
**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

**BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND
ITS SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2023
AND INDEPENDENT AUDITOR'S REPORT**



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

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Bizim Toptan Satış Mağazaları A.Ş.

A. Audit of the consolidated financial statements

1. Our opinion

We have audited the accompanying consolidated financial statements of Bizim Toptan Satış Mağazaları A.Ş. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements comprising a summary of significant accounting policies (Notes 1 to 26).

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards (“TFRS”).

2. Basis for opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the “SIA”) that are part of Turkish Standards on Auditing adopted within the framework of the regulations of the Capital Markets Board and issued by the Public Oversight Accounting and Auditing Standards Authority (the “POA”). Our responsibilities under these standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the “Ethical Rules”) the ethical requirements regarding independent audit in regulations issued by the POA; the regulations of the Capital Markets Board; and other relevant legislation are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.



3. Other information

The Group Management is responsible for the other information. The other information comprises the Appendix “Other information” and does not constitute a part of the consolidated financial statements and our auditor’s report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement within this other information, we are required to report that fact. We have nothing to report in this regard.

4. Key audit matters

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



Key Audit Matters	How the key audit matter was addressed in the audit
<p data-bbox="261 478 883 569">Revenue recognition (Notes 2.5 and 15 to the accompanying consolidated financial statements)</p> <p data-bbox="261 569 883 632">The Group operates in the domestic retail market with 180 stores in total as of 31 December 2023.</p> <p data-bbox="261 663 883 846">In addition to being the most important financial statement line item for the retail industry, revenue along with the total number of stores is one of the most important criteria for evaluation of performance and results of strategies applied by the management.</p> <p data-bbox="261 877 883 1119">Revenue, amounting to TRY 32,222,254 thousand for the year ended 31 December 2023 is material to the consolidated financial statements and its audit is a key audit matter since the completeness and accuracy of revenue transactions are difficult to audit due to the high volume of transactions resulting from the number of stores and the high number of sales points.</p>	<p data-bbox="883 569 1516 600">How our audit addressed the key audit matter</p> <p data-bbox="883 632 1516 753">The audit procedures performed include a combination of validation of key controls in the revenue recognition process, substantive tests and analytical procedures.</p> <p data-bbox="883 785 1516 907">The revenue recognition process was understood by way of inquiries with the process owners and the design effectiveness, implementation and operating effectiveness of key controls were evaluated.</p> <p data-bbox="883 938 1516 999">Sales in the consolidated financial reporting period were tested using the sampling method.</p> <p data-bbox="883 1031 1516 1152">Confirmations for trade receivables selected and sent using the sampling method and reconciliation of the confirmations with consolidated financial statements performed.</p> <p data-bbox="883 1184 1516 1272">Since there is high number of sales points, testing on a sample basis was performed for recognition of daily transfers made to the cash boxes.</p> <p data-bbox="883 1304 1516 1545">Substantive analytical procedures were performed in order to assess the variance in revenue. In the analytical procedures, the effects of new stores and existing stores were evaluated for the revenue increase and gross profit percentages were compared. Product and category based sales and gross margins were compared to prior periods and their consistency was evaluated.</p> <p data-bbox="883 1577 1516 1665">Completeness, recognition and cut-off of revenue is tested with analytical procedures and substantive tests performed.</p> <p data-bbox="883 1696 1516 1818">In addition to these, measurement of revenue and adequacy and compliance of related disclosures included in the accompanying consolidated financial statements were evaluated from TFRS standpoint.</p>



Key Audit Matters	How the key audit matter was addressed in the audit
<p>Application of TAS 29-Financial Reporting in Hyperinflationary Economies</p>	
<p>As described in Note 2.1, TAS 29 “Financial reporting in hyperinflationary economies” is effective for the Company.</p> <p>TAS 29 requires financial statements to be restated into the current purchasing power at the end of the reporting period. Therefore, transactions in 2023 and non-monetary balances at the end of the period were restated to reflect the price index at 31 December 2023. The implementation of TAS 29 leads to a significant change in certain financial statement line items pervasively. The impact of TAS 29 is reliant upon complex calculations and several judgements in the restatement of relevant balance sheet items and transactions during the year. The preparation of consolidated financial statements using a current purchasing power approach requires a complex series of procedures and reconciliations.</p> <p>We considered the application of TAS 29 to be a matter of most significance to the audit due to judgement applied, high degree of complexity in calculation and the risk of the data used being incomplete or inaccurate in the restatement process.</p>	<p>The audit procedures we have applied for application of TAS 29 - Financial Reporting in Hyperinflationary Economies are summarized below:</p> <p>We obtained an updated understanding of the Company’s processes and accounting policies,</p> <p>We obtained an understanding and evaluated the relevant controls designed and implemented by management resulting from implementation of TAS 29,</p> <p>We obtained detailed listings of non-monetary items and agreed the original cost and dates of acquisition to supporting documentation,</p> <p>We evaluated the reasonableness of judgements used by management by comparing them with recognised practices and applying our industry knowledge and experience. We also checked if the judgements have been used consistently in all periods,</p> <p>We determined whether the segregation of monetary and non-monetary items made by the management is in accordance with TFRS,</p> <p>We tested the restatement of non-monetary items, the income statement and preparation of the cash flows with the inflationary effects by checking the methodology and general price index rates used.</p>



5. Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

6. Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

- Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion

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

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

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



B. Other responsibilities arising from regulatory requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2023 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor's report on the early risk identification system and committee was submitted to the Company's Board of Directors on 30 April 2024.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

A handwritten signature in blue ink, appearing to read "Mert Tüten", with a stylized initial "M" and a horizontal line extending to the right.

Mert Tüten, SMMM
Independent Auditor

Istanbul, 30 April 2024

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

INDEX	PAGE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	1-2
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	3
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	4
CONSOLIDATED STATEMENT OF CASH FLOWS.....	5
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	6-55
NOTE 1 ORGANIZATION AND OPERATIONS OF THE GROUP.....	6
NOTE 2 BASES OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS.....	7-23
NOTE 3 BUSINESS COMBINATIONS	23
NOTE 4 CASH AND CASH EQUIVALENTS	24
NOTE 5 FINANCIAL LIABILITIES	24-25
NOTE 6 TRADE RECEIVABLES AND PAYABLES	25-26
NOTE 7 OTHER RECEIVABLES AND PAYABLES	26
NOTE 8 INVENTORIES.....	26
NOTE 9 PREPAID EXPENSES AND DEFERRED INCOMES.....	27
NOTE 10 TANGIBLE ASSETS AND RIGHT OF USE ASSETS.....	28-31
NOTE 11 INTANGIBLE ASSETS.....	32-33
NOTE 12 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES AND COMMITMENTS	34-36
NOTE 13 PAYABLES RELATED TO EMPLOYEE BENEFITS AND PROVISIONS FOR EMPLOYEE BENEFITS	36-37
NOTE 14 OTHER ASSETS AND LIABILITIES.....	38
NOTE 15 SHAREHOLDERS' EQUITY	38-39
NOTE 16 REVENUE AND COST OF SALES	39-40
NOTE 17 GENERAL ADMINISTRATIVE EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES	40
NOTE 18 EXPENSES BY NATURE	40-41
NOTE 19 OTHER OPERATING INCOME/EXPENSES	41
NOTE 20 INCOME/EXPENSE RELATED TO INVESTING ACTIVITIES	41-42
NOTE 21 FINANCE EXPENSES	42
NOTE 22 INCOME TAXES (DEFERRED TAX ASSETS AND LIABILITIES)	42-44
NOTE 23 EARNINGS PER SHARE	44
NOTE 24 BALANCES AND TRANSACTIONS WITH RELATED PARTIES	45-50
NOTE 25 NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS	50-54
NOTE 26 EVENTS AFTER REPORTING DATE.....	55
OTHER INFORMATIONS	
APPENDIX SUPPLEMENTARY OTHER INFORMATIONS	55-57

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 AND 31 DECEMBER 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

Assets	Notes	Audited	Restated(*)	Restated(*)
		31 December	31 December	31 December
		2023	2022	2021
Current Assets		5,096,295,511	6,838,897,712	5,932,725,018
Cash and Cash Equivalents	4	905,127,202	1,146,195,058	1,788,872,864
Trade Receivables		1,351,357,344	1,657,322,444	1,412,534,775
<i>Due from Related Parties</i>	6, 24	24,703,244	43,995,543	22,647,914
<i>Due from Non-Related Parties</i>	6	1,326,654,100	1,613,326,901	1,389,886,861
Other Receivables		12,365,529	259,468,553	6,146,697
<i>Other Receivables from-Related Parties</i>	7.24	4,240,295	254,088,910	4,104,300
<i>Other Receivables from Non-Related Parties</i>	7	8,125,234	5,379,643	2,042,397
Inventories	8	2,272,925,244	3,344,022,347	2,516,125,919
Prepaid Expenses	9	385,917,220	177,021,492	182,981,633
Current Income Tax Assets		8,937,838	62,022,510	558,293
Other Current Asset		159,665,134	192,845,308	25,504,837
Non-Current Assets		4,169,175,968	3,361,832,215	2,669,846,510
Other Receivables		12,583,381	21,582,375	13,808,601
<i>Other Receivables from Non-Related Parties</i>	7	12,583,381	21,582,375	13,808,601
Tangible Assets	10	1,831,956,690	1,603,862,305	1,261,661,052
Right of Use Assets	10	1,649,902,247	1,150,217,246	935,723,137
Intangible Assets	11	293,348,521	278,922,652	314,054,222
Prepaid Expenses	9	720,509	14,829,563	605,383
Deferred Tax Asset	22	380,664,620	292,418,074	143,994,115
Total Assets		9,265,471,479	10,200,729,927	8,602,571,528

(*) Restating effects are described in Note 2.

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 AND 31 DECEMBER 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

Liabilities	Notes	Audited 31 December 2023	Restated(*) Audited 31 December 2022	Restated(*) Audited 31 December 2021
Current Liabilities		6,019,964,073	7,174,769,171	6,395,938,456
Short-term Borrowings		342,659,195	210,096,378	248,476,722
Financial Lease Obligations	5	-	1,778,358	2,447,098
Lease Liabilities due to Related Parties	5	12,026,442	495,566	680,058
Lease Liabilities due to Non-Related Parties	5	330,632,753	207,822,454	245,349,566
Trade Payables		5,145,360,166	6,339,469,766	5,714,233,868
Due to Related Parties	6.24	1,597,671,777	1,622,586,083	1,453,026,956
Due to Non-Related Parties	6	3,547,688,389	4,716,883,683	4,261,206,912
Other Payables		8,375,737	3,257,885	7,961,838
Other payables due to related parties		7,536,973	2,629,125	7,562,427
Other payables due to third parties		838,764	628,760	399,411
Liabilities for Employee Benefits	13	136,842,970	133,321,722	64,508,503
Deferred Income	9	71,867,355	143,314,172	70,239,238
Current Income Tax Liabilities		-	15,822,918	58,208,414
Short-term Provisions		264,772,609	300,489,453	212,190,492
Provision for Employee Benefits	13	125,304,158	137,286,024	92,823,146
Other Short-term Provisions	12	139,468,451	163,203,429	119,367,346
Other Current Liabilities	14	50,086,041	28,996,877	20,119,381
Other Current Liabilities to Related Parties		14,226,478	-	60,535
Other Current Liabilities to Non-related Parties		35,859,563	28,996,877	20,058,846
Non-Current Liabilities		1,277,079,402	991,544,826	898,492,922
Long-term Borrowings		642,388,159	360,755,377	417,404,184
Financial Lease Obligations	5	-	-	3,068,135
Lease Liabilities due to Related Parties	5	40,498,950	1,244,082	1,859,261
Lease Liabilities due to Non-Related Parties	5	601,889,209	359,511,295	412,476,788
Other Payables		23,184,513	40,398,875	65,187,835
Other payables due to related parties		23,184,513	40,398,875	65,187,835
Long-term Provisions		177,842,996	221,116,586	138,730,143
Provision for Employee Benefits	13	177,842,996	221,116,586	138,730,143
Deferred tax liability		429,375,493	341,791,355	258,934,168
Deferred Income	9	4,288,241	27,482,633	18,236,592
Equity		1,968,428,004	2,034,415,930	1,308,140,150
Shareholders' Equity		1,953,876,572	2,039,748,190	1,360,091,337
Share Capital	15	80,476,074	60,000,000	60,000,000
Capital adjustment differences		572,800,075	572,800,075	572,800,075
Treasury shares		(81,682,846)	(81,682,846)	(81,682,846)
Share premiums		797,552,134	797,552,134	797,552,134
Other Comprehensive Expense not to be Reclassified to Profit or Loss		(81,024,346)	(10,233,020)	-
Defined benefit plans remeasurement losses		(81,024,346)	(10,233,020)	-
Restricted Reserves Appropriated from Profits	15	138,212,697	120,465,311	120,465,311
Impact of business combinations under common control	15	360,558,556	381,034,630	381,034,630
Retained Earnings		97,042,430	(490,077,966)	(795,009,992)
Net Profit for the Year	15	69,941,798	689,889,872	304,932,025
Non-Controlling Interests		14,551,432	(5,332,260)	(51,951,187)
Total Liabilities		9,265,471,479	10,200,729,927	8,602,571,528

(*) Restating effects are described in Note 2.

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2023 AND 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

	Note	Audited	Restated(*) Audited
		1 January- 31 December 2023	1 January- 31 December 2022
Profit or Loss			
Revenue	16	32,222,253,505	31,937,713,710
Cost of Sales (-)	16	(29,065,848,158)	(28,828,587,420)
Gross Profit		3,156,405,347	3,109,126,290
Marketing Expenses (-)	17, 18	(3,317,686,495)	(2,874,275,144)
General Administrative Expenses (-)	17, 18	(685,187,568)	(612,498,367)
Other Income from Operating Activities	19	750,259,942	245,255,715
Other Expenses from Operating Activities (-)	19	(1,428,618,993)	(879,150,965)
Operating Profit		(1,524,827,767)	(1,011,542,471)
Income from Investing Activities	20	315,312,239	209,605,493
Expense from Investing Activities (-)	20	(17,519,050)	(1,203,185)
Profit Before Financial Expenses (-)		(1,227,034,578)	(803,140,163)
Financial Expenses (-)	21	(820,160,294)	(509,036,127)
Monetary gain		2,147,877,661	2,104,463,464
Profit Before Tax from Continued Operations		100,682,789	792,287,174
Tax Income from Continued Operations (-)		(25,862,726)	(55,778,373)
Current Tax Expense	22	(384,074)	(118,786,893)
Deferred Tax Income	22	(25,478,652)	63,008,520
Net Profit for The Year		74,820,063	736,508,801
Net profit attributable to			
Non-controlling interest		4,878,265	46,618,929
Equity holders of parent		69,941,798	689,889,872
Earnings per share (TRY)	23	0.869	8.573
Other Comprehensive Expense			
Items not to be reclassified to profit or loss		(70,791,326)	(10,233,020)
Defined benefit plans re-measurement losses	15	(91,101,998)	(12,791,261)
Deferred Tax Income Related to Items not to be Reclassified to Profit or Loss	22	20,310,672	2,558,241
Total Other Comprehensive Income		4,028,737	726,275,781
Distribution of total other comprehensive income			
Non-controlling interest		19,883,692	46,618,929
Equity holders of parent		(15,854,955)	679,656,854

(*) Restating effects are described in Note 2.

