HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM ACCOUNTING PERIOD OF 1 JANUARY – 30 SEPTEMBER 2024

CONTENTS

HÜRRİYET GAZETECİLİK VE MATBAACILIK A. Ş.

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 1 JANUARY – 30 SEPTEMBER 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

	Note	Unaudited Current Period 30 September 2024	Audited Prior Period 31 December 2023
ASSETS			
Current assets			
Cash and cash equivalents		7.949.984	3.809.432
Financial investments		883.830	122.045
Trade receivables			
-Trade receivables from related parties	19	42.125.075	71.285.441
-Trade receivables from unrelated parties	5	95.505.449	128.836.130
Other receivables			
-Other receivables from related parties	19	2.314.085.139	1.040.107.707
-Other receivables from unrelated parties		13.189.458	11.457.006
Inventories		64.085.835	70.811.674
Prepaid expenses		13.712.120	22.552.664
Other current assets		6.663.222	8.068.137
Total current assets		**2.558.200.112**	**1.357.050.236**
Non-current Assets			
Financial investments		540.649	540.649
Other receivables			
-Other receivables from unrelated parties		14.973.303	23.227.377
Investment properties	6	241.237.911	1.701.605.316
Property, plant and equipment	7	1.276.998.495	1.768.073.147
Intangible assets			
-Other intangible assets	8	31.613.023	38.208.278
Prepaid expenses		4.217.296	1.404.425
Other non-current assets		1.915.760	1.168.655
Total non-current assets		**1.571.496.437**	**3.534.227.847**
Total assets		**4.129.696.549**	**4.891.278.083**

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

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 1 JANUARY – 30 SEPTEMBER 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

	Note	Unaudited Current Period 30 September 2024	Audited Prior Period 31 December 2023
LIABILITIES			
Short-term Liabilities			
Short-term lease liability			
-Lease liabilities to unrelated parties	4	16.859.961	28.153.482
Trade payables			
-Trade payables to related parties	19	120.940.779	72.330.108
-Trade payables to unrelated parties	5	161.915.540	169.951.090
Employee benefit payables		70.901.667	91.276.395
Other payables			
-Other payables to unrelated parties		314.968.710	206.661.522
Deferred income		3.195.707	1.718.613
Current income tax liabilities	17	951.323	1.629.425
Short-term provisions			
-Short-term provisions for employee benefits	9	96.527.807	92.038.675
-Other short-term provisions	9	17.565.509	25.126.468
Other short-term liabilities		377.017.274	257.780.484
Total Short-term Liabilities		**1.180.844.277**	**946.666.262**
Long-term Liabilities			
Long-term lease liability			
- Lease payables to unrelated parties	4	30.808.694	41.393.615
Long-term provisions			
- Long-term provisions for employee benefits	11	96.059.403	89.773.093
Deferred tax liability	17	152.638.774	329.399.454
Other long-term liabilities		97.542.336	119.457.471
Total long-term liabilities		**377.049.207**	**580.023.633**
Total liabilities		**1.557.893.484**	**1.526.689.895**

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

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 1 JANUARY – 30 SEPTEMBER 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

	Note	Unaudited Current Period 30 September 2024	Audited Prior Period 31 December 2023
EQUITY			
Total equity		**2.571.803.065**	**3.364.588.188**
Equity attributable to shareholders of the parent company		**2.580.943.297**	**3.372.209.646**
Issued capital	12	592.000.000	592.000.000
Capital adjustment diffrences	12	12.593.484.362	12.593.484.362
Share premiums(discounts)		1.190.354	1.190.354
Other comprehensive income and (expenses) that will not be reclassified subsequently to profit or loss			
-Revaluation and measurement gains (losses)			
- Gains (losses) on revaluation of property, plant and equipment	12	343.795.097	823.873.028
- Gains (losses) on remeasurement of defined benefit plans	12	173.907	173.907
Other comprehensive income (expenses) that will be reclassified subsequently to profit or loss			
-Currency translation differences	12	196.486.492	218.378.488
Restricted reserves	12	1.669.159.188	1.330.723.946
Prior years profits and losses		(12.045.971.750)	(11.061.987.267)
Net profit or loss for the period		(769.374.353)	(1.125.627.172)
Non-controlling interests		**(9.140.232)**	**(7.621.458)**
Total liabilities		**4.129.696.549**	**4.891.278.083**

The condensed consolidated financial statements for the interim accounting period ended 30 September 2024 have been approved by the Board of Directors on 08 November 2024.

HÜRRİYET GAZETECİLİK VE MATBAACILIK A. Ş.

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 1 JANUARY – 30 SEPTEMBER 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

	Note	**Unaudited Current Period 1 January - 30 September 2024**	**Unaudited Current Period 1 July- 30 September 2024**	**Unaudited Prior Period 1 January- 30 September 2023**	**Unaudited Prior Period 1 July- 30 September 2023**
Revenue	13	738.945.308	229.414.044	738.270.280	230.240.360
Cost of sales (-)	13	(794.121.741)	(255.641.755)	(999.911.650)	(336.848.536)
Gross profit (loss)		**(55.176.433)**	**(26.227.711)**	**(261.641.370)**	**(106.608.176)**
General administrative expenses (-)		(262.491.904)	(87.563.515)	(239.828.557)	(53.086.225)
Marketing expenses (-)		(128.238.497)	(42.066.807)	(112.756.412)	(40.381.767)
Income from main operations		461.426.141	246.557.592	220.744.302	45.035.119
Expenses from main operations (-)		(273.620.053)	(95.812.349)	(150.654.539)	(6.994.969)
Main operating profit (loss)		**(258.100.746)**	**(5.112.790)**	**(544.136.576)**	**(162.036.018)**
Income from investing activities	14	6.306.797	4.218.772	108.966.278	45.372.791
Expenses from investing activities (-)	15	(438.215.055)	(138.977)	(594.861.879)	(88.775)
Operating profit (loss) before finance income (expense)		**(690.009.004)**	**(1.032.995)**	**(1.030.032.177)**	**(116.752.002)**
Financing expenses (-)	16	(72.329.795)	(15.318.348)	(35.661.360)	(11.509.752)
Monetary loss / earning		(176.273.254)	(115.643.319)	39.683.870	(119.204.415)
Profit (loss) before tax from continuing operations		**(938.612.053)**	**(131.994.662)**	**(1.026.009.667)**	**(247.466.169)**
Tax income / (expense) of continuing operations		**175.808.519**	**(43.460.013)**	**(130.235.045)**	**(80.868.082)**
Current tax income (expense)	17	(952.161)	(313.305)	(1.091.553)	(206.368)
Deferred tax income / (expense)	17	176.760.680	(43.146.708)	(129.143.492)	(80.661.714)
Profit / (loss) for the period from continuing operations		**(762.803.534)**	**(175.454.675)**	**(1.156.244.712)**	**(328.334.251)**
Profit / (loss) for the period from discontinued operations		(6.784.613)	515.539	(27.970.250)	14.989.793
Profit (loss) for the period		**(769.588.147)**	**(174.939.136)**	**(1.184.214.962)**	**(313.344.458)**
Allocation of profit (loss) for the period					
Non-controlling interests		(213.794)	4.110	(781.540)	397.871
Equity holders of the parent company		(769.374.353)	(174.943.246)	(1.183.433.422)	(313.742.329)
Loss per share					
Earnings per share attributable to the parent company / (loss)		(1,2996)	(0,2955)	(1,9990)	(0,5300)

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

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 1 JANUARY – 30 SEPTEMBER 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

	Note	Unaudited Current Period 1 January - 30 September 2024	Unaudited Current Period 1 July- 30 September 2024	Unaudited Prior Period 1 January- 30 September 2023	Unaudited Prior Period 1 July- 30 September 2023
Other comprehensive income statement					
Profit (loss) for the period		**(769.588.147)**	**(174.939.136)**	**(1.184.214.962)**	**(313.344.458)**
Other comprehensive incomes					
Items that will be reclassify as profit and loss					
- Foreign currency translation differences		(23.196.976)	(751.263)	57.948.290	(45.936.748)
Other comprehensive income (expense)		**(23.196.976)**	**(751.263)**	**57.948.290**	**(45.936.748)**
Total comprehensive income (expense)		**(792.785.123)**	**(175.690.399)**	**(1.126.266.672)**	**(359.281.206)**
Allocation of total comprehensive income (expense)					
Non-controlling interests		(1.518.774)	120.509	(2.420.886)	331.692
Attributable to shareholders of the parent company		(791.266.349)	(175.810.908)	(1.123.845.786)	(359.612.898)

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

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE INTERIM PERIOD 1 JANUARY – 30 SEPTEMBER 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

					Other comprehensive income (expense) that will be subsequently reclassified to profit or loss	Other comprehensive income (expense) that will not be subsequently reclassified to profit or loss			Accumulated profits				
	Note	**Issued Capital**	**Capital adjustment differences**	**Share premiums (discounts)**	**Currency translation differences [1]**	**Gains (losses) on property revaluation**	**Gains (losses) on remeasurement of defined benefit plans**	**Restricted reserves**	**Retained earnings / (losses)**	**Net profit / (loss) for**	**Equity attributable to shareholders**	**Non-controlling interests Non-**	**Equity**
Balances at 1 January 2023		**592.000.000**	**12.593.484.362**	**1.190.354**	**95.833.454**	**1.053.242.316**	**(13.923.219)**	**1.330.723.946**	**(11.121.070.730)**	**(199.021.465)**	**4.332.459.018**	**(4.896.726)**	**4.327.562.292**
Transfers		-	-	-	-	(258.104.922)	-	-	59.083.457	199.021.465	-	-	-
Total comprehensive income / (expense)		-	-	-	59.587.636	-	-	-	-	(1.183.433.422)	(1.123.845.786)	(2.420.886)	(1.126.266.672)
-Other comprehensive income (expense)		-	-	-	*59.587.636*	-	-	-	-	-	*59.587.636*	*(1.639.346)*	*57.948.290*
- Change in foreign currency translation differences		-	-	-	*59.587.636*	-	-	-	-	-	*59.587.636*	*(1.639.346)*	*57.948.290*
- Profit (loss) for the period		-	-	-	-	-	-	-	-	*(1.183.433.422)*	*(1.183.433.422)*	*(781.540)*	*(1.184.214.962)*
Balances at 30 September 2023		**592.000.000**	**12.593.484.362**	**1.190.354**	**155.421.090**	**795.137.394**	**(13.923.219)**	**1.330.723.946**	**(11.061.987.273)**	**(1.183.433.422)**	**3.208.613.232**	**(7.317.612)**	**3.201.295.620**
Balances at 1 January 2024	**12**	**592.000.000**	**12.593.484.362**	**1.190.354**	**218.378.488**	**823.873.028**	**173.907**	**1.330.723.946**	**(11.061.987.267)**	**(1.125.627.172)**	**3.372.209.646**	**(7.621.458)**	**3.364.588.188**
Transfers		-	-	-	-	(480.077.931)	-	338.435.242	(983.984.483)	1.125.627.172	-	-	-
Total comprehensive income / (expense)		-	-	-	(21.891.996)	-	-	-	-	(769.374.353)	(791.266.349)	(1.518.774)	(792.785.123)
-Other comprehensive income (expense)		-	-	-	*(21.891.996)*	-	-	-	-	-	*(21.891.996)*	*(1.304.980)*	*(23.196.976)*
- Change in foreign currency translation differences		-	-	-	*(21.891.996)*	-	-	-	-	-	*(21.891.996)*	*(1.304.980)*	*(23.196.976)*
- Profit (loss) for the period		-	-	-	-	-	-	-	-	*(769.374.353)*	*(769.374.353)*	*(213.794)*	*(769.588.147)*
Balances at 30 September 2024	**12**	**592.000.000**	**12.593.484.362**	**1.190.354**	**196.486.492**	**343.795.097**	**173.907**	**1.669.159.188**	**(12.045.971.750)**	**(769.374.353)**	**2.580.943.297**	**(9.140.232)**	**2.571.803.065**

(1) In accordance with the board decision dated 22 November 2017 of Pronto Media Holding, which is located in Russia as the indirect subsidiary of Trader Media East Ltd, of which of the Group owns 97,29% shares, the Group decided to discontinue the digital operations within its body and impairment losses of such operations have been recognized under "discontinued operations" in the in statement of profit (loss), Additionally, currency translation differences recognized under equity attributable to TME activities will be transferred from equity to the statement of profit or loss when the necessary conditions are met.

