

**CVK MADEN İŞLETMELERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

**CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS
FOR THE PERIOD ENDED AT 31 DECEMBER 2024
TOGETHER WITH INDEPENDENT AUDITORS' REPORT
(ORIGINALLY ISSUED IN TURKISH)**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders
CVK Maden İşletmeleri Sanayi ve Ticaret Anonim Şirketi
İstanbul, Türkiye

A. Audit of the Consolidated Financial Statements

1. Opinion

We have audited the accompanying consolidated financial statements of CVK Maden İşletmeleri Sanayi ve Ticaret Anonim Şirketi (referred as "Parent Company" and/or "the Company"), its subsidiaries ("the Group"), which comprise the consolidated statements of financial position as at 31 December 2024 and the consolidated statements of profit or loss, the consolidated statements other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of CVK Maden İşletmeleri Sanayi ve Ticaret Anonim Şirketi, its subsidiaries and joint operations as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Turkish Accounting Standards ("TAS") and Turkish Financial Reporting Standards ("TFRS").

2. Basis for Opinion

We conducted our audit in accordance with the standards on auditing issued by Capital Markets Board ("CMB") and the Standards on Independent Auditing ("SIA") which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We declare that we are independent of the Group in accordance with the Code of Ethics for Independent Auditors ("Code of Ethics") published by the POA, together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3.Key Audit Matters

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

Key Audit Matters	How the matter was addressed in our audit
<p><i>Recoverability Of Trade Receivables</i></p> <p>As of 31 December 2024, trade receivables constitute a significant portion of total assets with the amount of TRY 130.941.638.</p> <p>However, the impairment provisions calculated for commercial receivables are accounted for as a result of estimates made taking into account collateral from customers, customers' past payment performance and creditworthiness information, and maturity analyses of credit balances. These estimates are highly sensitive to future market conditions. For these reasons, the recoverability of such receivables is an important issue in terms of our independent audit.</p> <p>Explanations about the Group's accounting policies and amounts related to trade receivables are found in Note 2.c, 9 and 33.</p>	<p>During our independent audit process, the following audit procedures regarding the recoverability of trade receivables have been implemented;</p> <ul style="list-style-type: none"> - Understanding the process related to collection follow-up of the Group's trade receivables, evaluating the operational efficiency of the internal controls included in the process, - Analytical review of the aging work and comparison of the collection turnover rate with the previous year, - To investigate whether there is any dispute or litigation situation regarding the collection and to get information about the follow-up receivables from legal advisors, - Testing trade receivable balances by sending confirmation letters by sampling method and/or using alternative verification methods. - Testing the collections made in the following period by sampling method, - Evaluation of the adequacy of the disclosures in the financial statements for the recoverability of trade receivables. <p>As a result of the studies which are stated as above, on the recoverability of trade receivables, we have not found any significant findings.</p>

Key Audit Matter	How the matter was addressed in our audit
<p>Capitalization Mining Assets</p> <p>The Group capitalizes its expenditures in the following situations;</p> <ul style="list-style-type: none"> -Development costs incurred in mining areas, where it is highly probable that future economic benefits will be obtained from the mine, can be identified for specific mining areas, and the cost can be reliably measured, -Direct costs incurred during the stripping operation that facilitates access to the identified ore body in each mine, as well as general production expenses that can be linked to the stripping operation. -Rehabilitation, restoration, and closure costs related to the current state of mining sites arising from mining activities and production at the mine, as well as the costs that are likely to be incurred during the closure and rehabilitation of the mines, valued as of the financial position date. <p>The capitalization of these mining assets, the share of which is presented in the consolidated financial statement as of December 31, 2024, and the process of capitalizing the related costs, involve significant judgment and assumptions, which are important for our audit and, therefore, this matter has been identified by us as a key audit matter.</p> <p>Detailed explanations regarding the activated mining assets are provided in Notes 2.c and 19.</p>	<p>During our independent audit, the following audit procedures were applied regarding the activated mining assets:</p> <ul style="list-style-type: none"> -Evaluation of the content of the activated mining assets for each mining site, -Interviews with managers in the departments responsible for the mining sites of the Group, -Detailed testing of development, stripping, and rehabilitation costs, -Testing of mining assets on a sample basis with supporting documentation,, -Inquiry regarding the consistency of the information disclosed in the consolidated financial statements and explanatory notes <p>As a result of the procedures we performed regarding the activation of mining assets, we did not identify any significant findings</p>

Key Audit Matters	How the matter was addressed in our audit
<p>Accounting for Business Combinations</p> <p>The Parent Company has acquired 70% and 100% of the shares in the companies named 'Virtus Mining Ltd.' and 'Orta Truva Madencilik Sanayi Ticaret Anonim Şirketi', respectively. From the date the Parent Company took control of the management in both companies, both companies have been fully consolidated into the accompanying financial statements using the full consolidation method.</p> <p>The related transactions have been reported in accordance with the 'TFRS 3 Business Combinations' standard. The acquisition cost of both companies and the values of identifiable assets and liabilities are significant amounts for the accompanying consolidated financial statements. However, in the process of calculating the fair value at the acquisition date and allocating the purchase price, Group Management has made significant estimates and assumptions (such as discount rate, growth rate, etc.). The fair values calculated using these estimates and assumptions have had a significant impact on the Group's consolidated financial position. Given these reasons, the accounting for the business combination is a key matter for our audit.</p> <p>The Group's accounting policies related to the accounting for the business combination and the related disclosures are presented in Notes 2.c and 4.</p>	<p>During our independent audit process, the following audit procedures were performed in relation to the accounting for the business combination;</p> <ul style="list-style-type: none"> -Review of the share transfer agreement and evaluation of the impact of the transaction on its accounting treatment, -“Execution of relevant procedures in accordance with the applicable independent auditing standards regarding the audit of the financial position statement, which is the basis for the allocation of the purchase price of "Virtus Mining Ltd." and "Orta Truva Madencilik Sanayi Ticaret Anonim Şirketi," -Inquiries regarding the completeness, measurement method, and accuracy of intangible assets considered during the allocation of the purchase price -Discussion with the Group management regarding the setup of the discounted cash flow calculation model and the assumptions used, checking the mathematical accuracy of the relevant calculations, -Performing a mathematical check of the calculations resulting from these procedures and evaluating the appropriateness of the accounting entries, -Evaluation of the adequacy of the disclosures in the consolidated financial statement notes related to the business combination,, <p>As a result of these procedures performed regarding the accounting for the business combination, we did not find any significant findings</p>

Key Audit Matters	How the matter was addressed in our audit
<p>Recording of Revenue</p> <p>The Group's main revenue streams mainly consist of sales of mineral ores and re-development income.</p> <p>Revenue is recognized in the financial statements on an accrual basis, based on the fair value of the amount received or to be received, upon delivery, probability of determining the amount of income reliably and the economic benefits associated with the transaction. Net sales are offered by deducting returns, discounts and commissions from sales of goods.</p> <p>Recognition of the revenue and profit amount for the accounting period in which the product and service is sold depends on appropriate evaluation of whether the product and service are linked to the sales contract. Due to the nature of the Group's activities, there may be situations where the product and service are completed and invoiced to the customer, but the risks and returns are not transferred to the customer because the obligation regarding the commercial delivery method has not yet been fulfilled. In accordance with the principle of periodicity of sales, evaluations must be made about recording the revenue of such products in the correct period. Due to the complexity of commercial contracts, revenue recognition has been determined as a key audit matter, as selecting the accounting basis for each case and reflecting the revenue in the correct period in the consolidated financial statements requires significant judgment.</p> <p>For the accounting of revenue, see Note 2 Revenue for details of the accounting policies used and the significant accounting estimates and assumptions used.</p>	<p>Our audit procedures in this area include the following:</p> <ul style="list-style-type: none"> -Evaluating the effectiveness of key internal controls for revenue recognition in consolidated financial statements, - Evaluating the compliance of the revenue with the accounting policies and its inclusion in the consolidated financial statements in the appropriate financial reporting period by examining the risk and return transfers through the sales documents received for the sales transactions selected by the sampling method, -By examining the provisions regarding commercial terms in contracts made with customers; Evaluating the timing of recognition of commercial goods and software revenues in the financial statements in terms of different regulations, -Sending reconciliation for trade receivables selected by sampling method and checking their compatibility with the consolidated financial statements, -Performing analytical examinations in order to detect the existence of unusual transactions. <p>As a result of the studies which are stated as above, regarding the accounting of the revenue, we have not found any significant findings on the subject.</p>

Key Audit Matters	How the matter was addressed in our audit
<p>TAS 29 “Financial Reporting in High Inflation Economies” Reporting Application</p> <p>Since the Group's functional currency (Turkish Lira) is considered to be the currency of the high-inflation economy as of December 31, 2024, the Group has started to apply the "TAS 29 Financial Reporting in High-Inflation Economies" ("TAS 29") standard (Note 2).</p> <p>TAS 29 requires that current and prior period financial statements be rearranged according to the current purchasing power at the end of the reporting period. For this reason, transactions in 2024 and non-monetary balances at the end of the period have been rearranged to reflect the current price index as of 31 December 2024 statement of financial position date. The Group has also rearranged the financial position statements dated 31 December 2023 and the profit or loss statements, other comprehensive income statements, changes in equity and cash flow statements for the accounting period ending 31 December 2023, which it presents as comparative information, within the framework of TAS 29.</p> <p>In accordance with the guidelines of TAS 29, the Group used Turkish consumer price indices to prepare inflation-sensitive financial statements. The principles applied for inflation adjustment are explained in Note 2.</p> <p>Considering that TAS 29 has a widespread and significant impact on the financial statements and includes various management estimates, the implementation of TAS 29 was considered a key audit matter.</p> <p>Explanations regarding the Group's accounting policies regarding "TAS 29 Financial Reporting in Economies with High Inflation" stated above are included in Note 2.a.</p>	<p>Our audit procedures in this area include the following:</p> <ul style="list-style-type: none"> -Understanding the process regarding the TAS 29 application designed and implemented by the group management, examining and evaluating the controls, -Checking whether the distinction between monetary and non-monetary items made by the group management is made in accordance with TAS / IFRS, -Providing detailed lists of non-monetary items and testing the original cost and purchase dates by comparing them with supporting documents, -Evaluating the appropriateness of the judgments used by group management by comparing them with valid practices and checking whether they are used consistently in each period., -By checking the general price index rates used in the calculations with the coefficients obtained from the Consumer Price Index in Türkiye published by the Turkish Statistical Institute; By checking the general price index rates used in the calculations with the coefficients obtained from the Consumer Price Index in Türkiye published by the Turkish Statistical Institute; testing the preparation of non-monetary items, consolidated profit or loss statement and consolidated cash flow statement in terms of inflation effects and mathematical accuracy, -Evaluation of the adequacy of the disclosures in the footnotes of the financial statements regarding the application of TAS 29 in accordance with TFRS, <p>We did not have any significant findings as a result of these studies we carried out regarding the application of TAS 29 "Financial Reporting in High Inflation Economies".</p>

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

Management of the Group is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with standards on auditing issued by Capital Markets Board (“CMB”) and the Standards on Independent Auditing (“SIA”) which is a part of Turkish Auditing Standards /TAS published by the Public Oversight Accounting and Auditing Standards Authority (“POA”), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

5. Independent Auditor's Responsibilities for the Independent Audit of the Consolidated Financial Statements

In an independent audit, our responsibilities as the auditors are:

Our aim is to obtain reasonable assurance about whether the consolidated 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 is a high level of assurance but is not a guarantee that an audit conducted in accordance with standards on auditing as issued by the Capital Markets Board of Türkiye and IAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 consolidated financial statements.

As part of an audit in accordance with the standards on auditing as issued by the Capital Markets Board of Türkiye and IAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i) Identify and assess the risks of material misstatement of the consolidated 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).
- ii) Obtain an understanding of 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 Group’s internal control.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) 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 Group'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 consolidated 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 auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to 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 consolidated financial statements of the current period and are therefore the key audit matters. In cases where the legislation does not allow the disclosure of the matter to the public, or in exceptional cases where the negative consequences of public disclosure are reasonably expected to exceed the public interest arising from the disclosure, we may decide not to disclose the relevant matter in our independent auditor's report.

B. Report on Other Legal and Regulatory Requirements

- 1- In accordance with paragraph 4 of Article 402 of the TCC, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January – 31 December 2024 and financial statements are not in compliance with laws and provisions of the Company's articles of association in relation to financial reporting.
- 2- In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.
- 3- Auditors' report on Risk Management and Risk Committee prepared in accordance with paragraph 4 of Article 398 of TCC is submitted to the Board of Directors of the Company on 11 March 2025.

The engagement partner who conducted and concluded this independent audit is Ömer Çekiç.

Ram Bağımsız Denetim ve Danışmanlık Anonim Şirketi
Member firm of ShineWing International

Ömer Çekiç
Managing Partner



11 March 2025
İstanbul, Türkiye

**CVK MADEN İŞLETMELERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

CONSOLIDATED BALANCE SHEETS AS OF 31 DECEMBER 2024 AND 2023

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

		Current Period Audited	Prior Period Audited
	Footnote References	31.12.2024	31.12.2023
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalent	6	587.482.380	1.125.760.706
Financial Investments	7	9.452.893	5.962.843
Trade Receivables	9	130.941.638	269.479.050
- <i>Trade receivables from related parties</i>		-	-
- <i>Trade receivables from other parties</i>		130.941.638	269.479.050
Other Receivables	10	24.741.988	45.785.852
- <i>Other receivables from related parties</i>		-	-
- <i>Other receivables from other parties</i>		24.741.988	45.785.852
Inventories	12	229.319.190	523.155.980
Prepaid Expenses	14	153.930.815	42.737.992
Current Period Tax Related Assets	31	1.871.247	-
Other Current Assets	13	132.059.758	137.119.496
TOTAL CURRENT ASSETS		1.269.799.909	2.150.001.919
NON-CURRENT ASSETS			
Other Receivables	10	21.069.920	3.497.109
- <i>Other receivables from related parties</i>		-	-
- <i>Other receivables from other parties</i>		21.069.920	3.497.109
Right of Use Assets	16	61.737.375	19.384
Investment Property	20	70.575.000	54.686.653
Tangible Fixed Assets	19	9.477.813.864	4.196.720.736
Intangible Fixed Assets		3.790.035.599	11.919.800
- <i>Goodwill</i>	18	1.670.598.774	-
- <i>Other Rights</i>	17	2.119.436.825	11.919.800
Prepaid Expenses	14	313.590.134	478.853.180
TOTAL NON-CURRENT ASSETS		13.734.821.892	4.745.696.862
TOTAL ASSETS		15.004.621.801	6.895.698.781

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

**CVK MADEN İŞLETMELERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

CONSOLIDATED BALANCE SHEETS AS OF 31 DECEMBER 2024 AND 2023

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

		Current Period Audited	Prior Period Audited
	Footnote References	31.12.2024	31.12.2023
LIABILITIES			
CURRENT LIABILITIES			
Financial Borrowings	8	565.288.011	240.516.749
Current Installment of Long Term Financial Borrowings	8	566.347.371	32.829.261
Trade Payables	9	433.269.065	609.683.645
- Trade payables to related parties		-	137.566.295
- Trade payables to other parties		433.269.065	472.117.350
Employee Benefit Liabilities	11	24.105.767	11.631.568
Other Payables	10	1.648.905.452	12.540.230
- Other payables to related parties		150.000.000	-
- Other payables to other parties		1.498.905.452	12.540.230
Deferred Income	15	51.808.941	39.869.661
Current Tax Liabilities	31	11.467.169	37.635.588
Short Term Provisions		276.181.645	41.172.887
- Provisions for employee benefits	22	8.730.485	5.110.672
- Other short term provisions	21	267.451.160	36.062.215
TOTAL CURRENT LIABILITIES		3.577.373.421	1.025.879.589
NON-CURRENT LIABILITIES			
Financial Borrowings	8	1.034.118.463	14.307.824
Other Payables	10	3.199.367.026	970.286
- Other payables to related parties		-	-
- Other payables to other parties		3.199.367.026	970.286
Deferred Income	15	74.738.600	389.722
Long Term Provisions		57.648.860	50.006.234
- Provisions for employee benefits	22	18.916.621	11.273.995
- Other long term provisions	21	38.732.239	38.732.239
Deferred Tax Liabilities	31	138.603.655	631.976.863
TOTAL NON-CURRENT LIABILITIES		4.504.476.604	697.650.929
TOTAL LIABILITIES		8.081.850.025	1.723.530.518
SHAREHOLDERS' EQUITY			
Parent Company's Equity		6.512.597.040	5.100.053.520
Paid In Capital	23.1	42.000.000	42.000.000
Adjustment to Share Capital	23.1	255.448.010	255.448.010
Advances for Capital	23.8	449.177.484	-
Other Comprehensive Income or Loss			
Not to Be Reclassified Under Profit or Loss		527.914.216	527.447.609
Remeasurement Gains (Loss)		527.914.216	527.447.609
- Actuarial gains/losses on defined benefit plans	23.4	(87.664)	(554.271)
- Revaluation Surpluses of Tangible Fixed Assets	23.5	528.001.880	528.001.880
Premiums/Discounts Related to Shares	23.6	1.468.421.382	1.468.421.382
Restricted Reserves	23.2	17.648.595	17.648.595
Retained Earnings or Losses	23.3	2.798.126.978	2.353.293.277
Net Profit or Loss for the Period	32	953.860.375	435.794.647
Minority Interests	23.9	410.174.736	72.114.743
TOTAL SHAREHOLDERS' EQUITY		6.922.771.776	5.172.168.263
TOTAL LIABILITIES AND EQUITY		15.004.621.801	6.895.698.781

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

**CVK MADEN İŞLETMELERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE PERIODS ENDED AT 31 DECEMBER 2024 AND 2023**

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

		Current Period Audited 01.01.- 31.12.2024	Prior Period Audited 01.01.- 31.12.2023
	Footnote References		
PROFIT OR LOSS			
Revenue	24.1	3.135.240.168	2.568.160.227
Cost of Sales	24.2	(2.003.190.748)	(1.420.138.118)
GROSS PROFIT / (LOSS)		1.132.049.420	1.148.022.109
General Administrative Expenses	26.1	(119.453.692)	(87.024.098)
Marketing Expenses	26.2	(290.589.031)	(194.739.689)
Other Income from Operation Activities	27.1	60.066.142	144.915.153
Other Expense from Operation Activities	27.2	(193.642.905)	(183.791.180)
PROFIT/ (LOSS) FROM OPERATING ACTIVITIES		588.429.934	827.382.295
Income From Investment Activities	28.1	537.958.131	99.624.952
Expense From Investment Activities	28.2	(2.854.694)	(67.052.751)
OPERATING INCOME BEFORE FINANCIAL INCOME/ (EXPENSE)		1.123.533.371	859.954.496
Financial Income	29.1	280.078.973	333.116.970
Financial Expenses	29.2	(265.781.249)	(44.767.038)
Monetary Gain / (Loss)	30	(184.527.970)	(568.092.840)
PROFIT/ (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		953.303.125	580.211.588
Operating Activity Tax Income/ (Expense)		17.112.512	(127.749.164)
Current Tax (Expense) / Income	31	(110.028.315)	(180.497.037)
Deferred Tax (Expense) / Income	31	127.140.827	52.747.873
NET PROFIT / (LOSS) FOR THE YEAR		970.415.637	452.462.424
Profit / (Loss) Distribution			
Minortiy Interests	32	16.555.262	16.667.777
Parent Company's Share	32	953.860.375	435.794.647
Earnings Per Share	32	22,32	10,61

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

**CVK MADEN İŞLETMELERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE PERIODS ENDED AT 31 DECEMBER 2024 AND 2023**

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

		Current Period Audited 01.01.- 31.12.2024	Prior Period Audited 01.01.- 31.12.2023
	Footnote References		
NET PROFIT / (LOSS) FOR THE YEAR		970.415.637	452.462.424
<i>OTHER COMPREHENSIVE INCOME / (LOSS)</i>			
Not To Be Reclassified Under Profit or Loss		473.358	545.357.357
Gains / (Losses) on Remeasurement of Defined Benefit Plans	22	631.147	(413.576)
Revaluation Surpluses of Tangible Fixed Assets	19	-	725.012.350
Taxes in Other Comprehensive Income Not to Be Reclassified to Profit or Loss		(157.789)	(179.241.417)
- Deferred Tax Expense/Income	31	(157.789)	(179.241.417)
OTHER COMPREHENSIVE INCOME / (EXPENSE)		473.358	545.357.357
TOTAL COMPREHENSIVE INCOME / (EXPENSE)		970.888.995	997.819.781
Distribution of Total Comprehensive Income /(Expense)			
Minortiy Interests		16.562.013	34.320.061
Parent Company Shares		954.326.982	963.499.720

