

**CONVENIENCE TRANSLATION OF CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

**TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.
AND ITS SUBSIDIARY**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY - 31 MARCH 2024**

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TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş. AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

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

	Notes	Current Period Unaudited 31 March 2024	Prior Period Audited 31 December 2023
ASSETS			
Current Assets		9.337.368	13.238.582
Cash and Cash Equivalents	17	2.447.330	5.788.799
Financial Investments		3.114	236.716
- Financial Assets Carried at Amortised Cost	14	-	233.587
- Financial Assets at Fair Value Through Other Comprehensive Income	14	3.114	3.129
Trade Receivables	4	2.944.197	3.829.831
- Due from Third Parties		2.944.197	3.829.831
Other Receivables		112.701	78.758
- Due from Third Parties		112.701	78.758
Inventories		3.341.375	2.732.740
Prepaid Expenses		420.788	494.768
- Prepaid Expenses from Third Parties		420.788	494.768
Assets Related to Current Period Tax	12	67.863	76.970
Non-Current Assets		8.908.547	8.951.764
Other Receivables		1.240	975
- Due from Third Parties		1.240	975
Investment Properties	6	15.576	15.868
Property, Plant and Equipment	7	7.362.372	7.556.416
- Land		103.676	103.676
- Land Improvements		105.430	106.152
- Buildings		328.426	343.136
- Machinery and Equipment		2.632.710	2.670.691
- Motor Vehicles		76.484	79.672
- Furniture and Fixtures		3.668.798	3.850.642
- Construction in Progress		446.848	402.447
Right of Use Assets	8	369.708	388.411
Intangible Assets	9	66.042	72.941
- Rights		66.042	72.941
Deferred Tax Asset	12	-	115.754
Prepaid Expenses		1.093.609	801.399
- Prepaid Expenses from Third Parties		1.093.609	801.399
TOTAL ASSETS		18.245.915	22.190.346

The accompanying notes are integral part of these condensed consolidated financial statements.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş. AND ITS SUBSIDIARY

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
31 MARCH 2024**

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

Notes	<i>Current Period Unaudited 31 March 2024</i>	<i>Prior Period Audited 31 December 2023</i>
LIABILITIES		
Current Liabilities	6.691.356	10.029.658
Current Borrowings	2.203.127	2.746.939
- Current Borrowings from Third Parties	2.203.127	2.746.939
- Bank Loans	5 2.046.199	2.586.012
- Lease Liabilities	5 156.928	160.927
Trade Payables	4 1.755.681	2.545.916
- Due to Third Parties	1.755.681	2.545.916
Other Payables	446.853	718.298
- Due to Third Parties	446.853	718.298
Deferred Income	36.338	14.018
- Deferred Income from Third Parties	36.338	14.018
Current Income Tax Liability	12 215.339	164.329
Short-term Provisions	950.960	1.070.129
- Provision for Employee Benefits	338.026	585.216
- Other Short-term Provisions	10 612.934	484.913
Other Current Liabilities	1.083.058	2.770.029
- Other Current Liabilities due to Third Parties	1.083.058	2.770.029
Non-current liabilities	405.550	352.563
Long-term Borrowings	178.216	202.429
- Long-term Borrowings from Third Parties	178.216	202.429
- Lease Liabilities	5 178.216	202.429
Long-term Provisions	136.878	150.134
- Provision for Employee Benefits	136.878	150.134
Deferred Tax Liability	12 90.456	-
TOTAL LIABILITIES	7.096.906	10.382.221
EQUITY	11.149.009	11.808.125
Equity Attributable to Equity Holders of the Group	11.149.009	11.808.125
Share Capital	11 322.508	322.508
Adjustment to Share Capital	11 8.693.107	8.693.107
Share Premium (Discounts)	11 1.784	1.784
Items that will not be Reclassified to Profits (Losses)	(72.879)	(75.253)
- Revaluation of Defined Employee Benefits (Losses) Plans	(72.879)	(75.253)
Restricted Reserves Appropriated from Profits	796.920	796.920
- Legal Reserves	11 796.920	796.920
Accumulated Profits or Losses	11 2.069.059	882.251
Net Profit or Loss for the Period	(661.490)	1.186.808
TOTAL EQUITY AND LIABILITIES	18.245.915	22.190.346

The accompanying notes are integral part of these condensed consolidated financial statements.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş. AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY - 31 MARCH 2024

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

	Notes	Current Period Unaudited 1 January - 31 March 2024	Prior Period Unaudited 1 January - 31 March 2023
Profit or Loss			
Revenue		3.391.662	2.879.993
Cost of sales		(2.013.451)	(1.824.453)
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		1.378.211	1.055.540
GROSS PROFIT (LOSS)		1.378.211	1.055.540
General administrative expenses		(269.671)	(200.848)
Marketing, selling and distribution expenses		(1.540.224)	(997.058)
Other income from operating activities		54.380	61.920
Other expense from operating activities		(103.893)	(54.131)
PROFIT (LOSS) FROM OPERATING ACTIVITIES		(481.197)	(134.577)
Income from investment activities		383.357	164.900
Expenses from investment activities		(10.149)	(17.229)
PROFIT (LOSS) BEFORE FINANCIAL INCOME (EXPENSES)		(107.989)	13.094
Financial expenses		(331.556)	(134.343)
Monetary gain		66.416	16.900
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		(373.129)	(104.349)
Tax (expense) income from continuing operations		(288.361)	(283.149)
- Current period tax (expense) income	12	(82.943)	(24.204)
- Deferred tax (expense) income	12	(205.418)	(258.945)
PROFIT (LOSS) FROM CONTINUING OPERATIONS		(661.490)	(387.498)
PROFIT (LOSS)		(661.490)	(387.498)
Profit (loss), attributable to:			
Non-controlling interests		-	-
Equity holders of the Group		(661.490)	(387.498)
		(661.490)	(387.498)
Losses per share for net profit attributable to the equity holders of the parent company (full TL)	13	(2,05)	(1,20)
Other comprehensive income (expense):			
Items that will not be reclassified to profit or loss		2.374	(9.377)
- Gains (losses) on remeasurements of defined benefit plans		3.166	(11.721)
- Taxes relating to components of other comprehensive income that will not be reclassified to profit or loss		(792)	2.344
- Taxes relating to gains (losses) on remeasurements of defined benefit plans	12	(792)	2.344
OTHER COMPREHENSIVE INCOME (LOSS)		2.374	(9.377)
TOTAL COMPREHENSIVE INCOME (LOSS)		(659.116)	(396.875)
Allocation of comprehensive income:			
Non-controlling interests		-	-
Equity holders of the Group		(659.116)	(396.875)
		(659.116)	(396.875)