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

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE INTERIM PERIOD 1 JANUARY – 30 SEPTEMBER 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

	Note	Unaudited Current Period 1 January- 30 September 2024	Unaudited Prior Period 1 January- 30 September 2023
		(1.381.560.779)	**(1.701.922.158)**
CASH FLOWS FROM OPERATING ACTIVITIES		**(769.588.147)**	**(1.184.214.962)**
Profit (loss) for the period		(762.803.534)	(1.156.244.712)
Profit (loss) from continuing operations		(6.784.613)	(27.970.250)
Profit (loss) from discontinued operations		**708.150.575**	**859.008.784**
Adjustments to reconcile net profit (loss) for the period		48.182.637	46.390.214
Adjustments related to depreciation and amortization expenses	7,8		
Adjustments related to impairment / (reversal)		(29.073.079)	4.812.938
Adjustments related to impairment (reversal) of receivables	5	257.253	(38.251)
Adjustments related to impairment of inventories			
Adjustments related to provisions			
Adjustments related to (reversal) of provision for employment benefits	9,11	75.413.092	107.673.366
Adjustments related to litigation and legal provisions (reversal)	9	2.957.786	12.813.970
Adjustment related to general provisions (reversals)		(874.980)	(771.987)
Adjustment related to other provisions (reversals)		(1.420.406)	1.044.659
Adjustments related to interest (income) expense			
Adjustments related to interest income		(34.099)	(13.560)
Adjustments related to interest expense	16	26.083.489	7.420.898
Unearned finance income from credit sales		313.315.318	92.227.308
Unearned finance expense from credit purchases		(1.734.261)	(44.489.914)
Adjustments related to tax income (expense)	17	(175.808.519)	130.235.045
Adjusments related to losses arising from disposal of non-current assets			
Adjusments related to losses (gains) arising from disposal of property, plant and equipment		433.785.506	496.666.434
Adjustments related to profit (loss) confirmation		17.100.838	5.037.664
Changes in working capital		**(1.272.810.104)**	**(1.319.715.766)**
Adjustments related to (increase) decrease in trade receivables			
(Increase) decrease in trade receivables from related parties		29.160.366	101.486.603
(Increase) decrease in trade receivables from unrelated parties		(253.186.534)	(79.117.980)
Adjustments related to (increase) decrease in inventories		6.214.893	703.929
(Increase) decrease in prepaid expenses		6.027.673	54.292.951
Adjustments related to increase (decrease) in trade payables			
Increase (decrease) in trade payables to related parties		48.610.671	(373.295.362)
Increase (decrease) in trade payables to unrelated parties		(8.035.550)	(4.329.715)
Increase (decrease) in payables related to employee benefits		(20.374.728)	(19.235.891)
Increase (decrease) in deferred revenues (excluding those arising from customer contracts)		1.477.094	(3.582.835)
Adjustments related to other increase (decrease) in working capital			
(Increase) decrease in other assets related to operating activities		(1.266.798.836)	(1.016.947.109)
Increase (decrease) in other liabilities related to operating activities		184.094.847	20.309.643

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

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE INTERIM PERIOD 1 JANUARY – 30 SEPTEMBER 2024

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

	Note	Unaudited Current Period 1 January- 30 September 2024	Unaudited Prior Period 1 January- 30 September 2023
Cash Flows Generated from Operations		**(1.334.247.676)**	**(1.644.921.944)**
Employment benefits provision payments	9,11	(48.158.805)	(51.988.686)
Payments related to other provisions	9	-	(7.351.647)
Taxes returns (payments)	17	(1.629.425)	-
Other cash inflows (outflows)		2.475.127	2.340.119
CASH FLOWS FROM INVESTING ACTIVITIES		**1.435.144.698**	**1.874.738.214**
Cash inflows from sale of property, plant and intangible assets	7,8	(6.703.549)	(476.368.455)
Cash outflows from purchase of property, plant and intangible assets			
Cash outflows from purchases of property, plant assets	7	(18.553.254)	(29.669.198)
Cash inflows from sale of investment properties		1.460.367.403	2.380.762.254
Interests received		34.098	13.613
CASH FLOWS FROM FINANCING ACTIVITIES		**(43.946.112)**	**(12.391.730)**
Cash outflow from rent agreements		(17.100.838)	(5.037.664)
Interests paid		(26.083.489)	(7.420.898)
Other cash inflows (outflows)		(761.785)	66.832
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF EXCHANGE RATE CHANGES		**9.637.807**	**160.424.326**
Effects of currency translation rate changes on cash and cash equivalents		(5.497.255)	(163.303.131)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**4.140.552**	**(2.878.805)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**4**	**3.809.432**	**13.859.910**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**4**	**7.949.984**	**10.981.105**

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

NOTE 1 ─ THE GROUP'S ORGANIZATION AND SUBJECT OF ACTIVITY

Hürriyet Gazetecilik ve Matbaacılık A.Ş. ("Hürriyet" or the "Company") was established in 1960 and is registered in Turkey, The Company undertakes journalism, printing, advertising, internet publishing activities and operates 4 printing plants with locations in Adana, Ankara, Trabzon and Germany.

As stated in note 12, Doğan Şirketler Grubu Holding A.Ş. which has 552.000.000 shares registered in its shares representing 77,67% of the issued capital of Hürriyet has transferred to Demirören Medya Yatırımları Ticaret A.Ş. ("Demirören Medya") on May 16, 2018. The share transfer was completed with the extraordinary general meeting held on September 6, 2018. As a result of this transaction, Demirören Medya has become the main shareholder of the Company.

In addition, pursuant to the decision taken by the Board of Directors on November 19, 2018, it was resolved to increase the Company's issued capital, which was 552.000.000 TL divided into 552.000.000 shares with a nominal value of 1.00 TL each within the registered capital ceiling of 800.000.000 TL, by 40.000.000 TL (at a rate of 7.24%) in cash (with consideration) to 592.000.000 TL. The issuance certificate related to the capital increase was approved by the Capital Markets Board with its decision dated December 13, 2018, and numbered 63/1446. The amount of 40.000.000 TL was collected in cash from Demirören Media, and the capital increase was completed on December 21, 2018, with the transaction registered by the Istanbul Trade Registry Office on January 15, 2019.

The ultimate shareholder of the company is the Demirören Family.

The number of employees of the Group as of 30 September 2024 is 1.182. (December 31, 2023: 1.347).

The address of the registered office is as follows:

100. Yıl Mahallesi, 2264. Sokak, No:1
34204 Bağcılar/İstanbul Türkiye

The Company is registered of the Capital Markets Board ("CMB") and its shares have been quoted on the Borsa İstanbul A,Ş, ("BİAŞ or "Borsa" or "BİST") since February 25, 1992In accordance with the Principle Decision dated 30 October 2014 and numbered 31/1059, as amended by the Principle Decision dated 23 July 2010 and numbered 21/655, of the Capital Markets Board ("CMB"); based on the records of the Central Registry Agency A.Ş. ("CRA"), as of 30 September 2024, it is acknowledged that Hürriyet's capital representation is 18.77% (31 December 2023: 18.77%) through shares considered "in circulation."

Within the scope of the Capital Markets Board's Communiqué on Takeover Bids (II-26.1), the mandatory takeover bid process conducted by Demirören Medya Yatırımları Ticaret A.Ş., the controlling shareholder of the Company, through Ziraat Yatırım Menkul Değerler A.Ş., for the publicly held shares representing Hürriyet's capital, was completed between January 28, 2022, and February 10, 2022. As a result of the takeover bid, 12.017.987,48 shares were acquired from 291 investors outside the stock exchange. The total value of the acquired shares is 88.946.447,24 TL. No shares were acquired from the stock exchange as part of the takeover bid process.

(Unless otherwise stated, amounts are expressed in Turkish Lira (“TL”) based on the purchasing power as of 30 September 2024)

NOTE 1 ─ THE GROUP’S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

With the completion of the buyback process, according to CRA records, as of June 30, 2022, Hürriyet Gazetecilik ve Matbaacılık A.Ş.’s free float is 18,79% and the share of Company's controlling shareholder, Demirören Medya Yatırımları Ticaret A.Ş. has been 81,21%.

The Board of Directors of the Company decided on 27 January 2022 to extend the current Registered Capital Ceiling period of the Company for another 5 (five) years, starting from 2022, including 2026. As a result of the said decision, the necessary application was made to the Capital Markets Board, and the application was made with the permission letter of the Capital Markets Board ("CMB") dated 14,02,2022 and numbered E-29833736-110,04,04-17286 and the T.C. Ministry of Commerce 01,03,2022, It was approved with the permission letter dated and numbered E-50035491-431,02-00072383775. As a result of the aforementioned approval, the amendment of the Company's Articles of Association was presented to the approval of the shareholders at the General Assembly Meeting held on March 31, 2022 and accepted.

Subsidiaries

As of 30 September 2024, the name of the Company’s subsidiaries (“Subsidiaries”), the nature of the business and geographic segments are as follows:

	Subsidiaries	Country	Geographic Segment	Subject of Activity
1	Hürriyet Zweigniederlassung GmbH. (“Hürriyet Zweigniederlassung”)	Germany	Europe	Newspaper Printing
2	Hürriyet Invest B.V. (“Hürriyet Invest”)	Netherlands	Europe	Investment
3	Trader Media East Ltd. (“TME”)	Jersey	Europe	Investment
4	Sporarena Dijital Hizmetler Pazarlama ve Ticaret A.Ş. ("Sporarena")	Türkiye	Türkiye	Internet Publishing
5	Mirabridge International B.V.	Netherlands	Europe	Investment
6	OOO Pronto Samara	Russia	Russia and EE	Newspaper and internet publishing
7	ID Impress Media LLC	Russia	Russia and EE	Publishing
8	OOO Rukom	Russia	Russia and EE	Internet Publishing
9	OOO Pronto Media Holding Ltd.	Russia	Russia and EE	Newspaper and internet publishing
10	OOO Rektcentr	Russia	Russia and EE	Newspaper and internet publishing
11	Publishing House Pennsylvania Inc.	The United States of America	Russia and EE	Investment
12	OOO SP Belpronto	Belarusian	Russia and EE	Newspaper and internet publishing
13	Publishing International Holding BV	Netherlands	Europe	Investment

Joint Ventures	Registered country	Geographic segment	Subject of activity
TOV E-Prostir	Ukraine	Europe	Internet Publishing
SP Pronto Kiev	Ukraine	Europe	Newspaper and internet publishing

Associates

Associates of the Company, registered countries, subject of activities and geographic segments are as follows:

Associates	Registered country	Geographic segment	Subject of activities
Demirören Media International GmbH, (“Demirören Media”)	Germany	Europe	Newspaper Publishing

NOTE 2 ─ BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Preparation and Presentation of Financial Statements

Applied Financial Reporting Standarts

The attached consolidated financial statements have been prepared in accordance with the provisions of the Capital Markets Board’s (“CMB”) Communiqué No. II-14.1 on “Principles of Financial Reporting in the Capital Markets,” published in the Official Gazette dated June 13, 2013, numbered 28676. Pursuant to Article 5 of this Communiqué, the financial statements are based on Turkish Financial Reporting Standards (“TFRS”) and related appendices and interpretations, which have been enacted by the Public Oversight Accounting and Auditing Standards Authority (“POA”). Additionally, they have been presented in accordance with the Turkish Accounting Standards taxonomy published by POA on April 15, 2019.

The Group maintains its statutory accounting records in accordance with the Tax Legislation and the Uniform Chart of Accounts (General Communiqué on the Application of the Accounting System) published by the Turkish Ministry of Finance, and prepares them in Turkish Lira.

The consolidated financial statements are prepared on a historical cost basis, except for land, buildings, and investment properties.

Adjustment of Financial Statements in High Inflation Periods

The Group has prepared its consolidated financial statements for the year ended December 31, 2023, in accordance with TAS 29 “Financial Reporting in Hyperinflationary Economies,” following the announcement and publication of the “Application Guide on Financial Reporting in Hyperinflationary Economies” by the POA on November 23, 2023. According to this standard, financial statements prepared in the currency of a hyperinflationary economy must be restated in terms of the purchasing power of the currency at the balance sheet date, and comparative information for previous periods must also be expressed in terms of the current measurement unit at the end of the reporting period. Consequently, the Group has also presented its consolidated financial statements as of September 30, 2023, and December 31, 2023, in terms of purchasing power as of September 30, 2024.

According to the decision of the CMB dated December 28, 2023, numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting / Financial Reporting Standards have decided to implement inflation accounting by applying the provisions of TAS 29 starting from the annual financial reports for the period ending 31 March, 2024.

The restatements made in accordance with TAS 29 have been carried out using the adjustment coefficient derived from the Consumer Price Index (“CPI”) in Turkey, published by the Turkish Statistical Institute (“TÜİK”). As of September 30, 2024, the indices and adjustment coefficients used for the restatement of the consolidated financial statements are as follows:

(Unless otherwise stated, amounts are expressed in Turkish Lira (“TL”) based on the purchasing power as of 30 September 2024)

NOTE 2 ─ BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

2.1.1 Preparation and Presentation of Financial Statements (Continued)

Date	Index	Correction Factor	Three Year Composite Inflation Rate
30 September 2024	2.526,16	1,0000	343%
31 December 2023	1.859,38	1,3586	268%
30 September 2023	1.691,04	1,4938	254%

The main elements of the adjustment process undertaken by the Group for financial reporting in high inflation economies are as follows:

- The consolidated financial statements for the Current Period, prepared in TL, are expressed in terms of the purchasing power at the balance sheet date, and the amounts from previous reporting periods are also restated in terms of the purchasing power at the end of the reporting period.

- Monetary assets and liabilities are not restated as they are already expressed in terms of the purchasing power at the balance sheet date. When the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 and TAS 2 are applied, respectively.

- Non-monetary assets and liabilities, as well as equity items not expressed in terms of the purchasing power at the balance sheet date, are restated using the relevant adjustment coefficients.

- All items in the comprehensive income statement, except for those affecting the monetary non-monetary items on the balance sheet, are indexed using the coefficients calculated based on the periods when the income and expense accounts were initially recognized in the financial statements.

- The effect of inflation on the Group's net monetary asset position in the Current Period is recorded in the consolidated income statement as a net monetary position loss.

Going Concern

The consolidated financial statements have been prepared on a going concern basis, assuming that the Group will derive benefits from its assets and fulfill its obligations in the ordinary course of business over the next year.

NOTE 2 ─ BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

2.1.2 Consodilation Principles

(a) Subsidiaries

Subsidiaries consist of businesses that Hürriyet directly or indirectly controls. Control is provided by the Group's fulfillment of the following conditions:

- Having power over the invested company/asset;
- Being open to or entitled to variable returns from the investee company/asset, and
- Ability to use power to have an impact on returns.