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY FOR THE PERIODS 1 JANUARY - 31 DECEMBER 2023 AND 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

	Notes	Share Capital	Capital adjustment differences	Restricted Reserves Appropriated from Profits	Repurchased shares (-)	Share premiums	Impact of business combinations under common control	Other Comprehensive Expense not to be Reclassified to Profit or Loss	Retained earnings/ accumulated losses		Equity of the parent company	Non-Controlling Interests	Total Equity
								Defined benefit plans remeasurement losses	Retained Earnings 1	Net Profit for the Year			
Balances at 1 January 2022 (Previously reported)		60,000,000	-	23,613,294	(22,299,530)	-	-	(35,535,870)	155,907,096	135,555,203	317,240,193	(38,087)	317,202,106
Transactions under common control		-	572,800,075	96,852,017	(59,383,316)	797,552,134	381,034,630	35,535,870	(950,917,088)	169,376,822	1,042,851,144	(51,913,100)	990,938,044
Balances at 1 January 2022 (Restated)		60,000,000	572,800,075	120,465,311	(81,682,846)	797,552,134	381,034,630	-	(795,009,992)	304,932,025	1,360,091,337	(51,951,187)	1,308,140,150
Transfers	15	-	-	-	-	-	-	-	304,932,026	(304,932,026)	-	-	-
Total comprehensive income	15	-	-	-	-	-	-	(10,233,020)	-	689,889,873	679,656,853	46,618,927	726,275,780
Balances at 31 December 2022		60,000,000	572,800,075	120,465,311	(81,682,846)	797,552,134	381,034,630	(10,233,020)	(490,077,966)	689,889,872	2,039,748,190	(5,332,260)	2,034,415,930
Balances at 1 January 2023(Previously reported)		60,000,000	572,800,075	107,306,418	(81,682,846)	-	-	(6,646,684)	798,111,760	569,466,510	2,019,355,233	81,652	2,019,436,885
Transactions under common control		-	-	13,158,893	-	797,552,134	381,034,630	(3,586,336)	(1,288,189,726)	120,423,362	20,392,957	(5,413,912)	14,979,045
Balances at 1 January 2023(Restated)		60,000,000	572,800,075	120,465,311	(81,682,846)	797,552,134	381,034,630	(10,233,020)	(490,077,966)	689,889,872	2,039,748,190	(5,332,260)	2,034,415,930
Transfers	15	-	-	17,747,386	-	-	-	-	672,142,486	(689,889,872)	-	-	-
Capital increase	15	20,476,074	-	-	-	-	(20,476,074)	-	-	-	-	-	-
Transactions regarding non-controlling interests	15	-	-	-	-	-	-	-	(16,237,182)	-	(16,237,182)	-	(16,237,182)
Dividends paid(*)	15	-	-	-	-	-	-	-	(68,784,908)	-	(68,784,908)	-	(68,784,908)
Total comprehensive income	15	-	-	-	-	-	-	(70,791,326)	-	69,941,798	(849,528)	19,883,692	19,034,164
Balances at 31 December 2023		80,476,074	572,800,075	138,212,697	(81,682,846)	797,552,134	360,558,556	(81,024,346)	97,042,430	69,941,798	1,953,876,572	14,551,432	1,968,428,004

(*) The Board of Directors decided to distribute dividends for 2022 on May 4, 2023, and it was approved by the General Assembly held on June 7, 2023, to be paid on October 9, 2023. Profit distribution payment has been made.

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS
31 DECEMBER 2023 AND 2022

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

		Audited	Restated(*)
	Notes	1 January - 31 December 2023	1 January - 31 December 2022
		Audited	Audited
A. Cash Flows from Operating Activities		1,164,548,522	1,759,257,843
Net Profit for the period		74,820,063	736,508,801
Adjustments to reconcile net profit to net cash			
Adjustments for depreciation and amortisation expense	10.11	770,521,733	596,909,508
Adjustments related to provisions	12.13	69,322,375	319,343,946
Provision for impairment of trade receivable allowance	6	14,980,030	6,353,359
Provision for impairment of inventories	8	(94,655,284)	4,073,115
Loss on sale of fixed assets, net	20	17,622,249	3,708,792
Adjustment for profit/(loss) reconciliation		(695,464,504)	(579,650,753)
Adjustments related to interest (income)/expense	20.21	514,239,631	315,600,997
Adjustment for income/(expense) tax expense	22	19,648,264	(63,008,532)
Adjustments for monetary loss/(gain)		266,863,597	932,985,313
Changes in working capital		323,491,715	(519,435,690)
Changes in trade receivables		218,645,593	(220,959,181)
Changes in inventories		1,165,752,387	(831,969,543)
(Increase)/decrease in other receivables related to operations		76,695,336	(367,484,501)
Increase in prepaid expenses		(194,786,674)	(8,264,039)
Changes in trade payables		(884,488,451)	728,496,517
(Increase)/decrease in other payables related to operations		(58,326,476)	180,745,057
Cash generated from operating activities		1,281,389,869	1,753,388,856
Taxes returns /(paid)		-	85,183,298
Employee benefits paid	13	(116,841,347)	(79,314,311)
B. Cash Flows from Investing Activities		(316,627,259)	(417,380,593)
Proceeds from sale of tangible assets		20,993,165	-
Cash outflows of purchases of tangible and intangible assets		(643,541,087)	(610,815,723)
Interest received	20	305,920,663	193,435,130
C. Cash Flows from Financing Activities		(638,415,079)	(856,583,266)
Cash outflows/inflows from borrowings		249,848,615	(249,984,610)
Cash outflows from payments of borrowings due from leasing agreements	5	(1,513,235)	(1,954,795)
Cash inflows from stock issue premiums		20,476,074	-
Cash outflows from payments of borrowings due from lease liabilities		(308,261,392)	(226,145,385)
Interest paid	5.21	(530,180,233)	(378,498,476)
Dividends paid		(68,784,908)	-
D. Monetary gain/loss effect on cash and cash equivalents		(450,574,040)	(1,127,971,790)
Net decrease in cash and cash equivalents (A+B+C+D)	4	(241,067,856)	(642,677,806)
E. Cash and cash equivalents at the beginning of the year	4	1,146,195,058	1,788,872,864
Cash and cash equivalents at the end of the year (A+B+C+D+E)	4	905,127,202	1,146,195,058

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP

Bizim Toptan Satış Mağazaları A.Ş. (the “Company”) was established in 2001 and registered in Istanbul in accordance with Turkish Commercial Code. The head office of the Company is located in Kuşbakışı Cad. No.19 Altunizade-Üsküdar/İstanbul.

The main field of activity of the Company and its subsidiaries (“Group”) is wholesale and retail sale of fast moving consumer goods to retail outlets such as grocery stores, markets, buffets, catering businesses, corporate customers, individual customers, commercial taxpayer real and legal persons.

As of 31 December 2023, the Company has 182 stores in 71 provinces (31 December 2022: 173 in 70 provinces). As of 31 December 2023, the number of personnel employed within the Group is 3,417 (31 December 2022: 3,463). As of 31 December 2023, the number of business partner markets included in the Group's goods supply business partnership system is 2,747 (31 December 2022: 2,409).

Yıldız Holding A.Ş. is the main shareholder of the Group and the party holding the main control. Yıldız Holding A.Ş. is controlled by the Ülker family. Group shares have been traded on Borsa Istanbul since February 3, 2011.

As of 31 December 2023, the names and percentages of the shareholders of the Group's share capital are as follows:

Name of the Shareholders (*)	(%)	31 December 2023	(%)	31 December 2022
Yıldız Holding A.Ş.	66.59	53,587,365	55.19	33,111,291
Public quotation	33.41	26,888,709	44.81	26,888,709
	100	80,476,074	100	60,000,000

(*) Organized according to partnership structure and Central Registry Agency data published in KAP.

Subsidiary company

Subsidiary company	Direct and indirect effective ownership rates %	
	31 December 2023	31 December 2022
g2mEKSPER Satış ve Dağıtım Hizmetleri A.Ş.(*)	90	-
Duru G2M Gıda Dağıtım Pazarlama ve Ticaret A.Ş.(**)	100	-
SEÇ Marketçilik A.Ş. (***)	90	90

(*) The Group acquired all shares of g2mEKSPER Satış ve Dağıtım Hizmetleri A.Ş., which is 90% owned by Yıldız Holding A.Ş., by issuing capital worth 20,476,074 TL to Yıldız Holding on 29 December 2023.

(**) The Group has an indirect share in the relevant company.

(***) SEÇ Marketçilik A.Ş. in which Bizim Toptan Satış Mağazaları A.Ş. owns 90% of the capital and has a capital of TRY50,000 was registered on 19 August 2020 and its establishment procedures were completed.

The company and its subsidiary will be referred to as the Group.

Approval of Financial Statements:

The consolidated financial statements have been presented for the approval of the Board of Directors and given authority to publish as of 30 April 2024. General Assembly has the right to change these consolidated financial statements.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of the presentation

The consolidated financial statements are prepared in accordance with Turkish Financial Reporting Standards (“TFRS”) published by Public Oversight Accounting and Auditing Standards Authority (“POA”) as set out in the Communiqué numbered II-14.1 “Communiqué on Principles of Financial Reporting in Capital Markets” published in the Official Gazette numbered 28676 on 13 June 2013. TFRSs consist of standards and interpretations which are published as Turkish Accounting Standards (“TAS”), Turkish Financial Reporting Standards, interpretations of TAS and interpretations of TFRS.

Consolidated financial statements has presented in accordance with the formats specified in the "Announcement on TMS Taxonomy" published by POA on October 4, 2022, and the "Financial Statement Examples and User Guide".

Statement of Compliance

The consolidated financial statements are prepared in accordance with Turkish Financial Reporting Standards (“TFRS”) published by Public Oversight Accounting and Auditing Standards Authority (“POA”) as set out in the Communiqué numbered II-14.1 “Communiqué on Principles of Financial Reporting in Capital Markets” published in the Official Gazette numbered 28676 on 13 June 2013. TFRSs consist of standards and interpretations which are published as Turkish Accounting Standards (“TAS”), Turkish Financial Reporting Standards, interpretations of TAS and interpretations of TFRS.

Restatement of financial statements in hyperinflationary periods

The Company prepared its financial statements as of and for the year ended 31 December 2023 by applying TAS 29 "Turkish Financial Reporting in Hyperinflationary Economies" in accordance with the announcement made by POA on 23 November 2023 and the "Implementation Guide on Financial Reporting in Hyperinflationary Economies". In accordance with the standard, that financial statements prepared in the currency of a hyperinflationary economy should be stated in terms of the purchasing power of that currency at the balance sheet date and for the purpose of comparison with prior period financial statements, comparative information is expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Company has also presented its financial statements as of 31 December 2022 on a purchasing power basis as of 31 December 2023.

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of the presentation (Continued)

Restatements in accordance with TAS 29 have been made using the adjustment factor derived from the Consumer Price Index ("CPI") in Turkey published by the Turkish Statistical Institute. As at 31 December 2023, the indices and adjustment factors used in the restatement of the financial statements are as follows:

<u>Date</u>	<u>Index</u>	<u>Correction Coefficient</u>	<u>Three-year Correcting Inflation Rates</u>
31 Aralık 2023	1,859.38	1,00000	268%
31 Aralık 2022	1,128.45	1,64773	156%
31 Aralık 2021	686.95	2,70672	74%

The main components of the Company's restatement for financial reporting purposes in hyperinflationary economies are as follows:

- The financial statements for the current period presented in TL are expressed in terms of the purchasing power of TL at the balance sheet date and the amounts for the previous reporting periods are restated in accordance with the purchasing power of TL at the end of the reporting period.
- Monetary assets and liabilities are not restated as they are currently expressed in terms of the measuring unit current at the balance sheet date. Where the inflation-adjusted amounts of non-monetary items exceed the recoverable amount or net realizable value, the provisions of TAS 36 and TAS 2 have been applied, respectively.
- Non-monetary assets, liabilities and equity items that are not expressed in the current purchasing power at the balance sheet date are restated by applying the relevant conversion factors.
- All items in the statement of comprehensive income, except for "the effects of non-monetary items in the balance sheet on the statement of comprehensive income", have been restated by applying the multipliers calculated over the periods in which the income and expense accounts were initially recognized in the financial statements.
- The effect of inflation on the Company's net monetary asset position in the current period is recognized in the statement of income in the net monetary position loss account.

2.2 Determination of Functional Currency

Financial statements of the Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of the entity is expressed in TRY which is the functional and presentation currency of the Group.

2.3 Going Concern

The consolidated financial statements of the Group have been prepared on the basis of the going concern.

2.4 Principles Regarding Consolidation

Consolidated financial statements include financial statements of entities controlled by the Group and its subsidiaries.

Control is obtained by the Group, when the following terms are met;

- Having power over the invested company/assets
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

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

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Principles Regarding Consolidation (Continued)

Profit or loss and other comprehensive income are attributable to the equity holders of both the parent company and non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of the subsidiaries in relation to accounting policies so that they conform to the accounting policies followed by the Group. All cash flows from in-group assets and liabilities, equity, income and expenses, and transactions between Group companies are eliminated in consolidation.

2.5 Changes in the Accounting Policies

Significant changes in accounting policies are applied retrospectively and prior period financial statements are restated. The Group has not made any changes in its accounting policies in the current period.

2.6 Changes and Errors in Accounting Estimates

Following changes in key estimates:

Changes in accounting estimates are applied prospectively in the current period when the change is made, if the change is related to future periods, both in the period in which the change is made and in future periods. There has been no significant change in the accounting estimates of the Group in the current year.

2.7 Application of New and Revised International Financial Reporting Standards (IFRSs)

a. Standards, amendments, and interpretations applicable as of 31 December 2023:

- **Narrow scope amendments to IAS 1, Practice Statement 2 and IAS 8;** effective from annual periods beginning on or after 1 January 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. These amendments have no material impact on the Group’s consolidated financial statements.
- **Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction;** effective from annual periods beginning on or after 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences. These amendments have no material impact on the Group’s consolidated financial statements.
- **Amendment to IAS 12 - International tax reform ;** The temporary exception is effective for December 2023 year ends and the disclosure requirements are effective for accounting periods beginning on or after 1 January 2023, with early application permitted. These amendments give companies temporary relief from accounting for deferred taxes arising from the Minimum Tax Implementation Handbook international tax reform. The amendments also introduce targeted disclosure requirements for affected companies. These amendments have no material impact on the Group’s consolidated financial statements.

b. Standards, amendments, and interpretations that are issued but not effective as of 31 December 2023;

- **Amendment to IFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. These amendments have no material impact on the Group’s consolidated financial statements.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.7 Application of New and Revised International Financial Reporting Standards (IFRSs)

b. 31 Standards, amendments, and interpretations that are issued but not effective as of 31 December 2023;

- **Amendment to IAS 1 – Non-current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions. These amendments have no material impact on the Group’s consolidated financial statements.
- **Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company’s liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB’s response to investors’ concerns that some companies’ supplier finance arrangements are not sufficiently visible, hindering investors’ analysis.
- **Amendments to IAS 21 - Lack of Exchangeability;** effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. These amendments have no material impact on the Group’s consolidated financial statements.
- **IFRS S1, ‘General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity’s value chain.
- **IFRS S2, ‘Climate-related disclosures’;** effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

2.8 Comparative Information and Restatement of Prior Period Financial Statements

The consolidated financial statements of the Group are prepared comparatively with the previous period in order to enable the determination of financial position and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is rearranged when deemed necessary and important differences are disclosed. The Group has restated its prior period financial statements in order to comply with the presentation of the current period condensed consolidated financial statements.

As per the principle related to “Accounting for business combinations under common control” the Public Oversight Accounting and Auditing Standards Authority issued in the Official Gazette dated 21 July 2013, business combinations under common control shall be accounted through restating previous periods’ financial statements via the pooling of interest method. In this case, with the acquisition of g2mEKSPER Satış ve Dağıtım Hizmetleri A.Ş. (Note:3) the Group restated its consolidated balance sheets as at 31 December 2022 and 2021 and restated the consolidated income statement, consolidated other comprehensive income statement and consolidated statement of changes in shareholders’ equity for the periods.