The accompanying notes are integral part of these condensed consolidated financial statements.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş. AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 1 JANUARY - 31 MARCH 2024

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

<i>Unaudited</i>	Share Capital	Adjustment to Share Capital	Share Premium/ (Discounts)	<i>Items that will not be Reclassified to Profit or Loss</i>	Restricted Reserves	<i>Accumulated Profits/(Losses)</i>		Equity Holders of the Group	Total Equity
				Revaluation of Defined Employee Benefits/(Losses)		Accumulated Profits/(Losses)	Net Profit/(Loss) for the Period		
Balances at 1 January 2023	322.508	8.693.107	1.784	(24.090)	796.920	(298.935)	1.181.074	10.672.368	10.672.368
Transfers	-	-	-	-	-	1.181.074	(1.181.074)	-	-
Total comprehensive income (loss)	-	-	-	(9.377)	-	-	(387.498)	(396.875)	(396.875)
- Profit (loss) for the period	-	-	-	-	-	-	(387.498)	(387.498)	(387.498)
- Other comprehensive income (loss)	-	-	-	(9.377)	-	-	-	(9.377)	(9.377)
Balances at 31 March 2023	322.508	8.693.107	1.784	(33.467)	796.920	882.139	(387.498)	10.275.493	10.275.493
<i>Unaudited</i>									
Balances at 1 January 2024	322.508	8.693.107	1.784	(75.253)	796.920	882.251	1.186.808	11.808.125	11.808.125
Transfers	-	-	-	-	-	1.186.808	(1.186.808)	-	-
Total comprehensive income (loss)	-	-	-	2.374	-	-	(661.490)	(659.116)	(659.116)
- Profit (loss) for the period	-	-	-	-	-	-	(661.490)	(661.490)	(661.490)
- Other comprehensive income (loss)	-	-	-	2.374	-	-	-	2.374	2.374
Balances at 31 March 2024	322.508	8.693.107	1.784	(72.879)	796.920	2.069.059	(661.490)	11.149.009	11.149.009

The accompanying notes are integral part of these condensed consolidated financial statements

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş. AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED FINANCIAL STATEMENT OF CASH FLOWS FOR THE PERIOD 1 JANUARY - 31 MARCH 2024

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

Notes	<i>Current Period Unaudited 1 January - 31 March 2024</i>	<i>Prior Period Unaudited 1 January - 31 March 2023</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
	(661.490)	(387.498)
	(661.490)	(387.498)
	1.346.979	1.731.046
Adjustments for depreciation and amortisation expense	698.611	568.490
Adjustments for (reversal of) impairment loss	9.874	(6.703)
Adjustments for (reversal of) impairment loss receivables	7.990	(7.268)
Adjustments for (reversal of) impairment loss inventory	1.884	565
Adjustments for provisions	410.534	430.348
Adjustments for (reversal of) provision related to employee benefits	219.030	103.405
Adjustments for (reversal of) other provisions	191.504	326.943
Adjustments for interest (income) expenses	(171.776)	3.133
Adjustments for interest income	(240.087)	(105.219)
Adjustment for interest expenses	49.456	84.313
Unearned finance income due to sales	131.836	7.667
Incurred finance expense due to purchases	(112.981)	16.372
Adjustments for taxation (income) expense	288.361	283.149
Adjustments for losses (gains) on sale of fixed assets	(17.389)	(13.560)
Adjustments for losses (gains) on sale of tangible assets	(17.389)	(13.560)
Adjustments for unrealized foreign exchange losses	(58.937)	(42.608)
Monetary Gain/(Loss)	187.701	508.797
	(2.435.070)	(822.491)
Adjustments for decrease (increase) in trade receivables	491.679	(961.725)
Decrease (increase) in trade receivables from third party	491.679	(961.725)
Adjustments for (increase) decrease in other receivables	(44.645)	(39.226)
(Increase) decrease in other receivables from third party	(44.645)	(39.226)
Adjustments for (increase) decrease in inventories	(610.519)	(526.508)
(Increase) decrease in prepaid expenses	(190.953)	(276.230)
Adjustments for (decrease) increase in trade payables	(603.047)	272.607
(Decrease) increase in trade payables to third parties	(603.047)	272.607
Adjustments for (decrease) increase in other payables	(177.409)	32.021
(Decrease) increase in other payables from third parties	(177.409)	32.021
Increase (decrease) in deferred income	24.155	3.100
Adjustments for (decrease) increase in working capital	(1.324.331)	673.470
(Decrease) increase in other liabilities	(1.324.331)	673.470
	(1.749.581)	521.057

The accompanying notes are integral part of these condensed consolidated financial statements.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş. AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED FINANCIAL STATEMENT OF CASH FLOWS FOR THE PERIOD 1 JANUARY - 31 MARCH 2024

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

	Notes	<i>Current Period Unaudited 1 January - 31 March 2024</i>	<i>Prior Period Unaudited 1 January - 31 March 2023</i>
Provisions paid related to employee benefits		(401.993)	(311.756)
Income taxes returns (payments)	12	(22.826)	(21.714)
Net Cash (Used in)/Generated From Operating Activities		(2.174.400)	187.587
Cash Flow From Investing Activities:			
Cash inflow from sale of tangible and intangible assets		57.732	14.592
Cash inflow from sale of tangible assets		57.732	14.592
Cash outflow from purchase of tangible and intangible assets		(433.602)	(532.489)
Cash outflow from purchase of tangible assets		(432.491)	(532.193)
Cash outflow from purchase of intangible assets	9	(1.111)	(296)
Interest received		398.292	116.226
Other cash inflow		233.587	-
Net Cash Generated From/(Used in) Investing Activities		256.009	(401.671)
Cash Flow From Financing Activities			
Proceeds from borrowings		328.656	406.721
Proceeds from bank loans	5	328.656	406.721
Repayments of borrowings		(559.451)	(506.117)
Bank loan repayments	5	(559.451)	(506.117)
Payments of lease liabilities	5	(304.999)	(30.442)
Interest paid		(42.009)	(72.471)
Net Cash (Used in)/Generated From Financing Activities		(577.803)	(202.309)
Net Decrease in Cash and Cash Equivalents Before Currency Translation Differences		(2.496.194)	(416.393)
Effect of currency translation differences on cash and cash equivalents		(87.431)	38.909
Net Decrease in Cash and Cash Equivalents		(2.583.625)	(377.484)
Cash and cash equivalents at the beginning of the period		5.788.799	4.116.197
Effect of monetary gain on cash and cash equivalents		(757.844)	(1.945.135)
Cash and Cash Equivalents at the end of the Period	17	2.447.330	1.793.578