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

CVK MADEN İŞLETMELERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIODS ENDED AT 31 DECEMBER 2024 AND 2023

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

	Footnote References	Paid in Share Capital	Capital Adjustment Differences	Premiums Related to Shares	Other Comprehensive Income Not to be Reclassified Under Profit and Loss		Restricted Reserves	Advances for Capital	Retained Earnings / (Losses)		Parent Company's Equity	Minority Interest	Total Shareholders Equity
					Gain/(Losses) on Remeasurement on Defined Benefit Plans	Revaluation Surpluses of Tangible Fixed Assets			Retained Earnings or Losses	Net Profit or Loss for the Period			
Prior Period													
Balances at 01 January 2022 (Beginning of the period)		35.000.000	247.993.186	-	(257.464)	-	7.597.060	-	1.452.513.219	910.831.593	2.653.677.594	37.794.682	2.691.472.276
<i>Capital Increase</i>													
- Cash	23.1	7.000.000	7.454.824	-	-	-	-	-	-	-	14.454.824	-	14.454.824
Transfer	23.2 – 23.3	-	-	-	-	-	10.051.535	-	900.780.058	(910.831.593)	-	-	-
Premium Related to Shares	23.6	-	-	1.468.421.382	-	-	-	-	-	-	1.468.421.382	-	1.468.421.382
Total Comprehensive Income (Expense)		-	-	-	(296.807)	528.001.880	-	-	-	435.794.647	963.499.720	34.320.061	997.819.781
- Profit (Loss) for the Period	32	-	-	-	-	-	-	-	-	435.794.647	435.794.647	16.667.777	452.462.424
- Other Comprehensive Income (Loss)	23.4 – 23.5	-	-	-	(296.807)	528.001.880	-	-	-	-	527.705.073	17.652.284	545.357.357
Balances at 31 December 2023 (End of the period)		42.000.000	255.448.010	1.468.421.382	(554.271)	528.001.880	17.648.595	-	2.353.293.277	435.794.647	5.100.053.520	72.114.743	5.172.168.263
Current Period													
Balances at 31 December 2023 (Beginning of the period)		42.000.000	255.448.010	1.468.421.382	(554.271)	528.001.880	17.648.595	-	2.353.293.277	435.794.647	5.100.053.520	72.114.743	5.172.168.263
Transfer	23.3	-	-	-	-	-	-	-	435.794.647	(435.794.647)	-	-	-
Effects of Business Combinations	4	-	-	-	-	-	-	-	-	-	-	321.497.980	321.497.980
Share Repurchase Transactions	23.7	-	-	-	-	-	-	-	9.039.054	-	9.039.054	-	9.039.054
Advances for Capital	23.8	-	-	-	-	-	-	449.177.484	-	-	449.177.484	-	449.177.484
Total Comprehensive Income (Expense)		-	-	-	466.607	-	-	-	-	953.860.375	954.326.982	16.562.013	970.888.995
- Profit (Loss) for the Period	32	-	-	-	-	-	-	-	-	953.860.375	953.860.375	16.555.262	970.415.637
- Other Comprehensive Income (Loss)	23.4	-	-	-	466.607	-	-	-	-	-	466.607	6.751	473.358
Balances at 31 December 2024 (End of the period)		42.000.000	255.448.010	1.468.421.382	(87.664)	528.001.880	17.648.595	449.177.484	2.798.126.978	953.860.375	6.512.597.040	410.174.736	6.922.771.776

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

**CVK MADEN İŞLETMELERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE PERIODS ENDED AT 31 DECEMBER 2024 AND 2023

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

		Current Period Audited 01.01.- 31.12.2024	Prior Period Audited 01.01.- 31.12.2023
CASH FLOW FROM OPERATING ACTIVITIES	Footnote References		
		7.013.990.204	360.973.758
Net Profit (Loss) For the Period	32	970.415.637	452.462.424
- Operating Activity Profit (Loss) For the Period		970.415.637	452.462.424
- Discontinued Operations Profit (Loss) For the Period		-	-
Adjustments Related to Reconciliation of Profit / (Loss)			
Adjustments to Depreciation and Amortization Expenses	16 - 17 - 19	307.697.206	155.318.207
Adjustments to Impairment (Cancellation)		(15.888.347)	64.583.329
- Adjustments to Impairment (Cancellation) in Receivables	27.2	-	2.595.200
- Corrections Regarding Stock Impairment (Cancellation)	27.2	-	1.153.595
- Adjustments for Impairment (Cancellation) of Tangible Fixed Assets	28.2	-	60.834.534
- Adjustments Related to Impairment (Cancellation) of Investment Property	28.1	(15.888.347)	-
Adjustments to Provisions		(64.967)	21.646.909
- Adjustments to Employee Benefit Provisions (Cancellation)	22	8.273.773	(2.122.299)
- Corrections Regarding Warranty Provisions (Cancellation)	21	1.071.530	959.661
- Adjustments Related to General Provisions (Cancellation)	21	(9.410.270)	22.809.547
Adjustments to Interest (Income) and Expense	28	20.410.023	(209.232.618)
- Adjustments to Interest Income		23.543.092	(197.846.833)
- Adjustments to Interest Expense		(3.133.069)	(11.385.785)
- Deferred Finance Expense on Deferred Purchases	27.2	24.723.632	17.502.296
- Unearned finance income from credit sales	27.1	(27.856.701)	(28.888.081)
Adjustments to Tax (Income) and Expense	31	(127.140.827)	(52.747.873)
Adjustments for Monetary Gain/(Loss)		391.525.676	343.390.034
Changes in Operating Capital			
Decrease (Increase) in Financial Investments	7	(3.490.050)	(5.723.616)
Changes in Trade Receivables	9	166.394.113	68.404.542
- Changes in Trade Receivables From Related Parties		-	-
- Changes in Trade Receivables From Other Parties		166.394.113	68.404.542
Changes in Other Receivables Related to Operating Activities	10	3.471.053	(32.346.073)
- Changes in Other Receivables From Related Parties		-	-
- Changes in Other Receivables From Other Parties		3.471.053	(32.346.073)
Adjustments for Decreases (Increases) in Stocks	12	293.836.790	(343.727.784)
Changes in Prepaid Expenses	14	54.070.223	(417.039.352)
Increase (Decrease) in Other Liabilities Related to Activities	13 - 31	3.188.491	(116.849.235)
Changes in Trade Payables	9	(201.138.212)	452.592.187
- Changes in Trade Payables to Related Parties		(137.566.295)	137.455.951
- Changes in Trade Payables to Other Parties		(63.571.917)	315.136.236
Changes in Employee Benefit Payables	11	3.619.813	1.614.859
Changes in Other Payables Related the Operating Activities	10	5.060.795.424	(44.627.432)
- Changes in Other Payables Related the Operating Activities to Related Parties		150.000.000	(31.236.093)
- Changes in Other Payables Related the Operating Activities to Other Parties		4.910.795.424	(13.391.339)
Changes in Deferred Income	15	86.288.158	23.255.250

**CVK MADEN İŞLETMELERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE PERIODS ENDED AT 31 DECEMBER 2024 AND 2023

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

		Current Period	Prior Period
		Audited	Audited
	Footnote References	01.01.- 31.12.2024	01.01.- 31.12.2023
CASH FLOWS FROM INVESTING ACTIVITIES		(1.872.970.821)	(772.065.969)
Cash Outflow from Purchases of Tangible and Intangible Asset		(1.890.619.080)	(744.858.666)
- <i>Cash Outflow from Purchases of Tangible Asset</i>	19	(1.880.030.143)	(742.827.745)
- <i>Cash Outflow from Purchases of Intangible Asset</i>	17	(10.588.937)	(2.030.921)
Cash Inflows from the Sale of Tangible and Intangible Assets		17.648.259	27.479.350
- <i>Cash Inflows from the Sale of Tangible and Intangible Assets</i>	19	17.648.259	27.479.350
Cash outflows from Purchase of Investment Property	20	-	(54.686.653)
CASH FLOW FROM FINANCING ACTIVITIES		(5.380.554.742)	1.728.522.711
Effect of Business Combination		(7.534.238.364)	-
Capital increase	23.1	-	14.454.824
Increase (Decrease) Due to Share Repurchase Transactions	23.7	9.039.054	-
Cash Inflows from Share Issuance	23.6	-	1.468.421.383
Cash Inflows from Borrowing		1.168.267.677	259.930.045
- <i>Cash inflows from loans</i>	8	1.168.267.677	259.930.045
Cash Outflows Related to Debt Payments		550.742.499	(212.130.374)
- <i>Cash Outflows Related to Loan Repayments</i>	8	550.742.499	(212.130.374)
Advances for Capital	23.8	449.177.484	-
Interest Paid	29.2	(203.544.491)	(29.204.368)
Interest Received	29.1	180.001.399	227.051.201
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		(239.535.359)	1.317.430.500
INFLATION EFFECT ON CASH		(298.742.967)	(364.389.844)
NET INCREASE/DECREASE OF CASH AND CASH EQUIVALENTS		(538.278.326)	953.040.656
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6	1.125.760.706	172.720.050
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6	587.482.380	1.125.760.706

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

**CVK MADEN İŞLETMELERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED AT 31 DECEMBER 2024**

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

NOTE 1 – GROUP'S ORGANIZATION AND NATURE OF THE OPERATIONS

CVK Maden İşletmeleri Sanayi ve Ticaret Anonim Şirketi and its subsidiary will be referred to as the "Group" in the notes to the consolidated financial statements. Information regarding the operations of the companies included in the consolidation is as follows;

CVK Maden İşletmeleri Sanayi ve Ticaret Anonim Şirketi ("Parent Company" or the "Company")

CVK Maden İşletmeleri Sanayi ve Ticaret Anonim Şirketi ("the Company") was established on September 05, 2006 with the title "CVK Krom Maden Sanayi ve Ticaret Anonim Şirketi" and started to use its current title as of November 22, 2011. The Company's principal activity is the production, marketing and sale of chrome, marble, travertine, lead, zinc, copper and magnesite ores. The Company is also engaged in the acquisition of mining licenses and the sale of mining licenses in its portfolio.

The shares of CVK Maden İşletmeleri Sanayi ve Ticaret Anonim Şirketi started to be traded on Borsa İstanbul Stars Market with the code "CVKMD" and continuous trading method as of April 13, 2023.

The Company's owned and operated mining sites and summary information about the mining sites are as follows:

Licence No	Licence Phase	Licence Area (Ha)	Licence End Date	Region	Type of Mine	Source Estimate Quantity (M tonnes)
S.7077 (a)	Business	1.609,14	7.07.2034	Çanakkale/Yenice	Lead-Zinc-Copper-Gold-Silver (e)	2,6
S.87500 (a - c)	Business	941,2	30.07.2029	İzmir/Bayındır	Lead - Zinc-Silver (e)	2,6
S.20066206 (a - d)	Business	1.944,80	31.12.2031	Çanakkale/Yenice	Lead - Zinc - Gold - Copper - Silver (e)	0,9
S.201900481	Searching	1.398,46	10.04.2026	Balıkesir/ İvrindi	Lead - Zinc	-
S.200903319 (b)	Business	1.562,84	12.08.2035	Balıkesir/Sarıalan	Gold - Silver-Copper (e)	(b)
S.202001387	Searching	1.983,09	10.11.2027	Erzincan/Heybeli	Chrome	-
S.202401136	Searching	418,29	3.10.2031	Kayseri/Pınarbaşı	Chrome-Copper	-
S.202401135	Searching	560,05	3.10.2031	Kayseri/Pınarbaş	Iron-Lead-Zinc	-
S.202401276	Searching	1.754,07	10.12.2031	Kütahya/Simav	Lead-Zinc-Copper	-

(a) Represents the Lead-Zinc resource estimates obtained from the "Technical and Resource Estimation Report" prepared by the National Mineral Resource and Reserve Reporting Commission ("UMREK") authorities in April 2021.

(b) Obtained from the "UMREK Coded Mineral Reserve Report" dated 23.05.2024 by the National Mineral Resource and Reserve Reporting Commission ("Umrek") authorities. Total apparent reserves in the relevant reserve area are calculated as 538,625 ounces and total probable reserves are calculated as 25,156 ounces. Environmental Impact Assessment ("EIA") report has been obtained for 913,33 ha. of the related reserve area.

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(c) 2 mining licenses with operating permits located in Bayındır / İzmir were taken over from İhlas Madencilik Enerji ve Ticaret Anonim Şirketi ("Transferor") and the 2 licenses subject to the transfer were later merged as a single license by the Parent Company before the General Directorate of Mining and Petroleum Affairs ("MAPEG"). According to the contract, the transferor will be given a share of 7% of the gross ore to be produced on a monthly basis. The term of the contract is 32 years in total, 2 years for exploration and development activities and 30 years for operational activities, and the contract will be valid until 2049.

(d) The mining license located in Yenice / Çanakkale has been taken over from İhlas Gayrimenkul Proje Geliştirme ve Ticaret Anonim Şirketi ("the Transferor") and the transferor will be given a share of 7% of the gross ore to be produced on a monthly basis in accordance with the contract. The duration of the contract is 32 years in total, 2 years for exploration and development activities and 30 years for operational activities, and the contract will be valid until 2049.

(e) In the relevant licences for which the extension process has been completed, in addition to lead and zinc mines in the extension projects prepared; gold, silver and copper mines, which are found together in the earth due to their geological structure, have been added to the extension licence issued as potential mines that can be evaluated in the future.

In the light of past experience, the Parent Company does not foresee any significant risk related to the new applications to be made at the expiry date of the licence of the mining sites and the extension of the licence expiry dates.

As of 31 December 2024, the average number of personnel of the Company is 187 (31 December 2023: 113).

The capital structure of the Company As of 31 December 2024 and 31 December 2023 is presented in Note 23.1.

The Company's head office address is as follows:

Kuruçeşme Mahallesi
Muallim Naci Caddesi No:105 B
Beşiktaş / İstanbul / Türkiye

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(Amounts expressed in Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 December 2024, unless otherwise indicated.)

Hayri Ögelman Madencilik Anonim Şirketi ("Hayri Ögelman Madencilik" or "the Company")

Hayri Ögelman Madencilik Anonim Şirketi was established on October 03, 1955 under the name Hayri Ögelman Limited Company. On December 15, 1959, the Company was renamed Hayri Ögelman Madencilik Limited Şirketi and on June 25, 2012, the Company changed its name to its current title. The main activity of the Company is the purchase, sale, marketing, import and export of all kinds of finished, semi-finished, concentrated and raw ores, especially chrome ore.

Summary information about the mining sites owned and operated by Hayri Ögelman Madencilik is as follows:

License No	Licence Phase	License Area (Ha)	License End Date	Region	Type of Mine	Source Estimate Quantity (M tons) (a)
S.45193 (c)	Business	6.306,87	24.11.2031	Bursa/Harmancık	Chromium	5,73
S.45206	Business	2.008,69	07.12.2030	Bursa/Büyükorhan	Chromium	0,06
S.550	Business	326,56	18.11.2032	Kütahya/Tavşanlı	Chromium	0,07
S.34	Business	174,32	03.12.2030	Bursa/Orhaneli	Chromium	0,06
S.26778	Business	397,14	16.02.2031	Bursa/Kemalpaşa	Chromium	0,06
S.1684	Business	170,80	23.12.2029	Bursa/Orhaneli	Chromium	0,01
S.400	Business	1.007,67	13.04.2033	Bursa/Orhaneli	Chromium	0,06
S.517 (d)	Business	442,14	04.03.2030	Kütahya/Tavşanlı	Chromium	0,03
S.7045 (b)	Business	2.008,01	25.08.2027	Bursa/Orhaneli	Chromium	-
S.201200879	Business	68,71	03.03.2030	Kayseri/Pınarbaşı	Chromium	-

a) Obtained from the "Technical and Resource Estimation Report" prepared by the National Mining Resource and Reserve Reporting Commission ("Umrek") authorities in April 2021.

b) The resource estimate amounts for the relevant mining areas could not be obtained from the "Technical and Resource Estimation Report" prepared by the National Mining Resource and Reserve Reporting Commission ("Umrek") authorities in April 2021.

(c) According to the "Magnesite Ore UMREK Coded Resource Report" dated 20 May 2024 prepared by UMREK officials, the determined resource amount is calculated as 1.97 million tonnes.

(d) According to the "Coal Mine UMREK Coded Reserve Report" dated 20 May 2024 prepared by UMREK officials, the coal resource amount is calculated as 616 thousand tonnes and the measured reserve amount is calculated as 260 thousand tonnes.

Hayri Ögelman Madencilik does not foresee any significant risk in the light of past experience regarding the extension of the expiry dates of the licenses with new applications to be made at the expiry date of the licenses.

As of 31 December 2024, the average number of personnel employed by Hayri Ögelman Madencilik is 183 (31 December 2023: 160).

CVK MADEN İŞLETMELERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
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(Amounts expressed in Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 December 2024, unless otherwise indicated.)

The capital structure of Hayri Ögelman Madencilik As of 31 December 2024 and 2023 is as follows;

Shareholders	31 December 2024		31 December 2023	
	Share ratio	Share amount (TRY)	Share ratio	Share amount (TRY)
CVK Maden İşletmeleri Sanayi ve Ticaret Anonim Şirketi	96,21%	192.412.000	96,21%	48.103.000
Hüseyin Çevik	3,79%	7.588.000	3,79%	1.897.000
Total	100,00%	200.000.000	100,00%	50.000.000

The capital of Hayri Ögelman Madencilik Anonim Şirketi, a subsidiary of the Parent Company, has been increased from 50.000.000 TRY to 200.000.000 TRY and the related transaction has been registered by T.C. Istanbul Trade Registry Office on 29 February 2024. The entire amount of the increase was covered from the capital adjustment positive differences account.

The head office address of Hayri Ögelman Madencilik is as follows:

Kuruçeşme Mahallesi
Muallim Naci Caddesi No:105 B
Beşiktaş / İstanbul / Türkiye

Orta Truva Madencilik Sanayi Ticaret Anonim Şirketi ("Orta Truva Madencilik" or "the Company")

The Company was established as Orta Truva Madencilik Sanayi ve Ticaret Limited Şirketi on 17 October 2006 and started to use the title of Orta Truva Madencilik Sanayi Ticaret Anonim Şirketi on 6 January 2009. The main field of activity of the Company is to carry out licence acquisition, exploration, development, production and sales activities, to carry out all kinds of project works related to mining and to provide engineering services in accordance with the Mining Law. In addition, the Company will carry out geological, geophysical, gallery, drilling and other exploration methods in mining areas; prepare feasibility studies, EIA studies and operating projects; develop research and projects related to ore preparation, enrichment and metallurgical facilities, provide engineering services related to the operation of mineral deposits, facility installation and management, and carry out all kinds of mining activities.

As of 31 December 2024, the average number of personnel of Orta Truva Madencilik is 3.

CVK MADEN İŞLETMELERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
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(Amounts expressed in Turkish Lira ("TRY") in terms of the purchasing power of the TRY at 31 December 2024, unless otherwise indicated.)

According to the UMREK-2023 Coded Resource Estimation Report dated 15.05.2024 prepared by UMREK competent persons, the gold equivalent of the total identified and inferred resources in the Middle Troy licences is 4.58 million ounces. (Gold resource 2.23 million ounces, silver resource 36.30 million ounces, copper resource 764.94 million pounds)

The capital structure of Orta Truva Madencilik as of 31 December 2024 and 30 September 2024 is as follows

	31 December 2024		30 June 2024	
	Share ratio	Share amount (TRY)	Share ratio	Share amount (TRY)
Shareholders				
CVK Maden İşletmeleri Sanayi ve Ticaret A.Ş.	100%	143.330.375	-	-
PILOT Investments Inc.	-	-	74%	105.621.932
Teck Madencilik Sanayi ve Ticaret A.Ş.	-	-	26%	37.708.443
Total	100,00%	143.330.375	100,00%	143.330.375

CVK Maden İşletmeleri Sanayi ve Ticaret Anonim Şirketi acquired all of the shares held by PILOT Investments Inc. and Teck Madencilik Sanayi ve Ticaret A.Ş. on 08 October 2024.

The head office address of Orta Truva Madencilik is as follows:

Kuruçeşme Mahallesi
Muallim Naci Caddesi No:105 B
Beşiktaş / İstanbul / Türkiye

Virtus Mining Ltd. ("Virtus" or "Company")

Virtus Mining Ltd. is a company subject to Dutch tax laws. The main activity of Virtus Mining Ltd. is to engage in the exploration, extraction, processing and trading of minerals and/or to invest in companies engaged in these activities. Virtus Mining Ltd. has two subsidiaries, Aldridge Mineral Madencilik Anonim Şirketi, in which Virtus Mining Ltd. has a 100% shareholding interest, and Aldridge Minerals Inc., in which Virtus Mining Ltd. has a 100% shareholding interest, both of which are inactive.

The capital structure of Virtus as of 31 December 2024 is as follows;

	31 December 2024	
	Share Ratio	Share Amount (USD)
Shareholders		
CVK Maden İşletmeleri Sanayi ve Ticaret A.Ş.	70%	17.442.620
Rodas Investment Holdings Ltd.	20%	4.983.605
Metallurgium Investment Limited	10%	2.491.803
Total	100,00%	24.918.028

Virtus' head office address is as follows:

Barbara Strozzilaan 201, 1083HN
Amsterdam / Holland

CVK MADEN İŞLETMELERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ
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Aldridge Mineral Madencilik Anonim Şirketi ("Aldridge Mineral Madencilik" or "Company")

The Company was incorporated on 23 June 2005 as Aldridge Mineral Madencilik Limited Şirketi and became Aldridge Mineral Madencilik Anonim Şirketi on 28 July 2022. The main activity of the Company is to provide services in a wide range of activities for mineral exploration, extraction, processing and trading. The main activities of the Company include obtaining exploration and operating licences in accordance with the Mining Law, carrying out geological and drilling studies, establishing ore preparation and enrichment facilities, making industrial investments, trading related materials and equipment, conducting real estate transactions, establishing partnerships with domestic and foreign companies, financial activities and providing loans, as well as participating in tenders related to all kinds of mines and making necessary infrastructure investments.

As of 31 December 2024, the average number of employees of Aldridge Mineral Mining is 15.

According to the UMREK-2023 Coded Resource Estimation Report dated 24.04.2024 prepared by UMREK competent persons, the gold equivalent of the total identified and probable resources in the Aldridge licence area is 3.465.066 ounces (gold resource 1.211.084 ounces, silver resource 40.017.230 ounces, copper resource 123.156 tonnes, lead resource 401.833 tonnes and zinc resource 585.694 tonnes).

The capital structure of Aldridge Mineral Madencilik As of 31 December 2024 and 31 December 2023 is as follows;

	31 December 2024		31 December 2023	
	Share ratio	Share amount (TRY)	Share ratio	Share amount (TRY)
Shareholders				
Virtus Mining Ltd.	100%	449.952.925	100%	282.760.825
Total	100%	449.952.925	100%	282.760.825

The capital of Aldridge Mineral Madencilik Anonim Şirketi, an indirect subsidiary of the Parent Company, has been increased from TRY 282.760.825 to TRY 449.952.925 and the related transaction has been registered by T.C. Istanbul Trade Registry Office on 31 May 2024.

The registered office address of Aldridge Mineral Madencilik is as follows:

Yeşilce Mahallesi
Destegül Sokak No:1/1 İç Kapı No: 3
Kağıthane / İstanbul / Türkiye

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.a Basis of Presentation

Compatibility Statement

The Parent Company and its subsidiary maintain their books of account in accordance with the Turkish Commercial Code No. 6102 ("TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Treasury and Finance.

