

**ŞENER BOYA KİMYA TEKSTİL SANAYİ VE TİCARET
ANONİM ŞİRKETİ**

**MARCH 31, 2025 FOR THE ACCOUNTING PERIOD
ENDING ON FINANCIAL STATEMENTS AND
INDEPENDENT AUDIT REPORT**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
SENER BOYA KIMYA TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ

A) Audit of the Financial statements

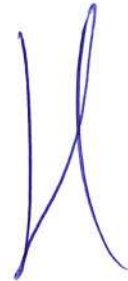
1. Opinion

We have audited the accompanying consolidated statement of financial position of Sener Boya Kimya Tekstil Sanayi ve Ticaret Anonim Şirketi ("the Company") and its subsidiaries (together will be referred as "the Group") as at 31 March 2025, and consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2025, and its financial performance and cash flows for the period end financial reporting in accordance with Turkish Accounting Standard, (TAS)

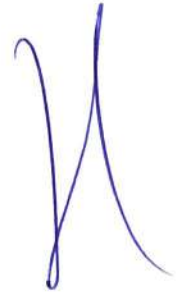
2. Scope of Review

We conducted our review of the consolidated financial information in accordance with International Standard on Review Engagements (ISRE) 2410, "Review of Interim Financial Information Performed By The Independent Auditor Of The Entity". A review of financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the Turkish Standards on Auditing (TSA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated financial information.



3. Key Audit Matters

Application of TAS 29 "Financial Reporting in high inflationary Economies	How the subject is addressed in auditing
As stated in Note 2, TAS 29 "Financial Reporting in Hyperinflationary Economies" was applied in the consolidated financial statements of the Group for the year ended March 31, 2025. TAS 29 requires the restatement of financial statements at the end of the reporting period based on the current purchasing power. Therefore, transactions during 01.04.2024-31.03.2025 and non-monetary balances at the end of the period were restated to reflect the current price index as of the balance sheet date of March 31, 2025. The application of TAS 29 has a widespread and material impact on financial statements and involves various management estimates. Additionally, the Group has restated the comparative information presented in the financial position statements as of March 31, 2023, and the statements of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the corresponding period under TAS 29. Due to the risk of incomplete or inaccurate data used in the application of TAS 29 and the additional audit effort expended, the application of TAS 29 has been identified as a key audit matter.	The following audit procedures were applied regarding the application of TAS 29 "Financial Reporting in Hyperinflationary Economies": - Understanding the process of TAS 29 application designed and implemented by management, reviewing and evaluating controls, - Verifying whether the distinction between monetary and non-monetary items made by management is in accordance with IFRS, - Obtaining detailed lists of non-monetary items and testing them using the sampling method by comparing original costs and acquisition dates with supporting documents, - Evaluating the appropriateness of management's judgments by comparing them with current practices and verifying their consistent use in each period, - Verifying the general price index rates used in calculations by comparing them with the coefficients obtained from the Consumer Price Index in Turkey published by the Turkish Statistical Institute (TUIK); and testing the reorganization of non-monetary items, income statement, and cash flow statement for inflation effects and mathematical accuracy, - Evaluating the adequacy of explanations regarding the application of TAS 29 in the notes to the financial statements according to IFRS. - As a result of these procedures conducted on the application of TAS 29 "Financial Reporting in Hyperinflationary Economies," no significant findings were identified.





BİRLEŞİM NEKS
BAĞIMSIZ DENETİM
ANONİM ŞİRKETİ

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4. Conclusion

Based on our review, nothing has come to our attention that causes us to believe that accompanying the consolidated financial statements do not present fairly, in all material respects. The financial position of the Group as 31 March 2025 and its financial performance and its cash flows for the three-month period ended in accordance with TAS .

B) Report on Other Legal and Regulatory Requirements

As a result of our partial audit, information provided in the financial statements and explanatory notes of the audited financial statements is not inconsistent.

The independent audit herein, is conducted and concluded by the engagement partner Hikmet KABUK.

İstanbul, 14.05.2025

BİRLEŞİM NEKS BAĞIMSIZ DENETİM A.Ş.

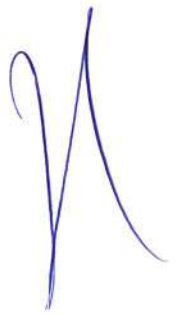


ŞENER BOYA KİMYA TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATE STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

		Audited 31.March 2025	Audited 31.March 2024
ASSETS	Note		
Cash and cash equivalents	5	8.585.939	12.207.484
Trade receivables	7	78.769.719	93.927.716
<i>Trade receivables from third parties</i>		78.769.719	93.927.716
Other receivables	8	1.471.741	5.030
<i>Other receivables from third parties</i>		1.471.741	5.030
Inventories	9	47.389.689	41.484.888
Prepaid expenses	10	817.312	264.289
Other current assets	14	5.825.200	9.490.049
TOTAL CURRENT ASSETS		142.859.600	157.379.455
Other receivables	8	31.629	43.680
<i>Other receivables from third parties</i>		31.629	43.680
Property, plant and equipment	11	1.909.989	2.317.606
Intangible Assets Other Than Goodwill	12	136.525	143.634
Deferred tax assets	25	60.025.286	38.923.792
TOTAL NON-CURRENT ASSETS		62.103.428	41.428.712
TOTAL ASSETS		204.963.028	198.808.167

The accompanying notes form an integral part of these financial statements



ŞENER BOYA KİMYA TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATE STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

		Audited 31.March 2025	Audited 31.March 2024
LIABILITIES AND EQUITY	Note		
Current liabilities			
Short-term borrowings	6	164.403	4.523.867
Trade payables	7	30.161.874	8.606.671
<i>Trade payables to related parties</i>		30.114.289	8.212.994
<i>Trade payables to third parties</i>		47.585	393.677
Other payables	8	763.941	709.513
<i>Other payables to related parties</i>		-	-
<i>Other payables to third parties</i>		763.941	709.513
Deferred Income (Excluding Contractual Liabilities)	16	3.000.000	-
Current Period Tax Related liabilities		-	4.429.671
Short-term provisions	15	379.089	334.396
<i>Short-Term Provisions for Employee Benefits</i>		379.089	334.396
TOTAL CURRENT LIABILITIES		34.469.307	18.604.118
Non-current liabilities			
Long-term provisions	15	817.200	1.063.948
<i>Long-term provisions for employee benefits</i>		817.200	1.063.948
Deferred tax liabilities	25	962.143	1.185.961
TOTAL NON-CURRENT LIABILITIES		1.779.344	2.249.909
TOTAL LIABILITIES		36.248.651	20.854.026
EQUITY			
Share capital	19	82.625.423	82.625.423
Capital Adjustment Gains/Losses	19	326.116.760	326.116.760
Capital Advances			
Other Comprehensive Income		87.598	(633.276)
<i>Revaluation and Measurement Gains / Losses</i>		87.598	(633.276)
Restricted reserves appropriated from profit	19	2.385.940	2.385.940
Prior years' profit	19	(232.540.708)	(222.976.763)
Net profit for the period		(9.960.635)	(9.563.945)
Shares with non-controlling power		-	
TOTAL EQUITY		168.714.378	177.954.139
TOTAL LIABILITIES AND EQUITY		204.963.029	198.808.165

The accompanying notes form an integral part of these financial statements

ŞENER BOYA KİMYA TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 1 APRIL – 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

		Audited 31.March 2025	Audited 31.March 2024
	Note		
Sales	20	128.962.360	152.530.346
Cost of sales (-)	20	(110.290.657)	(125.415.650)
Gross profit (+/-)		18.671.703	27.114.697
Marketing expenses (-)	21	(1.149.870)	(1.640.848)
Administrative expenses (-)	21	(17.248.143)	(24.103.198)
Other income from operating activities	22	16.304.650	51.765.809
Other expenses from operating activities (-)	22	(14.794.877)	(25.627.713)
Operating profit (+/-)		1.783.462	27.508.747
OPERATING PROFIT BEFORE FINANCE EXPENSE		1.783.462	27.508.747
Finance Income	24	3.551.004	18.588.764
Finance Expenses (-)	24	(80.901)	(4.918.277)
Net Monetary Position Gains (Losses) (+/-)		(36.779.804)	(85.123.086)
Profit before tax		(31.526.239)	(43.943.853)
Tax Expense/Income from Continuing Operations		21.565.604	34.379.907
Period Tax Expense/(Income)	25	-	(5.673.272)
Deferred tax (expense) / income	25	21.565.604	40.053.179
Net Period (Profit) / Losses		(9.960.635)	(9.563.946)
Capital	19	82.625.423	82.625.423
Earnings Per Share (%)	26	-0,12	-0,12
OTHER COMPREHENSIVE INCOME		720.875	(124.941)
Comprehensive Income / Expense that will not be Reclassified in Profit / Loss		720.875	(124.941)
Revaluation and Measurement Gains / Losses	19	961.166	(156.177)
Deferred Tax Expense / (Income)	19	(240.292)	31.235
Gains/(Losses) from shares with non-controlling Parent Company		-	-
		(9.239.760)	(9.688.886)
TOTAL INCOME		(9.239.760)	(9.688.886)

The accompanying notes form an integral part of these financial statements

ŞENER BOYA KİMYA TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT CHANGES IN EQUITY FOR THE PERIOD 1 APRIL 2024 - 31 MARCH 2025
(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

Note	Paid-in Capital	Capital Adjustments Differences	Defined Benefit Plans	Remeasurement Gains (Losses)	Restricted Reserves Allocated from Profit	Previous Year Profit/Loss	Net Profit / Loss for the Period	Equity of the Parent Company	Total Equity
Opening balance 01 April 2023	19	82.625.423	326.116.759	(508.334)	2.385.940	(161.598.109)	(61.378.651)	187.643.028	187.643.028
Transfers		-	-	-	-	(61.378.653)	61.378.653	-	-
Net Profit (Loss) for the Period		-	-	-	-	-	(9.563.945)	(9.563.945)	(9.563.945)
Total Other Comprehensive Income		-	-	(124.942)	-	-	-	(124.942)	(124.942)
Closing balance 31 March 2024		82.625.423	326.116.759	(633.276)	2.385.940	(222.976.763)	(9.563.943)	177.954.141	177.954.141
Opening balance 01 April 2024		82.625.423	326.116.759	(633.276)	2.385.940	(222.976.763)	(9.563.943)	177.954.141	177.954.141
Transfers		-	-	-	-	(9.563.945)	9.563.945	-	-
Net Profit (Loss) for the Period		-	-	-	-	-	(9.960.635)	(9.960.635)	(9.960.635)
Total Other Comprehensive Income		-	-	720.875	-	-	-	720.875	720.875
Closing balance 31 March 2025		82.625.423	326.116.759	87.598	2.385.940	(232.540.708)	(9.960.633)	168.714.381	168.714.381

