TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD JANUARY 1 – MARCH 31, 2024
(Originally issued in Turkish)

(Convenience translation of consolidated financial statements originally issued in Turkish)

TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

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(Convenience translation of consolidated financial statements originally issued in Turkish)

TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

	Notes	Not Audited 31 March 2024	Audited 31 December 2023
ASSET			
Cash and cash equivalents	3	4.180.686.612	4.539.344.349
Trade receivables			
Trade receivables from related parties	*6-24*	*453.299.599*	*304.874.026*
Trade receivables from third parties	*6*	*473.492.096*	*442.906.977*
Other receivables			
Other receivables from third parties	*7*	*5.626.029*	*3.286.437*
Inventories	8	302.346.696	324.562.680
Prepaid expenses	15	1.116.153.811	960.075.459
Other current assets	14	27.383.925	21.570.738
Total Current Assets		**6.558.988.768**	**6.596.620.666**
Other receivables			
Other receivables from third parties	*7*	*27.722.215*	*30.857.940*
Property, plant and equipment	9	6.261.569.548	6.013.871.430
Intangible assets	10	652.827.108	672.593.306
Right of use assets	11	4.745.975.735	4.060.074.662
Prepaid expenses	15	41.423.806	38.929.233
Other non-current assets	14	6.452.677	6.893.127
Total Non-Current Assets		**11.735.971.089**	**10.823.219.698**
TOTAL ASSETS		**18.294.959.857**	**17.419.840.364**

(Convenience translation of consolidated financial statements originally issued in Turkish)

TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

	Notes	Not Audited 31 March 2024	Audited 31 December 2023
LIABILITIES			
Short-term borrowings	4	40.367.945	65.245.231
Current portion of long-term borrowings	4	24.950.650	41.512.139
Short-term lease liabilities	5	1.000.247.737	798.709.865
Trade payables			
Trade payables to related parties	*6-24*	*1.375.092.865*	*1.220.722.917*
Trade payables to third parties	*6*	*512.999.556*	*502.322.578*
Other payables			
Other payables to third parties	*7*	*891.728*	*933.807*
Employee benefit payables	13	460.795.621	367.688.906
Short-term provisions			
Provisions for employee benefits	*13*	*158.865.524*	*116.794.051*
Litigation provisions	*12*	*21.770.426*	*28.901.575*
Contract liabilities	15	171.245.465	198.316.080
Current tax liabilities	23	238.492.199	171.859.841
Other current liabilities	14	60.363.647	86.557.793
Total Current Liabilities		**4.066.083.363**	**3.599.564.783**
Long-term lease liabilities	5	1.830.020.509	1.545.026.899
Trade payables			
Trade payables to third parties	*6*	*131.889.933*	*161.333.880*
Provision for employee benefits	13	133.222.397	115.359.199
Contract liabilities	15	157.682.546	210.358.958
Deferred tax liabilities	23	735.244.365	650.156.186
Total Non-Current Liabilities		**2.988.059.750**	**2.682.235.122**
EQUITY			
Share capital	16	261.292.000	261.292.000
Adjustments to share capital	16	2.039.041.403	2.039.041.403
Share premium		4.234.515.492	4.234.515.492
Other comprehensive expenses to be reclassified			
- Currency translation reserves	16	(15.569.542)	14.160.740
Other comprehensive income or expenses not to be reclassified			
- Remeasurement gains of defined benefit plans	16	3.550.276	4.273.624
- Revaluation of property, plant and equipment	16	576.465.407	576.465.407
Net profit for the period		133.229.915	2.828.020.651
Retained earnings		4.008.291.793	1.180.271.142
Total Equity		**11.240.816.744**	**11.138.040.459**
TOTAL LIABILITIES AND EQUITY		**18.294.959.857**	**17.419.840.364**

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

TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIODS 1 JANUARY - 31 MARCH 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

	Notes	1 January- 31 March 2024	1 January - 31 March 2023
Profit or loss			
Revenue	17	5.672.074.098	5.276.778.675
Cost of sales (-)	17	(4.938.025.742)	(4.686.964.456)
Gross profit		**734.048.356**	**589.814.219**
Marketing expenses (-)	18	(214.122.688)	(194.415.027)
General administrative expenses (-)	18	(328.864.553)	(293.452.420)
Other operating income	20	103.240.637	180.914.156
Other operating expenses (-)	20	(117.138.507)	(168.298.194)
Operating profit		**177.163.245**	**114.562.734**
Income related to investing activities	21	387.788.778	106.164.680
Expense related to investing activities (-)	21	(6.505.066)	(37.867.391)
Operating profit before financial expenses		**558.446.957**	**182.860.023**
Financial income	22	41.503.642	46.717.138
Financial expenses (-)	22	(175.560.024)	(221.851.553)
Monetary gain		(94.480.862)	717.275.067
Earning before tax		**329.909.713**	**725.000.675**
Tax income			
Current tax expense	23	(111.359.029)	(2.509.641)
Deferred tax income	23	(85.320.769)	441.719.337
Net profit for the year		**133.229.915**	**1.164.210.371**
Earning per share		0,51	5,01
Other comprehensive income			
Items to be reclassified subsequently to profit or loss:			
- Change in foreign currency translation differences		(29.730.282)	(51.238.650)
Items that will not be reclassified subsequently to profit or loss			
Income related to revaluation of defined benefit plans and measurement gains	13	(955.938)	9.104.355
Tax income / (expense) to revaluation of defined benefit plans and measurement	23	232.590	(2.276.089)
Income related to revaluation increase on property, plant and equipment		-	(686.904)
Tax expense related to revaluation increase on property, plant and equipment		-	5.815.689
TOTAL COMPREHENSIVE INCOME		**102.776.285**	**1.124.928.772**

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

TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIODS 1 JANUARY - 31 MARCH 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

					Other comprehensive income / (expense)					
					will be reclassified to profit or loss	will not be reclassified to profit or loss				
	Notes	Share capital	Adjustment to share capital	Share premium	Currency translation differences	Remeasurement of defined benefit obligation	Revaluation of Property, Plant and Equipment	Net income for the period(loss)	Retained earnings	Total
Balance at 1 January 2024	**16**	**261.292.000**	**2.039.041.403**	**4.234.515.492**	**14.160.740**	**4.273.624**	**576.465.407**	**2.828.020.65**	**11.180.271.142**	**11.138.040.459**
Profit for the year		-	-	-	-	-	-	133.229.915	-	133.229.915
Other comprehensive expense		-	-	-	(29.730.282)	(723.348)	-	-	-	(30.453.630)
Total comprehensive profit		-	-	-	(29.730.282)	(723.348)	-	133.229.915	-	102.776.285
Transfers		-	-	-	-	-	-	(2.828.020.651)	2.828.020.651	-
Balance at 31 March 2024		**261.292.000**	**2.039.041.403**	**4.234.515.492**	**(15.569.542)**	**3.550.276**	**576.465.407**	**133.229.915**	**4.008.291.793**	**11.240.816.744**
Balance at 1 January 2023	**16**	**232.417.000**	**2.033.719.231**	**-**	**(4.483.569)**	**7.051.829**	**274.352.644**	**2.132.675.952**	**(952.404.810)**	**3.723.328.277**
Profit for the year		-	-	-	-	-	-	1.164.210.371	-	1.164.210.371
Other comprehensive expense		-	-	-	(51.238.650)	6.828.266	5.128.785	-	-	(39.281.599)
Total comprehensive profit		-	-	-	(51.238.650)	6.828.266	5.128.785	-	-	(39.281.599)
Transfers		-	-	-	-	-	-	(2.132.675.952)	2.132.675.952	-
Balance at 31 March 2023		**232.417.000**	**2.033.719.231**	**-**	**(55.722.219)**	**13.880.095**	**279.481.429**	**1.164.210.371**	**1.180.271.142**	**4.848.257.049**

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

TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE ACCOUNTING PERIODS 1 JANUARY - 31 MARCH 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

	Notes	1 January - 31 March 2024	1 January- 31 March 2023
Cash Flows From Operating Activities			
Net profit for the period		133.229.915	1.164.210.371
Adjustments related to reconciliation of net profit for the period		**869.346.497**	**(285.569.853)**
Depreciation and amortization expense	9-10	298.685.746	276.978.754
Adjustments for impairment impairment and expenses related to closed restaurants	21	20.423	4.765.661
Adjustments for provisions provisions related to employee benefits	13	158.500.766	120.894.317
Adjustment related to provisions for litigation and/or penalties	12	849.363	9.409.914
Adjustments related to interest income and expenses			
Interest income	21-22	(248.141.240)	(56.014.593)
Adjustments regarding participation fee income	21	(153.931.847)	-
Interest expense	22	558.907	75.437.737
Deferred financial income arising from forward purchases	20	14.624.388	6.390.686
Unearned finance expense arising from credit sales	20	(36.077.502)	(27.798.336)
Depreciation and amortisation on leases	11	430.685.622	382.066.275
Interest expense on leases, net	5-11	90.467.796	72.941.524
Foreign exchange losses on lease	5-11	17.794.563	7.349.423
Adjustments related to unrealised foreign currency translation differences		-	(28.286.132)
Insurance income	21	(11.000.781)	(82.302.209)
Adjustments related to derivative instruments		-	(7.809.257)
Adjustments related to tax (income) / expense	23	196.679.798	(439.209.696)
Adjustments related to gain on disposal of property, plant and equipment	21	(103.401)	(9.755.334)
Monetary gain		109.733.567	(590.628.587)
Changes in Working Capital		**(7.580.883)**	**124.561.854**
Adjustments related to (increase)/decrease in trade receivables			
Increase in due from related parties		(200.609.239)	(180.615.466)
Increase in trade receivables from third parties		(109.010.158)	(125.533.120)
Adjustments related to (increase)/decrease in other current and non-current assets		(9.118.185)	2.839.904
(Increase)/decrease in inventories		(21.595.278)	(67.478.308)
(Increase)/decrease in prepaid expenses		(307.024.825)	(47.383.902)
Adjustments for increase in trade payables			
(Increase)/decrease in due to related parties		236.592.623	417.228.142
(Increase)/decrease in trade payables to third parties		206.805.669	46.214.838
Other payables / liabilities (decrease)/increase		204.449.519	95.266.465
Increase/(decrease) in other liabilities		(8.071.009)	(15.976.699)
Cash Flows From Operations		**(46.076.027)**	**(66.488.110)**
Income taxes paid	23	-	(14.920.191)
Employee benefits paid	13	(41.661.082)	(47.844.901)
Litigation paid	12-20	(4.414.945)	(3.723.018)

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

TAB GIDA SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE ACCOUNTING PERIODS 1 JANUARY - 31 MARCH 2024 AND 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

	Notes	1 January - 31 March 2024	1 January - 31 March 2023
Cash Flows From Investing Activities		**(170.741.783)**	**(448.987.764)**
Cash inflows from disposal of property, plant and equipment	9	2.012.914	60.564.910
Cash outflows from acquisition of property, plant and equipment	9	(550.532.433)	(300.310.109)
Cash outflows from acquisition of intangible assets	10	(28.453.094)	(16.976.122)
Cash advances given to related parties		4.157.743	(248.281.036)
Dividend income		153.931.847	-
Interest received		248.141.240	56.014.593
Cash Flows From Financing Activities		**(453.045.720)**	**(502.040.762)**
Cash inflows from borrowings	4	37.905.639	682.395.363
Cash outflows related to loan repayments	4	(67.718.180)	(757.426.499)
Interest paid	4	-	(81.956.271)
Interest payments related to leasing transactions	5	(90.467.796)	(72.941.524)
Payments for lease transactions	5	(332.765.383)	(272.111.831)
THE EFFECT OF MONETARY LOSS ON CASH AND CASH EQUIVALENTS		**(683.789.736)**	**(35.828.399)**
NET CHANGE IN CASH AND CASH EQUIVALENTS		**(358.657.737)**	**(50.142.663)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**3**	**4.539.344.349**	**321.961.143**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**3**	**4.180.686.612**	**271.818.480**

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

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP

TAB Gıda Sanayi ve Ticaret A.Ş. ("the Company") was established on 4 August 1994. The principal activities of the Company and its subsidiaries ("the Group") are sub-letting brands and operating fast food hamburger, chicken and pizza restaurants under the Burger King, Popeyes, Sbarro, Arby's, Subway, Usta Dönerci and Usta Pideci brands. The Company operates the largest fast food hamburger restaurant chain in Turkey in terms of number of restaurants.