The effects of the relevant regulations and classifications described above are presented below. The reported column shows the consolidated financial statement before the acquisition of g2mEKSPER, and the restated column shows the consolidated financial statement after the acquisition of g2mEKSPER, and the effects of the related acquisition are explained in Note 3.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.8 Comparative Information and Restatement of Prior Period Financial Statements (Continued)

Assets	Previously reported 31 December 2022	Elimination Effects Included, Restating Effects	Restated Previously reported 31 December 2022
Current Assets	4,975,792,032	1,863,105,680	6,838,897,712
Cash and Cash Equivalents	1,045,627,828	100,567,230	1,146,195,058
Trade Receivables	745,485,891	911,836,553	1,657,322,444
Other Receivables	4,412,167	255,056,386	259,468,553
Inventories	2,829,157,397	514,864,950	3,344,022,347
Prepaid Expenses	144,790,515	32,230,977	177,021,492
Current Income Tax Assets	62,022,510	-	62,022,510
Other Current Asset	144,295,724	48,549,584	192,845,308
Non-Current Assets	3,117,757,961	244,074,254	3,361,832,215
Other Receivables	20,766,136	816,239	21,582,375
Tangible Assets	1,492,641,485	111,220,820	1,603,862,305
Right of Use Assets	1,056,852,833	93,364,413	1,150,217,246
Intangible Assets	266,574,245	12,348,407	278,922,652
Prepaid Expenses	-	14,829,563	14,829,563
Deferred Tax Assets	280,923,262	11,494,812	292,418,074
Total assets	8,093,549,993	2,107,179,934	10,200,729,927

Liabilities	Previously reported 31 December 2022	Elimination Effects Included, Restating Effects	Restated Previously reported 31 December 2022
Current Liabilities	5,282,450,242	1,892,318,929	7,174,769,171
Short-term Borrowings	179,241,423	30,854,955	210,096,378
Trade Payables	4,659,634,899	1,679,834,867	6,339,469,766
Other Payables	-	3,257,885	3,257,885
Liabilities for Employee Benefits	112,652,216	20,669,506	133,321,722
Deferred Income	98,779,778	44,534,394	143,314,172
Current Income Tax Liabilities	-	15,822,918	15,822,918
Short-term Provisions	209,044,027	91,445,426	300,489,453
Other Current Liabilities	23,097,899	5,898,978	28,996,877
Non-Current Liabilities	857,358,553	134,186,273	991,544,826
Long-term Borrowings	335,096,908	25,658,469	360,755,377
Other Payables	-	40,398,875	40,398,875
Long-term Provisions	176,306,474	44,810,112	221,116,586
Deferred tax liability	328,478,437	13,312,918	341,791,355
Deferred Income	17,476,734	10,005,899	27,482,633
Equity	1,953,741,198	80,674,732	2,034,415,930
Shareholders' Equity	1,953,642,631	86,105,559	2,039,748,190
Share Capital	60,000,000	-	60,000,000
Capital adjustment differences	572,800,075	-	572,800,075
Treasury shares	(81,682,846)	-	(81,682,846)
Share premiums	-	797,552,134	797,552,134
Other Comprehensive Expense not to be Reclassified to Profit or Loss	(6,646,684)	(3,586,336)	(10,233,020)
Defined benefit plans remeasurement losses	(6,646,684)	(3,586,336)	(10,233,020)
Restricted Reserves Appropriated from Profits	107,306,417	13,158,894	120,465,311
Impact of business combinations under common control	-	381,034,630	381,034,630
Retained Earnings	798,111,761	(1,288,189,727)	(490,077,966)
Net Profit for the Year	503,753,908	186,135,964	689,889,872
Non-Controlling Interests	98,567	(5,430,827)	(5,332,260)
Total Liabilities	8,093,549,993	2,107,179,934	10,200,729,927

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.8 Comparative Information and Restatement of Prior Period Financial Statements (Continued)

Assets	Previously reported 31 December 2021	Elimination Effects Included, Restateing Effects	Restated Previously reported 31 December 2021
Current Asset	4,401,827,521	1,530,897,497	5,932,725,018
Cash and Cash Equivalents	1,584,484,684	204,388,180	1,788,872,864
Trade Receivables	469,846,782	942,687,993	1,412,534,775
Other Receivables	4,074,198	2,072,499	6,146,697
Inventories	2,214,773,095	301,352,824	2,516,125,919
Prepaid Expenses	117,929,171	65,052,462	182,981,633
Current Income Tax Assets	-	558,293	558,293
Other Current Asset	10,719,591	14,785,246	25,504,837
Non-Current Asset	2,507,969,502	161,877,008	2,669,846,510
Other Receivables	12,146,206	1,662,395	13,808,601
Tangible Assets	1,239,450,221	22,210,831	1,261,661,052
Right of Use Assets	850,499,310	85,223,827	935,723,137
Intangible Assets	303,925,313	10,128,909	314,054,222
Prepaid Expenses	605,383	-	605,383
Deferred Tax Assets	101,343,069	42,651,046	143,994,115
Total Assets	6,909,797,023	1,692,774,505	8,602,571,528

Liabilities	Previously reported 31 December 2021	Elimination Effects Included, Restateing Effects	Restated Previously reported 31 December 2021
Current Liabilities	4,684,474,909	1,711,463,547	6,395,938,456
Short-term Borrowings	210,980,735	37,495,987	248,476,722
Trade Payables	4,169,385,813	1,544,848,055	5,714,233,868
Other Payables	-	7,961,838	7,961,838
Liabilities for Employee Benefits	53,023,536	11,484,967	64,508,503
Deferred Income	28,560,190	41,679,048	70,239,238
Current Income Tax Liabilities	58,208,414	-	58,208,414
Short-term Provisions	148,052,340	64,138,152	212,190,492
Other Current Liabilities	16,263,881	3,855,500	20,119,381
Non-Current Liabilities	768,705,055	129,787,867	898,492,922
Long-term Borrowings	389,534,090	27,870,094	417,404,184
Other Payables	-	65,187,835	65,187,835
Long-term Provisions	114,333,992	24,396,151	138,730,143
Deferred tax liability	246,600,381	12,333,787	258,934,168
Deferred Income	18,236,592	-	18,236,592
Equity	1,456,617,059	(148,476,909)	1,308,140,150
Shareholders' Equity	1,456,622,386	(96,531,048)	1,360,091,337
Share Capital	60,000,000	-	60,000,000
Capital adjustment differences	572,800,075	-	572,800,075
Treasury shares	(81,682,846)	-	(81,682,846)
Share premiums	-	797,552,134	797,552,134
Other Comprehensive Expense not to be Reclassified to Profit or Loss	107,306,418	13,158,893	120,465,311
Defined benefit plans remeasurement losses	575,511,875	(1,370,521,867)	(795,009,992)
Restricted Reserves Appropriated from Profits	222,686,864	82,245,161	304,932,025
Impact of business combinations under common control	(5,327)	(51,945,860)	(51,951,187)
Total Liabilities	6,909,797,023	1,692,774,505	8,602,571,528

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.8 Comparative Information and Restatement of Prior Period Financial Statements (Continued)

Profit or loss	Previously reported 31 December 2022	Elimination Effects Included, Restateing Effects	Restated Previously reported 31 December 2022
Revenue	26,525,853,575	5,411,860,135	31,937,713,710
Cost of Sales (-)	(24,135,821,978)	(4,692,765,442)	(28,828,587,420)
Gross profit	2,390,031,597	719,094,693	3,109,126,290
Marketing Expenses (-)	(2,347,210,353)	(527,064,791)	(2,874,275,144)
General Administrative Expenses (-)	(511,192,219)	(101,306,148)	(612,498,367)
Other Income from Operating Activities	197,774,992	47,480,723	245,255,715
Other Expenses from Operating Activities (-)	(842,730,233)	(36,420,732)	(879,150,965)
Operating profit	(1,113,326,216)	101,783,745	(1,011,542,471)
Income from Investing Activities	159,284,097	50,321,396	209,605,493
Expense from Investing Activities (-)	(1,203,185)	-	(1,203,185)
Profit before financial expenses	(955,245,304)	152,105,141	(803,140,163)
Financial Expenses (-)	1,848,719,414	(2,357,755,541)	(509,036,127)
Monetary gain	(425,784,955)	2,530,248,419	2,104,463,464
Profit Before Tax from Continued Operations	467,689,155	324,598,019	792,287,174
Tax Income from Continued Operations	36,081,668	(91,860,041)	(55,778,373)
Current Tax Expense	(59,958,799)	(58,828,094)	(118,786,893)
Deferred Tax Income	96,040,467	(33,031,947)	63,008,520
Net Profit for The Year	503,770,823	232,737,978	736,508,801
Net profit attributable to			
Non-controlling interest	16,915	46,602,014	46,618,929
Equity holders of parent	503,753,908	186,135,964	689,889,872
Earnings per share (TRY)	8.396	3.102	11.498
Other Comprehensive Expense			
Items not to be reclassified to profit or loss	(9,818,354)	(414,666)	(10,233,020)
Defined benefit plans re-measurement losses			
Deferred Tax Income Related to Items not to be Reclassified to Profit or Loss	(12,791,261)	-	(12,791,261)
Other Comprehensive Expense			
Items not to be reclassified to profit or loss	2,972,907	(414,666)	2,558,241
Total Other Comprehensive Income	493,952,469	232,323,312	726,275,781
Distribution of total other comprehensive income			
Non-controlling interest	16,915	46,602,013	46,618,927
Equity holders of parent	493,935,554	185,721,299	679,656,854

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.8 Summary of Significant Accounting Policies

Inventories:

Inventories are stated at the lower of cost and net realizable value expressed in purchasing power as of balance sheet date. Cost expressed in purchasing power is calculated as the average cost over the month. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs to make the sale. When the net realizable value of the inventories falls below its cost, the inventories are reduced to their net realizable value and are charged to the profit or statement in the year in which the impairment occurred. In cases where it is proven that the conditions that previously caused the inventories to be reduced to net realizable value no longer apply or an increase in net realizable value due to changing economic conditions, the reserve for impairment is reversed. The cancelled amount is limited to the previously allocated impairment amount.

Revenues from vendors, turnover premiums and discounts received from vendors are accounted for on an accrual basis during the period in which the vendors benefit from the services and are deducted from the cost of goods sold.

Tangible Assets:

Tangible assets are shown at cost, expressed in purchasing power, less accumulated depreciation and accumulated impairment losses. Assets under construction for administrative purposes or other purposes not yet determined are shown at cost expressed in purchasing power, less any impairment losses. Legal fees are also included in the cost. In the case of assets that require significant time to be ready for use and sale, borrowing costs are capitalized. When the construction of these assets is completed and they are ready for use, they are classified into the relevant tangible asset item. Such assets are depreciated when they are ready for use, as is the depreciation method used for other fixed assets. All other expenses are recognized as expense items in the consolidated statement of profit or loss as incurred.

Except for the investments in progress and lands the cost amounts of tangible fixed assets are depreciated over their expected useful lives using the straight-line method. Fixed assets acquired through finance leases are depreciated using the straight-line method, whichever is longer than their expected useful lives or the lease term specified in the contract.

The gain or loss resulting from the disposal of tangible fixed assets or the retirement of a tangible asset is determined as the difference between the sales revenue and the carrying value of the asset and is included in the profit or loss statement.

Special Costs

Leasehold improvements consist of permanent improvements to the leased stores that the Group expects to benefit from in the future. The Group accounts for leasehold improvements from the acquisition cost at the date of improvement, less accumulated depreciation and impairment, if any.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.9 Summary of Significant Accounting Policies

Leasing Transactions:

The Group as lessor:

Rental income from operating leases is accounted for using the straight-line method over the relevant lease period. The direct initial costs incurred in realizing and negotiating the lease are included in the cost of the leased asset and are amortized over the lease term on a straight-line basis.

The Group as lessee:

At the inception of a contract, the Group assesses whether the contract is or contains a lease. If the contract transfers the right to control the use of the identified asset for a specified period of time, the contract is or includes a lease. The group considers the following conditions when assessing whether a contract transfers the right to control the use of an identified asset for a specified period of time:

- a) The contract contains an identified asset:- this may be specified explicitly or implicitly
- b) The asset should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right the asset is not identified.
- c) The Group has the right to obtain substantially all of the economic benefits from the use of an asset throughout the period of use and
- d) The Group has the right to direct use of the asset. The Group concludes to have the right of use. when it is predetermined how and for what purpose the Group will use the asset. The Group has the right to direct use of asset if either
 - i. The Group has the right to operate the asset (or to direct others to operate the asset in a manner that it determines) throughout the period of use. without the supplier having the right to change those operating instructions; or
 - ii. The customer designed the asset (or specific aspects of the asset) in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

At the commencement date. the Group recognize a right-of-use asset and a lease liability in interim consolidated financial statements.

Right of use asset

The cost of the right-of-use asset shall comprise:

- a) The amount of the initial measurement of lease liability.
- b) Any lease payments made at or before the commencement date. less any lease incentives received.
- c) Any initial direct costs incurred by the lessee. and To apply a cost model. the Group measure the right-of-use asset at cost:
 - a) Less any accumulated depreciation and any accumulated impairment losses. and
 - b) Adjusted for any remeasurement of the lease liability.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.9 Summary of Significant Accounting Policies (Continued)

The Group as lessee (Continued;)

The Group apply the depreciation requirements in TAS 16. “Property, Plant and Equipment” in depreciating the right-of-use asset, subject to the requirements. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the Group depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, The Group depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group apply TAS 36. “Impairment of Assets” to determine whether the right-of-use asset is impaired and to account for any impairment loss identified

Lease liability

At the commencement date, the Group measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group use the lessee’s incremental borrowing rate.

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

- a) Fixed payments, less any lease incentives receivable.
- b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- c) The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- d) Payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, the Group measure the lease liability by:

- a) Increasing the carrying amount to reflect interest on the lease liability.
- b) Reducing the carrying amount to reflect the lease payments made; and
- c) Remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. The Group determine the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee’s incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined. After the commencement date, The Group remeasure the lease liability to reflect changes to the lease payments

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.9 Summary of Significant Accounting Policies (Continued)

Leasing Transactions (Continued):

The Group as lessee (Continued;)

The Group shall remeasure the lease liability by discounting the revised lease payments using a revised discount rate, if either:

- a) There is a change in the lease term. The Group determine the revised lease payments on the basis of the revised lease term; or.
- b) There is a change in the assessment of an option to purchase the underlying asset. The Group determine the revised lease payments to reflect the change in amounts payable under the purchase option.

The Group determine the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee’s incremental borrowing rate at the date of reassessment, if the interest rate implicit in the lease cannot be readily determined.

The Group remeasure the lease liability by discounting the revised lease payments, if either:

- a) There is a change in the amounts expected to be payable under a residual value guarantee. The Group determine the revised lease payments to reflect the change in amounts expected to be payable under the residual value guarantee.
- b) There is a change in future lease payments resulting from a change in an index or a rate used to determine those payments

The Group determines its revised lease payments related to the remaining leasing period considering its payments related to the revised agreement. Under these circumstances, the Group uses an unadjusted discount rate.

The Group recognises the restructuring of the lease as a separate leasing if both of the following are met:

- a) The restructuring extends the scope of the leasing by including the right of use of one or more underlying assets, and
- b) The lease payment amount increases as much as the appropriate adjustments to the price mentioned individually so that the increase in scope reflects the individual price and the terms of the relevant agreement.

The Group determines its revised lease payments related to the remaining leasing period considering its payments related to the revised agreement. Under these circumstances, the Group uses an unadjusted interest rate

Intangible Assets:

Intangible assets with finite useful lives that are acquired separately are carried at cost expressed in purchasing power less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Franchise Rights and Trademarks

The net cash flows that intangible assets with indefinite useful life, including brands, are likely to provide to the Group cannot be calculated because it cannot be predicted for how long they will be used as a result of the analyzes that can be made. Therefore, these assets are not depreciated, but are tested for impairment annually.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.9 Summary of Significant Accounting Policies (Continued)

Impairment of Assets:

Assets with an indefinite life are not amortized. Each year, an impairment test is applied for these assets. For assets that are subject to amortization, an impairment test is applied in case of situations or events where it is not possible to recover the book value. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded. The recoverable amount is the higher of fair value less costs to sell or value in use. For assessment of impairment, assets are grouped at the lowest level with separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill that are subject to impairment are reviewed for possible reversal of impairment at each reporting date.

Borrowing Costs:

In the case of assets (qualified assets) that take significant time to get ready for use and sale, borrowing costs directly attributable to their acquisition, construction or production are included in the cost of the asset until it is ready for use or sale.

Borrowing costs are recorded in the profit or loss statement in the period they are incurred. Within the scope of TAS 23 (Revised), “Borrowing costs”, the Group does not have any borrowing costs that should be capitalized.

Revenue

In line with TFRS 15 “Revenue from Contracts with Customers”, which entered into force as of January 1, 2018, the Group recognizes revenue in its financial statements within the scope of the following five-stage model.

- Identification of contracts with customers,
- Identification of performance obligations in contracts,
- Determining the transaction price in the contracts,
- Distribution of the transaction price to the performance obligations,
- Revenue recognition.

The Group evaluates the goods or services committed in each contract with customers and determines each separable commitment to transfer the said goods or services as a separate performance obligation. For each performance obligation, whether the performance obligation will be fulfilled over time or at a specific moment is determined at the beginning of the contract. If the Group transfers control of a good or service over time and thus fulfills its performance obligations regarding related sales over time, it measures the progress towards the full fulfillment of the performance obligations and recognizes the revenue over time. When the Group fulfills or fulfills its performance obligation by transferring a promised good or service to its customer, the transaction price corresponding to this performance obligation is recorded in its financial statements as revenue. A good or service is transferred when (or after) control of the goods or services is in the hands of the customers.

When the Group evaluates the transfer of control of the goods or services sold to the customer, a) the Group's right to collect the goods or services, b) the customer's legal ownership of the goods or services, c) the transfer of the possession of the goods or services, d) the customer's ownership of the goods or services. It takes into account the ownership of the significant risks and rewards arising from owning, e) the conditions of acceptance of the goods or services by the customer. If the Group, at the beginning of the contract, predicts that the period between the transfer date of the promised good or service to the customer and the date the customer pays for such good or service will be one year or less, it does not adjust the promised price for the effect of a significant financing component. On the other hand, if there is an important financing element in the revenue, the revenue value is determined by discounting the future collections with the interest rate included in the financing element. The difference is recognized in the relevant periods as other operating income on an accrual basis.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.9 Summary of Significant Accounting Policies (Continued)

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.

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 shorter than 12 months from the balance sheet date, 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” and “cash and cash equivalents” items in the statement of financial position.

Impairment: Since the trade receivables accounted for at amortized cost in the financial statements do not contain a significant financing component, the Group chooses the simplified application for impairment calculations and uses the provision matrix. 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. In the calculation of expected credit losses, the Group's forecasts for the future are also taken into account, together with the past experience of credit losses.

Cash and cash equivalents

Cash and cash equivalents are cash, demand deposits and other highly liquid short-term investments with maturities of 3 months or less from the date of purchase, immediately convertible into cash, and without significant risk of change in value.