The accompanying notes form an integral part of these financial statements

ŞENER BOYA KİMYA TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD 1 APRIL 2024 - 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

	Note	Audited 31.03.2025	Audited 31.03.2024
A. Cash Flows From Operating Activities(+/-)		4.212.004	17.726.073
Profit / Loss for the period (+/-)		(9.960.636)	(9.563.946)
Adjustments Related to Net Profit (Loss) Reconciliation for the Period			
Tax Income / Expense Adjustments (+/-)	25	(21.325.312)	(36.891.129)
Adjustments Related to Financing Expenses	24	(173.534)	(321.854)
Adjustments Related to Interest Income (-)	6	(137.422)	840.558
Adjustments Regarding Inventories (+/-)	9	(13.460.167)	17.940.326
Adjustments for Decreases (Increases) in Trade Receivables (+/-)	7	22.741.616	66.039.154
Adjustments regarding Decreases (Increases) in Other Receivables from Operations (+/-)	8	250.775	2.263.082
Adjustments for Increases (Decreases) in Trade Payables (+/-)	7	24.692.624	(34.622.379)
Adjustments for Increases (Decreases) in Other Debts Related to Operations (+/-)	8	54.428	202.789
Depreciation and Amortization Amendments	11	520.678	(863.494)
Provisions for Adjustments (+/-)	15	(1.128.139)	189.882
Adjustments for Net Monetary Position Gains (Losses)		3.368.132	12.239.438
Total Adjustments Related to Reconciliation of Net Profit (Loss) for the Period (+/-)		15.403.680	27.016.374
Net Cash Flow from Business Operations (+/-)		(1.231.041)	273.645
Tax Refunds (Payments) (+/-)	25	(1.231.041)	273.645
B. Cash Flows From Investment Activities		(105.952)	1.713.973
Cash Outflows from the Purchase of Tangible Fixed Assets (-)	11	(84.305)	1.550.805
Cash Outflows from the Purchase of Intangible Fixed Assets (-)	12	(21.648)	163.168
C. Cash Flows From Financing Activities		(4.359.464)	(25.101.561)
Cash Inflows From Borrowing	6	(4.359.464)	(25.101.561)
Net Increase (Decrease) in Cash and Cash Equivalents Before the Effect of Foreign Currency Conversion Differences (+/-) (A + B + C)		(253.412)	(5.661.516)
D. Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents		-	-
Net Increase (Decrease) in Cash and Cash Equivalents (+/-) (A + B + C + D)		(253.412)	(5.661.516)
E. Cash and Cash Equivalents at the Beginning of the Period		12.207.484	30.108.437
Inflation Effect on Cash and Cash Equivalents		(3.368.132)	(12.239.438)
Cash and Cash Equivalents at the End of the Period (A+B+C+D+E)		8.585.940	12.207.484

The accompanying notes form an integral part of these financial statements

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS

Şener Boya Kimya Tekstil Sanayi Ticaret Ltd. Sti. ("The Company") was established on 13 January 1992 in Istanbul for the purpose of textile dyes activities. The company changed its title on 18.12.2019 and its title became "Şener Boya Kimya Tekstil Sanayi ve Ticaret Anonim Şirketi". Announcement about this changing, published in the Turkey Trade Registry Gazette No. 9979 date of December 24, 2019 on page 317.

The company's headquarters; Çay Mahallesi 6474 Sok. No: 2/4 Akdeniz/ Mersin

As of 31 March 2025, there are 19 personnel employed within the Company personnel (31 March 2024: 21).

Subsidiaries

The subsidiaries of The Company, the countries they are incorporated in, and the nature of their businesses are as follows:

Subsidiaries	Country of incorporation	Nature of business	Voting power held
Şenpa Dış Ticaret Anonim Şirketi	Turkey	International trade	100%

2. PRESENTATION PRINCIPLES FOR FINANCIAL STATEMENTS

2.1. Basic Principles for Presentation

a) Basic Principles for Presentation

The consolidated financial statements attached herein have been prepared in accordance with the provisions of the Capital Markets Board's ("CMB") Communiqué Serial II, No. 14.1, titled "Principles Regarding Financial Reporting in the Capital Markets," published in the Official Gazette dated June 13, 2013, and No. 28676.

The Group maintains its accounting records in accordance with the Turkish Commercial Code ("TCC") and Turkish Tax Legislation within the framework of the Uniform Chart of Accounts published by the Ministry of Finance.

b) Declaration of Compliance with IFRS

The consolidated financial statements attached herein have been prepared in compliance with the Turkish Financial Reporting Standards ("TFRS") issued by the Public Oversight, Accounting, and Auditing Standards Authority ("KGK"), in accordance with the provisions of the Capital Markets Board's ("CMB") Communiqué Serial II, No. 14.1, titled "Principles Regarding Financial Reporting in the Capital Markets," published in the Official Gazette dated June 13, 2013, and No. 28676. Furthermore, the consolidated financial statements attached herein are presented in accordance with the TFRS taxonomy published by the KGK on April 15, 2019.

c) Effect of Financial Statements during High Inflation Periods

In the announcement dated November 23, 2023, by the Public Oversight Authority, it was stated that the financial statements of entities applying Turkish Financial Reporting Standards for annual reporting periods ending on or after March 31, 2024, should be presented after being adjusted for inflation in accordance with the relevant accounting

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

principles in "Turkish Accounting Standard 29 Financial Reporting in High Inflation Economies." In accordance with this announcement, inflation adjustments were made to the consolidated financial statements for March 31, 2025, March 31, 2024, and March 31, 2023, in accordance with TAS 29.

The indices and conversion index used to restate the consolidated financial statements for the last three years are as follows:

Date	Conversion Index
31 March 2025	1,000
31 March 2024	1,381
31 March 2023	2,326

TFRS requires the financial statements of an entity whose functional currency is hyperinflationary to be re-stated in accordance with IAS 29 provisions based on either the historical cost or current cost approach, and to be applied retrospectively as if the currency had always been hyperinflationary. The fundamental principle in IAS 29 is that the financial statements of an entity reporting in the currency of a highly inflationary economy should be expressed in terms of the measuring unit current at the reporting date. Comparative figures for prior periods are restated in terms of the same current measuring unit.

The main procedures applied for the aforementioned adjustments are as follows:

- Monetary assets and liabilities carried at amounts current at the reporting date are not restated as they are already expressed in the currency of the reporting date.
- Non-monetary assets and liabilities as well as equity items at the balance sheet date are restated using conversion factors from the transaction date, or, if applicable, the latest revaluation date, up to the reporting date.
- Tangible and intangible fixed assets are restated by applying changes in the index from the transaction date or, if applicable, the latest revaluation date, to the reporting date. Depreciation is allocated based on adjusted amounts.
- Rights-of-use assets are restated by applying changes in the index from the transaction date or, if applicable, the latest revaluation date, to the reporting date. Depreciation is calculated based on adjusted amounts.
- All items in the income statement excluding depreciation expenses and deferred tax expenses described above are reclassified using monthly conversion factors applied to transactions from their occurrence dates to the reporting date.

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

-The effects of inflation on the Group's net monetary positions are presented in the income statement as "monetary gain/(loss)."

-All items in the cash flow statement are expressed in the currency current at the reporting date, and therefore, all items in the cash flow statement are reclassified by applying relevant conversion factors from the date of the transaction.

-All relevant figures have been restated by applying changes in the index from March 31, 2023 and 2024 to March 31, 2023, for the period ended March 31, 2025.

The Company applied IAS 29 to the opening statement of financial position as of April 1, 2022, and adjusted the relevant figures to reflect the impact of inflation from the date of acquisition of assets and incurrence of liabilities or commitments until the end of the reporting period. The equity impact of inflation accounting is presented in the following section.

Auditing Standards Authority (KGK), the competent authority in Turkey on inflation accounting, has issued a regulation on "Financial Reporting in Hyperinflationary Economies". Accordingly, the Financial Statements for the year 2025 should be prepared by adjusting for inflation. Again by the regulation, it is stated that the inflation adjustment application should also be applied for the Financial Statements of 2024 and 2023, based on the necessity to present the financial statements in a comparative manner. In other words, in the case of Şener Boya, the inflation adjustment to be applied on 31.03.2025 must also be applied for 31.03.2024 and 31.03.2023 in order to provide comparative statements. The application of Şener Boya is also within the framework of the regulations of KGK. As can be understood, the application of inflation accounting by the KGK does not cover interim periods in the first application.

d) Currency Used and Exchange Rates Used in Foreign Currency Translation

The currency used in the Group's operations is Turkish Lira, and the same currency has been used for reporting. The exchange rates used in the preparation of the Group's consolidated financial statements for the respective periods are as follows:

	USD		EURO	
	Effective Purchase	Effective Sale	Effective Purchase	Effective Sale
31.03.2025	37,7392	37,8904	40,6734	40,8364
31.03.2024	32,2628	32,3921	34,7780	34,9170

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

e) Principles of Consolidation

Consolidated financial statements include the financial statements of the Group and entities controlled by the Group's subsidiaries. Control is achieved by the Group meeting the following conditions:

- Having power over the investee entity/assets,
- Being exposed, or having rights, to variable returns from the investee entity/assets,
- Having the ability to use its power to affect the investee entity's/assets returns.

The criteria listed above are reevaluated by the Company if a situation or event arises that could cause any change in any of the criteria.

In cases where the Group does not have a majority voting right in the invested company/entity, if there is sufficient voting right alone to direct/manage the activities of the invested company/entity, the Group has control over the invested company/entity.