The accompanying notes are integral part of these condensed consolidated financial statements.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 MARCH 2024

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

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS

Türk Tuborg Bira ve Malt Sanayii A.Ş. ("Türk Tuborg" or the "Company") was incorporated in İzmir in 1969. The Company is engaged in production, sales and distribution of beer and malt to the domestic and international markets.

The Company is registered in the Turkish Capital Markets Board ("CMB") and its shares have been traded on the Istanbul Stock Exchange Market ("BIST") since 1989. As at 31 March 2024, the ratio of free floating shares on BIST is 4,31% (31 December 2023: 4,31%). The ultimate shareholder and the party that controls the Company is International Beer Breweries Ltd. ("IBBL") with a share of 95,69% (Note 11).

The average number of employees in the Company and Tuborg Pazarlama A.Ş., its subsidiary, ("Group") as at 31 March 2024 is 1.690 (31 December 2023: 1.639).

The address of the registered office is follows:

Türk Tuborg Bira ve Malt Sanayii A.Ş.
Kemalpaşa Caddesi No: 258
Işıkkent 35070
İzmir

Subsidiary

The details of the subsidiary of the Company is as follows:

	Listed entity	Nature of operations	Core business
Tuborg Pazarlama A.Ş.	No	Selling and distribution	Selling and distribution of beer

The Company sells almost all of the beer which it produces to its subsidiary, Tuborg Pazarlama A.Ş. ("Tuborg Pazarlama" or "Subsidiary"), in which it holds a share of 99,99% (31 December 2023: 99,99%). Accordingly, Tuborg Pazarlama performs sales and distribution of such products in the domestic market.

Approval of the condensed consolidated financial statements for issue:

The condensed consolidated financial statements of the Group were approved by the Board of Directors of Türk Tuborg Bira ve Malt Sanayii A.Ş. for issue on 21 June 2024. The General Assembly of the Company and/or governmental authorities are entitled to modify the consolidated financial statements as enclosed herein.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

a) Statement of compliance

The accompanying condensed consolidated financial statements are prepared in accordance with the requirements of Capital Markets Board ("CMB") Communiqué Serial II, No: 14.1 "Basis of Financial Reporting in Capital Markets", which was published in the Official Gazette No:28676 on 13 June 2013. The accompanying financial statements are prepared based on the Turkish Financial Reporting Standards ("TFRS") that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA") under Article 5 of the Communiqué and accepted by CMB.

TÜRK TUBORG BİRA VE MALT SANAYİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 MARCH 2024

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

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Condensed consolidated financial statements and its notes are also presented in accordance with "Announcement regarding with TAS Taxonomy" which was published on 4 October 2022 by POAASA and the format and mandatory information recommended by CMB.

In compliance with the TAS 34, entities have preference in presenting their consolidated interim financial statements whether full set or condensed. In this framework, the Group preferred to present its interim financial statements in condensed.

Group's condensed interim condensed financial statements do not include all disclosure and notes that should be included at year-end financial statements. Therefore the condensed interim financial statements should be examined together with the financial statements of 31 December 2023.

The Group and its subsidiary operating in Turkey maintains its accounting records and prepare its statutory financial statements in accordance with the principles and requirements issued by CMB, Turkish Commercial Code ("TCC"), tax legislation and the uniform chart of accounts issued by the Ministry of Finance. The condensed consolidated financial statements, except for financial assets and liabilities presented with their fair values, are maintained under historical cost conversion in TL.

b) Presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The condensed consolidated financial statements are presented in TL, which is the parent Company's functional and presentation currency.

c) Adjustment of financial statements in hyperinflationary economies

The condensed financial statements and related figures for previous periods have been restated for changes in the general purchasing power of the functional currency and, consequently, the financial statements and related figures for previous periods are expressed in terms of the measuring unit current at the end of the reporting period in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies.

TAS 29 applies to the condensed financial statements, including the consolidated financial statements, of each entity whose functional currency is the currency of a hyperinflationary economy. If an economy is subject to hyperinflation, TAS 29 requires an entity whose functional currency is the currency of a hyperinflationary economy to present its financial statements in terms of the measuring unit current at the end of the reporting period.

As at the reporting date, entities operating in Türkiye are required to apply TAS 29 "Financial Reporting in Hyperinflationary Economies" for the reporting periods ending on or after 31 December 2023, as the cumulative change in the general purchasing power of the last three years based on the Consumer Price Index ("CPI") is more than 100%.

POA made an announcement on 23 November 2023 regarding the scope and application of TAS 29. It stated that the financial statements of the entities applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be presented in accordance with the related accounting principles in TAS 29, adjusted for the effects of inflation.

In accordance with the CMB's decision dated 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 the provisions of TAS 29 to their annual financial statements for the accounting periods ending on 31 December 2023.

TÜRK TUBORG BİRA VE MALT SANAYİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 MARCH 2024

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

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

In this framework, while preparing the condensed consolidated financial statements dated 31 March 2024, inflation adjustment has been made in accordance with TAS 29.