The Group operates and franchises Burger King, Popeyes, Sbarro and Arby's-branded restaurants under exclusive development and master franchise agreements and the owner of Usta Dönerci and Usta Pideci brands. Burger King and Popeyes brands are both owned by Restaurant Brands International Inc ("RBI"). The expiry dates of the master franchise and exclusivity rights under the Master Franchise Development Agreement ("MFDA") are as follows:

Brand	Expiration Dates
Burger King— Quick Service Restaurant Business Türkiye	1 December 2032
Popeyes— Quick Service Restaurant Business Türkiye	31 December 2026
Sbarro— Quick Service Restaurant Business Türkiye	31 December 2027
Arby's— Quick Service Restaurant Business Türkiye	31 December 2027
Subway— Quick Service Restaurant Business Türkiye	31 December 2029

The address of the Company is Dikilitaş Mahallesi Emirhan Caddesi No: 109 Beşiktaş, İstanbul.

As at 31 March 2024 the average number of personnel employed during the year is 14.489 (31 December 2023: 15.454).

As of 31 March 2024, the Group has a total of 1.654 open restaurants. The number of franchise restaurants in the total number of open restaurants is 711 as of 31 March 2024. (31 December 2023: The number of Group restaurants is 1.615, of which 687 are franchise restaurants).

TFI TAB Gıda Yatırımları Anonim Şirketi is the main shareholder of the Group and the main controlling party.

As at 31 March 2024, the list of subsidiaries is as follows:

- TAB Georgia LLC. "GÜRCİSTAN"
- TAB Limited Makedonija Dooel Petrovec "MAKEDONYA"

A brief description of the Company's subsidiaries is as follows:

- TAB Georgia LLC. was established on 26 December 2006 in Georgia. TAB Georgia operates fast food restaurants. As of 31 March 2024, the total number of open restaurants is 9 and the number of franchise restaurants is 1 (31 December 2023: Total number of open restaurants is 9, 1 of which belongs to franchise restaurants).

- TAB Limited Makedonija Dooel Petrovec was established in Macedonia on 13 June 2011. TAB Macedonia operates fast food restaurants. As of 31 March 2024, the total number of open restaurants is 12, all of which are operated by the Group. (31 December 2023: Total number of open restaurants is 12, all of which are operated by the Group).

NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP (Cont'd)

As at 31 March 2024, the list of branches is as follows:

- TAB Gıda Sanayi ve Ticaret A.Ş. – Northern Cyprus Branch "KUZEY KIBRIS"

Approval of the consolidated financial statements

The consolidated financial statements have been approved by the Board of Directors and authorised for issue on 30 May 2024. The General Assembly and other regulatory bodies are authorised to amend and restate the financial statements.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basic Principles of Presentation

Implemented Financial Reporting Standards

The accompanying consolidated financial statements are prepared in accordance with the Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on 13 June 2013. According to the article 5 of the Communiqué, consolidated financial statements are prepared in accordance with Turkish Financial Reporting Standards ("TFRS") and its addendum and interpretations ("IFRIC") issued by Public Oversight Accounting and Auditing Standards Authority ("POA") Turkish Accounting Standards Boards. The consolidated financial statements of the Group are prepared as per the CMB announcement of 4 October 2022 relating to financial statements presentations.

The Company and its subsidiaries operating in Turkey, maintains its accounting records and prepares its statutory financial statements in accordance with the Turkish Commercial Code (the "TCC"), tax legislation and the uniform chart of accounts issued by the Ministry of Finance. These consolidated financial statements are based on the statutory records, with the required adjustments and reclassifications including those related to changes in purchasing power reflected for the purpose of fair presentation in accordance with the TFRS.

Financial Reporting In Hyperinflationary Economy

Entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after 31 March 2024 with the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

The accompanying financial statements are prepared on a historical cost basis, except for financial investments measured at fair value and investment properties measured at revalued amounts.

Financial statements and corresponding figures for previous periods have been restated for the changes in the general purchasing power of Turkish lira and, as a result, are expressed in terms of purchasing power of Turkish lira as of 31 March 2024 as per TAS 29.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

2.1 Basic Principles of Presentation (Cont'd)

On the application of TAS 29, the entity used the conversion coefficient derived from the Customer Price Indexes (CPI) published by Turkey Statistical Institute according to directions given by POA. The CPI for current and previous year periods and corresponding conversion factors since the time when the Turkish lira previously ceased to be considered currency of hyperinflationary economy, i.e., since 1 January 2005, were as follow:

Year end	Index
2004	113.86
2005	122.65
2006	134.49
2007	145.77
2008	160.44
2009	170.91
2010	181.85
2011	200.85
2012	213.23
2013	229.01
2014	247.72
2015	269.54
2016	292.54
2017	327.41
2018	393.88
2019	440.50
2020	504.81
2021	686.95
2022	1128.45
2023	1859.38
2024/03	2.139,47

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 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 31 March 2023. Non-monetary items which are not expressed in terms of measuring unit as of 31 March 2024 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 1 January 2005, were restated by applying the change in the CPI from 1 January 2005 to 31 March 2024.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

2.1 Basic Principles of Presentation (Cont'd)

Financial Reporting under Hyperinflation

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.

Functional and Reporting Currency

The individual financial statements of each Group entity are prepared in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group are presented in Turkish Lira ("TL"), which is the functional currency of the Group and the presentation currency of the Group's consolidated financial statements.

In preparing the consolidated financial statements of the Group, balance sheet items of companies whose functional currency is different from TL are translated into TL at the exchange rate ruling at the balance sheet date and income, expenses and cash flows are translated into TL at the exchange rate ruling at the date of the transactions (historical exchange rate) or, if the date cannot be determined, at the annual average exchange rate. The resulting translation difference is recognised in the foreign currency translation reserve under equity.

The functional currencies of the Company's subsidiaries in Georgia and Macedonia are Georgian Lari and Macedonian Dinar, respectively.

As at 31 March 2024, the buying exchange rates for assets are 1 Macedonian Dinar = TL 0,5696 and 1 Lari = TL 12,0048 (31 December 2023: 1 Macedonian Dinar = TL 0,5310 and 1 Lari = TL 10,9890), and the selling exchange rates for liabilities are 1 Macedonian Dinar = TL 0,5696 and 1 Lari = TL 12,0048 (31 December 2023: 1 Macedonian Dinar = TL 0,5310 and 1 Lari = TL 10,9890).

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2.1 Basic Principles of Presentation (cont'd)

Basis Of Consolidation

The details of the Company's subsidiaries as at 31 March 2024 and 31 December 2023 are as follows:

Subsidiaries	Business Segment	Country of Origin	31 March 2024	31 December 2023
TAB Georgia LLC	Quick Service Restaurant	Georgia	%100	%100
TAB Limited Makedonija Dooel Petrovec	Quick Service Restaurant	Macedonia	%100	%100

As at 31 March 2024 and 31 December 2023, the Group's branch information is as follows:

Branch Name	Business Segment	Country of Origin
TAB Gıda Sanayi ve Ticaret A.Ş. – Northern Cyprus Branch	Quick Service Restaurant	Northern Cyprus

The consolidated financial statements include the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company fulfils the following conditions:

- has power over the invested company/asset
- is entitled or open to variable returns from the invested company/asset
- has the ability to affect those returns through its power to direct the activities of the entity

If a situation or event occurs that could lead to a change in at least one condition stated above, Company shall reassess whether it has control over its investment.

In cases where the Company does not have the majority voting right over the invested company/asset, if it has sufficient voting rights to direct/manage the activities of the relevant investment alone, it has control over the invested company/asset. The Company considers all relevant events and conditions in assessing whether the majority of the votes in the relevant investment is sufficient to gain control, including the following:

- Comparing the voting rights of the Company with the other shareholders,
- Potential voting rights of the Company and other shareholders have,
- Rights arising from other contractual agreements,
- Other events and conditions that can show whether the Company has power in managing the relevant activities (including the votes at the general assembly meetings in previous periods) in cases where a decision needs to be made.

Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases. The income and expenses of subsidiaries acquired or sold during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of purchase to the date of sell out.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2.1 Basic Principles of Presentation (cont'd)

Basis Of Consolidation

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

If necessary, adjustments regarding to the accounting policies have been made in the financial statements of the subsidiaries in order to be the in line with the accounting policies followed by the Group.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Offsetting

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

2.2 Changes in Accounting Policies

Significant changes in accounting policies are applied retrospectively and prior period financial statements are restated. The Group has not made any changes in accounting policies in the current year.

2.3 Changes and Errors in Accounting Estimates

If the changes in accounting estimates and errors are for only one period, they are applied in the period in which the change is made and if they are for future periods, they are applied both in the period in which the change is made and prospectively in future periods. The Group has not changed any accounting estimates and no significant accounting policy errors have been identified in the current year.

2.4 New and Revised Turkish Accounting Standards

The accounting policies adopted in preparation of the consolidated financial statements as of March 31, 2024 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, 2024 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.4 New and Revised Turkish Accounting Standards (cont'd)

i) The new standards, amendments and interpretations which are effective as of January 1, 2024 are as follows:

Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities

In March 2020 and January 2023, POA issued amendments to TAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in January 2023 if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, January 2023 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarify that the requirement for the right to exist at the end of the reporting period applies to covenants which the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or at a later date. The amendments also clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments must be applied retrospectively in accordance with TAS 8.

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

Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback

In January 2023, POA issued amendments to TFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of TFRS 16 under "Subsequent measurement of the lease liability" heading after the commencement date in a sale and leaseback transaction, the seller lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in TFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with TAS 8. A seller-lessee applies the amendments retrospectively in accordance with TAS 8 to sale and leaseback transactions entered into after the date of initial application of TFRS 16.

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

Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements

The amendments issued by POA in September 2023 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, suppliers are paid. The amendments require an entity to provide information about terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those liabilities. In the context of quantitative liquidity risk disclosures required by TFRS 7, supplier finance arrangements are also included as an example of other factors that might be relevant to disclose.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.4 New and Revised Turkish Accounting Standards (cont'd)

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

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 consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

The Group will wait until the final amendment to assess the impacts of the changes.

TFRS 17 - The new Standard for insurance contracts

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2025 with the announcement made by the POA.

The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

iii) The amendments which are effective immediately upon issuance

Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules

In September 2023, POA issued amendments to TAS 12, which introduce a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments.

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

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Significant accounting policies

The condensed consolidated financial statements for the interim period ended March 31, 2024 have been prepared in accordance with TAS 34 Interim Financial Reporting. The significant accounting policies applied in the preparation of the condensed consolidated financial statements are consistent with those described in detail in the consolidated financial statements for December 31, 2023. Accordingly, the condensed consolidated financial statements should be read in conjunction with the financial statements for the year ended December 31, 2023.