When assessing whether the majority voting right in the invested company/entity provides control, the Group considers all events and conditions related to the matter, including:

- Comparison of the voting rights held by the Group with those of other shareholders,
- Potential voting rights of the Group and other shareholders,
- Rights arising from other contractual agreements,
- Other events and conditions that may indicate the existence of the Group's power to direct the relevant activities in decision-making situations (including voting in previous years' general assembly meetings).

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

Each component of profit or loss and other comprehensive income belongs to the equity holders of the parent and the non-controlling interests, even if the non-controlling interests result in a negative balance. The total comprehensive income of subsidiaries is transferred to the equity holders of the parent and the non-controlling interests.

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

If necessary, adjustments have been made to the accounting policies of subsidiaries to align them with those of the Group.

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

Changes in the Equity Interest of the Group's Existing Subsidiaries

Changes in the equity interest in subsidiaries that do not result in loss of control are accounted for as equity transactions. The carrying amounts of non-controlling interests are adjusted to reflect changes in the subsidiary's equity interests. Any difference between the amount adjusted for non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity attributable to the Group.

In the event of the Group losing control of a subsidiary, the post-outflow gain/loss is calculated as:

- i) The sum of the proceeds from sales and the fair values of the remaining shares.
- ii) The difference between the asset (including goodwill) and liabilities of the subsidiary and the previous carrying amounts of non-controlling interests is calculated. Previously recognized and accumulated amounts related to the subsidiary in other comprehensive income are accounted for based on the accounting method used assuming that the Group has sold the relevant assets (for example, in accordance with applicable TFRS standards, whether to be transferred to profit or loss or directly to retained earnings). The fair value of the remaining investment at the date control is lost in the subsidiary is recognized as the fair value determined in the initial accounting under IAS 39 Financial Instruments: Recognition and Measurement standard or, where applicable, as the cost amount in the initial accounting of an investment in an associate or a jointly controlled entity.

f) Comparative Information and Effect of Prior Period Financial Statements

Changes resulting from the initial application of a new standard are applied retrospectively or prospectively in accordance with transition provisions if any. Changes not covered by transition provisions, significant changes made voluntarily in accounting policies, or identified accounting errors are applied retrospectively, and prior period consolidated financial statements are restated.

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

g) Changes in Accounting Estimates and Errors

Changes in accounting estimates are applied prospectively if they relate to a single period or both the period of change and future periods if they relate to future periods.

2.2. New and Revised International Financial Reporting Standards

Changes are made to accounting policies if they result in a more appropriate and reliable presentation of the effects of transactions and events on the Group's financial position, performance, or cash flows in the financial statements. Optional changes in accounting policies affecting prior periods are applied retrospectively as if the policy had always been applied in financial statements. Changes in accounting policies resulting from the application of a new standard are applied retrospectively or prospectively in accordance with transition provisions, if any. Changes not covered by transition provisions are applied retrospectively.

The accounting policies applied in the preparation of the financial statements for the ended December 31, 2024, are consistent with those used in the previous year, except for new and amended TFRS standards and TFRIC interpretations effective as of January 1, 2024. The effects of these standards and interpretations on the Group's financial position and performance are disclosed in the relevant paragraphs.

a) New standards in effect as of December 31, 2024, and amendments and interpretations to existing standards:

a) New Standards, Amendments, and Interpretations Effective from January 1, 2024:

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-Current
- Amendments to IFRS 16 – Lease Liabilities in a Sale and Leaseback Transaction
- Amendments to IAS 7 and IFRS 7 – Disclosure Requirements: Supplier Finance Arrangements

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

b) Standards Issued but Not Yet Effective as of December 31, 2024, and Not Early Adopted

As of the approval date of the consolidated financial statements, the following new standards, interpretations, and amendments have been issued but are not yet effective for the current reporting period and have not been early adopted by the Group. Unless otherwise stated, the Group will make the necessary changes to its consolidated financial statements and notes after the effective date of these new standards and interpretations.

- Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture
- IFRS 17 – New Insurance Contracts Standard
- Amendments to IAS 21 – Lack of Exchangeability

The potential effects of these new standards, amendments, and improvements on the Group's financial position and performance are currently being assessed.

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c) Amendments Effective Immediately as of December 31, 2024

Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules

The impact of these amendments on the Group's financial position and performance has been assessed, and no significant effect has been identified. Additionally, the Group has applied the mandatory exception from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes in the financial statements.

2.3. Summary of Significant Accounting Policies

Cash and Cash Equivalents

Under IAS/IFRS, cash comprises cash on hand and demand deposits in the bank, while cash equivalents are short-term, highly liquid assets that are held for short-term cash commitments and are not used for investment or other purposes. They are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Cash balances in local currency are stated at their recorded amounts, while foreign currency holdings are valued at end-of-period exchange rates set by the Central Bank of the Republic of Turkey. Marketable securities are valued at their current market values as of the balance sheet date. Interest accrues on term deposits based on the number of days elapsed. Deposits with a term of less than 3 months are reported as cash and cash equivalents.

Revenue

Group revenue is recognized in the consolidated financial statements under the five-step model outlined below:

- a) Identification of contracts with customers
- b) Identification of performance obligations in the contracts
- c) Determination of the transaction price
- d) Allocation of the transaction price to the performance obligations
- e) Recognition of revenue

The Group recognizes a contract with a customer as revenue when all of the following criteria are met:

- a) The parties to the contract have approved the contract (in writing, orally, or in accordance with other commercial customs) and are committed to fulfilling their respective obligations.
- b) The Group can identify each party's rights to the goods or services to be transferred.
- c) The Group can determine the payment terms for the goods or services to be transferred.
- d) The contract has commercial substance.

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e) It is probable that the Group will collect the consideration to which it is entitled in exchange for the goods or services to be transferred to the customer.

When assessing the collectability of consideration, the entity considers only the customer's ability to pay the amount when due and its intention to do so.

- The Group transferring all significant risks and rewards related to ownership to the buyer,
- The Group not having significant continuing involvement with the ownership nor effective control over the sold goods,
- The reliable measurement of revenue,
- The possibility of economic benefits associated with the transaction flowing to the entity,
- The reliable measurement of costs incurred or to be incurred from the transaction.

Trade Receivables and Payables

Trade and other receivables with a maturity of over one year are evaluated at their discounted costs using the effective interest method. Trade and other receivables with no specified interest rate and maturity are evaluated based on the invoice amount if the effect of discounting for interest accrual is immaterial.

The Group makes provisions for doubtful debts for the relevant trade receivables if there is objective evidence that the collection is not probable.

Inventory

Inventories are valued at the lower cost or net realizable value. Costs, including a portion of fixed and variable production overheads, are valued based on the method appropriate to the class to which the inventories belong and are valued using the monthly weighted average cost method. Net realizable value is determined by deducting estimated completion costs and estimated costs necessary to make the sale from the estimated selling price in the ordinary course of business.

Tangible Fixed Assets

Unless otherwise stated, the Group reports its tangible fixed assets at cost. The cost of a tangible fixed asset item is recognized in the consolidated financial statements if it is probable that the future economic benefits associated with the asset will flow to the entity and the cost of the asset can be reliably measured.

Tangible fixed assets are depreciated on a straight-line basis over their expected useful lives, after deducting residual value from the cost amount. While the depreciation rates conform to the Tax Procedure Law in the statutory

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bookkeeping records, the preparation of the consolidated financial statements uses depreciation rates based on estimates of economic useful lives.

The estimated depreciation rates used are as follows:

<u>Type of Tangible Asset</u>	<u>Depreciation Rate</u>
Land improvements	%3.33-%6.33
Buildings	%1.66-%3.33
Machinery and equipment	%5
Furniture and Fixtures	%10
Motor Vehicles	%10

The Group reports buildings and land in its assets at their fair values. The fair values of assets have been determined by a valuation company authorized by the Capital Markets Board.

Intangible Fixed Assets

Intangible fixed assets are initially recorded at cost. Subsequently, they are valued at cost. The Group has calculated depreciation in its consolidated financial statements considering the expected useful lives of the assets. The straight-line method has been chosen as the method of depreciation, and the depreciation expense has been calculated on a pro-rata basis. The depreciation rates and methods used are as follows:

<u>Intangible Asset Type</u>	<u>Depreciation Rate</u>
Rights	%20-%33
Other Intangible Assets	%20

Investment Properties

Companies may hold some of their real estate (land, buildings, or both) for investment purposes, aiming to generate lease income or capital appreciation, or both. Assets with these characteristics are classified as investment properties. Investment properties are initially measured at cost. After initial recognition, investment properties can be measured using the fair value model or the cost model. This choice is an accounting policy decision and the selected method is applied to all investment properties. The Group has capitalized investment properties, such as warehouses completed at the balance sheet date, at cost and has presented the lands associated with these warehouses at their fair value, following accounting policies applied in previous years. The Group earns rental income from these investment properties, which are part of an investment in a facility owned by the Group. Similarly, real estate classified as investment properties includes office spaces from which rental income is earned.

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Lease Transactions

Group in the Lessee Perspective

At the inception of a contract, the Group assesses whether a contract is or contains a lease. Except for short-term leases (leases with a lease term of 12 months or less) and leases of low-value assets, the Group recognizes a right-of-use asset and a corresponding lease liability for all leases in which it is a lessee. For leases where no other systematic basis better represents the timing of the lessee's use of the underlying asset, the Group recognizes lease payments as an expense on a straight-line basis over the lease term. Lease liabilities recognized at the commencement date of the lease are measured at the present value of lease payments unpaid at that date, discounted using the rate implicit in the lease if that rate is readily determinable. If not, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in substance fixed payments), less lease incentives receivable.
- Variable lease payments that depend on an index or a rate, initially measured using an index or rate at the commencement date.
- The amount expected to be payable by the lessee under residual value guarantees.
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options.
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate.

The lease liability is presented as a separate line item in the consolidated statement of financial position.

Lease liabilities are measured by increasing the net carrying amount (using the effective interest method) to reflect the interest on the lease liability and by decreasing the net carrying amount to reflect the lease payment made. The Group reassesses its lease liabilities (and makes appropriate adjustments to the right-of-use assets) in the following circumstances:

- When there is a change in the assessment of whether a contract is or contains a lease or when evaluating the application of a purchase option at the end of the lease term, the lease payments are discounted using a revised discount rate, and the lease liability is remeasured.
- When changes occur in lease payments due to changes in indices, rates, or expected changes in residual value guarantees, the revised lease payments are discounted using the original discount rate, and the lease liability is remeasured (if the change in lease payments is due to changes in variable interest rates, a revised discount rate is used).