The table below shows the inflation rates for the relevant years calculated by taking into account the Consumer Price Indices published by the Turkish Statistical Institute ("TURKSTAT"):

Date	Index	Coefficient
31.03.2024	2.139,47	1,00000
31.12.2023	1.859,38	1,15063
31.03.2023	1.269,75	1,68495

The main lines of TAS 29 indexation transactions are as follows:

- As of the balance sheet date, all items other than those stated in terms of current purchasing power are restated by using the relevant price index coefficients. Prior year amounts are also restated in the same way.
- Monetary assets and liabilities are expressed in terms of the purchasing power at the balance sheet date and are therefore not subject to restatement. Monetary items are cash and items to be received or paid in cash.
- Fixed assets, subsidiaries and similar assets are indexed to their acquisition values, which do not exceed their market values. Depreciation has been adjusted in a similar manner. Amounts included in shareholders' equity have been restated by applying general price indices for the periods in which they were contributed to or arose within the Company.
- All items in the income statement, except for the effects of non-monetary items in the balance sheet on the income statement, have been restated by applying the multiples calculated over the periods when the income and expense accounts were initially recognized in the financial statements.
- The gain or loss arising on the net monetary position as a result of general inflation is the difference between the adjustments to non-monetary assets, equity items and income statement accounts. This gain or loss on the net monetary position is included in net profit.

The impact of the application of TAS 29 Inflation Accounting is summarized below:

Restatement of the Statement of Financial Position

Amounts in the statement of financial position that are not expressed in terms of the measuring unit current at the end of the reporting period are restated. Accordingly, monetary items are not restated because they are expressed in the currency of the reporting period. Non-monetary items are required to be restated unless they are expressed in terms of the currency in effect at the end of the reporting period.

The gain or loss on the net monetary position arising on restatement of non-monetary items is recognized in profit or loss and presented separately in the statement of comprehensive income.

TÜRK TUBORG BİRA VE MALT SANAYİ A.Ş. AND ITS SUBSIDIARY

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 MARCH 2024

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

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Restatement of the Statement of Profit or Loss

All items in the statement of profit or loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, all amounts have been restated by applying changes in the monthly general price index.

Cost of inventories sold has been restated using the restated inventory balance.

Depreciation and amortization expenses have been restated using the restated balances of property, plant and equipment, intangible assets, investment property and right-of-use assets.

Restatement of Statement of Cash Flows

All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period.

Condensed consolidated financial statements

The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are restated by applying the general price index before they are included in the consolidated financial statements prepared by the parent company.

Comparative figures

Relevant figures for the previous reporting period are restated by applying the general price index so that the comparative financial statements are presented in the measuring unit applicable at the end of the reporting period. Information disclosed for prior periods is also expressed in terms of the measuring unit current at the end of the reporting period.

d) Basis of consolidation

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

<u>Subsidiary</u>	<u>Location of incorporation</u>	<u>Participation rate (%)</u>	<u>Voting power (%)</u>	<u>Core business</u>
Tuborg Pazarlama A.Ş.	Turkey	99,99	99,99	Selling and distribution of beer

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee;
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements;
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

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

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2 New and Revised Turkish Accounting Standards

2.2.1 Standards, amendments and interpretations applicable as at 31 March 2024

Amendments to TAS 1	<i>Amendments to Classification of Liabilities as Current or Non-Current</i> ¹
Amendments to TFRS 16	<i>Amendments to Lease Liability in a Sale and Leaseback</i> ¹
Amendments to TAS 1	<i>Amendments to Non-current Liabilities with Covenants</i> ¹
Amendments to TAS 7 and TFRS 17	<i>Amendments to Supplier Finance Arrangements</i> ¹
TSRS 1	<i>General Requirements for Disclosure of Sustainability-related Financial Information</i> ¹
TSRS 2	<i>Climate-related Disclosures</i> ¹

¹Effective for annual periods beginning after 1 January 2024.

The Group has adopted the new standards and amendments above, and the new standards and amendments have had no significant effect on the current and comparative periods. Therefore, the comparative financial statement of the prior period have not been restated in accordance with the materiality principle.

2.2.2 New and revised TFRSs in issue but not yet effective

The Group has not applied the following new and revised TFRSs that have been issued but are not yet effective:

TFRS 17	<i>Insurance Contracts</i> ¹
Amendments to TFRS 17	<i>Amendments to Initial Application of TFRS 17 and TFRS 9 — Comparative Information (Amendment to TFRS 17)</i>

¹ Effective for annual periods beginning on or after 1 January 2025.

The Group will consider the effects of the aforementioned changes to the Group's operations and apply if necessary. The effects of the above mentioned changes in standards and comments are being evaluated.

2.3 Summary of significant accounting policies

The accounting policies applied are consistent with those of the annual consolidated financial statements for the period 1 January - 31 December 2023. The condensed consolidated financial statements for the period between 1 January - 31 March 2024 should be read in conjunction with the annual consolidated financial statements for the period 1 January - 31 December 2023.

The Group is not subject to seasonality or cyclicity of interim operations that might have a significant effect on condensed consolidated financial statements.

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NOTE 3 - RELATED PARTY DISCLOSURES

Key management compensation:

Key management includes general manager, vice presidents and directors. The compensation paid or payable to key management for employee service is shown below:

	1 January - 31 March 2024	1 January - 31 March 2023
Short-term employee benefits	56.763	30.502
Other	3.062	3.698
	59.825	34.200

NOTE 4 - TRADE RECEIVABLE AND PAYABLES

a) Short-term trade receivables:

	31 March 2024	31 December 2023
Customer current accounts	2.753.830	3.488.766
Credit card receivables	128.785	232.594
Notes receivables and customer cheques	119.974	167.384
	3.002.589	3.888.744
Less: Provision for doubtful receivables	(58.392)	(58.913)
	2.944.197	3.829.831

Trade receivables are all short term with a weighted average maturity of 1 month (31 December 2023: 1 month).

Movements in the provision for doubtful receivables are as follows:

	2024
1 January	(58.913)
Reversal of provision	10.002
Collections in the current year	359
Charged to the consolidated statement of profit or loss	(18.351)
Monetary gain	8.511
31 March	(58.392)

Trade receivables are assessed by Group management on the basis of past experiences and required provision for impairment is booked. In relation to the calculation of such provision, guarantees received from customers are considered. Therefore, considering the past experiences the Group management believes that there is no additional doubtful risk for the collection of receivables.

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NOTE 4 - TRADE RECEIVABLE AND PAYABLES (Continued)

b) Short-term trade payables:

	31 March 2024	31 December 2023
Supplier current accounts	1.562.214	2.271.866
Accrued expenses	193.467	274.050
	1.755.681	2.545.916

Short-term payables have a weighted average maturity of 1 month (31 December 2023: 1 month).