2.6 Going Concern Assumption

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to realise the benefits from its assets and settle its liabilities within the next year and in the normal course of business.

NOTE 3 - CASH AND CASH EQUIVALENTS

	31 March 2024	31 December 2023
Cash on hand	42.860.946	49.961.768
Demand deposits at bank	189.034.701	152.896.209
Time deposits at bank	3.905.109.687	4.295.243.052
Other cash equivalents (*)	43.681.278	41.243.320
	4.180.686.612	**4.539.344.349**

(*) Other cash and cash equivalents consist of receivables from credit card sales which are realised in cash within 1 day on average. The Group pays commission to banks for the collection of credit card receivables before the original maturity date. The remaining balance consists of receivables from internet payment platforms with an average maturity of 7 days.

The details of time deposits at the bank are as follows:

Currency Type	Interest Rate (%)	Maturity	31 March 2024
TL	%44 - %55	1 Apr – 14 May 2024	3.885.738.448
USD	%1	1 Apr 2024	19.371.239
			3.905.109.687

Currency Type	Interest Rate (%)	Maturity	31 December 2023
TL	%40 - %47	2 Jan - 29 Mar 2024	3.660.520.317
USD	%45	2 Jan 2024	634.722.735
			4.295.243.052

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 4 - BORROWINGS

The details of the Group's financial liabilities as at 31 March 2024 and 31 December 2023 are as follows:

	31 March 2024	31 December 2023
Short term bank borrowings	40.367.945	65.245.231
Current portion of long-term borrowings	24.950.650	41.512.139
Total borrowings	**65.318.595**	**106.757.370**

Details of the bank loans are as follows:

Currency Type	Weighted Average Effective Interest Rate	31 March 2024 Current
TL	31,57%	65.318.595
		65.318.595

Currency Type	Weighted Average Effective Interest Rate	31 December 2023 Current
TL	39,81%	106.757.370
		106.757.370

The movement of the Group's financial liabilities as at 31 March 2024 and 2023 is as follows:

	2024	2023
Opening balance as of 1 January	106.757.370	2.559.359.057
Cash inflow from borrowings	37.905.639	682.395.363
Cash outflows from borrowings	(67.718.180)	(757.426.499)
Exchange differences	-	29.645.048
Interest payments	-	(81.956.271)
Interest expense	560.690	75.721.514
Monetary gain	(12.186.924)	(282.314.666)
Closing balance at 31 March	**65.318.595**	**2.225.423.546**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 5 - LEASE LIABILITIES

	31 March 2024	31 December 2023
Short-term lease liabilities	1.000.247.737	798.709.865
Total short-term lease liabilities	**1.000.247.737**	**798.709.865**
Long-term lease liabilities	1.830.020.509	1.545.026.899
Total long-term lease liabilities	**1.830.020.509**	**1.545.026.899**
Total lease liabilities	**2.830.268.246**	**2.343.736.764**

	31 March 2024	31 December 2023
To be paid within 1 year	1.000.247.737	798.709.865
To be paid between 1-2 years	636.880.775	542.383.317
To be paid between 2-3 years	451.564.641	380.530.242
To be paid between 3-4 years	179.347.865	247.571.034
To be paid after 4+ years	562.227.228	374.542.306
	2.830.268.246	**2.343.736.764**

The movement of the Group's finance lease payables as at 31 March 2024 and 2023 is as follows:

	2024	2023
Opening balance as of 1 January	2.343.736.764	2.837.947.476
Purchases	1.370.593.612	455.137.220
Payments	(332.765.383)	(272.111.831)
Exchange differences, net	17.794.563	7.349.423
Interest expense	90.467.796	72.941.524
Monetary gain	(659.559.106)	(517.269.934)
Closing balance at 31 March	**2.830.268.246**	**2.583.993.878**

NOTE 6 - TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables and Notes Receivable

<u>**Current trade receivables**</u>	31 March 2024	31 December 2023
Trade receivables	476.467.680	450.688.909
Notes receivable	3.787.572	-
Trade receivables from related parties (Note 24)	453.299.599	304.874.026
Impairment provision for trade receivables (-)	(6.763.156)	(7.781.932)
	926.791.695	**747.781.003**

The majority of the Group's sales consist of cash sales. Trade receivables consist of sales to sub-franchise companies and receivables from food voucher companies. Average maturity for trade receivables is 8 days (31 December 2023: 9 days). The average maturity of trade receivables from related parties in 2024 is 20 days. (31 December 2023: 29 days).Trade receivables are discounted using an annual interest rate of 37,22% (2023:37,22%).

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 6 - TRADE RECEIVABLES AND PAYABLES (cont'd)

The impairment provision for trade receivables has been determined based on past experience of uncollectibility.

Notes receivables balance consists of post-dated cheques and notes received from franchisors within the scope of commercial works.

The movement of impairment provision for trade receivables is as follows:

	2024	**2023**
Opening balance as of 1 January	(7.781.932)	(2.155.788)
Monetary gain/loss	1.018.776	239.900
Closing balance at 31 March	**(6.763.156)**	**(1.915.888)**

The nature and level of risks related to trade receivables are disclosed in Note 25.

b) Trade Payables

Short-term trade payables	**31 March 2024**	**31 December 2023**
Trade payables (*)	405.318.753	357.977.910
Trade payables to related parties (Note 24)	1.375.092.865	1.220.722.917
Accrued expenses	107.680.803	144.344.668
	1.888.092.421	**1.723.045.495**
Long-term trade payables		
Trade payables (*)	131.889.933	161.333.880
	131.889.933	**161.333.880**

(*) Master Franchise and Development Agreement (MFDA)

On 29 March 2019, RBI and Tab Gıda signed a Second Amended and Restated Development Agreement ("MFDA") for exclusive rights and licences to operate Burger King restaurants in Turkey, effective until 1 December 2031. According to the MFDA, payments must be repaid in amounts indicating the annual franchise fees. 2019 annual franchise fees for 20 restaurants; 2020 annual franchise fees for 35 restaurants; annual franchise fees for 40 restaurants each year between 2021 and 2031. On 30 September 2020 and 14 October 2020, due to COVID-19, the development target for 2020 was set to 0 and the development calendar was extended from 2031 to 2032. Therefore, the annual franchise fees payable in 2020 for 35 restaurants became the annual franchise fee for 2021. The annual franchise fees to be paid for 40 restaurants between 2021 and 2031 will be realised between 2022 and 2032. According to this agreement, the total liability from the balance sheet date until 2032 is reflected in the financial statements and the amounts are TL 24.519.771 for short term trade payables and TL 131.889.933 for long-term trade payables.

The average maturity of trade payables is 30days (31 December 2023: 12 days). Average maturity of trade payables to related parties is 25 days (31 December 2023: 25 days).

Trade payables are discounted using the effective interest method. The effective interest rate of 37,22% has been used to determine the value of trade payables (31 December 2023: 37,22%).

The nature and level of risks related to trade payables are disclosed in Note 25.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 7 - OTHER RECEIVABLES AND PAYABLES

a) Other Receivables

Short-term other receivables	31 March 2024	31 December 2023
Receivables from tax office	678.395	1.758.683
Deposits and guarantees given	1.225.032	1.295.657
Accrued income	3.722.602	232.097
	5.626.029	**3.286.437**

Long-term other receivables		
Deposits and guarantees given (*)	23.175.925	26.366.522
Other	4.546.290	4.491.418
	27.722.215	**30.857.940**

(*) Deposits and guarantees represent deposits given to the relevant administrative units for rents and connection fees such as electricity, natural gas and water. Deposit amounts are returned at the end of the lease agreement.

b) Other Payables

Short-term other payables	31 March 2024	31 December 2023
Deposits and guarantees received (*)	718.889	816.618
Other	172.839	117.189
	891.728	**933.807**

(*) Deposits and guarantees represent the deposits received from the relevant sub-franchisee companies for connection fees such as electricity, natural gas and water. Deposit amounts are returned at the end of the lease agreement.

The nature and level of risks related to other receivables and payables are disclosed in Note 25.

NOTE 8 - INVENTORIES

	31 March 2024	31 December 2023
Raw materials	282.504.652	302.739.052
Other inventory	19.842.044	21.823.628
	302.346.696	**324.562.680**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT

	Plant Machinery & Equipment	Vehicles	Furniture & Fixture	Leasehold improvements	Construction in progress	Total
Cost:						
Opening balance as of 1 January 2024	8.236.806.756	30.206.268	3.041.131.906	2.638.056.206	220.264.175	14.166.465.311
Additions	202.274.058	-	129.778.679	162.020.237	56.459.459	550.532.433
Disposals	(3.005.192)	(39.553)	(725.639)	(4.966.214)	-	(8.736.598)
Currency translation effect	-	-	(14.716.159)	(1.943.084)	-	(16.659.245)
Closing balance on 31 March 2024	**8.436.075.622**	**30.166.715**	**3.155.468.787**	**2.793.167.145**	**276.723.634**	**14.691.601.901**
Accumulated Depreciation:						
Opening balance as of 1 January 2024	(4.976.814.513)	(6.257.167)	(1.881.724.722)	(1.287.797.479)	-	(8.152.593.881)
Charge for the period	(159.257.565)	(1.770.106)	(59.236.545)	(63.789.142)	-	(284.053.358)
Disposals	1.815.787	39.553	142.120	89.666	-	2.087.126
Currency translation effect	-	-	4.384.009	143.749	-	4.527.760
Closing balance on 31 March 2024	**(5.134.256.291)**	**(7.987.720)**	**(1.936.435.138)**	**(1.351.353.206)**	**-**	**(8.430.032.353)**
Net Book Value	**3.301.819.331**	**22.178.995**	**1.219.033.649**	**1.441.813.939**	**276.723.634**	**6.261.569.548**

As at 31 March 2024, there is no pledge or mortgage on fixed assets (31 March 2023: -).

The depreciation expenses amounting to TL 257.636.396 have been included in the cost of goods sold, and TL 26.416.962 have been included in general administrative expenses (as of March 31, 2023: TL 239.040.767 included in the cost of sales and TL 24.510.244 included in general administrative expenses).

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Plant Machinery & Equipment	Vehicles	Furniture & Fixture	Leasehold improvements	Construction in progress	Total
Cost:						
Opening balance as of 1 January 2023	7.158.270.717	17.989.402	2.651.745.271	2.139.988.132	135.628.799	12.103.622.320
Additions	63.142.704	-	130.441.552	94.014.271	12.711.580	300.310.109
Disposals	(28.357.140)	(7.135.690)	(13.278.644)	(40.527.975)	-	(84.655.905)
Translation difference	-	-	(14.002.488)	(1.704.804)	-	(15.707.294)
Closing balance on 31 March 2023	**7.152.196.281**	**10.853.712**	**2.754.905.691**	**2.191.769.624**	**148.340.379**	**12.258.065.688**
Accumulated Depreciation:						
Opening balance as of 1 January 2023	(4.078.951.231)	(15.394.438)	(1.634.690.515)	(1.113.796.171)	-	(6.842.832.355)
Charge for the period	(138.626.019)	(541.996)	(68.432.399)	(55.950.598)	-	(263.551.011)
Disposals	27.343.532	6.214.194	9.753.560	24.371.106	-	67.682.391
Translation difference	-	-	12.907.602	198.308	-	13.105.908
Closing balance on 31 March 2023	**(4.190.233.718)**	**(9.722.240)**	**(1.680.461.752)**	**(1.145.177.355)**	**-**	**(7.025.595.067)**
Net Book Value	**2.961.962.563**	**1.131.472**	**1.074.443.939**	**1.046.592.269**	**148.340.379**	**5.232.470.621**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT (cont'd)

The depreciation periods for property, plant and equipment are as follows:

	Useful Life
Machinery and equipment	5-25 years
Vehicles	4-5 years
Fixtures and furniture	3-10 years
Leasehold improvements	2-20 years

The Group has assessed each restaurant as a cash-generating unit (CGU) and performed an impairment test for each CGU and analysed the recoverable amount of the fixed assets of the restaurants. This impairment test was applied for leasehold improvements, machinery and equipment and fixtures and fittings. The recoverable amount of cash generating units is determined using cash flow projections extended from 5 years to 10 years.