The accompanying consolidated financial statements have been prepared in accordance with the Turkish Accounting Standards ("TAS") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") in accordance with the Communiqué Serial II, No: 14.1 "Communiqué on the Principles of Financial Reporting in Capital Markets" ("the Communiqué") of the Capital Markets Board ("CMB") published in the Official Gazette dated 13 June 2013 and numbered 28676. TAS consists of Turkish Accounting Standards, Turkish Financial Reporting Standards and related appendices and interpretations. TFRS are updated through communiqués in order to be in line with the changes in International Financial Reporting Standards ("IFRS").

The accompanying consolidated financial statements of the Group have been prepared in accordance with the CMB's "Announcement on Financial Statements and Note Formats" dated 07 June 2013, resolution 9/221 dated 08 February 2024 and resolution 14/382 dated 07 March 2024. In addition, the accompanying consolidated financial statements are presented in accordance with the "Announcement on TFRS Taxonomy" published by POA on 03 July 2024.

Based on the CMB's decision dated 28 December 2023 and numbered 81/1820 and the announcement made by POA on 23 November 2023 and the "Implementation Guide on Financial Reporting in Hyperinflationary Economies" published on 23 November 2023, issuers and capital market institutions subject to financial reporting regulations applying TAS / TFRS have decided to apply inflation accounting by applying the provisions of TAS 29 starting from their annual financial reports for the accounting periods ending on 31 December 2024.

The consolidated financial statements are based on the statutory records of the Group and presented in TRY, with adjustments and reclassifications for the purpose of fair presentation in accordance with the TAS/TFRS issued by POA and the related communiqués of CMB.

Translation of Financial Statements of Subsidiary Who Operate in Foreign Country

The financial statements of subsidiary who operates in foreign country are prepared by the regulations of residing country and organized by reflection of required adjustments and reclassifications in order to be convenient to the accounting policy of consolidated financial statements of the Group. The assets and liabilities of foreign subsidiary are converted to Turkish Lira with the balance sheet date foreign exchange rate. The incomes and expenses of foreign subsidiary are converted to Turkish Lira with average foreign exchange rate. The foreign exchange differences occurred after the re-conversion of beginning net asset and using average foreign exchange rate; pursued under foreign currency conversion account.

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Consolidated Financial Statements Correction in High Inflation Period

Businesses applying TAS / TFRS began implementing inflation accounting as of the financial statements for the annual reporting period ending on or after 31 December 2023. This transition was initiated in accordance with "TAS 29 Financial Reporting Standard in Economies with High Inflation," as per the decision of the Capital Markets Board (SPK) dated 28 December 2023, with reference number 81/1820, and the announcement made by the Public Oversight Accounting and Auditing Standards Authority (KGK) on 23 November 2023. TAS 29 is applicable to entities whose functional currency is that of a high-inflation economy, encompassing their financial statements, including consolidated financial statements.

The attached consolidated financial statements are prepared on a historical cost basis. All comparative amounts for previous periods in these consolidated financial statements have been adjusted in accordance with TAS 29 to reflect changes in the general purchasing power of the Turkish Lira and ultimately expressed in terms of the purchasing power of the Turkish Lira as of 31 December 2024.

In applying TAS 29, the Group utilized adjustment coefficients obtained from the Consumer Price Index (CPI) published by the Turkish Statistical Institute, as directed by the Public Oversight Accounting and Auditing Standards Authority (KGK). Since the discontinuation of the definition of the Turkish Lira as the currency of a high-inflation economy as of 1 January 2005, the adjustment coefficients corresponding to the current and past periods based on the CPI are as follows:

Year-end	Index	Index%	Correction Factor
31.12.2005	122,65	7,72	21,88789
31.12.2006	134,49	9,65	19,96096
31.12.2007	145,77	8,39	18,41634
31.12.2008	160,44	10,06	16,73242
31.12.2009	170,91	6,53	15,70739
31.12.2010	181,85	6,40	14,76244
31.12.2011	200,85	10,45	13,36594
31.12.2012	213,23	6,16	12,58993
31.12.2013	229,01	7,40	11,72241
31.12.2014	247,72	8,17	10,83703
31.12.2015	269,54	8,81	9,95975
31.12.2016	292,54	8,53	9,17669
31.12.2017	327,41	11,92	8,19935
31.12.2018	393,88	20,30	6,81565
31.12.2019	440,50	11,84	6,09432
31.12.2020	504,81	14,60	5,31794
31.12.2021	686,95	36,08	3,90793
31.12.2022	1.128,4	64,27	2,37897
31.12.2023	1.859,38	64,77	1,44379
31.12.2024	2.684,55	44,38	1,00000

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In accordance with TAS 29, assets and liabilities were initially segregated into monetary and non-monetary categories to facilitate necessary adjustments in the consolidated financial statements. Non-monetary assets and liabilities were further segregated into those measured at current value and those measured at cost value. Monetary items (excluding those linked to an index) along with non-monetary items measured at their current values at the end of the reporting period were not subjected to inflation adjustment as they were already expressed in terms of the current measurement unit as of 31 December 2024. However, non-monetary items not expressed in terms of the measurement unit as of 31 December 2024 were subjected to inflation adjustment using the respective coefficients. Where the recoverable amount or net realizable value of non-monetary items adjusted for inflation exceeded, the relevant TAS/IFRS was applied, resulting in a reduction in book value. Additionally, inflation adjustments were made to all items in the equity statement, income statement, and other comprehensive income statement. All items in the income statement and other comprehensive income statement except for cost of sales, depreciation and amortization, gain or loss on asset sales, and fair value adjustments were adjusted using the respective correction factors. Cost of sales, depreciation and amortization, gain or loss on asset sales, and fair value adjustments were recalculated based on adjusted consolidated financial position statement items using the respective correction factors. All items in the cash flow statement are expressed in the measurement unit prevailing at the end of the reporting period.

Non-monetary items acquired or assumed before January 1, 2005, when the Turkish Lira ceased to be defined as the currency of a high-inflation economy, as well as equity items put into operation or formed before this date, have been adjusted based on the changes in the Consumer Price Index (CPI) from January 1, 2005, to December 31, 2024.

The implementation of TAS 29 necessitated adjustments, presented in the income statement's gain or loss section, due to the decrease in purchasing power of the Turkish Lira. Unless the value of monetary assets or liabilities is dependent on changes in an index, during inflationary periods, businesses holding a higher amount of monetary assets experience a decrease in purchasing power, while those holding a higher amount of monetary liabilities experience an increase in purchasing power. Net monetary position gains or losses were derived from differences in adjustments of non-monetary items, equity items, items in the income statement, and other comprehensive income statements, and indexed monetary assets and liabilities.

Additionally, in the reporting period when TAS 29 was initially applied, the standard provisions were applied assuming persistent high inflation in the relevant economy. Therefore, for subsequent reporting periods, the consolidated financial position statement dated 1 January 2022, was adjusted for inflation to serve as the basis for comparison with the earliest comparative period. The inflation-adjusted amount of profits/losses from previous years in the consolidated financial position statement dated 1 January 2022, was derived from the balance sheet's equity after adjusting other items in the statement for inflation.

Amounts relating to the previous reporting period were reclassified by applying the general price index to ensure presentation in the measurement unit prevailing at the end of the reporting period. Information disclosed for prior periods is also presented in terms of the measurement unit prevailing at the end of the reporting period.

"Equity-accounted investees not reporting in currencies of high-inflation economies are subject to TAS 21 provisions. In this context, TAS 29 was applied only to equity-accounted investees resident in Türkiye, while other equity-accounted investees were assessed and accounted for under TAS 21.

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Rounding Degree of Amounts Offered in Currency and Financial Statements

The functional and presentation currency of the Group is TRY. The functional currency of the foreign subsidiary (located in the Netherlands) is USD and the presentation currency is TRY.

Consolidated financial information presented in TRY is rounded to the nearest whole TRY value.

Approval of Consolidated Financial Statements

Consolidated financial statements of the Group are approved by the Board of Directors at 11 March 2025. Consolidated financial statements will be finalized upon approval at the General Assembly of the Parent Company. The Board of Directors and some regulative agencies have the right to change the financial statements that were prepared according to legal regulations after they have been published.

Basis of Consolidation

Companies in which the Parent Company owns, directly or indirectly, 50% or more of the shares or over 50% of the voting rights or over which the Parent Company has the right to control the operations are subject to "full consolidation method". Control exists when the Parent Company has the right to determine the financial and administrative policies in its favour.

Principles of Complete Consolidation

The principles of consolidation followed in the preparation of the accompanying financial statements are as follows:

- The financial statements of the consolidated subsidiaries have been equipped according to the accounting principles of the Parent Company.
- The share of the Parent Company in the shareholders equity of subsidiaries is eliminated from the financial of subsidiaries these are adjusted according to the accounting principles of financials of the Parent Company.
- All significant intercompany transactions and balances between the Parent Company and the subsidiaries have been comparatively eliminated.
- The minority part of shareholders' equity including paid capital of the companies subject to consolidation is classified as "Non-controlling Interests" in accompanying financial statement.
- Shares of the Parent Company owned by the subsidiaries within the scope of consolidation, if any, have been mutually eliminated with the capital of the Parent Company.
- The income statements of the Parent Company and the subsidiaries are consolidated a line by line basis and the transaction between companies are eliminated mutually. Consolidation of income statements of subsidiaries held in an audit period are based on the investment date and the items after the holding date are included.
- The portion of the third parties other than consolidated companies in the net income or losses of the subsidiaries are classified as "Non-controlling Interests" in the income statements.

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As of 31 December 2024, the Parent Company has applied the "full consolidation method" to the following companies in which it directly or indirectly owns 50% or more of the shares, holds more than 50% of the voting rights, or has control over their operations;

	Ownership of the Parent through the Equity Affiliates	Non-controlling Interest	
Subsidiaries	(Direct)	(Direct+ Indirect)	Ratio
Orta Truva Madencilik Sanayi Ticaret Anonim Şirketi	%100,00	%100,00	-
Virtus Mining Ltd.	%70,00	%70,00	%30,00
Aldridge Mineral Madencilik Anonim Şirketi	-	%70,00	%30,00
Hayri Ögelman Madencilik Anonim Şirketi	%96,21	%96,21	%3,79

As of 31 December 2023, the Parent Company has applied the "full consolidation method" to the following companies in which it directly or indirectly owns 50% or more of the shares, holds more than 50% of the voting rights, or has control over their operations;

	Ownership of the Parent through the Equity Affiliates	Non-controlling Interest	
Subsidiaries	(Direct)	(Direct+ Indirect)	(Direct)
Hayri Ögelman Madencilik Anonim Şirketi	%96,21	%96,21	%3,79

Standard Accounting Policy

Consolidated financial statements are prepared by adopting consistent accounting policies for similar transactions and other events under similar conditions. If the financial statements of any entity included in the consolidated financial statements are prepared using different accounting policies for similar transactions and other events under similar conditions, necessary adjustments are made to the financial statements of that entity during the preparation of the consolidated financial statements.

The investor's financial statements are prepared using consistent accounting policies for similar transactions and other events under similar conditions. If an investee uses accounting policies different from those of the investor for similar transactions and other events under similar conditions, necessary adjustments are made to align the investee's accounting policies with those of the investor for applying the equity method in the investor's financial statements.

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Assumption of Continuity of Business

The consolidated financial statements presented herein have been prepared on the assumption of the continuity of business, under which it is assumed that the Group will derive benefits from its assets and fulfill its obligations in the natural course of its activities in the coming year.

As of 31 December 2024, the Group's current liabilities are higher than its current assets by TRY 2.307.573.512, which causes the Group to have a working capital deficit. The Group management declares that there is no adverse situation regarding the Group's ability to continue as a going concern due to the anticipated increase in operational profitability, the positive cash flows from operating activities of the Group and the financing support that can be provided from financial institutions when necessary.

Netting / Offsetting

Financial assets and liabilities are presented on a net basis when there is a legal right to offset, an intention to settle the asset and liability on a net basis, or when the asset is realized and the liability is settled simultaneously.

Comparative Information and Correction of Previous Period Financial Statements

To allow for the assessment of consolidated financial position and performance, the Group's financial statements are prepared on a comparative basis with the previous period. Accordingly, the Group has prepared the consolidated financial statements as of December 31, 2024, in comparison with the financial statements as of December 31, 2023, and has also prepared the consolidated statement of income or loss, consolidated statement of comprehensive income, consolidated statement of cash flows, and consolidated statement of changes in equity for the period from January 1 to December 31, 2024, on a comparative basis with the period from January 1 to December 31, 2023. When deemed necessary to ensure the appropriateness of presenting the current period's consolidated financial statements, comparative information is reclassified and significant differences are explained.

Aside from the adjustments made due to the application of the TAS 29 standard as detailed in the section "Correction of Consolidated Financial Statements in High Inflationary Periods," there were no corrections made to the financial statements as of December 31, 2023.

2.b Changes in Accounting Policies

A company can only change its accounting policies under the following circumstances:

- If required by a standard or interpretation, or
- If the effects of transactions and events on the company's financial position, performance, or cash flows need to be presented in the financial statements in a more appropriate and reliable manner.

Users of consolidated financial statements should have the ability to compare the company's financial position, performance, and cash flows over time. Therefore, unless a change in accounting policy meets one of the conditions stated above, the same accounting policies should be applied consistently in each interim period and fiscal year.

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Changes and Errors in Accounting Estimates

The preparation of the consolidated financial statements in compliance with TAS/IFRS requires certain estimates to be made by Management regarding the carrying values of certain assets and liabilities, potential liabilities disclosed, and the amounts of income and expenses reported. Actual amounts may differ from these estimates. These estimates are reviewed periodically and any differences are reported in the income statement as of the periods known.

The assumptions and assessments made, taking into account significant interpretations that could significantly impact the amounts reflected in the consolidated financial statements, as well as important assumptions and evaluations based on the main sources of estimates existing at the date of the financial position statement or that may occur in the future, are as follows:

Provisions for doubtful receivables

However, it reflects the amounts it believes to cover future losses from receivables at risk of non-collection under the current economic conditions. While evaluating whether the receivables are impaired or not, the past performances of borrowers other than the related institution and permanent customers, their credibility in the market and the performance of the consolidated financial statements until the approval date of the consolidated financial statements are also taken into consideration. As of the statement of financial position, the provisions for doubtful receivables are reflected in Note 9.

Provision for impairment of inventories

Regarding stock impairment, the physical and past history of stocks are examined, their usability is determined in line with the opinions of technical personnel, and provisions are made for items that are estimated to be unusable (Note 12).

Deferred finance income/expense

In calculating the effective interest rate for the amortized cost of trade receivables and payables, expected collection and payment dates based on current information related to receivables and payables are taken into account.

Useful lives of tangible and intangible fixed assets

The Group depreciates its tangible and intangible fixed assets based on the useful lives and residual values stated in Note 2.c. Explanations regarding the useful lives are provided in Note 2.c.

Fair value measurement of property, plant and equipment

In determining the fair values of property, plant and equipment (excluding mining exploration costs) in accordance with TAS 16, the appraisal reports dated 31 December 2023 prepared by Aden Gayrimenkul Değerleme ve Danışmanlık Anonim Şirketi, which is authorized by the Capital Markets Board, have been used. The fair values are determined by independent valuation experts using various estimates and assumptions. Future changes in these estimates and assumptions may have a material impact on the Group's consolidated financial statements (Note 19).

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Property, plant and equipment - investment property allocation for owned properties

The Group classifies the properties that it owns but does not use in production/service activities as investment property.

Litigation provision

When provisions for lawsuits are recognized, the probability of losing the related lawsuits and the consequences of losing the related lawsuits are evaluated in line with the opinions of the Group's legal advisors. Explanations regarding the provisions deemed necessary by the Group management based on its best estimates using the available data are disclosed in Note 21.

Rehabilitation provision

The Group recognizes the estimated costs of the legal and constructive obligations required to restore mine operating locations in the accompanying consolidated financial statements. Assumptions made in the calculation may involve significant uncertainties. Amounts related to rehabilitation provision are presented in Note 21.

Retirement pay provision

Actuarial calculations are based on a number of assumptions including discount rates, future salary increases and employee turnover rates. Due to the long-term nature of these plans, these assumptions involve significant uncertainties. Details of provisions for employee benefits are disclosed in Note 22.

Deferred Tax

The Group accounts for deferred tax assets and liabilities for temporary timing differences arising from differences between tax-based legal financial statements and financial statements prepared in accordance with TAS/IFRS. These differences arise from the fact that some income and expense items are included in different periods in the financial statements prepared in accordance with TAS/IFRS and financial statements. The Group has deferred tax assets consisting of deductible temporary differences that may occur in the future. Partially or fully recoverable amount of deferred tax assets are estimated under current conditions. During the evaluation, future profit projections, losses in current periods, unused losses and other tax assets can be used. As a result of the evaluations, as of 31 December 2024 and 2023, temporary differences arising from tax deductions can be foreseen and deferred tax assets will be deemed to be deemed to be available within the framework of tax laws within the period that the tax reduction right can continue. Details on deferred tax calculations as of the relevant statement of financial position are provided in Note 31.

The New International Financial Reporting Standards, Amendments

As of 31 December 2024, adopted in the preparation of financial statements for the end of the accounting period of the accounting policies summarized below as of 1 January 2024 applies to new and changed Türkiye Accounting Standards ("TAS") / IFRS and IAS / IFRS review except as consistent with those used in the previous year It was applied. The effects of these standards and interpretations on the financial position and performance of the Group are explained in the related paragraphs.

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New and amended IFRS Standards that are effective for the current year:

TFRS 16 - Sale and Leaseback Transactions:

Effective for annual reporting periods beginning on or after January 1, 2024. These amendments include the sale and leaseback provisions that explain how an entity accounts for a sale and leaseback transaction in TFRS 16 after the transaction date. It is likely that sale and leaseback transactions comprising variable lease payments not dependent on an index or rate will be affected.

TAS 1, Long-Term Obligations with Changes in Contractual Terms amendments:

Effective for annual reporting periods beginning on or after January 1, 2024. These changes clarify how an obligation's classification is affected by conditions that the entity must meet within twelve months after the reporting period.

Changes related to supplier finance arrangements in TAS 7 and IFRS 7:

Effective for annual reporting periods beginning on or after January 1, 2024. These amendments require enhanced disclosure to provide transparency about the impacts of supplier finance arrangements on an entity's obligations, cash flows, and liquidity risks. The disclosure requirements are a response to concerns raised by the IASB (International Accounting Standards Board) that some companies' supplier finance arrangements were not sufficiently transparent, hindering investors' analysis.

TSRS 1 General Provisions on Disclosure of Financial Information Related to Sustainability:

Effective for annual reporting periods beginning on or after January 1, 2024. This is subject to the standards being endorsed by local laws or regulations. This standard encompasses the fundamental framework for disclosing all significant risks and opportunities related to sustainability that a company faces within its value chain.

TSRS 2 "Climate-related Disclosures":

Effective for annual reporting periods beginning on or after January 1, 2024. This is subject to the standards being endorsed by local laws or regulations. This standard is the first to establish disclosure requirements for companies regarding climate-related risks and opportunities.

b) New and Amended Turkish Financial Reporting Standards in issue but not yet effective

TFRS 17 Insurance Contracts:

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 Insurance Contracts on 1 January 2025.

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Amendments to TAS 21 Lack of Exchangeability:

Effective for annual periods beginning on or after 01 January 2025. An entity is affected when it has a transaction or activity in a foreign currency that is not convertible into another currency at a particular measurement date for a particular purpose. A currency may be exchanged when the ability to obtain another currency is available (with a normal administrative delay) and the transaction occurs through a market or clearing mechanism that creates enforceable rights and obligations.

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments:

Effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:

- Clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.
- Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion.
- Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- Make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

Annual improvements to IFRS – Volume 11:

Annual improvements are limited to changes that either clarify the wording in an Account Standart or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standarts. The 2024 amendments are to the following standarts:

- IFRS 1 First-time Adoption for International Financial Reporting Standards,
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7,
- IFRS 9 Financial Instruments,
- IFRS 10 Consolidated Financial Statements; and,
- IAS 7 Statement of Cash Flows.

IFRS 18 Presentation and Disclosure in Financial Statements

Effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- The structure of the statement of profit or loss:
- Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measure); and
- Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

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IFRS 19 Subsidiaries without Public Accountability: Disclosures:

Effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the requirements in other IFRS Accounting Standards except for the disclosure requirements balance the information needs of the user of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- It does not have public accountability; and,
- It has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

These changes are not expected to have a significant impact on the financial position and performance of the Group.

2.c Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant change in value. The carrying amount of these assets approximates their fair value.

Financial Instruments

According to TFRS 9, when a financial asset is initially recognized in the financial statements, it is classified as follows: debt instruments measured at amortized cost, equity instruments or debt instruments measured at fair value through other comprehensive income (OCI), or debt instruments measured at fair value through profit or loss (FVTPL). The classification of financial assets under TFRS 9 is generally based on the business model used by the entity for managing financial assets and the characteristics of the contractual cash flows of the financial asset. The requirement to separate embedded derivatives from the financial asset has been removed under the standard, and the classification of a hybrid contract as a whole should be evaluated.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows and,
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured FVTPL if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and,
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortized for the FVTPL as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized for the at FVTPL as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in TAS 39 with an 'expected credit loss' ("ECL") model. The new impairment model applies to financial assets measured at amortized cost and contract assets, but not to investments in equity instruments. Under IFRS 9, credit losses are recognized earlier than under IAS 39. The financial assets at amortized cost consist of trade receivables, cash and cash equivalents, and corporate debt securities.

Under IFRS 9, loss allowances will be measured on either the following bases:

- 12 months ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date and,
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group has elected to measure loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information

Financial liabilities

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement entered into and the definitions of a financial liability and an equity instrument. An equity instrument is ant contract that evidences a residual interest in the asset of the Group after deducting all of its liabilities.

Financial liabilities at fair value reflected as profit or loss classified as financial liabilities or other financial liabilities.

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Financial liabilities at fair value through other comprehensive income

The effective interest method calculates the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate discounts the estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. Financial assets carried at fair value through profit or loss include "derivative instruments" items in the statement of financial position. Derivative instruments are recognized as assets when their fair value is positive, and as liabilities when it is negative. Although the Group uses derivative instruments during the relevant reporting periods, there are no derivative instruments held by the Group at the end of the periods.

