DESPEC BİLGİSAYAR PAZARLAMA VE TİCARET ANONİM ŞİRKETİ

FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2024
TOGETHER WITH THE INDEPENDENT AUDITORS' REPORT

(CONVENIENCE TRANSLATION INTO ENGLISH OF THE
INDEPENDENT AUDITORS' REPORT AND
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

CONVENIENCE TRANSLATION INTO ENGLISH OF THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DESPEC BİLGİSAYAR PAZARLAMA VE TİCARET ANONİM ŞİRKETİ

FINANCIAL STATEMENTS AS AT AND FOR THE YEAR 1 JANUARY- 31 DECEMBER 2024

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

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Despec Bilgisayar Pazarlama ve Ticaret Anonim Şirketi

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Despec Bilgisayar Pazarlama ve Ticaret Anonim Şirketi (the "Company" or "Despec"), which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements in Türkiye, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Trade Receivables	
Key audit matter	**How our audit addressed the key audit matter**
Financial statements as of and for the year ended 31 December 2024 include trade receivables amounting to TL 2.212.969.921 which constitutes 82% of Despec's total assets. An impairment provision for doubtful trade receivables of Despec amounting to TL 3.697.971 is allocated in the financial statements. The Company uses accounting estimates and policies for recoverability of trade receivables and determination of the provisions. Trade receivables and its recoverability are material to Despec's financial statements. Therefore, trade receivables and its recoverability are considered as a key audit matter. Please refer to Note 10 and Note 39-e to the financial statements for the accounting policy, related balances, standing guarantees and the relevant disclosures regarding trade receivables.	We performed the following procedures in relation to the testing of trade receivables and provision for doubtful trade receivables considering the guarantees for trade receivables for unrecoverable amounts: We have evaluated sales realised through dealers and our audit procedures are based on verifying customer balances and testing whether appropriate provisions have been allocated for uncollectible receivables in the accompanying financial statements. We have evaluated and tested 3rd party reconciliations for the balances of the trade receivables. The credit risk policy of the Company is based on the analysis of the customer's balances including guarantees and collaterals received and aging reports. In this context, we have evaluated provision amounts recognized in the financial statements including aging results, economic assumptions, past collection performances, lawsuits and execution proceedings, the guarantees obtained for trade receivables and subsequent measurement of trade receivable collections. Collections after the balance sheet date have been evaluated, if necessary. We have evaluated for the balances of the trade receivables and we have calculated exchange rate valuation of trade receivables, rediscount on trade receivables (deferred interest income etc.) and other valuations included in the financial statements. Testing the disclosures in the financial statements in relation to the trade receivables and recoverability of trade receivables and evaluating the adequacy of such disclosures for TFRS' requirements. We had no material findings related to the net book value and recoverability of trade receivables as a result of these procedures.

Inventories and Provision for Inventory Impairment	
Key audit matter	**How our audit addressed the key audit matter**
Financial statements as of and for the year ended 31 December 2024 include inventories amounting to TL 367.455.910 and which constitutes 14% of the Despec's total assets. An impairment provision for inventories of Despec amounting to TL 8.373.134 is allocated in the financial statements. Products in the Company's inventory are subject to the risk of being impaired due to the rapid technological development and changes in the market. The Company management uses certain accounting estimates and policies to determine the provision to reduce obsolescent inventories and slow-moving inventory items to net realizable value. Existence of inventories and net realizable amount has been considered as a key audit matter due to the importance of inventory account. Please refer to Note 2.05.02 and Note 13 to the financial statements for the accounting policy and related balances and the relevant disclosures regarding inventories.	We performed the following procedures in relation to the inventories and net realizable value of inventories: In this context, we have participated year-end inventory count to confirm the inventories. In addition, we have audited documents related to purchase of inventories during the year. Provision for inventory impairment recognized for the purpose of lower cost of inventories to their net realizable value. We have tested Company's policy regarding inventory impairment by turnover ratio. We have evaluated the whether provisions allocated in the accompanying financial statements regarding net realisable value in accordance with the changes in gross sales profit generally or on the product basis. The inventory valuation method of the Company has been confirmed with controlling sample inventory cards.

Revenue	
Key audit matter	**How our audit addressed the key audit matter**
In accordance with the Company's revenue policy, revenue shall recognized when the Company has transferred the significant risks and rewards of ownership to the buyer, the amounts received or going to be received are accounted for at their fair value on an accrual basis in the financial statements. The Company recognizes the revenue when the Company transfers control of products over a period of time. Recognition and determination of revenue in correct period considered as a key audit matter for the audit of the financial statements.	According to the nature of the Company's operation, there is risk that goods have been invoiced and have not been delivered. We performed the following procedures in relation to the testing of sales and cost of sales recognized regarding aforementioned products according to matching principle that both transactions are realized in same period. We have focused on sales that invoiced but unearned by analyzing the Company's procedures on sales and delivery terms.

	We have evaluated the Company's delivery notes, other delivery amounts and sale invoices by comparing them with each other on sampling method to evaluate sales and cost of sales recognized in the correct period. We have tested that the turnover premium income obtained from the suppliers and turnover premium expenses netted from the turnover premium income are recognized in the correct period. We have evaluated whether there is a high number of returns incurred after the balance sheet date. In addition, we have evaluated the adequacy of disclosures included in "Revenue" in Note 2.05.01 and Note 28 within framework of TFRS 15. We had no material findings related to the revenue recognition as a result of these procedures.

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

The Company management is responsible for the preparation and fair presentation of the financial statements in accordance with TAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with ISAs is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an independent audit conducted in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1) In accordance with subparagraph 4 of Article 398 of the Turkish Commercial Code ("TCC") No. 6102, the auditor's report on the early risk identification system and committee was submitted to the Company's Board of Directors on 3 March 2025.

2) No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of the Turkish Commercial Code ("TCC") and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2024 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.

3) In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

The engagement partner who supervised and concluded this independent auditor's report is Erdoğan BAŞARSLAN.

GÜRELİ YEMİNLİ MALİ MÜŞAVİRLİK VE BAĞIMSIZ DENETİM HİZMETLERİ A.Ş.
An Independent Member of BAKER TILLY INTERNATIONAL

İstanbul, 3 March 2025

Erdoğan BAŞARSLAN
Partner

CONVENIENCE TRANSLATION INTO ENGLISH OF THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DESPEC BİLGİSAYAR PAZARLAMA VE TİCARET ANONİM ŞİRKETİ

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024 AND 2023
(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Audited current period 31 December 2024	Audited prior period 31 December 2023
ASSETS			
Current Assets		**2.681.445.100**	**1.811.338.175**
Cash and Cash Equivalents	6	9.340.534	13.551.006
Financial Investments	7	-	-
Trade Receivables	10	2.212.969.921	1.432.230.270
Related Parties	*10-38*	*62.789.977*	-
Third Parties	*10*	*2.150.179.944*	*1.432.230.270*
Other Receivables	11	2.841.237	657.870
Related Parties	*11-38*	*148.934*	*169.790*
Third Parties	*11*	*2.692.303*	*488.080*
Derivative Instruments	12	-	-
Inventories	13	367.455.910	331.423.740
Prepaid Expenses	15	29.290.189	29.058.901
Current Income Tax Assets	25	-	-
Other Current Assets	26	59.547.309	4.416.388
Total		**2.681.445.100**	**1.811.338.175**
Non-Current Assets		**30.279.648**	**45.530.522**
Financial Investments	7	-	-
Investments Accounted for Using the Equity Method	16	-	-
Investment Properties	17	3.362.500	3.555.759
Property, Plant and Equipment	18	4.151.486	647.702
Right of Use Assets	18	5.421.160	2.885.399
Intangible Assets	19	2.910.944	3.680.170
Other Intangible Assets	*19*	*2.910.944*	3.680.170
Deferred Tax Assets	36	14.433.558	34.761.492
TOTAL ASSETS		**2.711.724.748**	**1.856.868.697**

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

CONVENIENCE TRANSLATION INTO ENGLISH OF THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DESPEC BİLGİSAYAR PAZARLAMA VE TİCARET ANONİM ŞİRKETİ

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024 AND 2023
(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Audited current period 31 December 2024	Audited prior period 31 December 2023
LIABILITIES			
Current Liabilities		**2.363.588.631**	**1.526.898.438**
Short-Term Borrowings	8	1.091.248	1.271.062
Trade Payables	10	2.111.239.181	1.431.063.217
Related Parties	*10-38*	*217.185.981*	*28.946.204*
Third Parties	*10*	*1.894.053.200*	*1.402.117.013*
Employee Benefits	20	692.769	1.188.593
Other Payables	11	164.836.973	55.876.046
Related Parties	*11-38*	*148.495.954*	*51.222.685*
Third Parties	*11*	*16.341.019*	*4.653.361*
Derivative Instruments	12	-	-
Deferred Income	15	25.101.151	7.057.453
Current Income Tax Liabilities	36	-	9.935.008
Short-Term Provisions	22	60.627.309	20.507.059
Short-Term Provisions for Employee Benefits		-	-
Other Short-Term Provisions	*22*	*60.627.309*	*20.507.059*
Total		**2.363.588.631**	**1.526.898.438**
Non-Current Liabilities		**6.374.047**	**3.005.382**
Long-Term Borrowings	8	3.553.867	677.930
Long-Term Provisions	24	2.820.180	2.327.452
Long-Term Provisions for Employee Benefits	*24*	*2.820.180*	*2.327.452*
Deferred Tax Liabilities	36	-	-
EQUITY		**341.762.070**	**326.964.877**
Equity Holders of the Parent	**27**	**341.762.070**	**326.964.877**
Paid-in Share Capital		23.000.000	23.000.000
Adjustment to Share Capital		385.356.424	385.356.424
Treasury Shares (-)		-	-
Share Premium		42.993.625	42.993.625
Other Comprehensive Income or Expenses not to be Reclassified to Profit or Loss		(1.897.213)	(1.494.513)
Gains/(losses) on remeasurements of defined benefit plans		*(1.897.213)*	*(1.494.513)*
Other Comprehensive Income or Expenses to be Reclassified to Profit or Loss		-	-
Currency translation differences		-	-
Gains/(losses) on hedges		-	-
Restricted Reserves		115.309.000	115.309.000
Legal reserves		*115.309.000*	*115.309.000*
Retained Earnings		(238.199.659)	(123.469.271)
Profit for the Period		15.199.893	(114.730.388)
Non-Controlling Interests	27	-	-
TOTAL LIABILITIES AND EQUITY		**2.711.724.748**	**1.856.868.697**

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

CONVENIENCE TRANSLATION INTO ENGLISH OF THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DESPEC BİLGİSAYAR PAZARLAMA VE TİCARET ANONİM ŞİRKETİ

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023
(Amounts on tables expressed in Turkish Lira (“TL”) unless otherwise indicated.)

	Notes	Audited current period 01.01.2024-31.12.2024	Audited prior period 01.01.2023-31.12.2023
CONTINUING OPERATIONS			
Revenue	28	7.328.317.134	5.847.130.740
Cost of Sales (-)	28	(6.918.842.409)	(5.587.705.573)
GROSS PROFIT		**409.474.725**	**259.425.167**
General Administrative Expenses (-)	29	(62.519.402)	(56.101.179)
Marketing, Sales and Distribution Expenses (-)	29	(63.762.294)	(59.044.465)
Other Operating Income	31	668.957.501	719.758.852
Other Operating Expenses (-)	31	(476.894.359)	(678.022.124)
OPERATING PROFIT FROM CONTINUING OPERATIONS		**475.256.171**	**186.016.251**
Gains from Investment Activities	32	-	218.056
Losses from Investment Activities (-)	32	(193.260)	-
OPERATING PROFIT BEFORE FINANCIAL INCOME/(EXPENSE)		**475.062.911**	**186.234.307**
Financial Income	33	82.343.968	88.142.953
Financial Expenses (-)	33	(506.812.109)	(300.066.554)
Net Monetary Position Gains/(Losses)	34	(10.217.877)	(73.018.165)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		**40.376.893**	**(98.707.459)**
Tax income/(expense)		**(25.177.000)**	**(16.022.929)**
- Current period tax expense	36	(15.399.768)	(38.640.179)
- Deferred income tax	36	(9.777.232)	22.617.250
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		**15.199.893**	**(114.730.388)**
PROFIT/(LOSS) FOR THE PERIOD		**15.199.893**	**(114.730.388)**
Attributable to		**15.199.893**	**(114.730.388)**
Non-Controlling Interests	27	-	-
Equity Holders of the Parent	27	15.199.893	(114.730.388)
Earnings Per Share	37	**0,660865**	**(4,988278)**
OTHER COMPREHENSIVE INCOME			
Items not to be reclassified to profit or loss		**(402.700)**	**230.364**
Gains/(losses) on remeasurements of defined benefit plans		(536.934)	307.152
Taxes relating to other comprehensive income not to be reclassified to profit or loss		**134.234**	**(76.788)**
- Deferred income tax		134.234	**(76.788)**
Items to be reclassified to profit or loss		-	-
Gains/(losses) on cash flow hedges	27	-	-
OTHER COMPREHENSIVE INCOME/(LOSS)		**(402.700)**	**230.364**
TOTAL COMPREHENSIVE INCOME/(LOSS)		**14.797.193**	**(114.500.024)**
Attributable to		**14.797.193**	**(114.500.024)**
Non-Controlling Interests		-	**-**
Equity Holders of the Parent		14.797.193	(114.500.024)

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

CONVENIENCE TRANSLATION INTO ENGLISH OF THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DESPEC BİLGİSAYAR PAZARLAMA VE TİCARET ANONİM ŞİRKETİ