NOTE 5 - BORROWINGS AND BORROWING COSTS

	31 March 2024			31 December 2023		
	Effective Interest Rate(%)	Original Currency	TL Equivalent	Effective Interest Rate(%)	Original Currency	TL Equivalent
Current bank loans						
Fixed Interest Rate - TL (*)	39,17	2.046.199	2.046.199	40,18	2.586.012	2.586.012
		2.046.199	2.046.199		2.586.012	2.586.012

(*) As of 31 March 2024, all bank loans consist of short-term loans, and the weighted average payment term is 6 June 2024 (31 December 2023: 14 January 2024).

Net financial debt reconciliation for the periods between 1 January - 31 March 2024 and 2023 is as follows:

	1 January 2024	Net cash flow from borrowing activities	Change in interest accruals	<u>Non-cash Changes</u>		31 March 2024
				Additions	Monetary Loss	
Borrowings	2.586.012	(230.795)	7.447	-	(316.465)	2.046.199
Lease liabilities	363.356	(304.999)	-	31.806	244.981	335.144
	2.949.368	(535.794)	7.447	31.806	(71.484)	2.381.343

	1 January 2023	Net cash flow from borrowing activities	Change in interest accruals	<u>Non-cash Changes</u>		31 December 2023
				Additions	Monetary Loss	
Borrowings	1.620.412	2.107.157	(7.447)	-	(1.134.110)	2.586.012
Lease liabilities	249.549	(83.465)	-	373.216	(175.944)	363.356
	1.869.961	2.023.692	(7.447)	373.216	(1.310.054)	2.949.368

As of 31 March 2024, debts from short-term lease transactions are TL 156.928 (31 December 2023: TL 160.927), debts from long-term leasing transactions are TL 178.216 (31 December 2023: TL 202.429). The duration of the contract that make up Group's lease liabilities varies between 1 and 5 years.

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NOTE 6 - INVESTMENT PROPERTIES

	1 January 2024	Additions	Disposals	Transfers	31 March 2024
<u>Buildings and land improvements:</u>					
Cost	62.272	-	-	-	62.272
Accumulated depreciation	(46.404)	(292)	-	-	(46.696)
Net book value	15.868				15.576

	1 January 2023	Additions	Disposals	Transfers	31 March 2023
<u>Buildings and land improvements:</u>					
Cost	62.273	-	-	-	62.273
Accumulated depreciation	(45.238)	(292)	-	-	(45.530)
Net book value	17.035				16.743

Total rental income from the investment properties in 1 January - 31 March 2024 amounts to TL 377 (1 January - 31 March 2023: TL 436). There are no operating expenses arising from the investment property.

As of 31 March 2024, the fair value of Group's investment properties, of which is carried at cost less accumulated depreciation, determined by TSKB Gayrimenkul Değerleme ve Danışmanlık A.Ş.

Details of the Group's investment properties and information about the fair value hierarchy as at 31 March 2024 are as follows:

Fair values as at 31 March 2024

	31 March 2024	Level 1 TL	Level 2 TL	Level 3 TL
Commercial property unit located in Ankara	72.105	-	-	72.105
Commercial property unit located in İzmir	200.000	-	-	200.000

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NOTE 7 - PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment between 1 January and 31 March 2024 were as follows:

	1 January 2024	Additions	Disposals	Transfers	31 March 2024
Cost:					
Land	103.676	-	-	-	103.676
Land improvements	295.546	467	-	-	296.013
Buildings	1.660.618	39	-	501	1.661.158
Machinery and equipment	8.606.597	5.892	(5.234)	25.075	8.632.330
Furniture and fixtures	13.418.038	326.678	(925.287)	415	12.819.844
Motor vehicles	183.210	1.745	(5.795)	-	179.160
Construction in progress	402.446	70.393	-	(25.991)	446.848
	24.670.131	405.214	(936.316)	-	24.139.029
Accumulated depreciation:					
Land improvements	(189.394)	(1.189)	-	-	(190.583)
Buildings	(1.317.482)	(15.250)	-	-	(1.332.732)
Machinery and equipment	(5.935.906)	(68.936)	5.222	-	(5.999.620)
Furniture and fixtures	(9.567.395)	(468.763)	885.112	-	(9.151.046)
Motor vehicles	(103.538)	(4.777)	5.639	-	(102.676)
	(17.113.715)	(558.915)	895.973	-	(16.776.657)
Net book value	7.556.416				7.362.372

Movements of property, plant and equipment between 1 January and 31 March 2023 were as follows:

	1 January 2023	Additions	Disposals	Transfers	31 March 2023
Cost:					
Land	103.776	-	-	-	103.776
Land improvements	282.702	585	-	2.243	285.530
Buildings	1.624.803	630	-	2.106	1.627.539
Machinery and equipment	8.031.297	62	-	83.216	8.114.575
Furniture and fixtures	11.170.455	257.645	(44.896)	127.470	11.510.674
Motor vehicles	150.463	2.228	(6.300)	-	146.391
Construction in progress	497.152	202.636	-	(215.035)	484.753
	21.860.648	463.786	(51.196)	-	22.273.238
Accumulated depreciation:					
Land improvements	(184.927)	(1.100)	-	-	(186.027)
Buildings	(1.253.080)	(15.468)	-	-	(1.268.548)
Machinery and equipment	(5.797.847)	(60.214)	-	-	(5.858.061)
Furniture and fixtures	(7.735.146)	(452.830)	43.864	-	(8.144.112)
Motor vehicles	(96.908)	(3.857)	6.300	-	(94.465)
	(15.067.908)	(533.469)	50.164	-	(15.551.213)
Net book value	6.792.740				6.722.025

Current year depreciation and amortisation expenses of TL 375.462 (31 March 2023: TL 356.403) have been charged to cost of production TL 289.729 (31 March 2023: TL 194.474) to marketing, selling and distribution costs and TL 33.420 (31 March 2023: TL 17.613) to general administrative expenses.

There is no mortgage and pledge on property, plant and equipment as of 31 March 2024 and 31 December 2023.