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- When a lease contract is modified, and the lease modification is not accounted for as a separate lease, the revised lease payments are discounted using the revised discount rate, and the lease liability is revalued.

The Group has not made such changes during the periods presented in the consolidated financial statements.

Right-of-Use Assets encompass the initial measurement of the corresponding lease liability, lease payments made before or at the commencement date of the lease, and other directly attributable costs. These assets are subsequently measured at cost, less accumulated depreciation and impairment losses. Right-of-Use Assets are presented as a separate line item in the consolidated statement of financial position.

The Group applies IAS 36 Impairment of Assets to determine whether Right-of-Use Assets are impaired and recognizes all identified impairment losses, as described in the 'Tangible Fixed Assets' policy. Variable lease payments not dependent on an index or rate are not included in the measurement of lease liability and Right-of-Use Assets. Associated payments are recognized as expenses when the circumstances or events that give rise to the payments occur.

The Group incurs lease expenses for factories, warehouses, and vehicles, which are capitalized under TFRS 16.

Impairment of Assets

According to IAS 36 Impairment of Assets, when internal and external economic indicators require it, the carrying amounts of tangible, intangible assets, and goodwill must be compared to their recoverable amounts. If the carrying amount of an asset is estimated to exceed its recoverable amount, an impairment loss is recognized. The recoverable amount is the lower of the fair value less costs to sell and the value in use. Estimated impairment losses are recognized in the period in which the impairment is identified.

Borrowing Costs

All interest expenses are recognized in the consolidated statement of profit or loss on an accrual basis and reported within finance costs. Exchange differences arising from foreign currency loans used are associated with finance costs, whether positive or negative. Financing costs incurred in obtaining assets that require a substantial period of time to get ready for their intended use are added to the cost of the asset.

Borrowing costs that can be specifically attributed to the acquisition, construction, or production of a qualifying asset are capitalized as part of the cost of that asset. These costs are included in the cost of the asset if they can be measured reliably, and it is probable that the entity will obtain future economic benefits from the asset. Borrowing costs not falling within this scope are expensed when incurred.

Financial Instruments



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The Public Oversight, Accounting and Auditing Standards Authority (KGK) has published the regulation, which was prepared by the IASB, as the Turkish Financial Reporting Standard IFRS 9 Financial Instruments Standard in the Official Gazette dated January 19, 2017. The IASB has made changes to this newly regulated standard, and the KGK has put these changes into effect by publishing them in the Official Gazette dated December 19, 2017.

The main regulation will be mandatory for accounting periods starting on January 1, 2018, and thereafter. The amendment is mandatory as of January 1, 2019.

This standard explains how financial instruments (such as basic financial assets and liabilities, derivative products, options, synthetic products, financial derivative contracts, and guarantees) will be classified, measured (valued), and removed from the balance sheet. It provides guidance on how these financial instruments will be valued at initial acquisition or recognition, how they will be valued in subsequent valuation periods, how hedge accounting will be applied, and most importantly, how impairment of financial instruments will be measured.

The IFRS 9 Financial Instruments standard starts with two different scenarios in the classification of financial instruments and determines classification and measurement criteria accordingly. These two scenarios are:

- a) The nature or form of the cash flows provided by the financial instrument, and
- b) The entity's business model or purpose of use for these instruments.

If the contract terms of a financial asset only result in cash flows consisting of principal and interest payments on specified dates, the financial asset is measured at amortized cost. The effective interest rate is primarily used in measurement. Valuation differences are recognized directly in profit or loss.

In this context, receivables from customers, other receivables, debt instruments held for interest, and related securities fall into this category. Their primary purpose is to collect the principal of the financial asset rather than generate income such as trading or dividends.

If both of the following conditions are met for a financial asset, changes in fair value are reflected in other comprehensive income:

- (a) The financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows and to sell financial assets,
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



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In addition to earning interest or dividends on financial assets in this scenario, the primary objective is to generate gains primarily by selling such assets. In other words, the Group may also aim to sell financial assets to preserve or increase its liquidity. In such cases, the asset is measured at fair value. However, gains and losses other than interest income are recognized in other comprehensive income and subsequently reclassified to equity.

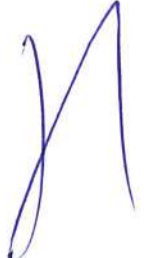
Recognition of fair value increases and decreases in profit or loss is applicable for securities that do not meet the above conditions for recognition. In other words, if a financial asset is not measured at amortized cost and does not have a sales purpose alongside principal income, i.e., it is held solely for trading purposes, the financial asset is measured at fair value, and the gain or loss is recognized directly in profit or loss. However, entities and certain financial assets may also choose to account for measurement gains and losses in Other Comprehensive Income (equity). Nevertheless, this option must be decided upon at the initial recognition of the financial asset, and the financial instrument should only represent financial instruments that represent equity, such as stocks.

Another extensively regulated aspect with this standard is how to measure and account for losses when financial instruments are impaired.

These losses are referred to as expected credit losses. Except for financial instruments where changes in fair value are recognized in profit or loss, all financial instruments should be subject to an individual or portfolio-based expected credit loss test at each reporting period. Some financial instruments may have already been subject to significant credit risk at acquisition. Apart from these, if there has not been a significant increase in credit risk in a financial instrument since it was initially recognized in the financial statements, the entity measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If the credit risk in a financial instrument has significantly increased since it was initially recognized in the financial statements, the entity measures the loss allowance for that financial instrument at an amount equal to the lifetime expected credit losses at each reporting date.

In the 12-month credit loss, the exposure of the borrower to credit risk has not yet been observed. However, the probability of exposure to credit risk in the following one-year period and how much loss would be incurred in this case are estimated. And a provision is made for this amount. However, if a decrease in credit risk is observed, and this decrease is significant, the total risk amount is sought by considering all debts, whether or not the debtor has defaulted.

This risk amount is the difference between the amounts that can be collected from the debtor and the amounts that need to be collected, taking into account the time value of money in this calculation.



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However, the standard also regulates a simplified approach for trade receivables, contract assets, and lease receivables measured at amortized cost. If the receivable subject to the expected loss provision has arisen in accordance with the IFRS 15 Revenue from Contracts with Customers and does not contain a financing component or contains a financing component but has chosen to measure it at an amount equal to lifetime expected credit losses, they can use the simplified approach and measure the expected credit losses at a level equal to lifetime expected credit losses.

The Group has opted to use the simplified method for its credit and receivables measured at amortized cost throughout all reporting periods, but it has adopted a policy to measure concrete receivables with incurred credit risk according to the lifetime expected credit losses under the general approach.

Severance Pay and Employee Benefits

According to the current Labor Law, except for employees terminated for reasons of misconduct, the Group is obliged to pay at least 30 days of severance pay for each year of service to all employees. Therefore, the Group must estimate future payments representing the total liability and discount these estimated payments to present value using the discount rate. For this purpose, the Group uses the "present value of expected benefits" method and reports the discounted net value of the total liability as of the balance sheet date.

In line with this, the Group attempts to determine the liability for severance pay estimated to be paid when employees retire or are terminated in the future, assuming that they will retire when they complete their service. It is assumed that men will retire after completing 25 years of service, while women will retire after completing 20 years of service, and it is assumed that the severance pay will be paid on this date.

Within this estimated total liability, the net present value of the portion to which the employees are entitled due to their tenure as of the balance sheet date is recognized as a provision for severance pay on the balance sheet. It is assumed that the proportion of employees who left without being entitled to severance pay in previous periods will repeat in future periods, and the total liability is reduced by this ratio.

The total severance pay liability that varies between two periods is allocated to interest cost, current service cost, and actuarial gains and losses. The interest cost represents the cost of using the liability recognized on the balance sheet in the previous reporting period during the current period and is calculated by multiplying the beginning-of-period amount of the obligation for active employees by the discount rate used in that year.

The current service cost represents the portion of the liability that arises from the services rendered by the employees during the current period, discounted to the balance sheet date, which is expected to be paid when the severance pay becomes due. Any differences are accounted for as actuarial gains and losses. While the Interest Cost and Current

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Service Cost are reported in the Income Statement, Actuarial Gains and Losses are reported within equity in the balance sheet and within Other Comprehensive Income in the Statement of Comprehensive Income.

Apart from regular salary, bonuses, and other social benefit payments to employees, there are no contribution plans for payment after retirement or leaving the job.

Related Parties

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

In the attached consolidated financial statements, the Group's shareholders and companies owned by these shareholders, along with their key management personnel and other known affiliated companies, have been identified as related parties.

The criteria for considering a party related to the Group include the following:

i) If the party directly or indirectly:

- Controls the Group, is controlled by the Company, or
- Is under joint control with the Group (including parent entities, subsidiaries, and affiliated entities in the same business line);
- Holds a significant ownership interest that would enable it to have a significant influence over the Group or has joint control over the Company.

ii) The party is a subsidiary of the Group.

iii) The party is a joint venture in which the Group is a joint venture partner.

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

v) The party is a close family member of an individual mentioned in (i) or (iv).

vi) The party is an entity in which any individual mentioned in (i) or (v) directly or indirectly holds significant voting rights; or

vii) The party provides post-employment benefits to the employees of the entity or a related entity to the entity. Transactions with related parties are transfers of resources, services, or obligations between related parties, regardless of whether there is a consideration exchanged.

The related parties of the Company and the reasons for the relationships are as follows:

Related Parties	Explanation
Bodal Chemicals Ltd.	Company Partner

Taxation Calculated Based on Corporate Income and Deferred Tax Assets and Liabilities

The Group's tax assets and liabilities, as well as tax income or expenses, are comprised of current-year corporate income taxes and deferred taxes.

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Current Year Tax

The current period tax liability includes the tax obligation calculated based on the taxable portion of the period's earnings and the applicable tax rates as of the date of the consolidated financial statements, in accordance with the prevailing tax legislation.