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

					Items not to be reclassified to profit or loss		Items to be reclassified to profit or loss			Retained Earnings			
Audited Current Period	Notes	Paid-in share capital	Adjustment to Share Capital	Share Premium	Gains and losses on revaluation and remeasurement	Other Gains/(Losses)	Currency Translation Differences	Gains/(losses) on hedges	Other Gains/(Losses)	Restricted Reserves	Prior Years' Income	Profit for the Period	Total Equity
Balances at 1 January 2024 (Beginning of the period)	**Note 27**	**23.000.000**	**385.356.424**	**42.993.625**	**(1.494.513)**	**-**	**-**	**-**	**-**	**115.309.000**	**(123.469.271)**	**(114.730.388)**	**326.964.877**
Transfers		-	-	-	-	-	-	-	-	-	(114.730.388)	114.730.388	-
Total Comprehensive Income		**-**	**-**	**-**	**(402.700)**	**-**	**-**	**-**	**-**	**-**	**-**	**15.199.893**	**14.797.193**
Profit for the period		-	-	-	-	-	-	-	-	-	-	15.199.893	15.199.893
Other comprehensive income		-	-	-	(402.700)	-	-	-	-	-	-	-	(402.700)
Dividends paid		-		-	-	-	-	-	-	-	-	-	-
Balances at 31 December 2024 (End of the period)	**Note 27**	**23.000.000**	**385.356.424**	**42.993.625**	**(1.897.213)**	**-**	**-**	**-**	**-**	**115.309.000**	**(238.199.659)**	**15.199.893**	**341.762.070**
Audited Prior Period													
Balances at 1 January 2023 (Beginning of the period)	**Note 27**	**23.000.000**	**385.356.424**	**42.993.625**	**(1.724.877)**	**-**	**-**	**-**	**-**	**115.309.000**	**(1.970.078)**	**(121.499.193)**	**441.464.901**
Transfers			-	-	-	-	-	-	-	-	(121.499.193)	121.499.193	-
Total Comprehensive Income		**-**	**-**	**-**	**230.364**	**-**	**-**	**-**	**-**	**-**	**-**	**(114.730.388)**	**(114.500.024)**
Profit for the period		-	-	-	-	-	-	-	-	-	-	(114.730.388)	(114.730.388)
Other comprehensive income		-	-	-	230.364	-	-	-	-	-	-	-	230.364
Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-
Balances at 31 December 2023 (End of the period)	**Note 27**	**23.000.000**	**385.356.424**	**42.993.625**	**(1.494.513)**	**-**	**-**	**-**	**-**	**115.309.000**	**(123.469.271)**	**(114.730.388)**	**326.964.877**

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

CONVENIENCE TRANSLATION INTO ENGLISH OF THE FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DESPEC BİLGİSAYAR PAZARLAMA VE TİCARET ANONİM ŞİRKETİ

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023
(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Audited current period 01.01.2024-31.12.2024	Audited prior period 01.01.2023-31.12.2023
A) CASH FLOWS FROM OPERATING ACTIVITIES		**191.299.128**	**187.063.250**
Profit for the Period		**15.199.893**	**(114.730.388)**
Adjustments to reconcile profit for the period to cash generated from operating activities		**330.504.625**	**306.108.858**
Depreciation and amortisation	**17-18-19**	3.276.451	5.782.088
Adjustments for impairment loss/(reversal of impairment loss)		**(6.974.235)**	**4.465.869**
Adjustments for receivables impairment (reversal)	**10**	406.206	1.088.365
Adjustments for inventory impairment (reversal)	**13**	(7.380.441)	3.377.504
Adjustments for impairment on property, plant and equipment (reversal)	**17-18-19**	-	-
Adjustments for provisions		**41.930.269**	**5.833.843**
Adjustments for provisions for employee benefits (reversal)	**24**	1.810.019	2.422.114
Adjustments for provisions for lawsuits and penalties	**22**	(65.247)	14.838
Adjustments for other provisions (reversal)	**22**	40.185.497	3.396.891
Adjustments for interest income/expense		**208.977.597**	**116.609.455**
Adjustments for interest income	**31-33**	(622.107.451)	(382.487.027)
Adjustments for interest expenses	**31-33**	804.702.819	477.905.243
Deferred Financial Expense from Term Purchases	**10**	(23.055.485)	(29.740.984)
Unrealised Financial Income from Term Sales	**10**	49.437.714	50.932.223
Adjustments for fair value gains/(losses)		**193.260**	**(218.056)**
Investment properties		193.260	(218.056)
Adjustments for tax income/expense	**36**	**25.177.000**	**16.022.929**
Adjustments for inflation on operating activities		**57.924.283**	**157.612.730**
Other adjustments to reconcile profit for the period	**26**	**-**	**-**
Changes in Working Capital		**(130.985.606)**	**29.671.832**
Adjustments for Gains/(Losses) on Trade Receivables	**10**	(1.270.820.358)	(1.088.525.155)
Adjustments for Gains/(Losses) on Other Receivables Related to Operations	**11**	(2.385.582)	(327.569)
Changes in inventories	**13**	(130.524.260)	(175.649.789)
Changes in prepaid expenses	**15**	(9.163.369)	29.279.154
Adjustments for Gains/(Losses) on Trade Payables	**10**	1.143.109.507	1.351.347.918
Adjustments for gains (losses) on payables due to employee benefits	**24**	1.188.593	668.844
Adjustments for Gains/(Losses) on Other Payables Related to Operations	**11**	126.136.022	(93.904.727)
Changes in deferred income	**15**	7.057.453	1.194.928
Adjustments for gains/(losses) on other changes in working capital	**26**	4.416.388	5.588.228
Cash flows from Operating Activities		**214.718.912**	**221.050.302**
Adjustments for gains/(losses) on payables due to employee benefits	**24**	(1.138.816)	(3.285.744)
Income Taxes Refund/Paid	**36**	(22.280.968)	(30.701.308)
Other Cash Inflows/(Outflows)		-	-
B) CASH FLOWS FROM INVESTING ACTIVITIES		**(4.523.686)**	**(1.681.423)**
Cash inflows from sale of property, plant and equipment and intangible assets		**-**	**-**
Cash inflows from sale of property, plant and equipment	**18-19**	-	-
Cash inflows from sale of intangible assets		-	-
Cash outflows from purchase of property, plant and equipment and intangible assets		**(4.523.686)**	**(1.681.423)**
Cash outflows from purchase of property, plant and equipment	**18-19**	(4.471.036)	(180.446)
Cash outflows from purchase of intangible assets	**19**	(52.650)	(1.500.977)
Cash outflows from purchase of investment properties		-	-
C) CASH FLOWS FROM FINANCING ACTIVITES		**(186.818.299)**	**(181.017.543)**
Cash inflows from borrowings	**8**	**221.277.705**	**3.337.609**
Cash inflows from loans	**8**	221.277.705	3.337.609
Cash outflows from repayments of borrowings	**8**	**(222.627.619)**	**(81.902.286)**
Cash outflows from loan repayments	**8**	(222.627.619)	(81.902.286)
Cash outflows from payments of lease liabilities	**8**	(2.875.344)	(2.786.809)
Interest paid	**31-33**	(182.593.041)	(99.666.057)
INFLATION ON CASH AND CASH EQUIVALENTS		(4.165.288)	(5.947.072)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		**(4.208.145)**	**(1.582.788)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(4.208.145)**	**(1.582.788)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERİOD	**6**	13.545.690	15.128.478
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**6**	9.337.545	13.545.690

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

NOTE 1 – COMPANY'S ORGANISATION AND NATURE OF OPERATIONS

Despec Bilgisayar Pazarlama ve Ticaret Anonim Şirketi ("Despec", or the "Company") was established on 4 January 1995. Despec's business activities include distribution services of all kinds of Information Technology ("IT") consumables (toner, cartridge, ribbon, backup products, side components, accessories, paper products, mobile phone and other) to computer companies and office supply stores countrywide in Türkiye through its well-organized distribution network. The Company, which was established on 4 January 1995, has been changed its title to "İndeks Teknolojik Ürünler Dağıtım Anonim Şirketi" on 2 August 1995 and "Despec Bilgisayar Pazarlama ve Ticaret Anonim Şirketi" on 9 October 1998. The nature of business activities of the Company has been started towards the end of 1998. Despec Bilgisayar Pazarlama ve Ticaret Anonim Şirketi carries out sales and distribution of the products in its portfolio through sales teams employed in its branches in İstanbul ("Head Office"), Ankara and Gebze and using the warehouses in these cities.

As of 31 December 2024 and 2023, the principal shareholders and their respective shareholding rates in Despec are as follows:

	31 December 2024		31 December 2023	
Shareholders	**Share (%)**	**Amount**	**Share (%)**	**Amount**
Datagate Bilgisayar Mal.Tic. A.Ş.	49.13%	11.300.994	49.13%	11.300.994
Other	50.87%	11.699.006	50.87%	11.699.006
Total share capital	**100%**	**23.000.000**	**100%**	**23.000.000**

Despec's sales mainly consists of Realme, HP and Canon products.

Other products distributed by the Company are the brands including Steelseries, Epson, Xerox, IBM, Lexmark, Trust, Samsung, Belkin, Jabra, Dexim, Sbs, Sony, Philips, Hikvision, Hiksemi, Hilook and Targus. The purchases of the Company at 90%-95% are provided from the top ten IT consumable vendors.

The head office activities of the Company are carried out in Ayazağa/Sarıyer/Istanbul and the Company has branches in Ankara and Gebze.

The breakdown of sectoral risks of the Company is as follows:

a- Receivable collection risk: Capital structure of dealer channel, which is determined as classical dealer in distribution network is low. Not only the ownership of these retailers (around 3,000) is handed over frequently, but also their closing and opening of these dealers are significantly high.

b- Sectoral competition risk: Manufacturing companies in operating sector are in intense competition in brand and product bases worldwide. The effects of competitive medium created by these companies also affect the prices in national markets. This creates significant risks to the entities which do not have strong financial structures.

c- Foreign exchange risk: IT products and consumables are either imported or purchased domestically using denominated in foreign currencies or in TL. During the acquisition of these products, the Company has foreign currency denominated payables and makes its payments in same currency. The Company which does not adopt their sales policies using foreign currencies in which they purchase the products may have foreign exchange losses if changes of the exchange rates of different foreign currencies in net foreign currency position.

d- The distribution agreements made with producers are not exclusive: There is no mutual exclusivity in distributorship agreements made with producer companies. In distributorship agreements according to market conditions producers can assign other distributorships, whereas in the meantime distributors can also sign distributorship agreements with other producers.

The Company management estimates that operating in the sector for many years and maintaining a high level of know-how reduces the risk of agreement cancellation of distributorship.

e- Amendments on import legislation: The amendments made by the government in certain periods regarding import regulations and laws may affect the import of the Company both in positive and negative manner.

The registered addresses of Despec and its branches is as follows:

Head Office: Ayazağa Mahallesi Mimar Sinan Sokak No:21 Seba Office Boulevard D Blok Kat: 1 Bölüm No:9 Sarıyer, 34485 İstanbul. In addition, the Company has branches in Ankara and Gebze.

Branches:

Ankara Branch: Çetin Emeç Bulvarı Öveçler 4.Cadde No:4/9 Dikmen/ANKARA

Gebze Branch: Cumhuriyet Mahallesi Yahya Kaptan Caddesi No:10 A/2 Çayırova / KOCAELİ

Total end of period and average number of personnel employed by Despec is 37 (2023: 34). The personnel of the Company include administrative personnel.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.01 Basis of Presentation

Despec Bilgisayar Pazarlama ve Ticaret Anonim Şirketi maintains their books of account and prepares their statutory financial statements in Turkish Lira in accordance with the Turkish Commercial Code ("TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The accompanying financial statements have been prepared in accordance with the provisions of Capital Markets Board ("CMB") which have been put into force by Turkish Accounting Standards and interpretations related to these additional ("TAS") are considered.

The accompanying financial statements are prepared in accordance with the Capital Market Board's Communiqué "Principles of Financial Reporting in Capital Markets" ("Communiqué") which was published in the Official Gazette on 13 June 2013 and numbered 28676 Series: II, 14.1 and that communiqué was repealed.

The Company is applied in accordance with Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS") and its addendum and interpretations issued by Public Oversight Accounting. In accordance with CMB's code article numbered 14, decisions are realised as determining the implementation by committee for financial reporting principle, procedures and principles, providing apparentness and comprehensible or providing secure uniformity of implementation. Entities are required to comply with this decision.

The accompanying financial statements have been prepared in accordance with the Communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on 13 June 2013 and are based on the Turkish Accounting Standards and related interpretations ("TAS") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") in accordance with Article 5 of the Communiqué. The accompanying financial statements are presented in accordance with the formats specified in the "Announcement on TAS Taxonomy" published by POA on 3 July 2024 and the Financial Statement Examples and User Guide published by CMB.

These financial statements as at and for the year ended 31 December 2024 have been approved for issue by the Board of Directors ("BOD") on 3 March 2025. These financial statements will be finalised following their approval in the General Assembly.

2.02 Adjustments of Financial Statements in Hyperinflationary Periods

In accordance with the CMB's decision on 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying provisions of TAS 29 to their annual financial statements for the accounting periods ending on 31 December 2023.

In accordance with the "Announcement on the application of TAS 29 Financial Reporting in Hyperinflationary Economies and BOBİ FRS Section 25 Financial Reporting in Hyperinflationary Economies" on 23 November 2023, the POA announced that the financial statements of entities applying TFRS for the reporting periods ending on or after 31 December 2023 should be presented in accordance with the related accounting principles in "TAS 29 Financial Reporting in Hyperinflationary Economies". Consequently, the financial statements of entities whose functional currency is TL are adjusted for changes in the general purchasing power of the Turkish Lira at the reporting date in accordance with TAS 29. The restatement is calculated using the adjustment factors derived from the consumer price index published by the Turkish Statistical Institute ("TURKSTAT"). The indices and adjustment factors used in the restatement of the financial statements for the last three years are as follows:

Date	Index	Adjustment coefficient
31 December 2024	2.684,55	1
31 December 2023	1.859,38	1.44379
31 December 2022	1.128,45	2.37897

In accordance with the relevant standard, the financial statements prepared in the currency of a hyperinflationary economy are stated in terms of the purchasing power of the currency at the balance sheet date. For comparative purposes, comparative information in prior period financial statements is expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Company has also presented its financial statements as at and for the year ended 31 December 2023 on the basis of the purchasing power on 31 December 2024.

The effect of inflation on the Company's net monetary losses and gains in the current period is recognized in the net monetary position gains/(losses) in the statement of profit or loss (Note 34).

2.03 Changes in Accounting Policies

Whether there are changes and errors in accounting policies and accounting estimates, the amended significant changes and the identified significant accounting errors are implemented retrospectively and the prior periods Company's financial statements are adjusted. Whether the changes are amended in accounting policies effect the previous periods, aforementioned policy is implemented retrospectively to the financial statements as it had been used in.

The Company realised changes in accounting policy regarding its investment properties carried at cost. Accordingly, the Company recognised its investment properties at fair value during the reporting period. Due to the change in accounting policy, the prior period financial statements are adjusted.

The Company has no changes in accounting policies except for the aforementioned disclosures.

2.04 Changes in Accounting Estimates and Errors

Accounting estimates are based on reliable information and reasonable estimation methods. However, estimates are revised as a result of changes in circumstances, estimating new information or additional developments. If changes in accounting forecasts are related to only one period, amendments are made in the current period. If amendments are related to the forthcoming periods, changes are applied in both current period and forthcoming periods.