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NOTE 8 - RIGHT OF USE ASSETS

The details of the right-of-use assets recognized in the condensed consolidated financial statements as of 31 March 2024 and 31 December 2023 are as follows:

	31 March 2024	31 December 2023
Motor vehicles	276.292	300.961
Buildings	93.416	87.450
	369.708	388.411

Changes in net rights-of-use assets for the period ended 31 March 2024 amount to TL 112.691 and mainly include vehicle rents. Depreciation expenses amount to TL 131.394 (31 March 2023: TL 27.758).

NOTE 9 - INTANGIBLE ASSETS

The movements of intangible assets and related accumulated amortisation for the periods 31 March 2024 and 2023 were as follows:

	1 January 2024	Additions	Disposals	Transfers	31 March 2024
Rights	419.429	1.111	-	-	420.540
Accumulated amortisation	(346.488)	(8.010)	-	-	(354.498)
Net book value	72.941				66.042

	1 January 2023	Additions	Disposals	Transfers	31 March 2023
Rights	383.930	296	-	-	384.226
Accumulated amortisation	(318.647)	(6.971)	-	-	(325.618)
Net book value	65.283				58.608

Rights are mainly composed of computer software. There were not any internally generated intangible asset.

NOTE 10 - PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

a) Other short-term provisions:

	31 March 2024	31 December 2023
Provision for sales discounts	536.844	463.702
Other	76.090	21.211
	612.934	484.913

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NOTE 10 - PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES (Continued)

b) Contingent assets and liabilities:

As at 31 March 2024, the Group has letters of guarantee given amounting to TL 34.839 (31 December 2023: TL 30.004). The schedule for guarantee, pledge, mortgage and bails (GPM) given by the Group is as follows:

	31 March 2024	31 December 2023
A. Total value of GPM provided in favour of the Company itself	34.839	30.004
B. Total value of GPM provided in favour of the subsidiary	6.137.250	5.026.909
C. Total value of GPM provided in favour of third parties engaged in ordinary course of operations	-	-
D. Total value of other GPM	-	-
i. Provided in favour of the main shareholder	-	-
ii. Provided in favour of related parties excluding those mentioned at article B and C above	-	-
iii. Provided in favour of third parties excluding those mentioned at C above	-	-
	6.172.089	5.056.913

The ratio of total value of other GPM to equity is 0% at 31 March 2024 (31 December 2023: 0%).

NOTE 11 - CAPITAL RESERVES AND OTHER SHARE CAPITAL RESERVES

a) Share capital:

The Company adopted the registered share capital system available to companies registered with the CMB and set a limit on its registered share capital representing registered type shares with a nominal value of full TL 0,01. The Company's historical authorized registered share capital at 31 March 2024 and 31 December 2023 are as follows:

	31 March 2024	31 December 2023
Registered share capital (historical values)	500.000	500.000
Share capital with a nominal value	322.508	322.508

The compositions of the Company's share capital were as follows:

	31 March 2024		31 December 2023	
	TL	Share (%)	TL	Share (%)
International Beer Breweries Ltd.	308.597	95,69	308.597	95,69
Public quotation	13.911	4,31	13.911	4,31
	322.508		322.508	

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NOTE 11 - CAPITAL RESERVES AND OTHER SHARE CAPITAL RESERVES (Continued)

There are 32.250.825.300 (31 December 2023: 32.250.825.300) units of shares with a face value of full TL 0,01 each. There are no preferred shares.

	Historical value	Restated value	Adjustment to share capital
Share capital	322.508	8.693.107	9.015.615

b) Other equity items:

The comparison of the Group's equity items restated for the effects of inflation in the consolidated financial statements as of 31 March 2024 with the amounts restated for the effects of inflation in the financial statements prepared in accordance with the Law No. 6762 and other legislation is as follows:

31 March 2024	6762 numbered law and other legislation in the financial statements prepared in accordance with the inflation adjusted amounts	Inflation adjusted amounts in the financial statements prepared in accordance with TAS/IFRS	Difference recognized in retained earnings
Adjustment to Share Capital	11.565.810	8.693.107	2.872.703
Restricted Reserves Appropriated from Profit:	900.291	796.920	103.371
Share Premium (Discounts)	2.469	1.784	685
	12.468.570	9.491.811	2.976.759

The legal reserves consist of first and second reserves, appropriated in accordance with the TCC. The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions.

Other equity items shall be carried at the amounts in accordance with the Turkish Financial Reporting Standards.

c) Accumulated profits:

As at 31 March 2024, accumulated profit in condensed consolidated financial position of the Group prepared in accordance with Turkish Financial Reporting Standards amount to TL 2.069.059 (31 December 2023: TL 882.251).

There is not any privilege as to dividends. The policy of the Company concerning dividend distribution is to distribute the profit considering its medium and long term strategies, financial situation, the investments and financial plans, other fund requirements, market conditions, economical environment, Capital Market Board legislations and Turkish Commercial Code.

In the event that distributable profit is available in accordance with relevant regulation, the dividend distribution resolution to be taken by the Board of Directors in the form of cash and/or shares and/or installments as long as the amount is not below than 20% of the distributable profit within the frame of the provisions of Capital Market Board legislation and Turkish Commercial Code shall be submitted to the approval of General Assembly; and the distribution shall be completed within legal terms.

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NOTE 12 - TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Current income tax liability:

	31 March 2024	31 December 2023
Provision for corporate tax expense	82.943	928.834
Less: Prepaid taxes	64.533	(841.475)
Current income tax liability	147.476	87.359

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the condensed consolidated financial statements, have been calculated on a separate-entity basis.