Financial Liabilities:

Financial liabilities are recorded at the date they are received, after deducting the transaction expenses from the financial debt amount received. Financial liabilities are followed in the financial statements with their discounted values calculated with the effective interest rate on the following dates. The difference between the amount of the financial debt received (excluding transaction expenses) and the repayment value is recognized in the consolidated statement of profit or loss on an accrual basis over the financial liability period. Financial liabilities are classified as current liabilities, unless the Group has an unconditional right to defer repayment of the obligation for 12 months from the balance sheet date

Trade Receivables

Trade receivables resulting from the provision of a product or service to a buyer by the Group are shown net of deferred finance income. Short-term receivables with no specified interest rate are shown at their original invoice values unless the effect of accruing interest is significant.

The Group allocates provision for doubtful receivables for the related trade receivables, if there is objective evidence that collection is not possible. Objective evidence is when the claim is pending or in preparation for litigation or enforcement, the buyer is in significant financial difficulty, the buyer is in default, or it is probable that a significant and unpredictable delay will occur. The amount of this provision is the difference between the book value of the receivable and the recoverable amount. The recoverable amount is the discounted value of all cash flows, including the amounts that can be collected from guarantees and guarantees, based on the original effective interest rate of the trade receivable. In addition, the Group uses the provision matrix by choosing the simplified application for impairment calculations, since trade receivables accounted for at amortized cost in the financial statements do not contain an important financing component. 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. In the calculation of expected credit losses, the Group's forecasts for the future are also taken into account, together with the past experience of credit losses.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.9 Summary of Significant Accounting Policies (Continued)

Effects of Exchange Rate Change:

The Group's financial statements are presented in the currency of the main economic environment in which they operate (the functional currency). The financial position and operating results of the business are expressed in Turkish Lira (“TRY”), which is the functional currency of the Group and the presentation unit for the financial statements.

During the preparation of the Group's financial statements, transactions in foreign currencies (currencies other than TRY) are recorded based on the exchange rates on the date of the transaction. Monetary assets and liabilities indexed to foreign currency in the balance sheet are translated into Turkish Lira using the exchange rates prevailing on the balance sheet date. Among the non-monetary items that are followed at fair value, those recorded in foreign currency are translated into TRY based on the exchange rates at the date of determination of the fair value. Foreign currency non-monetary items measured at historical cost are not reconverted.

Exchange differences are recognized in profit or loss in the period in which they occur, except as follows:

- Exchange differences related to assets under construction for future use and included in the cost of such assets, treated as an adjustment to interest costs on foreign currency denominated liabilities,
- Exchange differences arising from transactions carried out to provide financial hedging against foreign currency risks.

Basic earnings per share:

It is calculated by adjusting for the dividend elements in ordinary shares issued during the year and dividing from equity by the weighted average number of ordinary shares outstanding during the financial year, excluding the entity's own repurchased shares. At the same time, the amount of capital increased with internal resources affects the re-display of the previous year's calculation.

Events After the Reporting Period:

Events after the reporting period; It covers all events between the balance sheet date and the date the balance sheet is authorized for issue, even if they occur after any announcement regarding profit for the period or other selected financial information has been made public. In case of occurrence of events requiring adjustment after the balance sheet date, the Group adjusts the amounts recognized in the financial statements in accordance with this new situation.

Provisions Contingent Assets and Liabilities:

Provisions

Provisions are recognized when the Group has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle this obligation, and the amount to be paid can be reliably estimated (Note 11).

Contingent assets and liabilities

Liabilities and assets that can be confirmed by the realization of one or more uncertain future events arising from past events, the existence of which is not fully under the control of the enterprise, are not included in the financial statements and are considered as contingent liabilities and assets (Note 11).

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.9 Summary of Significant Accounting Policies (Continued)

Related Parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this standard referred to as the ‘reporting entity’)

- a) A person or a close member of that person’s family is related to a reporting entity if that person:
- Has control or joint control over the reporting entity;
 - Has significant influence over the reporting entity; or
 - Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

Revenue from the sale of goods is recognized as soon as all the following conditions are met:

- b) An entity is related to a reporting entity if any of the following conditions applies:
- The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - Both entities are joint ventures of the same third party.
 - One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - The entity is controlled or jointly controlled by a person identified in (a).
 - A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity) Transactions with the related parties: Relationships between a parent and its subsidiaries shall be disclosed irrespective of whether there have been transactions between them.

The transactions of resources, services or obligations between reporting entity and related party are transfers whether there is consideration of price or not.

Taxes on Corporate Income:

Current tax

Current year tax liability is calculated over the taxable portion of the profit for the period. Taxable profit differs from profit reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and items that are not taxable or deductible. The current tax liability of the Group is calculated using the tax rate that has been enacted or substantially enacted as of the balance sheet date.

Deferred Tax

Deferred tax liability or assets are determined by calculating the tax effects of temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the calculation of legal tax base, according to the balance sheet method, taking into account the enacted tax rates. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated provided that it is highly probable to benefit from these differences by generating taxable profit in the future. Deferred tax liabilities or assets are not calculated for temporary timing differences that arise from the initial recognition of assets or liabilities other than goodwill or business combinations and that do not affect both commercial and financial profit or loss.

Deferred tax liabilities are calculated for all taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, except when the Group is able to control the temporary differences and it is unlikely that the temporary differences will disappear in the near future.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.9 Summary of Significant Accounting Policies (Continued)

Taxes on Corporate Income (Continued):

Deferred Tax (Continued):

Deferred tax assets arising from taxable temporary differences associated with such investments and interests are calculated on the condition that it is highly probable that these differences will be utilized by earning sufficient taxable profit in the near future and it is probable that these differences will disappear in the future.

Carrying amount of deferred tax asset is reviewed as of each balance sheet date. Carrying value of deferred tax asset is reduced to the extent that it is not highly probable that a taxable profit will be obtained to allow some or all of the deferred tax asset to be benefited.

Deferred tax assets and liabilities are calculated over tax rates (tax regulations) that are enacted or substantially enacted as of the balance sheet date, which are expected to be valid in the period when the assets are realized or the liabilities are fulfilled. During the calculation of deferred tax assets and liabilities, the tax results of the methods estimated by the Group to recover the book value of its assets or fulfill its liabilities as of the balance sheet date are taken into account.

Current and deferred tax for the period

Current tax and deferred tax for the period, other than those relating to items recognized directly as receivables or debits in equity (in which case deferred tax on such items is also recognized directly in equity) or arising from the initial recognition of business combinations, are recognized as expense or income in the statement of profit or loss. is accounted for. In business combinations, the tax effect is taken into account when calculating goodwill or determining the excess of the acquisition cost of the share acquired by the purchaser in the fair value of the identifiable assets, liabilities and contingent liabilities of the purchased subsidiary.

Employee Benefits:

Severance compensation:

Severance pays according to the current laws and collective bargaining agreements in Turkey. is paid in case of retirement or dismissal. Such payments are considered as being part of defined retirement benefit plan in accordance with TAS 19 as Employee Benefits (TAS 19).

The provision for severance pay recognized in the balance sheet is calculated according to the net balance sheet date value of the expected future liabilities due to the retirement of the employees and reflected in the consolidated financial statements. All calculated actuarial gains and losses are accounted for under other comprehensive income

Cash Flow Statement:

In the statement of cash flows. cash flows are classified according to operating. investment and financing activities.

Cash flows from operating activities reflect cash flows from wholesale operations of the Group.

Cash flows related to investment activities indicate the cash flows that the Group uses and acquires in its investment activities (fixed investments and financial investments).

Cash flows from financing activities represent the resources used by the Group in financing activities and the repayments of these resources.

Cash and cash equivalents and other short-term investments with maturities of less than 3 months or less than 3 months from the date of purchase and which are immediately convertible to cash and do not carry a significant risk of change in value.

Capital and Dividends:

Ordinary shares are classified as equity. Dividends on ordinary shares are recognized as dividends payable by deducting from retained earnings in the period in which they are decided to distribute dividends.

Retrieved shares:

The amount of the Group's share of undiscounted shares is deducted from retained earnings and presented under a separate line in the statement of financial position under equity.

The Group may have the right to resell such shares in accordance with the legal regulations to which the Group is affiliated.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.9 Summary of Significant Accounting Policies (Continued)

Significant Accounting Reviews, Estimates and Assumptions:

In the process of applying the accounting policies stated in Note 2.9, the management has made the following evaluations, estimates and assumptions that have a significant effect on the amounts recognized in the consolidated financial statements:

Significant Accounting Estimates

Lifetimes foreseen in the calculation of right of use

The lease obligation is determined by taking into account the extension and termination options in the contracts. The majority of the extension options in the contracts consist of options that can be jointly exercised by the Group and the lessor. The early termination option is in the hands of the Group. Due to these evaluations, the Group has evaluated the lease term extension and early termination options and used it without adding or subtracting the terms of the contracts. Relevant contract periods are evaluated by the Group management at the end of each year.

3. BUSINESS COMBINATIONS

The Group acquired all shares of g2mEKSPER Satış ve Dağıtım Hizmetleri A.Ş., which is 90% owned by Yıldız Holding A.Ş., by issuing capital worth 20,476,074 TL to Yıldız Holding on 29 December 2023. The purchase transaction was evaluated as “Transactions Under Common Control” and was accounted for under equity. The net asset received as a result of the transaction and the equity impact of the transaction are as follows:

Assets included in the scope of consolidation	31 December 2023
Current Assets	
Cash and Cash Equivalents	122,691,314
Trade Receivables	889,299,226
Other Receivables	4,810,483
Inventories	382,697,746
Prepaid Expenses	34,734,105
Current Income Tax Assets	8,937,838
Other Current Asset	60,438,363
Non-Current Assets	
Other Receivables	2,261,452
Tangible Assets	211,586,306
Right of Use Assets	259,784,688
Intangible Assets	8,694,409
Deferred tax liability	26,017,423
Current Liabilities	
Short-term Borrowings	(78,829,774)
Trade Payables	(1,426,374,306)
Other Payables	(5,338,764)
Liabilities for Employee Benefits	(27,065,894)
Deferred Income	(34,238,780)
Short-term Provisions	(71,650,190)
Other Current Liabilities	(6,272,782)
Non-Current Liabilities	
Long-term Borrowings	(110,955,182)
Other Payables	(23,184,513)
Long-term Provisions	(42,463,157)
Deferred tax liability	(40,167,108)
Deferred Income	(4,288,239)
Net assets included in the scope of consolidation	141,124,664
Group's total ownership rate	90%
Group's share of net assets acquired	127,012,198
Capital issuance for acquisition	(20,476,074)
Non-capital equity items	254,022,432
Net Equity Effect from Subsidiary Acquisition	360,558,556

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

4. CASH AND CASH EQUIVALENTS

	31 December 2023	31 December 2022	31 December 2021
Cash on hand	38,882,417	35,507,289	24,224,975
Time deposits (*)	497,031,241	67,347,618	1,365,086,199
Demand deposit	283,399,920	799,886,645	97,070,023
Credit card receivables	85,813,624	243,453,506	302,491,667
Cash and cash equivalents	905,127,202	1,146,195,058	1,788,872,864

(*) The majority of time deposits have overnight maturities. The average interest rate in 2023 is 40%.

The maturity details of credit card receivables as of 31 December 2023, 2022 and 2021 are as follows:

	31 December 2023	31 December 2022	31 December 2021
To be paid within 1 month	82,044,576	176,754,400	275,733,405
To be paid within 2 - 3 months	3,769,048	66,699,106	26,758,262
Total	85,813,624	243,453,506	302,491,667

5. FINANCIAL LIABILITIES

	31 December 2023	31 December 2022	31 December 2021
Financial leasing borrowings			
To be paid within 1 year	495	1,955,556	3,211,134
To be paid within 2 - 4 years	-	-	3,408,868
Future value of finance charges	(495)	(177,198)	(1,104,769)
Present value of finance lease obligation	-	1,778,358	5,515,233

Amounts due to settlement within 12 months	-	1,778,358	2,447,098
Amounts due for settlement after 12 months	-	-	3,068,135

	31 December 2023	31 December 2022	31 December 2021
Lease Liabilities			
To be paid within 1 year	342,659,195	208,318,020	246,029,624
Longer than one year	642,388,159	360,755,377	414,336,049
Present value of lease liabilities	985,047,354	569,073,397	660,365,673

	31 December 2023	31 December 2022	31 December 2021
Obligations to related parties arising from leasing transactions			
To be paid within 1 year	12,026,442	495,566	680,058
Longer than one year	40,498,950	1,244,082	1,859,261
Present value of lease obligation to related parties	52,525,392	1,739,648	2,539,319

	31 December 2023	31 December 2022
Financial lease movements		
Balance at beginning of the year	1,778,358	5,515,233
Accrued interest	433,958	375,723
Paids	(1,513,235)	(1,954,795)
Monetary loss	(699,081)	(2,157,803)
Closing balance	-	1,778,358

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

5. FINANCIAL LIABILITIES (Continued)

The discount ranges used for leases under TFRS 16 are as follows:

Currency	31 December 2023		
	Discount range (%)	Short-term (%)	Long-term (%)
TRY	11-28.6	11-12	12-28.6
EUR	6.5	6.5	6.5

Currency	31 December 2022		
	Discount range (%)	Short-term (%)	Long-term (%)
TRY	12.2-53.5	12.2-33.9	16.4-53.5

Currency	31 December 2021		
	Discount range (%)	Short-term (%)	Long-term (%)
TRY	11-28.6	11-12	12-28.6
EUR	4-6.2	4-5.5	5.8-6.2
USD	5-7.6	5-6.8	7-7.6

Financial leasing is related to the machine and equipment with the lease term of 4 years. The Group has the option of purchase on the machine and the equipment with lease period of 4 years. The liabilities of the Group are assured with the property right of the lessee on leased asset.

The amount of liability arising from leasing transactions is calculated over the future rents within the scope of the contract for the stores, warehouses and vehicles within the scope of the right to use and control within the scope of the new TFRS 16.

6. TRADE RECEIVABLES AND PAYABLES

Current trade receivables	31 December 2023	31 December 2022	31 December 2021
Trade receivables	1,129,927,338	1,314,231,580	1,213,890,366
Trade receivables from related parties (Note 24)	24,703,244	43,995,543	22,647,914
Notes receivable	260,083,186	388,196,021	330,070,511
Allowance for doubtful receivables (-)	(63,356,424)	(89,100,700)	(154,074,016)
Total current trade receivables	1,351,357,344	1,657,322,444	1,412,534,775

As of 31 December 2023, the average period for the sale of goods is 3.1 days (2022: 4.3 days, 2021:3.5 days).

Trade receivables are carried at amortized cost and are calculated over discount rate of 42.5% (31 December 2022: 11.19% - 31 December 2021: 17.8%).

The movement of the allowance for doubtful receivables as of 31 December 2023 and 2022 are as follows:

Movement of allowance for doubtful receivables	31 December 2023	31 December 2022
Balance at beginning of the year	(89,100,700)	(154,074,016)
Current period charge	(14,980,030)	(6,353,359)
Amounts recovered during the year	4,087,245	10,859,774
Monetary gain	36,637,061	60,466,901
Closing balance	(63,356,424)	(89,100,700)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

6. TRADE RECEIVABLES AND PAYABLES (Continued)

Current trade payable	31 December 2023	31 December 2022	31 December 2021
Trade payables	3,547,688,389	4,716,883,683	4,261,206,912
Trade payables to related parties (Note 24)	1,597,671,777	1,622,586,083	1,453,026,956
Total current trade payables	5,145,360,166	6,339,469,766	5,714,233,868

Trade payables are carried at amortized cost and are calculated over discount rate of 42.5% (31 December 2022: 11.19% - 31 December 2021:17.8%).

Qualification and level of risks on trade receivables and trade payables explained in Note 25.