Deferred Tax Asset or Liability

Deferred tax is calculated based on temporary differences between the recorded values of assets and liabilities in the consolidated financial statements and their tax values. The tax value of assets and liabilities represents the amounts that will affect the tax base related to these assets and liabilities in future periods in accordance with the tax legislation.

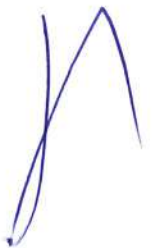
Deferred tax is calculated based on the tax rates and tax regulations in effect or enacted as of the date of the consolidated financial statements, considering the tax rates expected to apply when the tax asset will be realized or the tax liability will be settled.

Deferred tax assets or liabilities are reflected in the consolidated financial statements based on the estimated increases or decreases in future tax amounts that are expected to occur as temporary differences are eliminated in future periods. When calculating deferred tax, deferred tax liabilities are recognized for all taxable temporary differences, while deferred tax assets are recognized if it is highly probable that future taxable profit will be available, allowing for the utilization of deductible temporary differences. If it is unlikely that sufficient taxable profit will be available to allow the benefit of the deferred tax asset to be realized, then the carrying amount of the deferred tax asset is reduced. Deferred tax liabilities are recognized in the consolidated financial statements if it is highly probable that taxable profit will be generated in the future, allowing for the utilization of deductible temporary differences through the realization of taxable profit. With the condition that the entity is subject to the tax legislation of the same country and there is a legally applicable right to offset current tax assets against current tax liabilities, deferred tax assets and deferred tax liabilities are offset against each other.

Earnings Per Share

Earnings per share is calculated by dividing the net income of the period by the weighted average number of shares outstanding during the period. However, in the event of a cash capital increase without issuing new shares, where existing retained earnings are added to the share capital and free shares are distributed (bonus issue), the earnings per share of the previous year are adjusted as if the same number of shares existed in the previous year, enabling comparison with the current year.

Cash Flow Reporting



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To provide financial statement users with information about its ability to direct changes in its financial structure and the amount and timing of cash flows in changing conditions, the Group prepares cash flow statements. Cash flows arising from operating activities show the cash flows generated by the Group's operations.

Cash flows related to investment activities show the cash flows used and generated by the Group in its investment activities (including investments in fixed assets and financial investments). Cash flows related to financing activities show the sources used by the Group in its financing activities and the repayments of these sources.

Cash and cash equivalents include cash on hand, bank deposits, and short-term investments with a maturity of 3 months or less that are easily convertible into cash and have high liquidity.

Provisions, Contingent Liabilities, and Contingent Assets

If the Group has a present obligation arising from past events, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the obligation can be made, then the related liability is recognized in the financial statements as a provision. Contingent liabilities are continuously evaluated to determine whether it is probable that an outflow of economic benefits will be required to settle them.

For items subject to contingent liabilities, if it becomes probable that economic benefits associated with the item will flow out of the entity and reliable estimates can be made, contingent liabilities are recognized as provisions in the consolidated financial statements for the period in which the change in probability occurs, except in cases where a reliable estimate cannot be made.

The Group discloses contingent liabilities in the notes when it becomes probable that contingent liabilities exist but reliable estimates regarding the number of economic benefits associated with the items cannot be made. Assets that will be confirmed by the occurrence or non-occurrence of one or more uncertain events, which arise from past events and are not entirely within the control of the entity, are considered contingent assets.

Contingent assets are disclosed in the notes when it is probable that economic benefits associated with the assets will flow into the entity. If it is certain that the entire or a portion of the economic benefits used to settle the provision will be reimbursed by third parties and the reimbursement is virtually certain and reliably measurable, the amount to be recovered is recognized as an asset.

Netting

Financial assets and liabilities are presented on the balance sheet at their net values when there is a legal right to offset, and when it is intended to settle on a net basis or to realize the asset and settle the liability simultaneously.

Subsequent Events

Subsequent events refer to events that occur between the balance sheet date and the date of authorization for issuance of the financial statements, which may affect the entity positively or negatively. If there is new evidence regarding the existence of such events as of the balance sheet date or if the events occur after the balance sheet date, the Group discloses these matters in the relevant notes. In the event of subsequent events requiring adjustments after the balance sheet date, the Group adjusts the amounts in the financial statements accordingly.

2.4. Significant Accounting Estimates and Assumptions



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In the process of applying the accounting policies detailed above, the Group's management has made estimates and judgments regarding events that have a significant impact on the amounts recognized in the consolidated financial statements. The inaccuracies in these estimates can have significant effects on the Group's future financial performance. These estimates cover the following areas:

- Useful lives of property, plant, and equipment (Depreciation Rates)
- Provision for employee benefits and unused leave.
- Provision for litigation.
- Allowance for doubtful accounts.
- Deferred tax assets and liabilities

- The Useful Lives of Tangible and Intangible Fixed Assets

The Group determines the depreciation and amortization charges based on the useful lives specified in the accounting policies. The useful lives are reviewed annually by the Group based on the characteristics of the property, plant, and equipment.

- Employee Benefit Obligations:

The Group is required to estimate the timing and amount of its future payments for severance pay and unused leave and to determine the discount rate to be used in discounting the expected amounts to be paid to their present value on the balance sheet date. Various assumptions are made in the calculation of the severance pay obligation, such as the discount rate, inflation rate, and probability of voluntary separation.

- Provision for Litigation

The Group recognizes provisions for amounts that may become payable in the future due to legal proceedings initiated against it, based on legal opinions.

- Allowance for Doubtful Accounts

The Group employs a monitoring system for the collection of receivables at maturity and takes measures to mitigate credit risk. However, credit losses may occur due to the cyclical nature of the economy. Therefore, overdue receivables are separately identified, the creditworthiness of the debtor is assessed, and the estimated amount to be lost is determined. When these receivables are referred to the court, a legal opinion is obtained to estimate the probable loss.

- Deferred Tax

The Group recognizes deferred tax assets and liabilities for temporary differences arising from differences between the legal consolidated financial statements and the consolidated financial statements prepared in accordance with TFRS/TMS. The Group has deferred tax assets arising from deductible temporary differences and deferred tax liabilities arising from taxable temporary differences.

The recognition of deferred tax assets depends on the existence of taxable profits when temporary differences reverse. Therefore, there should be no doubt about the realizability of the recognized tax asset. When calculating deferred tax on temporary differences, the Group considers the tax rates that will be applicable when the temporary differences reverse

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NOTE 3 – BUSINESS COMBINATIONS

None.

NOTE 4 – RELATED PARTIES DISCLOSURES

Related party balances as of 31 March 2025 and 31 March 2024:

a) Short-term trade payables to related parties

	31.03.2025	31.03.2024
Bodal Chemicals Ltd.	30.114.289	8.212.994
	30.114.289	8.212.994

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NOTE 5 – CASH AND CASH EQUIVALENTS

As of 31 March 2025 and 31 March 2024 cash equivalents are as follows:

	31.03.2025	31.03.2024
Cash	2.571	4.729
Banks	8.533.369	12.202.755
<i>Demand deposits</i>	327.369	12.202.755
<i>Repo</i>	8.206.000	-
Other	50.000	-
	8.585.939	12.207.484

NOT 6 – FINANCIAL LIABILITIES

The details of financial liabilities as of 31 March 2025 and 31 March 2024 are as follows:

a.) Short-term financial liabilities

	31.03.2025	31.03.2024
Short-term financial liabilities	-	4.409.937
Other Financial Debts	164.403	113.930
	164.403	4.523.867

b.) Long-term financial liabilities

None

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

NOTE 7 – TRADE RECEIVABLES AND PAYABLES

The details of the account as of 31 March 2025 and 31 March 2024 are as follows:

	31.03.2025	31.03.2024
Trade receivables	47.363.714	52.466.910
Notes receivable	36.622.737	46.851.073
Rediscount on trade receivables	-5.216.733	-5.390.267
	78.769.719	93.927.716

Maturity details of notes receivable as of 31 March 2025 and 31 March 2024 are as follows:

	31.03.2025	31.03.2024
Overdue	-	-
1-30 days	12.240.000	2.131.656
31-60 days	7.029.500	-
61-90 days	6.060.446	34.925
91-120 days	6.182.000	1.293.437
121-150 days	4.690.000	-
151-180 days	420.791	9.939.803
181-210 days	-	33.451.253
211-240 days	-	-
241-270 days	-	-
271-300 days	-	-
301-330 days	-	-
	36.622.737	46.851.073

Movements in the provision for doubtful trade receivables during the periods ended 31.03.2025 and 31 March 2024 are as follows:

	31.03.2025	31.03.2024
Opening balance	-4.498.297	-4.112.683
Collection or adjustment	-	-
Provisions during the period	1.646.959	-385.614
Closing balance	-2.851.337	-4.498.297

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

NOTE 7 – TRADE RECEIVABLES AND PAYABLES

The details of short term trade payables as of 31.03.2025 and 31 March 2024 are as follows:

	31.03.2025	31.03.2024
Trade payables	338.934	547.605
Due to related parties	30.114.289	8.212.994
Rediscount of trade payables	-291.350	-153.928
	30.161.874	8.606.671

Maturity details of notes payables as of 31.03.2024 and 31 March 2023 are as follows:

	31.03.2024	31.03.2023
Overdue	-	-
1-30 days	-	-
61-90 days	-	-
	-	-

NOTE 8 – OTHER RECEIVABLES AND PAYABLES

As of 31 March 2025 and 31 March 2024 the Group's other short-term receivables are as follows:

Other short term receivables

	31.03.2025	31.03.2024
Due from Personnel	1.980	2.733
Other short term receivables	1.469.761	2.297
	1.471.741	5.030

As of 31 March 2025 and 31 March 2024 the Group's other long-term receivables are as follows:

Other long term receivables

	31.03.2025	31.03.2024
Deposits and guarantees given	31.629	43.680
	31.629	43.680

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

NOTE 8 – OTHER RECEIVABLES AND PAYABLES (Cont'd)

As of 31 March 2025 and 31 March 2024, the Group's other short-term payables are as follows:

a) Other short term payables	31.03.2025	31.03.2024
Tax payables	264.424	238.499
Social Security Premiums Payable	499.517	469.910
Private retirement fund Payables	-	1.105
	763.941	709.513