The nature and amount of a change in the accounting estimate, which has a material influence on the outcome of the current period or is expected to have a material influence on subsequent periods, is disclosed in the notes to the financial statements, except when the estimation of the effect on the future periods is not possible.

The Company management uses the actuarial assumptions used in the calculation of useful lives of property, plant and equipment and intangible assets, the actuarial assumptions used in the calculation of employment termination benefits, the provisions to be allocated for the lawsuits and execution proceedings in favor of or against the Company, and the determination of the inventory impairment. Explanations on the estimates used are included in the related notes and changes in the accounting estimates is as follows.

TAS 21 "The Effects of Changes in Foreign Exchange Rates" outlines how to account for foreign currency transactions and operations in financial statements, and also how to translate financial statements into a presentation currency. The Company management determines the presentation currency that most affects the sales of goods and services, the currency in which the labor expenses are realized, the currency of the cash generated from the financing activities, and taking into account the expected future changes in these factors. The Company management reviews the accounting estimates regarding the functional currency and the policies applied in each balance sheet date.

In accordance with the amendment on TAS 19, actuarial gains/losses on employment termination benefits are accounted for profit or loss in the prior period, are accounted for other comprehensive income in the current period.

Significant Accounting Estimates and Assumptions

The preparation of the financial statements in accordance with TFRS requires management to make estimates and assumptions that are reflected in the measurement of income and expense in the statement of profit or loss and in the carrying value of assets and liabilities in the statement of financial position, and in the disclosure of information in the notes to the financial statements. Managements do exercise judgment and make use of information available at the date of the preparation of the financial statements in making these estimates. The actual future results from operations in respect of the areas where these judgments and estimates have been made may in reality be different than those estimates.

The key assumptions concerning the future and other key resources of estimation at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and the significant judgments (apart from those involving estimations) with the most significant effect on amounts recognized in the financial statements are as follows:

- Provision for employment termination benefits is determined by using actuarial assumptions (discount rates, future salary increases and employee exit rates) **(Note 24)**.
- The Company depreciates its property, plant and equipment and intangible assets on a straight-line basis over their useful lives. Expected useful life residual value and amortization method are reviewed every year for possible effects of changes in estimates and are accounted for prospectively if there is a change in estimates. The Company has no changes in estimates during the period **(Note 18-19)**.
- On the provision for lawsuits, the probability of losing these cases regarding collecting the receivables and the consequences to be faced if these cases are lost evaluated in accordance with the opinions of the Company's legal counsel as of 31 December 2024 and 2023. The Company obtains letters of guarantee from companies it deems necessary and risky in order to prevent doubtful trade receivables **(Note 10)**.
- Inventories are valued at the lower of cost or net realisable value. For determination of inventory impairment, the technological obsolescence of the products in the Company's inventories are also taken into consideration **(Note 13)**.
- The Company obtains premiums at pre-determined rates from sales or purchases from the companies that have distributorship agreement. Accrued premiums are recognized as income on the basis of progress payment **(Note 26)**.

2.05 Summary of Significant Accounting Policies

Accounting policies used in the preparation of the financial statements are summarised below:

2.05.01 Revenue Recognition

Revenue is recognized when the amount of income can be measured reliably and it is probable that there will be an inflow of economic benefits concerning the transactions to the Company or it is accrued over the fair value of the receivable amount. Revenue is accounted for in the financial statements in accordance with TFRS 15 within the scope of the five-step model below.

- Identification of customer contracts,
- Identification of performance obligations,
- Determination of the transaction price in the contracts,
- Allocation of transaction price to the performance obligations,
- Recognition of revenue when the performance obligations are satisfied.

Despec's sales mainly consists of Realme, HP and Canon products.

Other products distributed by the Company are the brands including Steelseries, Epson, Xerox, IBM, Lexmark, Trust, Samsung, Belkin, Jabra, Dexim, Sbs, Sony, Philips, Hikvision, Hiksemi, Hilook and Targus. The purchases of the Company at 90%-95% are provided from the top ten IT consumable vendors.

The majority of the Company's purchases are made directly from the manufacturers. According to the market conditions, the price differences that may occur in the prices are met by the manufacturer firms. Apart from this, the damage costs related to the products containing the production error are paid to the Company by the manufacturer. In addition, in the public and private sectors, special prices are received from the manufacturers and the companies operating in these sectors are priced with the most favorable conditions. Depending on the dynamic and changing nature of the IT sector, new products and technologies are directly supported by the direct manufacturers.

The Company has been importing and marketing the products from its IT manufacturers which has the distributorship. The sales of the Company have been made through distribution channels of 3,000 dealers and these products are not sold to end users. The sales of the Company at 50%-65% are made through top ten dealers.

In the event that the pending products are sold below the purchase price in case of demand by the marketing strategies of the manufacturers, payment is made by the manufacturer companies under the name of inventory protection. These payments are deducted from the inventory cost. On the other hand, turnover premiums received based on sales are recognized as revenue by adding to the sales amount.

2.05.02 Inventories

Inventories are valued at the lower of cost or net realisable value. The inventories of the Company include toner, cartridge, ribbon, backup products, side components, accessories, paper products and IT and computer consumables.

The cost of inventories is calculated by FIFO method. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

In addition, the Company allocates provision of a net realizable value for the merchandise impaired after the balance sheet date **(Note 13)**.

2.05.03 Property, plant and equipment and related depreciation

Depreciation is provided for property, plant and equipment on a straight-line basis over their estimated useful lives. The depreciation periods for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

	Economic Useful Lives (years)
- Furniture and fixtures	3-10
- Motor vehicles	5-10
- Leasehold improvements	5-10
- Rights	3-15

An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the asset's net selling price or value in use. Recoverable amount of the property, plant and equipment is the higher of future net cash flows from the utilisation of this property, plant and equipment or its fair value less cost to sell.

Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with their net carrying amounts and are classified under "gains/(losses) from investing activities" in the current period.

2.05.04 Intangible assets and related amortisation

Intangible assets comprise assets acquired through computer and IT software. They are initially recognised at acquisition cost and amortised on a straight-line basis over their estimated useful lives for 3-15 years.

2.05.05 Leases

The Company has no finance leases. The Company becomes a party to various operating leases as a lessee. Operating leases are leases where the lessor continues to hold significant risks and benefits related to the leased asset. The operating leases of the Company include head office lease made with the related party of the Company "Teklos Teknoloji Lojistik Anonim Şirketi". The lease payments and related expenses are invoiced on a monthly basis. The explanations related to purchases from related parties are disclosed in **Note 38**.

2.05.05.01 Company - as a lessee

For operating leases, the lease payments should be recognized as an expense in the statement of profit or loss over the lease term on a straight-line basis effective from 31 December 2018. Incentives for the agreement of a new agreement of a new or renewed operating lease should be recognized by the lessee as a reduction of the rental expense over the lease term.

TFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after 1 January 2019. In accordance with TFRS 16, in the liabilities of the "Lease Liability" amount calculated as the present value of the lease payments to be made during the lease term for the lease agreements with a maturity of more than 12 months and "Right of Use Assets" (Note 18) requires an amount equal to the lease liabilities to be recognized in the assets of the statement of financial position. The amount recognized as "Right of Use Assets" is subject to depreciation over the lease term.

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company reflects a right of use assets and lease liabilities in the financial statements at the date when the lease term actually begins.

Right-of-use asset Company - as a lessee

At the commencement date, the Company measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

a) The amount of the initial measurement of the lease liability,
b) Any lease payments made at or before the commencement date, less any lease incentives received,
c) Any initial direct costs incurred by the Company, and

When applying the cost model, Company measures the right-of-use asset at cost:

a) Less any accumulated depreciation and any accumulated impairment losses; and adjusted for any remeasurement of the lease liability.

The Company applies the depreciation requirements in TAS 16 "Property, Plant and Equipment" in depreciating the right-of-use asset.

Lease liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease, if that rate can be readily determined, or by using the Company's incremental borrowing rate.

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

a) Increasing the carrying amount to reflect interest on the lease liability,
b) Reducing the carrying amount to reflect the lease payments made, and
c) Remeasuring the carrying amount to reflect any reassessment or lease modifications. The Company recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

The interest on the lease liabilities for each period in the lease term is the amount found by applying a fixed periodic interest rate to the remaining balance of the lease liabilities.

Within the framework of the transition provisions in TFRS 16, no adjustments were made in the net assets before 1 January 2019. As of 1 January 2019, the amount of "Right of Use Assets" and "Lease Liability" were calculated for the remaining period by taking into consideration of the contracts that have been due for more than 12 months.

2.05.06 Impairment of Assets

For assets subject to amortization, impairment test is applied if the book value cannot be recovered. An impairment loss is recognized if the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.05.07 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, one that takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset in the period in which the asset is prepared for its intended use or sale. Borrowing costs that are not in this scope are recognised directly in the statement of profit or loss. All other borrowing costs are recognized in profit or loss in the period in which they are incurred. Borrowing costs include interest expenses and all other borrowing costs. The Company has no capitalized financing costs during the period.

2.05.08 Financial Instruments

i. Financial Asset and Liabilities-Classification and Measurement

A financial asset is recognized for the first time in its financial statements:

a) Financial instruments measured at amortised cost

b) Debt instruments at fair value ("FV") through other comprehensive income;

c) Equity instruments at fair value ("FV") through other comprehensive income

d) Financial instruments at fair value ("FV") through profit or loss

entity's business model objective for its financial assets changes so its previous model assessment would no longer apply. If reclassification is appropriate, it must be done prospectively from the reclassification date which is defined as the first day of the reporting period following the change in business model. A financial asset that meets the following two conditions must be measured at FVTOCI unless the asset is designated at FVTPL under the fair value option.

Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
Cash flow characteristics: 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.

A debt instrument at FV through other comprehensive income if both of the following conditions are met and the FV is not classified as measured by the difference in profit or loss:
- The retention of the financial asset based on a business model aimed at collecting contractual cash flows and selling financial assets;
- The contractual terms of the financial asset led to cash flows that include interest payments on principal and principal balance on certain dates.

All financial assets that are not measured by the above-mentioned amortised cost or measured at FV through other comprehensive income are measured at FV through profit or loss. These include all derivative financial assets. In the event that financial assets are recognized for the first time in their financial statements; an irreversible amount of a financial asset is measured at fair value through profit or loss provided that it eliminates or substantially reduces an accounting mismatch arising from the different measurement of financial assets and the gain or loss related to them in the financial statements.

In the first measurement of the financial assets other than the fair value changes that are reflected to the profit or loss (except for the trade receivables that are measured at the transaction cost and not having an important financing component at the time of the financial statements), the transaction costs directly attributable to the acquisition or issuance thereof are also added to the fair value.

ii. Impairment of Financial Assets

In accordance with TFRS 9, "Expected Credit Loss" model is applied. The new impairment model applies to financial assets and contractual assets measured at amortized cost but is not applied to investments on equity instruments.

Financial assets measured at amortized cost consist of trade receivables, other receivables and cash and cash equivalents.

The provisions for trade receivables, other receivables, other assets and contractual assets are always measured at an amount equal to the expected credit losses for life.

When determining whether the credit risk in a financial asset has increased substantially since its adoption in the financial statements and the expected credit losses are estimated, reasonable and supportable information that can be obtained without incurring excessive costs or efforts is taken into consideration. These include qualitative and quantitative information and analyzes and forward-looking information based on the Company's past experience and informed credit evaluations.

Credit-impaired financial asset

The Company assesses whether the financial assets measured at amortized cost are diminished in each reporting period. Under TFRS 9 a financial asset is credit-impaired when one or more events that have occurred and have a significant material influence on the expected future cash flow of the financial asset. It includes observable data that has come to the attention of the holder of a financial asset about following events:

- significant financial diffuculty of the issuer or borrower;
- a breach of contract, such as a default or past-due event;
- the lenders for economic or contractual reasons relating to the borrower's financial diffuculty granted the borrower a concession that would not otherwise be considered;
- it becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for the financial asset because of financial difficulties.

Presentation

In the case of a financial asset that is not purchased or originated credit-impaired financial asset and for which there is no objective evidence of impairment at the reporting date, interest revenue is calculated by applying the effective interest rate method to the gross carrying amount.

Derecognition

If there is no reasonable expectation to recover a cash flow higher than the financial asset, the gross amount of the financial asset is deducted from the records. This is generally the case when the Company determines that the borrower does not have sufficient sources of income or assets that can repay the amounts subject to the reversal. However, the financial assets that are derecognized may still be subject to sanction activities applied by the Company for the recovery of past due receivables.

Financial assets are deducted from the records if there is no expectation of recovery (such as the debtor does not make any repayment plans with the Company). The Company continues to exercise sanctions in order to recover the receivables of trade receivables, other receivables, other assets and contract assets. The recovery amounts are recognized in statement of profit or loss.

2.05.09 Foreign Currency Translation

Foreign currency transactions are translated into Turkish Lira using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Turkish Lira using the exchange rates at the balance sheet date.

2.05.10 Earnings Per Share

Earnings per share disclosed in the statement of profit or loss are determined by dividing net income attributable to equity holders of the parent by the weighted average number of shares outstanding during the period concerned.

In Türkiye, companies can increase their share capital through a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings and inflation adjustment to equity. For the purpose of earnings per share computations, the weighted average number of shares in existence during the period has been adjusted in respect of bonus share issues without a corresponding change in resources, by giving them retroactive effect for the period in which they were issued and each earlier period as if the event had occurred at the beginning of the earliest period reported.

2.05.11 Events After the Reporting Period

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue and those events are disclosed in the accompanying financial statements. The two types of events are those that provide evidence of conditions that existed at the end of the reporting period (adjusting events); and those that are indicative of conditions that arose after the reporting period (non-adjusting events). The Company adjusts the amounts recognised in its financial statements to reflect adjusting events, but it does not adjust those amounts to reflect non-adjusting events (Note 41).

2.05.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company are not included in the financial statements and treated as contingent assets or liabilities.

2.05.13 Related Parties

TAS 24 "Related Party Disclosures" requires disclosures about transactions and outstanding balances with an entity's related parties. An entity is a related party if shareholding is defined as an entity associated with organizations that can directly or indirectly control or significantly affect the other party through contractual rights, family relations. Related parties also include shareholders and Company management. A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

For the purpose of these financial statements, shareholders, parents of Despec Bilgisayar Anonim Şirketi, key management personnel and Board of Directors members, their close family members and the legal entities over which these related parties exercise control and significant influence, are considered and expressed as "related parties". Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entity. The detailed explanation of related parties is disclosed in **Note 38**.