Other financial liabilities

Other financial liabilities, including financial liabilities, are initially recognized at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method plus the interest expense recognized on an effective yield basis.

The effective interest method calculates the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate discounts the estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Trade Receivables

Trade receivables arising from the provision of products or services to the buyer are recognized from the amortized value of the receivables recorded from the original invoice value in the subsequent periods with the effective interest method. Short-term receivables with no determined interest rates are shown in the invoice amount if the effect of the original effective interest rate is not very large.

The "simplified approach" is applied within the scope of impairment calculations of trade receivables that are recognized at amortized cost in the financial statements and do not contain a significant financing component (with a maturity of less than 1 year). With this approach, in cases where trade receivables are not impaired for.

In the event that all or some of the amount of the receivable that is impaired is collected following the provision for impairment, the amount collected is deducted from the provision for impairment and recorded in other income from the main activities.

Maturity difference income / expenses related to commercial transactions and exchange rate profit / loss are recognized in the statement of "Other Income / Expense from Main Operations" in the profit or loss statement.

Financial Liabilities

Financial liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the assumption of the financial liability are added to the fair value.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument or, where appropriate, a shorter period to the net present value of the financial liability.

Financial liabilities are classified as financial liabilities at fair value through profit or loss or other financial liabilities.

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Equity instruments

Financial liabilities related to put options granted to non-controlling interests are recognized at amortized cost in accordance with the amortization schedule of the option. The discounted amount of the financial liability is considered to approximate the fair value of the financial asset subject to the option.

Other financial liabilities

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

Trade Payables

Trade payables represent payments due from suppliers for goods and services provided in the ordinary course of business. Trade payables are initially measured at fair value and subsequently measured at amortized cost using the effective interest method.

Inventories

Inventories are valued at the lower of cost or net realizable value. Cost of inventories includes all acquisition costs, conversion costs and other costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Provision for impairment losses and write-downs that reduce inventories to net realizable value are recognized as an expense in the period in which the write-down or loss occurs. Any reversal of an inventory impairment loss due to an increase in net realizable value is recognized as a reduction of the accrued cost of sales in the period in which the reversal occurs. Net realizable value is reviewed at each financial statement date. If the circumstances that previously caused inventories to be written down to net realizable value no longer exist or if there is evidence of an increase in net realizable value due to changing economic conditions, the provision for impairment is reversed (the amount reversed is limited to the amount of the previously recognized impairment loss).

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Tangible Fixed Assets

Property, plant and equipment are carried at cost less residual value, if any, less accumulated depreciation. Depreciable assets are depreciated on a straight-line basis over their cost amounts at rates based on their estimated useful lives and are subject to accelerated depreciation based on the date of acquisition. Land is not depreciated since its useful life is considered to be indefinite. As of 31 December 2023, as a result of the appraisal reports of the Group, property, plant and equipment (excluding mining exploration costs) are reflected in the consolidated financial statements at their fair values determined by Aden Gayrimenkul Değerleme ve Danışmanlık Anonim Şirketi, which is authorized by the Capital Markets Board.

The cost of property, plant and equipment consists of the purchase price, import duties, non-refundable taxes and expenses incurred in preparing the property, plant and equipment for its intended use. Expenditures incurred after the property, plant and equipment is put into use, such as repairs and maintenance, are recognized as an expense in the statement of profit or loss in the period in which they are incurred. If the expenditures result in an increase in the economic value of the tangible fixed asset in its future use, these expenditures are added to the cost of the asset.

Leasehold improvements comprise expenditure on leased property and are depreciated over the lease term, where the useful life is longer than the lease term, or over their useful lives where the useful life is shorter.

The frequency of revaluations depends on changes in the fair value of the items of property, plant and equipment subject to revaluation.

If the carrying amount of an asset has increased as a result of a revaluation, the increase is recognized in other comprehensive income and accumulated directly in equity as a revaluation surplus. However, a revaluation increase is recognized as income to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

If the carrying amount of an asset decreases as a result of a revaluation, the decrease is recognized as an expense. However, the decrease is recognized in other comprehensive income to the extent of any credit balance in the revaluation surplus relating to that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading revaluation surplus.

The depreciation periods of property, plant and equipment, based on their estimated useful lives, are as follows:

	<u>Useful life</u>
Buildings	50 years
Surface and underground installations	2-10 years
Machinery, plant and equipment	5-20 years
Vehicles	4-10 years
Furniture and fixtures	3-10 years
Leasehold improvements	During the rental period

Repair and maintenance costs are charged to the statement of profit or loss in the period in which they are incurred. Costs associated with major renovations are capitalized to the cost of an item of property, plant and equipment when it is probable that future economic benefits will flow to the asset in substantially better condition than before the renovation. Such post-capitalization expenditures added to the cost of the asset are depreciated over the useful lives of the related assets. The Group derecognizes the carrying amount of parts replaced as part of post-capitalization expenditure, regardless of whether they are depreciated independently of other parts.

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Mining Assets

Mining assets consist of costs related to mine site development, mining rights, mining lands, reclamation, rehabilitation and closure of mine sites. Mining assets (excluding mine site preparation and development costs) are carried at indexed acquisition cost less accumulated depreciation and permanent impairment losses, if any, in the consolidated financial statements. As of 31 December 2023, as a result of the appraisal reports of the Group, mine site preparation and development costs are reflected in the financial statements over the fair values determined in the valuation studies carried out by Aden Gayrimenkul Değerleme ve Danışmanlık Anonim Şirketi, which is authorized by the Capital Markets Board.

Mining assets are amortized from the commencement of production. Depreciation expenses of mining assets are associated with the cost of production on a site-by-site basis.

Mine site development costs include the costs of evaluating and developing new ore seams, as well as the costs of opening underground galleries, excavation and construction of roads for the continuation and development of the production of existing ore seams. Mine development costs are capitalized when it is probable that future economic benefits will flow to the Group from the mine, it is identifiable for specific mine areas and the cost can be measured reliably. Costs incurred in production are capitalized to the extent that they are directly attributable to the development of the mine site. Costs associated with production are recognized as an expense in the statement of profit or loss and other comprehensive income.

Mining assets are depreciated when their capacity is ready for full utilization and their physical condition will meet the production capacity determined by the Group management. Mine development costs are capitalized when it is probable that future economic benefits will flow to the Group and depreciated over the period of economic benefit. Mine development costs are allocated to segments to the extent that they can be identified on the basis of the relevant mining areas at the time of initial recognition and are amortized using the units of production method, taking into account the economic benefits to be derived from the individual segments within each mining area.

Major and significant revisions to the mine that will increase the economic benefits to be obtained during the life of the related mine are capitalized. Maintenance and repair expenses other than major and significant revisions that can be evaluated within this scope are recognized as expense in the statement of profit or loss and other comprehensive income of the period in which they are incurred.

Mine development costs at each mine site are amortized over the amortization rate calculated by dividing the total amount of ore extracted from the related mine during the period by the remaining amount of visible and probable workable ore at that mine. The amounts of apparent and probable reserves at each mine site represent the known and measurable resources that can be economically extracted and processed in the foreseeable future.

In addition to the land on which the production facilities are located and where waste is stored, the Group also purchases land for mining exploration activities. These lands are recognized as mining assets and are carried at cost in the financial statements. These lands are depreciated over the depreciation rate calculated by dividing the total ore-based apparent and probable workable reserves by the remaining amount of ore in the relevant mine as soon as the ore is extracted in the relevant mining area.

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Mining rights are recognized at acquisition cost and amortized over the remaining economic lives of the related mine or at the lower of the amortization rate determined by dividing the amount of ore extracted from underground and open pit mines during the period by the amount of visible and probable workable remaining ore reserves.

The costs of reclamation, rehabilitation and closure of the mine sites in their current condition arising from mine site development activities and production; the provision for the highly probable expenses to be incurred during the closure and rehabilitation of the mines is reflected in the consolidated financial statements as of the statement of financial position date.

For each mine, the costs of reclamation, rehabilitation and closure of the related mine sites are amortized using the lower of the remaining economic lives of the related mine or the amortization rate determined by dividing the amount of ore extracted from the related mine during the period by the total amount of visible and probable workable remaining ore reserves. Costs incurred to prevent pollution and protect the environment under existing programs are charged to the statement of profit or loss and other comprehensive income in the period in which they are incurred.

Exploration, evaluation and development expenses

Pre-license costs are expensed in the period in which they are incurred. Post-license mining exploration and evaluation expenses include all kinds of technical services from the initial prospecting and exploration stages of a mining site to the realization of the mining project. These technical services include all kinds of geological studies related to mining activities from prospecting to reserve calculation, all kinds of ore production planning from operable reserve calculation to production method, optimization and organization, construction and implementation of ore beneficiation projects from process mininogy to complete flow chart determination, feasibility studies in every scope from market analysis to the necessary financing source.

Mine site development costs are capitalized when it is probable that future economic benefits will flow to the Group from the development of the mine, it is identifiable for specific mine sites and the costs can be measured reliably. Costs incurred in exploration and evaluation are capitalized to the extent that they are directly attributable to the development of the mine site.

At the point at which production is decided at the mine site, all costs incurred are transferred to the mining assets account. However, when it is determined that no future economic benefits will be realized, all costs incurred are recognized in the statement of profit or loss. As production commences after the preparation period, the mining assets are amortized.

For capitalized evaluation costs, at each statement of financial position date, the Group management assesses whether there is any indication of impairment, such as a significant decline in the amount of reserves, expiry of rights to mining properties and non-renewal or cancellation of the rights. If any such indication exists, the carrying amount of the asset is reduced to its recoverable amount, which is determined as the higher of its recoverable amount less costs necessary to use or sell the asset, and the carrying amount is reduced to its recoverable amount, with impairment losses recognized as an expense in profit or loss and other comprehensive income.

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Right of Use Assets

The Group recognizes right-of-use assets at the commencement date of the operating lease (i.e. the date the related asset is available for use). Right-of-use assets are measured at cost less accumulated depreciation and impairment losses. This figure is adjusted when operating lease liabilities are revalued.

The cost of the right-of-use asset includes the following:

- (a) the initial measurement amount of the lease liability,
- (b) all lease payments made on or before the commencement date, less any lease incentives received; and
- (c) all initial direct costs incurred by the Group.

Unless the transfer of ownership of the underlying asset to the Group at the end of the lease term is reasonably certain, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset and/or the period specified in the contract. Right-of-use assets are subject to impairment assessment.

The depreciation periods of right-of-use assets, based on their estimated useful lives, are as follows:

	Useful life
Vehicles	1-3 years
Buildings	3-5 years

Lease Obligations

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date.

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

- (a) Fixed payments,
- (b) Variable lease payments based on an index or rate, initially measured using an index or rate at the commencement date,
- (c) Amounts expected to be paid by the Group under residual value commitments
- (d) If the Group is reasonably certain that it will exercise the option, the exercise price of the option and
- (e) Penalty payments related to the termination of the lease if the lease term indicates that the Group will exercise an option to terminate the lease.

Variable lease payments that are not linked to an index or rate are recognized as an expense in the period in which the triggering event or circumstance occurs. The Group determines the revised discount rate for the remainder of the lease term as the interest rate implicit in the lease if it is readily determinable or, if not readily determinable, the Group's alternative borrowing rate at the date of reassessment.

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Subsequent to the commencement date, the Group measures the lease liability as follows:

- (a) Increase the carrying amount to reflect interest on the lease liability; and
- (b) Reduce the carrying amount to reflect the lease payments made.

In addition, the value of finance lease liabilities is remeasured if there is a change in the lease term, a change in the substance fixed lease payments or a change in the assessment of the option to purchase the underlying asset.

Short-Term Leases and Leases with Low Value of Underlying Assets

The Group applies the short-term lease recognition exemption to short-term machinery and equipment and low-value real estate leases (i.e. assets with a lease term of 12 months or less from the commencement date and without a purchase option). It also applies the exemption from accounting for low-value assets to fixtures and fittings for which the lease is considered to be of low value. Short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

Significant Assumptions and Estimates Related to Lease Extension or Termination Options

The lease liability is determined by taking into account the extension and early termination options in the contracts. Most of the extension and early termination options in the contracts consist of options that can be exercised jointly by the Group and the lessor. The Group determines the lease term by including such extension and early termination options in the lease term if they are at the Group's discretion and the exercise of the options is reasonably certain. The assessment is reviewed by the Group if there is a material change in circumstances.

Facilitating Practices

The Group applies the short-term lease recognition exemption to short-term leases of machinery and equipment (assets with a lease term of 12 months or less from the commencement date and without a purchase option).

The Group also applies the low-value asset recognition exemption to office equipment for which the lease value is considered to be low. Short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

A single discount rate is applied to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar asset class in a similar economic environment).

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Intangible Assets

Intangible Assets Acquired

Acquired intangible assets include acquired rights of use, information systems and other identifiable rights. Intangible assets with finite useful lives are carried at cost less residual values, if any, less accumulated amortization and accumulated impairment losses. These assets are amortized on a straight-line basis over their estimated useful lives (useful lives not exceeding 10 years). The estimated useful lives and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Computer Software

Purchased computer software is capitalized at the time of purchase and at the cost incurred from the time of purchase until the software is ready for use.

Derecognition of Intangible Assets

An intangible asset is derecognized when it is disposed of or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of an intangible asset is calculated as the difference, if any, between the net proceeds from disposal and the carrying amount of the asset. This difference is recognized in profit or loss when the asset is derecognized.

Investment Properties

Land and buildings held to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business are classified as "investment property". Investment properties are carried at fair value in the accompanying consolidated financial statements. As of 31 December 2024, as a result of the appraisal reports of the Group made by a real estate appraisal company authorised by the CMB, investment properties are reflected in the consolidated financial statements at the fair values determined in the appraisal studies.

An investment property is recognised as an asset if, and only if, it is probable that future economic benefits associated with the property will flow to the entity and the cost of the investment property can be measured reliably. Any gain or loss arising on the retirement or disposal of an investment property is the difference between the net proceeds from disposal and the carrying amount of the investment property and is recognised in profit or loss in the period of retirement or disposal.

Investment properties are initially recognised at cost. Cost includes the initial cost of acquiring an investment property and any subsequent additions, alterations or servicing costs incurred in connection with the acquisition of an investment property. Transaction costs and borrowing costs are also included in this cost. Borrowing costs incurred in the acquisition, construction or production of a qualifying investment property are capitalised and capitalisation continues until the asset is completed. The Group does not recognise day-to-day servicing costs related to the property in the carrying amount of the investment property. These costs are recognised in profit or loss as incurred. "Repair and maintenance" expenditures related to the property are recognised in the statement of profit or loss in the period in which they are incurred. Subsequent to initial recognition, the Group values its investment properties at fair value. In determining fair value, the active market price may be modified when necessary, taking into account the nature, condition and location of the asset in question.

Investment properties are reviewed for possible impairment and if, as a result of such review, the carrying amount of the investment property exceeds its recoverable amount, it is written down to its recoverable amount. The recoverable amount is the higher of the net cash flows expected to arise from the current use of the investment property and its net selling price.

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Impairment of Assets

At each reporting date, Group assesses whether there is an impairment indication for the assets, except for the deferred income tax asset that are stated at revalued amounts as of reporting date. When an indication of impairment exists, Group estimates the recoverable amounts of such assets. An impairment loss is recognized for the amount by which the carrying amount of the asset or any cash generating unit of that asset exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. All impairment losses are accounted for in the statement of comprehensive income.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor,
- A breach of contract, such as a default or delinquency in interest or principal payments,
- For economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider,
- It becomes probable that the borrower will enter bankruptcy or other financial reorganization,
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets.

Mergers and Goodwill

Business merger and acquisition is combining of two separate legal entities or organizations into an entity that makes reporting. Business merger is accounted based on acquisition method within the context of IFRS 3. (Note 4).

Acquisition cost contains the fair value of assets given in purchase date; issued capital instruments, assumed and realized payables due to change, the costs that can be associated with additional acquisition. If the business merger agreement includes articles that foresees that cost can be adjusted according to the future actions, this adjustment is probable, and this adjustment is include into merger cost that formed on the day of acquisition when the value is detected. Purchase-related costs are expensed in the period in which they are incurred. Goodwill arising from the acquisition of subsidiaries, acquisitions of associates and establishment of joint ventures is the portion of the consideration paid in excess of the fair value of the Group's net identifiable assets, liabilities and contingent liabilities in the acquiree and its non-controlling interest in the acquiree.

For impairment testing, goodwill is allocated to cash-generating units. Distribution is made to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arises. Each unit or group of units to which the goodwill is distributed is the smallest asset group of the entity in which the goodwill is monitored for internal managerial purposes. Goodwill is monitored on the basis of operating segments. Impairment reviews of goodwill are performed annually or more frequently when events or changes in circumstances indicate the possibility of impairment. The higher of the carrying amount of the goodwill, its value in use and its fair value less costs to sell, is compared with its recoverable value. In case of any impairment, the loss is recognized immediately and is not reversed in the following period.

Legal mergers between entities controlled by the Group are not considered within the scope of TFRS 3. Therefore, goodwill is not calculated in such mergers. In addition, transactions between parties in legal mergers are subject to adjustments during the preparation of the consolidated financial statements.

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Partial share purchase and sale transactions with minority interests

The Group considers the purchase and sale transactions of the shares of minority interests and the partnerships that it currently controls as transactions between the equity holders of the Group. Accordingly, in the purchase of additional shares from minority interests, the difference between the acquisition cost and the book value of the company's net assets in proportion to the purchased shares is accounted for under equity. In the sale of shares to minority interests, losses or gains resulting from the difference between the sales price and the book value of the company's net assets in proportion to the sold share are also accounted for under equity.

Effect of mergers involving entities and businesses under common control

A business combination involving entities or businesses under common control is a business combination in which all of the combined entities or businesses are controlled by the same person or persons before and after the business combination and such control is not temporary.

Business combinations under common control are accounted for using the pooling of interest method and therefore no goodwill is recognized in the consolidated financial statements. When applying the pooling of interest method, comparative financial statements should be prepared as if the merger had occurred as of the beginning of the reporting period in which common control is established. Since it would be appropriate to look at the financial statements of business combinations under common control from the perspective of the Parent Company, the financial statements are restated in accordance with the provisions of TAS / TFRS, including merger accounting, as if the financial statements were prepared in accordance with TAS / TFRS on and after the date on which the company that controls the group in the consolidation process obtains control of the companies under common control. "Effect of Mergers Involving Entities or Businesses Under Common Control" or "Share Premiums" accounts are used as an offsetting account under equity in order to eliminate the asset-liability mismatch arising from the business combination under common control. If the carrying amount of the net assets of the acquiree exceeds the consideration transferred, the difference is treated as additional capital contributions by the shareholders and the value of the "Share Premium" account is increased by the amount of the difference. If the consideration transferred exceeds the carrying amount of the net assets of the acquiree at the acquisition date, the difference is recognized as a reduction of equity in "Effect of Mergers Involving Entities or Businesses Under Common Control".

The amount of "Share Premiums" arising from the acquisition of shares corresponding to 86,21% of Hayri Ögelman Madencilik Anonim Şirketi by CVK Maden İşletmeleri Sanayi ve Ticaret Anonim Şirketi on September 29, 2020 is recognized in the opening statement of financial position dated January 1, 2022 in accordance with the "2.6.7. Preparation of the Opening Statement of Financial Position Adjusted for the Effects of Inflation" of the POA's "Application Guidance on Financial Reporting in Hyperinflationary Economies", the amount of "Share Premium" arising from the acquisition of 21% of the Company's shares has been reclassified to "Retained Earnings / (Losses)" in the opening statement of financial position dated January 1, 2022.

Fair Value Measurement

Determination of fair values, fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. Fair value, according to valuation techniques used is classified into the following levels:

Level 1: For identical assets or liabilities in active markets (unadjusted) prices;

Level 2: Other than quoted prices in level 1 and asset or liability, either directly (as prices) or indirectly (i.e. derived from prices) observable data;

Level 3: Asset or liability is not based on observable market data in relation to the data (no observable data).

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Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All of the other borrowing costs are recorded in the income statement in the period in which they are incurred. There are no capitalized borrowing costs for the periods ended at 31 December 2024 and 2023.

Taxation

Taxes on income for the period comprise current tax and the change in the deferred taxes..

Current tax provision

The charge for current tax is based on the results for the period as adjusted for items which are non-assessable or disallowed. Taxable profit differs from profit as reported in the income statement because it excludes terms of income or expense that taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred Tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases use in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary differences arisen from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit not the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences. It associates with investments in subsidiaries and associates and interests in joint ventures, except where the company is able to control the reversal of the temporary differences. It is probable that the temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amounts of deferred tax assets is reviewed at each balance sheet date and reduce to extent that is no longer probable that sufficient taxable profits will be available to allow all part of the assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and the tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its 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 Group intends to settle its current tax assets and liabilities on a net basis.

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Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax affect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquirer's identifiable assets liabilities and contingent liabilities over cost.

Provisions, Contingent Liabilities and Assets

Provisions

Provisions are recognized when an enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent Liabilities and Contingent Assets

Transactions that give rise to commitments and contingent liabilities are those that depend on the outcome of one or more future events. Accordingly, certain transactions are recognized as off-balance sheet items because they involve a risk of future loss, risk or uncertainty. In the event that an estimate is made for possible future obligations or losses to be incurred, these liabilities are recognized as expenses and liabilities for the Group. Only income and profits that can be measured reliably and that are virtually certain to occur in the future are recognized in the financial statements.

Related Parties

A party is related to the Group if one of the following criteria exists;

(a) Directly or indirectly through one or more intermediaries,

(i) controls, is controlled by, or is under common control with, the entity (including parents, subsidiaries and fellow subsidiaries);

(ii) has an interest in the Group that gives it significant influence over the Group; or

(iii) has joint control over the Group;

(b) The party is an associate of the Group,

(c) The party is a joint venture in which the Group is a venture partner,

(d) The party is a member of the key management personnel of the Group or its parent,

(e) The Party is an immediate family member of any individual referred to in (a) or (d),

(f) The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) The party has a post-employment benefit plan for the benefit of employees of the entity or of an entity that is a related party of the entity.

A related party transaction is a transfer of resources, services or obligations between related parties, whether or not consideration is received. The Group enters into business relationships with related parties in the ordinary course of business (Note 5).