For each CGU, the Group has recognised impairment only for leasehold improvements since the average useful life of leasehold improvements is approximately 10 years and other assets in restaurants can be transferred in case of closure of a restaurant. Therefore, the restaurant impairment analysis is based on 10-year cash flow projections and no terminal value is assumed. Impairment test is performed for the restaurants, each of which is a separate cash-generating units (NÜB), for which there is an indication of impairment.

Impairment and reversals are included in income and expenses from investing activities in the income statement (Note 21).

Fair value measurement of the Group's freehold land, buildings and machinery & equipment

As of December 31, 2023, the fair value measurements of the plants, machinery, and equipment owned by the Group has been performed by Kale Taşınmaz Değerleme ve Danışmanlık A.Ş., an independent valuation company. The relevant valuation firm is authorized by the CMB and provides plant, machinery, and equipment valuation services in accordance with capital market regulations, and possesses the necessary experience and qualifications to measure the fair value of the related machinery.

The fair value of plant, machinery and equipment is determined as replacement cost by multiplying the initial purchase cost by the average increase in foreign currency and inflation index for the period between the acquisition date and the valuation date and then adjusted for accumulated depreciation, impairment and impairment, if any, based on the experience of the valuation experts.

As at 31 March 2024, information on the Group's plant, machinery and equipment and the fair value hierarchy of these assets are shown in the table below:

	Level 1	Level 2	Level 3
Machinery and Equipment	-	3.301.819.331	-
	-	**3.301.819.331**	**-**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT (cont'd)

Tangible Fixed Assets	Valuation Techniques	Significant unobservable input(s)	Sensitivity
Plant, machinery and equipment	Cost Approach	Valuation expert's estimations and depreciation rates used in the valuation.	Valuation expert's judgement based on experience impacts the fair value of machinery and equipment. A change in ratio of foreign currencies and inflation index would result in an increase in fair value, and vice versa.

NOTE 10 - INTANGIBLE ASSETS

	Initial Franchise Fees	Rights and Licenses	Total
Cost:			
Opening balance as of 1 March 2024	522.941.290	546.925.395	1.069.866.685
Additions	11.611.264	16.841.830	28.453.094
Disposals	(32.000.287)	(308.288)	(32.308.575)
Currency translation differences	(1.703.477)	(374.950)	(2.078.427)
Closing balance as of 31 March 2024	**500.848.790**	**563.083.987**	**1.063.932.777**
Accumulated Amortization:			
Opening balance as of 1 January 2024	(177.405.708)	(219.867.671)	(397.273.379)
Charge for period	(4.841.253)	(9.791.135)	(14.632.388)
Disposals	-	128.454	128.454
Currency translation effects	662.505	9.139	671.644
Closing balance as of 31 March 2024	**(181.584.456)**	**(229.521.213)**	**(411.105.669)**
Net Book Value	**319.264.334**	**333.562.774**	**652.827.108**

The depreciation expenses of TL 13.271.576 have been included in the cost of goods sold, and TL 1.360.812 have been included in general administrative expenses (as of March 31, 2023: TL 12.178.963 included in the cost of sales and TL 1.248.780 included in general administrative expenses).

The Group's intangible assets consist of franchise opening fees paid for new restaurants, rights and licences. The amortisation period is 20 years for franchise opening fees and 2-20 years for licences.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 10 - INTANGIBLE ASSETS (cont'd)

	Initial Franchise Fees	Rights and Licenses	Total
Cost:			
Opening balance as of 1 January 2023	504.545.248	466.859.786	971.405.034
Additions	5.550.840	11.425.282	16.976.122
Disposals	(44.027.973)	(102.261)	(44.130.234)
Currency translation effect	-	(401.998)	(401.998)
Closing balance as of 31 March 2023	**466.068.115**	**477.780.809**	**943.848.924**
Accumulated Amortization:			
Opening balance as of 1 March 2023	(159.549.595)	(187.249.402)	(346.798.997)
Charge for the period	(4.268.940)	(9.158.803)	(13.427.743)
Disposals	468.792	49.063	517.855
Currency translation effect	-	86.415	86.415
Closing Balance As of 31 March 2023	**(163.349.743)**	**(196.272.727)**	**(359.622.470)**
Net Book Value	**302.718.372**	**281.508.082**	**584.226.454**

NOTE 11 - RIGHT OF USE ASSETS

	Restaurants	Property	Vehicles	Total
Cost:				
Opening balance as of 1 January 2024	7.346.021.578	37.768.890	45.468.617	7.429.259.085
Additions	1.367.564.218	3.029.394	-	1.370.593.612
Disposals	(265.347.149)	-	(1.854.281)	(267.201.430)
Closing balance as of 31 March 2024	**8.448.238.647**	**40.798.284**	**43.614.336**	**8.532.651.267**
Accumulated Amortization:				
Opening balance as of 1 January 2024	(3.311.974.929)	(25.227.025)	(31.982.469)	(3.369.184.423)
Charge for the period	(488.951.742)	(4.798.045)	(5.241.487)	(498.991.274)
Disposals	74.592.965	1.854.281	5.052.919	81.500.165
Closing balance as of 31 March 2024	**(3.726.333.706)**	**(28.170.789)**	**(32.171.037)**	**(3.786.675.532)**
Net Book Value	**4.721.904.941**	**12.627.495**	**11.443.299**	**4.745.975.735**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 11 - RIGHT OF USE ASSETS (cont'd)

	Restaurants	Property	Vehicles	Total
Cost:				
Opening balance as of 1 January 2023	6.053.255.692	26.722.053	45.896.058	6.125.873.803
Additions	447.056.015	2.973.681	5.107.524	455.137.220
Disposals	(85.927.353)	-	-	(85.927.353)
Currency translation effect	(26.684.075)	-	-	(26.684.075)
Closing balance as of 31 March 2023	**6.387.700.279**	**29.695.734**	**51.003.582**	**6.468.399.595**
Accumulated Amortization:				
Opening balance as of 1 January 2023	(1.986.666.791)	(9.865.075)	(10.594.143)	(2.007.126.009)
Charge for the period	(370.159.002)	(3.755.675)	(8.151.598)	(382.066.275)
Disposals	9.890.267	-	-	9.890.267
Currency translation effect	6.077.524	-	14.964	6.092.488
Closing balance as of 31 March 2023	**(2.340.858.002)**	**(13.620.750)**	**(18.730.777)**	**(2.373.209.529)**
Net Book Value	**4.046.842.277**	**16.074.984**	**32.272.805**	**4.095.190.066**

The Group's right of use assets consist of restaurants, buildings and vehicles. Average lease agreements are 6 years for restaurants, 3 years for buildings and 3 years for vehicles.

Accounted for in profit or loss	**1 January - 31 March 2024**	**1 January - 31 March 2023**
Depreciation expense on right-of use assets	430.685.622	382.066.275
Interest expense on lease liabilities	90.467.796	72.941.524
Foreign exchange losses on lease liabilities (net)	17.794.563	7.349.423
Expenses related to variable lease payments not included in the measurement of lease liabilities	275.266.925	288.330.551
Total	**814.214.906**	**750.687.773**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 11 - RIGHT OF USE ASSETS (cont'd)

Some of the restaurant leases in which the Group is a lessee contain variable lease payment terms that depend on the sales generated from the leased stores. Variable payment terms are used to link lease payments to maintain cash flows and reduce fixed costs. The breakdown of lease payments for these stores is as follows:

	1 January - 31 March 2024	1 January - 31 March 2023
Fixed payments	332.765.383	272.111.831
Variable payments	275.266.925	288.330.551
Total	**608.032.308**	**560.442.382**

The depreciation expenses of TL 419.707.240 have been included in the cost of goods sold, and TL 10.978.382 have been included in general administrative expenses (as of March 31, 2023: TL 375.921.323 included in the cost of sales and TL 27.433.015 included in general administrative expenses).

NOTE 12 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a) Litigation provisions:

	31 March 2024	31 December 2023
Litigation provisions	21.770.426	28.901.575
	21.770.426	**28.901.575**

The movement of provisions for litigation is as follows:

	2024	2023
Opening balance as of 1 January	28.901.575	20.654.090
Charged to expense	849.363	9.409.914
Litigation paid	(4.414.945)	(3.723.018)
Monetary gain	(3.565.567)	(2.573.320)
Closing balance as of 31 March	**21.770.426**	**23.767.666**

There are various ongoing lawsuits in favour of and against the Group. The Group Management evaluates the possible outcomes and financial impact of these lawsuits at the end of each period and as a result of this valuation, provisions are set aside against possible gains and liabilities as deemed necessary. As of 31 March 2024, there are ongoing lawsuits against the Group amounting to TL 26.416.721 (31 December 2023: TL 33.005.564). The Group Management has provided provision amounting to TL 21.770.426 (31 December 2023: TL 28.901.575) for the lawsuits for which cash outflow is considered probable.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 12 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

b) Guarantees, pledges and mortgages:

The guarantees mainly consist of letters of guarantee given to restaurant owners as rent deposits, for electricity, natural gas and water connections, and to public authorities as deposits. The majority of the balance consists of letters of guarantee given as rent deposits for restaurants and letters of guarantee given to tax authorities for a VAT refund. The number of letters of guarantee given as a rent deposit is TL 257.473.293 (31 December 2023: 268.539.290 TL).

31 March 2024

GPMs given by the Group (Guarantees - Pledges - Mortgages)	**Total TL Equivalents**	**USD**	**GEL**	**EUR**	**TL**
A. Given in the Name of Its Own Legal Entity Total amount of GPMs	*395.256.191*	*2.012.000*	-	*2.537.973*	*241.970.693*
- Guarantees	*395.256.191*	*2.012.000*	-	*2.537.973*	*241.970.693*
- Pledges	-	-	-	-	-
- Mortgages	-	-	-	-	-
B. Included in the scope of full consolidation Given in favour of included companies GPM's given Total Amount	-	-	-	-	-
C. Total amount of GPMs given in order to ensure the debts of other third parties for the purpose of carrying out ordinary commercial activities	-	-	-	-	-
D. Total amount of other GPMs given	-	-	-	-	-
Total	**395.256.191**	**2.012.000**	**-**	**2.537.973**	**241.970.693**

31 December 2023

GPMs given by the Group (Guarantees - Pledges - Mortgages)	**Total TL Equivalents**	**USD**	**GEL**	**EUR**	**TL**
A. Given in the Name of Its Own Legal Entity Total amount of GPMs	*332.576.934*	*891.000*	*1.000.000*	*2.626.299*	*125.879.974*
- Guarantees	*332.576.934*	*891.000*	*1.000.000*	*2.626.299*	*125.879.974*
-Pledges (*)	-	-	-	-	-
-Mortgages	-	-	-	-	-
B. Included in the scope of full consolidation Given in favour of included companies GPM's given Total Amount	-	-	-	-	-
C. Total amount of GPMs given in order to ensure the debts of other third parties for the purpose of carrying out ordinary commercial activities	-	-	-	-	-
D. Total amount of other GPMs given	-	-	-	-	-
Total	**332.576.934**	**891.000**	**1.000.000**	**2.626.299**	**125.879.974**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 12 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

c) Commitments:

Effective from 1 January 2019, the Group has entered into a long-term contract with a vendor for the supply of beverage products in its restaurants and the Group has entered into a commitment to purchase soft drink syrup in the amount specified in the contract at the prevailing market price in the relevant years starting from 1 January 2019. This commitment volume is not subject to any time limit.

d) Obligation from Material Contracts:

Master Franchise Development Agreement (MFDA)

The Group has entered into various MFDA with brands in Turkey which require the Group to open and, where necessary, remodel restaurants within a predetermined development plan. Failure to comply with the development targets contained in the MFDA may result in the termination of the Group's development rights, but the Group may at any time request renegotiation of the development terms with the franchisees and sign a new agreement regarding the change.