NOTE 9 - INVENTORIES

	31.03.2025	31.03.2024
Raw materials	18.367.074	18.489.728
Finished goods	15.564.297	764.683
Trade goods	274.250	1.491.043
	34.205.620	20.745.453
Goods in Transit	13.184.069	20.739.435
	47.389.689	41.484.888

NOTE 10 – PREPAID EXPENSES AND DEFERED INCOME

As of 31 March 2025 and 31 March 2024 prepaid expenses and deferred income are as follows:

a) Short term Prepaid expenses	31.03.2025	31.03.2024
Work Advances	169.073	331
Prepaid expenses - short term	409.239	263.958
Advance Given To Personnel	239.000	-
	817.312	264.289

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

NOTE 11 – PROPERTY PLANT AND EQUIPMENT ASSETS

As of 31 March 2025 and 31 March 2024, property plant and equipment assets are as follows:

Cost	31 March 2024	Addition	Disposal	31.03.2025
Plant, Machinery and Equipment	3.998.927	84.305	-	4.083.232
Furniture and fixtures	3.940.116	-	-	3.940.116
Other	86.741		-	86.741
Total	8.025.784	84.305	-	8.110.088

Accumulated depreciation (-)	31 March 2024	Addition	Disposal	31.03.2025
Plant, Machinery and Equipment	2.859.224	183.715	-	3.042.939
Furniture and fixtures	2.771.234	304.236	-	3.075.470
Other	77.720	3.971	-	81.691
Total	5.708.178	491.922	-	6.200.099

Net Book Value	2.317.606			1.909.989
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Cost	31 March 2023	Addition	Disposal	31 March 2024
Plant, Machinery and Equipment	4.053.054	27.090	-81.217	3.998.927
Furniture and fixtures	4.048.653	64.493	-173.030	3.940.116
Other	1.474.881	0	-1.388.141	86.741
Total	9.576.588	91.583	-1.642.388	8.025.784

Accumulated depreciation (-)	31 March 2023	Addition	Disposal	31 March 2024
Plant, Machinery and Equipment	2.660.055	255.345	-56.175	2.859.224
Furniture and fixtures	2.619.208	262.751	-110.726	2.771.234
Other	1.265.725	135.920	-1.323.925	77.720
Total	6.544.988	654.016	-1.490.826	5.708.178

Net Book Value	3.031.600			2.317.606
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ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

NOTE 12- INTANGIBLE ASSETS

Cost	31 March 2024	Addition	Disposal	31.03.2025
Rights	128.815	-	-	128.815
Other Intangible Assets	131.973	23.383	-	155.356
Total	260.788	23.383	-	284.171

Accumulated depreciation (-)	31 March 2024	Addition	Disposal	31.03.2025
Rights	59.861	12.347	-	72.208
Other Intangible Assets	57.293	18.145	-	75.438
Total	117.155	30.491	-	147.646

Net Book Value	143.634			136.525
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Cost	31 March 2023	Addition	Disposal	31.03.2024
Rights	126.755	2.060	-	128.815
Other Intangible Assets	297.200	-	-165.227	131.973
Total	423.955	-	-	260.788

Accumulated depreciation (-)	31 March 2023	Addition	Disposal	31.03.2024
Rights	41.302	18.560	-	59.861
Other Intangible Assets	102.537	28.343	-73.587	57.293
Total	143.839	46.903	-73.587	117.155

Net Book Value	37.060			143.634
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ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

NOTE 13 – ASSETS AND LIABILITIES RELATED TO CURRENT PERIOD TAX

As of 31 March 2025 and 31 March 2024 the details of the account are as follows:

	31.03.2025	31.03.2024
Prov. for Income Taxes and Oth.Legal Liabilities	-	4.429.671
	-	4.429.671

NOTE 14 – OTHER ASSETS AND LIABILITIES

As of 31 March 2025 and 31 March 2024, the details of the other assets and liabilities are as follows:

Other non-current assets

	31.03.2025	31.03.2024
VAT Credit Receivable	5.099.773	5.565.992
Prepaid Taxes	725.427	3.924.057
	5.825.200	9.490.049

NOTE 15 – PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As of 31 March 2025 and 31 March 2024, the details of the account are as follows:

a) Short Term Provisions for Employee Benefits

	31.03.2025	31.03.2024
Leave of Absence Provision	379.089	334.396
	379.089	334.396

b) Long Term Provision for Employee Benefits

	31.03.2025	31.03.2024
Employee Termination Benefits	817.200	1.063.948
	817.200	1.063.948

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

NOTE 16 - DEFERRED INCOME

As of 31 March 2025 and 31 March 2024, the details of the account are as follows:

a) Short-term Deferred Income

	31.03.2025	31.03.2024
Advances Received	3.000.000	-
	3.000.000	-

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

NOTE 19 – EQUITY

The issued capital shares of the Group are divided into 18.700.000 shares, each with a value of 1 Turkish Lira. The partnership structure of the Group as at 31 March 2025 and 31 March 2024 are as follows;

Shareholders	31.03.2025	TL	31.03.2024	TL
	Percentage (%)		Percentage (%)	
BODALCHEMICALSLTD	100%	82.625.423	100%	82.625.423
CAPITAL	100%	82.625.423	100%	82.625.423
Capital Adjustment Positive Difference		326.116.760		326.116.760
TOTAL CAPITAL	100%	408.742.183	100%	408.742.183

Restricted Reserves

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code. The Turkish Commercial Code stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5 % per annum, until the total reserve reaches 20 % of the paid in share capital. The second legal reserves, on the other hand, is 10 % of the distributed profits exceeding 5 % of the paid in share capital. According to the Turkish Commercial Code, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

Restricted Reserves:	31.03.2025	31.03.2024
Balance at the beginning of the period	2.385.940	2.385.940
	2.385.940	2.385.940

Other Capital Reserves

None.

Actuarial gain / loss fund for provision for employment termination benefit

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

NOTE 19 – EQUITY (CONT'D)

With the amendment made in the TAS- 19 “Employee Benefits” the actuarial losses and earnings taken into consideration in the calculation of the provision for employment termination benefits are not allowed to be accounted for in the statement of income. The losses and earnings that occurred in consequence of the change in the actuarial assumptions are accounted for in the equity.

Profit distribution

Dividend distribution is made to the provisions of the Articles of Association. According to the Turkish Commercial Code, each shareholder has the right to participate in the dividend to the net profit for the period decided to be distributed to the shareholders. There is no profit distribution performed by the Group.

Accumulated Other Comprehensive Income

The details of the Group's accumulated other comprehensive income are as follows:

	31.03.2025	31.03.2024
Not being reclassified in Profit or Loss	87.598	-633.276
	87.598	-633.276

Pervious year Profit / (Loss)	31.03.2025	31.03.2024
Opening balance	222.976.763	161.598.109
Additions	9.563.945	61.378.653
	232.540.708	222.976.763

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

NOTE 20 – SALES AND COST OF SALES

As of 31 March 2025 and 31 March 2024 details of sales income and cost of sales are as follows:

20.1 sales

Sales return (-)

	01.04.2024- 31.03.2025	01.04.2023- 31.03.2024
Domestic sales	108.805.568	112.893.164
Exports	20.581.128	39.701.436
Other Sales	9.092	122.012
	129.395.789	152.716.612

Sales return (-)

Sales returns (-)	-202.795	-5.397
Sales Discounts (-)	-174.071	-131.443
Other Discounts (-)	-56.563	-49.426
Net Sales, (net)	128.962.360	152.530.346

20.2 cost of sales (-)

	01.04.2024- 31.03.2025	01.04.2023- 31.03.2024
Cost of Goods Sold- Finished goods (-)	102.301.136	124.498.881
Cost of Goods Sold- Trade goods (-)	7.989.521	916.768
	110.290.657	125.415.650

ŞENER BOYA KİMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 MARCH 2025

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") as of March 31, 2025, purchasing power.)

NOTE 21 – OPERATING EXPENSES (-)

The operating expenses of the group as of 31 March 2025 and 31 March 2024 are as follows:

	01.04.2024- 31.03.2025	01.04.2023- 31.03.2024
General and administrative expenses	17.248.143	24.103.198
Marketing, Sales and Distribution Expenses	1.149.870	1.640.848
Operating expenses	18.398.013	25.744.046

21.1 General and Administrative Expenses (-)

	01.04.2024- 31.03.2025	01.04.2023- 31.03.2024
Personnel expenses	8.967.358	14.610.227
Depreciation expenses	522.413	132.794
Consulting expenses	2.362.396	2.053.690
Rent expenses	1.652.126	2.356.979
Repair expenses	303.337	306.550
Lawsuits and notary expenses	383.626	688.666
Insurance expenses	44.161	119.863
Food expenses	86.267	260.999
Bank expenses	-	121.816
Cargo expenses	79.974	206.030
Representation, hospitality expenses	547.239	1.519.483
Travel expenses	658.865	66.511
Fuel expenses	38.900	226.477
Advertising and communication expenses	296.061	296.442
Office expenses	40.319	145.699
Other	1.265.100	990.974
	17.248.143	24.103.198

SENER BOYA KIMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 March 2024
(Amounts expressed in TL unless otherwise indicated).