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Foreign Currency Assets and Liabilities

Foreign currency transactions are entered in the accounts with current rates in transaction date. Foreign currency assets and liabilities in the balance sheet are converted to the TRY as the rates in the balance sheet date. Foreign exchange profit and loss are reflected to the income statements. The Group carried out the measurements in accordance with the announcement of the Public Oversight, Accounting and Auditing Standards Authority, dated 15 March 2021, "About the Next Measurement of Foreign Currency Monetary Items According to Turkish Accounting Standards".

The exchange rates used for the amounts classified in the assets section of the financial position statement at the end of the periods are as follows:

	31.12.2024	31.12.2023
USD	35,2803	29,4382
EURO	36,7362	32,5739
GBP	44,2073	37,4417

The exchange rates used for the amounts classified in the liabilities section of the financial position statement at the end of the periods are as follows:

	31.12.2024	31.12.2023
USD	35,3438	29,4913
EURO	36,8024	32,6326
GBP	44,4378	37,6369

Reporting Consolidated Financial Information by Segment

A business segment is distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments. A geographical segment is a distinguishable component of an enterprise that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

A reportable segment is business segment or a geographical segment identified based on the foregoing definitions for which segment information is required to be disclosed. A business segment or geographical segment should be identified as a reportable segment if a majority of its revenue is earned from sales to external customers and its revenue from sales to external customers and from transactions with other segments is 10% or more of the total revenue, external and internal, of all segments; or its segment result, whether profit or loss, is 10% or more of the result of all segments in profit or the result of all segments in loss, whichever is the greater in absolute amount; or its assets are 10% or more of the total assets of all segments.

The Group operates its activities in the same geographical region and industry sector. Therefore, reporting by segments has not been performed.

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Employee Benefits / Employment Termination Benefits

Severance Pay

In accordance with existing social legislation, the Group is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Group and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. This liability is calculated on the basis of 30 days' gross salary and other benefits for each year of service at 31 December 2024, maximum 41.828 TRY (31 December 2023: 23.490 TRY).

The Group has calculated the provision for employment termination benefit in the accompanying consolidated financial statements using the "Projected Unit Credit Method" based on the Group's experience of personnel terminating their services and being eligible to receive retirement pay and discounted by using the effective interest rate at the balance sheet date. All gains and losses other than actuarial gains / (losses) are recognized in the statement of profit or loss and actuarial gains / (losses) are recognized in the statement of changes in equity.

The ratios of the basic assumptions used on the day of the consolidated statement of financial position are as follows:

	31.12.2024	31.12.2023
Interest rate	49,69%	43,98%
Inflation rate	44,50%	41,00%
Real discount rates	3,59%	2,11%
The rate used for the probability of retirement	100%	100%

Social Insurance Premium

Group pays social security contribution to social security organization compulsorily. As long as group pays these premiums, it has no liability. These premiums are reflected as personnel expenses in the period in which they are paid.

Dividends

Dividends receivables are recognized as income in the period when they are declared and dividends payables are recognized as an appropriation of profit in the period in which they are declared.

Paid in Capital

Common stocks are classified to equity. Costs related to new shares and option issued, are shown in equity by deducting the collected amounts whose tax effect was deducted.

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Share Premiums / Discounts Related to Shares

Share premiums consist of share premium and/or "Effect of Mergers Involving Entities or Businesses Under Common Control" standard.

- Share premium represents the difference arising on the sale of the Group's own shares in subsidiaries or equity accounted investees held by the Group at a price higher than their nominal value or the difference between the nominal value and the fair value of the shares issued by the Group in respect of companies acquired by the Group.
- According to the standard "The Effect of Mergers Involving Entities or Businesses Under Common Control", if the carrying amount of the net assets of the acquiree at the acquisition date exceeds the consideration transferred, the difference is treated as additional capital contributions by the shareholders and the value of the "Share Premium" item is increased by the difference.

Government Incentives and Aids

Government grants and subsidies are transactions made to encourage an enterprise to engage in certain activities that it would not have done without government assistance or for other reasons. State aid refers to the transactions made by the state to provide economic benefits to an enterprise or group of enterprises, provided that they fulfill certain criteria; state incentives refer to the economic resources transferred by the state to the enterprise in return for the fact that the enterprise has complied or will comply with certain criteria related to its main field of activity in previous periods or in the future.

Government grants, including non-monetary government grants at fair value, are recognized in the financial statements when there is reasonable assurance that the Group will comply with the conditions precedent to receive the grants and that the Group will comply with the conditions precedent to receive the grants.

Events after the Statement of Financial Position (Balance Sheet) Date

Subsequent events cover all events that occur between the statement of financial position date and the date when the statement of financial position is authorized for issue, even if they occur after any announcement regarding profit or loss or any other selective financial information has been publicly disclosed.

The Group adjusts the amounts recognized in the financial statements if events requiring an adjustment occur after the statement of financial position date. Non-adjusting events subsequent to the statement of financial position date are disclosed in the notes to the financial statements, if material.

Earnings / (Loss) per Share

Earnings / (loss) per share disclosed in the statement of profit or loss is determined by dividing net profit / (loss) by the weighted average number of shares that have been outstanding during the related period concerned. In Turkey, companies can increase their share capital by making a pro-rata distribution of shares (bonus shares) to existing shareholders from retained earnings and inflation adjustment to shareholders' equity. For the purpose of earnings per share computations, such bonus share distributions are treated as issued shares. Accordingly, the weighted average number of shares used in these calculations is calculated by taking into consideration the retrospective effects of such share distributions.

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Revenue

In accordance with TFRS 15 "Revenue from Contracts with Customers" effective from January 1, 2018, the Group has started to use the following five-step model in revenue recognition.

- Defining contracts with customers
- Defining performance obligations in contracts
- Determination of the transaction price in contracts
- Allocation of the transaction price to performance obligations
- Revenue recognition

According to this model, the goods or services promised in each contract with customers are first evaluated and each commitment to transfer such goods or services is determined as a separate performance obligation. Then, it is determined whether the performance obligations will be fulfilled over time or at a specific moment. If the

Company transfers control of a good or service over time and therefore fulfills the performance obligations related to the related sales over time, the Company recognizes revenue over time by measuring the progress towards the full fulfillment of these performance obligations.

The Group recognizes revenue from the production and sale of mining ores and redevelopment transactions. Revenue related to performance obligations, which are commitments to transfer goods or services, is recognized when customers obtain control of the goods or services.

The Group assesses the transfer of control of the goods or services sold to the customer,

- a) The Group's right to collect the goods or services,
- b) The customer's legal ownership of the goods or service,
- c) Transfer of possession of the goods or services,
- d) The customer's ownership of the significant risks and rewards of ownership of the good or service,
- e) The customer's acceptance of the goods or service.

The Group does not adjust the promised amount of consideration for the effect of a significant financing component if, at the inception of the contract, the Group estimates that the period between the date of transfer of the promised goods or services to the customer and the date on which the customer pays for those goods or services will be one year or less. On the other hand, if there is a significant financing component in the revenue, the revenue value is determined by discounting the future collections with the interest rate included in the financing component. The difference is recognized on an accrual basis as other operating income in the related periods.

Interest Income

Interest income is accrued over the remaining principal amount of the financial asset and the estimated future cash inflows over the expected life of the asset, based on the effective interest method.

Interest income and foreign exchange gains on trade transactions are recognized as other operating income.

Dividend income from equity investments is recognized in the financial statements when the shareholders' right to receive dividends is established. Dividend payables are recognized as a liability as an element of profit distribution upon approval of the general assembly.

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Cash Flow Statement

The Group prepares cash flow statements in order to inform the users of the financial statements about the changes in its net assets, its financial structure and its ability to manage the amount and timing of its cash flows according to changing conditions. In the statement of cash flows, cash flows for the period are classified and reported based on operating, investing and financing activities. Cash flows from operating activities represent the Group's cash flows from operating activities. Cash flows from investing activities represent the Group's cash flows used in and provided from investing activities (fixed asset investments and financial investments). Cash flows from financing activities represent the Group's resources used in financing activities and the repayment of these resources. Cash and cash equivalents comprise cash on hand and demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash with maturities of three months or less.

NOTE 3 - SHARES IN OTHER ENTITIES

As of 31 December 2024, summary information regarding the Parent Company's interests in other entities and related companies in which the Parent Company has interests is as follows;

Subsidiary	Ownership of the Parent through the Equity Affiliates		Non-controlling Interests
	(Direct)	(Direct+ Indirect)	(Direct)
Orta Truva Madencilik Sanayi Ticaret Anonim Şirketi	%100,00	%100,00	-
Virtus Mining Ltd.	%70,00	%70,00	%30,00
Aldridge Mineral Madencilik Anonim Şirketi	-	%70,00	%30,00
Hayri Ögelman Madencilik Anonim Şirketi	%96,21	%96,21	%3,79

As of 31 December 2023, summary information regarding the Parent Company's interests in other entities and related companies in which the Parent Company has interests is as follows;

Subsidiary	Ownership of the Parent through the Equity Affiliates		Non-controlling Interests
	(Direct)	(Direct+ Indirect)	Subsidiary
Hayri Ögelman Madencilik Anonim Şirketi	%96,21	%96,21	%3,79

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Summary financial information of the Parent Company's subsidiary as of 31 December 2024 is as follows;

Subsidiary	Field of Activity	Asset	Total shareholders' equity	Revenue	Profit / (Loss) for the Period
Hayri Ögelman Madencilik	Mine	3.505.820.199	2.337.841.748	2.320.328.045	436.456.900
Orta Truva Madencilik	Mine	947.500.325	896.210.596	-	49.689.020
Aldridge Mineral Madencilik	Mine	2.300.699.221	1.728.354.414	-	-
Virtus Mining Ltd.	Mine	3.509.023.768	1.910.359.171	-	-

Summary financial information of the Parent Company's subsidiary as of 31 December 2023 is as follows;

Subsidiary	Field of Activity	Asset	Total shareholders' equity	Revenue	Profit / (Loss) for the Period
Hayri Ögelman Madencilik	Mine	3.212.141.964	1.901.206.854	1.455.681.886	439.423.206

The details of the subsidiary are presented in Note 1.

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NOTE 4 – BUSINESS COMBINATIONS

As of 31 December 2024, the details of business combinations are as follows;

a) The Parent Company has acquired 100% of the shares of Orta Truva Madencilik Sanayi Ticaret Anonim Şirketi in consideration of TRY 380.358.610. In this transaction, which is accounted in accordance with "TFRS 3 Business Combinations", the related amount is reported as "Bargain purchase gain" in the accompanying consolidated statement of profit or loss since the net assets acquired from the acquisition transaction are higher than the acquisition cost by TRY 514.840.248 (Note 28.1). The reconciliation of the related amount is as follows

	31.12.2024
Current assets	23.713.663
Non-Current assets	871.867.607
Total assets	895.581.270
Short-term liabilities	382.413
Total liabilities	382.413
Equity	895.198.857
Acquisition rate	100,00%
Equity attributable to equity holders of the parent (a)	895.198.858
Acquisition amount (b) (*)	380.358.610
Profit on bargain purchase (a - b)	514.840.248

(*) The related amount is determined by the fair value method of the purchase price and as of 31 December 2024, TRY 97.694.717 of the total payables amounting to TRY 203.806.383 arising from the related acquisition is reported under "Other Short Term Payables" and TRY 106.111.666 is reported under "Other Long Term Payables" (Note 10).

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b) The Parent Company acquired 70% of the shares of Virtus Mining Ltd. which owns 100% of Aldridge Mineral Madencilik Anonim Şirketi for TRY 4.520.823.683. In this transaction, which is accounted in accordance with "TFRS 3 Business Combinations", the related amount is reported as "Goodwill" in the accompanying consolidated statement of profit or loss since the net assets acquired are TRY 514.840.248 less than the acquisition cost (Note 18). The reconciliation of the related amount is as follows;

	31.12.2024
Current assets	14.643.016
Non-Current assets	6.228.116.257
Total assets	6.242.759.273
Short-term liabilities	1.364.215.108
Long-term liabilities	806.794.295
Total Liabilities	2.171.009.403
Equity	4.071.749.870
Acquisition rate	70,00%
Equity attributable to equity holders of the parent (a)	2.850.224.909
Acquisition amount (b)	4.520.823.683
Goodwill (b - a) (Note 18)	1.670.598.774

(*) The related amount is determined by the fair value method of the purchase price and as of 31 December 2024, TRY 1.118.164.708 of the total payables amounting to TRY 4.210.866.383 arising from the related acquisition is reported under "Other Short Term Payables" and TRY 3.092.701.675 is reported under "Other Long Term Payables" (Note 10).

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NOTE 5 - RELATED PARTY DISCLOSURES

i) Due from and due to related parties:

a) The details of trade payables to related parties classified under trade payables are as follows (Note 9):

	31.12.2024	31.12.2023
1919 The Good World Madencilik Dış Tic. Ltd. Şti.	-	136.637.108
Çevik Madencilik Sanayi ve Ticaret Anonim Şirketi	-	929.187
	-	137.566.295

b) The details of due from related parties classified under other payables are as follows (Note 10):

	31.12.2024	31.12.2023
Hüseyin Çevik	150.000.000	-
	150.000.000	-

ii) Sales, purchases and transactions to related parties:

a) The details of purchases from related parties classified under general administrative expenses are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
İkizler Tatlı Gıda Sanayi Ticaret Ltd. Şti.	2.222.600	1.692.516
Mahizer Tatlı ve Unlu Mamüller Üretim Anonim Şirketi	2.181.493	2.267.111
CVK Mineral Madencilik Nakliyecilik İnşaat Taahhüt ve Sanayi ve Ticaret A.Ş.	249.828	6.333.994
	4.653.921	10.293.621

b) The details of from related parties classified under cost of sales are as follows;

	01.01.- 31.12.2024	01.01.- 31.12.2023
Mahizer Tatlı Ve Unlu Mamüller Üretim Anonim Şirketi	-	-
1919 The Good World Madencilik Dış Tic.Ltd.Şti. (*)	-	123.450.340
CVK Mineral Madencilik Nakliyecilik İnşaat Taahhüt ve Sanayi Ticaret A.Ş.	-	970.349
Çevik Madencilik Sanayi ve Ticaret A.Ş.	-	757.952
Manolya Madencilik A.Ş.(*)	-	27.372
	-	125.206.013

(*) Consists of ore purchases.

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c) The details of purchases from related parties classified under marketing expenses are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
CVK Mineral Madencilik Nakliyecilik İnşaat Taahhüt ve Sanayi ve Ticaret A.Ş.	-	29.451
Mahizer Tatlı ve Unlu Mamüller Üretim A.Ş.	-	387.755
	-	417.206

d) The details of rental income from related parties classified under income from investing activities are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
İkizler Tatlı Gıda Sanayi Ticaret Limited Şirketi	3.303.962	234.801
	3.303.962	234.801

e) The details of purchases from related parties classified under property, plant and equipment and investment property are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
CVK Mineral Madencilik Nakliyecilik İnşaat Taahhüt ve Sanayi ve Ticaret A.Ş.	-	200.495.230
Çevik Madencilik Sanayi ve Ticaret A.Ş.	-	79.608
	-	200.574.838

f) The details of foreign exchange losses to related parties classified under financial expenses are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Hüseyin Çevik	-	2.350.126
	-	2.350.126

g) The details of interest income from non-trade receivables from related parties classified under income from investing activities are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Begüm Çevik	-	2.381
	-	2.381

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h) The details of salaries and similar benefits provided to key management personnel are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Benefits Provided to Key Management Personnel	20.087.705	16.047.725
	20.087.705	16.047.725

The Group has identified the members of the Board of Directors as key management personnel.

NOTE 6 - CASH AND CASH EQUIVALENTS

As of 31 December 2024 and 2023, details of cash and cash equivalents are as follows:

	31.12.2024	31.12.2023
Cash	23.277.473	779.126
Banks		
Time deposits	9.103.872	291.241.360
Demand deposits	10.886.934	1.646.410
Liquid funds	544.214.101	832.093.810
	587.482.380	1.125.760.706

As of 31 December 2024 and 2023, the Group's bank deposits consist of time and demand deposits. As of 31 December 2024 and 2023, there is no blockage on the related deposits. Liquid funds consist of cash equivalents that can be converted into cash at their carrying values..

As of 31 December 2024, details of cash and cash equivalents in foreign currency are as follows:

Currency	Currency Amount	Exchange Rate	TRY Amount
TRY	530.895.032	1,0000	530.895.032
USD	1.549.804	35,2803	54.677.568
EUR	47.540	36,7362	1.746.424
AUD	7.467	21,8769	163.356
Total			587.482.380

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As of 31 December 2023, the details of cash and cash equivalents denominated in foreign currencies are as follows:

Currency	Currency Amount	Exchange Rate	TRY Amount
TRY	349.454.429	1,0000	349.454.429
USD	18.257.553	29,4382	775.991.857
EUR	2.096	32,5739	98.575
AUD	7.467	20,0213	215.845
Total			1.125.760.706

As of 31 December 2024, details of time deposits are as follows;

Currency	Currency Amount	Exchange Rate	TRY Amount	Currency
TRY	9.000.000	%42	1 day	9.000.000
USD	2.944	%0,1- %0,5	1 - 45 days	103.872
				9.103.872

As of 31 December 2023, details of time deposits are as follows:

Currency	Currency Amount	Exchange Rate	TRY Amount	Currency
TRY	115.092.437	%37 - %39	2 days	115.092.437
USD	4.144.436	%0,2 - %4,5	2 - 23 days	176.148.923
				291.241.360

NOTE 7 - FINANCIAL INVESTMENTS

As of 31 December 2024 and 2023, details of financial investments are as follows:

Short-term financial investments

	31.12.2024	31.12.2023
Blocked deposits	9.452.893	-
Financial assets at fair value through profit or loss	-	5.962.843
	9.452.893	5.962.843

Long-term financial investments

None (December 31, 2023: None).

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NOTE 8 - FINANCIAL LIABILITIES

As of 31 December 2024 and 2023, details of financial liabilities are as follows:

	31.12.2024	31.12.2023
Short-term bank borrowings	515.225.505	240.516.749
Payables arising from leases	4.846	6.996
Short-term finance lease payables, net	33.580.378	16.419.082
Short-term portion of long-term borrowings	532.762.147	16.403.183
Debt Instruments Issued (Bonds) (*)	50.062.506	-
Total short-term financial liabilities	1.131.635.382	273.346.011
Long-term bank borrowings	1.012.078.351	6.270.259
Long-term financial lease payables, net	22.040.112	8.037.565
Total long-term financial liabilities	1.034.118.463	14.307.823
Total financial liabilities	2.165.753.845	287.653.834

As of 31 December 2024, the average effective interest rates of TRY, EURO and USD denominated borrowings are 60,61%, 6,58% and 8,07%, respectively (31 December 2023: TRY: 43,98%, EURO: 4,95%).

(*) In the material event disclosure made by the Parent Company on 16 February 2024, the application made by the Parent Company to the Capital Markets Board regarding the issuance of debt instruments in Turkish Lira, in various maturities up to 1 (one) year, in one or more times, in the form of allocated sale and/or sale to qualified investors without public offering in the country, within the framework of capital markets legislation, not exceeding TRY 100.000.000, has been accepted by the Capital Markets Board with the letter dated 01 July 2024. Within this scope, the Parent Company has issued 50.000.000 nominal value, 182 days maturity, 30 June 2025 redemption date, 50,50% fixed simple interest rate financial bond on 30 December 2024.

As of 31 December 2024, there is a pledge on the Group's vehicles amounting to TRY 148.680.148 (31 December 2023: TRY 8.266.753) in favour of financial institutions as collateral for the loans used by the Group. As of 31 December 2024, the Group has given a letter of guarantee amounting to TRY 181.462.326 to Türkiye İhracat Kredi Bankası A.Ş. as collateral for its loans and has export commitment amounting to TRY 461.192.184 (31 December 2023: None). In addition, the Group's related parties have sureties in favour of financial institutions as collateral for the Group's financial liabilities.

As of 31 December 2024, Virtus Mining Ltd., a subsidiary of the Parent Company, has obtained loans amounting to TRY 1.081.190.878, TRY 349.845.927 of short-term loans and TRY 731.344.951 of long-term loans from a financial institution in previous years. Virtus Mining Ltd., which is the main shareholder of Aldridge Mineral Madencilik, an indirect subsidiary of the Parent Company, has pledges and mortgages on its real estates, mining sites and mining licences as collateral for the loan amounting to TRY 1.413.752.000 (USD 40.000.000) used by a foreign financial institution.

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As of 31 December 2024 and 2023, the maturity analysis of bank borrowings is as follows:

	31.12.2024	31.12.2023
Payable between 0 - 1 year	1.047.987.652	256.919.932
Payable between 1 and 2 years	595.873.043	5.157.021
Payable between 2 and 3 years	416.205.308	863.004
Payable over 3 to 4 years	-	250.234
	2.060.066.003	263.190.191

As of 31 December 2024, the foreign currency position of bank borrowings is presented below:

Currency	Currency Amount	Exchange Rate	TRY Amount
TRY	564.510.036	1,0000	564.510.036
USD	42.314.521	35,3438	1.495.555.967
			2.060.066.003

As of 31 December 2024, the foreign currency position of bank borrowings is presented below:

Currency	Currency Amount	Exchange Rate	TRY Amount
TRY	263.190.191	1,0000	263.190.191
			263.190.191

As of 31 December 2024 and 2023, the maturity analysis of finance lease liabilities is as follows:

	31.12.2024	31.12.2023
Payable between 0 - 1 year	33.580.378	16.419.082
Payable between 1 and 2 years	18.238.581	5.606.137
Payable between 2 and 3 years	3.801.531	2.431.428
	55.620.490	24.456.647

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As of 31 December 2024, the foreign currency position of finance lease liabilities is as follows:

Currency	Currency Amount	Exchange Rate	TRY Amount
TRY	43.408.058	1,0000	43.408.058
EURO	331.838	36,8024	12.212.432
Total			55.620.490

As of 31 December 2023, the foreign currency position of finance lease liabilities is as follows:

Currency	Currency Amount	Exchange Rate	TRY Amount
EURO	284.116	32,6326	13.385.993
TRY	11.070.654	1,0000	11.070.654
Total			24.456.647

NOTE 9 - TRADE RECEIVABLES AND PAYABLES

As of 31 December 2024 and 2023, details of trade receivables are as follows:

Short term trade receivables

	31.12.2024	31.12.2023
Trade receivables	131.726.459	282.438.601
Notes receivable	1.231.541	-
Rediscount on receivables (-)	(2.016.362)	(12.959.551)
Doubtful trade receivables	3.833.225	5.534.363
Provision for doubtful trade receivables (-)	(3.833.225)	(5.534.363)
	130.941.638	269.479.050

The movement of doubtful trade receivables during the period is as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Opening balance	5.534.363	5.076.999
Provisions reversed during the period	-	(142.046)
Monetary gain / (loss), net	(1.701.138)	(1.995.790)
Provisions recognized during the period (Not 27.2)	-	2.595.200
Closing balance	3.833.225	5.534.363

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As of 31 December 2024 and 2023, details of notes payable on maturity basis are as follows:

	31.12.2024	31.12.2023
1-30 days	1.231.541	-
	1.231.541	-

The maturity of the Group's trade receivables varies on an individual customer basis and averages between 30 - 60 days.