If a situation or event arises that could cause any change in at least one of the criteria listed above, the group reassesses whether it has control over its investment.

The Group considers all relevant facts and circumstances in assessing whether the majority of the votes in the relevant investment is sufficient to exercise control, including the following:

- Comparison of the voting rights of the Group with the voting rights of other shareholders;
- Potential voting rights held by the Group and other shareholders;
- Rights arising from other contractual agreements and
- Other events and conditions that may indicate whether the Group has the current power to manage the relevant activities (including voting at previous general assembly meetings) in cases where a decision has to be made.

Subsidiaries are consolidated using the full consolidation method from the date on which the control passes to the Group. They are excluded from the scope of consolidation as of the date of loss of control. The effective shareholding ratio is the percentage of shares that the Group has directly through Hürriyet and/or indirectly through its subsidiaries.

Subsidiaries acquired or disposed of during the accounting period are included in the scope of consolidation from the date on which the control over the operations is transferred to the Group, and are excluded from the scope of consolidation as of the date the control ceases. Even if the non-controlling interests result in a negative balance, the total comprehensive income is transferred to the parent shareholders and non-controlling interests.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of acquisition to the date of disposal.

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 2 ─ BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Basis of presentation (Continued)

2.1.2 Consodilation Principles (Continued)

(a) Subsidiaries (Continued)

Changes in the capital share of the Group's existing subsidiaries

Changes in the Group's shareholding in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The book values of the Group's interest and non-controlling interests are adjusted to reflect changes in subsidiary interests. The difference between the adjustment for non-controlling interests and the fair value of the consideration received or paid is accounted for directly in equity as the Group's share.

If the Group loses control of a subsidiary, profit/loss after the sale,

I. The sum of the sales price received and the fair value of the remaining share, and
II. It is calculated as the difference between the previous book values of the subsidiary's assets (including goodwill) and liabilities and non-controlling interests.

The amounts previously accounted for in other comprehensive income related to the subsidiary and collected in equity are recorded according to the accounting method to be used on the assumption that the company has sold the relevant assets. (i.e. in accordance with the relevant TFRS standards, transfer to profit/loss or transfer directly to retained earnings). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under TAS 39 "Financial instruments: recognition and measurement" when applicable the cost on initial recognition of an investment in an associate or a joint venture.

As of 30 September 2024 and 31 December 2023, the subsidiaries and shareholding ratios are shown below:

		Proportion of voting power held by Hürriyet and its Subsidiaries (%)		Effective ownership interest (%)	
	Subsidiaries	**30 September 2024**	**31 December 2023**	**30 September 2024**	**31 December 2023**
1	Hürriyet Zweigniederlassung	100,00	100,00	100,00	100,00
2	Hürriyet Invest [(1)]	100,00	100,00	100,00	100,00
3	TME [(2)]	97,29	97,29	97,29	97,29
4	SporArena	100,00	100,00	100,00	100,00
5	ID Impress Media LLC [(3)]	91,00	91,00	88,53	88,53
6	Mirabridge International B.V.	100,00	100,00	97,29	97,29
7	OOO Pronto Samara	100,00	100,00	97,29	97,29
8	OOO Rukom [(4)]	100,00	100,00	97,29	97,29
9	OOO Pronto Media Holding Ltd.	100,00	100,00	97,29	97,29
10	OOO SP Belpronto	60,00	60,00	58,37	58,37
11	OOO Rektcentr [(5)]	100,00	100,00	97,29	97,29
12	Publishing House Pennsylvania Inc.	100,00	100,00	97,29	97,29
13	Publishing International Holding BV	100,00	100,00	97,29	97,29

(1) With the Board of Directors decision dated 9 November 2021 and numbered 18, it has been decided to add a total of 183,775,066 TRY of receivables to the subsidiary's capital under the supervision of the subsidiary Hürriyet Invest B.V.
(2) The subsidiary is delisted from the London Stock Exchange as of 2 January 2020.
(3) İlgili The related subsidiary has entered the liquidation process as of 9 August 2021.
(4) The subsidiary was liquidated as of 22 January 2022.
(5) The related subsidiary has entered the liquidation process as of 14 July 2020.

NOTE 2 ─ BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

2.1.3 Comparative Information and Restatement of Prior Period Financial Statements

The current period consolidated financial statements of the Group are prepared comparatively with the previous period in order to enable the determination of the financial position and performance trends. Comparative information is reclassified when deemed necessary in order to comply with the presentation of the current period consolidated financial statements.

2.1.4 Significant Accounting Policies and Changes in Accounting Estimates

Accounting policy changes resulting from the first application of a new TAS are applied retrospectively or prospectively in accordance with the transitional provisions of that TAS. Identified significant accounting errors are applied retrospectively and prior period financial statements are restated. Changes in accounting estimates are applied in the current period if the change is made for only one period, and if it is related to future periods, both in the period when the change is made and prospectively.

2.1.5 New and revised Turkish Financial Reporting Standards (“TFRS”)

The accounting policies applied in the preparation of the condensed consolidated interim financial statements for the period ended September 30, 2024, are consistent with those used in the previous year, except for the new and amended TFRS standards and TFRYK interpretations effective as of January 1, 2024, which are summarized below. The effects of these standards and interpretations on the Group's financial position and performance are explained in the relevant paragraphs.

a) New standards, amendments and interpretations effective from 1 January 2024

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

The purpose of these amendments is to ensure consistent application of the standard by helping companies in their decision-making process regarding whether liabilities and other obligations presented in the statement of financial position, without a specific maturity, should be classified as short-term (expected to be settled within one year) or long-term.

Although the amendments made to TAS 1 will be applied to annual reporting periods beginning on or after January 1, 2024, early application is permitted.

TFRS 16 Amendments - Lease Liabilities Arising from Sales and Leaseback Transactions

These amendments to TFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that meet the requirements of TFRS 15 to be accounted for as a sale.

Although the amendments made to TFRS 16 will be applied to annual reporting periods beginning on or after January 1, 2024, early application is permitted.

NOTE 2 ─ BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

2.1.5 New and revised Turkish Financial Reporting Standards ("TFRS") (Continued)

Amendments to TAS 1 - Long-term Liabilities with Loan Covenant Provisions

The amendments to TAS 1 clarify how conditions that an entity must meet within twelve months after the reporting period affect the classification of a liability.

Although the amendments made to TAS 1 will be applied to annual reporting periods beginning on or after January 1, 2024, early application is permitted.

The potential impacts of the mentioned standard, amendments, and improvements on the Group's consolidated financial position and performance are being assessed.

Amendments to TAS 7 and TFRS 7 - Supplier Financing Arrangements

The amendments to TAS 7 and TFRS 7 introduce guidelines requiring businesses to provide both qualitative and quantitative information regarding supplier financing arrangements in addition to the existing disclosure requirements. The amendments are effective for annual reporting periods beginning on or after January 1, 2024

TSRS 1 - General Requirements for Disclosure of Sustainability-related Financial Information

TSRS 1 sets out the general requirements for sustainability-related financial disclosures, aiming to require an entity to disclose information about sustainability-related risks and opportunities that would be useful to the primary users of general-purpose financial reports in making decisions about providing resources to the entity. The implementation of this standard is mandatory for entities meeting the relevant criteria outlined in the POA's announcement dated January 5, 2024, No. 2024-5, as well as for banks, regardless of the criteria, for annual reporting periods beginning on or after January 1, 2024. Other entities may voluntarily report in accordance with TSRS 1 standards.

TSRS 2 - Climate-related Disclosures

TSRS 2 sets out the requirements for identifying, measuring, and disclosing climate-related risks and opportunities that would be useful to the primary users of general-purpose financial reports in making decisions about providing resources to the entity. The implementation of this standard is mandatory for entities meeting the relevant criteria outlined in the POA's announcement dated January 5, 2024, No. 2024-5, as well as for banks, regardless of the criteria, for annual reporting periods beginning on or after January 1, 2024. Other entities may voluntarily report in accordance with TSRS 2 standards.

NOTE 2 ─ BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

2.1.5 New and revised Turkish Financial Reporting Standards (“TFRS”) (Continued)

b) Standards that have been published but are not yet effective and have not been early adopted

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

TFRS 17 - Insurance Contracts

TFRS 17 requires the measurement of insurance liabilities at their current fulfillment value and provides a more standardized approach to measurement and presentation for all insurance contracts. These requirements are designed to achieve consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for one additional year for insurance and reinsurance companies, and it will replace TFRS 4 Insurance Contracts as of January 1, 2025.

TFRS 17 (Amendments) - Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 – Comparative Information

Amendments have been made to TFRS 17 to reduce implementation costs and facilitate the presentation of results and transition.

Additionally, the amendment related to comparative information allows companies that initially apply TFRS 7 and TFRS 9 simultaneously to present comparative information about their financial assets as if the classification and measurement requirements of TFRS 9 had been applied to those financial assets prior to their initial application.

The amendments will be applied upon the initial application of TFRS 17.

TAS 21 (Amendments) - Lack of Convertibility

These amendments provide guidance on when a currency is considered convertible and how the exchange rate should be determined when it is not. The amendments are effective for annual reporting periods beginning on or after January 1, 2025.

The potential impacts of the mentioned standard, amendments, and improvements on the Group’s consolidated financial position and performance are being assessed.

NOTE 2 ─ BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of significant accounting policies

The condensed consolidated financial statements for the interim period ended September 30, 2024, have been prepared in accordance with TAS 34 'Interim Financial Reporting' standard for the preparation of interim financial statements under TFRS.

The condensed consolidated financial statements for the interim period ended September 30, 2024, have been prepared by applying accounting policies consistent with those used in the preparation of the consolidated financial statements for the year ended December 31, 2023. Therefore, these condensed consolidated interim financial statements should be evaluated together with the consolidated financial statements for the year ended December 31, 2023.

2.2.1 Revenue Recognition

When the Group fulfills its obligation to perform the assignment by transferring a promised good or service to the customer. the Group records revenue in the financial statements. When the control of an asset is taken (or passed) by the customer. the asset is transferred

The Group puts revenue into financial statements in accordance with the following five basic principles:

- Determination of customer contracts
- Determination of performance obligations in contracts
- Determination of transaction prices in contracts
- Distribution of the transaction price to performance obligations in the contract
- Recognizing revenue when each performance obligation is fulfilled

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

- The parties to the agreement have endorsed the contract (in accordance with written. oral or other commercial conventions) and committed to their own performance.
- The Group can identify the rights of each party to the goods or services to be transferred.
- The Group is able to define the payment conditions for the goods or services to be transferred.
- The Convention is inherently commercial.
- It is probable that the Group will collect compensation for the goods or services to be transferred to the customers.

The Group considers only the ability of the customer to pay on time and the intention to do so when assessing whether the collectability of a consideration is probable.

At the beginning of the contract. the Group evaluates the goods or services it promises in the contract with the customer and defines each commitment for transfer to the customer as the obligation to act as follows:

a) different goods or services (goods or services package) or
b) a series of different goods or services that show great similarity and follow the same method at the time of transfer to the customer

A series of different goods or services is subject to the same cycle if the following conditions are met together:

NOTE 2 ─ BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of significant accounting policies (Continued)

2.2.1 Revenue Recognition (Continued)

a) Each different goods or service in the series which the Group is committed to assign to the customer constitutes a performance obligation to be completed over time. meeting the necessary conditions

b) In accordance with the related paragraphs of the Standard. the same method shall be used to measure the progress of the Group in respect of the fulfillment of the obligation of performance of each different goods or services constituting a unit.

When another party intervenes in the provisions of the goods or services to the customer the Group determines that it has a performance obligation to provide the goods or services itself (noble) in accordance with the nature of the commitment or to mediate such goods or services provided by another party (proxy). The group is noble if it controls the designated goods or services before transferring the goods or services to the customer. In the case of fulfillment of the obligation (or bringing it). the gross amount of the price that it waits for the transferred goods or services is taken on the financial statements as a revenue. The Group is a proxy if it acts as intermediary for the provision of goods or services for which the performance obligation has been set aside. and does not reflect the financial statement for the obligation as a revenue to fulfill the obligation.

Obligation of Conduct	**Context**
Advertising Revenue	The Group's advertising revenues consist mainly of revenues from advertising in print media and digital media. As advertising is published. the simultaneous use and consumption of the clients' rights shows that the Group has transferred the control of the service overtime. Therefore. revenue is recognised in accordance with output method when the performance obligation is satisfied (as advertising is published). Unpublished portions of advertisements are recognized in the statement of financial position as a contractual obligation.
Subcontracted Printing Revenue	Subcontracted printing revenues consist of the printing services given to the companies within and outside the Group. using the printing facilities owned by the Group. Revenues generated under this service are accounted for "at a specific moment in time" when the newspaper is delivered for distribution.
Newspaper Sales (Circulation) Revenues	Circulation revenues consist of distribution company and revenue from mass sales and newspaper sales. The revenues generated under this service are accounted for "at a specific moment in time" on the date when the newspapers are shipped.

The turnover-based premiums provided by the Group to media agencies by associating them with retrospective service purchases are variable fees. The turnover-based discount amounts determined by the Group through estimation are accounted for as "contractual obligations" in the statement of financial position.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of significant accounting policies (Continued)

2.2.1 Revenue Recognition (Continued)

The exchange of services or goods with similar characteristics and value is not defined as income generating transactions, while the exchange of services or goods with different characteristics and value is defined as income generating transactions. The Group measures the non-cash cost (or non-cash fee commitment) at fair value in order to determine the transaction price for the contracts in which customers are committed to pay non-cash consideration. In cases where the fair value of the goods or services obtained cannot be determined reliably, the income is valued as the fair value of the goods or services provided, taking into account the cash and cash equivalents transferred.