NOTE 21 – OPERATING EXPENSES (-) (Cont'd)

21.2 Marketing, Sales and Distribution Expenses (-)

	01.04.2024- 31.03.2025	01.04.2023- 31.03.2024
Cargo and shipping costs	1.149.870	1.640.848
	1.149.870	1.640.848

NOTE 22 - OTHER INCOME AND EXPENSE FROM OTHER OPERATIONS

As of 31 March 2025 and 31 March 2024, income and expenses from other operations are as follows:

	01.04.2024- 31.03.2025	01.04.2023- 31.03.2024
Provisions No Longer Required	5.606.134	-
Receivables Foreign Exchange Income	5.014.958	46.485.225
Rediscount Interest Income	4.831.483	4.471.177
Other Ordinary Income and Profits	668.284	655.756
Other Extraordinary Income and Profits	183.791	153.651
Total	16.304.650	51.765.809

	01.04.2024- 31.03.2025	01.04.2023- 31.03.2024
Provision Expenses	5.104.996	-
Payables Foreign Exchange Expenses	3.548.111	13.770.079
Rediscount Interest Expenses	6.137.478	7.545.083
Other Expenses and Losses	-	4.224.697
Other Extraordinary Expenses and Losses	4.291	87.854
Total	14.794.877	25.627.713

NOTE 23 - IMPAIRMENT GAINS / (LOSSES) DETERMINED IN ACCORDANCE WITH IFRS 9 AND CANCELLATION OF IMPAIRMENT LOSSES

None (31.03.2023:None)

SENER BOYA KIMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 March 2024
(Amounts expressed in TL unless otherwise indicated).
NOTE 24 – FINANCIAL INCOME AND EXPENSE

The financial income and expenses of the Group as of 31 March 2024 and 31 March 2023 are as follows:

a) Financial Income

The group's financial income as of 31 March 2025 and 31 March 2024 are as follows:

	01.04.2024- 31.03.2025	01.04.2023- 31.03.2024
Interest income	3.551.004	18.588.764
	3.551.004	18.588.764

b) Financial Expense

The group's financial expenses as of 31 March 2025 and 31 March 2024 are as follows:

	01.04.2024- 31.03.2025	01.04.2023- 31.03.2024
Short term financing expenses(-)	80.901	4.918.277
	80.901	4.918.277

The group's Net Monetary Position Gains(Losses) as of 31 March 2025 and 31 March 2024 are as follows:

Non-Monetary Items

March 31, 2025

Balance sheet items

Inventories	-47.848.024
Prepaid Expenses	1.880.768
Property, plant and equipment	1.192.919
Intangible fixed Assets	1.965.725
Paid-in capital	23.064
Profit Reserved Restricted Reserves	-112.774.877
Previous Years (Profits)/Losses	-658.298
	60.522.674

Income Statement items

Revenue	11.068.220
Cost of sales	-17.004.958
Marketing, Selling and Distribution Expenses (-)	14.542.910
General administrative expenses	151.622
Other income/expense from main activities	2.273.507
Financing income/expenses	-199.486
Tax expense	-457.567
	11.762.193
	-36.779.804

NOTE 25 – TAXATION ON INCOME

Corporation tax:

The group is subject to corporate tax valid in Turkey. Necessary provisions have been made in the accompanying financial statements for the estimated tax liabilities of the group regarding the current period operating results.

The corporate tax rate to be accrued on taxable corporate income is the remainder after adding the non- deductible expenses from the tax base in the determination of the commercial income and deducting the tax-exempt gains, non-taxable incomes and other deductions (investment incentives used in previous years' losses and R&D center deduction, if any). calculated on the basis.

The corporate tax rate in Turkey is 25% . In Turkey, provisional tax is calculated and accrued quarterly. At the stage of taxation of corporate earnings for 2025 as of the temporary tax periods, a provisional tax of 25% has been calculated on corporate earnings.

In Turkey, there is no practice of reaching an agreement with the tax administration regarding the taxes to be paid. Corporate tax returns are submitted within four months following the end of the accounting period. The tax inspection authorities may examine the tax returns and the accounting records underlying them for five years following the accounting period and make a reassessment as a result of their findings.

Income Tax Withholding

There is a withholding tax liability on dividend distributions, and this withholding liability is accrued in the period when the dividend payment is made. Dividend payments are subject to 15% withholding tax, except for non-resident companies that generate income through a workplace or their permanent representative in Turkey, and those made to companies residing in Turkey. In the application of withholding tax rates for profit distributions to non-resident companies and natural persons, the withholding tax rates in the relevant Double Taxation Agreements are also taken into account. The allocation of retained earnings to the capital is not considered a dividend distribution, therefore it is not subject to withholding tax.

SENER BOYA KIMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
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(Amounts expressed in TL unless otherwise indicated).

NOT 25 – TAXATION ON INCOME (Cont'd)

The tax liabilities reflected in the income statement as of 31 March 2025 and 31 March 2024 are as follows:

Tax income / expense	01.04.2024- 31.03.2025	01.04.2023- 31.03.2024
Current corporate tax expense (-)	-	5.673.272
Deferred Tax Income/Expense (-)	-21.565.604	-40.053.179
	-21.565.604	-34.379.907

	31.03.2025	31.03.2025	31.03.2024	31.03.2024
	Cumulative temporary differences	Deferred tax asset/(liability)	Cumulative temporary differences	Deferred tax asset/(liability)
<u>Deferred tax assets:</u>				
Inflation deferred tax differences	233.135.472	58.283.868	147.722.121	36.930.530
Notes Receivable Reesk. (-)	5.216.733	1.304.183	5.390.267	1.333.436
Doubtful receivable provision	201.297	50.324	1.225.132	306.283
Provisions for Severance Pay	817.200	204.300	1.063.948	265.987
Accrued Vacation Pay Provision	379.089	94.772	334.396	83.599
Effective Exchange Rate	23.462	5.865	-	-
Intangible Assets Accumulated Depreciation	-	-	15.825	3.956
Actuarial Difference	327.890	81.973	-	-
Total		60.025.286		38.923.792

<u>Deferred tax liabilities</u>				
Debt Securities Reesk. (-)	(291.350)	(72.837)	(153.928)	(38.482)
Tangible Assets Accumulated Depreciation	(2.616.104)	(654.026)	-	-
Intangible Assets Accumulated Depreciation	(62.178)	(15.545)	(108.301)	(27.075)
Adjustment to Inventory	(878.941)	(219.735)	-	-
Actuarial Difference	-	-	(802.212)	(200.553)
Effective Exchange Rate Difference	-	-	(3.679.402)	(919.851)
Total		(962.143)		(1.185.961)
Deferred tax assets / (liabilities), net		59.063.142		37.737.831

SENER BOYA KIMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS AS AT 31 March 2024
(Amounts expressed in TL unless otherwise indicated).

NOTE 26 – EARNINGS PER SHARE

Earnings per share are calculated by dividing the net income of the shareholders by the weighted average number of ordinary shares. The earnings per share of the Group as at 31 March 2024 and 31 March 2023 are as follows:

	1.04.2024	1.04.2023
	31.03.2025	31.03.2024
Net profit / (loss) for the period	(9.960.635)	(9.563.945)
Weighted average number of outstanding shares (1 TL per share)	82.625.423	82.625.423
Simple and split earnings per share (TL)	-0,12	-0,12

NOTE 27 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS

Capital management policies

The Group's capital risk management aims are establishing the optimum share capital structure to reduce capital and profit cost and providing the continuity of the Group's operations.

The Group aims at increasing its profits by ensuring the sustainability of its operating activities on the one hand, while using its equity capital balance at the most efficient manner, on the other. The capital structure of the Group is composed of equity capital items containing payables also including credits, cash and cash equivalents and issued capital respectively, profit reserves as well as retained earnings.

The most important determinant of the Group's financing needs that net working capital requirement is provided by group's capital and bank loans. The distribution of trade receivables and payment control of credit quality is important for risk management that is why the group monitors customer risks frequently.

The general strategy of the Group overall does not display any difference from the previous period. The table of the major risks that the Group is exposed to is provided as follows;

Financial risk factors

The Group's activities expose it to a variety of financial risks including market risk (consisting of currency risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Group's risk management program generally seeks to minimize the effects of uncertainty in financial market on financial performance of the Group. The Group uses derivative financial instruments for hedging risk factors. Risk management is implemented by subsidiaries according to the policies approved by the central Board of Directors.

SENER BOYA KIMYA TEKSTİL A.Ş. AND ITS SUBSIDIARIES
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NOTE 27 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS
(Cont'd)

Credit risk management

31.03.2025	Trade Receivables		Other Receivables		Banks
	Related Side	Other Side	Related Side	Other Side	
Maximum exposure to credit risk as of reporting date (A+B+C+D+E)	-	78.769.719	-	1.503.370	327.369
<i>The portion of the maximum risk secured by collateral, etc.</i>	-	-	-	-	-
A. Net book value of financial assets that are not overdue or impaired	-	78.769.719	-	1.503.370	327.369
B. whose terms have been renegotiated, otherwise overdue or the carrying amount of financial assets to be deemed impaired	-	-	-	-	-
C. Net book value of assets that are past due but not impaired	-	-	-	-	-
D. Net book values of impaired assets	-	-	-	-	-
Overdue (gross book value)	-	2.851.337	-	-	-
Impairment (-)	-	(2.851.337)	-	-	-
The portion of the net worth secured by collateral, etc.	-	-	-	-	-
Not due (gross book value)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The portion of the net worth secured by collateral, etc.	-	-	-	-	-
E. Elements involving off-balance sheet credit risk	-	-	-	-	-

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NOTE 27 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS
(Cont'd)

Credit risk management

31.03.2024	Trade Receivables		Other Receivables		Banks
	Related Side	Other Side	Related Side	Other Side	
Maximum exposure to credit risk as of reporting date (A+B+C+D+E)	-	89.429.420	-	48.710	12.202.755
The portion of the maximum risk secured by collateral, etc.	-	-	-	-	-
A. Net book value of financial assets that are not overdue or impaired	-	93.927.716	-	48.710	12.202.755
"B. whose terms have been renegotiated, otherwise overdue or the book value of financial assets to be deemed impaired"	-	-	-	-	-
C. Net book value of assets that are past due but not impaired	-	-	-	-	-
D. Net book values of impaired assets	-	-	-	-	-
Overdue (gross book value)	-	-	-	-	-
Impairment (-)	-	(4.498.297)	-	-	-
The portion of the net worth secured by collateral, etc.	-	-	-	-	-
Not due (gross book value)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The portion of the net worth secured by collateral, etc.	-	-	-	-	-
E. Elements involving off-balance sheet credit risk	-	-	-	-	-

Liquidity risk management

The group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

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NOTE 27 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS
(Cont'd)

Liquidity risk management (Cont'd)

The analysis of the Group's financial liabilities with respect to their maturities is as follows:

31.03.2025

31 March 2025					
Contractual maturities	Carring Value	Contractual cash flows ((=I+II+III))	Less than 3 months (I)	3 - 12 Months (II)	1 - 5 years (III)
Non-derivative					
Financial liabilities	(31.090.218)	(31.090.218)	(30.925.815)	(164.403)	-
Financial Debts	(164.403)	(164.403)	-	(164.403)	-
Trade payables	(30.161.874)	(30.161.874)	(30.161.874)	-	-
<i>Related parties</i>	-	-	-	-	-
<i>Third parties</i>	(30.161.874)	(30.161.874)	(30.161.874)	-	-
Other payables	(763.941)	(763.941)	(763.941)	-	-
<i>Related parties</i>	-	-	-	-	-
<i>Third parties</i>	(763.941)	(763.941)	(763.941)	-	-

31 March 2024

Contractual maturities	Carring Value	Contractual cash flows ((=I+II+III+IV))	Less than 3 months (I)	3-12 Months (II)	1-5 years (III)
Non-derivative					
Financial liabilities	(5.627.057)	(5.627.057)	(1.103.190)	(4.523.867)	-
Financial liabilities	(4.523.867)	(4.523.867)	-	(4.523.867)	-
Trade payables	(393.677)	(393.677)	(393.677)	-	-
<i>Related parties</i>	-	-	-	-	-
<i>Third parties</i>	(393.677)	(393.677)	(393.677)	-	-
Other payables	(709.513)	(709.513)	(709.513)	-	-
<i>Related parties</i>	-	-	-	-	-
<i>Third parties</i>	(709.513)	(709.513)	(709.513)	-	-

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NOTE 27 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS
(Cont'd)

Currency Risk

The financial instruments of the Group in foreign exchange are exposed to currency risk due to the changes in foreign exchange rates. The foreign currency position of the Group as at 31 March 2024 and 31 March 2023 are as follows:

31.03.2025

	TRL	USD	Euro
1. Trade Receivables	32.611.660	864.132	-
2a. Monetary Financial Assets (Including cash, bank accounts)	-	-	-
2b. Non-monetary financial assets	-	-	-
3. Other	-	-	-
4. Current Assets (1+2+3)	32.611.660	864.132	-
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets (Including cash, bank accounts)	-	-	-
6b. Non-monetary financial assets	-	-	-
7. Other	-	-	-
8. Non-Current Assets (5+6+7)	-	-	-
9. Total Assets (4+8)	32.611.660	864.132	-
10. Trade payables	30.213.805	797.400	-
11. Financial Liabilities	-	-	-
12a. Other monetary liabilities	-	-	-
12b. Other non-monetary liabilities	-	-	-
13. Short term liabilities (10+11+12)	30.213.805	797.400	-
14. Trade payables	-	-	-
15. Financial Liabilities	-	-	-
16a. Other monetary liabilities	-	-	-
16b. Other non-monetary liabilities	-	-	-
17. Long-term liabilities (14+15+16)	-	-	-
18. Total liabilities	30.213.805	797.400	-
19. Net asset / liability position of non-balance sheet derivative instruments (19a-19b)	-	-	-
19a. Total hedged asset	-	-	-
19b. Total hedged liability	-	-	-
20. Net foreign currency asset / liability position (9-18+19)	2.397.855	66.732	-
21. Monetary Items Net foreign currency asset / liability position (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	2.397.855	66.732	-
22. Total fair value of financial instruments used for foreign currency hedge	-	-	-
23. Export (*)	-	-	-
24. Imports (*)	-	-	-

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NOT 27 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS
(Cont'd)

31.03.2024			
	TRL	USD	Euro
1. Trade Receivables	124.095.054	3.548.163	-
2a. Monetary Financial Assets (Including cash, bank accounts)	3.398.957	97.184	-
2b. Non-monetary financial assets	-	-	-
3. Other	-	-	-
4. Current Assets (1+2+3)	127.494.011	3.645.347	-
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets (Including cash, bank accounts)	-	-	-
6b. Non-monetary financial assets	-	-	-
7. Other	-	-	-
8. Non-Current Assets (5+6+7)	-	-	-
9. Total Assets (4+8)	127.494.011	3.645.347	-
10. Trade payables	6.442.294	184.200	-
11. Financial Liabilities	-	-	-
12a. Other monetary liabilities	-	-	-
12b. Other non-monetary liabilities	-	-	-
13. Short term liabilities (10+11+12)	6.442.294	184.200	-
14. Trade payables	-	-	-
15. Financial Liabilities	-	-	-
16a. Other monetary liabilities	-	-	-
16b. Other non-monetary liabilities	-	-	-
17. Long-term liabilities (14+15+16)	-	-	-
18. Total liabilities	6.442.294	184.200	-
19. Net asset / liability position of non-balance sheet derivative instruments (19a-19b)	-	-	-
19a. Total hedged asset	-	-	-
19b. Total hedged liability	-	-	-
20. Net foreign currency asset / liability position (9-18+19)	121.051.717	3.461.147	-
21. Monetary Items Net foreign currency asset / liability position (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	121.051.717	3.461.147	-
22. Total fair value of financial instruments used for foreign currency hedge	-	-	-
23. Export (*)	-	-	-
24. Imports (*)	-	-	-

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NOT 27 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS
(Cont'd)

Sensitivity analysis:

FX Rate Senitivity Analysis				
	31.03.2025			
	Profit/Loss before tax		Capital	
	If foreign currency appreciates	If foreign currency depreciates	If foreign currency appreciates	If foreign currency depreciates
	If US Dolar TL changes 10%			
1-USD net asset/liability	251.842	-251.842	251.842	-251.842
2-USD hedged part (-)	-	-	-	-
3-USD net effect (1+2)	251.842	-251.842	251.842	251.842
	If EUR , TL changes 10%			
4-EURO net asset/liability	-	-	-	-
5-EURO hedged part (-)	-	-	-	-
6-EURO net effect (4+5)	-	-	-	-
	If GBP , TL changes 10%			
7-GBP net asset/liability	-	-	-	-
8-GBP hedged part (-)	-	-	-	-
9-GBP net effect (7+8)	-	-	-	-
TOTAL(3+6+9)	251.842	-251.842	251.842	-251.842

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NOT 27 - NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS
(Cont'd)

Sensitivity analysis:

FX Rate Senitivity Analysis				
	31.03.2024			
	Profit/Loss before tax		Capital	
	If foreign currency appreciates	If foreign currency depreciates	If foreign currency appreciates	If foreign currency depreciates
	If US Dolar TL changes 10%			
1-USD net asset/liability	2.566.164	(2.566.164)	2.566.164	(2.566.164)
2-USD hedged part (-)	-	-	-	-
3-USD net effect (1+2)	2.566.164	(2.566.164)	2.566.164	(2.566.164)
	If EUR , TL changes 10%			
4-EURO net asset/liability	-	-	-	-
5-EURO hedged part (-)	-	-	-	-
6-EURO net effect (4+5)	-	-	-	-
	If GBP , TL changes 10%			
7-GBP net asset/liability	-	-	-	-
8-GBP hedged part (-)	-	-	-	-
9-GBP net effect (7+8)	-	-	-	-
TOTAL(3+6+9)	2.566.164	(2.566.164)	2.566.164	(2.566.164)

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NOTE 28 - FINANCIAL INSTRUMENTS: DISCLOSURES (FAIR VALUE DISCLOSURES HEDGE ACCOUNTING DISCLOSURES (Cont'd)

The current value is the amount that a financial instrument can be handed over in a current transaction, other than a compulsory sale or liquidation, between voluntary parties, and is best determined with the realized market price, if any.

Estimations are used in the estimation of current value and interpretation of the market data. Accordingly, the estimations presented hereby may not be able to display the amounts that the Group can acquire from an actual market transaction.

The methods and assumptions provided below are used to estimate the current value of each one of the financial instruments in the events where it is possible to determine the current value.

Financial assets

The carried values of the cash and cash equivalent financial assets are thought to be close to their current values. The carried values of trade receivables after the deduction of doubtful receivables are thought to be close to their current values. The monetary items in foreign currency are converted using the exchange rates as at the end of the period. Off board financial assets are displayed over their costs.

Financial liabilities

The monetary items in foreign currency are converted using the exchange rates as at the end of the period. The trade payables and other monetary liabilities, as they are short term liabilities, are accepted to have current values close to their carried values. On the other hand, the carried values of the short term credits, due to their short term, are assumed to reflect the current value.

Capital Risk Management

The group aims to increase its profitability in capital management, while trying to ensure the continuity of its activities on the one hand, and using the debt and equity balance efficiently. The group monitors the capital by using the debt / total capital ratio. This rate is found by dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (includes short-term and long-term financial debts as shown in the balance sheet). Total capital is calculated by adding equity and net debt as shown in the balance sheet.

The reconciliation of opening and closing balance of financial assets and liabilities is as follows:

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**NOTE 28 - FINANCIAL INSTRUMENTS: DISCLOSURES (FAIR VALUE DISCLOSURES
HEDGE ACCOUNTING DISCLOSURES (Cont'd)**

Financial assets	31.03.2025	31.03.2024
Cash and cash equivalents	8.585.939	12.207.484
Commercial debts	78.769.719	93.927.716
Financial liabilities		
Trade payables	(30.161.874)	(8.606.671)
Other Payables	(763.941)	(709.513)
	31.03.2025	31.03.2024
Total liabilities	(36.248.651)	(20.854.027)
(Minus) Cash and cash equivalents	(8.585.939)	(12.207.484)
Net debt	(44.834.590)	(33.061.511)
Total equity	(168.714.378)	(177.954.139)
Total capital	-213.548.969	-211.015.650
Net Debt/Total Capital ratio	20,99%	15,67%

NOTE 29 - SUBSEQUENT EVENTS

None (31.03.2024: None)

NOTE 30- AUDIT FEES

The explanation regarding the fees for the services provided by the independent auditing firms, prepared by the group based on the POA's decision of the Board published in the official gazette on 30 March 2021, and the basis for the preparation of the POA letter dated 19 August, 2021 is given below. The independent audit fee for the reporting period is 3.250 USD (31. March. 2024: 2.800 USD). There is no service other than the audit from an independent audit firm.

**NOTE 31 - OTHER MATTERS THAT HAVE IMPORTANT EFFECTS OF FINANCIAL
STATEMENTS OR REQUIRED FOR THE FINANCIAL STATEMENTS TO BE OPEN,
INTERPRETABLE AND UNDERSTANDABLE.**

None (31.03.2024: None)