2.05.14 Taxes on Income

Income tax expense (or income) is the sum of the current tax expense and the deferred tax expense (or income).
Current Tax

Current year tax liability is calculated over the taxable profit for the period. Taxable profit differs from profit as recognised in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it excludes items that cannot be taxed or deducted. The Company's liability for current tax is calculated using legal statutory tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred Tax

Deferred tax assets and liabilities are determined by calculating the temporary differences between the amounts shown in the financial statements and the amounts considered in the statutory tax base in accordance with the balance sheet method. Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized. Deferred tax liability or asset is not calculated in respect of temporary timing differences arising from the initial recognition of assets or liabilities other than goodwill or business combinations and which do not affect both commercial and financial profit /loss.

Deferred tax liabilities are calculated for all taxable temporary differences related to the investments in subsidiaries and associates and shares in joint ventures, except in cases where the Company is able to control the discontinuation of temporary differences and in the near future it is unlikely that such difference will be

eliminated. Deferred tax assets resulting from taxable temporary differences related to such investments and shares are calculated on the condition that it is highly probable that future taxable profit will be available and that it is probable that future differences will be eliminated.
The carrying amount of the deferred tax asset is reviewed at each balance sheet date. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that financial profit will be available to allow the benefit of some or that entire amount.

Deferred tax assets and liabilities are calculated over the tax rates that are expected to be valid in the period when the assets are realized or the liabilities are fulfilled and legalized or substantially legalized as of the balance sheet date (tax regulations). During the calculation of deferred tax assets and liabilities, the tax consequences of the methods that the Company expects to recover or settle the carrying amount of the assets as of the balance sheet date are taken into consideration.

Current and deferred tax for the period

The deferred tax, other than those directly attributable to debt or liability recognized in equity (in which case deferred tax is recognized directly in equity) or deferred tax, other than those arising from initial recognition of business combinations, is recognized as income or expense in the statement of profit or loss. In business combinations, the tax effect is taken into consideration in the calculation of goodwill or in determining the part of the purchaser that exceeds the acquisition cost of the share of the acquiree's identifiable assets, liabilities and contingent liabilities in the fair value.

The taxes included in the financial statements include current period tax and the change in deferred taxes. The Company calculates current and deferred tax on the results for the period.

Offsetting in Tax Assets and Liabilities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. The amount of corporate tax payable is netted because it is related to prepaid corporate tax amounts. Deferred tax assets and liabilities are also offset in the same way.

2.05.15 Provision for Employment Termination Benefits

The provision for employment termination benefits, as required by Turkish Labor Law represents the present value of the future probable obligation of the Company arising from the retirement of its employees based on the actuarial projections.

TAS 19 "Employee Benefits" requires actuarial assumptions (net discount rate, turnover rate to estimate the probability of retirement etc.) to estimate the entity's obligation for employment termination benefits. The effects of differences between the actuarial assumptions and the actual outcome together with the effects of changes in actuarial assumptions compose the actuarial gains/losses and recognised under other comprehensive income.

2.05.16 Statement of cash flow

Cash and cash equivalents are carried at cost in the statement of financial position. Cash equivalents are short-term, highly-liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. Cash flows during the period are classified and reported by operating, investing and financing activities in the cash flow statements. Cash flows from operating activities represent the cash flows generated from the Company's activities.

Cash flows from investing activities represent the cash flows that are used in or provided from the investing activities of the Company (property, plant and equipment, intangible assets and financial assets).

Cash flows from financing activities represent the cash proceeds from the financing activities of the Company and the repayments of these funds.

2.06 Comparatives and Adjustment of Prior Period's Financial Statements
The current period financial statements of the Company include comparative financial information to enable the determination of the trends in financial position and performance. Comparative figures are reclassified, where necessary, to conform to the changes in the presentation of the current period financial statements.

2.07 Offsetting

Financial assets and liabilities are offset, and the net amount is recognised in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.08 Investment Properties

Land and buildings that are held for rental yields or for capital appreciation or both rather than held in the production or supply of goods or services or for administrative purposes or for the sale in the ordinary course of business are classified as "investment property".

The investment properties are carried at fair value in the accompanying financial statements. The Company has no capitalised financing costs in accordance with TAS 23 included in investment properties (Note 17).

2.09 New and Revised Turkish Financial Reporting Standards

The accounting policies adopted in preparation of the financial statements as at and for the year ended 31 December 2023 are consistent with those of the previous financial year, except for the adoption of new and amended Turkish Accounting Standards ("TAS")/TFRS and TFRS interpretations effective as of 1 January 2023 and thereafter. The effects of these standards and interpretations on the Company's financial position and performance have been disclosed in the related paragraphs.

New and revised standards and interpretations

During the preparation of the financial statements in conformity with Turkish Financial Reporting Standards ("TFRS"), amendments and interpretations to standards should be disclosed in the notes to the financial statements as follows:

The new standards, amendments and interpretations and interpretations to the existing previous standards which are effective from 31 December 2024 are as follows:

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

The purpose of these amendments is to ensure consistent application of the requirements of the standard by assisting entities in deciding whether debt and other liabilities in the statement of financial position that have no fixed maturity should be classified as current (expected to be settled within one year) or non-current.

The amendments to TAS 1 are effective for annual periods beginning on or after January 1, 2024, with earlier application permitted, but deferred for one year.

The amendments do not have a significant material influence on the financial position or performance of the Company.

Amendments to TAS 8 - Definition of Accounting Estimates

In August 2021, POA issued amendments to TAS 8, in which it introduces a new definition of "accounting estimates". The amendments issued to TAS 8 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments.

Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the POA. The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of the effective date. Earlier application is permitted.

The amendments do not have a significant material influence on the financial position or performance of the Company.

Amendments to TAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In August 2021, POA issued amendments to TAS 12, which narrow the scope of the initial recognition exception under TAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments issued to TAS 12 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations should be recognized.

The amendments do not have a significant material influence on the financial position or performance of the Company.

Amendment to TAS 12 - International tax reform - pillar two model rules

The deferred tax exemption and disclosure of the fact that the exception has been applied, is effective immediately. The other disclosure requirements are effective annual periods beginning on or after 1 January 2023. The amendments do not have a significant material influence on the financial position or performance of the Company.

Standards and amendments issued but not yet effective and not early yet adopted as of 31 December 2024

TFRS 17 Insurance Contracts

TFRS 17 requires insurance liabilities to be measured at a current settlement value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve consistent, principle-based accounting for insurance contracts.

TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further 1 year and will replace TFRS 4 Insurance Contracts on January 1, 2025.

Initial Application of TFRS 17 and TFRS 9—Comparative Information (Amendment to TFRS 17)

Amendments to TFRS 17 to reduce implementation costs, improve disclosure of results and ease transition. In addition, the amendment on comparative information permits entities that are first-time adopters of TFRS 7 and TFRS 9 to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had previously been applied to that financial asset. The amendments will be applied when TFRS 17 is first adopted.

Amendments to TAS 21 - Lack of Exchangeability

These amendments include guidance on determining when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual periods beginning on or after January 1, 2025.

NOTE 3 - BUSINESS COMBINATIONS

As of 31 December 2024 and 2023, the Company has no business combinations under common control and relevant transactions.

NOTE 4 - DISCLOSURE OF INTERESTS IN OTHER ENTITIES

As of 31 December 2024 and 2023, the Company has no a interests in subsidiaries, joint arrangements, associates and unconsolidated "structured entities".

NOTE 5 – OPERATING SEGMENTS

Since the Company is engaging in the IT products and consumables, the Company does not exercise reportable segments at the end of the period.

NOTE 6 – CASH AND CASH EQUIVALENTS

As of 31 December 2024 and 2023, the breakdown and detailed analysis of cash and cash equivalents are as follows:

Account Name	31 December 2024	31 December 2023
Cash on hand	100.887	108.394
Banks (Demand deposit)	5.383.162	9.375.168
Financial assets at amortised cost (Reverse repurchase agreements)	2.452.989	1.838.924
Credit card slips	1.403.496	2.228.520
Cash and cash equivalents, net	**9.340.534**	**13.551.006**

The cash and cash equivalents is presented in the statement of cash flows less interest accruals.

As of 31 December 2024, the remaining maturity of reverse repurchase agreements is 2 days and the Company has interest income accrued amounting to TL 2.989. The reverse repurchase agreements are realised and denominated in TL and the annual effective interest rate is between 54.23% - 58.12%.

As of 31 December 2023, the remaining maturity of reverse repurchase agreements is 4 days and the Company has interest income accrued amounting to TL 5.316. The reverse repurchase agreements are realised and denominated in TL and the annual effective interest rate is between 32.89% - 46.08%.

Account Name	31 December 2024	31 December 2023
Cash and cash equivalents	9.340.534	13.551.006
Interest accruals (-)	(2.989)	(5.316)
Total	**9.337.545**	**13.545.690**

As of 31 December 2024, the Company has no blocked deposits. Credit card slips are collected from banks a few days after the date of sale transaction. The foreign exchange gains/losses resulting from the valuation of foreign currency denominated cash on hand and banks are recognized under financial income/(expenses).

NOTE 7 - FINANCIAL INVESTMENTS

None.

NOTE 8 – BORROWINGS

As of 31 December 2024 and 2023, the breakdown of short-term borrowings is as follows:

Account Name	31 December 2024	31 December 2023
Bank borrowings	-	-
Lease liabilities	1.091.248	1.271.062
Short-term borrowings, net	**1.091.248**	**1.271.062**

31 December 2024

Type	Original currency amount	TL equivalent	Annual effective interest rate (%)
Short-term borrowings			
Loans - TL	-	-	
Lease liabilities - TL	-	*1.091.248*	*21-39.05*
Total		**1.091.248**	

31 December 2023

Type	Original currency amount	TL equivalent	Annual effective interest rate (%)
Short-term borrowings			
Loans - TL	-	-	-
Lease liabilities - TL	-	*1.271.062*	*18-21*
Total		**1.271.062**	

The detailed analysis of long-term borrowings is as follows:

Account Name	31 December 2024	31 December 2023
Lease liabilities	3.553.867	677.930
Total	**3.553.867**	**677.930**

31 December 2024

Type	Original currency amount	TL equivalent	Annual effective interest rate (%)
Long-term borrowings			
Lease liabilities - TL	-	3.553.867	*21-39.05*
Total	-	**3.553.867**	

31 December 2023

Type	Original currency amount	TL equivalent	Annual effective interest rate (%)
Long-term borrowings			
Lease liabilities - TL	-	677.930	*18-21*
Total	-	**677.930**	

The movement and reconciliation of borrowings are as follows:

Account Name	31 December 2024	31 December 2023
Beginning of the period – 1 January	1.948.992	129.453.374
Additions during the period	221.277.705	3.337.609
Lease liabilities	4.645.115	1.948.992
Payments during the period	(222.627.619)	(81.902.286)
Interest accrual at the end of the period	-	-
Adjustments for inflation	(599.078)	(50.888.697)
End of the period – 31 December	**4.645.115**	**1.948.992**

NOTE 9 - OTHER FINANCIAL LIABILITIES

None.

NOTE 10 - TRADE RECEIVABLES AND PAYABLES

As of 31 December 2024 and 2023, the functional breakdown of short-term trade receivables is as follows:

Account Name	31 December 2024	31 December 2023
Trade receivables	2.274.097.467	1.465.899.201
Related parties (Note 38)	*62.789.977*	-
Third parties	*2.211.307.490*	*1.465.899.202*
Notes receivables	26.547.295	21.537.451
Discount on notes receivables (-)	(87.674.841)	(55.206.382)
Doubtful trade receivables	3.697.971	4.752.616
Provision for doubtful trade receivables (-)	(3.697.971)	(4.752.616)
Short-term trade receivables, net	**2.212.969.921**	**1.432.230.270**

As of 31 December 2024, trade receivables amounted to TL 1.090.872.681 in total amount of TL 2.212.969.921, is in under scope of guarantee (including guarantees in scope of Euler Hermes). As of 31 December 2023, trade receivables amounted to TL 1.178.615.663 in total amount of TL 1.432.230.270, is in under scope of guarantee (including guarantees in scope of Euler Hermes). The related explanations regarding the nature and level of risks on trade receivables are disclosed in Note 39.

The Company has credit insurance policy from Euler Hermes Sigorta Anonim Şirketi within borders of Türkiye for the insurance of its trade receivables until 31 March 2025 (the payment guarantee insurance for trade receivables is determined as 85%-90%).

As of 31 December 2024, guarantee amounted to TL 1.068.429.840 is included in scope of Euler Hermes credit insurance policy (31 December 2023: TL 1.133.164.104).

Movements of the provision for doubtful receivables are as follows:

	1 January-31 December 2024	1 January-31 December 2023
Beginning of the period – 1 January	(4.752.616)	(6.037.694)
Reversals/Collections during the period	-	-
Increases during the period (-)	(406.206)	(1.088.365)
Adjustments for inflation	1.460.851	2.373.443
End of the period – 31 December	**(3.697.971)**	**(4.752.616)**

The redemption schedule of trade receivables past due but not impaired is as follows:

	31 December 2024	31 December 2023
Up to 3 months	578.889	4.711.651
3-12 months	252.977	1.543.712
Total	**831.866**	**6.255.363**

As of 31 December 2024 and 2023, the functional breakdown of short-term trade payables is as follows:

Account Name	31 December 2024	31 December 2023
Suppliers	2.155.153.661	1.461.179.224
Third parties	*1.937.967.679*	*1.432.233.021*
Related parties (Note 38)	*217.185.981*	*28.946.204*
Notes payable	-	-
Discount on notes payable (-)	(43.914.479)	(30.116.007)
Short-term trade payables, net	**2.111.239.182**	**1.431.063.217**

As of 31 December 2024 and 2023, the Company has no long-term trade payables.

The average maturity turnover for trade receivables is 70-75 days and for payables is 50-65 days. In the case of discount of trade receivables and payables, compound interest rates of Government Debt Securities are used as effective interest rate in receivables and payables denominated in TL. Libor and Euribor rates are used in the discount receivables and payables denominated in USD and EUR.

NOTE 11 - OTHER RECEIVABLES AND PAYABLES

As of 31 December 2024 and 2023, the functional breakdown of short-term other receivables is as follows:

Account Name	31 December 2024	31 December 2023
Due from employee	2.692.303	488.080
Due from related parties (Note 38)	148.934	169.790
Short-term other receivables, net	**2.841.237**	**657.870**

As of 31 December 2024 and 2023, the Company has no long-term other receivables.