The Group records its revenues from barter advertising sales on an accrual basis. The Group's revenue corresponding to the unpublished advertisement is accounted for as a "contractual liability" in the statement of financial position.

If, in a contract, an entity gives its customer the option to acquire additional goods or services, that option creates a performance obligation if the option provides the client with a pecuniary right that it cannot obtain unless it has signed the contract as a party. If the option gives the customer a material right, the entitled customer pays the entity upfront for future goods or services, and the entity recognizes that revenue when the future goods or services are transferred or the option expires. If the stand-alone selling price for the customer's option to acquire additional goods or services is not directly observable, the entity determines it by estimation. This estimate reflects the discount the customer would receive if they used that option, adjusted for both of the following:

(a) a discount the customer may receive if they do not use the option; and
(b) the probability of exercising the option.

After receiving a prepayment from a customer, the entity recognizes a contractual obligation in the amount of the prepayment in response to a performance obligation to transfer or make available goods or services in the future. When the entity transfers those goods or services and thus satisfies the performance obligation, it derecognizes that contractual obligation (and recognizes revenue).

Since the awards related to the dealer loyalty project that the Group applies to its dealers and end-sellers, provide the customer with a material right that cannot be obtained unless they sign the contract as a party, the amounts earned by the customer related to these awards are accounted for as a contractual obligation in the financial statements. These awards, which are won within the scope of the Bayi Sadakat Project, are deducted from the contractual liability as they are used and recorded as revenue in the financial statements.

In cases where the Group collects a consideration from a customer and expects to reimburse some or all of this price to that customer, it recognizes the return obligation. The refund obligation is measured against the consideration received (or receivable) that the entity does not expect to be entitled to (i.e. amounts not included in the transaction price). The return obligation (the change in the transaction price and therefore the contractual obligation) is updated at the end of each reporting period, taking into account the changes in the conditions.

The Group includes all of the following in its financial statements in order to account for the transfer of products with the right to return (with some services provided, subject to return):

NOTE 2 ─ BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of significant accounting policies (Continued)

2.2.1 Revenue Recognition (Continued)

a) revenue for products transferred in the amount of consideration to which the entity expects to be entitled (therefore, revenue on products expected to be returned is not recognized);
b) a return obligation and
c) an asset for the entity's right to repurchase its products from the customer upon settlement of its return obligation (and an adjustment to the cost of sales accordingly).

An asset recognized under the right to repurchase products from the customer in order to settle the return obligation is calculated by first looking at the previous book value of the product, less any costs expected to be incurred in repurchasing those products (including any possible reductions in the value of the returned products to the business), should be measured. The Group updates its return liability measurement at the end of each reporting period to reflect the changes in the expectation of return amounts and recognizes the necessary adjustments as revenue (or deductions from revenue) in the financial statements.

The price of a good or service determined in the contract is the independent selling price of that good or service. If there is more than one good or service to be transferred in the contract, the Group allocates the transaction price to each performance obligation (or different good or service) in an amount that represents the price it expects to be entitled to in return for the transfer of the promised goods or services to the customer. To achieve the purpose of the distribution, the Group allocates the transaction price to each performance obligation specified in the contract at a relative stand-alone selling price. In order to allocate the transaction price to each performance obligation on a relative stand-alone selling price basis, the Group determines the contract inception stand-alone selling price of the different goods or services that form the basis of each performance obligation in the contract and distributes the transaction price in proportion to these stand-alone selling prices.

When a party fulfills a contract, an entity presents the contract as a contract asset or contract liability in its statement of financial position, depending on the relationship between the entity's performance and the customer's payment. The entity presents its unconditional rights to consideration separately as a receivable.

Before transferring a good or service to a customer, the Group presents the contract as a contractual obligation on the date the payment is made or the payment is due (whichever is earlier) if the customer pays the price or the enterprise has an unconditional receivable for the price. A contractual obligation is an entity's obligation to transfer goods or services to its customer in exchange for the consideration it has received (or is entitled to collect) from the customer.

In cases where the Group performs its performance by transferring the goods or services to the customer before the customer pays the price or before the payment becomes due, the Group presents the contract as a contract asset, excluding the amounts presented as receivables. A contract asset is the entity's right to receive consideration for goods or services that it has transferred to the customer.

The Group accounts for the contractual assets and liabilities capitalized in the statement of financial position under the "contract asset" and "contractual liability" accounts without offsetting them in the balance sheet.

NOTE 2 ─ BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of significant accounting policies (Continued)

2.2.2 Financial assets

Classification and measurement

The Group accounts its financial assets in three classes as financial assets accounted for at amortized cost, fair value through profit or loss, and fair value reflected in other comprehensive income. The classification is made on the basis of the business model and expected cash flows determined according to the purpose of benefiting from financial assets. Management classifies financial assets on the date of purchase.

(a) Assets recognized at amortized cost

Financial assets that are not quoted in an active market and are not derivative instruments that have fixed or fixed payments, in which management has adopted the contractual cash flow collection business model and the terms of the contract include only the principal and interest payments arising from the principal balance on certain dates, are classified as assets accounted for at amortized cost. If their maturities are less than 12 months from the date of the statement of financial position, they are classified as current assets, and if they are longer than 12 months, they are classified as non-current assets. Assets accounted for at amortized cost include "trade receivables", "other receivables" and "cash and cash equivalents" items in the statement of financial position. In addition to these, trade receivables collected from factoring companies within the scope of revocable factoring transactions, which are included in trade receivables, are classified as assets accounted for at amortized cost, since the collection risk of these receivables is not transferred.

Impairment

Since the trade receivables accounted for at amortized cost in the consolidated financial statements do not contain an important financing component, the Group uses the provision matrix by choosing the simplified application in the impairment calculations. With this application, the Group measures the expected credit loss allowance at an amount equal to the lifetime expected credit losses, unless the trade receivables are impaired for certain reasons. The calculation of the expected credit loss provision is made with the expected credit loss ratio determined by the Group based on past credit loss experiences and prospective macroeconomic indicators.

(b) Assets recognized at fair value

Assets for which management has adopted the business model of collecting and/or selling contractual cash flows are classified as assets recognized at fair value. These assets are classified as non-current assets unless management intends to dispose of the related assets within 12 months from the balance sheet date. For investments in equity-backed financial assets, the Group makes a selection at initial recognition as an equity investment where the fair value difference of the investment is recognized in other comprehensive income or profit or loss statement and cannot change this selection later.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of significant accounting policies (Continued)

2.2.2 Financial Assets (Continued)

i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include “derivatives” items in the statement of financial position. Derivative instruments are recognized as an asset if the fair value is positive and as a liability if the fair value is negative.

ii) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include “financial investments” and “derivative instruments” items in the statement of financial position. In case the assets whose fair value difference is recorded in other comprehensive income are sold, the valuation difference classified into other comprehensive income is reclassified to retained earnings.

2.2.3 Trade Receivables and Provisions for Doubtful Receivables

Trade receivables resulting from the provision of a product or service to a buyer by the Group are shown as “unearned finance income from forward sales” net of unaccrued finance income. Unaccrued financial income is calculated by discounting the amounts to be obtained in the following periods of the receivables recorded from the original invoice value using the “effective interest method”. Effective interest rate; It is the rate that discounts estimated future cash receipts or payments over the netted life of the financial asset to the present value of the financial asset. The discount is made on the basis of "compound interest". The rate used in this method and determined on the basis of compound interest is called the "effective interest rate". Short-term receivables with no specified interest rate are shown at cost, unless the effect of the effective interest rate is significant (Note 5).

The Group has preferred to apply the "simplified approach" in TFRS 9 Standard in the calculation of the impairment of trade receivables, which are accounted at amortized cost in their financial statements and do not contain a significant financing component.

Within the scope of the "simplified approach" of the TFRS 9 Standard, in cases where it is accepted that the trade receivables are not impaired for valid reasons as regulated in the TFRS 9 Standard, the loss provisions for trade receivables are measured at an amount equal to the "lifetime expected credit losses".

Instead of the "realized credit losses model" in TAS 39 "Financial Instruments: Recognition and Measurement", which was in effect before January 1, 2018, the "expected credit loss model" is defined in TFRS 9 "Financial Instruments" Standard. Expected credit losses are an estimate of the probable credit losses over the expected life of financial instruments, weighted based on historical statistics. In the calculation of expected credit losses, the Company's forecasts for the future are also taken into account, along with past credit loss experiences.

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 2 ─ BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of significant accounting policies (Continued)

2.2.3 Trade Receivables and Provisions for Doubtful Receivables (Continued)

The Company uses a "provision matrix" in the measurement of expected credit losses on trade receivables, In the provision matrix, certain reserve ratios are calculated depending on the number of days the trade receivables are overdue and these ratios are reviewed in each reporting period and revised when necessary. The change in the expected loan loss provisions is accounted for in the "other operating income/expenses" account in the income statement.

Following the provision for doubtful receivables, if all or part of the doubtful receivable amount is collected, the collected amount is deducted from the doubtful receivable provision and recorded in other income and expenses from main activities.

NOTE 3 – SEGMENT REPORTING

a) Segment analysis for the interim accounting period of 1 January ─ 30 September 2024:

	Türkiye	Russia and EE (*)	Europe	Total
Sales	504.328.189	-	234.617.119	738.945.308
Cost of sales (-)	(595.906.206)	-	(198.215.535)	(794.121.741)
Gross profit (loss)	**(91.578.017)**	**-**	**36.401.584**	**(55.176.433)**
Marketing expenses (-)	(128.238.497)	-	-	(128.238.497)
Net segment result	**(219.816.514)**	**-**	**36.401.584**	**(183.414.930)**
General administrative expenses (-)				(262.491.904)
Other operating income				461.426.141
Other operating expenses (-)				(273.620.053)
Financial expenses (-)				(72.329.795)
Monetary loss/earning				(176.273.254)
Income from investing activities				6.306.797
Expense from investing activities (-)				(438.215.055)
Profit (loss) before tax from continuing operations				**(938.612.053)**
Tax income (expense) for the period				(952.161)
Deferred tax income (expense)				176.760.680
Profit (loss) for the period from continuing operations				**(762.803.534)**

(Unless otherwise stated, amounts are expressed in Turkish Lira (“TL”) based on the purchasing power as of 30 September 2024)

NOTE 3 – SEGMENT REPORTING (Continued)

b) Segment analysis fort he interim accounting period of 1 January ─ 30 September 2023:

	Türkiye	Russia and EE (*)	Europe	Total
Sales	480.654.229	-	257.616.052	738.270.280
Cost of sales (-)	(774.517.379)	-	(225.394.270)	(999.911.650)
Gross profit/(loss)	**(293.863.150)**	**-**	**32.221.782**	**(261.641.370)**
Marketing expenses (-)	(112.756.412)	-	-	(112.756.412)
Net segment result	**(406.619.562)**	**-**	**32.221.782**	**(374.397.782)**
General administrative expenses (-)				(239.828.557)
Other operating income				220.744.302
Other operating expenses (-)				(150.654.539)
Financial expenses (-)				(35.661.360)
Monetary loss/earnings				39.683.870
Income from investing activities				108.966.278
Expense from investing activities (-)				(594.861.879)
Profit (loss) before tax from continuing operations				**(1.026.009.667)**
Tax income (expense) for the period				(1.091.553)
Deferred tax income (expense)				(129.143.492)
Profit (loss) for the period from continuing operations				**(1.156.244.712)**

(*) Information on discontinued operations and operations of subsidiaries classified as assets held for sale in Russia and EE are disclosed in Note 18.

c) Segment assets

	30 September 2024	31 December 2023
Türkiye	3.695.120.769	4.416.457.308
Russia and EE	3.448.476	3.668.286
Europe	429.042.363	468.471.846
	4.127.611.608	**4.888.597.440**
Unallocated assets	2.084.941	2.680.643
Total assets per consolidated financial statements	**4.129.696.549**	**4.891.278.083**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 3 – SEGMENT REPORTING (Continued)

d) Segment liabilities

	30 September 2024	31 December 2023
Türkiye	1.469.362.375	1.417.267.585
Russia and EE	28.698.165	32.191.309
Europe	59.832.944	77.231.001
	1.557.893.484	**1.526.689.895**
Unallocated liabilities	-	-
Total liabilities per consolidated financial statements	**1.557.893.484**	**1.526.689.895**

e) Information on discontinued operations:

Suspension of digital activities in Russia and the EE region

With the decision of the Board of Directors of Pronto Media Holding, residing in Russia, the indirect subsidiary of TME, of which the Group has a 97,29% stake, on November 22, 2017; Due to the intensity of the competition in the markets where it operates and the operational performance not at the desired level, it has decided to cease the activities of the digital platforms operating within its body, With this decision, the digital operations operating within the body of Pronto Media Holding were classified as "Discontinued Operations", Provisions for "impairment" calculated due to discontinued operations are accounted for under "Discontinued Operations" in the profit or loss statement, Information on discontinued operations is disclosed in Note 18.

