required to be disclosed for the financial statements to be clear, interpretable and understandable

The Group's consolidated financial statements for the years ended December 31, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024 have been approved by the Board of Directors with the board decisions dated April 24, 2018, April 30, 2018, February 28, 2019, February 27, 2020, March 1, 2021, March 1, 2022, March 1, 2023, May 24, 2024 and March 25, 2025 respectively, and published by excluding the possible cumulative effects of the works and transactions belonging to the previous financial periods, whose judgment process continues, in accordance with the provisions of Article 401/4 of the Turkish Commercial Code No. 6102 ("TCC"). The audited consolidated financial statements for the year ended December 31, 2015 were not approved by the Board of Directors in accordance with the provisions of Article 401/4 of the TCC. Subsequently, with the decision of the Board of Directors of the Group, the phrase "excluding the possible cumulative effects of the transactions and operations from previous financial periods on the statements in accordance with the provisions of Article 401/4 of the Turkish Commercial Code No. 6102 ("TCC")" has been removed from the decisions regarding the approval of the consolidated financial statements for December 31, 2023. The ordinary general assembly meetings of the Company for the years 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024 as explained in detail in Note 9, could not be carried out due to following the decision of the Ankara 5th Criminal Court of Peace dated October 26, 2015, the management of the Group was transferred to the trustee committee, and subsequently, with the Law No. 674 published on September 1, 2016, regarding certain regulations within the scope of the state of emergency, all powers of the Group were transferred to the Savings Deposit Insurance Fund ("SDIF") on September 22, 2016. With the decision of the SDIF Fund Board dated September 12, 2024, numbered 2024/406, and the decision of the Board of Directors dated September 12, 2024, the transfer of the Group's shares belonging to the treasury to the Türkiye Wealth Fund has been registered in the share register. The transfer of the Group's shares belonging to the treasury to the Türkiye Wealth Fund was registered on October 18, 2024, and published in the Trade Registry Gazette dated October 22, 2024, numbered 11191. As of the report date, the ordinary general assembly meetings for the relevant years and the financial statements for the relevant periods could not be submitted for approval to the General Assembly.