Corporation tax is payable at a rate of 25% for the year 2024 (31 December 2023: 25%). On the total income of the Company after adjusting for certain disallowable expenses, exempt income and investment and other allowances (e.g. research and development allowance). No further tax is payable unless the profit is distributed. Corporations are required to pay advance corporation tax quarterly at the rate of 25% (31 December 2023: 25%) on their corporate income. Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to 5 years. Tax losses cannot be carried back to offset profits from previous periods.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within the 25th of the fourth month following the close of the financial year to which they relate. Tax returns are open for 5 years from the beginning of the year that follows the date of filing, during which time the tax authorities have the right to examine tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Dividends paid to non-resident corporations, which have a place of business in Turkey, or resident corporations are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 10% (31 December 2023: 10%). An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Taxation on income for the periods 31 March 2024 and 2023 is as follows:

	1 January - 31 March 2024	1 January - 31 March 2023
Current tax expense	(82.943)	(24.204)
Deferred tax expense	(205.418)	(258.945)
	(288.361)	(283.149)

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NOTE 12 - TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

Reconciliation of the taxation on income for the periods 31 March 2024 and 2023 is as follows:

	1 January - 31 March 2024	1 January - 31 March 2023
Profit From Continuing Operations, Before Tax	(373.129)	(104.349)
Income tax rate: 25% (2023: 20%)	93.282	20.870
Tax effects:		
-Expenses not deductible for tax purposes	(20.378)	(13.251)
-Effects of the reduced corporate tax rate	256	367
-Other adjustments and monetary loss	(361.521)	(291.135)
Tax expense	(288.361)	(283.149)

Deferred taxes:

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between the condensed consolidated financial statements and the statutory tax condensed consolidated financial statements. Deferred taxes are calculated on temporary differences that are expected to be realized or settled under the liability method using the principal enacted tax rate of 25% (31 December 2023: 25%).

In Turkey, the companies cannot declare a consolidated tax return, therefore subsidiaries that have deferred tax assets position were not net off against subsidiaries that have deferred tax liabilities position and disclosed separately.

The breakdown of cumulative temporary differences and the resulting deferred tax assets and liabilities provided at 31 March 2024 and 31 December 2023, using enacted tax rates at the statement of financial position dates, are as follows:

	31 March 2024		31 December 2023	
	Cumulative temporary differences	Deferred tax (liability)/asset	Cumulative temporary differences	Deferred tax (liability)/asset
Property, plant and equipment and intangible fixed assets	1.446.592	(362.727)	462.373	(125.155)
Inventory	(151.764)	37.941	(45.330)	11.333
Provision for employment termination benefits	(136.878)	34.251	(150.134)	37.571
Provision for unused vacation and other provisions	(338.026)	84.506	(585.216)	146.303
Provision for impairment of financial investments	(66.993)	16.748	(63.101)	15.779
Provision for doubtful receivables	(23.061)	5.765	(18.049)	4.513
Other - net	(372.250)	93.060	(101.644)	25.410
		(90.456)		115.754

Thereof:

	31 March 2024	31 December 2023
Subsidiaries with net deferred income tax (liability)/asset	(90.456)	115.754
	(90.456)	115.754

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NOTE 12 - TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

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

	2024	2023
1 January	115.754	274.077
Profit or loss effect	(205.418)	(258.945)
Other comprehensive income effect	(792)	2.344
31 March	(90.456)	17.476

NOTE 13 - LOSSES PER SHARE

Losses per share are calculated by dividing the profit for the current year by the weighted average number of ordinary shares in issue during the year.

		1 January - 31 March 2024	1 January - 31 March 2023
Net loss for the year	A	(661.490)	(387.498)
Number of ordinary shares with a full TL 1 face value	B	32.250.825.300	32.250.825.300
Loss per 100 shares (full TL)	A/B	(2,05)	(1,20)

There are no differences between basic and diluted loss per share for the periods 31 March 2024 and 2023.

NOTE 14 - FINANCIAL INVESTMENTS

	31 March 2024	31 December 2023
Financial assets carried at amortised cost	-	233.587
Financial assets at fair value through other comprehensive income	3.114	3.129
	3.114	236.716

Financial assets carried at amortised cost:

Financial assets carried at amortised cost stated below:

	31 March 2024	31 December 2023
Time deposits with maturity more than 90 days	-	233.587
	-	233.587

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NOTE 15 - FOREIGN CURRENCY POSITION

	Foreign Currency Position Schedule							
	31 March 2024				31 December 2023			
	TL Equivalent	USD	Euro	Other (TL Equivalent)	TL Equivalent	USD	Euro	Other (TL Equivalent)
1. Trade Receivables	40.416	624	239	11.952	75.646	29	1.773	8.211
2a. Monetary Financial Assets (Including Cash, Bank accounts)	1.301.897	20.938	17.977	277	1.069.996	20.723	9.811	322
2b. Non-Monetary Financial Assets	215.510	32	6.070	3.227	214.316	3	5.554	6.047
3. Other	-	-	-	-	-	-	-	-
4. Current Assets (1+2+3)	1.557.823	21.594	24.286	15.456	1.359.958	20.755	17.138	14.580
5. Trade Receivables	-	-	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-	-	-
6b. Non-Monetary Financial Assets	45.208	-	1.299	-	32.795	-	875	-
7. Other	-	-	-	-	-	-	-	-
8. Non-Current Assets (5+6+7)	45.208	-	1.299	-	32.795	-	875	-
9. Total Assets (4+8)	1.603.031	21.594	25.585	15.456	1.392.753	20.755	18.013	14.580
10. Trade Payables	(170.534)	(1.574)	(3.401)	(1.049)	(561.439)	(2.812)	(12.333)	(2.936)
11. Financial Liabilities	(20.187)	-	(579)	-	(19.600)	-	(522)	-
12a. Monetary Other Liabilities	(296.353)	-	(8.500)	-	-	-	-	-
12b. Non-Monetary Other Liabilities	-	-	-	-	-	-	-	-
13. Short Term Liabilities (10+11+12)	(487.074)	(1.574)	(12.480)	(1.049)	(581.039)	(2.812)	(12.855)	(2.936)
14. Trade Payables	-	-	-	-	-	-	-	-
15. Financial Liabilities	(33.470)	-	(960)	-	(25.007)	-	(666)	-
16a. Monetary Other Liabilities	-	-	-	-	-	-	-	-
16b. Non-Monetary Other Liabilities	32	1	-	-	-	-	-	-
17. Long Term Liabilities (14+15+16)	(33.438)	1	(960)	-	(25.007)	-	(666)	-
18. Total Liabilities (13+17)	(520.512)	(1.573)	(13.440)	(1.049)	(606.046)	(2.812)	(13.521)	(2.936)
19. Net Asset/(Liability) Position of Off-Financial Position								
Derivative Instruments (19a-19b)	-	-	-	-	-	-	-	-
19a. Net Asset/(Liability) Position of Off-Financial Position								
Derivative Instruments	-	-	-	-	-	-	-	-
19b. Amount of Liability Nature Off-Financial Position								
Derivative Instruments	-	-	-	-	-	-	-	-
20. Net Foreign Asset/(Liability) Position (9-18+19)	1.082.519	20.021	12.145	14.407	786.707	17.943	4.492	11.644
21. Net Foreign Currency Asset/(Liability) Position of Monetary Items (=1+2a+5+6a-10-11-12a-14-15-16a)	821.769	19.988	4.776	11.180	539.596	17.940	(1.937)	5.597
22. Total Fair Value of Financial Instruments Used for Foreign Currency Hedging	-	-	-	-	-	-	-	-
23. Amount of foreign currency denominated assets hedged	-	-	-	-	-	-	-	-
24. Amount of foreign currency denominated liabilities hedged	-	-	-	-	-	-	-	-