7. OTHER RECEIVABLES AND PAYABLES

Short-term other receivables	31 December 2023	31 December 2022	31 December 2021
Non-trade receivables from related parties (Note 24)	4,240,295	254,088,910	4,104,300
Receivables from insurance	4,801,532	967,476	1,830,570
Receivables from personnel	3,323,702	4,412,167	211,827
	12,365,529	259,468,553	6,146,697

Long-term other receivables	31 December 2023	31 December 2022	31 December 2021
Deposits and guarantees given	12,583,381	21,582,375	13,808,601
	12,583,381	21,582,375	13,808,601

8. INVENTORIES

	31 December 2023	31 December 2022	31 December 2021
Trade goods	2,263,348,951	3,435,838,729	2,618,047,992
Other inventory	23,514,076	16,776,685	2,597,879
Provisions for inventories (-)	(13,937,783)	(108,593,067)	(104,519,952)
	2,272,925,244	3,344,022,347	2,516,125,919

Inventory provision movement	31 December 2023	31 December 2022
Balance at beginning of the year	(108,593,067)	(104,519,952)
Period expense	(13,937,783)	(108,593,067)
Provision reversal	108,593,067	104,519,952
	(13,937,783)	(108,593,067)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

9. PREPAID EXPENSES AND DEFERRED INCOMES

a) Prepaid Expenses

Short-Term Prepaid Expenses	31 December 2023	31 December 2022	31 December 2021
Advances given for inventories	321,606,148	121,822,671	163,932,086
Prepaid expenses for insurance	35,521,703	13,642,130	12,774,464
Prepaid expenses for rent	16,657,304	30,511,551	957,087
Other prepaid expenses	12,132,065	11,045,140	5,317,996
	385,917,220	177,021,492	182,981,633

Long-Term Prepaid Expenses	31 December 2023	31 December 2022	31 December 2021
Future expenses	720,509	-	605,383
Advances given for fixed asset	-	14,829,563	-
	720,509	14,829,563	605,383

b) Deferred Revenue

Short-term deferred revenue	31 December 2023	31 December 2022	31 December 2021
Advances received	55,823,619	137,596,520	60,351,079
Other deferred revenue	16,043,736	5,717,652	9,888,159
	71,867,355	143,314,172	70,239,238

Long-term deferred revenue	31 December 2023	31 December 2022	31 December 2021
Other deferred revenue	4,288,241	27,482,633	18,236,592
	4,288,241	27,482,633	18,236,592

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

10. TANGIBLE ASSETS AND RIGHT OF USE ASSETS

a) Movements of tangible assets between 1 January 2023 and 31 December 2023 are as follows:

	Machinery and equipment	Vehicles	Furniture and Fixture	Leasehold Improvements	Other Tangible Fixed Assets	Total
<u>Cost Value</u>						
Opening balance as of 1 January 2023	20,911,224	34,842,563	1,939,964,992	1,663,517,901	457,963,448	4,117,200,128
Additions	3,334,944	-	196,653,478	225,049,215	134,352,589	559,390,226
Disposals	-	-	(41,128,799)	(37,086,170)	(5,524,527)	(83,739,496)
Transfer (*)	-	-	-	61,988,270	(61,988,270)	-
Closing balance as of 31 December 2023	24,246,168	34,842,563	2,095,489,671	1,913,469,216	524,803,240	4,592,850,858
<u>Accumulated Depreciation</u>						
Opening balance as of 1 January 2023	(20,797,965)	(34,750,237)	(1,414,958,228)	(885,803,336)	(157,028,057)	(2,513,337,823)
Charge for the period	(174,317)	(55,177)	(129,323,475)	(145,917,137)	(34,832,570)	(310,302,676)
Disposals	-	-	30,375,617	28,288,369	4,082,345	62,746,331
Closing balance as of 31 December 2023	(20,972,282)	(34,805,414)	(1,513,906,086)	(1,003,432,104)	(187,778,282)	(2,760,894,168)
Net book value as of 31 December 2022	3,273,886	37,149	581,583,585	910,037,112	337,024,958	1,831,956,690

(*) The amount of investments in progress for the accounting period of 1 January – 31 December 2023 is TRY176,609,275 (31 December 2022: TRY86,720.29)

As of 31 December 2023, depreciation expense of TRY309,952,274 has been charged in marketing sales and distribution expenses and TRY52,453,144 in general administrative expenses.

In the period of 1 January 2023 - 31 December 2023 there are no purchases of tangible fixed assets through financial leasing.

There are no pledges or any other restrictions over tangible assets.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

10. TANGIBLE ASSETS AND RIGHT OF USE ASSETS(Continued)

a) Movements of tangible assets between 1 January 2022 and 31 December 2022 are as follows:

	Machinery and equipment	Vehicles	Furniture and Fixture	Leasehold Improvements	Other Tangible Fixed Assets	Total
<u>Cost Value</u>						
Opening balance as of 1 January 2022	20,911,224	36,868,152	1,725,237,609	1,421,622,240	319,567,880	3,524,207,105
Additions	-	-	214,751,450	241,895,661	144,201,146	600,848,257
Disposals	-	(2,025,589)	(24,067)	-	-	(2,049,656)
Transfer (*)	-	-	-	-	(5,805,578)	(5,805,578)
Closing balance as of 31 December 2022	20,911,224	34,842,563	1,939,964,992	1,663,517,901	457,963,448	4,117,200,128
<u>Accumulated Depreciation</u>						
Opening balance as of 1 January 2022	(20,797,965)	(36,682,433)	(1,303,089,985)	(773,258,549)	(128,717,121)	(2,262,546,053)
Charge for the period	-	(93,393)	(111,892,310)	(112,544,787)	(28,310,936)	(252,841,426)
Disposals	-	2,025,589	24,067	-	-	2,049,656
Closing balance as of 31 December 2022	(20,797,965)	(34,750,237)	(1,414,958,228)	(885,803,336)	(157,028,057)	(2,513,337,823)
Net book value as of 31 December 2022	113,259	92,326	525,006,764	777,714,565	300,935,391	1,603,862,305

(*) Intangible fixed asset investments that are ready for use have been transferred from construction in progress.

As of 31 December 2022, depreciation expense of TRY215,649,305 has been charged in marketing sales and distribution expenses and TRY84,387,943 in general administrative expenses.

In the period of 1 January 2022 - 31 December 2022 there are no purchases of tangible fixed assets through financial leasing.

There are no pledges or any other restrictions over tangible assets.

The useful lives of tangible assets are as follows:

	<u>Useful Life</u>
Machinery and equipment	5 -15 years
Vehicles	5 years
Furniture and Fixture	2 - 50 years
Other Tangible Fixed Assets	2 - 7 years
Leasehold Improvement	2 - 20 years

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

10. TANGIBLE ASSETS AND RIGHT OF USE ASSETS(Continued)

b) Movements of right of use assets between 1 January 2023 and 31 December 2023 are as follows:

	<u>Stores</u>	<u>Vehicles</u>	<u>Warehouses</u>	<u>Building</u>	<u>Total</u>
<u>Cost Value</u>					
Opening balance as of 1 January 2023	1,528,539,791	227,692,363	76,665,584	176,709,850	2,009,607,588
Additions	459,946,117	240,310,068	70,305,923	167,978,424	938,540,532
Disposals	(25,663,345)	(121,177,934)	-	(56,243,530)	(203,084,809)
Closing balance as of 31 December 2023	1,962,822,563	346,824,497	146,971,507	288,444,744	2,745,063,311
<u>Accumulated Depreciation</u>					
Opening balance as of 1 January 2023	(610,550,006)	(108,470,813)	(25,529,495)	(114,840,028)	(859,390,342)
Charge for the period	(233,350,750)	(108,216,752)	(16,146,447)	(50,402,365)	(408,116,314)
Disposals	16,221,741	101,039,588	-	55,084,263	172,345,592
Closing balance as of 31 December 2023	(827,679,015)	(115,647,977)	(41,675,942)	(110,158,130)	(1,095,161,064)
Net book value as of 31 December 2023	1,135,143,548	231,176,520	105,295,565	178,286,614	1,649,902,247

As of 1 January - 31 December 2023, Depreciation expense of TRY391,705,009 has been charged in marketing sales and distribution expenses and TRY16,411,306 in general administrative expenses.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

10. TANGIBLE ASSETS AND RIGHT OF USE ASSETS(Continued)

b) Movements of right of use assets between 1 January 2022 and 31 December 2022 are as follows:

	<u>Stores</u>	<u>Vehicles</u>	<u>Warehouses</u>	<u>Building</u>	<u>Total</u>
<u>Cost Value</u>					
Opening balance as of 1 January 2022	1,183,527,889	171,817,533	45,961,207	133,592,714	1,534,899,343
Additions	345,011,902	95,904,933	30,704,377	43,117,136	514,738,348
Disposals	-	(40,030,103)	-	-	(40,030,103)
Closing balance as of 31 December 2022	1,528,539,791	227,692,363	76,665,584	176,709,850	2,009,607,588
<u>Accumulated Depreciation</u>					
Opening balance as of 1 January 2022	(426,724,088)	(79,976,463)	(16,318,284)	(76,157,371)	(599,176,206)
Charge for the period	(183,825,918)	(65,152,474)	(9,211,211)	(38,682,657)	(296,872,260)
Disposals	-	36,658,124	-	-	36,658,124
Closing balance as of 31 December 2022	(610,550,006)	(108,470,813)	(25,529,495)	(114,840,028)	(859,390,342)
Net book value as of 31 December 2022	917,989,785	119,221,550	51,136,089	61,869,822	1,150,217,246

As of 31 December 2022 Depreciation expense of TRY285,852,675 has been charged in marketing sales and distribution expenses and TRY11,019,585 in general administrative expenses.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

11. INTANGIBLE ASSETS

Movements of intangible assets between 1 January 2023- 31 December 2023 are as follows:

<u>Cost Value</u>	<u>Franchising Rights</u>	<u>Rights</u>	<u>Customer Lists</u>	<u>Total</u>
Opening balance as of 1 January 2023	204,243,628	389,235,285	55,829,913	649,308,826
Additions	-	66,446,954	81,658	66,528,612
Closing balance as of 31 December 2023	204,243,628	455,682,239	55,911,571	715,837,438
<u>Accumulated Depreciation</u>				
Opening balance as of 1 January 2023	-	(318,575,206)	(51,810,968)	(370,386,174)
Charge for the period	-	(51,722,250)	(380,493)	(52,102,743)
Closing balance as of 31 December 2023	-	(370,297,456)	(52,191,461)	(422,488,917)
Net book value as of 31 December 2023	204,243,628	85,384,783	3,720,110	293,348,521

For intangible assets which have indefinite useful time. including brands. probable net cash flows cannot be calculated hence it cannot be predicted economic life of the asset with the analysis. Therefore. these assets are not amortised but the assets are tested for impairment test annually.

Discounted cash flow method has been used for the impairment calculations on franchise rights with unlimited lifespans. In the discounted cash flow study. 5-year business plan has been prepared by the relevant management.32% in 2024. 32% in 2025 32% in 2026. 32% in 2027 and 32% in 2028 discount rate and 8.6% growth rate were used.

As a result of the impairment analysis on franchise rights with the details listed above no impairments have been found as of 31 December 2023. (31 December 2022: None).

All of the amortization expense has been charged in general administrative expenses.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

11. INTANGIBLE ASSETS (Continued)

Movements of intangible assets between 1 January 2022- 31 December 2022 are as follows:

<u>Cost Value</u>	<u>Franchising Rights</u>	<u>Rights</u>	<u>Customer Lists</u>	<u>Total</u>
Opening balance as of 1 January 2022	204,243,628	377,441,167	55,559,779	637,244,574
Additions	-	5,988,540	270,134	6,258,674
Transferler (*)	-	5,805,578	-	5,805,578
Closing balance as of 31 December 2022	204,243,628	389,235,285	55,829,913	649,308,826
<u>Accumulated Depreciation</u>				
Opening balance as of 1 January 2022	-	(271,423,841)	(51,766,511)	(323,190,352)
Charge for the period	-	(47,151,365)	(44,457)	(47,195,822)
Closing balance as of 31 December 2022	-	(318,575,206)	(51,810,968)	(370,386,174)
Net book value as of 31 December 2022	204,243,628	70,660,079	4,018,945	278,922,652

(*) Intangible fixed asset investments that are ready for use have been transferred from construction in progress.

Intangible assets are depreciated straight line in accordance with useful life.

	<u>Useful Life</u>
Rights	2 - 15 years
Franchising Rights	Unlimited
Customer Lists	5 years

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

12. PROVISIONS. CONTINGENT ASSETS AND LIABILITIES. COMMITMENTS AND OBLIGATIONS

Current provisions	31 December 2023	31 December 2022	31 December 2021
Provision for lawsuits	55,328,522	62,692,891	58,044,406
Provision for sales activities (*)	47,296,816	48,191,056	23,819,634
Provision for risky store (**)	-	4,634,769	6,039,067
Other provisions	36,843,113	47,684,713	31,464,239
	139,468,451	163,203,429	119,367,346

(*) Activity reserves consist of the monetary point campaign applications that the Group organized in order to support the sales in the current period.

(**) Risky Store Provisions consist of the provisions set aside over store specific costs due to possible risks that may arise due to the Group's decision to close or move stores.

Movements in the provision for lawsuits between 31 December 2023 and 2022 is as follows:

Movements in the provision for lawsuits	1 January - 31 December 2023	1 January - 31 December 2022
Opening balance	62,692,891	58,044,406
Charge for the period	21,037,442	31,698,833
Monetary Gain	(28,401,811)	(27,050,348)
Closing balance	55,328,522	62,692,891

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

12. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES, COMMITMENTS AND OBLIGATIONS (Continued)

a) Guarantees Given

Guarantees, Pledges, Liens Given by The Group (GPL's)	31 December 2023			31 December 2022		
	TRY Equivalent	TRY	USD	TRY Equivalent	TRY	USD
A. Total guarantees pledges and liens ("GPL") given in the legal name of the Group	-	-	-	-	-	-
B. Total GPL given in the name of fully consolidated companies	-	-	-	-	-	-
C. Total GPL given to manage trading operations of entity in the name of 3rd parties	-	-	-	-	-	-
D. Total - Other GPL given						
i. Total GPL given in the name of the parent (*)	370,418,699	75,212,429	10,028,000	433,112,560	245,606,008	10,028,000
ii. Total GPL given in the name of other Group Companies not included in article B and C	-	-	-	-	-	-
iii. Total GPL given in the name of 3rd parties	-	-	-	-	-	-
Total GPL	370,418,699	75,212,429	10,028,000	433,112,560	245,606,008	10,028,000

(*) On 12 April 2018, Yıldız Holding and some of its group companies, including the Group, entered into a syndicated loan agreement with some of the lenders of Yıldız Holding and group companies. The syndication loan process was signed on 8 June 2018. The Group has no total cash loans covered by this scope and the non-cash loans are USD10,028,000 + TRY75,212,429. There was no increase in the Group's total debt burden due to the syndication loan; only non-cash risks Yıldız Holding A.Ş. At the same time, with respect to the Group itself, the non-cash loan transferred to Yıldız Holding A.Ş. has been a guarantor to Yıldız Holding A.Ş. No pledge or collateral has been established on the Group's assets (immovables, subsidiary shares, etc.). The syndication loan will result in the payment of guarantees during the term of the contract and will not result in any limitation or commitment that could negatively affect the Group's operations in the contract. Bizim Toptan Holding is a guarantor of commitments. The amount of the letter of guarantee given to the third parties by Yıldız Holding on the surety of Yıldız Holding is TRY370,418,699. (31 December 2022: TRY433,456,573).

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

12. PROVISIONS. CONTINGENT ASSETS AND LIABILITIES. COMMITMENTS AND OBLIGATIONS (Continued)

b) Lawsuits Filed by and Against to the Group

Lawsuits filed by the Group:

	31 December 2023	31 December 2022	31 December 2021
Enforcement lawsuits	33,258,418	35,640,382	36,878,181
Compensation lawsuits	22,070,104	27,052,509	21,166,225
	55,328,522	62,692,891	58,044,406

13. PAYABLES RELATED TO EMPLOYEE BENEFITS AND PROVISIONS FOR EMPLOYEE BENEFITS

Short-term provisions	31 December 2023	31 December 2022	31 December 2021
Due to personnel and other social rights	104,459,517	110,934,536	77,321,593
Unused vacation provision	20,844,641	26,351,488	15,499,096
Other	-	-	2,457
	125,304,158	137,286,024	92,823,146
Payables to employee benefits	31 December 2023	31 December 2022	31 December 2021
Due to personnel	42,711,725	53,777,848	39,449,796
Social security premiums payable	72,553,556	57,501,959	16,728,092
Taxes and funds payable	21,577,689	22,041,915	8,330,615
	136,842,970	133,321,722	64,508,503
Long-term provisions	31 December 2023	31 December 2022	31 December 2021
Provision for employment termination benefits	152,643,357	200,139,026	124,469,336
Provision for unused vacation	25,199,639	20,977,560	14,260,807
	177,842,996	221,116,586	138,730,143

According to the Turkish Labor Law, the Group is obliged to pay severance pay to each employee who completes at least one year of service and retires after 25 years of working life (aged 58 for women, 60 for men), terminated, called for military service or passed away.

Severance pay to be paid as of 31 December 2023 is subject to a monthly ceiling of TRY23,489.83. (31 December 2022: TRY25,327.90).

Severance pay liability is not legally subject to any funding. The provision for employment termination benefits is calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. TAS 19 Employee Benefits requires the Group's obligations to be developed using actuarial valuation methods within the scope of defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

13. PAYABLES RELATED TO EMPLOYEE BENEFITS AND PROVISIONS FOR EMPLOYEE BENEFITS (Continued)

The main assumption is that the maximum liability amount for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. Therefore, it is calculated at its nominal value as of December 31, 2023, by estimating the value of the possible future liability arising from the retirement of employees in the consolidated financial statements at the balance sheet date. Provisions at the relevant balance sheet date have been calculated using the real discount rate of approximately 3.67%, based on the assumptions of annual inflation of 20.95% and interest rate of 25.39%. (31 December 2022: 1.50%). The maximum amount of TRY35,058.58 (1 January 2023: TRY32,926.29) effective from 1 January 2024 has been taken into account in calculating the provision for employment termination benefits of the Group. The probability of retirement is considered as 91.75% and 39.05% for white collar and blue-collar personnel, respectively.