NOTE 13 - EMPLOYEE BENEFITS

a) Provisions related to employee benefits

	31 March 2024	31 December 2023
Payables to personnel (*)	263.630.341	193.548.478
Social security premiums payable	169.747.807	146.501.356
Income tax payable	27.417.473	27.639.072
	460.795.621	**367.688.906**

(*) Amount due to personnel represents salaries and wages accrued in the last month.

b) Provisions:

	31 March 2024	31 December 2023
Unused vacation provision	158.865.524	116.794.051
Retirement pay provision	133.222.397	115.359.199
	292.087.921	**232.153.250**

c) Unused vacation provision:

	2024	2023
Opening balance as of 1 January	116.794.051	93.712.108
Increase during the period	82.951.438	51.319.300
Paid during the period (-)	(7.981.016)	(5.956.149)
Monetary loss/gain	(32.898.949)	(12.621.244)
Closing balance at 31 March	**158.865.524**	**126.454.015**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 13 - EMPLOYEE BENEFITS (cont'd)

d) Retirement pay provision:

Under the Turkish Labour Law, the Group is required to pay termination benefits to each employee who has completed at least one year of service and whose employment is terminated without due cause, is called up for military service, dies or retires after completing 25 years of service and achieves the retirement age (58 for women and 60 for men). Certain transitional provisions related to the pre-retirement service period have been excluded from the law due to the change in the related law as of 23 May 2002. Accordingly, the Group is required to make lump-sum termination indemnities to each employee who retired or terminated at the date of retirement. The payment depends on the number of years the individual has been employed by the Group.

The severance pay to be paid as of March 31, 2024, is subject to a cap of TL 35.058,58 per month (December 31, 2023: TL 19.982,83).

Employment termination benefits are not legally subject to any funding. Provision for employment termination benefits is calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. TAS 19 Employee Benefits requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Accordingly, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. Therefore, provisions in the accompanying financial statements as at 31 March 2024 are calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. The provisions at the respective reporting dates have been calculated assuming an annual inflation rate of 20,82% and an interest rate of 25,05%, resulting in a real discount rate of approximately 3.50% (31 December 2023: 3.50%). Voluntary termination rates are also taken into consideration as 10,04% for employees with 0-15 years of service and 0% for employees with 16 or more years of service. The maximum amount of TL 35.058,58 effective from 1 April 2024 has been taken into consideration in the calculation of the Group's provision for employment termination benefits (1 April 2023: TL 19.982,83).

	2024	**2023**
Opening balance as of 1 January	115.359.199	105.187.954
Service cost	74.405.574	68.727.745
Interest cost	1.143.754	847.272
Actuarial loss/gain	955.938	(9.104.355)
Retirements benefits paid (-)	(33.680.066)	(41.888.752)
Monetary loss/gain	(24.962.002)	(12.258.608)
Closing balance as of 31 March	**133.222.397**	**111.511.256**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 14 - OTHER ASSETS AND LIABILITIES

Other Current Assets	**31 March 2024**	**31 December 2023**
VAT carried forward	6.141.765	4.999.580
Other	21.242.160	16.571.158
	27.383.925	**21.570.738**

Other Non-Current Assets	**31 March 2024**	**31 December 2023**
Evacuation costs (*)	6.452.677	6.893.127
	6.452.677	**6.893.127**

(*) Evacuation costs consist of premiums paid to the previous tenant to exit the property to be leased and non-refundable deposits paid to the property owners to become a tenant in the relevant property at the beginning of the lease.

Short-Term Liabilities	**31 March 2024**	**31 December 2023**
VAT payable	8.844.849	4.926.031
Taxes and funds payable	51.518.798	81.631.762
	60.363.647	**86.557.793**

NOTE 15 - PREPAID EXPENSES AND CONTRACT LIABILITIES

Short-Term Prepaid Expenses	**31 March 2024**	**31 December 2023**
Advances given (*)	1.035.158.142	949.380.185
Prepaid expenses	80.128.545	10.001.412
Advances given	860.398	693.862
Advances to personnel	6.726	-
	1.116.153.811	**960.075.459**

(*) The given order advances include TL 611.000.000 to Fasdat Gıda Dağıtım San. Tic. A.Ş. for construction expenses and operational equipment purchases related to the Group's restaurants, TL 170.014.836 to Ekur İnşaat San. Tic. A.Ş., TL 189.888.862 to Mes Mutfak Ekip. San. Tic. A. Ş. (31 December 2023: TL 703.038.739 was given to Fasdat Gıda Dağıtım San. Tic. A.Ş., TL 136.715.387 was given to Ekur İnşaat San. Tic. A.Ş., TL 73.505.089 was given to Mes Mutfak Ekip. San. Tic. A. Ş. and TL 1.785.759 was given to ATP Yazılım ve Teknoloji A.Ş.).

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 15 - PREPAID EXPENSES AND CONTRACT LIABILITIES (cont'd)

Long Term Prepaid Expenses	**31 March 2024**	**31 December 2023**
Prepaid expenses	41.423.806	38.929.233
	41.423.806	**38.929.233**

Short-Term Contract Liabilities	**31 March 2024**	**31 December 2023**
Advances received (*)	77.546.725	61.430.874
Advances from customers (**)	76.814.691	74.728.244
Non-refundable advances received (***)	16.884.049	62.156.962
	171.245.465	**198.316.080**

Long-Term Contract Liabilities	**31 March 2024**	**31 December 2023**
Advances from customers (**)	79.120.633	110.603.634
Non-refundable advances received (***)	78.561.913	99.755.324
	157.682.546	**210.358.958**

(*) Advances received mainly consist of advances received from franchises.
(**) Advances received from customers consist of contractual liabilities according to IFRS 15.
(***) The Group receives incentives from its suppliers for purchasing contracts entered by the Group with the supplier. Incentives received in advance are initially recognized as advances in the consolidated statement of financial position and deducted from the cost of purchase of inventories in the related period in which the related inventory is purchased from the supplier.

NOTE 16 - EQUITY

a) Equity:

The paid-in capital structure of the Group as of 31 March 2024 and 31 December 2023 is as follows:

	31 March 2024		**31 December 2023**	
	Share (%)	**TL**	**Share (%)**	**TL**
TFI TAB Gıda Yatırımları A.Ş.	79.9%	208.792.000	79.9%	208.792.000
Other	20.1%	52.500.000	20.1%	52.500.000
Nominal Capital	**100**	**261.292.000**	**100**	**261.292.000**
Inflation adjustment		2.039.041.403		2.039.041.403
Adjusted Capital		**2.300.333.403**		**2.300.333.403**

"The Group's authorized and issued capital consists of 261.292.000 shares each with a registered nominal value of TL1."

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 16 – EQUITY (cont’d)

b) Legal Reserves

The legal reserves represent restricted reserves appropriated from profit. The legal reserves consist of the first and second legal reserves appropriated in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum until the total reserve reaches 20% of historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all cash dividend distributions.

c) Analyses of Other Comprehensive Income Items

As of 31 March 2024, revaluation measurement gains in accordance with TAS 16 and all actuarial gains and losses calculated in accordance with TAS 19, which are recognised in other comprehensive income, net of deferred tax effect are as follows:

Not to be reclassified to profit or loss	**31 March 2024**	**31 December 2023**
Gain on revaluation and measurement	576.465.407	576.465.407
Loss on remeasurement of defined benefit plans	3.550.276	4.273.624
	580.015.683	**580.739.031**

To be reclassified to profit or loss	**31 March 2024**	**31 December 2023**
Currency translation differences	(15.569.542)	14.160.740
	(15.569.542)	**14.160.740**

Foreign currency translation differences represent the translation differences arising on the settlement and translation at each reporting date of the entities' functional currencies other than TL.

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 17 – REVENUE AND COST OF SALES

a) Revenue

	1 January - 31 March 2024	1 January - 31 March 2023
Restaurant sales	5.107.188.280	4.766.434.923
Franchise revenues	491.370.728	413.074.980
Sales to franchised restaurants	108.799.361	117.544.730
Other sales	4.459.945	5.076.499
Sales returns (-)	(39.744.216)	(25.352.457)
	5.672.074.098	**5.276.778.675**

The timing of the fulfilment of the performance obligation is as follows:

	1 January - 31 March 2024	1 January - 31 March 2023
Fulfilment at a certain time	5.563.274.737	5.159.233.945
Fulfilment spread over time	108.799.361	117.544.730
	5.672.074.098	**5.276.778.675**

b) Cost of Sales

	1 January - 31 March 2024	1 January - 31 March 2023
Foods and materials used	(1.978.003.005)	(2.038.722.023)
Personnel expenses	(1.185.109.748)	(943.655.648)
General production cost (*)	(736.510.530)	(702.696.834)
Amortization expenses related with leases (Not 11)	(419.707.240)	(375.921.323)
Rent expenses	(275.266.925)	(288.330.551)
Amortization expenses (Not 9, 10)	(270.907.972)	(251.219.730)
Cost of sales to franchised restaurants	(45.618.452)	(44.078.198)
Cost of merchandise sold	(26.901.870)	(42.340.149)
	(4.938.025.742)	**(4.686.964.456)**

(*) Energy expenses, charges for delivery services and maintenance costs mainly consist of the general production cost.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 18 – MARKETING, SELLING AND DISTRIBUTION AND ADMINISTRATIVE EXPENSES

a) General Administrative Expenses

	1 January - 31 March 2024	1 January - 31 March 2023
Personnel expenses	(101.591.984)	(78.772.889)
Depreciation expenses (Note 9, 10)	(27.777.774)	(25.759.024)
Financial and legal consultancy expenses	(27.238.679)	(21.446.484)
Depreciation expense on lease transactions (Note 11)	(10.978.382)	(27.433.015)
Maintenance and repair expenses	(11.548.320)	(5.363.309)
Office expenses	(5.418.799)	(3.859.624)
Electricity and fuel expenses	(3.728.328)	(2.753.833)
Insurance expenses	(1.948.637)	(4.628.436)
Travelling expenses	(6.587.645)	(1.710.408)
Duties, fees and other tax expenses	(657.649)	(4.627.752)
Other	(16.646.491)	(18.060.253)
	(214.122.688)	**(194.415.027)**

b) Marketing, Selling and Distribution Expenses

	1 January - 31 March 2024	1 January - 31 March 2023
Marketing and advertising expenses	(291.692.022)	(256.814.744)
Commission expenses	(34.101.735)	(35.079.512)
Other	(3.070.796)	(1.558.164)
	(328.864.553)	**(293.452.420)**