As of 31 March 2024, Group's export and import amounts are TL 246.419 and TL 626.937 respectively.

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NOTE 15 - FOREIGN CURRENCY POSITION (Continued)

31 March 2024:

	Profit/Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
Change of USD by 10% against TL:		
1- Asset/Liability denominated in USD - nets	64.647	(64.647)
2- The part of USD risk hedged (-)	-	-
3- USD effect - net (1+2)	64.647	(64.647)
Change of Euro by 10% against TL:		
4- Asset/Liability denominated in Euro - net	16.412	(16.412)
5- The part of EUR risk hedged (-)	-	-
6- Euro effect - net (4+5)	16.412	(16.412)
Change of other currencies by 10% against TL:		
7- Asset/Liability denominated in other currencies - net	1.118	(1.118)
8- The part of other currency risk hedged (-)	-	-
9- Other currency effect - net (7+8)	1.118	(1.118)
TOTAL (3+6+9)	82.177	(82.177)

31 December 2023:

	Profit/Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
Change of USD by 10% against TL:		
1- Asset/Liability denominated in USD - nets	60.878	(60.878)
2- The part of USD risk hedged (-)	-	-
3- USD effect - net (1+2)	60.878	(60.878)
Change of Euro by 10% against TL:		
4- Asset/Liability denominated in Euro - net	(7.477)	7.477
5- The part of EUR risk hedged (-)	-	-
6- Euro effect - net (4+5)	(7.477)	7.477
Change of other currencies by 10% against TL:		
7- Asset/Liability denominated in other currencies - net	559	(559)
8- The part of other currency risk hedged (-)	-	-
9- Other currency effect - net (7+8)	559	(559)
TOTAL (3+6+9)	53.960	(53.960)

There is no effect of foreign currency changes on equity apart from the effects on net income as of 31 March 2024 and 31 December 2023.

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NOTE 15 - FOREIGN CURRENCY POSITION (Continued)

Capital risk management:

The Group's objectives when managing capital are to safeguard the Group'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 Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as the total liability less cash and cash equivalents and financial investments.

	31 March 2024	31 December 2023
Total liabilities	7.096.906	10.382.221
Less: Cash and cash equivalents	(2.447.330)	(5.788.799)
Less: Financial assets carried at amortised cost	-	(233.587)
Net debt	4.649.576	4.359.835
Total equity	11.149.009	11.808.125
Debt/equity ratio	42%	37%

NOTE 16 - FINANCIAL INSTRUMENTS

Classes of financial instruments and their fair values:

31 March 2024:

	Financial liabilities at amortised cost	Financial assets at fair value through profit or loss	Book value	Note
<u>Financial assets</u>				
Trade receivables	2.944.197	-	2.944.197	4
Cash and cash equivalents	2.447.330	-	2.447.330	17
<u>Financial liabilities</u>				
Bank loans	2.046.199	-	2.046.199	5
Trade payables	1.755.681	-	1.755.681	4
Lease liabilities	335.144	-	335.144	5

31 December 2023:

	Financial liabilities at amortised cost	Financial assets at fair value through profit or loss	Book value	Note
<u>Financial assets</u>				
Trade receivables	3.829.831	-	3.829.831	4
Cash and cash equivalents	5.788.799	-	5.788.799	17
<u>Financial liabilities</u>				
Bank loans	2.586.012	-	2.586.012	5
Trade payables	2.545.916	-	2.545.916	4
Lease liabilities	363.356	-	363.356	5

The Group management believes that the book values of financial instruments reflect their corresponding fair values.

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NOTE 17 - CASH AND CASH EQUIVALENTS

	31 March 2024	31 December 2023
Banks	2.115.556	4.617.001
Total time deposits	1.425.678	3.968.296
- TL denominated time deposits	125.283	2.899.419
- USD denominated time deposits	674.765	701.164
- Euro denominated time deposits	625.630	367.713
Total demand deposits	689.878	648.705
- TL denominated demand deposits	688.636	647.919
- USD denominated demand deposit	1.242	786
Cash on hand	491	804
Other (*)	331.283	1.170.994
	2.447.330	5.788.799

(*) Other balance consists of Mutual funds in TL weighted average annual interest rate is 44,84% (31 December 2023: 41,35%).

As of 31 March 2024 and 31 December 2023, the details of time deposits are as follows;

Currency	Interest Rate	Maturity	31 March 2024 (TL Equivalent)
TL	39,31%	13 April 2024	125.283
US Dollar	5,23%	26 April 2024	674.765
Euro	2,76%	2 April 2024	625.630
Total			1.425.678

Currency	Interest Rate	Maturity	31 December 2023 (TL Equivalent)
TL	44,45%	12 January 2024	2.899.419
US Dollar	5,25%	26 February 2024	701.164
Euro	3,92%	29 January 2024	367.713
Total			3.968.296

Based on the independent data with respect to the credit risk assessment of the banks at which the Group has deposits, the credit quality of banks is sufficient. The fair values of cash and cash equivalents approximate carrying values, including accrued income at the respective balance sheet dates.

NOTE 17 – SUBSEQUENT EVENTS

As of June 21, 2024, 966.287 shares were sold in order to change the market in which the Company's shares are traded within the framework of the information letter notified to our company by our main shareholder on 4 June 2024 and disclosed to the public through the Public Disclosure Platform on the same date. As a result of these transactions, the share of the main shareholder in the Company's capital decreased to 95,3870%.