Movement of provision for employee termination benefits is as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Provision at 1 January	200,139,026	124,469,336
Service cost	(27,173,902)	128,625,006
Interest cost	28,954,553	1,097,009
Employment termination benefits paid	(71,601,579)	(18,145,629)
Actuarial gain	91,101,998	12,791,261
Monetary loss	(68,776,739)	(48,697,957)
Provision for employment termination benefits	152,643,357	200,139,026

Movement of unused vacation provision is as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Provision at 1 January	47,329,048	29,759,903
Increase in the period	42,805,639	44,778,921
Used in the period	(55,307,297)	(37,153,906)
Monetary loss	11,216,890	9,944,130
Provision for employment termination benefits	46,044,280	47,329,048

Movement of performance premium provision is as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Provision at 1 January	110,934,536	77,321,593
Increase in the period	87,960,493	151,395,092
Paid in period	(45,239,768)	(61,168,682)
Monetary gain	(49,195,744)	(56,613,467)
Provision for performance bonus	104,459,517	110,934,536

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

14. OTHER ASSETS AND LIABILITIES

Other Current Assets	31 December 2023	31 December 2022	31 December 2021
Transferred VAT	34,779,424	28,558,387	19,593,976
Other	15,306,617	438,490	525,405
	50,086,041	28,996,877	20,119,381

15. SHAREHOLDERS' EQUITY

The Company is subject to the registered capital system with registered share capital of TRY200,000,000.

The Company's paid-in share capital as of 31 December 2023, 2022 and 31 December 2021 as follows:

Name of the Shareholders (*)	31 December 2023		31 December 2022		31 December 2022	
	Share amount	(%)	Share amount	(%)	Share amount	(%)
Yıldız Holding A.Ş.	53,587,365	66.59%	33,111,291	55.19%	33,111,291	55.19%
Public quotation	26,888,709	33.41%	26,888,709	44.81%	26,888,709	44.81%
Paid in capital	80,476,074	100%	60,000,000	100.00%	60,000,000	100.00%
Capital adjustment differences (**)	572,800,075		572,800,075		572,800,075	
Adjusted Capital	653,276,149		632,800,075		632,800,075	

(*) It is organized according to the shareholding structure published on PDP and Central Registry Agency data.

(**) Capital adjustment differences refer to the difference between the total amounts of cash and cash equivalent additions to capital adjusted in accordance with TFRS published by the KGK and their pre-adjustment amounts. Capital adjustment differences have no use other than being added to capital.

The total number of ordinary shares authorized is 80,476,074 shares (31 December 2022: 60,000,000 shares) with a par value of TRY1 per share.

Total of TRY16,000,000 Group shares at nominal value. consisting the Group's shareholders interests amounting to TRY14,000,000 at nominal value and additional sales rights. were offered to public and this transaction (no:6/62) has been registered in accordance with Article 4 of the Capital Market Board (the “CMB”) on 21 January 2011. The Group's shares have been trading on the İstanbul Stock Exchange since 3 February 2011.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

15. SHAREHOLDERS’ EQUITY (Continued)

Restricted Reserves

	31 December 2023	31 December 2022	31 December 2021
Legal reserves	138,212,697	120,465,311	120,465,311
	138,212,697	120,465,311	120,465,311

Defined Benefit Plans Remeasurement Losses

As of 31 December 2023, the actuarial loss / (gain) amount is minus 81,024,346 TL (31 December 2022: minus 10,233,020 TL).

Retained Earnings

Details of the retained earnings are as follows:

	31 December 2023	31 December 2022	31 December 2021
Extraordinary reserves	101,359,524	187,768,680	308,446,855
Retained earnings	(4,317,094)	(677,846,646)	(1,103,456,847)
	97,042,430	(490,077,966)	(795,009,992)

The Board of Directors decided to distribute dividends for 2022 and it was approved by the General Assembly held on 4 May 2023 to be paid on 9 October 2023. Profit distribution payment has been made.

The Board of Directors decided to distribute profits for 2022 on May 4, 2023, and on June 7, 2023, the General Assembly approved a profit distribution of 68,784,908 TL to be paid on October 9, 2023, and the payment was made (2021: There is no profit distribution).

16. REVENUE AND COST OF SALES

a) Revenue

	1 January - 31 December 2023	1 January - 31 December 2022
Domestic sales	35,210,389,082	34,650,844,516
<i>Tobacco</i>	4,525,308,350	4,459,624,377
<i>Non-Tobacco</i>	30,685,080,732	30,191,220,139
Foreign sales	44,131,891	38,994,312
Sales returns (-)	(299,536,582)	(330,463,788)
Sales discounts (-)	(2,732,730,886)	(2,421,661,330)
	32,222,253,505	31,937,713,710

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

16. REVENUE AND COST OF SALES (Continued)

b) Cost of Sales

	1 January - 31 December 2023	1 January - 31 December 2022
<i>Tobacco</i>	(4,393,974,568)	(4,298,475,756)
<i>Non-Tobacco</i>	(24,671,873,590)	(24,530,111,664)
	(29,065,848,158)	(28,828,587,420)

17. MARKETING, SELLING AND DISTRIBUTION AND GENERAL ADMINISTRATION EXPENSES

	1 January - 31 December 2023	1 January - 31 December 2022
Marketing expenses (-)	(3,317,686,495)	(2,874,275,144)
General administrative expenses (-)	(685,187,568)	(612,498,367)
	(4,002,874,063)	(3,486,773,511)

18. EXPENSES BY NATURE

The details of marketing, selling and distribution expenses are as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Personnel expenses	(1,559,094,901)	(1,338,635,264)
Amortization expenses (Note 10 - 11)	(701,657,283)	(501,501,980)
Logistics expenses	(390,845,047)	(363,857,697)
Utility expenses (electricity, natural gas, water etc.)	(204,379,985)	(243,254,444)
Advertising expenses	(119,094,355)	(106,402,321)
Outsourcing expenses	(99,137,459)	(92,253,281)
Maintenance expenses	(46,927,701)	(48,842,154)
Other marketing and sales expenses	(196,549,764)	(179,528,003)
	(3,317,686,495)	(2,874,275,144)

The details of general administrative expenses are as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Personnel expenses	(251,062,932)	(193,766,064)
Office, stationery and IT expenses	(176,032,622)	(158,198,466)
Consultancy expenses	(87,638,658)	(57,584,335)
Amortization and depreciation expenses (Note 10 - 11)	(68,864,450)	(95,407,528)
Outsourcing expenses	(49,493,560)	(35,909,082)
Accountant expense	(17,841,511)	(33,328,866)
Travel expense	(3,339,411)	(4,012,592)
Other general administrative expenses	(30,914,424)	(34,291,434)
	(685,187,568)	(612,498,367)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

18. EXPENSES BY NATURE (Continued)

Fees for Services Obtained from Independent Auditor/Independent Audit Firm

The explanation of the Group regarding the fees for the services rendered by the independent audit firms, which is prepared by the KGK pursuant to the Board Decision published in the Official Gazette on 30 March 2021, and the preparation principles of which are based on the letter of the KGK dated 19 August 2021 are as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Independent audit fee	2,007,189	1,256,768
Additional assurance report fee	30,805	-
	2,037,994	1,256,768

19. OTHER OPERATING INCOME/EXPENSES

a) The detail of other income related to operating activities is as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Finance income from credit sales	307,664,391	100,039,997
Rediscount income for trade receivables and payables	309,621,149	103,260,619
Foreign exchange gains	57,747,749	8,535,041
Provisions no longer required (Note 6)	4,087,245	10,859,774
Other	71,139,408	22,560,284
	750,259,942	245,255,715

b) The detail of other expenses related to operating activities are as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Finance expense from credit purchase	(1,173,997,185)	(761,974,158)
Rediscount expense for trade receivables and payables	(108,976,539)	(30,285,055)
Provisions for lawsuits (Note 12)	(21,037,442)	(31,698,833)
Foreign exchange loss	(40,931,258)	(21,626,419)
Provision for doubtful receivable expenses (Note 6)	(14,980,030)	(6,353,359)
Other expenses	(68,696,539)	(27,213,141)
	(1,428,618,993)	(879,150,965)

20. INCOME AND EXPENSES FROM INVESTING ACTIVITIES

a) The detail of income related to investing activities is as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Interest income	296,836,836	191,918,552
Allowance for prepaid expenses	9,083,827	1,516,578
Property, plant and equipment sales profit	103,199	2,505,607
Other income	9,288,377	13,664,756
	315,312,239	209,605,493

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

20. INCOME AND EXPENSES FROM INVESTING ACTIVITIES (Continued)

b) The detail of expenses related to investing activities are as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Loss on sale of tangible assets	(17,519,050)	(1,203,185)
	(17,519,050)	(1,203,185)

21. FINANCIAL EXPENSES

	1 January - 31 December 2023	1 January - 31 December 2022
Interest expenses on bank	(473,605,609)	(346,092,897)
Leasing Operations Financial Expense	(289,546,103)	(130,161,928)
Severance pay interest cost (Note 13)	(28,954,553)	(1,097,009)
Guarantee letter commission and other expenses	(28,054,029)	(31,684,293)
	(820,160,294)	(509,036,127)

22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Turkish tax legislation does not allow the parent company to file a tax return on the consolidated financial statements of its subsidiaries and affiliates. Therefore, provisions for taxes reflected in these consolidated financial statements have been calculated separately for all companies included in the full consolidation.

The corporate tax rate to be accrued on taxable corporate income is calculated over the remaining tax base after adding the non-deductible expenses from the tax base that is written as an expense in the determination of the commercial profit and deducting the non-taxable incomes.

The effective tax rate applied in 2023 is 25% (2022: 22%).

In Turkey, provisional tax is calculated and accrued on a quarterly basis. At the stage of taxation of the corporate earnings for the 2023 accounting period as of the temporary tax periods, a temporary tax of 25% was calculated over the corporate earnings (2022: 23%). Losses can be carried forward for a maximum of 5 years, to be deducted from taxable profits in future years. However, the losses incurred cannot be deducted retrospectively from the profits of previous years.

There is no definitive and definitive agreement procedure for tax assessment in Turkey. Companies prepare their tax returns between April 1 and April 30, the year following the closing period of the relevant year. These declarations and the accounting records based on them can be reviewed and changed by the Tax Office within 5 years.

Deferred tax:

The Company, accounts deferred tax assets and liabilities for temporary timing differences rooted from differences between legal financial statements and financial statements prepared in accordance with TFRS. Those differences in question are caused generally by the fact that some profit and loss accounts come up in different periods in legal financial statements and financial statements prepared in accordance with TFRS.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31 December 2023 unless otherwise indicated.)

22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

Subsidiaries with deferred tax assets are not netted off with subsidiaries with deferred tax liabilities and are shown separately, as businesses in Turkey cannot declare consolidated tax returns.

Deferred tax (assets)/liabilities

	1 January - 31 December 2023	1 January - 31 December 2022	1 January - 31 December 2021
Restatement and depreciation/ amortization differences of property, plant and equipment and other intangible assets	69,136,229	(22,708,151)	178,972,476
Discount on trade receivables and payables	63,601,377	23,819,953	(39,458,583)
Carry forward losses	(108,108,370)	-	(35,073,675)
Performance premiums and other social rights	(21,175,847)	(3,295,458)	(11,673,434)
Provision for unpaid vacation	(11,511,070)	(7,943,792)	(6,274,346)
Provision for doubtful receivable	(4,189,568)	(2,660,055)	(8,068,269)
Provision for lawsuit	(13,832,132)	(12,228,186)	(11,821,218)
Lease liabilities	161,681,806	140,090,239	61,008,977
Provision for employee termination benefits	(38,160,839)	(36,504,798)	(24,893,868)
Expense accruals	12,551,128	(34,001,606)	11,118,642
Adjustment VAT inflation	(56,140,690)	-	-
Other	(5,141,151)	4,805,135	1,103,351
	48,710,873	49,373,281	114,940,053

Movement of deferred tax (assets)/liabilities:

<u>Movement of deferred tax (assets)/liabilities</u>	1 January - 31 December 2023	1 January - 31 December 2022
Opening balance at 1 January	49,373,281	114,940,053
Charged to income statement	25,478,652	(63,008,520)
Charged to equity	(26,141,060)	(2,558,252)
Closing balance i	48,710,873	49,373,281

Provision for taxation as of 31 December 2023 and 31 December 2022 are as follows:

	31 December 2023	31 December 2022	31 December 2021
Current period corporate tax provision	-	85,183,298	69,397,914
Prepaid taxes from the profit for the period	(8,937,838)	(131,382,890)	(11,747,793)
Tax liability/(asset) in the balance sheet	(8,937,838)	(46,199,592)	57,650,121

Charge for taxation as of 31 December 2023 and 31 December 2022 are as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Current tax charge	(384,074)	(118,786,893)
Deferred tax income	(25,478,652)	63,008,520
Tax income/(expense)	(25,862,726)	(55,778,373)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

22. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

Reconciliation of taxation:

	1 January- 31 December 2023	1 January- 31 December 2022
Profit before tax	100,682,789	792,287,174
Tax charge rate	25%	23%
Calculated tax	(25,170,697)	(182,226,050)
Effect of different tax rates	-	4,692,624
The effect of the revaluation of tangible and intangible assets	157,550,451	158,774,814
Deferred tax effect resulting from the difference between the VAT inflation accounting notification and the financial statements prepared in accordance with TAS / TFRS	(106,667,846)	-
Non-deductible expenses	(19,225,363)	(34,656,453)
Other	(32,349,271)	(2,363,308)
Tax income/(expense)	(25,862,726)	(55,778,373)

23. EARNINGS PER SHARE

A summary of the Group’s weighted average number of shares outstanding for the years ended 31 December 2023 and 2022 and computation of earnings per share as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Basic earnings per share		
Number of shares outstanding during the period	80,476,074	80,476,074
Net income for the period	69,941,798	689,889,872
Earnings per share (TRY)	0.869	8.573

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

24. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a) The detail of receivables from related parties is as follows:

	31 December 2023	31 December 2022	31 December 2021
Trade receivables	24,703,244	43,995,543	22,647,914
Non-trade receivable	4,240,295	254,088,910	4,104,300
	28,943,539	298,084,453	26,752,214

The detail of trade receivables is as follows:

İlişkili taraflarla olan bakiyeler	31 December 2023		31 December 2022		31 December 2021	
	Trade	Non-Trade	Trade	Non-Trade	Trade	Non-Trade
Parent company						
Yıldız Holding A.Ş.	55,756	4,240,295	-	254,088,910	1,338,196	4,104,300
Other related parties						
Aytaç Gıda Yatırım San. Tic. A.Ş.	9,036,698	-	10,727,152	-	148,740	-
Şok Marketler Ticaret A.Ş.	7,369,388	-	1,694,932	-	1,030,699	-
Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş.	2,346,432	-	-	-	-	-
Donuk Fırın Ür. San. Ve Tic. A.Ş.	1,381,697	-	2,740,408	-	5,052,463	-
Future Teknoloji Ticaret A.Ş.	1,233,274	-	26,101,238	-	61,748	-
KV2K Perakende Müşteri Hizmetleri A.Ş.	1,130,743	-	1,636,691	-	2,678,027	-
Ülker Bisküvi San. A.Ş.	458,209	-	39,432	-	-	-
Kerevitaş Gıda San. Ve Tic. A.Ş.	449,064	-	47,107	-	349,524	-
Dank Gıda San. ve Tic. A.Ş.	420,762	-	275,060	-	12,548	-
Marsa Yağ San. ve Tic. A.Ş.	247,977	-	53,526	-	1,922,024	-
İzsal Gayrimenkul Geliştirme A.Ş.	241,183	-	-	-	97,569	-
İhsaniye Danışmanlık ve Yönetim A.Ş.	94,462	-	-	-	-	-
CCC Gıda San. ve Tic. A.Ş.	80,811	-	-	-	158,457	-
Azmüsebat Çelik San. Tic. A.Ş.	51,856	-	-	-	-	-
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	23,893	-	-	-	42,022	-
Makina Tarım Endüstrisi A.Ş.	22,986	-	12,655	-	285,819	-
Önem Gıda San. ve Tic. A.Ş.	19,575	-	127,076	-	-	-
E Star Global E-Ticaret Satış ve Paz. A.Ş.	15,889	-	53,238	-	-	-
Adapazarı Şeker Fabrikası A.Ş.	12,027	-	-	-	150,975	-
Sağlam İnşaat Taahhüt Tic. A.Ş.	8,865	-	-	-	458,894	-
Polinas Plastik San. Tic. A.Ş.	1,697	-	-	-	1,489	-
Biskot Bisküvi Gıda San. Ve Tic. A.Ş.	-	-	255,190	-	89,885	-
CCC Gıda San. ve Tic. A.Ş.	-	-	112,785	-	-	-
Ülker Çikolata Sanayi A.Ş.	-	-	89,750	-	-	-
Beta Marina Liman Yatırımları A.Ş.	-	-	20,487	-	-	-
Azmüsebat Çelik Sanayi ve Tic. A.Ş.	-	-	8,324	-	-	-
Northstar Innovation A.Ş.	-	-	492	-	-	-
Ülker Ailesi ve Yönetim Kurulu Üyeleri	-	-	-	-	8,528,298	-
Most Bilgi Sistemleri Tic. A.Ş.	-	-	-	-	7,335	-
Pendik Marina Yat ve Çekek İşletmesi A.Ş.	-	-	-	-	203,229	-
Mevsim Taze Sebze Meyve Sanayi ve Tic. A.Ş.	-	-	-	-	12,383	-
Other	-	-	-	-	17,590	-
	24,703,244	4,240,295	43,995,543	254,088,910	22,647,914	4,104,300

Trade receivables from related parties is mainly composed of sales transactions and approximate maturity is 30 - 60 days. Non-trade receivables are loans given to related parties, and interest is received as quarterly based on effective market interest rate. The interest rate used in 2023 is 24.4 – 45.5% for TRY (2022: 19 – 28% for TRY, 2021: 17.3 – 22.5% for TRY).