NOTE 19 – EXPENSE BY NATURE

The details of depreciation, amortisation and depletion expenses by expense accounts are as follows:

	1 January - 31 March 2024	1 January - 31 March 2023
Cost of sales	(270.907.972)	(251.219.730)
General administrative expenses	(27.777.774)	(25.759.024)
	(298.685.746)	**(276.978.754)**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 19 – EXPENSE BY NATURE (Cont'd)

The breakdown of amortisation expenses related to rights of use by expense accounts is as follows:

	1 January - 31 March 2024	**1 January - 31 March 2023**
Cost of sales	(419.707.240)	(375.921.323)
General administrative expenses	(10.978.382)	(27.433.015)
	(430.685.622)	**(403.354.338)**

The details of personnel expenses by expense accounts are as follows:

	1 January - 31 March 2024	**1 January - 31 March 2023**
Cost of sales	(1.185.109.748)	(943.655.648)
General administrative expenses	(101.591.984)	(78.772.889)
	(1.286.701.732)	**(1.022.428.537)**

NOTE 20 – OTHER OPERATING INCOME AND EXPENSES

a) Other Operating Income

	1 January - 31 March 2024	**1 January - 31 March 2023**
Foreign currency gain on trade activities	39.192.540	92.848.927
Waste oil income (*)	10.666.765	20.903.885
Rediscount income	36.077.502	27.798.336
Income from payroll protocol	6.932.544	6.087.027
Other	10.371.286	33.275.981
	103.240.637	**180.914.156**

(*) Revenues from waste oils sold abroad.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 20 – OTHER OPERATING INCOME AND EXPENSES (Cont'd)

b) Other Operating Expense

	1 January - 31 March 2024	1 January - 31 March 2023
Pre-opening and temporary closure expenses (*)	(63.818.857)	(60.876.259)
Foreign exchange losses on trade payables	(21.423.543)	(69.129.004)
Rediscount expenses	(14.624.388)	(6.390.686)
Bad debt expenses	(4.414.945)	(3.723.018)
Donations	(33.020)	(13.278.052)
Recovery contribution fee	(2.583.104)	(1.703.899)
Other	(10.240.650)	(13.197.276)
	(117.138.507)	**(168.298.194)**

(*) Pre-opening restaurant expenses directly consist of pre-opening costs for new restaurants. There is construction process to prepare the restaurant for operation. During this process, the Group has to pay rent for the restaurant, employ the personnel to work in the restaurant and provide training to these personnel. Rent expenses, personnel expenses and personnel training expenses are recognised in pre-opening expenses. In addition, rent, electricity, water and natural gas expenses of temporarily closed restaurants are included in pre-opening expenses.

NOTE 21 – INCOME AND EXPENSES FROM INVESTING ACTIVITIES

a) Income from investing activities

	1 January - 31 March 2024	1 January - 31 March 2023
Interest income	206.637.598	9.297.455
Participation fee income	153.931.847	-
Gain on sale of fixed assets	103.072	9.755.334
Insurance damage income	11.000.781	54.662.522
Insurance loss of profit income	-	27.331.261
Foreign exchange gains on investing activities	16.115.480	539.731
Other	-	4.578.394
	387.788.778	**106.164.680**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 21 – INCOME AND EXPENSES FROM INVESTING ACTIVITIES (cont'd)

b) Expense from investing activities

	1 January - 31 March 2024	1 January - 31 March 2023
Loss on sale of fixed assets	(5.072.025)	(33.101.730)
Closed restaurant expenses	(20.423)	(4.765.661)
Foreign exchange expenses related to investment activities	(1.412.618)	-
	(6.505.066)	**(37.867.391)**

NOTE 22 – FINANCE INCOME AND FINANCE EXPENSES

c) Finance income

	1 January - 31 March 2024	1 January - 31 March 2023
Interest income from payables to related parties	41.503.642	46.717.138
	41.503.642	**46.717.138**

d) Finance expense

	1 January - 31 March 2024	1 January - 31 March 2023
Interest expense (Note 4)	(558.907)	(75.437.737)
Foreign exchange losses on financial liabilities (Note 4)	-	(29.533.893)
Interest expenses on lease liabilities (Note 5)	(90.467.796)	(72.941.524)
Credit card commissions	(57.169.199)	(22.014.478)
Foreign exchange losses on lease liabilities (Note 5)	(17.794.563)	(7.008.481)
Letter of guarantee commissions	(2.786.576)	(1.784.929)
Other	(6.782.983)	(13.130.511)
	(175.560.024)	**(221.851.553)**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 23 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Current tax liability	**31 March 2024**	**31 December 2023**
Current corporate tax provision	238.492.199	313.184.771
Less: prepaid taxes and funds	-	141.324.930
	238.492.199	**171.859.841**

	1 January - 31 March 2024	**1 January - 31 March 2023**
Current tax expense	(111.359.029)	(2.509.641)
Deferred tax income	(85.320.769)	441.719.337
	(196.679.798)	**439.209.696**

Corporate tax

The Group is subject to corporate tax in Turkey. Provision is made in the accompanying consolidated financial statements for the estimated charge based on the Group's results for the current period.

Corporate tax is payable on taxable corporate income, which is calculated by adding back non-deductible expenses to the tax base and deducting dividends received from resident companies, income not subject to tax and investment incentives used.

As of 31 March 2024, the statutory tax rate is 25% (31 December 2023: 25%).

In Turkey, advance tax is payable on a quarterly basis. Taxes are payable at the statutory corporate tax rate.

Losses can be carried forward for a maximum of 5 years to be deducted from future taxable income.

In Turkey, there is no definite and definitive reconciliation procedure for tax assessments. Companies file their tax returns between 1-25 April of the year following the close of the accounting period of the relevant year (between 1-25 of the fourth month following the close of the period for those with special accounting periods). These tax returns and the underlying accounting records can be reviewed and amended by the tax office within 5 years.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 23 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

In addition to the tax liabilities of companies in Turkey, foreign subsidiaries and operations are also subject to corporate tax in their respective countries. This tax is recognised separately in current tax expense. The statutory tax rates applicable in the countries in which the Group operates are summarised below:

Countries	Corporate tax rate	Prepaid tax rate(%)
Turkish Republic of Northern Cyprus (TRNC) (*)	10%	15%
Macedonia	10%	5%
Georgia	10%	5%

(*) According to the corporate tax law in force in the TRNC, 10% corporate tax is paid on pre-tax income and 15% income tax withholding is levied on the remaining amount, whether or not the profit is distributed.

Income withholding tax

In addition to corporate income tax, companies should also calculate income withholding tax on dividends distributed, except for companies receiving dividends and declaring such dividends as part of their corporate income, and branches of foreign companies in Turkey. In Turkey, income tax withholding tax was applied as 10% for all companies between 24 April 2003 and 22 July 2006 and then increased to 15%. Dividends that are not distributed but capitalised are not subject to withholding tax.

Deferred tax

The Group recognises deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported under POA Financial Reporting Standards and its statutory tax financial statements.

The tax rate used in the calculation of deferred tax assets and liabilities is 25% (2023: 25%).

The deferred tax asset and liabilities consist of the following:

	31 March 2024	31 December 2023
Revaluation and revaluation of property, plant and equipment depreciation / amortisation of intangible assets	1.013.963.340	841.639.647
Lease liabilities	(33.175.099)	(30.300.986)
Provision for employment termination benefit (Note 13)	(33.305.599)	(28.839.800)
Provision for unused vacation (Note 13)	(39.716.381)	(29.198.513)
Contractual obligations	(15.630.636)	(19.689.100)
Litigation provisions (Note 12)	(5.442.607)	(7.225.394)
Other	(151.448.653)	(76.229.668)
	735.244.365	**650.156.186**

As of 31 March 2024 and 2023, the movement of deferred tax (asset)/liability for the periods ended are as follows:

	2024	2023
Opening balance as of 1 January	650.156.186	594.673.785
Accounted for in the income statement	85.320.769	(441.719.337)
Accounted under equity	(232.590)	3.539.600
Closing balance on 31 March	**735.244.365**	**156.494.048**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 23 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

The reconciliation of total tax expense for the period to profit for the period is as follows:

	1 January - 31 March 2024	**1 January - 31 March 2023**
Profit before tax	329.909.713	725.000.675
Calculated tax (*)	(82.477.428)	(166.750.155)
- Legally unrecognised expenses	(1.166.676)	(6.942.722)
- accumulated losses	-	125.839.848
- Fixed asset valuation effect	(198.151.282)	411.183.224
- Monetary gain / loss	85.115.588	75.879.501
Tax provision in the income statement	**(196.679.798)**	**439.209.696**

(*) The legal tax rates in the countries in which the Group operates vary.

NOTE 24 – RELATED PARTY DISCLOSURES

The Group enters into various transactions with related parties in the ordinary course of business. The Group has a number of operational and financial relationships with its shareholders and companies owned by its shareholders. Receivables and payables from related parties arising from operational activities generally arise from the ordinary course of business. These transactions are as follows:

(1) Purchases from related parties: TAB Gıda supplies meat, bread, fresh vegetables and other fast food products for its restaurants through Fasdat Gıda. It purchases machinery and equipment from MES Mutfak. Ekur provides construction, renovation, refurbishment and project drawing services for TAB Gıda restaurants before restaurant openings. Marketing, promotion and advertising activities of TAB Gıda products are carried out by Reklam Üssü.

(2) Commissions received from related parties: TAB Gıda receives royalties on the turnover of related party franchise restaurants at a predetermined fixed rate.

(3) Other significant transactions with related parties: TAB Gıda receives information technology services related to cash registers in restaurants. In addition, information technology services and IT based operations of the Group are provided by ATP Yazılım ve Teknoloji A.Ş. TAB Gıda's takeaway service is provided by Ata Express Elektronik İletişim Tanıtım Pazarlama Dağıtım San. ve Tic. A.Ş.

(4) Short-term non-trade receivables from related parties: Consists of the money lent to TFI TAB Gıda Yatırımları A.Ş. by TAB Gıda.