The related disclosures regarding the nature and level of risks on other receivables are included in **Note 38**.

As of 31 December 2024 and 2023, the functional breakdown of short-term other payables is as follows:

Account Name	31 December 2024	31 December 2023
Taxes payable	16.341.019	4.653.361
Due to related parties (Note 38)	148.495.954	51.222.685
Short-term other payables, net	**164.836.973**	**55.876.046**

NOTE 12 - DERIVATIVE INSTRUMENTS

None.

NOTE 13 - INVENTORIES

As of 31 December 2024 and 2023, the breakdown of inventories is as follows:

Account Name	31 December 2024	31 December 2023
Merchandise	262.557.801	300.332.858
Goods in transit	113.271.243	46.844.457
Provision for impairment (-)	(8.373.134)	(15.753.575)
Total	**367.455.910**	**331.423.740**

Disclosures	31 December 2024	31 December 2023
Cost	46.392.749	115.089.381
Less: Provision for impairment on inventories	(8.373.134)	(15.753.575)
Net realisable value **(a)**	38.019.615	99.335.806
Carried at cost **(b)**	329.436.295	232.087.934
Total inventories (a+b)	**367.455.910**	**331.423.740**

As of 31 December 2024, the inventories amounting to TL 38.019.615 (31 December 2023: TL 99.335.806) carried at net realizable value and the remaining amount is carried at cost in the accompanying financial statements.

Merchandise that invoiced but not included in the inventories are recognised in "Goods in transit" account under inventories.

As of 31 December 2024 and 2023, merchandise amounting to TL 6.918.842.409 and TL 5.587.705.573, respectively were recognised as an expense under the cost of goods sold.

<u>Movements of the provision for impairment on inventories are as follows:</u>

	1 January- 31 December 2024	1 January- 31 December 2023
Beginning of the period – 1 January (-)	(15.753.575)	(12.376.071)
Reversal of provisions from gains on net realisable value (+)	7.380.441	(3.377.504)
Additions during the period (-)	-	-
End of the period – 31 December (-)	**(8.373.134)**	**(15.753.575)**

Inventories are valued at the lower of cost or net realisable value.

The Company has no inventories performed as guarantee against its liabilities. Total insurance coverage on inventories is disclosed in **Note 22**.

NOTE 14 - BIOLOGICAL ASSETS

None.

NOTE 15 - PREPAID EXPENSES AND DEFERRED INCOME

Short-term

As of 31 December 2024 and 2023, the details of prepaid expenses are as follows:

Account Name	31 December 2024	31 December 2023
Short-term prepaid expenses	2.693.368	2.364.355
Advances given	26.596.821	26.694.546
Total	**29.290.189**	**29.058.901**

As of 31 December 2024 and 2023, the details of deferred income are as follows:

Account Name	31 December 2024	31 December 2023
Advances received	10.611.685	6.181.725
Short-term deferred income	14.489.466	875.728
Total	**25.101.151**	**7.057.453**

Long-term

As of 31 December 2024 and 2023, the Company has no prepaid expenses and deferred income.

NOTE 16 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

None.

NOTE 17 - INVESTMENT PROPERTIES

Land and buildings that are held for rental yields or for capital appreciation or both rather than held in the production or supply of goods or services or for administrative purposes or for the sale in the ordinary course of business are classified as "investment property".

The investment properties are carried at fair value in the accompanying financial statements. The Company has no capitalised financing costs in accordance with TAS 23 included in investment properties.

As of 31 December 2024 and 2023, the details of the investment properties carried at fair value in the accompanying financial statements are as follows:

<u>31 December 2024</u>

Carrying value	Opening balance – 1 January 2024	Changes in fair value, net	Transfers (PP&E)	Additions	Disposals	Closing balance – 31 December 2024
Land	**32.911**	**(2.911)**	**-**	**-**	**-**	**30.000**
Land (Hatay)	32.911	(2.911)	-	-	-	30.000
Buildings	**3.522.848**	**(190.348)**	**-**	**-**	**-**	**3.332.500**
İstanbul Ataşehir	3.522.848	(190.348)	-	-	-	3.332.500
TOTAL	**3.555.759**	**(193.260)**	**-**	**-**	**-**	**3.362.500**

31 December 2023

Carrying value	Opening balance – 1 January 2023	Changes in fair value, net	Transfers (PP&E)	Additions	Disposals	Closing balance – 31 December 2024
Land	**30.926**	**1.985**	**-**	**-**	**-**	**32.911**
Land (Hatay)	30.926	1.985	-	-	-	32.911
Buildings	**3.306.777**	**216.071**	**-**	**-**	**-**	**3.522.848**
İstanbul Ataşehir	3.306.777	216.071	-	-	-	3.522.848
TOTAL	**3.337.703**	**218.056**	**-**	**-**	**-**	**3.555.759**

As of 31 December 2024, the fair value of the land and buildings included in the investment properties is determined by independent appraisal firm "Kale Taşınmaz Değerleme ve Danışmanlık Anonim Şirketi" in accordance with the report prepared on 10 February 2025.

As of 31 December 2024 and 2023, the detailed list of the investment properties is as follows:

31 December 2024

City	Town	Neighborhood	Title deed (m^2)	Date of acquisition
Hatay**(a)**	Arsuz	Aşağı Kepirce	6.792,09 m^2	26.11.2020
İstanbul**(b)**	Ataşehir	Esatpaşa	13.985,94 m^2	17.11.2017

31 December 2023

City	Town	Neighborhood	Title deed (m^2)	Date of acquisition
Hatay**(a)**	Arsuz	Aşağı Kepirce	6.792,09 m^2	26.11.2020
İstanbul**(b)**	Ataşehir	Esatpaşa	13.985,94 m^2	17.11.2017

Land- Buildings

a) As of the reporting date, the land classified under investment properties in Hatay and the parcel numbered 45,

The information regarding the land subject to appraisal received from the Land Registry Office on 22 January 2025 is as follows:

Other (Subject of matter: In accordance with the article 28 of the law numbered 2565, it is within the region where foreigners cannot acquire immovable property and cannot be rented unless permission is obtained.) Date: 2 August 2022 numbered E.104372 (4 November 2022 numbered 16471),

b) In accordance with the land registry registered in Istanbul, Ataşehir and parcel numbered 13, and the Company has classified under investment properties, the residences are 3 independent sections located on the building qualified as "4-storey reinforced concrete building with attic and its land". As of the reporting date, there has been no restrict on or mortgage incurred on the relevant building.

NOTE 18 - PROPERTY, PLANT AND EQUIPMENT

As of 31 December 2024 and 2023, the movements for property, plant and equipment, and related depreciation are as follows:

Account Name	31 December 2024	31 December 2023
Cost	20.886.737	16.415.701
Accumulated depreciation	(16.735.251)	(15.767.999)
Total	**4.151.486**	**647.702**

31 December 2024

Cost

Account Name	Opening balance – 1 January 2024	Additions	Disposals	Closing balance – 31 December 2024
Plant, machinery and equipment	-	30.397	-	30.397
Motor vehicles	44.565	3.855.674	-	3.900.239
Furniture and fixtures	9.185.815	584.965	-	9.770.780
Leasehold improvements	7.185.321	-	-	7.185.321
Total	**16.415.701**	**4.471.036**	**-**	**20.886.737**

Accumulated depreciation

Account Name	Opening balance – 1 January 2024	Current period depreciation	Disposals	Closing balance – 31 December 2024
Plant, machinery and equipment	-	(2.538)	-	(2.538)
Motor vehicles	(44.565)	(622.293)	-	(666.858)
Furniture and fixtures	(8.540.701)	(339.845)	-	(8.880.546)
Leasehold improvements	(7.182.733)	(2.576)	-	(7.185.309)
Total	**(15.767.999)**	**(967.252)**	**-**	**(16.735.251)**
Net book value	**647.702**			**4.151.486**

31 December 2023

Cost

Account Name	Opening balance – 1 January 2023	Additions	Disposals	Closing balance – 31 December 2023
Motor vehicles	44.565	-	-	44.565
Furniture and fixtures	9.005.369	180.446	-	9.185.815
Leasehold improvements	7.185.321	-	-	7.185.321
Total	**16.235.255**	**180.446**	**-**	**16.415.701**

Accumulated depreciation

Account Name	Opening balance – 1 January 2023	Current period depreciation	Disposals	Closing balance – 31 December 2023
Motor vehicles	(44.565)	-	-	(44.565)
Furniture and fixtures	(8.164.299)	(376.402)	-	(8.540.701)
Leasehold improvements	(7.157.569)	(25.164)	-	(7.182.733)
Total	**(15.366.433)**	**(401.566)**	**-**	**(15.767.999)**
Net book value	**868.822**			**647.702**

Other information

Depreciation and amortisation charges on property, plant and equipment are presented under operating expenses.

Total insurance coverage on property, plant and equipment is disclosed in **Note 22**. The Company has no pledges, mortgages and restrictions on property, plant and equipment at the end of the reporting period.

RIGHT OF USE ASSETS

As of 31 December 2024 and 2023, the movements for right of use assets, and related depreciation are as follows:

Account Name	31 December 2024	31 December 2023
Cost	9.182.718	12.868.839
Accumulated depreciation	(3.761.558)	(9.983.440)
Total	**5.421.160**	**2.885.399**

31 December 2024

Cost

Account Name	Opening balance – 1 January 2024	Additions	Disposals	Closing balance – 31 December 2024
Buildings	7.693.310	3.364.383	(6.386.837)	4.670.856
Motor vehicles	5.175.529	658.701	(1.322.368)	4.511.862
Total	**12.868.839**	**4.023.084**	**(7.709.205)**	**9.182.718**

Accumulated depreciation

Account Name	Opening balance – 1 January 2024	Current period depreciation	Disposals	Closing balance – 31 December 2024
Buildings	(7.047.171)	(55.278)	6.386.837	(715.612)
Motor vehicles	(2.936.269)	(1.432.045)	1.322.368	(3.045.946)
Total	**(9.983.440)**	**(1.487.323)**	**7.709.205**	**(3.761.558)**
Net book value	**2.885.399**			**5.421.160**

31 December 2023

Cost

Account Name	Opening balance – 1 January 2023	Additions	Disposals	Closing balance – 31 December 2023
Buildings	5.912.259	1.781.051	-	7.693.310
Motor vehicles	6.354.269	884.615	(2.063.355)	5.175.529
Total	**12.266.528**	**2.665.666**	**(2.063.355)**	**12.868.839**

Accumulated depreciation

Account Name	Opening balance – 1 January 2023	Current period depreciation	Disposals	Closing balance – 31 December 2023
Buildings	(4.266.469)	(2.780.702)	-	(7.047.171)
Motor vehicles	(2.934.597)	(2.065.027)	2.063.355	(2.936.269)
Total	**(7.201.066)**	**(4.845.729)**	**2.063.355**	**(9.983.440)**
Net book value	**5.065.462**			**2.885.399**

NOTE 19 - INTANGIBLE ASSETS

As of 31 December 2024 and 2023, the movements for intangible assets, and related depreciation are as follows:

Account Name	31 December 2024	31 December 2023
Cost	10.057.967	10.005.317
Accumulated depreciation	(7.147.023)	(6.325.147)
Total	**2.910.944**	**3.680.170**

31 December 2024

Cost

Account Name	Opening balance – 1 January 2024	Additions	Disposals	Closing balance – 31 December 2024
Rights	10.005.317	52.650	-	10.057.967
Total	**10.005.317**	**52.650**	**-**	**10.057.967**

Accumulated depreciation

Account Name	Opening balance – 1 January 2024	Current period depreciation	Disposals	Closing balance – 31 December 2024
Rights	(6.325.147)	(821.876)	-	(7.147.023)
Total	**(6.325.147)**	**(821.876)**	**-**	**(7.147.023)**
Net book value	**3.680.170**			**2.910.944**

31 December 2023

Cost

Account Name	Opening balance – 1 January 2023	Additions	Disposals	Transfers	Closing balance – 31 December 2023
Rights	8.504.340	1.500.977	-	-	10.005.317
Total	**8.504.340**	**1.500.977**	**-**	**-**	**10.005.317**

Accumulated depreciation

Account Name	Opening balance – 1 January 2023	Current period depreciation	Disposals	Transfers	Closing balance – 31 December 2023
Rights	(5.790.354)	(534.793)	-	-	(6.325.147)
Total	**(5.790.354)**	**(534.793)**	**-**	**-**	**(6.325.147)**
Net book value	**2.713.986**				**3.680.170**

Depreciation and amortisation charges on intangible assets are presented under operating expenses.

NOTE 20 - EMPLOYEE BENEFITS

As of 31 December 2024 and 2023, the detailed analysis of employee benefits is as follows:

Account Name	31 December 2024	31 December 2023
Due to employee	79.822	21.925
Social security premiums payable	612.947	1.166.668
Total	**692.769**	**1.188.593**

NOTE 21 - GOVERNMENT GRANTS

None.

NOTE 22 - PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

i) *Provisions*

Account Name	31 December 2024	31 December 2023
Provision for price revision	59.923.959	19.096.039
Provision for unused vacation	703.350	1.316.817
Provision for lawsuits	-	94.203
Total	**60.627.309**	**20.507.059**

31 December 2024	Provision for lawsuits	Provision for price revision	Provision for unused vacation	Total
Beginning of the period – 1 January	94.203	19.096.039	1.316.817	20.507.059
Additions	-	66.665.404	(232.186)	66.433.219
Payments during the period	(65.247)	(21.244.343)	-	(21.309.590)
Adjustments for inflation	(28.956)	(4.593.141)	(381.281)	(5.003.378)
End of the period – 31 December	**-**	**59.923.959**	**703.350**	**60.627.309**

31 December 2023	Provision for lawsuits	Provision for price revision	Provision for unused vacation	Total
Beginning of the period – 1 January	130.773	14.754.971	2.209.586	17.095.330
Additions	14.838	23.228.612	-	23.243.450
Payments during the period	-	(17.948.094)	(29.402)	(17.977.496)
Adjustments for inflation	(51.408)	(939.450)	(863.367)	(1.854.225)
End of the period – 31 December	**94.203**	**19.096.039**	**1.316.817**	**20.507.059**

ii) Contingent liabilities and contingent assets

As of 31 December 2023, the Company has no execution proceedings and litigation filed against the Company (31 December 2023: TL 94.203).