NOTE 4 – SHORT TERM AND LONG TERM BORROWINGS

The details of financial liabilities as of September 30, 2024 and December 31, 2023 are as follows:

Short-term borrowings:	30 September 2024	31 December 2023
Short-term lease liabilities	16.859.961	28.153.482
Total	**16.859.961**	**28.153.482**

Long-term borrowings:

Long-term lease liabilities	30.808.694	41.393.615
Total	**30.808.694**	**41.393.615**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 5 – TRADE RECEIVABLES AND PAYABLES

Short-term trade receivables net-off of unearned finance income as of September 30, 2024 and December 31, 2023 are as follows:

Short Term Trade Receivables from Unrelated Parties:

	30 September 2024	**31 December 2023**
Trade receivables	197.050.885	265.117.121
Notes receivable and cheques	600.000	-
Credit cards receivables	12.726	29.097
Income accurals	3.270.984	2.396.004
Unearned finance income due from term sales	(2.335.599)	(3.998.302)
Less: Provision for doubtful receivables	(103.093.547)	(134.707.790)
Total	**95.505.449**	**128.836.130**

Under the recourse factoring agreement signed between the Group and Doruk Faktoring, the commercial receivable amounting to 51.945.426 TL (31 December 2023: 81.783.336 TL) arising from the Group's advertising sales is being followed up by Doruk Faktoring. The Group has not transferred the risk of non-collection regarding these receivables and continues to carry it on its balance sheet. These receivables are related to some commercial advertisements and classified ads. The weighted average maturity of the mentioned sales is 81 days (31 December 2023: 81 days). The amount of "unearned finance income from sales on credit" for the receivables followed up by Doruk Faktoring is 1.136.436 TL (31 December 2023: 3.314.010 TL), and the annual average compound interest rate applied to all receivables is 45.12% (31 December 2023: 45.12%).

The movements of provision for doubtful receivables are as follows:

	2024	**2023**
1 January	**(134.707.790)**	**(206.053.941)**
Provisions set aside during the period	(3.500.595)	(2.934.637)
Collections and reversals during the period	2.475.127	13.393.116
Monetray loss/earning	32.573.674	69.542.193
Currency translation differences	66.037	(16.928.766)
30 September	**(103.093.547)**	**(142.982.035)**

Short Term Trade Payables from Unrelated Parties:

Trade payables as of 30 September 2024 and 31 December 2023 are as follows:

	30 September 2024	**31 December 2023**
Short-term trade payables and notes payable	157.095.124	165.007.253
Expense accruals	10.494.466	11.393.440
Unrealized financial expenses due to term purchases	(5.674.050)	(6.449.603)
Total	**161.915.540**	**169.951.090**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 5 ─ TRADE RECEIVABLES AND PAYABLES (Continued)

As of September 30, 2024, the Group's weighted average maturity of trade payables is 51 days (December 31, 2023: 41 days). As of September 30, 2024, the 'unrealized financing expense from deferred purchases' amounts to 5.674.050 TL (December 31, 2023: 6.449.603 TL), and the average annual compound interest rate applied is 45.12% (December 31, 2023: 45.12%). The rate determined using this method on a compound interest basis is referred to as the 'effective interest rate'; this rate has been determined considering the data of the Central Bank of the Republic of Turkey.

NOTE 6 ─ INVESTMENT PROPERTIES

The movements in investment property as of 30 September 2024 and 2023 are as follows:

	Lands	**Buildings**	**Total**
1 January 2024	**1.302.014.882**	**399.590.432**	**1.701.605.314**
Additions	-	-	-
Disposal	(1.134.612.483)	(325.754.920)	(1.460.367.403)
Adjustment in fair value adjustment	-	-	-
30 September 2024	**167.402.399**	**73.835.512**	**241.237.911**

	Lands	**Buildings**	**Total**
1 January 2023	**2.737.616.130**	**1.231.590.514**	**3.969.206.644**
Additions	-	-	-
Disposal	(1.889.842.313)	(490.919.941)	(2.380.762.254)
Adjustment in fair value adjustment	-	-	-
30 September 2023	**847.773.817**	**740.670.573**	**1.588.444.390**

In the consolidated statement of financial position of the Group's Parent as of 30 September 2024, mortgages have been placed on investment properties, comprising land and buildings, with a net book value of 50.051.456 TL (31 December 2023: 209.880.870 TL).

For the interim period ended 30 September 2024, the rental income obtained from investment properties amounted to 2.103.166 TL (30 September 2023: 10.892.949 TL) (Note 14)

During the period, the direct operating expenses arising from investment properties amounted to 225.918 TL (30 September 2023: 122.116 TL).

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 6 ─ INVESTMENT PROPERTIES (Continued)

As of September 30, 2024 and December 31, 2023, the information and fair value hierarchy level classification of lands and buildings are as follows:

		Fair value as at reporting date		
		Level 1	**Level 2**	**Level 3**
	30 September 2024	**TL**	**TL**	**TL**
Land	167.402.399	-	167.402.399	-
Building	73.835.512	-	73.835.512	-

		Fair value as at reporting date		
		Level 1	**Level 2**	**Level 3**
	31 December 2023	**TL**	**TL**	**TL**
Land	937.351.006	-	937.351.006	-
Building	764.254.310	-	764.254.310	-

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 7 ─ PROPERTY, PLANT AND EQUIPMENT

The movements of property, plant and equipment and related accumulated depreciation for the period ended September 30, 2024 are as follows:

	1 January 2024	Currency Transition Differences	Additions	Disposals	30 September 2024
Cost					
Lands and land improvements	1.027.633.882	(16.479.743)	-	(266.774.732)	744.379.407
Buildings	549.429.998	(23.062.909)	-	(135.943.324)	390.423.765
Machinery and equipment	4.535.627.233	(145.709.537)	317.479	(1.679.723.871)	2.710.511.304
Motor vehicles	8.637.475	-	-	-	8.637.475
Furniture and fixtures	489.665.914	(3.900.741)	6.460.825	(38.637.067)	453.588.931
Special costs	630.034.985	-	4.974.283	(27.971.238)	607.038.030
Operational lease assets	171.260.983	-	6.800.667	-	178.061.650
Other non-current assets	30.645.397	(4.318.275)	-	-	26.327.122
Ongoing investments	1.801	(475)	-	-	1.326
	7.442.937.668	**(193.471.680)**	**18.553.254**	**(2.149.050.232)**	**5.118.969.010**
Accumulated depreciation					
Machinery and equipment	(4.511.050.861)	144.342.992	(4.634.525)	1.676.684.472	(2.694.657.922)
Motor vehicles	(8.637.475)	-	-	-	(8.637.475)
Furniture and fixtures	(465.584.056)	3.861.433	(7.233.151)	38.112.791	(430.842.983)
Special costs	(604.812.145)	-	(2.005.178)	7.171.014	(599.646.309)
Operational lease assets	(54.179.620)	-	(27.679.084)	-	(81.858.704)
Other non-current assets	(30.600.364)	4.308.687	(35.445)	-	(26.327.122)
	(5.674.864.521)	**152.513.112**	**(41.587.383)**	**1.721.968.277**	**(3.841.970.515)**
Net book value	**1.768.073.147**				**1.276.998.495**

As of 30 September 2024, there are mortgages on land and building classified under property, plant and equipment amounting to 264.948.544 TL (31 December 2023: 218.079.203 TL).

For the period ended 30 September 2024, depreciation expenses amounting to 21.847.451 TL were included in the cost of goods sold (Note 13) (30 September 2023: 14.704.187 TL) and 19.739.932 TL were included in marketing and general administrative expenses (30 September 2023: 19.479.611 TL).

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 7 ─ PROPERTY, PLANT AND EQUIPMENT (Continued)

The movements of property, plant and equipment and related accumulated depreciation for the period ended September 30, 2023 are as follows:

	1 January 2023	Currency Transition Differences	Additions	Disposals	30 September 2023
Cost					
Lands and land improvements	962.638.662	(3.327.298)	-	-	959.311.364
Buildings	523.670.479	(4.673.076)	-	-	518.997.403
Machinery and equipment	10.787.922.179	(29.457.196)	93.382	(6.141.672.603)	4.616.885.762
Motor vehicles	8.637.476	-	-	-	8.637.476
Furniture and fixtures	583.290.205	(1.883.539)	8.850.413	(73.633.776)	516.623.303
Special costs	628.535.910	-	1.428.479	(14.076)	629.950.313
Operational lease assets	116.239.395	-	19.296.923	(1.858.246)	133.678.072
Other non-current assets	30.902.629	(872.005)	-	-	30.030.624
Ongoing investments	2.968	-	-	-	2.968
	13.641.839.903	**(40.213.114)**	**29.669.197**	**(6.217.178.701)**	**7.414.117.285**
Accumulated depreciation					
Machinery and equipment	(10.730.054.781)	28.509.801	(9.683.662)	6.124.804.714	(4.586.423.928)
Motor vehicles	(8.637.476)	-	-	-	(8.637.476)
Furniture and fixtures	(557.860.707)	1.889.892	(7.205.449)	72.571.341	(490.604.923)
Special costs	(600.400.321)	-	(3.289.079)	14.076	(603.675.324)
Operational lease assets	(29.669.276)	-	(13.119.739)	-	(42.789.015)
Other non-current assets	(29.736.752)	839.110	(885.869)	-	(29.783.511)
	(11.956.359.313)	**31.238.803**	**(34.183.798)**	**6.197.390.131**	**(5.761.914.177)**
Net book value	**1.685.480.590**				**1.652.203.108**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 8 – INTANGIBLE ASSETS

The movements of intangible assete and related accumulated depreciation for the period ended September 30, 2024 are as follows:

	1 January 2024	**Currency Transition Differences**	**Additions**	**Disposals**	**30 September 2024**
Cost					
Trade names and licenses	38.360.584	(22.439.809)	-	-	15.920.775
Customer list	599.867.043	(270.540.729)	-	-	329.326.314
Computer software and rights	787.611.807	(71.535.103)	-	(1.527.273)	714.549.431
Developing cost	4.237.962	-	-	-	4.237.962
Other intangible assets	208.091.235	-	-	(131.293)	207.959.942
	1.638.168.631	**(364.515.641)**	**-**	**(1.658.566)**	**1.271.994.424**
Accumulated amortization					
Trade names and licenses	(38.360.584)	22.439.809	-	-	(15.920.775)
Customer list	(599.867.043)	270.540.729	-	-	(329.326.314)
Computer software and rights	(755.157.414)	71.535.102	(6.199.671)	1.527.273	(688.294.710)
Developing cost	(4.237.962)	-	-	-	(4.237.962)
Other intangible assets	(202.337.350)	-	(395.583)	131.293	(202.601.640)
	(1.599.960.353)	**364.515.640**	**(6.595.254)**	**1.658.566**	**(1.240.381.401)**
Net book value	**38.208.278**				**31.613.023**

For the period ended 30 September 2024, amortization expenses amounting to 3.464.740 TL were included in the cost of goods sold (Note 13) (30 September 2023: 5.250.599 TL) and 3.130.514 TL were included in marketing and general administrative expenses (30 September 2023: 6.955.816TL).

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 8 – INTENGIBLE ASSETS (Continued)

The movements of intangible assete and related accumulated depreciation for the period ended September 30, 2023 are as follows:

	1 January 2023	Currency Transition Differences	Additions	Disposals	30 September 2023
Cost					
Trade names and licenses	194.524.689	(39.107.457)	-	-	155.417.232
Customer list	1.917.808.626	(44.054.155)	-	-	1.873.754.471
Computer software and rights	1.137.668.971	(11.648.592)	-	(1.158.477)	1.124.861.902
Internet domain names	6.050.122	(2.012.818)	-	-	4.037.304
Developing cost	4.237.961	-	-	-	4.237.961
Other intangible assets	208.091.235	-	-	-	208.091.235
	3.468.381.604	**(96.823.022)**	**-**	**(1.158.477)**	**3.370.400.105**
Accumulated amortization					
Trade names and licenses	(176.801.212)	21.383.980	-	-	(155.417.232)
Customer list	(1.917.808.626)	44.054.155	-	-	(1.873.754.471)
Computer software and rights	(1.109.441.374)	11.648.592	(8.455.585)	649.069	(1.105.599.298)
Internet domain names	(6.050.122)	2.012.818	-	-	(4.037.304)
Developing cost	(4.058.878)	-	(179.083)	-	(4.237.961)
Other intangible assets	(197.578.855)	-	(3.571.748)	-	(201.150.603)
	(3.411.739.067)	**79.099.545**	**(12.206.416)**	**649.069**	**(3.344.196.869)**
Net book value	**56.642.537**				**26.203.236**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 9 – PROVISIONS, CONTINGENT AND LIABILITIES

As of 30 September 2024 and 31 December 2023 short-term debt provisions are as follows:

Short Term Provision for Employee Benefits:

Provision for unused leave rights

	30 September 2024	31 December 2023
Provision for unused leave rights	96.527.807	92.038.675
Total	**96.527.807**	**92.038.675**

The movements of the provision for unused vacation rights in the interim accounting periods ending on 30 September 2024 and 2023 are as follows:

	2024	2023
1 January	**92.038.675**	**134.598.922**
Additions during the period	22.031.123	34.461.654
Payments related to provisions	(24.518.569)	(20.882.975)
Monetary loss earning	6.629.733	(35.567.343)
Currency translation differences	346.845	687.046
30 September	**96.527.807**	**113.297.304**

Other Short Term Provisions:

Provisions for lawsuit and compensation

Provisions:	30 September 2024	31 December 2023
Provisions for lawsuit and compensation	17.565.509	25.126.468
Total	**17.565.509**	**25.126.468**

The total amount of lawsuits filed against the Group is 14.111.710 TL (December 31, 2023: 21.171.900 TL). The Group recognizes provisions when there is a present legal or constructive obligation resulting from past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Based on this analysis, as of September 30, 2024, the Group management has set aside a provision of 17.565.509 TL (December 31, 2023: 25.126.468 TL) for lawsuits and compensation, but considers that it is not possible to determine the timing of the payment of these provisions.