Long term trade receivables

None (December 31, 2023: None).

The credit risk table for trade receivables is presented in Note 33.

As of 31 December 2024 and 2023, details of trade payables are as follows:

Short-term trade payables

	31.12.2024	31.12.2023
Trade payables	391.033.295	483.736.341
Trade payables to related parties (Note 5)	-	137.566.295
Notes payable	28.127.842	11.019.889
Expense accruals	28.387.101	1.284.970
Rediscount on payables (-)	(14.279.173)	(23.923.850)
	433.269.065	609.683.645

As of 31 December 2024 and 2023, details of notes payable on maturity basis are as follows:

	31.12.2024	31.12.2023
1-30 days	15.453.687	8.336.465
31-60 days	12.674.155	1.341.856
61-90 days	-	1.341.568
	28.127.842	11.019.889

The maturity of the Group's trade payables varies on a supplier-by-supplier basis and averages between 30 - 90 days.

Long-term trade payables

None (31 December 2023: None).

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NOTE 10 - OTHER RECEIVABLES AND PAYABLES

As of 31 December 2024 and 2023, details of other receivables are as follows:

Other short-term receivables

	31.12.2024	31.12.2023
VAT receivables from tax office (*)	19.548.367	33.704.642
Receivables from personnel	66.910	289.796
Other receivables	5.126.711	11.791.414
	24.741.988	45.785.852

(*) Related amount consists of VAT refund receivables arising from exports.

Other long term receivables

	31.12.2024	31.12.2023
Deposits and guarantees given	21.069.920	3.497.109
	21.069.920	3.497.109

As of 31 December 2024 and 2023, details of other payables are as follows:

Other short-term payables

	31.12.2024	31.12.2023
Taxes and funds payable	3.507.651	7.380.194
Tax debts in instalments	699.566	5.160.036
Due to shareholders (Note 5)	150.000.000	-
Due to landowners (a)	278.838.810	-
Other payables (b)	1.215.859.425	-
	1.648.905.452	12.540.230

(a) The related payables are the payables arising from the acquisition of the lands within the operating area of Aldridge Mineral Madencilik, an indirect subsidiary of the Parent Company, many years ago. There are lawsuits filed against the Parent Company and Aldridge Mineral Madencilik due to the related debts. The realisability of the related risks are analysed by legal advisors. As a result of the analyses, the total litigation provision allocated by the Parent Company management as of 31 December 2024 is 227.680.115 TRY.

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Other long term payables

	31.12.2024	31.12.2023
Tax debts in instalments	393.956	970.286
Deposits and guarantees received	159.729	-
Other payables (b)	3.198.813.341	-
	3.199.367.026	970.286

(b) As of 31 December 2024, all of the related payables arise from the company acquisitions disclosed in Note 4.

NOTE 11 - EMPLOYEE BENEFIT OBLIGATIONS

As of 31 December 2024 and 2023, the details of employee benefit obligations are as follows:

	31.12.2024	31.12.2023
Social security premiums payable	7.138.437	4.472.541
Payables to personnel	16.967.330	7.159.027
	24.105.767	11.631.568

NOTE 12 – INVENTORIES

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

	31.12.2024	31.12.2023
Raw materials and supplies	35.536.112	31.740.194
Semi-finished products	117.475	1.869.919
Finished Product	42.590.161	8.175.296
Trade goods	152.062.143	482.995.772
Provision for impairment of inventories (-)	(986.701)	(1.625.201)
	229.319.190	523.155.980

The movement of provision for impairment on inventories is as follows:

	01.01. - 31.12.2024	01.01. - 31.12.2023
Balance at the beginning of the period	1.625.201	1.600.691
Cancellation of prior period provision (-)	(138.950)	(499.847)
Monetary gain / (loss), net	(499.550)	(629.238)
Provision recognised during the period (Note 26.2)	-	1.153.595
	986.701	1.625.201

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The details of provision for impairment on inventories are as follows:

	31.12.2024	31.12.2023
Raw materials and supplies	986.701	1.424.587
Finished goods	-	200.614
	986.701	1.625.201

As of 31 December 2024 and 2023, there is no insurance coverage on inventories.

NOTE 13 - OTHER CURRENT ASSETS

As of 31 December 2024 and 2023, details of other current assets are as follows:

	31.12.2024	31.12.2023
VAT carried forward	132.059.758	137.119.496
	132.059.758	137.119.496

NOTE 14 - PREPAID EXPENSES

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

Short-term prepaid expenses

	31.12.2024	31.12.2023
Order advances given	110.368.779	15.084.336
Prepaid expenses	40.854.855	25.303.523
Order advances given	2.546.464	881.053
Advances given to personnel	160.717	1.469.080
	153.930.815	42.737.992

Long-term prepaid expenses

	31.12.2024	31.12.2023
Advances given for purchases of property, plant and equipment (a)	313.552.568	478.827.640
Prepaid expenses	37.566	25.540
	313.590.134	478.853.180

(a) The related advances mainly consist of advances given by the Group for the gold mine investment in Sarıalan / Balıkesir.

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NOTE 15 - DEFERRED INCOME

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

Short-term deferred income

	31.12.2024	31.12.2023
Order advances received	51.419.221	38.943.536
Deferred income	389.720	926.125
	51.808.941	39.869.661

Long-term deferred income

	31.12.2024	31.12.2023
Deferred income	74.738.600	389.722
	74.738.600	389.722

NOTE 16 - RIGHT OF USE ASSETS

As of 31 December 2024 and 2023, the details and movement of right of use assets are as follows:

Cost	December 31, 2022	Additions	December 31, 2023	Additions	31 December 2024
Vehicles	6.218.482	-	6.218.482	-	6.218.482
Machinery and equipment	-	-	-	66.307.128	66.307.128
Total	6.218.482	-	6.218.482	66.307.128	72.525.610
Accumulated Depreciation (-)					
Vehicles	5.966.404	232.694	6.199.098	19.384	6.218.482
Buildings	-	-	-	4.569.753	4.569.753
Total	5.966.404	232.694	6.199.098	4.589.137	10.788.235
Net Book Value	252.078		19.384		61.737.375

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NOTE 17 - INTANGIBLE ASSETS

As of 31 December 2024 and 2023, the details and movement of intangible assets are as follows:

Cost	December 31, 2022	Additions	December 31, 2023	Additions	Disposal	Business combination effect	31 December 2024
Rights	30.971.790	2.030.922	33.002.712	10.588.937	(6.861.865)	-	36.729.784
Mineral development assets (a)	-	-	-	-	-	2.100.062.957	2.100.062.957
Other property, plant and equipment	-	-	-	-	-	5.653.084	5.653.084
Total	30.971.790	2.030.922	33.002.712	10.588.937	(6.861.865)	2.105.716.041	2.142.445.825
Accumulated Amortization (-)							
Rights	18.756.746	2.326.166	21.082.912	3.147.640	(6.861.865)	-	17.368.687
Other property, plant and equipment	-	-	-	-	-	5.640.313	5.640.313
Total	18.756.746	2.326.166	21.082.912	3.147.640	(6.861.865)	5.640.313	23.009.000
Net Book Value	12.215.044		11.919.800				2.119.436.825

a) The related amount represents the intangible asset determined by an independent consultancy firm in the purchase price allocation report within the scope of the acquisition transactions detailed in Note 4.

NOTE 18 – GOODWILL

As of 31 December 2024 and 2023, the details of goodwill are as follows;

	31.12.2024	31.12.2023
Goodwill - Acquisition of Virtus Mining Ltd. shares	1.670.598.774	-
	1.670.598.774	-

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NOTE 19 – TANGIBLE FIXED ASSETS

As of 31 December 2024 and 2023, the details and movement of property, plant and equipment are as follows:

Cost	December 31, 2022	Additions	Disposals	Valuation effect	Impairment	December 31, 2023	Additions	Disposals	Business combination effect	31 December 2024
<i>Mining Assets</i>										
Mining exploration costs	777.961.929	97.774.212	-	-	-	875.736.141	277.090.451	-	2.744.521.479	3.897.348.071
Cost of mine site preparation and development	1.861.065.033	236.017.358	-	579.748.501	(17.165.334)	2.659.665.558	340.448.147	(3.045.743)	-	2.997.067.962
<i>Other Tangible Fixed Assets</i>										
Land and Plots	19.780.751	7.324.930	-	17.636.520	-	44.742.201	9.605.378	-	925.344.917	979.692.496
Underground and Above Ground Utilities	63.274.646	2.794.058	-	-	-	66.068.704	5.210.628	-	587.869	71.867.201
Buildings	162.553.193	140.640.181	-	33.362.824	(4.353.751)	332.202.447	-	-	4.595.249	336.797.696
Machinery, plant and equipment	677.073.068	88.963.171	(35.404.532)	66.355.411	(23.422.650)	773.564.468	129.789.726	(12.494.867)	1.483.327	892.342.654
Vehicles	157.771.743	57.708.460	(3.128.243)	27.909.094	(15.892.799)	224.368.255	107.874.114	(7.574.216)	-	324.668.153
Fixtures	35.783.949	11.985.127	(258.709)	-	-	47.510.367	19.440.224	-	12.134.042	79.084.633
Special Costs	55.029	341.769	-	-	-	396.798	-	-	1.874.371	2.271.169
Investments in Progress	1.521.719	99.278.479	-	-	-	100.800.198	990.571.475	-	44.024.923	1.135.396.596
Total	3.756.841.060	742.827.745	(38.791.484)	725.012.350	(60.834.534)	5.125.055.137	1.880.030.143	(23.114.826)	3.734.566.177	10.716.536.631
<i>Accumulated Depreciation (-)</i>										
<i>Mining Assets</i>										
Mining exploration costs	68.945.901	10.257.029	-	-	-	79.202.930	12.334.082	-	-	91.537.012
Cost of mine site preparation and development	310.250.891	57.712.089	-	-	-	367.962.980	185.976.697	(2.392.851)	-	551.546.826
<i>Other Tangible Fixed Assets</i>										
Underground and Above Ground Utilities	47.266.279	5.507.650	-	-	-	52.773.929	2.360.321	-	435.568	55.569.818
Buildings	28.888.774	3.499.730	-	-	-	32.388.504	5.284.532	-	844.657	38.517.693
Machinery, plant and equipment	269.808.249	57.488.106	(10.264.568)	-	-	317.031.787	63.201.348	(1.602.320)	1.288.127	379.918.942
Vehicles	30.940.056	13.024.188	(798.201)	-	-	43.166.043	23.940.857	(1.471.396)	-	65.635.504
Fixtures	30.778.480	5.246.707	(249.367)	-	-	35.775.820	6.789.389	-	11.639.298	54.204.507
Special Costs	8.560	23.848	-	-	-	32.408	73.203	-	1.686.854	1.792.465
Total	786.887.190	152.759.347	(11.312.136)	-	-	928.334.401	299.960.429	(5.466.567)	15.894.504	1.238.722.767
Net Book Value	2.969.953.870					4.196.720.736				9.477.813.864

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Property, plant and equipment (excluding mineral exploration costs) are stated in the accompanying consolidated financial statements at fair value based on the valuation report dated December 31, 2023. The fair values of property, plant and equipment disclosed in the consolidated financial statements have been determined by independent valuation expert(s) authorized by the Capital Markets Board of Turkey. The fair values of the property, plant and equipment owned by the Group have been determined by using the Market approach and cost approach, which are the methods that are estimated to determine the fair value of the related property, plant and equipment in the most accurate manner. The positive difference between the revaluation result and the carrying amount of the related property, plant and equipment (Value increase) is recognized in the "Revaluation increase/decrease in property, plant and equipment" account in equity (Note 23.5) and the negative difference between the revaluation result and the carrying amount of the related property, plant and equipment (Impairment) is recognized in the "Expenses from investing activities" account in the statement of profit or loss (Note 28.2).

As of December 31, 2024, the Group's property, plant and equipment subjected to appraisal valuation and the fair value hierarchy of these assets is Level 2 and there has not been any transition between Level 1 and Level 2 in the current period.

As of 31 December 2024, the Group has pledged vehicles amounting to TRY 148.680.148 (31 December 2023: TRY 8.266.753) in favour of financial institutions in order to provide provision for the loans used by the Group. Virtus Mining Ltd., which is the main shareholder of Aldridge Mineral Madencilik, an indirect subsidiary of the Parent Company, has pledges and mortgages on its real estates, mining sites and mining licences as collateral for the loan amounting to TRY 1.413.752.000 (USD 40.000.000) used by a foreign financial institution. In addition, there is a mortgage amounting to 95.543.003 TRY and a lien amounting to TRY 227.680.115 on the properties of Aldridge Mineral Madencilik due to the related property purchase debts.

As of the report date, the total amount of insurance on property, plant and equipment (excluding mineral exploration costs) is 2.926.850.779 TRY. Transactions with related parties are disclosed in Note 5.

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NOTE 20 – INVESTMENT PROPERTIES

As of 31 December 2024 and 2023, the details and movement of investment properties are as follows:

Cost	31 December 2022	Additions	31 December 2023	Valuation Effect	31 December 2024
Lands	-	22.290.755	22.290.755	4.259.245	26.550.000
Buildings	-	32.395.898	32.395.898	11.629.102	44.025.000
	-		54.686.653		70.575.000

The Group's investment properties consist of land and buildings located in Kuruçeşme / Beşiktaş / İstanbul. As of December 31, 2024, the Group's investment properties are presented at fair value in the accompanying consolidated financial statements. There are no restrictions on the transfer of income from investment properties to the Group. The appraisal values of the Group's investment properties have been calculated as of December 31, 2024, by a company included in the CMB's list of real estate appraisal companies. The fair values of the Group's investment properties are determined using the method that is estimated to provide the most accurate determination of the fair value of the relevant property, either the Market Approach or the Cost Approach. The positive difference (Value Increase) between the appraisal value and the book value of the related investment properties is reported under the "Income from Investment Activities" line item in the income statement (Note 31.1), while the negative difference (Impairment Loss) between the appraisal value and the book value of the related investment properties is reported under the "Expenses from Investment Activities" line item in the income statement (Note 31.2).

The fair value hierarchy of the Group's investment properties subjected to appraisal valuation and the fair value hierarchy of these assets is Level 2 and there has not been any transition between Level 1 and Level 2 in the current period.

As of 31 December 2024, there is no mortgage on the related properties. Transactions with related parties are disclosed in Note 5.

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NOTE 21 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

As of 31 December 2024 and 2023, provisions, contingent assets and liabilities comprised the following:

Short-term provisions

	31.12.2024	31.12.2023
Provision for mining state rights	23.752.175	33.162.445
Provision for litigation expenses	243.698.985	2.899.770
	267.451.160	36.062.215

As of 31 December 2024 and 2023, the movement of provisions for litigation is as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Balance at the beginning of the period	2.899.770	3.196.774
Provisions recognised during the period	1.071.530	959.661
Monetary gain / (loss), net	(891.324)	(1.256.665)
Effect of business combination (a)	240.619.009	-
Balance at the end of the period	243.698.985	2.899.770

(a) Related litigation provisions consist of receivables and labour lawsuits filed against Aldridge Mineral Madencilik, an indirect subsidiary of the Parent Company.

Long-term provisions

	31.12.2024	31.12.2023
Rehabilitation provision	38.732.239	38.732.239
	38.732.239	38.732.239

Contingent Assets

The Group does not have any contingent assets.

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Contingent Liabilities

As of December 31, 2024 and December 31, 2023, the Group's guarantee / pledge / mortgage / bail ("GPM") position is as follows:

GPMs given by the Group	31.12.2024	31.12.2023
A. Total amount of GPMs given on behalf of its own legal entity	1.238.568.778	573.465.185
B. Total amount of GPMs given in favor of subsidiaries included in the scope of full consolidation (a)	2.419.284.116	349.023.651
C. Total Amount of GPMs Given to Secure Debts of Other Third Parties for the Execution of Ordinary Commercial Activities	-	-
D. Total amount of other GPMs given	-	-
i. Total amount of GPMs given in favor of the main shareholder	-	-
ii. Total amount of GPMs given in favor of other group companies which are not in the scope of B and C	-	-
iii. Total amount of GPMs given in favor of third parties not included in the scope of Article C	-	-
Total	3.657.852.894	922.488.836

a) The relevant amounts consist of joint guarantees provided to financial institutions by the Companies under full consolidation, in favor of each other, as well as the collateral in the form of real estate, mining fields, and liens and mortgages on the mining license, which have been provided as collateral for a loan of 1.413.752.000 TRY (40.000.000 USD) used by Virtus Mining Ltd., the parent company of Aldridge Mineral Mining, which is an indirect subsidiary of the Parent Company, with a foreign financial institution.

The details of the Group's contingent liabilities are as follows:

Letters of guarantee – As of December 31, 2024, the amount of guarantee letters provided by the Group to the Ministry of Energy and Natural Resources of the Republic of Turkey, electricity distribution companies, and other organizations, for loans obtained from banks, is 662.230.832 TRY (16.174.000 USD – 90.580.211 TRY) (December 31, 2023: 60.635.189 TRY).

Mortgages – As of December 31, 2024, there is a mortgage amounting to 74.221.980 TRY (2.100.000 USD) on the licenses numbered S.87500 and S.20066206, acquired by the Group, in favor of İhlas Madencilik Enerji ve Ticaret Anonim Şirketi and İhlas Gayrimenkul Proje Geliştirme ve Ticaret Anonim Şirketi (December 31, 2023: 89.416.271 TRY (2.100.000 USD)). In addition, there are liens and mortgages on the real estate, mining fields, and mining license of Virtus Mining Ltd., the parent company of Aldridge Mineral Madencilik, an indirect subsidiary of the Parent Company, which were provided as collateral for a loan of 1.413.752.000 TRY (40.000.000 USD) used with a foreign financial institution. Furthermore, additional to these, there is a mortgage of 95.543.003 TRY and a lien of 227.680.115 TRY on the real estate of Aldridge Mineral Madencilik due to the relevant real estate acquisition debts.

Guarantee Bond – As of December 31, 2024, the Group has provided a guarantee letter amounting to 343.982.925 TRY (9.750.000 USD) on the licenses numbered S.87500 and S.20066206, acquired by the Group, in favor of İhlas Madencilik Enerji ve Ticaret Anonim Şirketi and İhlas Gayrimenkul Proje Geliştirme ve Ticaret Anonim Şirketi (December 31, 2023: 415.146.972 TRY (9.750.000 USD)).

Pledge – As of December 31, 2024, there is a vehicle lien amounting to 148.680.148 TRY in favor of financial institutions as collateral for the loans used by the Group (December 31, 2023: 8.266.753 TRY).

Blocked Deposit - There is a blockage amounting to 9.452.893 TRY on the bank deposits of Aldridge Mineral Madencilik, an indirect subsidiary of the Parent Company.

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Lawsuits – From time to time, lawsuits may be filed against the Group related to its commercial activities. The management of the Parent Company and its legal advisors analyze the likelihood of the related risks materializing. As a result of these analyses, the total provision for lawsuits set aside by the management of the Parent Company as of December 31, 2024, amounts to 243.698.985 TRY (December 31, 2023: 2.899.770 TRY).

Commitments

As of December 31, 2024, the Group has made an export commitment amounting to 461.192.184 TRY to Türkiye İhracat Kredi Bankası A.Ş. as collateral for its loans (December 31, 2023: None) (Note 8).

The Parent Company has contingent liabilities due to its acquisition of Virtus Mining Ltd. The Parent Company is committed to paying 6% (NPI) to the previous owner of the license when the Yenipazar Project starts production. This 6% NPI will remain in effect until the project's operational revenues reach 165 million USD. Once the project's revenues exceed 165 million USD, the Company's obligation will continue at 10% (NPI). Additionally, as committed in the share purchase agreement, the Parent Company will pay a 3% (NSR) share to the transferring shareholder.

Aldridge Mineral Madencilik, an indirect subsidiary of the Parent Company, will pay a total of 33.000 ounces of gold (the USD equivalent based on the gold prices announced on the London Metal Exchange on the payment date) to the transferring shareholder as production revenue, corresponding to the expected production from the Yenipazar Project between 2031 and 2034.

NOTE 22 – PROVISIONS FOR EMPLOYEE BENEFITS

As of 31 December 2024 and 2023, provisions for short-term and long-term employee benefits comprised the following:

Provisions for short-term employee benefits

	31.12.2024	31.12.2023
Provision for unused vacation	8.730.485	5.110.672
	8.730.485	5.110.672

Provisions for long-term employee benefits

	31.12.2024	31.12.2023
Provision for employment termination benefits	18.916.621	11.273.995
	18.916.621	11.273.995

The Group's provision for severance pay has been calculated as explained in Note 2. As of December 31, 2024, the provision is calculated based on a maximum of 41.828 TRY per year of service, using the daily wage and the rates applicable on the retirement or departure date (December 31, 2023: 23.490 TRY).

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The Group has reflected the severance pay obligation, discounted to the financial position statement date, in its consolidated financial statements as of December 31, 2024, and 2023, based on the expected inflation rate and real discount rate as outlined above.

The Group does not provide any benefits other than severance pay to its employees.