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

24. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

b) The detail of payables to related parties is as follows:

	31 December 2023	31 December 2022	31 December 2021
Trade Payables	1,597,671,777	1,622,586,083	1,453,026,956
Non-trade payables	30,721,486	43,028,000	72,750,262
	1,628,393,263	1,665,614,083	1,525,777,218

Payables to related parties are arised from purchases and approximately matured in between 30 and 60 days.

Balances with related parties	31 December 2023		31 December 2022		31 December 2021	
	Trade	Non-Trade	Trade	Non-Trade	Trade	Non-Trade
<i>Parent company</i>						
Yıldız Holding A.Ş.	7,280,175	26,221,486	10,548,033	43,028,000	10,076,478	72,750,262
<i>Other related parties</i>						
Horizon Hızlı Tüketim Ürün.Paz.Satış ve Dağıtım A.Ş.	509,991,660	-	383,917,739	-	324,354,895	-
Ülker Bisküvi San. A.Ş.	364,975,969	-	111,952,277	-	96,672,751	-
Besler Gıda ve Kimya San. ve Tic. A.Ş.	199,962,159	-	211,134,887	-	326,717,313	-
Önem Gıda San. ve Tic. A.Ş.	135,029,744	-	235,687,368	-	76,583,181	-
Şok Marketler Ticaret A.Ş.	117,383,564	-	154,050,038	-	139,169,527	-
Donuk Fırın. Ü. San. ve Tic. A.Ş.	90,919,295	-	108,315,544	-	88,645,778	-
Polinas Plastik San. Tic. A.Ş.	58,228,027	-	89,372,499	-	85,767,655	-
İzsal Gayrimenkul Geliştirme A.Ş.	37,236,022	-	41,917,124	-	809,663	-
Kerevitaş Gıda San. Ve Tic. A.Ş.	31,849,710	-	53,078,359	-	23,332,787	-
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	30,407,678	-	14,319,841	-	31,213,892	-
Aytaç Gıda Yatırım San. Tic. A.Ş.	9,395,992	-	6,652,180	-	3,139,260	-
Çayırovası İnşaat Taahhüt Tic. A.Ş.	1,049,451	-	3,886,742	-	1,354,144	-
Azmüşebat Çelik Sanayi ve Tic. A.Ş.	817,646	-	-	-	6,074	-
Marsa Yağ San. ve Tic. A.Ş.	558,921	-	674,980	-	2,189,242	-
CCC Gıda San. ve Tic. A.Ş.	447,478	-	-	-	599,741	-
Future Teknoloji Ticaret A.Ş.	363,161	-	-	-	-	-
Kökler Yatırım Holding A.Ş.	201,805	-	-	-	-	-
Sağlam İnşaat Taahhüt Tic. A.Ş.	188,075	-	924,247	-	534,073	-
Penta Teknoloji Ürünleri Dağıtım Tic. A.Ş.	149,123	-	673,240	-	1,942,444	-
Besmar Gıda San. ve Tic. A.Ş.	133,331	-	-	-	-	-
Beta Marina Liman Yat ve Çekek İşletmeciliği A.Ş.	132,536	-	75,970	-	44,076	-
Pendik Marina Yat ve Çekek İşletmeciliği A.Ş.	107,201	-	106,144	-	275,446	-
Reform Gıda Paz. San. Tic. A.Ş.	100,554	-	-	-	-	-
Şükran Danışmanlık ve Yönetim A.Ş.	55,388	-	-	-	-	-
Clarastra Danışmanlık ve Yönetim A.Ş.	54,902	-	-	-	-	-
Dank Gıda San. Ve Tic. A.Ş.	49,242	-	85,880	-	56,998	-
E Star Global E-Ticaret Satış ve Paz. A.Ş.	19,730	-	-	-	3,684	-
İhsaniye Danışmanlık ve Yönetim A.Ş.	445	-	-	-	-	-
Other	582,793	-	5,513,085	-	8,937,164	-
Ülker Çikolata Sanayi A.Ş.	-	4,500,000	92,635,501	-	125,367,999	-
Biskot Bisküvi Gıda San. Ve Tic. A.Ş.	-	-	94,470,566	-	64,578,450	-
Kv2k Perakende Müşteri Hizmetleri A.Ş.	-	-	1,636,690	-	-	-
Sun Doğal Gıda ve Ambalaj Sanayi A.Ş.	-	-	955,732	-	438,247	-
Adapazarı Şeker Fabrikası A.Ş.	-	-	1,417	-	-	-
UCZ Mağazacılık Ticaret A.Ş.	-	-	-	-	10,581,552	-
Ülker Ailesi ve Yönetim Kurulu Üyeleri	-	-	-	-	442,842	-
Most Bilgi Sistemleri Tic. A.Ş.	-	-	-	-	29,191,600	-
	1,597,671,777	30,721,486	1,622,586,083	43,028,000	1,453,026,956	72,750,262

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

24. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

The Group purchases finished goods from the related parties. Sales to related parties include premium revenues, service expenses and sales of various goods.

c) The detail of purchases from and sales to related parties is as follows:

Transactions with related parties	1 January - 31 December 2023		1 January - 31 December 2022	
	Purchases	Sales	Purchases	Sales
Parent company				
Yıldız Holding A.Ş.	34,301	2,008,597	-	346,709
Other related parties				
Adapazarı Şeker Fabrikası A.Ş.	3,221,669	369,133	8,361,328	8,514
Aytaç Gıda Yatırım San. Tic. A.Ş.	72,851,613	43,579,533	13,899,403	2,404,994
Azmüsebat Çelik San. Tic. A.Ş.	14,433,159	275,298	6,830,891	35,965
Besler Gıda ve Kimya San. ve Tic. A.Ş.	809,733,211	319,306	827,488,373	473,457
Beta Marina Liman Yat ve Çekek İşletmesi A.Ş.	-	296,017	-	65,851
Biskot Bisküvi Gıda San. ve Tic. A.Ş.	267,649,335	6,462,636	225,467,191	3,309,274
CCC Gıda San. ve Tic. A.Ş.	3,916,542	5,237,684	1,349,094	4,098,271
Dank Gıda San. ve Tic. A.Ş.	148,408	1,514,423	162,402	1,224,423
Donuk Fırıncılık Ürünleri Sanayi ve Ticaret A.Ş.	646,811,791	21,104,367	409,237,207	15,800,890
E Star Global E Ticaret Satış ve Pazarlama A.Ş.	-	3,047	-	3,222,437
Future Teknoloji Ticaret A.Ş.	-	33,122,696	-	36,536,628
Horizon Hızlı Tüketim Ürün.Paz.Satış ve Dağıtım A.Ş.	2,247,849,124	127,472,893	1,902,540,336	8,853,385
İzsal Gayrimenkul Geliştirme A.Ş.	38,783	645,289	-	386,622
Kerevitaş Gıda San. ve Tic. A.Ş.	114,915,657	5,984,341	99,290,139	1,626,550
Makina Takım Endüstrisi A.Ş.	-	268,041	-	183,247
Marsa Yağ San. ve Tic. A.Ş.	-	1,913,602	2,477,586	412,888
Milhans Gıda Ürün. San. Tic. A.Ş.	-	-	120,501	55,874
Most Bilgi Sistemleri Tic. A.Ş.	-	-	-	1,003
Önem Gıda San. ve Tic. A.Ş.	364,354,507	3,261,259	262,486,375	1,216,149
Pasifik Tüketim Ürünleri Satış ve Ticaret A.Ş.	-	533,008	-	17,479
Pendik Turizm Marina Yat ve Çekek İşl. A.Ş.	-	334,509	-	526,520
Penta Teknoloji Ürünleri Dağıtım Tic.A.Ş.	-	360,064	-	103,831
Polimas Plastik San. Tic. A.Ş.	259,852,665	619,061	243,394,249	135,790
Reform Gıda Paz. San. Tic. A.Ş.	-	1,689,473	-	1,802,828
Sağlam İnşaat Taahhüt Tic. A.Ş.	-	51,934	-	162,853
Şok Marketler Ticaret A.Ş.	771,936,956	16,479,496	683,770,598	848,764
UCZ Mağazacılık Tic. A.Ş.	-	-	-	14,854
Ülker Ailesi ve Yönetim Kurulu Üyeleri	-	-	-	10,802,072
Ülker Bisküvi San. A.Ş.	717,516,381	11,509,659	237,397,453	4,453,087
Ülker Çikolata Sanayi A.Ş.	246,392,960	9,997,121	182,095,552	4,117,035
Yelken Yönetim Danışmanlık ve Servis Hizmetleri A.Ş.	-	-	-	3,066
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	155,744,266	37,850	193,907,800	43,284
	6,697,401,328	295,450,337	5,300,276,478	103,294,594

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

24. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

d) The detail of income and expenses pertaining to interest, rent and services arising from transactions with related parties is as follows:

1 January - 31 December 2023	Interest income	Interest expense	Rent Expense	Service expense	Other income	Other Expense
<i>Parent company</i>						
Yıldız Holding A.Ş.	1,770,051	(202,298)	-	(80,944,697)	182,282,450	(14,747,543)
<i>Other related parties</i>						
Beta Marina Liman Yat ve Çekek İşletmesi A.Ş.	-	(90,212)	-	(35,341)	-	-
Çayırovası İnş. Taah. Tic. A.Ş.	-	(3,795,143)	-	(785,074)	-	-
CCC Gıda San. ve Tic. A.Ş.	-	-	-	(1,431)	-	-
Clarastra Danışmanlık ve Yönetim A.Ş.	-	(974,150)	-	(513,000)	-	-
Dank Gıda San. ve Tic. A.Ş.	-	-	-	(606,661)	-	-
Donuk Fırın. Ür. San. ve Tic. A.Ş.	-	-	-	(56,549)	-	-
E-Star Global E Ticaret Satış ve Pazarlama A.Ş.	-	-	-	(22,321)	-	-
Future Teknoloji Ticaret A.Ş.	-	-	-	(4,317,431)	331,488	-
Horizon Hızlı Tük. Ür. Paz. Sat. ve Tic. A.Ş.	-	-	-	(219,695)	-	-
İhsaniye Danışmanlık ve Yönetim A.Ş.	-	(584,490)	-	(280,000)	-	-
İzsal Gayrimenkul Geliştirme A.Ş.	-	-	-	(207,233,144)	-	(216,238)
Kerevitaş Gıda San. ve Tic. A.Ş.	-	-	-	(12,786)	-	-
Kökler Yatırım Holding A.Ş.	-	(3,506,941)	-	(1,849,000)	-	-
KV2K Perakende Müşteri Hizmetleri A.Ş.	-	-	-	(22,964)	-	-
Most Bilgi Sistemleri Tic. A.Ş.	-	-	-	-	314	-
Marsa Yağ San. ve Tic. A.Ş.	-	(1,469,103)	-	(197,351)	-	-
Pendik Turizm Marina Yat ve Çekek İşl. A.Ş.	-	(659,460)	-	(6,173)	-	-
Penta Teknoloji Ürünleri Dağıtım Tic.A.Ş.	-	-	-	(1,789,439)	-	-
Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş.	-	-	-	(83,610)	-	-
Sağlam İnşaat Taahhüt Tic. A.Ş.	954,703	-	-	(16,380,019)	-	-
Önem Gıda San. ve Tic. A.Ş.	-	-	-	-	-	-
Şok Marketler Ticaret A.Ş.	-	(279,775)	-	(711,362)	-	-
Şükran Danışmanlık ve Yönetim A.Ş.	-	(974,150)	-	(512,000)	-	-
Sun Doğal Gıda ve Ambalaj Sanayi A.Ş.	-	(692,000)	-	-	-	-
	2,724,754	(13,227,722)	-	(316,580,048)	182,614,252	(14,963,781)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

24. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

1 January - 31 December 2022	Rent income	Rent Expense	Service income	Service expense	Financial income	Financial expenses
<i>Parent company</i>						
Yıldız Holding A.Ş.	-	(235,580)	2,039,543	(99,602,552)	222,507,976	(17,290,935)
<i>Other related parties</i>						
Aytaç Gıda Yatırım San. Tic. A.Ş.	-	-	-	-	-	-
Beta Marina Liman Yat ve Çekek İşletmesi A.Ş.	-	(120,505)	-	(45,836)	-	-
Clarastra Danışmanlık ve Yönetim A.Ş.	-	(1,202,768)	-	(627,544)	-	-
Çayırovası İnş. Taah. Tic. A.Ş.	-	(4,643,275)	-	(986,909)	-	-
CCC Gıda San. ve Tic. A.Ş.	-	-	-	(1,969)	-	-
Dank Gıda San. ve Tic. A.Ş.	-	-	-	(786,709)	-	-
Donuk Fırın. Ür. San. ve Tic. A.Ş.	-	-	-	(68,231)	-	-
E-Star Global E Ticaret Satış ve Pazarlama A.Ş.	-	-	-	(28,046)	-	-
Future Teknoloji Ticaret A.Ş.	12,101	-	-	(4,925,581)	352,386	-
Horizon Hızlı Tük. Ür. Paz. Sat. ve Tic. A.Ş.	-	-	-	(283,369)	-	-
İhsaniye Danışmanlık ve Yönetim A.Ş.	-	(691,245)	-	(342,648)	-	-
İzsal Gayrimenkul Geliştirme A.Ş.	-	-	-	(253,014,195)	-	(287,881)
Kerevitaş Gıda San. ve Tic. A.Ş.	-	-	-	(17,590)	-	-
KV2K Perakende Müşteri Hizmetleri A.Ş.	-	-	-	(29,202)	-	-
Kökler Yatırım Holding A.Ş.	-	(4,329,965)	-	(2,261,299)	-	-
Marsa Yağ San. ve Tic. A.Ş.	-	(1,648,860)	-	(271,495)	-	-
Most Bilgi Sistemleri Tic. A.Ş.	-	-	-	-	516	-
Önem Gıda San. ve Tic. A.Ş.	-	-	-	-	-	-
Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş.	-	-	-	-	-	-
Pendik Turizm Marina Yat ve Çekek İşl. A.Ş.	-	(865,100)	-	(8,492)	-	-
Penta Teknoloji Ürünleri Dağıtım Tic.A.Ş.	-	-	-	(2,295,732)	-	-
Sağlam İnşaat Taahhüt Tic. A.Ş.	1,110,423	-	-	(20,351,869)	-	-
Şok Marketler Ticaret A.Ş.	-	(356,449)	-	(936,460)	-	-
Şükran Danışmanlık ve Yönetim A.Ş.	-	(1,140,212)	-	(614,988)	-	-
Sun Doğal Gıda ve Ambalaj Sanayi A.Ş.	-	(938,727)	-	-	-	-
	1,122,524	(16,172,686)	2,039,543	(387,500,716)	222,860,878	(17,578,816)

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

24. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

e) Benefits provided to board members and key management personnel:

	1 January - 31 December 2023	1 January - 31 December 2022
Salaries and other short-term benefits	55,661,036	53,913,473
	55,661,036	53,913,473

25. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

1) Foreign currency risk management

Transactions in foreign currencies expose the Group to foreign currency risk.

This risk mainly arises from fluctuation of foreign currency used in conversion of foreign assets and liabilities into Turkish Lira. Foreign currency risk arises as a result of trading transactions in the future and the difference between the assets and liabilities recognized. In this regard, the Group manages this risk with a method of netting foreign currency denominated assets and liabilities.

The management reviews the foreign currency open position and provide measures if required.

The Group is mainly exposed to foreign currency risk in USD and EUR.