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 9 ─ PROVISIONS, CONTINGENT AND LIABILITIES (Continue)

As of 30 September 2024 and 31 December, ongoing lawsuits against the Group are as follows:

	30 September 2024	**31 December 2023**
Labor lawsuits	7.602.764	8.270.590
Legal lawsuits	6.455.843	12.288.580
Commercial lawsuits	53.103	612.730
Total	**14.111.710**	**21.171.900**

The movements of provisions set aside for lawsuits and compensations during the interim accounting periods ended on 30 September 2024 and 2023 are as follows:

	2024	**2023**
1 January	**25.126.468**	**51.444.102**
Additions during the period	2.957.786	2.690.790
Payments related to provisions and compensation	-	(216.698)
Provision reversed	(4.149.226)	(7.762.022)
Monetray loss earning	(6.632.132)	(17.114.875)
Currency translation differences	262.613	535.680
30 September	**17.565.509**	**29.576.977**

NOTE 10 ─ COMMITMENTS

CPM'S given by the Group

As given in the table below, there are no CPM's given to third parties.

The shares belonging to the main shareholder of the Group were purchased by Demirören Medya on May 16, 2018. Based on the agreements made between Demirören Medya and the lending institutions at the time of the purchase, the lending institutions have the right to mortgage and pledge the Group's assets, As of the report date, there is a mortgage of 315.000.000 TL placed on the Group's real estate by the lender.

Barter agreements

The Group has entered into barter agreements, which are a common practice in the media sector. These agreements involve the exchange of goods and services without any cash payment or collection. As of September 30, 2024, the Group has an unused advertising commitment of 8.251.848 TL (December 31, 2023: 9.037.842 TL) under these agreements. The Group has invoiced the counterparty for barter transactions and recognized a receivable in the statement of financial position, but as of September 30, 2024, it has not yet received the related goods or services, amounting to 338.760 TL in receivables (December 31, 2023: 1.351.764 TL).

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 10 ─ COMMITMENTS (Continued)

The Group's collaterals/pledge/mortgage ("CPM") position as of September 30, 2024 and December 31, 2023 are as follows:

	30 September 2024		31 December 2023	
	Foreign Currency	**TL Equivalent**	**Foreign Currency**	**TL Equivalent (Indexed)**
A. Total amounts of CPM's given in the name of its own legal personality				
-Collaterals				
TL	385.395	385.395	464.938	631.666
Russian Rouble	-	-	-	-
-Warranty Notes				
TL	203.937	203.937	203.937	277.069
Euro	25.000	950.450	25.000	1.106.375
US Dollar	1.250.000	42.612.500	1.250.000	49.993.548
B. Total amount of CPM's give on behalf of the fully consolidated companies				
-Bail				
TL	-	-	-	-
C. Total amount of CPM's give on behalf of third parties for ordinary course of the business	-	-	-	-
D. Total amount of other CPM's give				
i) Total amount of CPM's given in favor of the parent company				
TL (*)	315.000.000	315.000.000	315.000.000	427.960.073
ii) Total amount of CPM's given in favor of other group companies that are not in the scope of B and C				
TL	-	-	-	-
iii) Total amount of CPM's given in favor of third parties that are not within the scope of article C				
TL	-	-	-	-
Total		**359.152.282**		**479.968.731**

The ratio of other CPMs given by the Group to the Group's equity is 12% as of 30 September 2024 (December 31, 2023: 13%).

(*) Shares belonging to the main shareholder of the Company were purchased by Demirören Medya on May 16, 2018, Lenders have the right to place mortgages and pledges on the assets of the Company in the context of shareholder purchase agreement. As of the report date, there is a mortgage amounting to 315.000.000 TL placed on the real estates of the Group by the lender.

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 11 ─ EMPLOYEE BENEFITS

Provision long-term provisions for employment termination benefits as of 30 September 2024 and 31 December 2023 are as follows:

Long-term provisions for employment termination benefits:

	30 September 2024	31 December 2023
Provision for employment termination benefits	96.059.403	89.773.093
Total	**96.059.403**	**89.773.093**

Except the legal requirements other than Türkiye in which the Group operates, there are no pension plans and benefits.

Under the Turkish Labor Law, the Group is obligated to pay severance pay to employees whose employment is terminated without cause, who are called up for military service, who pass away, become disabled, retire, or reach the retirement age, provided they have completed one year of service. As of September 30, 2024, the severance pay to be paid is subject to a ceiling of 41.828,42 TL (December 31, 2023: 23.489,83 TL) for each year of service based on one month's salary. In calculating the provision for severance pay, the ceiling amount of 41.828,42 TL effective as of September 30, 2024, has been taken into account (23.489,83 TL effective as of December 31, 2023).

On the other hand, the Group is liable to make payments to personnel who work for a minimum of 5 years and whose employment is terminated due to any cause in accordance with the regulations with regards to Employees Employed in the Press Sector. The maximum payable amount is 30 days' salary for each year of service, Employment termination benefit liabilities are not subject to any funding and there are no legal requirements for funding of these liabilities.

Provision for employment termination benefits is calculated by estimating the present value of the future probable obligation arising from the retirement probability of the employees of the Group.

TAS 19 Employee Benefits, requires companies to compute their liabilities by developing actuarial assumptions within defined benefit plans. According to the report prepared by Actuarial firm in order to calculate total liability, the assumptions below are used:

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation, Consequently, in the accompanying financial statements as at 30 September 2024, the provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement probability of the employees.

(Unless otherwise stated, amounts are expressed in Turkish Lira (“TL”) based on the purchasing power as of 30 September 2024)

NOTE 11 ─ EMPLOYEE BENEFITS (Continued)

Long-term provisions for employment termination benefits (Continued):

Age of retirement is based on considering the Company’s historical operating data and taken as the average age of retirement from the Group.

The movements in provision for employment termination benefits during the periods ended at September 30, 2024 and 2023 are as follows:

	2024	**2023**
1 January	**89.773.093**	**159.867.923**
Service cost during the period	47.509.655	58.172.084
Interest cost during the period	5.872.314	5.476.585
Payments and reversal of provisions during the period	(23.640.236)	(43.345.982)
Monetary loss / earning	(23.455.423)	(45.728.109)
30 September	**96.059.403**	**134.442.501**

NOTE 12 ─ EQUITIES

The Company adopted the registered share capital system and set a ceiling on its registered share capital representing registered type shares with a nominal value of 1 TL. There are no privileged shares, The Company’s historical authorized and paid-in share capital at 30 September 2024 and 31 December 2023 are as follows:

	30 September 2024	**31 December 2023**
Registered share capital	800.000.000	800.000.000
Paid-in share capital	592.000.000	592.000.000

The Companies in Türkiye may exceed the limit for registered share capital in case of issuance of free capital shares to existing shareholders.

Doğan Şirketler Grubu Holding A.Ş. which has 552.000.000 units of shares registered by Central Securities Depository of Turkey, representing 77,67% of the issued capital of Hürriyet has transferred to Demirören Medya, On May 16, 2018 the share transfer was completed with the extraordinary meeting held on September 6, 2018. As a result of this transaction, Demirören Medya became the main shareholder of the Company, The ultimate shareholder of the Company is the Demirören Family.

In accordance with the decision dated November 19, 2018, taken by the Board of Directors, within the registered capital ceiling of 800.000.000 TL of the Company, the issued capital of 552.000.000 TL, divided into 552.000.000 shares with a nominal value of 1.00 TL each, has been increased by 40.000.000 TL (7.24% ratio) to 592.000.000 TL through a cash (paid-in) capital increase. The issuance document for the capital increase was approved by the Capital Markets Board on December 13, 2018, under Decision No. 63/1446. The amount of 40.000.000 TL was collected in cash from Demirören Medya, and the capital increase transaction was completed on December 21, 2018. The transaction was registered by the Istanbul Trade Registry Office on January 15, 2019.

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 12 ─ EQUITIES (Continued)

Within the scope of the Capital Markets Board's Communiqué on Takeover Bids (II-26.1), the mandatory takeover bid process conducted by Demirören Medya Yatırımları Ticaret A.Ş., the controlling shareholder of the Company, through Ziraat Yatırım Menkul Değerler A.Ş., for the publicly held shares representing Hürriyet's capital was completed between January 28, 2022, and February 10, 2022. As a result of the takeover bid, 12.017.987,48 shares were acquired from 291 investors outside the stock exchange. The total value of the acquired shares is 88.946.447,24 TL. No shares were acquired from the stock exchange as part of the takeover bid process.

Upon completion of the repurchase process, according to the CRA records, as of 31 March, 2022, the actual free float rate of Hürriyet Gazetecilik ve Matbaacılık A.Ş. was 18.79%, and the share of the Company's controlling shareholder, Demirören Medya Yatırımları Ticaret A.Ş., was 81.21%.

The Board of Directors of the Company decided on 27 January 2022 to extend the current Registered Capital Ceiling period of the Company for another 5 (five) years, starting from 2022, including 2026, As a result of the said decision, the necessary application was made to the Capital Markets Board and the application was made with the permission letter of the Capital Markets Board ("CMB") dated 14,02,2022 and numbered E-29833736-110,04,04-17286 and the permission letter of Trade Ministry of Turkey dated 01,03,2022 and numbered E-50035491-431,02-00072383775, As a result of the aforementioned approval, the amendment of the Company's Articles of Association will be submitted to the approval of the shareholders at the first General Assembly Meeting to be held in 31 March 2022.

Shareholders	30 September 2024	Share (%)	31 December 2023	Share (%)
Demirören Medya	480.780.776	81,21	480.780.776	81,21
Other shareholders (BİAŞ and other shareholders)	111.219.224	18,79	111.219.224	18,79
Issued share capital	**592.000.000**	**100,00**	**592.000.000**	**100,00**
Adjustment to share capital	12.593.484.362		12.593.484.362	
Total	**13.185.484.362**	**100,00**	**13.185.484.362**	**100,00**

In accordance with the Principle Decision dated October 30, 2014, No. 31/1059, as amended by the Principle Decision dated July 23, 2010, No. 21/655, and according to the CRA records; as of September 30, 2024, it is accepted that shares corresponding to 18.77% of the Company's capital (December 31, 2023: 18.77%) are in circulation (Note 1).

Adjustment to share capital represents the difference between balances which restatement effect of cash contributions to share capital equivalent purchasing power and balance before the inflation adjustment calculated.

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 12 ─ EQUITIES (Continued)

Other Accumulated Comprehensive Income and Expenses to Will not be Reclassified to Profit or Loss

The Company's other accumulated comprehensive income and expenses that will not be reclassified to profit or loss resulting from tangible asset revaluation increases and defined benefit plans remeasurement losses are summarized below:

	30 September 2024	**31 December 2023**
Property, plant and equipment revaluation increases (decreases)	343.795.097	823.873.028
Defined benefit plans remeasurement gains (losses)	173.907	173.907
Total	**343.969.004**	**824.046.935**

Accordingly, the Group has accounted for the fair value increase amounting to 343.795.097 TL, which occurred in the 30 September 2024 accounting period, as a value increase fund, after clearing the tax effect from the equity of the parent company in the consolidated financial statements prepared as of 30 September 2024.

In the interim accounting period from 1 January – 30 September 2024, a valuation report has not been received for the mentioned tangible assets.

The provision for employment termination benefits is calculated by estimating the present value of the Group's probable future obligation arising from the retirement of employees. The Group has accounted for all actuarial losses and gains related to employment termination benefits in the other comprehensive income statement. Measurement losses shown under equity in the balance sheet as revaluation measurement difference is 173.907 TL (31 December 2023: 173.907 TL).

Other Accumulated Comprehensive Income and Expenses will be Reclassified to Profit or Loss

	30 September 2024	**31 December 2023**
Foreign currency conversion differences	196.486.492	218.378.488
Total	**196.486.492**	**218.378.488**

Restricted reserves

Restricted reserves are reserved from the prior period profit due to legal or contractual obligations or for certain purposes other than the profit distribution (for example, to obtain the tax advantage of gain on sale of associates). Restricted reserves are in the scope of solo legal records in accordance with Turkish Commercial Code and Tax Procedure Law.

The legal reserves are appropriated out in accordance with the Article 519 of Turkish Commercial Code (TCC) and are used according to the procedures specified in this Article, Related amounts have to be classified in "Restricted Reserves" (except for inflation differences) in accordance with TAS.

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 12 ─ EQUITIES (Continued)

In accordance with TMS, as of September 30, 2024, the Company's restricted reserves set aside from profit amounting to 1.669.159.188 TL (December 31, 2023: 1.330.723.946 TL) consist of general legal reserves, gains from the sale of real estate, and gains from the sale of participations.

	30 September 2024	**31 December 2023**
Gain on sale of real estate	830.618.360	492.151.187
General legal reserves	828.920.712	828.920.712
Gain on sale of subsidiary	6.711.167	6.711.167
R&D incentive grant	2.908.949	2.940.880
Total	**1.669.159.188**	**1.330.723.946**

Dividend distribution

The Group takes dividend distribution decision in General Assembly by taking into account Turkish Commercial Code (TCC), Capital Markets Law (CMB) and Capital Market Regulations, Corporate Tax, Income Tax, other relevant legislations and relevant legislations of the Articles of Association of the Company and "Dividend Distribution Policy". The principles of dividend distribution are determined by Dividend Distribution Policy.