As of 31 December 2024 and 2023, movement of provision for employment termination benefits is as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Balance at the beginning of the period	11.273.995	12.982.718
Service cost	16.608.681	6.477.958
Interest cost	191.033	163.871
In-period payments	(5.522.221)	(3.660.570)
Monetary gain / (loss), net	(3.003.720)	(5.103.558)
Actuarial difference	(631.147)	413.576
Closing balance	18.916.621	11.273.995

NOTE 23 – SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

23.1 Paid-in Capital

As of 31 December 2024, the share capital of the Parent Company consists of 42.000.000 share with a par value of TRY 1 each.

The capital structure of the Parent Company As of 31 December 2024 and 2023 is as follows:

	31 December 2024		31 December 2023	
	Share ratio	Share amount (TRY)	Share ratio	Share amount (TRY)
Shareholders				
Hüseyin Çevik	74,08%	31.115.000	80,00%	33.600.000
Public Part	25,92%	10.885.000	20,00%	8.400.000
Capital	100,00%	42.000.000	100,00%	42.000.000
Adjustment to share capital		255.448.010		255.448.010
Paid-in Capital		297.448.010		297.448.010

Pursuant to the approvals of the Capital Markets Board of Turkey and Borsa İstanbul Anonim Şirketi, CVK Maden İşletmeleri Sanayi ve Ticaret Anonim Şirketi's issued capital of TRY 35.000.000 within the registered capital ceiling of TRY 175.000.000 was increased to TRY 42.000.000 by completely restricting the pre-emptive rights of existing shareholders.000 TRY nominal capital amount and shares with a nominal value of TRY 1.400.000 within the scope of shareholder sales, in total TRY 8.400.000 nominal value shares were offered to the public on April 06 - 07, 2023 at a price of TRY 105 and the Parent Company shares started to be traded on Borsa İstanbul Stars Market on April 13, 2023 with the code "CVKMD" and continuous trading method. Capital increase transactions were registered on April 10, 2023.

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Adjustment to share capital

As of December 31, 2024, the capital adjustment differences amount to 255.448.010 TRY (December 31, 2023: 255.448.010 TRY). Capital adjustment differences represent the difference between the total amounts of cash and cash-equivalent additions to paid-in capital, adjusted for inflation, and the amounts before inflation adjustment..

As of December 31, 2024, the Parent Company's shares consist of 42.000.000 shares with a nominal value of 1 TRY each, and the Parent Company's shares are divided into A and B class shares. As of December 31, 2024, the details of the Parent Company's capital structure based on A and B class shares are as follows;

Shareholders	Group	Share Ratio	31 December 2024	
			Number of shares	Share amount (TRY)
Hüseyin Çevik	Group A	41,66%	17.500.000	17.500.000
Hüseyin Çevik	Group B	32,42%	13.615.000	13.615.000
Public Part	Group B	25,92%	10.885.000	10.885.000
Total		100,00%	42.000.000	42.000.000

Effective from November 24, 2022, the privileges granted to Group A shares are as follows;

Election of board members

According to Article 7 of the Articles of Association titled "Board of Directors and its Term", it is stated that the Board of Directors may consist of at least 6 members and half of the members of the Board of Directors may be elected among the candidates nominated by the majority of Group A shareholders.

Right to vote

According to Article 10 of the Articles of Association titled "General Assembly", each Group A share has 5 voting rights and each Group B share has 1 voting right in ordinary and extraordinary general assembly meetings.

As of 31 December 2024 and 2023, there are no privileges granted to Group B shares.

The Group's explanation regarding the adjusted equity accounts in accordance with TAS 29 prepared in accordance with the Capital Markets Board Bulletin published on March 07, 2024 is as follows;

	Financial statements according to TPL	Financial statements according to TAS / TFRS	Differences to be recognized in retained earnings / (losses)
Capital Adjustment Differences	375.205.018	255.448.010	(119.757.008)
Restricted Reserves	15.347.038	17.648.596	2.301.558

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The Group's explanation on adjusted retained earnings in accordance with TAS 29 prepared in accordance with the Capital Markets Board Bulletin published on March 07, 2024 is as follows;

Retained Earnings / (Losses)	Amount Before TAS 29	Amount after TAS 29
January 01, 2022	102.585.355	1.448.409.614

23.2 Restricted Reserves

The legal reserve is appropriated out of the statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. Other legal reserves are appropriated at the rate of 10% of the total amount to be distributed to shareholders after payment of a 5% dividend to shareholders. According to the Turkish Commercial Code, unless the legal reserve does not exceed half of the share capital or issued capital, it can only be used to cover losses, to continue the business when business is not going well, or to take measures to prevent unemployment and mitigate its consequences.

As of 31 December 2024 and 2023, the details of restricted reserves are as follows;

	31.12.2024	31.12.2023
Restricted reserves	17.648.595	17.648.595
	17.648.595	17.648.595

23.3 Retained Earnings

As of 31 December 2024 and 2023, details of retained earnings / (losses) are as follows;

	31.12.2024	31.12.2023
Retained earnings / (losses), net	2.798.126.978	2.353.293.277
	2.798.126.978	2.353.293.277

As of 31 December 2024 and 2023, the movement of retained earnings / (losses) is presented in the accompanying consolidated statement of changes in equity.

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23.4 Gain / (Loss) on Remeasurement of Defined Benefit Plans

For the years ended 31 December 2024 and 2023, the Group has reflected a liability calculated by discounting the retirement pay liability to the statement of financial position date using the expected inflation rate and real discount rate based on the principles explained in Note 2. All gains and losses other than actuarial gains / (losses) are recognised in the statement of profit or loss and actuarial gains / (losses) are recognised in the statement of changes in equity.

	31.12.2024	31.12.2023
Gain / (loss) on remeasurement of defined benefit plans	(87.664)	(554.271)
	(87.664)	(554.271)

23.5 Revaluation Increase/Decrease in Revaluation of Property, Plant and Equipment

Value increase funds consist of the excess of the indexed net book value of property, plant and equipment and deferred tax calculated over this excess. As of December 31, 2023, as a result of the appraisal reports prepared by Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş., property, plant and equipment are reflected in the consolidated financial statements at their fair values determined according to the valuation report prepared by the Group.

The details of value increase funds are as follows:

	31.12.2024	31.12.2023
Excess of net book value (Note 19)	725.012.350	725.012.350
Minority interests (Note 23.9)	(17.665.664)	(17.665.664)
Deferred tax liabilities (Note 31)	(179.344.806)	(179.344.806)
Total value increase fund	528.001.880	528.001.880

23.6 Share Premium

As of 31 December 2024 and 2023, the details of the related account are as follows:

	31.12.2024	31.12.2023
Share Premiums	1.468.421.382	1.468.421.382
	1.468.421.382	1.468.421.382

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23.7 Repurchased Shares

As of 31 December 2024 and 2023, the Group has no treasury shares.

As of 31 December 2024, summary information regarding treasury shares is as follows;

Within the scope of the 'Share Repurchase Transactions' announced to the public by the Parent Company on December 29, 2023, the shares acquired on February 1, 2024, were sold on August 12, 2024. As a result of this transaction, the profit amount of 9.039.054 TRY has been reported under the retained earnings account in equity.

23.8 Capital Advance

As of 31 December 2024 and 2023, details of capital advances are as follows;

	31.12.2024	31.12.2023
Capital Advance	449.177.484	-
	449.177.484	-

The controlling shareholder of the Parent Company, Hüseyin Çevik, has paid a total of 449.177.484 TRY to the Parent Company on September 24, 2024 (411.349.359 TRY) and September 25, 2024 (37.828.125 TRY) from the funds obtained through the share sales conducted under the SPK-approved Share Sale Information Form, to be used for potential capital increases in the future.

23.9 Minority Interests

As of 31 December 2024 and 2023, the details of non-controlling interests on the basis of the accounts in which they arise are as follows:

	31.12.2024	31.12.2023
Capital	625.961.607	13.676.914
Revaluation difference (Note 23.5)	17.665.664	17.665.664
Retained earnings / (losses)	(250.007.797)	24.104.388
Net profit for the period (Note 32)	16.555.262	16.667.777
	410.174.736	72.114.743

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NOTE 24 – REVENUE AND COST OF SALES

24.1 Revenue

Details of revenue for the periods ended at 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
<u>Domestic Sales</u>		
Chrome ore	671.937.017	195.597.564
Redevance revenues	203.897.012	361.629.730
Other sales	5.689.918	13.963.711
	881.523.947	571.191.005
<u>Export Sales</u>		
Chrome ore	2.256.168.847	1.985.919.279
Zinc ore	-	6.684.558
Lead ore	-	4.365.385
	2.256.168.847	1.996.969.222
<u>Sales Returns</u>		
Chrome ore	(2.452.626)	-
Sales Revenues (net)	3.135.240.168	2.568.160.227

The concentration risk analysis for the accounting periods ending 31 December 2024 and 2023 is presented in Note 33.

24.2 Cost of Sales

Details of cost of sales for the periods ended at 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
General production expenses	1.765.994.830	1.315.747.742
Depreciation and amortization	237.195.918	104.390.376
	2.003.190.748	1.420.138.118

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NOTE 25 – GENERAL ADMINISTRATIVE EXPENSES AND MARKETING EXPENSES

The details of general administrative expenses and marketing expenses for the period ended at 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
General administrative expenses	119.453.692	87.024.098
Marketing expenses	290.589.031	194.739.689
	410.042.723	281.763.787

NOTE 26 – EXPENSES BY NATURE

26.1 General Administrative Expenses

Details of general administrative expenses for the periods ended at 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Personnel expenses	71.311.949	56.162.122
Consultancy service expenses	18.124.258	10.532.879
Taxes, duties and fees	8.518.799	2.122.580
Depreciation and amortization	6.800.889	4.434.129
Vehicle expenses	3.389.193	2.492.971
Travel expenses	2.093.300	750.238
Representation and hospitality expenses	2.064.120	1.594.363
Notary expenses	1.285.436	595.160
Office expenses	799.465	454.956
Communication expenses	534.815	143.494
Other expenses	4.531.468	7.741.206
	119.453.692	87.024.098

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26.2 Marketing Expenses

The details of marketing expenses for the periods ended at 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Transportation expenses	275.827.123	178.958.612
Surveillance and analysis costs	10.806.634	7.029.618
Customs expenses	536.864	523.948
Depreciation and amortization	-	13.124
Other expenses	3.418.410	8.214.387
	290.589.031	194.739.689

NOTE 27 - OTHER OPERATING INCOME / (EXPENSES)

27.1 Other operating income

The details of other operating income for the periods ended at 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Reversal of unnecessary provision	-	142.046
Rediscount income	27.856.701	28.888.081
Due date income from trading activities	2.704.602	23.481.082
Foreign exchange gains from commercial activities	23.666.333	81.091.476
Other income	5.838.506	11.312.468
	60.066.142	144.915.153

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27.2 Other operating expenses

The details of other operating expenses for the periods ended at 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Rediscount expense	24.723.632	17.502.296
Foreign exchange losses from commercial activities	16.212.540	34.137.678
Litigation expenses	1.071.530	959.661
Idle time expenses (a)	54.879.054	71.171.969
Depreciation and amortization of idle capacity expenses	63.700.399	46.480.578
Provision for doubtful receivables (Note 9)	-	2.595.200
Provision for inventory impairment expenses (Note 12)	-	1.153.595
Other expenses	33.055.750	9.790.203
	193.642.905	183.791.180

(a) The Group reports the fixed costs for the period when production at the mine sites is suspended in the related accounts.

NOTE 28 - INCOME / (EXPENSES) FROM INVESTING ACTIVITIES

28.1 Income from investment activities

The details of income from investment activities for the periods ended at 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Non-commercial receivables from other income (Note 5)	11.092	2.063
Currency-protected deposit income	-	82.734.766
Profit on sale of fixed assets	2.580.033	16.237.131
Rental income from investment properties	3.903.734	233.263
Bargain purchase gain (Note 4)	514.840.248	-
Profit from on sale of securities	715.916	-
Fair value gains on investment properties (Note 20)	15.888.347	-
Profit from on fair value differences of financial investments	18.761	417.729
	537.958.131	99.624.952

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28.2 Expense from investment activities

The details of expenses from investment activities for the periods ended at 31 December 2024 and 2023 are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Loss on sale of fixed assets	2.712.035	1.829.646
Provision for impairment of fixed assets (Note 19)	-	60.834.534
Financial investments fair value difference expenses	142.659	4.388.571
	2.854.694	67.052.751

NOTE 29 – FINANCIAL INCOME / (EXPENSES)

29.1 Financial incomes

The details of financial income for the periods ended at 31 December 2024 and 2023 are as following:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Interest income	180.001.399	227.051.201
Foreign exchange gains	100.077.574	106.065.769
	280.078.973	333.116.970

29.2 Financial expenses

The details of financial expenses for the periods ended at 31 December 2024 and 2023 are as following:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Interest expenses on loans and leasing	203.544.491	29.204.368
Foreign exchange loses	62.212.945	13.966.502
Other financial expenses	23.813	1.596.168
	265.781.249	44.767.038

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NOTE 30 – MONETARY GAIN / (LOSS), NET

The details of the net amount of monetary gain / (loss) for the accounting period ending on 31 December 2024, before the consolidation and elimination transactions of the Parent Company and subsidiaries are as follows;

01.01. -
31.12.2024

Statement of Financial Position Items

Inventories	12.768.267
Prepaid Expenses	63.574.518
Subsidiaries	76.251.347
Right of Use Assets	1.011.838.710
Tangible Assets	555.187.710
Intangible Assets	15.866.284
Deferred Tax Assets / (Liabilities)	(194.255.406)
Deferred Income	(247.758)
Paid in Capital	(202.260.850)
Share Premiums / Discounts	(451.359.547)
Other Comprehensive Income or Expenses	
Will Not Be Reclassified to Profit or Loss	
- Defined Benefit Plan Remeasurement Gains (Losses)	(170.371)
- Revaluation increase/decrease in fixed assets	(197.545.780)
Restricted Reserves	(5.424.780)
Retained Earnings / (Losses) from Previous Years	(814.053.690)

Statement of Profit or Loss Items

Revenue	(399.395.535)
Cost of Sales	276.104.369
General Administrative Expenses	14.302.461
Marketing Expenses	36.068.115
Other Income from Operating Activities	(8.315.930)
Other Operating Expenses	29.868.800
Income from Investing Activities	(17.709.779)
Expenses from Investing Activities	7.248.281
Financing Income	(30.272.704)
Finance Expenses (-)	22.848.427
Tax (Expense) / Income for the Period	14.556.871

Monetary Gain / (Loss), net	(184.527.970)
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NOTE 31 – TAX ASSETS AND LIABILITIES

Deferred Tax

The Group's deferred tax assets and liabilities are derived from temporary differences between the financial statements prepared under TAS / TFRS and the Group's statutory books. These differences arise due to income and expenses being recognized in different reporting periods under TAS / TFRS and for tax purposes.

According to the existing regulations as of the reporting date, the corporate tax rate for 2024 will be applied as 25% (2023: 25%). As of 31 December 2024 and 2023, in the calculation of deferred tax; in accordance with the provision of the "TMS 12 Income Taxes" standard under the measurement heading, stating that 'deferred tax assets or liabilities are calculated using the tax rates (and tax laws) that are enacted or substantively enacted by the end of the reporting period and are expected to be applicable in the periods when the assets are realized or the liabilities are settled,' the rate of 25% has been taken into account (For the Parent Company: 23%).

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As of the consolidated statement of financial position dates, the breakdown of accumulated temporary differences and deferred tax assets and liabilities using the applicable tax rates is as follows:

	31 December 2024		31 December 2023	
	Total temporary differences	Deferred tax assets / (liabilities)	Total temporary differences	Deferred tax assets / (liabilities)
<u>Deferred tax Assets:</u>				
Investment Allowance	669.450.028	153.973.506	-	-
Amortisation of tangible and intangible assets	1.418.855.136	354.713.784	-	-
Deductible financial loss	135.454.412	31.154.515	9.516.366	2.188.765
Provision for employment termination benefits	18.916.621	4.585.346	11.273.995	2.766.065
Provision for impairment of fixed assets	135.459.992	33.902.596	135.459.992	33.902.596
Rediscount of receivables	2.016.362	469.224	13.136.907	3.211.534
Provision for doubtful receivables	3.833.225	921.173	5.534.363	1.329.978
Accrued loan interest	16.523.083	4.046.395	751.081	187.770
Unused vacation provision	8.730.485	2.108.802	5.110.672	1.243.433
Provision for inventory impairment	986.701	228.030	1.625.201	375.367
Provision for litigation expenses	243.698.985	60.896.978	2.899.770	699.244
Accrued expenses	36.891.744	9.171.365	34.642.364	8.617.504
Prepaid expenses	8.437.297	1.990.650	2.091.910	501.120
Deferred revenue classification	505.882	118.676	1.319.457	303.476
Foreign exchange expenses	6.585.110	1.521.764	1.963.958	470.353
Adjustments related to inventories	12.158.940	2.932.349	1.078.496	269.624
Deferred Tax Assets		662.735.153		56.066.829
<u>Deferred tax liabilities:</u>				
Adjustments related to inventories	-	-	(212.898)	(48.966)
Revaluation difference of investment properties	(15.888.347)	(3.972.087)	-	-
Revaluation difference of tangible fixed assets	(725.012.350)	(179.344.806)	(725.012.350)	(179.344.806)
Depreciation differences of tangible and intangible fixed assets	(2.548.551.736)	(614.065.886)	(2.085.289.713)	(502.646.714)
Payables discounting	(13.907.990)	(3.289.031)	(24.101.208)	(5.957.254)
Foreign Exchange income	(2.826.106)	(666.998)	(199.682)	(45.952)
Deferred Tax Liabilities		(801.338.808)		(688.043.692)
Deferred tax assets / (liabilities), net		(138.603.655)		(631.976.863)

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For the periods ended at 31 December 2024 and 2023 tax income / (expense) on income statement are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Corporate Tax Income / (Expense)	(110.028.315)	(180.497.037)
Deferred Tax Income / (Expense)	127.140.827	52.747.873
Tax income / (expense), net	17.112.512	(127.749.164)

For the periods ended at 31 December 2024 and 2023, the movement Schedule of corporate tax expense are as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Unaudited profit / (loss) before tax	310.314.714	883.732.363
Total additions / deductions to the tax base	71.571.060	(270.321.201)
Unaudited taxable profit / (loss)	381.885.774	613.411.162
Effective tax rate	23% - 25%	23% - 25%
Calculated tax	95.471.444	147.219.630
Other tax (a)	-	844.897
Monetary gain / (loss), net	14.556.871	32.432.510
Corporate tax provision in the profit or loss statement	110.028.315	180.497.037

(a) Under the Law No. 7440 on the Restructuring of Certain Receivables and Amendments to Certain Laws, published on March 12, 2023, it has been announced that an additional tax of 10% will be levied on the discounted corporate tax base calculated under Article 32/A of the Corporate Tax Law and other laws, based on the Corporate Tax Return for 2022. In this context, the additional provision of 399.623 TRY (844.897 TRY according to the purchasing power parity as of December 31, 2024) calculated based on the discounts and exemptions reflected in the corporate tax provisions of the financial statements as of December 31, 2022, has been recorded in the consolidated financial statements as of December 31, 2023.

For the periods ended at 31 December 2024 and 2023, movements of current period income tax liability is as follows:

	31.12.2024	31.12.2023
Current period income tax liability	11.467.169	37.635.588
	11.467.169	37.635.588

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For the periods ended at 31 December 2024 and 2023, movements of current period income tax assets is as follows:

	31.12.2024	31.12.2023
Current period income tax assets	1.871.247	-
	1.871.247	-

The movement schedule for deferred tax income / (expense) during the accounting periods ending on December 31, 2024, and December 31, 2023, is as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Opening balance at the beginning of the period	631.976.863	505.483.319
Deferred tax recognized in equity	157.789	179.241.417
Effect of business combination	(366.390.170)	-
Net deferred tax assets / (liabilities)	(138.603.655)	(631.976.863)
Deferred tax income / (expense), net	127.140.827	52.747.873

Corporation Tax

The Group is subject to taxation in accordance with the tax procedures and the legislation effective in Türkiye. Necessary provisions have been made in the accompanying consolidated financial statements for the estimated tax liabilities of the Group regarding the current period operating results.

The corporate tax rate to be accrued on taxable corporate income, the addition of non-deductible expenses from the tax base in the determination of business income, and the deduction of tax-exempt gains, non-taxable incomes and other deductions (past year losses, if any, and investment allowances used if preferred), calculated on. In 2024, the effective tax rate is 25% (2023: 23%).

In Türkiye, provisional tax is calculated and accrued quarterly. The provisional tax rate that must be changed on corporate earnings during the taxation of 2023 corporate earnings as of the provisional tax periods is 25% (2023: 25%). With the regulation in the Corporate Tax Law, corporations whose shares are offered to the public at a rate of at least 20% for the first time in the Borsa Istanbul Equity Market will be subject to a corporate tax of 2 points on their corporate earnings for 5 accounting periods, starting from the accounting period in which their shares are offered to the public for the first time. discount is applied.

There is no absolute and certain confirmation procedure related to tax evaluation in Türkiye. Companies prepare their tax return between 1-25 April coming after the related year's balancing period (for the companies having special account period, between 1st and 25th of fourth month following the closing of period). These tax returns and related accounting records may be inspected and changed by tax department in five years.

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Income Tax Withholding

In addition to Corporation tax, it is required to calculate withholding tax from the dividends distributed by full pledge taxpayer enterprise and include in its income tax base and except dividends distributed by foreign companies to its subsidiary in Türkiye. Dividend withholding tax rate was reduced from 15% to 10%. Dividends that are not distributed but added to the capital are not subject to income tax withholding.

NOTE 32 – EARNINGS / (LOSS) PER SHARE

For the periods ended at 31 December 2024 and 2023 profit / (loss) per share whose nominal value is TRY 1 as follows:

	01.01.- 31.12.2024	01.01.- 31.12.2023
Net profit / (loss) for the period	953.860.375	435.794.647
Net profit / (loss) attributable to non-controlling interests	16.555.262	16.667.777
Net profit / (loss) attributable to the parent company	937.305.113	419.126.870
Total weighted average number of shares	42.000.000	39.485.185
Basic and diluted earnings / (loss) per share (TRY)	22,32	10,61

NOTE 33 – EXPOSURE TO FINANCIAL RISKS DUE TO FINANCIAL INSTRUMENT

Financial Instruments

Credit Risk

The risk that a financial loss will occur to the Group due to the failure of one of the parties to the financial instrument to fulfill its contractual obligations, refer to credit risk. The Group is subject to credit risk arising from trade receivables related to credit sales and deposits at banks. These risks are managed by limiting the aggregate risk from any individual counterparty and obtaining sufficient collateral where necessary and making only cash-based sales to customer considered as having a higher risk. Collect ability of trade receivables are evaluated by management depending on their past experiences and current economic condition and presented in the financial statements net of adequate doubtful provision.