Balances due from and due to related parties will be settled in cash and no collateral is received or given. No provision for doubtful receivables has been recognised in the current year for receivables from related parties. Transactions between the Company and its subsidiaries forming the Group are not disclosed in this note since they are eliminated on consolidation.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 24 – RELATED PARTY DISCLOSURES (cont'd)

31 March 2024 **Balances with related parties**	**Trade Receivables** **Current**	**Trade Receivables** **Non-Current**	**Trade Payables** **Current**
Shareholder			
TFI TAB Gıda Yatırımları A.Ş.	-	-	(13.548.444)
Companies controlled by main shareholder			
Fasdat Gıda Dağıtım San. ve Tic A.Ş.	-	-	(1.145.983.588)
Reklam Üssü San. ve Dış Tic. A.Ş.	-	-	(190.663.033)
Ekur Et Entegre San. ve Tic. A.Ş.	-	-	(727.878)
Atp Ticari Bilgi.Elk.Güç Kaynakları A.Ş.	-	-	(23.257.522)
Ata Express Elektronik İletişim Tanıtım Paz.	446.546.247	-	-
Other related parties			
Beray Gıda Bilişim Otomotiv San.Ve Tic.Ltd Şti.	398.095	-	-
Tusem Gıda ve Turizm İşletmeleri Tic. Ltd. Şti.	558.379	-	-
Kınık Maden Suları A.Ş.	4.849.380	-	-
İntiba Gıda İmalat Ve Tic.Ltd.Şti.	161.574	-	-
Zenia Limited	177.528	-	(71.292)
Other	608.396		(841.108)
	453.299.599	**-**	**(1.375.092.865)**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 24 – RELATED PARTY DISCLOSURES (cont'd)

31 December 2023 **Balances with related parties**	**Trade** **Receivables - current**	**Trade** **Receivables Non-Current**	**Trade Payables** **Current**
Shareholder			
TFI TAB Gıda Yatırımları A.Ş.	-	-	(7.397.488)
Companies controlled by main shareholder			
Fasdat Gıda Dağıtım San. ve Tic A.Ş.	-	-	(1.043.381.616)
Reklam Üssü San. ve Dış Tic. A.Ş.	-	-	(148.861.271)
Ekur Et Entegre San. ve Tic. A.Ş.	-	-	(2.546.936)
ATP Yazılım ve Teknoloji A.Ş.	-	-	(136.821)
Seraş Servis Organizasyonları ve Ticaret A.Ş.	-	-	(969.998)
Bedela İnşaat ve Ticaret A.Ş.	-	-	(9.156)
Arbeta Turizm Org.ve Tic.A.Ş.	-	-	(1.266.069)
Ata Express Elektronik İletişim Tanıtım Paz.	297.621.490	-	-
Ata Yatırım Menkul Kıymetler A.Ş.	83.237	-	(15.817)
Ata Yatırım Gayrimenkul Yatırım Ortaklığı A.Ş.	5.682	-	(1.038.943)
Ata Gayrimenkul Geliştirme Yat.İnş.A.Ş.	-	-	(5.083.452)
Ata Portföy Yönetimi A.Ş.	14.398	-	-
Ata Holding A.Ş.	110.734	-	-
Other related parties			
Beray Gıda Bilişim Otomotiv San.Ve Tic.Ltd Şti.	428.184	-	-
Tusem Gıda ve Turizm İşletmeleri Tic. Ltd. Şti.	548.262	-	-
Kınık Maden Suları A.Ş.	5.217.545	-	(5.528)
İntiba Gıda İmalat Ve Tic.Ltd.Şti.	163.959	-	-
Zenia Limited	-	-	(8.959.554)
Other	680.535		(1.050.268)
	304.874.026	**-**	**(1.220.722.917)**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 24 – RELATED PARTY DISCLOSURES (cont'd)

31 March 2024 **Transaction with related parties**	**Purchases**	**Sales**	**Commission received**	**Rent expense**	**Rent income**	**Other income**	**Other expense**
Shareholder							
TFI TAB Gıda Yatırımları A.Ş.	(22.295.720)	196.869	-	-	-	-	-
Companies controlled by main shareholder							
Fasdat Gıda Dağ. San.ve Tic A.Ş.	(1.986.275.061)	4.925.888	-	-	-	-	-
Ata Ekspress Elk. İlt. Tan. A.Ş.	(32.071.900)	1.210.996.598	-	-	13.761	-	-
Ekur Et Entegre Sanayi ve Ticaret A.Ş.	-	45.704	-	-	-	-	-
Reklam Üssü San. ve Dış Tic. A.Ş.	(271.141.559)	928.189	599.868	(614.251)	-	5.855.786	-
Atp Ticari Bilgi.Elk.Güç Kaynakları A.Ş.	(120.138.709)	1.753.125	-	-	-	-	(12.514.562)
Seraş Servis Org. ve Ticaret A.Ş.	(2.935.393)	-	-	-	-	-	-
Ata Gayr. Yatırım Ortaklığı A.Ş.	(2.314.656)	17.882	-	(3.343.945)	-	-	-
Ata Gayrimenkul Gel. Yat. Ve İnş. A.Ş.	-	12.572	-	-	-	-	-
Ata Portföy Yönetimi A.Ş.	-	57.352	-	-	-	-	-
Ata Holding A.Ş.	(1.543.768)	157.153	-	-	-	-	-
Bedela İnşaat ve Ticaret A.Ş.	-	-	-	(3.361.816)	-	-	-
Arbeta Turizm Org.ve Tic.A.Ş.	(6.217.606)	-	-	-	-	-	-
Ekur İnşaat Sanayi ve Tic. A.Ş.	(200.964.073)	283.988	1.631.014	-	1.367.198	2.729.469	-
Other related parties							
Tusem Gıda ve Tur. İşl. Tic. Ltd. Şti.	(17.268)	510.496	1.049.093	-	695.459	-	-
Mes Mutfak Ekp. Tic. A.Ş.	(267.525.159)	5.863.114	-	-	-	-	-
Ertuğ Reklam San.ve Tic. A.Ş	(198.214)	-	-	-	-	-	-
Kınık Maden Suları A.Ş.	(479.007)	1.027.820	3.589.585	-	2.142.761	-	-
Beray Bil. Mar. İnş. Ltd. Şti.	(21.035)	137.967	705.177	-	407.819	-	-
Konuk Ağırlama Teknolojileri ve Uyg. A.Ş.	(17.948)	660.006	1.738.204	-	2.963.787	-	-
Sedko İnşaat ve Tic. .A.Ş.	(643.236)	-	-	-	-	-	-
Ata Yatırım Menkul Kıymetler A.Ş.	-	246.631	-	-	-	-	-
Atakey Patates Gıda Sanayi ve Tic. A.Ş.	-	-	-	-	-	-	-
Zenia Limited	(42.788.207)		-	-	-	-	-
	(2.957.615.584)	**1.227.821.354**	**9.312.941**	**(7.320.013)**	**7.590.785**	**6.954.241**	**(12.514.562)**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 24 – RELATED PARTY DISCLOSURES (cont'd)

31 March 2023 **Transaction with related parties**	**Purchases**	**Sales**	**Commission received**	**Rent expense**	**Rent income**	**Other income**	**Other expense**
Shareholder							
TFI TAB Gıda Yatırımları A.Ş.	*(19.080.614)*	*133.332*	-	-	-	-	-
Companies controlled by main shareholder							
Fasdat Gıda Dağ. San.ve Tic A.Ş.	*(2.240.486.250)*	*7.814.323*	-	-	-	-	-
Ata Ekspress Elk. İlt. Tan. A.Ş.	*(16.130.815)*	*949.211.056*	-	-	*160.020*	-	-
Ekur Et Entegre Sanayi ve Ticaret A.Ş.	-	*33.203*	-	-	-	-	-
Reklam Üssü San. ve Dış Tic. A.Ş.	*(23.771.576)*	*9.368.279*	*654.699*	-	*41.611*	*9.294*	*(1.259.562)*
ATP Yazılım ve Teknoloji A.Ş.	*(59.382.579)*	-	-	-	-	*78.247*	*(891.511)*
Seraş Servis Org. ve Ticaret A.Ş.	*(3.790.468)*	-	-	-	-	*5.094*	-
Ata Gayr. Yatırım Ortaklığı A.Ş.	-	-	-	*(2.253.029)*	-	*16.992*	*(14.412)*
Ata Gayrimenkul Gel. Yat. Ve İnş. A.Ş.	*(42.001)*	-	-	-	-	*12.507*	-
Ata Portföy Yönetimi A.Ş.	-	-	-	-	-	*36.135*	-
Ata Yatırım Menkul Kıymetler A.Ş.	-	-	-	-	-	*180.313*	-
Ata Holding A.Ş.	-	*21.291*	-	-	-	*90.386*	-
Bedela İnşaat ve Ticaret A.Ş.	*(2.697.089)*	-	-	*(116.337)*	-	-	-
Arbeta Turizm Org.ve Tic.A.Ş.	*(1.523.067)*	*13.502*	-	-	-	-	-
Other related parties	-	-	-	-	-	-	-
Tusem Gıda ve Tur. İşl. Tic. Ltd. Şti.	-	*659.126*	*1.145.440*	-	*551.771*	-	*(715)*
Mes Mutfak Ekp. Tic. A.Ş.	*(112.488.422)*	*13.501.117*	-	-	*(1.246.042)*	*16.321*	*(18.693.441)*
Ertuğ Reklam San.ve Tic. A.Ş	*(637.554)*	-	-	-	-	-	-
Kınık Maden Suları A.Ş.	*(31.294)*	-	*4.112.432*	-	*2.446.655*	-	*(123.777)*
Beray Bil. Mar. İnş. Ltd. Şti.	*(485)*	*643.163*	*709.342*	-	*90.227*	-	-
Konuk Ağırlama Teknolojileri ve Uyg. A.Ş.	*(365)*	*1.702.343*	*1.593.546*	*(1.776)*	*2.033.891*	-	-
Ekur İnsaat San.Tic.A.Ş.	*(103.051.870)*	*657.543*	*1.874.340*	-	*1.978.569*	*1.195.091*	*(536.763)*
Zenia Limited	*(661.787)*	-	-	-	-	-	-
	(2.583.776.236)	**983.758.278**	**10.089.799**	**(2.371.142)**	**6.056.702**	**1.640.380**	**(21.520.181)**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 24 – RELATED PARTY DISCLOSURES (cont'd)

Advances given to related parties	**31 March 2024**	**31 December 2023**
Ekur İnşaat San. Tic. A.Ş.	170.014.836	136.715.387
Mes Mutfak Ekp. Tic. A.Ş.	189.888.862	73.505.089
Fasdat Gıda Dağ. San.ve Tic A.Ş.	611.000.000	703.038.739
Atp Ticari Bilgi. Elk. Güç Kaynakları A.Ş.	-	1.785.759
	970.903.698	**915.044.974**

Benefits provided to board members and senior management personnel are as follows:

	31 March 2024	**31 December 2023**
Salaries and other short-term benefits	29.336.788	5.639.798
	29.336.788	**5.639.798**

The Company consists of senior management and members of the Board of Directors. Benefits provided to senior executives include salaries, bonuses and health insurance.

NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

Financial risk management is carried out within the framework of policies approved by the Board of Directors of the Group. The majority of the members of the Group's Board of Directors consists of members from Kurdoğlu family. The Group's financial operations and risk assessment policies are managed centrally. Subsidiaries are administered as if they have a holding structure and risk assessment policies and procedures are centrally managed. The risk management policies of all these companies are disclosed as if they were within the Group holding structure.

In the normal course of business operations, the Group is exposed to various market risks such as fluctuations in exchange rates, interest rates, and raw material prices for products that are beyond its control, and these fluctuations may have a negative impact on financial assets and liabilities, future cash flows and profit. The Group's risk management program generally aims to minimize the effects of the financial market's uncertainty on the Group's financial performance.

The Group's main financial instruments are bank loans, leases, debt given to related parties, cash and short term deposits. The main purpose of these financial instruments is to generate financing for the Group's activities. The Group also has other various financial instruments resulting from its direct operations, such as trade payables and trade receivables.

The main risks arising from the Group's financial instruments are interest rate risk, foreign exchange risk, credit risk, and liquidity risk. The management develops and approves implementation policies to manage these risks.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

a) Capital Risk Management

In capital management, the Group aims to increase its profit by using the debt and equity balance in the most efficient way while trying to ensure the continuity of its operations.

The Group's capital structure includes debts, including loans described in Note 4, and equity items, including cash and cash equivalents described in Note 3, issued capital described in Note 16, reserves and retained earnings from the previous year.

The Group evaluates the risks associated with each capital class with the capital cost by upper management. The Group aims to keep the capital structure balanced through new debt acquisition or repayment of existing debt, as well as through dividend payments, new shares issuance, and share repurchases, based on the upper management's suggestions.