On the other hand,

a) In first adoption of TAS, retained earnings resulted from redrafting of comparative financial statements in line with regulations,

b) "Equity inflation adjustment differences" resulting from restricted reserves without any record preventing dividend distribution,

c) Retained earnings resulting from first adoption of inflation adjustments, can be distributed to the shareholders as dividend,

Besides, in case "Equity Effect Related to the Share Purchase" account is in the consolidated financial statement of equity, aforementioned account item is not considered as discount or premium item while calculating the net distributable profit.

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 13 – REVENUE AND COST OF SALES

Revenue

The detail of sales for the years ended September 30, 2024, and 2023 are as follows:

	1 January - 30 September 2024	**1 July - 30 September 2024**	**1 January - 30 September 2023**	**1 July- 30 September 2023**
Advertising revenue	259.219.253	80.130.912	265.028.146	92.043.405
Circulation and publishing incomes	451.535.643	138.490.737	421.477.322	122.073.878
Other	28.190.412	10.792.395	51.764.812	16.123.077
Sale income	**738.945.308**	**229.414.044**	**738.270.280**	**230.240.360**
Cost of sales (-)	(794.121.741)	(255.641.755)	(999.911.650)	(336.848.536)
Gross profit (loss)	**(55.176.433)**	**(26.227.711)**	**(261.641.370)**	**(106.608.176)**

	Printing Media 1 January - 30 September 2024	**Digital Media 1 January - 30 September 2024**	**Printing Media 1 January - 30 September 2023**	**Digital Media 1 January - 30 September 2023**
Domestic	383.339.129	120.989.060	363.687.076	116.967.158
Foreign	234.617.119	-	257.616.046	-
Total revenue	**617.956.248**	**120.989.060**	**621.303.122**	**116.967.158**
Performance Obligations				
Circulation sales	428.213.533	-	395.496.480	-
Subcontracted printing sales	23.322.110	-	25.980.842	-
Advertising sales	138.230.193	120.989.060	148.060.988	116.967.158
Other sales	28.190.412	-	51.764.812	-
	617.956.248	**120.989.060**	**621.303.122**	**116.967.158**
Fulfillment of the performance obligations				
In time	479.726.055	-	473.242.130	-
At a specific moment in time	138.230.193	120.989.060	148.060.992	116.967.158
	617.956.248	**120.989.060**	**621.303.122**	**116.967.158**

(Unless otherwise stated, amounts are expressed in Turkish Lira (“TL”) based on the purchasing power as of 30 September 2024)

NOTE 13 ─ REVENUE AND COST OF SALES (Continue)

Cost of sales

The details of cost of sales for the periods ended September, 2024 and 2023 are as follows:

	1 January - 30 September 2024	**1 July- 30 September 2024**	**1 January - 30 September 2023**	**1 July- 30 September 2023**
Raw material	(193.110.808)	(59.066.521)	(315.174.288)	(94.089.493)
Paper	*(82.767.157)*	*(23.035.687)*	*(172.231.400)*	*(46.831.895)*
Printing and ink	*(49.260.784)*	*(13.139.879)*	*(63.356.539)*	*(20.315.688)*
Other Costs	*(61.082.867)*	*(22.890.955)*	*(79.586.349)*	*(26.941.910)*
Personnel expenses	(462.190.020)	(151.141.812)	(506.218.038)	(183.383.682)
Depreciation expenses (Note 7,8)	(27.681.449)	(8.251.480)	(23.342.322)	(10.040.944)
Agency expenses	(17.845.877)	(5.722.844)	(22.518.849)	(5.732.024)
Distribution, storage and travel expenses	(17.199.740)	(6.067.858)	(24.708.121)	(8.728.686)
Fuel, electricity, water and office expenses	(8.485.046)	(2.962.812)	(13.113.782)	(4.140.764)
Outsourced services	(48.883.384)	(15.917.507)	(68.605.381)	(21.884.783)
Communication expenses	(6.778.106)	(2.371.483)	(6.515.349)	(2.023.671)
Maintenance and repair expenses	(3.252.646)	(1.183.813)	(3.937.645)	(1.366.850)
Rent Expenses	(8.509.782)	(2.893.693)	(15.435.672)	(5.302.790)
Other	(184.883)	(61.932)	(342.203)	(154.849)
Total	**(794.121.741)**	**(255.641.755)**	**(999.911.650)**	**(336.848.536)**

NOTE 14 ─ INCOME FROM INVESTING ACTIVITIES

The details of income from investing activities for the periods ended 30 September 2024 and 2023 are as follows:

	1 January - 30 September 2024	**1 July 30 September 2024**	**1 January - 30 September 2023**	**1 July 30 September 2023**
Rent income (Note 6)	2.103.166	384.098	10.892.949	1.330.722
Gains on sale of property, plant and intangible assets	4.203.631	3.834.674	98.073.329	44.042.069
Total	**6.306.797**	**4.218.772**	**108.966.278**	**45.372.791**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 15 ─ EXPENSE FROM INVESTING ACTIVITIES

The details of expenses from investing activities for the periods ended 30 September 2024 and 2023 are as follows:

	1 January - 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Expenses related to investing properties	(225.918)	(138.977)	(122.116)	(88.775)
Sale loss related to investing properties	(437.989.137)	-	(594.739.763)	-
Total	**(438.215.055)**	**(138.977)**	**(594.861.879)**	**(88.775)**

NOTE 16 ─ FINANCE INCOME / (EXPENSE)

The details of expenses from investing activities for the periods ended 30 September 2024 and 2023 are as follows:

	1 January - 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Interest expense	(45.153.153)	(2.833.724)	(15.039.102)	(500.114)
Foreign exchange income/(losses), net	(1.580.422)	(203.923)	(773.154)	(191.318)
Loan commission, bank costs and factoring expense	(21.141.522)	(10.269.065)	(13.384.462)	(6.593.501)
Late interest expense	(4.454.698)	(2.011.636)	(6.433.429)	(4.216.811)
Other	-	-	(31.213)	(8.008)
Total	**(72.329.795)**	**(15.318.348)**	**(35.661.360)**	**(11.509.752)**

NOTE 17 ─ INCOME TAX

Assets related to Current Period Tax:

	30 September 2024	31 December 2023
Corporate and income tax payable	951.323	1.629.425
Less: Prepaid taxes	-	-
Current income tax liabilities	**951.323**	**1.629.425**

The company and its subsidiaries within the scope of consolidation are subject to the tax legislation and practices of the countries in which they operate.

The corporate tax rate in Turkey is 25% (2023: %25). Corporate tax is declared until the evening of the last day of the fourth month following the end of the relevant year and is paid until the end of the relevant month. Income earned on a quarterly basis, in accordance with tax regulations, is subject to a 25% provisional tax, and the amounts paid in this manner are offset against the annual calculated tax on earnings.

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 17 ─ INCOME TAX (Continued)

Companies calculate and pay a temporary tax at a rate of 25% based on their quarterly financial profits. They declare and pay this tax by the 17th day of the second month following the respective quarter, by the evening of the 17th day. Temporary tax paid throughout the year is offset against the corporate tax calculated on the corporate tax return for that year, which is filed in the following year. If there is an excess amount of temporarily paid tax even after offsetting, this amount can be refunded in cash or used to offset any other financial debt owed to the government.

According to the Corporate Tax Law, financial losses shown on the declaration can be deducted from the corporate tax base of the period provided that they do not exceed 5 years. Declarations and related accounting records can be examined by the tax office within five years.

Turkish tax legislation does not allow the parent company to file a tax return on the consolidated financial statements of its subsidiaries. For this reason, tax liabilities reflected in the consolidated financial statements of the Group have been calculated separately for all companies included in the scope of consolidation. In the statements of financial position dated 30 September 2024 and 31 December 2023 the tax amounts to be paid are netted for each Subsidiary and are classified separately in the consolidated financial statements.

As of 30 September 2024, the tax rates used in the calculation of deferred tax, taking into account the tax legislation in effect in each country, are as follows:

Country	Tax Rates (%)
Germany	%30,00
Belarussian	%20,00
Russsia	%20,00
Holland	%25,80

Deferred Tax

The Group recognizes deferred tax assets and liabilities based on temporary differences arising between the financial statements as reported for Financial Reporting Standards announced by Public Oversight Authority and financial statements prepared in accordance with the tax legislation. These differences usually stem from the income and expense to be accounted in different period because of the difference between Financial Reporting Standards announced by Public Oversight Authority and Tax legislation.

The rates applied to deferred tax assets and liabilities calculated according to the liability method on long-term temporary differences that will occur in future periods are the tax rates valid on the dates of the financial position statements, and these rates are included in the table and explanations above.

Due to the net presentation of deferred tax assets and liabilities in the financial statements of subsidiaries and joint ventures, which are separate taxpayers, the effects of this net presentation are reflected in the Group's summary consolidated financial position statement. The temporary differences and deferred tax assets and liabilities in the table below are prepared on a gross basis.

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 17 ─ INCOME TAX (Continued)

	30 September 2024	31 December 2023
Deferred tax liabilities	(152.638.774)	(329.399.454)
Deferred tax assets	-	-
Deferred tax liabilities, net	**(152.638.774)**	**(329.399.454)**

The temporary differences and deferred tax assets/(liabilities) using the enacted tax rates as of September 30, 2024 and December 31, 2023 are as follows:

	Accumulated temporary differences		Deferred tax assets / (liabilities)	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Provision for employee termination benefits and unused vacation right	178.810.298	163.632.678	44.702.575	40.901.137
Net difference between tax base an carrying value of trade and other receivables	29.956.032	41.752.789	7.489.008	10.404.564
Leasing transactions classification difference (TFRS 16)	13.591.233	13.676.978	3.397.808	3.419.245
Difference between tangible assests and intengible assests and tax assesment with carrying value of investment properties	(921.391.670)	(1.888.608.381)	(180.762.604)	(404.402.946)
Other, net	(109.862.244)	80.978.040	(27.465.561)	20.278.546
Total	**(808.896.351)**	**(1.588.567.896)**	**(152.638.774)**	**(329.399.454)**

As of September 30, 2024, carryforward tax losses for which deferred tax asset was not recognized amounted to 1.955.231.028 TL (31 December 2023: 1.955.231.028 TL).

The analysis of the tax expense/(income) for the periods ended 30 September 2024 and 2023 are as follows:

	1 January - 30 September 2024	1 July- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2023
Current tax income/(expense)	(952.161)	(313.305)	(1.091.553)	(206.368)
Deferred tax income/(expense)	176.760.680	(43.146.708)	(129.143.492)	(80.661.714)
Total	**175.808.519**	**(43.460.013)**	**(130.235.045)**	**(80.868.082)**

(Unless otherwise stated, amounts are expressed in Turkish Lira (“TL”) based on the purchasing power as of 30 September 2024)

NOTE 18 ─ ASSETS CLASSIFIED AS HELD FOR SALE AND DISCOUNTINUED OPERATIONS

a) *Discontinuing the digital operation in Russia and EE*

The Board of Directors of Pronto Media Holding which is located in Russia as the indirect subsidiary of Trader Media East Ltd (“TME”), that owned by 97,29% by the Group, has decided to discontinue the digital operating in its territory on November 22, 2017 due to the operational performance below the desired level. In accordance with the decision, digital operations under Pronto Media Holding are classified as “Discontinued Operations”.

The Group may derecognize its operations abroad in the form of sales, liquidation, repayment of capital or partial or complete abandonment of the entity, A reduction in the carrying amount of an overseas entity will not result in a partial elimination because of its own loss or impairment recognized by the investor. Therefore, any gain or loss on exchange rate differences recognized in other comprehensive income is not reclassified to profit or loss when the impairment loss is recognized.

The Group has monetary liabilities and receivables arising from foreign operations that are not part of the net investment in the foreign operations during the current period. Exchange differences arising from these transactions are recognized in equity under currency translation differences in the Consolidated Financial Statements and will be reflected profit or loss during sale or wholly liquidation of the net investment.