In accordance with TFRS 9, provision for doubtful receivables is amounted to TL 3.697.971 for execution proceedings of the Company and the related provision is recognised in the financial statements (31 December 2023: TL 4.752.616).

iii) Commitments, mortgages and guarantees not included in the liability

31 December 2024

	TL	USD	EUR
Letter of guarantee given	107.849.341	1.000.000	-
Total	**107.849.341**	**1.000.000**	**-**

31 December 2023

	TL	USD	EUR
Letter of guarantee given	90.741.250	1.000.000	-
Total	**90.741.250**	**1.000.000**	**-**

iv) Ratio of guarantees and mortgages to equity

Collaterals, Pledges, Mortgages Given by the Company	31 December 2024	31 December 2023
A. Total amount of CPM's given in the name of its own legal personality	143.193.141	120.232.550
B. Total amount of CPM's given on behalf of the fully consolidated companies	-	-
C. Total amount of CPM's given on behalf of third parties for ordinary course of business	-	-
D. Total amount of other CPM's given	-	-
i. Total amount of CPM's given on behalf of the majority shareholder		
ii. Total amount of CPM's given to on behalf of other companies which are not in scope of B and C	-	-
iii. Total amount of CPM's given on behalf of third parties which are not in scope of C	-	-
Total	**143.193.141**	**120.232.550**

The above-mentioned amounts are TL equivalents at the end of the period.
The ratio of other CPM's given by the Company to its equity is 0% (31 December 2023: 0%).

v)Total mortgages and guarantees on assets

None.

vi) Total insurance coverage on assets

31 December 2024

Type of insured asset	USD	TL
Merchandise	10.000.000	-
Motor vehicles	-	2.994.542
Total	**10.000.000**	**2.994.542**

31 December 2023

Type of insured asset	USD	TL
Merchandise	10.000.000	-
Total	**10.000.000**	**-**

NOTE 23 - COMMITMENTS

None.

NOTE 24 – PROVISIONS FOR EMPLOYEE BENEFITS

Account Name	31 December 2024	31 December 2023
Provision for employment termination benefits	2.820.180	2.327.452
Total	**2.820.180**	**2.327.452**

Under Turkish Labour Law, Despec incorporated in Türkiye is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). As of 31 December 2024, the amount payable consists of one month's salary limited to a maximum of TL 46.655 (31 December 2023: TL 35.058) for each year of service.

The provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. TAS 19 ("Employee Benefits") requires actuarial valuation methods to be developed to estimate the entity's obligation under defined benefit plans. Accordingly, the following actuarial assumptions are used in the calculation of total liabilities:

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. As of 31 December 2024, the provisions in the accompanying financial statements are calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees.

As of the 31 December 2024, the provisions at the respective balance sheet dates have been calculated assuming an annual inflation rate of 21.00% and an interest rate of 25.00%, resulting in a discount rate of 3.31% (31 December 2023: 3.33%). The discount rates are reviewed and revised if deemed necessary, in each reporting period.

As of the 31 December 2024, turnover rate to estimate the probability of retirement is 98.53% (31 December 2023: 97.10%).

	1 January - 31 December 2024	1 January - 31 December 2023
Beginning of the period – 1 January	2.327.452	5.764.145
Service costs	595.936	407.601
Interest costs	403.011	839.575
Actuarial (gains)/losses	536.934	(307.152)
Losses on remeasurements of defined benefit plans	811.072	1.174.938
Payments during the period (-)	(1.138.816)	(3.285.744)
Adjustments for inflation	(715.409)	(2.265.911)
End of the period – 31 December	**2.820.180**	**2.327.452**

The breakdown and classification of the provision for employment termination benefits are as follows:

Account Name	1 January - 31 December 2024	1 January - 31 December 2023
General administrative expenses	(1.810.019)	(2.422.114)
Other operating income	-	-
Gains/(losses) charge to the profit or loss	(1.810.019)	(2.422.114)
Actuarial gains/(losses) charge to the other comprehensive income	(536.934)	307.152
Profit/(loss) for the period	**(2.346.953)**	**(2.114.962)**

In accordance with the regulation in TAS 19 that entered into force as of 1 January 2013, actuarial gains and losses have started to be recognized under equity as other comprehensive income.

Account Name	1 January - 31 December 2024	1 January - 31 December 2023
Actuarial gains/(losses) charge to the other comprehensive income	(536.934)	307.152
Tax calculated at domestic tax rate 25%	134.234	(76.788)
Net amount	**(402.700)**	**230.364**

The amount recognized as actuarial gains/losses in the current period is amounting to TL (536.934). Deferred tax effect of the relevant amount was also taken into consideration and recognised in other comprehensive income and result of the aforementioned transaction, the amount of other comprehensive expense is amounting to TL (402.700).

The amount recognized as actuarial gains/losses in the prior period is amounting to TL (307.152). Deferred tax effect of the relevant amount was also taken into consideration and recognised in other comprehensive income and result of the aforementioned transaction, the amount of other comprehensive income is amounting to TL 230.364.

NOTE 25 - TAX ASSETS AND LIABILITIES

None.

As of the 31 December 2024 and 2023, current income tax liabilities are disclosed in Note 36.

NOTE 26 - OTHER ASSETS AND LIABILITIES

As of 31 December 2024 and 2023, the breakdown of other current assets is as follows:

Account Name	31 December 2024	31 December 2023
Other current assets (*)	59.547.309	4.403.300
Cash advances	-	13.088
Other current assets, net	**59.547.309**	**4.416.388**

As of 31 December 2024 and 2023, the Company has no other non-current assets.

*Amounts at the end of the period are reflected to customers/suppliers as of the reporting date.

NOTE 27 - EQUITY

i)Non-controlling interests

None.

ii) Share capital/Capital adjustments due to cross-ownership

The current issued share capital of Despec is amounting to TL 23.000.000 The current share capital of the Company consists of Class A shares issued to the name as paid-in share capital is amounting to TL 4.000 and Class B shares issued to the bearer as paid-in share capital is amounting to TL 22.996.000.

Class A shares have voting privileges in the election of the Board of Directors but Class B shares have no voting privileges regarding the election of the Board of Directors. Class A shares owned by Datagate Bilgisayar.

As of 31 December 2024 and 2023, the principal shareholders and their respective shareholding rates in Despec are as follows:

	31 December 2024		31 December 2023	
Shareholders	**Share (%)**	**Amount**	**Share (%)**	**Amount**
Datagate Bilgisayar Mal.Tic. A.Ş.	49.13%	11.300.994	49.13%	11.300.994
Other	50.87%	11.699.006	50.87%	11.699.006
Total share capital	**100%**	**23.000.000**	**100%**	**23.000.000**

As of 31 December 2024 and 2023, the Company has no capital increases.

At the Ordinary General Assembly Meeting of Despec held on 18 June 2020, it was decided that the valid period of the "Registered Share Capital Ceiling" will be extended to 2020-2024 and the registered share capital ceiling will be increased from TL 50.000.000 (Fifty Million) to TL 75.000.000 (Seventy-five Million). The amendment of article 6 of the articles of association was published Official Gazette on 2 July 2020.

In accordance with the 9th article of Articles of Association titled "Board of Directors and Term" Class A bearer shareholders have the voting privileges for the election of members of the Board of Directors. When the Board of Directors consist of 5 or 6 members 4, when consist of 7 or 8 members 5, when consist of 9 members 6 members are nominated from candidates presented by Class A shareholders.

Even though Class B shares, which were listed on stock exchange to public gain the majority, since Class A shareholders have the aforementioned voting privileges, the management sovereignty will not be lost. In any case, the sovereignty will continue to be owned by Class A shareholders.

Datagate, the shareholder of the Company, has one lawsuit filed by a creditor of the former controlling shareholder claiming that there is a pledge on the shares transferred by the former controlling shareholders and that these shares were transferred to the Group in collusion. The Company management estimated that the relevant lawsuit will be concluded in favor of Datagate.

(iii) Share premium

The capital reserves of the Company comprise of share premium. The Company has no movement during the period.

(iv) Other comprehensive income or expenses not to be reclassified to profit or loss

The analysis of other comprehensive income or expenses not to be reclassified to profit or loss recognised under equity is as follows:

Account Name	**31 December 2024**	**31 December 2023**
Beginning of the period – 1 January	(1.494.513)	(1.724.877)
Actuarial gains and (losses) ***(Note 24)***	(536.934)	307.152
Tax effect ***(Note 24, Note 36)***	134.234	(76.788)
Actuarial Gains and (Losses) (Net)	**(1.897.213)**	**(1.494.513)**
Gains and losses on revaluation and remeasurement	**(1.897.213)**	**(1.494.513)**
Other comprehensive income or expenses not to be reclassified to profit or loss, net	**(1.897.213)**	**(1.494.513)**

(v) Other comprehensive income or expenses to be reclassified to profit or loss

None.

vi) Restricted reserves

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The TCC stipulates that the first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's historical paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the historical paid-in share capital. Under TCC, the legal reserves are not available for distribution unless they exceed 50% of the historical paid-in share capital but may be used to offset losses in the event that historical general reserve is exhausted.

vii) Retained Earnings

Retained earnings comprise of extraordinary reserves and prior years' income.
Publicly traded companies have special provision regarding to dividend distribution policy in accordance with the Article 19 of the Capital Market Law No. 6362 and the "Communiqué on Dividends" No. II-19.1 of the Capital Markets Board, which entered into force as of 1 February 2014. In accordance with the Communiqué, corporations have no dividend distribution obligation for shareholders whose shares are traded on the stock exchange and corporations distribute their profits by decisions of the general assembly of shareholders within the framework of their dividend distribution policies to be determined by the general assembly of shareholders and in accordance

with provisions of the applicable laws and regulations. In addition, publicly traded companies may distribute dividend advances in cash over their profits shown in their interim period financial statements. The amount of distributable profit based on the companies' decision, does not exceed the net distributable profit in the statutory accounts, the whole amount should be distributed, and otherwise all distributable amount in the statutory accounts is distributed. However, no profit distribution would be made if any financial statements prepared in accordance with the CMB or any statutory accounts carrying net loss for the period.

As of 31 December 2024 and 2023, the breakdown of equity items is as follows:

Account Name	**31 December 2024**	**31 December 2023**
Paid-in share capital	23.000.000	23.000.000
Adjustment to share capital	385.356.424	385.356.424
Share premium	42.993.625	42.993.625
Other comprehensive income or expenses not to be reclassified to profit or loss	(1.897.213)	(1.494.513)
-Gains/(losses) on remeasurements of defined benefit plans	*(1.897.213)*	*(1.494.513)*
- Hedge funds (Note 9)	-	-
Currency translation differences	-	-
Restricted reserves	115.309.000	115.309.000
- Legal reserves	*115.309.000*	*115.309.000*
Retained earnings	(238.199.659)	(123.469.271)
Profit for the period	15.199.893	(114.730.388)
Total equity	**341.762.070**	**326.964.877**

NOTE 28 - REVENUE AND COST OF SALES

As of 31 December 2024 and 2023, the breakdown and detailed analysis of revenue and cost of sales are as follows:

Account Name	**1 January - 31 December 2024**	**1 January - 31 December 2023**
Domestic sales	7.359.705.063	5.975.703.003
Foreign and other sales	84.557.427	30.798.130
Sales returns (-)	(115.050.257)	(150.499.022)
Sales and other discounts (-)	(895.099)	(8.871.371)
Net sales	**7.328.317.134**	**5.847.130.740**
Cost of merchandise sold (-)	(6.918.842.409)	(5.587.705.573)
Gross profit	**409.474.725**	**259.425.167**

Since depreciation and amortization charges are in the nature of general expenses, they are included under operating expenses.

Provision for impairment on inventories are accounted for under cost of sales.

NOTE 29 - RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES AND GENERAL ADMINISTRATIVE EXPENSES

As of 31 December 2024 and 2023, the breakdown of operating expenses is as follows:

Account Name	**1 January - 31 December 2024**	**1 January - 31 December 2023**
General administrative expenses (-)	(62.519.402)	(56.101.179)
Marketing, sales and distribution expenses (-)	(63.762.294)	(59.044.465)
Total operating expenses	**(126.281.696)**	**(115.145.644)**

NOTE 30 - EXPENSES BY NATURE

As of 31 December 2024 and 2023, the functional breakdown of expenses by nature is as follows:

Account Name	**1 January - 31 December 2024**	**1 January - 31 December 2023**
- Personnel Expenses	(64.788.892)	(57.870.974)
- Transportation, Distribution and Storage Expenses	(32.792.372)	(25.897.947)
- Insurance Expenses	(5.076.582)	(5.306.891)
- Depreciation and Amortisation Charges	(3.276.451)	(5.782.088)
- Consultancy and Audit Expenses	(2.847.836)	(4.627.777)
- Provision for Employment Termination Benefits	(1.810.019)	(2.422.114)
- Sales and International Trade Costs	(1.776.159)	(1.190.966)
- Advertisement and Promotion Expenses	(1.702.129)	(3.293.153)
-Motor Vehicle Expenditures	(705.220)	(756.688)
- Rent Expenses	(462.935)	(334.984)
- Information Systems and Communication Expenses	(330.980)	(295.998)
- Taxes, Duties and Charges	(315.844)	(290.980)
-Travel Expenses	(265.768)	(730.622)
- Other	(10.130.509)	(6.344.462)
Total operating expenses, net	**(126.281.696)**	**(115.145.644)**

The Company's accounting, finance, audit, current accounts, warehouse, logistics, import, export and lease services are provided by Group companies İndeks Bilgisayar and Teklos Lojistik. Invoice is issued on monthly basis to Despec for the aforementioned services. The invoiced amounts are included in operating expenses. The detailed explanation of services invoiced by related parties is disclosed in **Note 38**.