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As of 31 December 2024, the credit risk of Group in terms of financial instruments is as follows:

	Trade Receivables		Other Receivables		Bank	
	Related Party	Other Party	Related Party	Other Party	Deposits	Other
Maximum credit risk exposure as of the reporting date (A+B+C+D+E) (*)	-	130.941.638	-	45.811.908	19.990.806	544.214.101
Portion of the maximum risk secured with collateral, etc.	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	-	130.941.638	-	45.811.908	19.990.806	544.214.101
B. Book value of renegotiated financial assets, which would otherwise be considered past due or impaired	-	-	-	-	-	-
C. Net book value of financial assets that are past due but not impaired	-	-	-	-	-	-
- Portion secured with collateral, etc.	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross book value)	-	3.833.225	-	-	-	-
- Impairment (-)	-	(3.833.225)	-	-	-	-
Portion of the net value secured with collateral, etc..	-	-	-	-	-	-
-Not past due (gross book value)	-	-	-	-	-	-
Impairment (-)	-	-	-	-	-	-
- Portion of the net value secured with collateral, etc	-	-	-	-	-	-
E. Off-balance sheet items with credit risk exposure	-	-	-	-	-	-

(*) This line represents the total of the rows A, B, C, D and E. Factors mitigating credit risk such as guarantees received have not been taken into consideration.

As of 31 December 2023, the credit risk of Group in terms of financial instruments is as follows:

	Trade Receivables		Other Receivables		Bank	
	Related Party	Other Party	Related Party	Other Party	Related Party	Other Party
Maximum credit risk exposure as of the reporting date (A+B+C+D+E) (*)	-	269.479.050	-	49.282.961	292.887.770	832.093.810
Portion of the maximum risk secured with collateral, etc.	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	-	269.479.050	-	49.282.961	292.887.770	832.093.810
B. Book value of renegotiated financial assets, which would otherwise be considered past due or impaired	-	-	-	-	-	-
C. Net book value of financial assets that are past due but not impaired	-	-	-	-	-	-
- Portion secured with collateral, etc.	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross book value)	-	5.534.363	-	-	-	-
- Impairment (-)	-	(5.534.363)	-	-	-	-
Portion of the net value secured with collateral, etc..	-	-	-	-	-	-
-Not past due (gross book value)	-	-	-	-	-	-
Impairment (-)	-	-	-	-	-	-
- Portion of the net value secured with collateral, etc	-	-	-	-	-	-
E. Off-balance sheet items with credit risk exposure	-	-	-	-	-	-

(*) This line represents the total of the rows A, B, C, D and E. Factors mitigating credit risk such as guarantees received have not been taken into consideration.

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Interest Rate Risk

Fluctuations may occur due to changes in market prices. These fluctuations may stem from price changes in securities, factors peculiar to security issuing firms or factors that affect all the market.

Although interest rates of financial borrowings with interest may change, financial assets with interest have fixed interest rate and cash flows in future do not change with the extent of these assets. Risk exposure to changing market interest rate of Group, is mostly based on the borrowing liabilities with variable interest rate of Group. The policy of Group is managing interest cost by using borrowings with fixed and variable interest. As of 31 December 2024, and 2023, the Group does not have any floating rate financial liabilities.

Currency Risk Sensitivity Analysis

If the interest rate on the variable-rate TRY-denominated loans had been 100 basis points (1%) higher/lower, with all other variables held constant, the pre-tax profit for the period would have been 4.014.586 TRY lower/higher due to the higher/lower interest expenses for the fiscal year ending December 31, 2024 (December 31, 2023: None).

The Group's interest position table is as follows:

	31.12.2024	31.12.2023
Financial instruments with fixed interest rates		
Financial liabilities	1.764.295.175	287.653.834
Financial instruments with floating interest rates		
Financial liabilities	401.458.670	-

Liquidity Risk

Liquidity risk is the possibility of the Group meeting its net funding obligations. The occurrence of events that result in fund outflow, such as disruptions in the markets or lowering of the credit score, still provide the reason for the deterioration of liquidity risk. The Group management manages liquidity risk by distributing the funds and by keeping sufficient cash and cash equivalents resources to cover the current and possible liabilities.

As of 31 December 2024, liquidity risk table of the Group is as follows:

Contractual maturities in accordance with the agreement	Book Value	Cash outflow according to agreement (=I+II+III+IV)	Less than 3 months (I)	Between 3-12 months (II)	Between 1- 5 years (III)	More than 5 years (IV)
Non-derivative financial liabilities						
Financial Payables	2.110.128.509	2.815.646.814	224.253.425	1.279.277.917	1.312.115.472	-
Lease obligations	55.625.336	93.534.962	12.566.851	32.969.579	47.998.532	-
	2.165.753.845	2.909.181.776	236.820.276	1.312.247.496	1.360.114.004	-

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Expected maturities	Book Value	Cash outflow according to agreement (=I+II+III+IV)	Less than 3 months (I)	Between 3-12 months (II)	Between 1- 5 years (III)	More than 5 years (IV)
Non-Derivative Financial Liabilities						
Trade payables	433.269.065	447.548.238	419.161.137	28.387.101	-	-
Other payables	4.872.378.245	4.872.378.245	-	1.673.011.219	3.199.367.026	-
	5.305.647.310	5.319.926.483	419.161.137	1.701.398.320	3.199.367.026	-

As of 31 December 2023, liquidity risk table of the Group is as follows:

Contractual maturities in accordance with the agreement	Book Value	Cash outflow according to agreement (=I+II+III)	Less than 3 months (I)	Between 3-12 months (II)	Between 1- 5 years (III)
Non-derivative financial liabilities					
Financial Payables	263.190.191	359.643.086	35.344.457	315.573.613	8.725.016
Lease obligations	24.463.643	32.187.399	4.428.605	13.326.488	14.432.306
	287.653.834	391.830.485	39.773.062	328.900.101	23.157.322

Expected maturities	Book Value	Cash outflow according to agreement (=I+II+III)	Less than 3 months (I)	Between 3-12 months (II)	Between 1- 5 years (III)
Non-Derivative Financial Liabilities					
Trade payables	609.683.645	633.607.496	632.322.525	1.284.971	-
Other payables	25.142.085	25.142.085	19.011.762	5.160.037	970.286
	634.825.730	658.749.581	651.334.287	6.445.008	970.286

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Currency risk

The effects occurring from exchange rate fluctuation, in case of having foreign currency assets, liabilities, off-balance sheet liabilities, are foreign currency risk. Transactions in foreign currencies during the year have been translated at the exchange rate prevailing at dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the balance sheet dates. Foreign exchange gains or losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities are recognized in the statement of profit/loss.

As of 31 December 2024, amounts of assets and liabilities of the Group in foreign currency are as follows:

	TRY equivalent functional currency	USD	EURO	AUD	CAD
1. Trade Receivables	123.163.324	3.490.994	-	-	-
2a. Monetary Financial Assets (including cash, banks)	78.587.782	2.165.869	51.218	7.467	119
2b. Non-monetary financial assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current Assets (1+2+3)	201.751.106	5.656.863	51.218	7.467	119
5. Trade Receivables	-	-	-	-	-
6a. Monetary Financial Assets	48.315.096	476.358	857.711	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-Current Assets (5+6+7)	48.315.096	476.358	857.711	-	-
9. Total Assets (4+8)	250.066.202	6.133.221	908.929	7.467	119
10. Trade Payables	84.663.599	946.293	1.391.703	-	-
11. Financial Liabilities	296.136.957	8.219.261	153.170	-	-
12a. Other monetary liabilities	1.306.690.405	36.970.852	-	-	-
12b. Other non-monetary liabilities	-	-	-	-	-
13. Current Liabilities (10+11+12)	1.687.490.961	46.136.407	1.544.873	-	-
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	130.440.555	3.504.580	178.667	-	-
16a. Other monetary liabilities	3.198.813.341	90.505.643	-	-	-
16b. Other non-monetary liabilities	-	-	-	-	-
17. Non-Current Liabilities (14+15+16)	3.329.253.896	94.010.223	178.667	-	-
18. Total Liabilities	5.016.744.857	140.146.630	1.723.540	-	-
19. Net asset / liability position of off- balance sheet derivative instruments (19a-19b)	-	-	-	-	-
19a. Total Hedged Asset Amount	-	-	-	-	-
19b. Total Hedged Liabilities Amount	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	(4.766.678.655)	(134.013.408)	(814.611)	7.467	119
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(4.766.678.655)	(134.013.408)	(814.611)	7.467	119
22. Total Fair Value of Financial Instruments Used for Foreign Currency Hedging	-	-	-	-	-
23. Export	2.013.768.557	61.174.460	-	-	-
24. Import	-	-	-	-	-

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As of 31 December 2023, amounts of assets and liabilities of the Group in foreign currency are as follows:

	TRY equivalent functional currency	USD	EURO	AUD
1. Trade Receivables	83.033.603	1.952.621	900	-
2a. Monetary Financial Assets (including cash, banks)	776.306.299	18.257.553	2.096	7.467
2b. Non-monetary financial assets	-	-	-	-
3. Other	-	-	-	-
4. Current Assets (1+2+3)	859.339.902	20.210.174	2.996	7.467
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	2.472.027	-	52.563	-
6b. Non-monetary financial assets	23.686.651	-	503.652	-
7. Other	-	-	-	-
8. Non-Current Assets (5+6+7)	26.158.678	-	556.215	-
9. Total Assets (4+8)	885.498.580	20.210.174	559.211	7.467
10. Trade Payables	179.175.938	3.986.624	200.112	-
11. Financial Liabilities	11.335.410	-	240.593	-
12a. Other monetary liabilities	36.712.713	862.219	-	-
12b. Other non-monetary liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	227.224.061	4.848.843	440.705	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	2.050.590	-	43.523	-
16a. Other monetary liabilities	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	2.050.590	-	43.523	-
18. Total Liabilities	229.274.651	4.848.843	484.228	-
19. Net asset / liability position of off- balance sheet derivative instruments (19a-19b)	-	-	-	-
19a. Total Hedged Asset Amount	-	-	-	-
19b. Total Hedged Liabilities Amount	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	656.223.930	15.361.331	74.983	7.467
21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	632.537.278	15.361.331	(428.669)	7.467
22. Total Fair Value of Financial Instruments Used for Foreign Currency Hedging	-	-	-	-
23. Export	1.636.549.022	45.471.904	-	-
24. Import	-	-	-	-

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Currency Risk Sensitivity Analysis

As of December 31, 2024, if the Turkish Lira had appreciated/depreciated by 10% against foreign currencies, with all other variables held constant, the net loss for the fiscal year ending on the same date would have been 476.667.866 TRY higher/lower as a result of the foreign exchange gain/loss from the assets and liabilities denominated in foreign currencies.

	Profit / (Loss)		Shareholders' equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case of appreciation / depreciation of USD against TRY by 10%				
1-USD net asset / liability	(473.693.257)	473.693.257	(473.693.257)	473.693.257
2- Amount hedged for USD risk (-)	-	-	-	-
3-USD net effect (1+2)	(473.693.257)	473.693.257	(473.693.257)	473.693.257
In case of appreciation / depreciation of EUR against TRY by 10%				
4- EUR net asset / liability	(3.003.981)	3.003.981	(3.003.981)	3.003.981
5- Amount hedged for EUR risk (-)	-	-	-	-
6- EUR net effect (4+5)	(3.003.981)	3.003.981	(3.003.981)	3.003.981
In case of appreciation / depreciation of AUD against TRY by %10.				
7-Australian Dollar net asset / liability	29.080	(29.080)	29.080	(29.080)
8-Amount hedged for AUD risk (-)	-	-	-	-
9-Australian Dollar Net effect (7+8)	29.080	(29.080)	29.080	(29.080)
In case of appreciation / depreciation of CHF against TRY by 10%				
10-CHF net asset / liability	292	(292)	292	(292)
11- Amount hedged for CHF risk (-)	-	-	-	-
12- CHF net effect (10+11)	292	(292)	292	(292)
TOTAL (3+6+9+12)	(476.667.866)	476.667.866	(476.667.866)	476.667.866

As of December 31, 2023, if the Turkish Lira had appreciated/depreciated by 10% against foreign currencies, with all other variables held constant, the net loss for the fiscal year ending on the same date would have been 65.622.393 TRY higher/lower as a result of the foreign exchange gain/loss from the assets and liabilities denominated in foreign currencies.

	Profit / (Loss)		Shareholders' equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case of appreciation / depreciation of USD against TRY by 10%				
1-USD net asset / liability	65.252.266	(65.252.266)	65.252.266	(65.252.266)
2- Amount hedged for USD risk (-)	-	-	-	-
3-USD net effect (1+2)	65.252.266	(65.252.266)	65.252.266	(65.252.266)
In case of appreciation / depreciation of EUR against TRY by 10%				
4- EUR net asset / liability	348.542	(348.542)	348.542	(348.542)
5- Amount hedged for EUR risk (-)	-	-	-	-
6- EUR net effect (4+5)	348.542	(348.542)	348.542	(348.542)
In case of appreciation / depreciation of AUD against TRY by %10.				
7-Australian Dollar net asset / liability	21.585	(21.585)	21.585	(21.585)
8-Amount hedged for AUD risk (-)	-	-	-	-
9-Australian Dollar Net effect (7+8)	21.585	(21.585)	21.585	(21.585)
TOTAL (3+6+9)	65.622.393	(65.622.393)	65.622.393	(65.622.393)

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Concentration risk related to sales

For the accounting periods ended at 31 December 2024 and 2023, the concentration risk of the Group's sales consists of sales, which is one of its main activities.

Considering the Group's sales and customers for the accounting periods ended at 31 December 2024 and 2023, it is seen that there is a concentration risk due to the high share of some customers in sales. According to TFRS 8 Operating Segments standard; If revenue from transactions with a single external customer is 10 percent or more of the business's revenue, the entity shall disclose that, the total amount of revenue from each such customer, and which segment or segments are reporting revenues. The entity need not disclose the identity of its major customers or the amount of revenue each segment reports from that customer.

For the accounting periods ending on 31 December 2024 and 2023, customers and their rates that constitute 10% or more of the Group's revenue are as follows:

	01.01. - 31.12.2024	01.01. - 31.12.2023
Company A	22,35%	15,42%
Company B	16,30%	28,45%
Company C	6,50%	13,72%

Capital risk management

In capital management, the Group's aims at enhancing profitability while keeping a reasonable leverage, on the other hand rendering sustainability in its operations.

The Group follows capital by using debt to equity ratio. This rate is found by dividing net debt to total equity. Net debt is calculated by deducting cash and cash equivalents from total payable amount (as shown in balance sheet total liabilities). Total capital, as shown in balance sheet, is calculated by adding up equity and net debt.

As of 31 December 2024 and 2023, net debt / total equity ratio is as follow:

	31.12.2024	31.12.2023
Total debts	8.081.850.025	1.723.530.518
Less: Liquid assets	596.935.273	1.131.723.549
Net debt	7.484.914.752	591.806.969
Total shareholders' equity	6.922.771.776	5.172.168.263
Total capital	14.407.686.528	5.763.975.232
Net Debt/ (Receivable), net / Total Capital ratio	52%	10%

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NOTE 34 – FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND DISCLOSURES UNDER FINANCIAL RISK HEDGING ACCOUNTING)

Fair value represents the price at which a financial instrument can be exchanged in a current transaction between willing parties, excluding situations such as forced sales or liquidations. If available, the quoted market price is the best indicator of a financial instrument's fair value. The Group has estimated the fair values of financial instruments to the extent that relevant and reliable information can be obtained from financial markets in Türkiye. The estimates presented here may not reflect the amounts the Group could obtain in a market transaction. The following methods and assumptions were used in estimating the fair values of the Group's financial instruments.

The following methods and assumptions were used to estimate the fair values of financial instruments for which practical estimation of fair value is possible:

Financial Assets

Monetary assets for which fair value approximates carrying value:

- Balances denominated in foreign currencies are converted at period exchange rates.
- The fair value of certain financial assets carried at cost, including cash and cash equivalents are considered to approximate their respective carrying amounts in the financial statements.
- The carrying value of trade receivables, net of allowances for possible non-recovery of uncollectible are considered to approximate their fair values.

Financial Liabilities

Monetary liabilities for which fair value approximates carrying value:

- The fair value of short-term bank loans and other monetary liabilities are considered to approximate their respective due to their short-term nature.
- The fair values of long-term bank borrowings, which are denominated in foreign currencies and converted at period exchange rates, are considered to approximate their carrying values.
- The carrying amount of accounts payable and accrued expenses reported in the financial statements for estimated third party payer settlements approximates its fair values.

Fair Value Measurement Hierarchy Table

The Group classifies fair value measurements for financial instruments presented in the financial statements using a three-level hierarchy based on the source of inputs for each class of financial instruments, as follows:

Level 1: Financial assets and liabilities are valued using quoted prices in active markets for identical assets and liabilities.

Level 2: Financial assets and liabilities are valued using inputs other than the quoted price for identical assets or liabilities in active markets, as indicated in first level. These inputs can include direct or indirect market-observable data used to determine the fair value of the relevant asset or liability.

Level 3: Financial assets and liabilities are valued using inputs that are not based on observable market data.

During the accounting periods ending on December 31, 2024, and December 31, 2023, the Group did not make any transfers between first level and second level, or to and from third level.

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As of 31 December 2024, classifications and fair values of financial assets as are follows:

	Financial asset / liabilities at amortized cost	Financial assets as at fair value through profit or loss	Book Value	Note
<u>Financial assets</u>				
Cash and cash equivalents	587.482.380	-	587.482.380	6
Trade receivables	130.941.638	-	130.941.638	9
Financial Investments	-	9.452.893	9.452.893	7
<u>Financial liabilities</u>				
Financial payables	2.165.753.845	-	2.165.753.845	8
Trade payables	433.269.065	-	433.269.065	9

As of 31 December 2023, classifications and fair values of financial assets as are follows:

	Financial asset / liabilities at amortized cost	Financial assets as at fair value through profit or loss	Book Value	Note
<u>Financial assets</u>				
Cash and cash equivalents	1.125.760.706	-	1.125.760.706	6
Trade receivables	269.479.050	-	269.479.050	9
Financial Investments	-	5.962.843	5.962.843	7
<u>Financial liabilities</u>				
Financial payables	287.653.834	-	287.653.834	8
Trade payables	609.683.645	-	609.683.645	9

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NOT 35 – SUBSEQUENT EVENTS AFTER STATEMENT OF FINANCIAL POSITION DATE

Significant events that occurred after the statement of financial position date are as follows

- The application made to the Capital Markets Board regarding the increase of the Parent Company's issued capital of 42.000.000 TRY to 1.400.000.000 TRY, by increasing 1.358.000.000 TRY in the form of 1.358.000.000 shares, each with a nominal value of 1 TRY, within the registered capital ceiling of 12.500.000.000 TRY for the years 2024-2028, is to be financed as follows: 200.000.000 TRY from the 'Positive Capital Adjustment Differences' account, and 1.158.000.000 TRY from the 'Share Premiums' account. The application was approved by the Capital Markets Board with the decision numbered 6/188, dated January 30, 2025.
- The right to receive bonus shares was initiated on February 6, 2025. In the bonus capital increase of 3,233.33333%, the corresponding increase in registered share certificates was recorded as receivables in the customer sub-accounts of the respective members on February 10, 2025..
- Regarding the amendment to Article 6 of the Parent Company's Articles of Association titled 'Capital and Share Types, Transfer,' which is required due to the capital increase, the prepared amendment text was registered by the Istanbul Trade Registry Directorate on February 20, 2025, and published in the Turkish Trade Registry Gazette No. 11276 on the same date.
- Regarding the application made by Hayri Ögelman Madencilik A.Ş., a subsidiary of the Parent Company, to the Capital Markets Board for the transition to the Registered Capital System and the amendment of the Articles of Association for the purpose of going public, the Capital Markets Board's letter dated January 28, 2025, and numbered E-24171390-110.03.03-66932 states that, in accordance with the decision taken by the Board's Decision-Making Organ at its meeting on December 20, 2024, and considering the ongoing lawsuit under the file number E.2024/130 at the Istanbul 5th Commercial Court, the application has been rejected at this stage.
- A payment plan modification has been made regarding the installment due dates in the share purchase agreement of Virtus Mining Ltd., a subsidiary of the Parent Company.
- Due to the support provided by the Parent Company for the land payments to be made in 2025 for the establishment of a construction site and the initiation of investments in the Yenipazar Polymetallic Mine Project owned by Aldridge Mineral Madencilik A.Ş., an indirect subsidiary of the Parent Company, a modification in the installment payment dates was made through the Additional Protocol signed between the Parent Company and Metallurgium Investment Ltd. As a result, the installment payments originally outlined in the Share Purchase Agreement dated May 17, 2024, as '10.000.000 USD on December 15, 2024, 10.000.000 USD on May 15, 2025, and 10.000.000 USD on September 15, 2025,' were revised in the Additional Protocol dated March 4, 2025, to '10.000.000 USD on December 15, 2025, and 20.000.000 USD on May 15, 2026.

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NOTE 36 – FEES FOR SERVICES PROVIDED BY INDEPENDENT AUDIT FIRMS

The Group's disclosure on fees related to services provided by independent audit firms, in accordance with relevant resolutions by the Public Oversight Authority (KGK), is as follows:

	01.01. - 31.12.2024	01.01. - 31.12.2023
A - Fee for independent audit services for the reporting period	3.154.826	2.720.803
B - Fees for other services		
- Fees for other assurance services	57.360	37.271
- Fees for tax advisory services	-	-
- Fees for other non-audit services	-	-
	3.212.186	2.758.074

The above mentioned fees are determined by including the independent audit fees of the Parent Company and its subsidiaries.