NOTE 19 ─ RELATED PARTY DISCLOSURES

i) Balances of related parties:

a) Short-term trade receivables from related parties:

	30 September 2024	31 December 2023
Trade receivables from related parties		
Demirören Yayıncılık ve Gazetecilik A.Ş.	26.250.576	21.079.379
Demirören Reklam ve Yatırım A.Ş.	10.894.140	15.641.501
Milliyet Gazetecilik Yayıncılık A.Ş.	-	28.942.664
Other	4.980.359	5.621.897
	42.125.075	**71.285.441**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 19 ─ RELATED PARTY DISCLOSURES (Continued)

b) Short term payables to related parties:

	30 September 2024	31 December 2023
Trade payables to related parties		
Demirören Ajansı A.Ş.	25.549.988	16.552.514
Opal Televizyon ve Radyo Yayıncılık A.Ş.	24.530.540	14.356.470
Milliyet Gazetecilik Yayıncılık A.Ş.	29.305.759	-
Vatan Gazetecilik A.Ş.	17.948.451	-
Andromeda TV Dijital Platform Hizmetleri A.Ş.	10.662.354	-
Yenibiriş İnsan Kaynakları Hizmetleri Danışmanlık ve Yayıncılık A.Ş.	5.588.818	10.766.357
Demirören TV Radyo Yayıncılık Yapımcılık A.Ş.	-	22.635.432
Other	7.354.869	8.019.335
	120.940.779	**72.330.108**

c) Other receivables from related parties:

	30 September 2024	31 December 2023
Other short-term receivables from related parties		
Demirören Medya Yatırımları A.Ş.	2.131.633.636	870.759.404
Demirören Media International GmbH	182.451.503	169.348.303
	2.314.085.139	**1.040.107.707**

d) Other payables to related parties:

The Group has no other payables as of 30 September 2024.

ii) Significant transactions with related parties:

Transactions in related parties for the periods ended September 30, 2024 and 2023 are as follows:

a) Significant service and product sales to related parties:

	1 January - 30 September 2024	1 July - 30 September 2024	1 January - 30 September 2023	1 July- 30 September 2023
Demirören Reklam ve Yatırım A.Ş.	102.538.482	32.856.820	92.559.725	30.129.796
Andromeda TV Dijital Platform Hizmetleri A.Ş.	57.130.769	16.408.579	12.345.693	2.621.656
Demirören Yayıncılık ve Gazetecilik A.Ş.	17.822.559	5.083.953	19.863.221	6.336.693
Milliyet Gazetecilik Yayıncılık A.Ş.	3.537.053	1.019.021	5.561.848	1.751.080
Other	6.856.726	4.171.537	12.217.686	8.170.937
	187.885.589	**59.539.910**	**142.548.173**	**49.010.162**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 19 ─ RELATED PARTY DISCLOSURES (Continued)

b) Significant service and product purchases from related parties:

	1 January - 30 September 2024	1 July - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2023
Demirören Medya Yatırımları A.Ş.	108.126.548	36.058.501	111.748.823	35.264.666
Andromeda TV Dijital Platform Hizmetleri A.Ş.	38.744.904	19.236.908	22.279.359	5.523.515
Vatan Gazetecilik A.Ş.	17.456.921	4.579.598	21.553.141	8.846.645
Demirören Ajansı A.Ş.	18.742.820	5.924.946	16.883.520	5.284.175
Demirören Reklam ve Yatırım A.Ş.	8.705.366	2.931.384	7.336.284	3.358.828
Milliyet Gazetecilik Yayıncılık A.Ş.	3.398.442	672.174	1.784.254	1.285.796
Demirören TV Radyo Yayıncılık Yapımcılık A.Ş.	2.159.254	801.831	2.845.584	177.594
Demirören Yayıncılık ve Gazetecilik A.Ş.	1.502.141	351.831	1.761.596	1.198.664
Other	16.277.681	5.484.684	20.730.314	11.576.681
	215.114.077	**76.041.857**	**206.922.875**	**72.516.564**

c) Other income from related parties:

	1 January - 30 September 2024	1 July - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2023
Demirören Medya Yatırımları A.Ş.	329.414.276	219.013.685	341.235.763	293.349.648
Milliyet Gazetecilik Yayıncılık A.Ş.	791.138	212.947	11.764.282	6.187.793
Demirören Televizyon Yayıncılığı A.Ş.	101.813	-	23.729.010	21.283.198
Other	4.693.469	2.480.044	70.505.670	45.629.285
	335.000.696	**221.706.676**	**447.234.725**	**366.449.924**

As of September 30, 2024, the total amount of 683.800.117 TL (December 31, 2023: 175.466.725 TL) invoiced to related parties for shared expenses such as personnel salaries and building expenses has not been shown in the consolidated financial statements and transactions with related parties because it has been netted off with the relevant expense accounts.

Financial expenses:	1 January - 30 September 2024	1 July- 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2023
Demirören Medya Yatırımları A.Ş.	4.454.478	2.011.484	3.386.404	1.509.801
Other	7.449.239	3.429.508	1.588.547	786.975
	11.903.717	**5.440.992**	**4.974.951**	**2.296.776**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 19 ─ RELATED PARTY DISCLOSURES (Continued)

iii) Key Management Personnel:

	1 January - 30 September 2024	1 July- 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2023
Wages and other short-term benefits	27.006.533	12.610.745	19.507.567	10.240.580
	27.006.533	**12.610.745**	**19.507.567**	**10.240.580**

The Company determined the key management personnel as Board of Directors and Executive Committee. Benefits provided to key management personnel consisted of wage, premium, health insurance, transportation and post-employment benefits.

NOTE 20 ─ NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

21.1 Financial Assets and Risk Management

Foreign currency risk

The Group is exposed to exchange rate risk due to the translation of amounts owed in foreign currencies into the functional currency. These risks are monitored and limited by analyzing the foreign currency position.

The Group is exposed to exchange rate risk due to the translation of amounts owed into TL from foreign currency bank loans taken to finance its domestic and overseas investments (This risk is monitored in regular meetings). To minimize the exchange rate risk arising from balance sheet items, a portion of idle cash is invested in foreign currency assets and various derivative instruments are used.

The Group's exchange rate risk management policy is to hold foreign currency deposits sufficient to cover the estimated 3 to 6 months of raw material purchases and loan repayments for each currency. However, this policy can be revised by management as deemed necessary within market conditions.

As of September 30, 2024, and December 31, 2023, the TL equivalents of the Group's foreign currency assets and liabilities are as follows:

	30 September 2024	31 December 2023
Assets	101.364.572	140.179.954
Liabilities	(14.671.682)	(39.724.169)
Net currency position	**86.692.890**	**100.455.785**

Following exchange rates have been used in the translation of foreign currency denominated balance sheet items as of 30 September 2024: 34,0900 TL = 1 US Dollar and 38,0180 TL = 1 Euro (December 31, 2023: 29,4382 TL = 1 US Dollar and 32,5759 TL = 1 Euro).

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 20 ─ NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

21.1 Financial Assets and Risk Management (Continued)

The table summarizes the foreign currency position risk as of 30 September 2024 and December 31, 2023. The carrying amount of foreign currency denominated assets and liabilities of the Group are as follows:

30 September 2024	**Total TL Equivalent**	**USD**	**Euro**	**Other**
1. Trade receivables	100.884.140	7.384	2.646.968	-
2a. Monetary Financial Assets	480.432	12.500	775	24.817
(Cash. Banks included)	-	-	-	-
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. Current Assets (1+2+3)	**101.364.572**	**19.884**	**2.647.743**	**24.817**
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. Non-Current Assets (5+6+7)	**-**	**-**	**-**	**-**
9. Total Assets (4+8)	**101.364.572**	**19.884**	**2.647.743**	**24.817**
10. Trade Payables	14.671.682	309.243	108.622	-
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Financial Liabilities	-	-	-	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. Short Term Liabilities (10+11+12)	**14.671.682**	**309.243**	**108.622**	**-**
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16a. Other Monetary Financial Liabilities Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	**-**	**-**	**-**	**-**
18. Total Liabilities (13+17)	**14.671.682**	**309.243**	**108.622**	-
19. Net asset / liability position of off-balance sheet derivatives (19a-19b)	-	**-**	-	**-**
19a. Off-balance sheet foreign currency derivative assets	-	**-**	-	**-**
19b. Off-balance sheet foreign currency derivative liabilities	-	**-**	-	**-**
20. Net foreign currency asset liability position (9-18+19)	**86.692.890**	**(289.359)**	**2.539.121**	**24.817**
21. Net foreign currency asset / liability position of monetary items (1+2a+3+5+6a-10-11-12a-14-15-16a)	**86.692.890**	**(289.359)**	**2.539.121**	**24.817**
22. Fair value of foreign currency hedged financial assests	**-**	-	-	-

(Unless otherwise stated, amounts are expressed in Turkish Lira (“TL”) based on the purchasing power as of 30 September 2024)

NOTE 20 – NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Foreign currency risk (Continued)

31 December 2023	**Total TL Equivalent (Indexed)**	**USD**	**Euro**	**Other**
1. Trade Receivables	114.942.561	14.950	3.515.160	-
2a. Monetary Financial Assets	640.124	21.428	23	8.563
(Cash. Banks included)	-	-	-	-
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. Current Assets (1+2+3)	**115.582.685**	**36.378**	**3.515.183**	**8.563**
5. Trade receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. Non-Current Assets (5+6+7)	**-**	**-**	**-**	**-**
9. Total Assets (4+8)	**115.582.685**	**36.378**	**3.515.183**	**8.563**
10. Trade Payables	32.339.080	935.247	147.575	-
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Financial Liabilities	-	-	-	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. Short Term Liabilities (10+11+12)	**32.339.080**	**935.247**	**147.575**	**-**
14. Trade Payables	414.719	14.088	-	-
15. Financial Liabilities	-	-	-	-
16a. Other Monetary Financial Liabilities Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	**414.719**	**14.088**	**-**	**-**
18. Total Liabilities (13+17)	**32.753.799**	**949.335**	**147.575**	**-**
19. Net asset / liability position of off-balance sheet derivatives (19a-19b)	**-**	**-**	**-**	**-**
19a. Off-balance sheet foreign currency derivative assets	**-**	**-**	**-**	**-**
19b. Off-balance sheet foreign currency derivative liabilities	**-**	**-**	**-**	**-**
20. Net foreign currency asset liability position (9-18+19)	**82.828.886**	**(912.957)**	**3.367.608**	**8.563**
21. Net foreign currency asset / liability position of monetary items (1+2a+3+5+6a-10-11-12a-14-15-16a)	**82.828.886**	**(912.957)**	**3.367.608**	**8.563**
22. Fair value of foreign currency hedged financial assests	**-**	**-**	**-**	**-**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 20 – NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Foreign currency risk (Continued)

The Group is exposed to foreign currency risk of USD, Euro and other foreign currency.

30 September 2024	**Profit/(Loss)**	
	Foreign currency appreciation	**Foreign currency depreciation**
If the US dollar had changed by 20% against the TL		
USD net (liabilities)/assets	(1.972.843)	1.972.843
Hedging amount of USD	-	-
USD net effect on (loss)/income	**(1.972.843)**	**1.972.843**
If the EUR had changed by 20% against the TL		
Euro net (liabilities)/assets	19.306.460	(19.306.460)
Hedging amount of Euro	-	-
Euro net effect on (loss)/income	**19.306.460**	**(19.306.460)**
If other foreign currency had changed by 20% against the TL		
Other foreign currency net (liabilities)/assets	4.963	(4.963)
Hedging amount of other foreign currency	-	-
Other foreign currency net effect on (loss)/income	**4.963**	**(4.963)**

31 December 2023	**Profit/(Loss)**	
	Foreign currency appreciation	**Foreign currency depreciation**
If the US dollar had changed by 20% against the TL		
USD net (liabilities)/assets	(5.375.162)	5.375.162
Hedging amount of USD	-	-
USD net effect on (loss)/income	**(5.375.162)**	**5.375.162**
If the EUR had changed by 20% against the TL		
Euro net (liabilities)/assets	21.939.228	(21.939.228)
Hedging amount of Euro	-	-
Euro net effect on (loss)/income	**21.939.228**	**(21.939.228)**
If other foreign currency had changed by 20% against the TL		
Other foreign currency net (liabilities)/assets	1.713	(1.713)
Hedging amount of other foreign currency	-	-
Other foreign currency net effect on (loss)/income	**1.713**	**(1.713)**

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 21 ─ FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING)

30 September 2024	Assets at amortized cost	Financial liabilities at amortized cost	Financial assets at fair value through profit or loss	Carrying Value	Note
Financial assests					
Cash and cash equivalents	7.949.984	-	-	7.949.984	-
Trade receivables from unrelated parties	95.505.449	-	-	95.505.449	5
Trade receivables from related parties	42.125.075	-	-	42.125.075	19
Other receivables from unrelated parties	28.162.761	-	-	28.162.761	-
Other receivables from related parties	2.314.085.139	-	-	2.314.085.139	19
Financial investments	883.830	-	540.649	1.424.479	-
Financial liabilities					
Financial borrowings	-	47.668.655	-	47.668.655	4
Trade payables to unrelated parties	-	161.915.540	-	161.915.540	5
Trade payables to related parties	-	120.940.779	-	120.940.779	19
Payables within the scope of employee benefits	-	70.901.667	-	70.901.667	-
Other payables to unrelated parties	-	314.968.710	-	314.968.710	-
Other liabilities	-	474.559.610	-	474.559.610	-

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TL") based on the purchasing power as of 30 September 2024)

NOTE 21 ─ FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING) (Continued)

30 December 2023	Assets at amortized cost Assets	Financial liabilities at amortized cost Financial liabilities	Financial assets at fair value through profit or loss	Carrying Value	Note
Financial assests					
Cash and cash equivalents	3.809.432	-	-	3.809.432	-
Trade receivables from unrelated parties	128.836.130	-	-	128.836.130	5
Trade receivables from related parties	71.285.441	-	-	71.285.441	19
Other receivables from unrelated parties	34.684.383	-	-	34.684.383	-
Other receivables from related parties	1.040.107.707	-	-	1.040.107.707	19
Financial investments	122.045	-	540.649	662.694	-
Financial liabilities					4
Financial borrowings	-	63.851.809	-	63.851.809	5
Trade payables to unrelated parties	-	156.033.609	-	156.033.609	19
Trade payables to related parties	-	66.406.916	-	66.406.916	-
Payables within the scope of employee benefits	-	84.501.527	-	84.501.527	-
Other payables to unrelated parties	-	189.737.785	-	189.737.785	-
Other liabilities	-	346.345.526	-	346.345.526	

NOTE 21 ─ FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING) (Continued)

Fair value of financial instruments

The fair value of financial assets and liabilities is assigned as below:

• Level 1: the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.

• Level 2: the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions;

• Level 3: the fair value of the financial assets and financial liabilities are determined where there is no observable market data.

NOTE 22 ─ SUBSEQUENT EVENTS

None.

Approval of the Financial Statements

The condensed consolidated financial statements for the interim accounting period ending on 30 September 2024, were approved by the Board of Directors on 08 November 2024.