Fees for services received from independent auditor/Independent audit firms

The Company's disclosure regarding the fees for the services received from the independent audit firms, which is based on the letter of POA on 19 August 2021, the preparation principles which are based on the Board Decision published in the Official Gazette on 30 March 2021, are as follows:

Account Name	**1 January - 31 December 2024**	**1 January - 31 December 2023**
Audit fee for the reporting period	971.213	421.587
Tax consulting fee	333.750	382.027
Other service fee apart from audit	50.063	8.663
Total	**1.355.026**	**812.276**

NOTE 31 - OTHER OPERATING INCOME/(EXPENSES)

As of 31 December 2024 and 2023, the breakdown and detailed analysis of other operating income and expenses are as follows:

Account Name	**1 January - 31 December 2024**	**1 January - 31 December 2023**
Other operating income	**668.957.501**	**719.758.852**
Interest income	541.246.526	302.482.738
Discount income	82.151.607	41.832.542
Foreign exchange gains	45.420.273	375.443.022
Other	139.095	550
Other operating expenses (-)	**(476.894.359)**	**(678.022.124)**
Interest expenses	(297.890.710)	(179.377.703)
Discount expenses	(108.533.835)	(67.609.776)
Foreign exchange losses	(70.173.608)	(430.717.452)
Other	(296.206)	(317.193)
Other operating income/(expenses), net	**192.063.142**	**41.736.728**

NOTE 32 - GAINS/ (LOSSES) FROM INVESTMENT ACTIVITES

As of 31 December 2024 and 2023, the breakdown of gains and losses from investment activities is as follows:

Account Name	1 January - 31 December 2024	1 January - 31 December 2023
Gains from investment activities	-	**218.056**
Gain on sale of property, plant and equipment and intangible assets	-	-
Investment properties revaluation surplus	-	218.056
Losses from investment activities (-)	**(193.260)**	**-**
Loss on sale of property, plant and equipment and intangible assets (-)	-	-
Investment properties revaluation surplus (-)	(193.260)	-
Gains/(losses) from investment activities, net	**(193.260)**	**218.056**

NOTE 33 - FINANCIAL INCOME/(EXPENSE)

As of 31 December 2024 and 2023, the breakdown of financial income is as follows:

Account Name	1 January - 31 December 2024	1 January - 31 December 2023
Interest income	80.860.925	80.004.289
Foreign exchange gains	1.483.043	8.138.664
Financial income, net	**82.343.968**	**88.142.953**

As of 31 December 2024 and 2023, the breakdown of financial expenses is as follows:

Account Name	1 January - 31 December 2024	1 January - 31 December 2023
Bank fees and charges and interest expenses	(506.812.109)	(298.527.540)
Foreign exchange losses	-	(1.539.014)
Financial expenses, net	**(506.812.109)**	**(300.066.554)**

The Company has no capitalised financing costs during the period.

NOTE 34 – NET MONETARY POSITION GAINS/(LOSSES)

Net monetary position gains/(losses) recognised in the statement of profit or loss is arising from the following non-monetary items:

Non-monetary items	31 December 2024
Statement of financial position	**(91.418.505)**
Inventories	5.713.896
Prepaid expenses	121.403
Property, plant and equipment	2.452.578
Intangible assets	881.697
Prepaid expenses	(87.552)
Paid-in share capital	(125.518.955)
Gains/(losses) on remeasurements of defined benefit plans	459.381
Share premium	(13.215.220)
Restricted reserves	(35.443.186)
Retained earnings	73.217.453
Statement of profit or loss	**81.200.628**
Revenue	(745.858.399)
Cost of sales	794.004.048
General administrative expenses	12.214.620
Other operating income	(22.083.386)
Financial income/(expenses)	42.923.745
Net monetary position gains/(losses), net	**(10.217.877)**

NOTE 35 – NON-CURRENT ASSETS HELD FOR SALE AND DISCOUNTINUED OPERATIONS

None.

NOTE 36 - INCOME TAXES

The Company's tax expense (or income) consists of current period's corporate tax expense and deferred tax expense (or income) and the functional breakdown of income taxes is as follows:

Account Name	1 January - 31 December 2024	1 January - 31 December 2023
Current period tax expense	(15.399.768)	(38.640.179)
Deferred income tax	(9.777.232)	22.617.250
Total tax income/(expense)	**(25.177.000)**	**(16.022.929)**

Account Name	31 December 2024	31 December 2023
Current period tax expense	15.399.768	38.640.179
Prepaid taxes (-)	(15.399.768)	(28.705.171)
Current income tax liabilities, net	**-**	**9.935.008**

i) Corporate tax

Advance tax in Türkiye is calculated and accrued on a quarterly basis. Accordingly, the Company has been calculated tax in accordance with the 2024 earnings in the first advance tax period, an advance tax of 25% was calculated on corporate earnings. The corporate tax rate applied in Türkiye is 25%.

According to Turkish Corporate Tax Law, losses can be carried forward to offset the future taxable income for a maximum period of 5 years. On the other hand, such losses cannot be carried back to offset prior year's profits.

According to corporate tax law Article numbered 24, the corporate tax is imposed by the taxpayer's tax returns. In Türkiye, there is no procedure for a final and definitive agreement on tax assessments. Companies file their corporate tax returns between 1-30 April following the close of the accounting year. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

Income withholding tax

In addition to the corporate tax, it is required to calculate income tax withholding on any dividends, except for those distributed to all taxpayer entities and Turkish branches of foreign companies gaining dividend for such distribution and declaring these dividends within the corporate profit. The rate of withholding tax has been increased from 10% to 15% upon the Cabinet decision No: 2006/10731, which was published in Official Gazette on 23 July 2006. In accordance with the Presidential Decree published in the Official Gazette numbered 32760 on 22 December 2024, the tax withholding rate has been implemented as 15%.

ii) Deferred tax

Despec, recognises deferred tax assets and liabilities based upon temporary differences arising between their financial statements prepared in accordance with TFRS/TAS and the Turkish tax legislations. These differences usually result in the recognition of revenue and expenses in different reporting periods for tax purposes and for the purposes of the TFRS/TAS and disclosed below.

As of 31 December 2024, the effective corporate tax rate is 25%.

The breakdown of cumulative temporary differences and deferred tax assets and liabilities provided using principal tax rates are as follows:

Account Name	31 December 2024 Cumulative temporary differences	31 December 2024 Deferred tax assets/ (liabilities)	31 December 2023 Cumulative temporary differences	31 December 2023 Deferred tax assets/ (liabilities)
Property, plant and equipment and intangible assets	2.056.404	(514.101)	1.261.216	(315.304)
Discount expenses	86.447.402	21.611.851	145.928.630	36.482.158
Provision for employment termination benefits	2.820.180	705.045	2.327.452	581.863
Provision for impairment on inventories	8.373.134	2.093.284	15.753.575	3.938.393
Provision for lawsuits	-	-	94.203	23.551
Difference between net book value and tax base of inventories	4.311.605	1.077.901	5.000.650	1.250.163
Discount on notes receivables	43.914.479	(10.978.620)	30.116.007	(7.529.002)
Derivative instruments	-	-	-	-
Other	1.752.801	438.198	1.318.680	329.669
Deferred tax assets, net		**14.433.558**		**34.761.492**

Movements in deferred tax assets/(liabilities) are as follows:

	31 December 2024	31 December 2023
Beginning of the period – 1 January	34.761.492	20.136.956
Actuarial gains/(losses) on employment termination benefits	134.234	(76.788)
Deferred income tax during the period	(9.777.232)	22.617.250
Adjustments for inflation	(10.684.936)	(7.915.926)
End of the period – 31 December	**14.433.558**	**34.761.492**

Unused tax credits disclosure

The Company has no unused tax credits are carried forward to subsequent periods.

NOTE 37 - EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Accordingly, the weighted average number of shares used in earnings per share calculation as of 31 December 2024 and 2023, which is as follows:

Account Name	1 January - 31 December 2024	1 January - 31 December 2023
Profit for the period	15.199.893	(114.730.388)
Weighted average number of shares	23.000.000	23.000.000
Earnings per share	**0.660865**	**(4.988278)**

NOTE 38 - RELATED PARTY DISCLOSURES

a) Related party balances are as follows:

	Receivables		Payables	
31 December 2024	**Trade receivables**	**Other receivables**	**Trade payables**	**Other payables**
İndeks A.Ş.	-	-	213.024.726	148.495.954
Teklos A.Ş.	-	-	4.134.501	-
Neteks Teknoloji A.Ş.	-	148.934	-	-
Ifz A.Ş.	61.139.733	-	-	-
Datagate A.Ş.	-	-	26.754	-
İnfin A.Ş.	1.650.244	-	-	-
Total	**62.789.977**	**148.934**	**217.185.981**	**148.495.954**

	Receivables		Payables	
31 December 2023	**Trade receivables**	**Other receivables**	**Trade payables**	**Other payables**
İndeks A.Ş.	-	-	13.773.757	51.222.685
Teklos A.Ş.	-	-	2.489.634	-
Neteks Teknoloji A.Ş.	-	169.790	-	-
Ifz A.Ş.	-	-	10.205.277	-
Datagate A.Ş.	-	-	199	-
İnfin A.Ş.	-	-	2.477.337	-
Total	**-**	**169.790**	**28.946.204**	**51.222.685**

The Company has interest gains on USD, EUR and TL for the current accounts during the period, and the effective annual interest in 2024 is for USD 8.60% - 10.25%, EUR 7.80% -9.50% and TL 46.00% – 56.00%, respectively (31 December 2023: 11.50% - 14.50%, 9.65.00% – 14.10% and 24.00% -49.00%, respectively).

b) Related party transactions are as follows:

31 December 2024

Sales	**Goods and services**	**Common costs**	**Interest income and foreign exchange gains**	**Total**
Datagate A.Ş.	828.208	-	-	828.208
İndeks A.Ş.	6.538.157	-	26.564.441	33.102.598
İndeks Dubai	-	69.753.886	-	69.753.886
İnfin A.Ş.	3.870.750	-	-	3.870.750
Neteks Teknoloji A.Ş.	768.539	-	-	768.539
Teklos A.Ş.	762.834	-	5.264	768.098
Homend A.Ş.	-	276.445	-	276.445
Total	**12.768.488**	**70.030.331**	**26.569.705**	**109.368.524**

Purchases	**Goods and services**	**Common costs**	**Interest expenses and foreign exchange losses**	**Total**
Datagate A.Ş.	425.504	-	24.940	450.444
İndeks A.Ş.	3.850.148	12.141.491	223.209.540	239.201.179
İndeks Dubai	834.251.580	-	-	834.251.580
Neteks Teknoloji A.Ş.	2.972	-	99.565	102.537
Teklos A.Ş.	35.351.833	3.021.681	1.571.396	39.944.910
Total	**873.882.037**	**15.163.172**	**224.905.441**	**1.113.950.650**

The Company has no letter of guarantee received or given from related parties during the period.

31 December 2023

Sales	Goods and services	Common costs	Interest income and foreign exchange gains	Total
Datagate A.Ş.	12.840.811	-	718.492	13.559.302
İndeks A.Ş.	14.112.019	-	326.150.055	340.262.074
İndeks Dubai	-	6.898.076	-	6.898.076
İnfin A.Ş.	34.829.128	-	4.159.282	38.988.410
Neteks Teknoloji A.Ş.	1.367.067	-	2.586.685	3.953.752
Teklos A.Ş.	1.084.355	-	495.296	1.579.651
Total	**64.233.381**	**6.898.076**	**334.109.809**	**405.241.265**

Purchases	Goods and services	Common costs	Interest expenses and foreign exchange losses	Total
Datagate A.Ş.	-	291.975	616.181	908.156
İndeks A.Ş.	155.934.663	14.471.094	347.930.269	518.336.027
İndeks Dubai	478.083.451	-	652.148	478.735.599
İnfin A.Ş.	-	2.526.533	868.380	3.394.913
Neteks Teknoloji A.Ş.	5.018	-	7.387.930	7.392.947
Teklos A.Ş.	27.624.560	2.819.275	1.595.478	32.039.313
Total	**661.647.692**	**20.108.878**	**359.050.386**	**1.040.806.956**

The Company has no letter of guarantee received or given from related parties during the period.

Key management compensation

Account Name	31 December 2024	31 December 2023
Short-term employee benefits	25.958.950	20.937.596
Total	**25.958.950**	**20.937.596**

Key management compensation includes the benefits and services provided to the senior management and the remuneration of the general manager and assistant general managers.

NOTE 39 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

(a) Capital risk management

The Company's main objectives for capital management are to keep the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company consists of borrowings includes loans disclosed in note 8, cash and cash equivalents disclosed in note 6 and equity items containing respectively issued share capital, capital reserves, profit reserves and prior years' income disclosed in note 27.

Risks, associated with each capital class, and the senior management evaluates the capital cost. It is aimed that the capital structure will be stabilized by means of new borrowings or repaying the existing debts as well as dividend payments and new share issuances based on the senior management evaluations.

The Company monitors capital on the basis of the net financial debt/total equity ratio. This ratio calculated as dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (includes borrowings, finance leases and trade payables as disclosed in the statement of financial position). Total capital is calculated as equity, as presented in the statement of financial position, plus net debt.

Net financial debt/invested capital ratio as of 31 December 2024 and 2023 is as follows:

	31 December 2024	**31 December 2023**
Total borrowings	2.369.962.678	1.529.903.820
Less: Cash and cash equivalents	(9.340.534)	(13.551.006)
Net financial debt	2.360.622.144	1.516.352.814
Equity	341.762.070	326.964.877
Total capital	2.702.384.214	1.843.317.691
Net financial debt/total equity multiplier	**0.8735**	**0.8226**

(b) Significant accounting policies

The Company's significant accounting policies related to financial instruments are presented in the **Note 2**.

(c) Risks

Due to its operations, the Company is exposed to financial risks related to exchange rates (article d) and interest rates (article f). The Company also holds the financial instruments risk that other party not be able to meet the requirements of the agreement (article e).

Market risks seen at the level of Company are measured according to the sensitivity analysis principle. Market risks faced by the Company in current period or the process of undertaking the faced risks or the process of the measure of faced risks were not changed compare to previous year.

(d) Foreign exchange risk

IT products and consumables are either imported or purchased domestically using denominated in foreign currencies. During the acquisition of these products, the Company has foreign currency denominated payables and makes its payments in same currency. The Company which does not adopt their sales policies using foreign currencies in which they purchase the products may have foreign exchange losses if changes of the exchange rates of different foreign currencies in net foreign currency position.

Despec determines the currencies for sales of the products against the foreign exchange risk in the currency in which the products are supplied. However, sales can be made in different currencies for certain period of times within the framework of market conditions. In order to avoid foreign exchange risk related to high-volume sales, especially during periods of volatility, forward transactions are made accordingly.

The Company management evaluates and monitors the balance of the assets and liabilities denominated in Turkish Lira as open positions. As of 31 December 2024, and 2023, assets and liabilities denominated in foreign currency are as follows:

As of 31 December 2024, if EUR and USD had appreciated by 10% against TL with all other variables held constant, profit before tax would have been TL (27.514.390) lower (31 December 2023: TL (11.572.463) higher).