The Group's net debt and capital position is as follows:

	31 March 2024	31 December 2023
Total borrowings	65.318.595	106.757.370
Less: cash and cash equivalents	4.180.686.612	4.539.344.349
Net Debt	**(4.115.368.017)**	**(4.432.586.979)**
Total Equity	**11.240.816.744**	**11.138.040.459**

b) Financial Risk Factors

The risk management program is generally focused on minimizing the potential adverse effects of financial market uncertainty on the Group's financial performance.

The Group's risk management is carried out by a central finance department in line with policies approved by the Board of Directors. While providing services related to commercial activities, the Group's finance department is also responsible for ensuring regular access to domestic and foreign financial markets and monitoring the level and magnitude of financial risks related to the Group's activities.

b.1) Credit Risk Management

The risk of a financial loss to the Group due to a party to a financial instrument failing to meet its contractual obligations is defined as credit risk. The Group tries to reduce the credit risk by only conducting transactions with creditworthy parties and trying to obtain adequate collateral when possible. The credit risks that the Group is exposed to and the customers' credit ratings are continuously monitored.

NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

b.1) Credit Risk Management (cont'd)

A large part of trade receivables are receivables from sub-franchisee companies. The credibility of sub-franchisee companies is determined by the analyses carried out on the financial structure by the franchise department and the credibility of the sub-franchisee company shareholders. In addition, during the sub-franchise agreement process, the Group requests the establishment of a credit limit with an intermediary financial institution for sub-franchisees. The credit limit is determined according to the commercial transaction volume of the sub-franchisee. According to these credit limit agreements, the Group can directly collect from financial institutions in case the receivable's due date is passed. The limit and collection risk are continuously reviewed by the Group's finance department. Also, the Group continuously conducts credit assessments about the financial status of sub-franchisees.

The total amount of credit limits opened as receivable collateral for sub-franchisees is TL 65.865.500 (31 December 2023: TL 43.775.956). The level of risks and collateral structure are constantly monitored by the Group Management.

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

31 March 2024	Trade Receivables Related Party	Trade Receivables Other Party	Other Receivables Related Party	Other Receivables Other Party	Bank Deposits	Restricted Cash
Maximum credit risk exposed (A+B+C+D+E)	**453.299.599**	**473.492.096**	**-**	**33.348.244**	**4.094.144.388**	**43.681.278**
- The part of maximum risk under guarantee with collateral						
A. Net book value of financial assets that are neither past due or impaired	453.299.599	473.492.096	-	33.348.244	4.094.144.388	43.681.278
B. Net book value of financial assets that are renegotiated	-	-	-	-	-	-
C. Carrying value of financial assets that past due but not impaired						
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-
D. Net book value of impaired assets						
- Gross carrying amount	-	6.763.156	-	-	-	-
- Impairment	-	(6.763.156)	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	
E. Off-balance sheet items with credit risk (-)	-	-	-	-	-	-

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

31 December 2023	**Trade Receivables Related Party**	**Trade Receivables Other Party**	**Other Receivables Related Party**	**Other Receivables Other Party**	**Bank Deposits**	**Restricted Cash**
Maximum credit risk exposed (A+B+C+D+E)	**304.874.026**	**442.906.977**	**-**	**34.144.377**	**4.448.139.261**	**41.243.320**
- The part of maximum risk under guarantee with collateral	**-**	**-**	**-**	**-**	**-**	**-**
A. Net book value of financial assets that are neither past due or impaired	304.874.026	442.906.977	-	34.144.377	4.448.139.261	41.243.320
B. Net book value of financial assets that are renegotiated	-	-	-	-	-	-
C. Carrying value of financial assets that past due but not impaired						
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-
D. Net book value of impaired assets						
- Gross carrying amount	-	7.781.932	-	-	-	-
- Impairment	-	(7.781.932)	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-
E. Off-balance sheet items with credit risk (-)	-	-	-	-	-	-

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

b.2) Market risk management

The Group's activities expose it to financial risks associated with changes in foreign exchange rates (b.3.1), interest rates (b.3.2) and commodity price risk (b.3.3).

The Group's policy for these market risks is to assess potential losses and their consolidated impact and to minimise the Group's exposure to market risks. The Group's overall risk management plan focuses on the uncertainty of financial markets and seeks to minimise the potential adverse effects on the Group's financial performance. The Group management continuously assesses fluctuations in foreign currency exchange rates, interest rates and commodity prices.

b.3) Liquidity risk management

The Group manages liquidity risk by regularly monitoring forecast and actual cash flows with the treasury department and ensuring that sufficient funds and borrowing reserves are maintained by matching the maturities of financial assets and liabilities. To eliminate the risk of fund requirements, the Group has various credit lines with the most reputable financial institutions in Turkey. The Group currently has adequate credit lines and expects to keep these available credit lines available for utilisation and to renew existing credit balances as they fall due. The Group management believes that it will be able to obtain short-term financing as and when required. In addition, the Group has improved its credit lines and extended the terms of its trade payables.

Liquidity Risk Statement

The following table summarises the maturity profile of the Group's non-derivative financial liabilities. The table includes interest and principal amounts payable on the liabilities:

31 March 2024	Carrying value	Contractual cash flows	Less than 3 months	Between 3-12 months	1 year and over
Bank loans	65.318.595	68.058.071	49.597.986	18.460.085	-
Lease liabilities	2.830.268.246	3.909.683.099	296.386.633	753.345.053	2.101.943.822
Trade payables (Related parties included)	2.019.982.354	2.077.601.302	1.802.582.008	143.129.361	131.889.933
	4.915.569.195	**6.055.342.472**	**2.148.566.627**	**914.934.499**	**2.233.833.755**

31 December 2023	Carrying value	cash flows	Less than 3 months	Between 3-12 months	1 year and over
Bank loans	106.757.370	110.465.934	78.604.672	31.861.262	-
Lease liabilities	2.343.736.764	2.692.514.279	254.102.205	762.306.614	1.676.105.460
Trade payables (Related parties included)	1.884.379.375	2.080.851.899	1.778.315.479	141.202.540	161.333.880
	4.334.873.509	**4.883.832.112**	**2.111.022.356**	**935.370.416**	**1.837.439.340**

NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

b.4) Foreign currency risk management

The Group is exposed to foreign exchange risk mainly due to fluctuations in US Dollar and Euro exchange rates. Foreign exchange risk is primarily related to bank borrowings and foreign currency-denominated receivables and payables. While the majority of the Group's long-term debt is denominated in USD, the Group generates its revenues and cash from operations in TL.

The Group Management periodically assesses market conditions and formulates a foreign currency strategy based on exchange rate expectations. The Group utilises TL and foreign currency-denominated borrowings and determines the rate based on the overall foreign currency strategy. Foreign currency-denominated assets and liabilities of monetary and non-monetary items are as follows:

	31 March 2024		
	TL Equivalents	**USD**	**EUR**
1. Trade Receivables	1.549.699	48.000	-
2a. Monetary Financial Assets	26.301.044	634.598	143.523
2b. Non Monetary Financial Assets	-	-	-
3. Other	-	-	-
4. Current Assets	**27.850.743**	**682.598**	**143.523**
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	4.557.717	101.516	36.786
6b. Non Monetary Financial Assets	-	-	-
7. Other	-	-	-
8. Non-Current Assets	**4.557.717**	**101.516**	**36.786**
9. Total Assets (4+8)	**32.408.460**	**784.114**	**180.309**
10. Trade Payables	311.602.550	9.580.044	50.177
11. Financial Liabilities	-	-	-
12a. Other Monetary Liabilities	34.865	-	1.000
12b. Other Non Monetary Liabilities	-	-	-
13. Short Term Liabilities	**311.637.415**	**9.580.044**	**51.177**
14. Trade Payables	-	-	-
15. Financial Liabilities	-	-	-
16a. Other Monetary Liabilities	-	-	-
16b. Other Non Monetary Liabilities	-	-	-
17. Long Term Liabilities	**-**	**-**	**-**
18. Total Liabilities (13+17)	**311.637.415**	**9.580.044**	**51.177**
19. Net Foreign Exchange Asset / Liability) Position (9-18)	**(279.228.955)**	**(8.795.930)**	**129.132**
20. Net Monetary Items Foreign Exchange Asset /(Liabilities) Position (1+2a+5+6a-10-11-12a-14-15-16a)	**(279.228.955)**	**(8.795.930)**	**129.132**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

	31 December 2023		
	Total Equivalents	**USD**	**EUR**
1. Trade Receivables	-	-	-
2a. Monetary Financial Assets	55.802.440	1.503.220	122.916
2b. Non Monetary Financial Assets	-	-	-
3. Other	-	-	-
4. Current Assets	**55.802.440**	**1.503.220**	**122.916**
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	6.511.010	151.516	36.786
6b. Non Monetary Financial Assets	-	-	-
7. Other	-	-	-
8. Non-Current Assets	**6.511.010**	**151.516**	**36.786**
9. Total Assets (4+8)	**62.313.450**	**1.654.735**	**159.702**
10. Trade Payables	155.159.726	4.511.789	54.803
11. Financial Liabilities	-	-	-
12a. Other Monetary Liabilities	37.548	-	1.000
12b. Other Non Monetary Liabilities	-	-	-
13. Short Term Liabilities	**155.197.274**	**4.511.789**	**55.803**
14. Trade Payables	-	-	-
15. Financial Liabilities	-	-	-
16a. Other Monetary Liabilities	-	-	-
16b. Other Non Monetary Liabilities	-	-	-
17. Long Term Liabilities	**-**	**-**	**-**
18. Total Liabilities (13+17)	**155.197.274**	**4.511.789**	**55.803**
19. Net Foreign Exchange Asset / Liability) Position (9-18)	**(92.883.824)**	**(2.857.053)**	**103.899**
20. Net Monetary Items Foreign Exchange Asset /(Liabilities) Position (1+2a+5+6a-10-11-12a-14-15-16a)	**(92.883.824)**	**(2.857.053)**	**103.899**

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL at 31 March 2024, unless otherwise indicated.)

NOTE 25 – FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont’d)

b.6) Commodity price risk

The Group is exposed to price risk due to fluctuations in food prices. The Group purchases large quantities of food and supplies. Weather fluctuations alter supply and demand trends, and economic conditions can adversely affect the cost, condition and quality of critical products such as meat. Failure to obtain high-quality ingredients in the required quantities may adversely affect the Group's ability to provide menus and the Group may not be able to pass on rising costs to its customers due to the highly competitive nature of the industry.

The Group supplies foodstuffs to Fasdat Gıda Dağıtım San. Tic. A.Ş. ("Fasdat"), a related party. Fasdat purchases large quantities of meat for its operations. The meat sector is subject to significant price fluctuations due to seasonal changes, government regulations, demand in the sector and other factors. The Group manages the price risk arising from foodstuffs through agreements with Fasdat that fix the price for certain products. Fasdat can fix prices for meat, chicken, potatoes and soft drinks for up to one year through purchase contracts. This allows the Group to avoid the costs of using derivative instruments, which it cannot pass on to its customers due to the competitive nature of the Quick Service Restaurants (QSR) industry while ensuring cost predictability.

NOTE 26 – SHARE BASED PAYMENTS

The calculation of earnings per share and diluted earnings per share attributable to equity holders of the parent company are as follows:

	2024	**2023**
Net profit attributable to equity holders of the parent company	133.229.915	1.164.210.371
Weighted average number of shares outstanding during the period	261.292.000	232.417.000
Earnings per share	**0,51**	**5,01**