	31 December 2023			
	TRY Equivalents (Functional currency)	USD	EUR	GBP
1. Trade Receivables	69,797	2,371	-	-
2a. Monetary Financial Assets	43,667,748	90,598	1,256,893	1,570
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. CURRENT ASSETS	43,737,545	92,969	1,256,893	1,570
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	427,603	3,460	10,000	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. NON-CURRENT ASSETS	427,603	3,460	10,000	-
9. TOTAL ASSETS	44,165,148	96,429	1,266,893	1,570
10. Trade Payables	9,389,280	43,440	248,987	-
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Financial Liabilities	5,104,645	140,988	29,294	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. CURRENT LIABILITIES	14,493,925	184,429	278,280	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. NON-CURRENT LIABILITIES	-	-	-	-
18. TOTAL LIABILITIES	14,493,925	184,429	278,280	-
19. Net foreign currency liability position (9-18)	29,671,223	(87,999)	988,613	1,570
20. Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	29,671,223	(87,999)	988,613	1,570

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

25. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

1) Foreign currency risk management (Continued)

	31 December 2022			
	TRY Equivalents (Functional currency)	USD	EUR	GBP
1. Trade Receivables	-	-	-	-
2a. Monetary Financial Assets	14,557,190	227,892	227,647	1,574
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. CURRENT ASSETS	14,557,190	227,892	227,647	1,574
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets r	883,048	18,000	10,000	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. NON-CURRENT ASSETS	883,048	18,000	10,000	-
9. TOTAL ASSETS	15,440,238	245,892	237,647	1,574
10. Trade Payables	16,101,191	270,194	236,750	-
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Financial Liabilities	616,195	20,000	-	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. CURRENT LIABILITIES	16,717,386	290,194	236,750	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. NON-CURRENT LIABILITIES	-	-	-	-
18. TOTAL LIABILITIES	16,717,386	290,194	236,750	-
19. Net foreign currency liability (9-18)	(1,277,148)	(44,302)	897	1,574
20. Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(1,277,148)	(44,302)	897	1,574
	31 December 2021			
	TRY Equivalents (Functional currency)	USD	EUR	GBP
1. Trade Receivables	4,210,016	50,362	61,423	-
2a. Monetary Financial Assets	8,861,451	118,388	116,453	1,587
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. CURRENT ASSETS	13,071,467	168,750	177,876	1,587
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets r	443,090	7,849	4,212	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. NON-CURRENT ASSETS	443,090	7,849	4,212	-
9. TOTAL ASSETS	13,514,557	176,599	182,087	1,587
10. Trade Payables	51,213,789	302,142	1,021,634	-
11. Financial Liabilities	280,752	-	19,122	-
12a. Other Monetary Financial Liabilities	378,770	10,783	-	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. CURRENT LIABILITIES	51,873,311	312,925	1,040,756	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	2,199,409	-	55,344	-
16a. Other Monetary Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. NON-CURRENT LIABILITIES	2,199,409	-	55,344	-
18. TOTAL LIABILITIES	54,072,720	312,925	1,096,100	-
19. Net foreign currency liability (9-18)	(40,558,163)	(136,326)	(914,012)	1,587
20. Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(41,037,327)	(136,326)	(914,012)	1,587

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

25. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

1) Foreign currency risk management (Continued)

Interest rate sensitivity

The Group is exposed to foreign exchange risk arising primarily from USD and EUR currency exposures. In the table below. the foreign currency sensitivity of the Group arising from 20% change in US dollar and TRY rates. 20% is the rate used when reporting to senior management of the Group. This rate is the anticipated rate change of the Group’s senior management. Sensitivity analysis includes only the monetary items in foreign currency at year end and shows the effect of 20% increase in US dollar and TRY foreign currency rates. Positive value implies the effect 20% increase in US dollar and TRY foreign currency.

	31 December 2023	
	Appreciation of foreign currency by 20%	Depreciation of foreign currency by 20%
1- US Dollar net asset/liability	(17,600)	17,600
2- Part of hedged from US Dollar risk (-)	-	-
3- US Dollar net effect (1+2)	(17,600)	17,600
4- Other net assets/liabilities	180,436	(180,436)
5- Part of hedged from other risk (-)	-	-
6- Other net effect (4+5)	180,436	(180,436)

	31 December 2022	
	Appreciation of foreign currency by 20%	Depreciation of foreign currency by 20%
1- US Dollar net asset/liability	(8,860)	8,860
2- Part of hedged from US Dollar risk (-)	-	-
3- US Dollar net effect (1+2)	(8,860)	8,860
4- Other net assets/liabilities	494	(494)
5- Part of hedged from other risk (-)	-	-
6- Other net effect (4+5)	494	(494)

	31 December 2021	
	Appreciation of foreign currency by 20%	Depreciation of foreign currency by 20%
1- US Dollar net asset/liability	(27,265)	27,265
2- Part of hedged from US Dollar risk (-)	-	-
3- US Dollar net effect (1+2)	(27,265)	27,265
4- Other net assets/liabilities	182,485	(182,485)
5- Part of hedged from other risk (-)	-	-
6- Other net effect (4+5)	182,485	(182,485)

2) Interest rate risk management

Financial liabilities based on fixed and floating interest rates expose the Group to interest rate risk. The related risk is controlled by interest rate swap agreements and floating interest rate agreements by balancing the fixed and floating interest rate borrowings. Risk strategies are reviewed periodically considering the interest rate expectations and predetermined interest risks; which aims to establish optimum interest risk management regarding the balance sheet position and the interest expenses.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

25. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

2) Interest rate risk management (Continued)

31 December 2023	Financial Assets at amortized cost	Financial Liabilities at amortized cost	Carrying value	Note
<u>Financial assets</u>				
Cash and cash equivalents	905,127,202	-	905,127,202	4
Trade receivables	1,339,237,481	-	1,339,237,481	6
Due from related parties	28,943,539	-	28,943,539	24
Other financial assets	24,948,909	-	24,948,909	7
<u>Financial liabilities</u>				
Leasing Liabilities	-	985,047,354	985,047,354	5
Trade payables	-	3,548,527,153	3,548,527,153	6
Due to related parties	-	1,628,393,263	1,628,393,263	24
Other financial liabilities	-	186,929,011	186,929,011	13.14

31 December 2022	Financial Assets at amortized cost	Financial Liabilities at amortized cost	Carrying value	Note
<u>Financial assets</u>				
Cash and cash equivalents	1,146,195,058	-	1,146,195,058	4
Trade receivables	1,634,909,276	-	1,634,909,276	6
Due from related parties	298,084,453	-	298,084,453	24
Other financial assets	281,050,928	-	281,050,928	7
<u>Financial liabilities</u>				
Lease liabilities	-	1,778,358	1,778,358	5
Leasing Liabilities	-	570,851,755	570,851,755	5
Trade payables	-	4,717,512,443	4,717,512,443	6
Due to related parties	-	1,665,614,083	1,665,614,083	24
Other financial liabilities	-	162,318,599	162,318,599	13.14

31 December 2021	Financial Assets at amortized cost	Financial Liabilities at amortized cost	Carrying value	Note
<u>Financial assets</u>				
Cash and cash equivalents	1,788,872,864	-	1,788,872,864	4
Trade receivables	1,403,695,462	-	1,403,695,462	6
Due from related parties	26,752,214	-	26,752,214	24
Other financial assets	19,955,298	-	19,955,298	7
<u>Financial liabilities</u>				
Lease liabilities	-	5,515,233	5,515,233	5
Leasing Liabilities	-	665,880,906	665,880,906	5
Trade payables	-	4,261,606,323	4,261,606,323	6
Due to related parties	-	1,525,777,218	1,525,777,218	24
Other financial liabilities	-	84,627,884	84,627,884	13.14

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20223

(Amounts expressed in thousands of Turkish Lira ("TRY") in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

25. NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

2) Interest rate risk management (Continued)

As of 31 December 2023, 2022, and 2021 the gross payment plan of the lease liabilities which are not discounted is as follows:

31 December 2023	Net book Value	Total contractual cash outflow (I+II+III+IV)	Less than 3 months I	3 – 12 months II	1 - 5 years III	5 years and overs IV
Lease Liabilitiesr	985,047,354	1,138,455,575	105,078,126	254,080,716	611,418,685	167,878,048
Total	985,047,354	1,138,455,575	105,078,126	254,080,716	611,418,685	167,878,048

31 December 2022	Net book Value	Total contractual cash outflow (I+II+III+IV)	Less than 3 months I	3 – 12 months II	1 - 5 years III	5 years and overs IV
Lease Liabilities	569,073,397	1,203,589,516	63,822,114	172,764,222	590,519,838	376,483,342
Total	569,073,397	1,203,589,516	63,822,114	172,764,222	590,519,838	376,483,342

31 December 2021	Net book Value	Total contractual cash outflow (I+II+III+IV)	Less than 3 months I	3 – 12 months II	1 - 5 years III	5 years and overs IV
Lease Liabilities	660,365,673	1,376,350,426	71,157,083	201,455,258	641,103,760	462,634,325
Total	660,365,673	1,376,350,426	71,157,083	201,455,258	641,103,760	462,634,325

3) Capital risk management

While trying to ensure the continuity of its activities in capital management, the Group also aims to increase its profits by using the debt and equity balance in the most efficient way.

The Group's capital structure consists of payables including finance leases explained in note 4, other payables to related parties and other receivables from related parties explained in note 23, cash and cash equivalents explained in note 3 and equity items including capital and reserves explained in note 14.

Top management reviews capital by leverage ratio, consistent with other firms in the industry. The said ratio is calculated by dividing the net debt by the total capital. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (consisting of short and long-term borrowings excluding lease obligations, other receivables / payables with Group companies and non-Group financial liabilities). Total capital is calculated as equity plus net debt as shown in the consolidated statement of financial position.

	31 December 2023	31 December 2022
Total financial payables and non-trade payables to related parties (*)	30,721,486	44,806,358
Less: cash and cash equivalents	(905,127,202)	(1,146,195,058)
Net debt	(874,405,716)	(1,101,388,700)
Total equity (*)	1,487,451,955	1,619,355,526
Total capital	613,046,239	517,966,826
Net debt/equity rate	-%	-%

(*) TFRS 16 impact is not included.

26. EVENTS AFTER THE REPORTING PERIOD

None.

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

APPENDIX - SUPPLEMENTARY OTHER INFORMATION

As the supporting information note that is not required by TFRS, it has been evaluated as important for the presentation of its financial performance by the Group management and the calculation table of Profit Before Interest, Depreciation, Amortization and Taxes (EBITDA) presented below. The Group calculated EBITDA by adding depreciation and amortization expenses to operating profit before other income and expenses from main operations. EBITDA is not a performance measure defined in TFRS and may not be comparable to other companies. In addition, in order to be comparable to the study, the figures before TFRS 16 are included.

	Current Period	Prior Period
	1 January - 31 December 2023	1 January - 31 December 2022
Net Profit for The Year (Without TFRS 16)	8,966,671	467,794,416
Net Profit for The Year	74,820,063	736,508,801
Tax Income/ (Expense) (without TFRS 16)	5,004,411	88,368,645
Tax Income/(Expense)	(25,862,726)	(55,778,373)
Profit Before Tax (without TFRS 16)	3,962,260	379,425,771
Profit Before Tax	100,682,789	792,287,174
Financial Expenses (-) (without TFRS 16)	(530,614,191)	(362,152,729)
Financial Expenses (-)	(820,160,294)	(509,036,127)
Income (Expense) from Investing Activities	297,793,189	208,402,308
Amortization Expense (without TFRS 16)	(362,405,418)	(300,037,245)
Amortization Expense	(770,521,733)	(596,909,508)
Monetary Loss / Gain (without TFRS 16)	1,793,789,506	1,572,908,322
Monetary Loss / Gain	2,147,877,661	2,104,463,464
Other Income/(Expense) from Operating Activities (without TFRS 16)	(672,592,980)	(633,895,250)
Other Income/(Expense) from Operating Activities	(678,359,051)	(633,895,250)
EBITDA (without TFRS 16)	(522,007,846)	(105,799,635)
EBITDA	(75,946,983)	219,262,287

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

APPENDIX - SUPPLEMENTARY OTHER INFORMATIONS (Continued)

Financial statements of the group excluding TFRS 16 Leasing Standard is applied are presented comparatively below:

Assets	Current Period	Geçmiş Dönem
	31 December 2023	31 December 2022
Current Assets	5,114,423,177	6,851,695,911
Cash and Cash Equivalents	905,127,202	1,146,195,058
Trade Receivables	1,351,357,344	1,657,322,444
Other Receivables	12,365,529	259,468,553
Inventories	2,272,925,244	3,344,022,347
Prepaid Expenses	404,044,886	189,819,691
Current Income Tax Assets	8,937,838	62,022,510
Other current assets	159,665,134	192,845,308
Non-Current Assets	2,499,638,979	2,203,573,480
Other Receivables	12,583,381	21,582,375
Tangible Assets	1,831,956,690	1,603,862,305
Intangible Asset	293,348,521	278,922,652
Prepaid Expenses	720,509	18,682,237
Deferred Tax Assets	361,029,878	280,523,911
Total assets	7,614,062,156	9,055,269,391

Liabilities	31 December 2023	31 December 2022
Current Liabilities	5,677,304,878	6,966,451,151
Short-term Borrowings	-	1,778,358
Trade Payables	5,145,360,166	6,339,469,766
Other Payables	8,375,737	3,257,885
Liabilities for Employee Benefits	136,842,970	133,321,722
Deferred Revenue	71,867,355	143,314,172
Deferred Tax Liabilities	-	15,822,918
Short-term Provisions	264,772,609	300,489,453
Other Current Liabilities	50,086,041	28,996,877
Non-Current Liabilities	449,305,323	469,462,714
Other Payables	23,184,513	40,398,875
Long-term provisions	177,842,996	221,116,586
Deferred Tax Liabilitie	243,989,576	180,464,630
Deferred Revenue	4,288,238	27,482,623
Equity	1,487,451,955	1,619,355,526
Shareholders' Equity	1,477,752,982	1,626,893,614
Share Capital	80,476,074	60,000,000
Capital adjustment differences	572,800,075	572,800,075
Treasury Shares	(81,682,846)	(81,682,846)
Share premiums	797,552,134	797,552,134
Actuarial loss on employee termination benefits	(81,024,346)	(10,233,020)
Restricted Reserves Appropriated from Profits	138,212,697	120,465,311
Impact of business combinations under common control	650,567,059	381,034,630
Retained Earnings	(605,842,844)	(643,271,326)
Net Profit for the Year	6,694,979	430,228,656
Non-controlling Interest	9,698,973	(7,538,088)
Total Liabilities	7,614,062,156	9,055,269,391

BİZİM TOPTAN SATIŞ MAĞAZALARI A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts expressed in thousands of Turkish Lira (“TRY”) in terms of purchasing power of the TRY at 31December 2023 unless otherwise indicated.)

APPENDIX - SUPPLEMENTARY OTHER INFORMATIONS (Continued)

	1 January- 31 December 2023	1 January- 31 December 2022
Profit or loss		
Revenue	32,222,253,505	31,937,713,710
Cost of Sales (-)	(29,065,848,158)	(28,828,587,420)
Gross profit	3,156,405,347	3,109,126,290
Marketing Expenses (-)	(3,348,571,436)	(2,903,727,873)
General Administrative Expenses (-)	(692,247,175)	(611,235,297)
Other Income from Operating Activities	750,259,942	245,255,715
Other Expenses from Operating Activities (-)	(1,422,852,922)	(879,150,965)
Operating profit	(1,557,006,244)	(1,039,732,130)
Income from Investing Activities	315,312,239	209,605,493
Expense from Investing Activities (-)	(17,519,050)	(1,203,185)
Profit before finance expenses	(1,259,213,055)	(831,329,822)
Financial Expenses (-)	(530,614,191)	(362,152,729)
Monetary loss / gain (-)	1,793,789,506	1,572,908,322
Continuing operations profit before tax	3,962,260	379,425,771
Continuing operations tax income / (expense)	5,004,411	88,368,645
Current Tax Expense	(384,074)	(118,786,893)
Deferred Tax Income	5,388,485	207,155,538
Net Profit for the Year	8,966,671	467,794,416
Distribution Of Net Profit For The Period		
Non-controlling interes	2,271,692	37,565,760
Equity holders of the parent	6,694,979	430,228,656
Earnings per share (TRY)	0.083	5.346
Other comprehensive expense	(70,791,326)	(10,233,020)
Actuarial (gains)/losses that will not be reclassified to profit or loss	(91,101,998)	(12,791,261)
Items not to be reclassified to profit or (loss)		
Other comprehensive expenses on taxes	20,310,672	2,558,241
Total other comprehensive income	(61,824,655)	457,561,396
Distribution of total other comprehensive income		
Non-controlling interest	17,237,061	44,413,101
Equity holders of the parent	(79,061,716)	413,148,295