Foreign Exchange Sensitivity Analysis
Current period – 31 December 2024

	Profit/(Loss)	
	Appreciation of Foreign Currency	**Depreciation of Foreign Currency**
Change in USD against TL by 10%		
1- USD Net Asset / Liability	(13.585.204)	13.585.204
2- Hedged portion of USD Risk (-)		
3- USD Net Effect (1+2)	**(13.585.204)**	**13.585.204**
Change in EUR against TL by 10%		
4- EUR Net Asset / Liability	(13.929.186)	13.929.186
5- Hedged portion of EUR Risk (-)		
6- EUR Net Effect (4+5)	**(13.929.186)**	**13.929.186**
Change in Other currencies against TL by 10%		
7- Other currencies Net Asset / Liability	-	-
8- Hedged portion of Other currencies Risk (-)	-	-
9- Other currencies Net Effect (7+8)	-	-
Total	**(27.514.390)**	**27.514.390**

Foreign Exchange Sensitivity Analysis
Prior period – 31 December 2023

	Profit/(Loss)	
	Appreciation of Foreign Currency	**Depreciation of Foreign Currency**
Change in USD against TL by 10%		
1- USD Net Asset / Liability	(812.249)	812.249
2- Hedged portion of USD Risk (-)	-	-
3- USD Net Effect (1+2)	**(812.249)**	**812.249**
Change in EUR against TL by 10%		
4- EUR Net Asset / Liability	(10.760.214)	10.760.214
5- Hedged portion of EUR Risk (-)	-	-
6- EUR Net Effect (4+5)	**(10.760.214)**	**10.760.214**
Change in Other currencies against TL by 10%		
7- Other currencies Net Asset / Liability	-	-
8- Hedged portion of Other currencies Risk (-)	-	-
9- Other currencies Net Effect (7+8)	-	-
Total	**(11.572.463)**	**11.572.463**

As of 31 December 2024 and 2023, foreign exchange position of the Company is as follows:

Foreign Exchange Position

	31 December 2024			**31 December 2023**		
	TL equivalent	**USD**	**EUR**	**TL equivalent**	**USD**	**EUR**
1. Trade Receivables	152.867.029	1.434.784	2.783.288	79.581.741	1.113.219	686.097
2a. Monetary Financial Assets	338.355	5.652	3.782	198.820	2.743	1.748
2b. Non-Monetary Financial Assets	1.335.787	34.890	2.855	1.432.543	33.705	-
3. Other	135.287.852	3.471.517	348.748	56.803.340	904.408	390.469
4. Total Current Assets (1+2+3)	**289.829.023**	**4.946.842**	**3.138.674**	**138.016.444**	**2.054.075**	**1.078.314**
5. Trade Receivables	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Total Non-Current Assets (5+6+7)	**-**	**-**	**-**	**-**	**-**	**-**
9. Total Assets (4+8)	**289.829.023**	**4.946.842**	**3.138.674**	**138.016.444**	**2.054.075**	**1.078.314**
10. Trade Payables	553.074.760	8.665.695	6.705.980	245.240.574	2.188.365	3.227.483
11. Financial Liabilities	-	-	-	-	-	-
12a. Other Monetary Liabilities	1.286.684	31.571	4.642	2.073.649	42.205	5.870
12b. Other Non-Monetary Liabilities	10.611.478	84.419	207.264	6.426.849	10.567	126.859
13. Total Current Liabilities (10+11+12)	**564.972.922**	**8.781.685**	**6.917.886**	**253.741.072**	**2.241.137**	**3.360.212**
14. Trade Payables	-	-	-	-	-	-
15. Financial Liabilities	-	-	-	-	-	-
16a. Other Monetary Liabilities	-	-	-	-	-	-
16b. Other Non-Monetary Liabilities	-	-	-	-	-	-
17. Total Non-Current Liabilities (14+15+16)	**-**	**-**	**-**	**-**	**-**	**-**
18. Total Liabilities (13+17)	**564.972.922**	**8.781.685**	**6.917.886**	**253.741.072**	**2.241.137**	**3.360.212**
19. Off-Balance Sheet Derivative Instruments Net Asset/(Liability) Position (19a-19b)				**-**	**-**	**-**
19a. Total Asset Amount of Hedged	-	-	-	-	-	-
19b. Total Liabilities Amount of Hedged	-	-	-	-	-	-
20. Net Foreign Exchange Asset/(Liability) Position (9-18+19)	**(275.143.899)**	**(3.834.843)**	**(3.779.212)**	**(115.724.628)**	**(187.062)**	**(2.281.898)**
21. Monetary Items Net Foreign Exchange Asset / (Liabilities) Position (1+2a+3+5+6a-10-11-12a-14-15-16a)	**(401.156.060)**	**(7.256.831)**	**(3.923.552)**	**(167.533.662)**	**(1.114.608)**	**(2.545.508)**
22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedge	**-**	**-**	**-**			
23. Foreign Exchange Hedged Portion Amount of Assets	-	-	-	-	-	-
24. Foreign Exchange Hedged Portion Amount of Liabilities	-	-	-	-	-	-
25. Export	**8.762.138**	**-**	**-**	**4.277.710**	**-**	**-**
26. Import	**1.289.270.164**	**-**	**-**	**1.167.790.082**	**-**	**-**

e) Credit risk details

As of 31 December 2024 and 2023, the exposure of financial assets to credit risk is as follows:

31 December 2024	**Receivables**					**Bank deposits**	
	Trade Receivables		**Other Receivables**				
	Related Party	**Other**	**Related Party**	**Other**	**Notes**		**Notes**
Maximum exposure to credit risk as of the reporting date (A+B+C+D)	**62.789.977**	**2.150.179.944**	**148.934**	**2.692.303**		**7.836.151**	
- Maximum risk, secured with guarantees and collaterals	-	1.090.872.681	-	-			
A. Net book value of neither past due nor impaired financial assets	**62.789.977**	**2.149.654.032**	**148.934**	**2.692.303**	**10-11**	**7.836.151**	**6**
B. Net book value of past due but not impaired financial assets	-	831.866	-	-		-	
- Maximum risk, secured with guarantees and collaterals	-	(252.977)	-	-	**10-11**	-	
C. Net book value of impaired assets	-	-	-	-		-	**6**
- Past due (gross book value)	-	3.697.971	-	-	**10-11**	-	
- Impairment (-)	-	(3.697.971)	-	-	**10-11**	-	**6**
- Secured with guarantees and collaterals	-	-	-	-	**10-11**	-	**6**
- Not past due (gross book value)	-	-	-	-	**10-11**	-	**6**
- Impairment (-)	-	-	-	-	**10-11**	-	**6**
- Secured with guarantees and collaterals	-	-	-	-	**10-11**	-	**6**
D – Off-balance sheet expected credit losses (-)							

31 December 2023	**Receivables**					**Bank deposits**	
	Trade Receivables		**Other Receivables**				
	Related Party	**Other**	**Related Party**	**Other**	**Notes**		**Notes**
Maximum exposure to credit risk as of the reporting date (A+B+C+D)	**-**	**1.432.230.270**	**169.790**	**488.080**		**11.214.092**	
- Maximum risk, secured with guarantees and collaterals	-	*1.178.615.663*	-	-			
A. Net book value of neither past due nor impaired financial assets	**-**	**1.426.425.968**	**169.790**	**488.080**	**10-11**	**11.214.092**	**6**
B. Net book value of past due but not impaired financial assets	-	6.255.363	-	-		-	
- Maximum risk, secured with guarantees and collaterals	-	*(451.060)*	-	-	**10-11**	-	
C. Net book value of impaired assets	-	-	-	-		-	**6**
- Past due (gross book value)	-	4.752.616	-	-	**10-11**	-	
- Impairment (-)	-	*(4.752.616)*	-	-	**10-11**	-	**6**
- Secured with guarantees and collaterals	-	-	-	-	**10-11**	-	**6**
- Not past due (gross book value)	-	-	-	-	**10-11**	-	**6**
- Impairment (-)	-	-	-	-	**10-11**	-	**6**
- Secured with guarantees and collaterals	-	-	-	-	**10-11**	-	**6**
D – Off-balance sheet expected credit losses (-)	-	-	-	-	**10-11**	-	

FINANCIAL ASSETS PAST DUE BUT NOT IMPAIRED

	Receivables	
31 December 2024	**Trade receivables**	**Other receivables**
Past due up to 1 month	578.889	-
Past due 1-3 months	-	-
Past due more than 3 months	252.977	-
Secured with guarantees and collaterals	252.977	-

	Receivables	
31 December 2023	**Trade receivables**	**Other receivables**
Past due up to 1 month	2.381.416	-
Past due 1-3 months	2.330.235	-
Past due more than 3 months	1.543.712	-
Secured with guarantees and collaterals	451.060	-

Credit risk management

Despec's collection risk arises mainly from its trade receivables. Almost all of the trade receivables are due to receivables from dealers. The Company has established an effective control system on its dealers and the credit risk arising from these transactions is followed by the risk management team and the Company management and limits are set for each dealer and limits are revised when necessary. Receiving sufficient collateral from dealers is another method used in the management of credit risk. The Company does not have a significant trade receivable risk due to the fact that it is a creditor from a large number of customers rather than a small number of customers. Trade receivables are evaluated by taking into consideration the past experiences and current economic situation of the Company management and are presented in the statement of financial position net of provision for doubtful receivables. The low profit margin of the sector due to the structure of the sector makes collection and risk monitoring policies significant for the Company and maximum sensitivity is presented accordingly. Detailed explanations on our collection and risk management policy are as follows.

For receivables exceeding the maturity of several months, enforcement proceedings and / or lawsuits are filed. The same process could be executed some dealers who are in financial stress. Since profit margins in the sector are low, collection of receivables is extremely important. There are current accounts and risk management units in order to reduce the risk of receivables with credibility evaluations are made through dealers. Cash collections are made from the resellers who are new or risky and sales are made accordingly.

Despec sells goods to Türkiye in nearly every entity engaged in the buying and selling of computers. The capital structure of the dealers, which are defined as the classic dealers within the distribution channel, is low. This group of dealers, which is estimated to be around 5,000 in Türkiye, takes the risk in terms of risk management. The Company has established its own organization and working system to minimize the group of dealers and take necessary measures. Measures can be listed are as follows:

Cash collecting procedure with companies that have not completed 1 year in the sector: In the sector, it is worked with cash collecting with the computer companies that have not completed 1 year.

The intelligence team, which consists of two personnel who are structured within the current accounts and risk management department, constantly make the intelligence of the dealers.

Credit Committee: The necessary intelligence services of the companies that have completed one year in the sector and the credit limit increase are arranged by the intelligence team and presented to the credit committee collected every week. The credit committee consists of the finance manager, current accounts manager, intelligence staff and the sales department manager of the relevant customer, under the chairmanship of the deputy general manager in charge of financial affairs. The credit committee establishes credit limits to firms based on the information obtained and past payment and sales performance. It determines the mode of operation and, if necessary, requests the collateral to be received from the dealer.

Trade receivables are evaluated by taking into consideration the Company's policies and procedures, are presented in the statement of financial position accordingly less doubtful receivables (Note 10).

The Company has credit insurance policy from Euler Hermes Sigorta Anonim Şirketi within borders of Türkiye for the insurance of its trade receivables until 31 March 2025 (the payment guarantee insurance for trade receivables is determined as 85%-90%).

f) Interest rate risk

The Company has borrowings from fixed-interest rate financial instruments.

Interest rate position	31 December 2024	31 December 2023
Fixed-interest rate financial instruments		
Financial assets	2.452.989	1.838.924
Financial liabilities	4.645.115	1.948.992
Floating-interest rate financial instruments		-
Financial assets	-	-
Financial liabilities	-	-

As of 31 December 2024, in the case of 100 bps rise in the annual interests, with all other variables held constant, profit before tax would have been TL 21.921 lower.

As of 31 December 2023, in the case of 100 bps rise in the annual interests, with all other variables held constant, profit before tax would have been TL 1.101 higher.

g) Other risks

Equity securities and other related risks related financial instruments

The Company has no securities and similar financial assets sensitive to changes in fair value.

h) Liquidity risk

Liquidity risk is the risk that a Company will be unable to meet its funding needs. Prudent liquidity risk management is to provide sufficient cash and cash equivalents, to enable funding with the support of credit limits provided by reliable credit institutions and to close funding deficit. The Company provides funding by balancing cash inflows and outflows through the provision of credit lines in the business environment.

Liquidity risk statements

Prudent liquidity risk management signifies maintaining sufficient cash, the utility of fund sources by sufficient credit transactions and the ability to close out market positions. The ability to fund existing and prospective debt requirements is managed by maintaining the availability of adequate and high-quality lenders.

Undiscounted contractual cash flows of the derivative and non-derivative financial liabilities as of 31 December 2024 and 2023 are as follows:

31 December 2024

	Carrying Value	Total Contractual Cash Outflows	Demand or up to 3 months	3-12 months	1-5 years	5 years and over
Non-Derivative Financial Liabilities	**2.280.721.269**	**2.328.441.871**	**2.320.701.899**	**1.840.368**	**5.899.604**	**-**
Lease Liabilities	*4.645.115*	*8.451.238*	*711.266*	*1.840.368*	*5.899.604*	-
Trade Payables	*2.111.239.181*	*2.155.153.660*	*2.155.153.660*			-
Other Payables	*164.836.973*	*164.836.973*	*164.836.973*			-

31 December 2023

	Carrying Value	Total Contractual Cash Outflows	Demand or up to 3 months	3-12 months	1-5 years	5 years and over
Non-Derivative Financial Liabilities	**1.488.888.255**	**1.519.320.045**	**1.517.761.039**	**819.456**	**739.550**	**-**
Lease Liabilities	*1.948.992*	*2.264.775*	*705.769*	*819.456*	*739.550*	-
Trade Payables	*1.431.063.217*	*1.461.179.224*	*1.461.179.224*	-	-	-
Other Payables	*55.876.046*	*55.876.046*	*55.876.046*	-	-	-

NOTE 40 - FINANCIAL INSTRUMENTS

The fair value of financial instruments is considered to approximate their carrying values.

Financial risk management

The Company is exposed to variety of financial risks due to its operations. These risks include credit risk, market risk (foreign exchange risk, interest rate risk and price risk) and liquidity risk, credit risk and cash flow interest rate risk. The Company's overall risk management strategy focuses on the unpredictability of financial markets and targets to minimise potential adverse effects on the Company's financial performance.

In order to minimise potential adverse effects on the Company's financial performance, the Company uses forward foreign exchange contracts as financial instruments that are derivatives, although not in significant amounts. The Company does not have any speculative financial instrument (including derivative instruments) and does not have any activity regarding the purchase and sale of such instruments.

NOTE 41 - EVENTS AFTER THE REPORTING PERIOD

None.

NOTE 42 - THE OTHER MATTERS WHICH SUBSTANTIALLY AFFECT THE FINANCIAL STATEMENTS

None.