

**ÜLKER BİSKÜVİ SANAYİ A.Ş. AND  
ITS SUBSIDIARIES**

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2025  
(ORIGINALLY ISSUED IN TURKISH)**

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**ÜLKER BİSKÜVİ SANAYİ A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2025 AND 31 DECEMBER 2024**

(Amounts on tables expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as at 31 December 2025, unless otherwise stated.)

	<u>Note</u>	<b>Audited Current Period 31 December 2025</b>	<b>Audited Prior Period 31 December 2024</b>
<b>ASSETS</b>			
<b>Current Assets</b>		<b>84,906,085</b>	<b>85,224,468</b>
Cash and Cash Equivalents	4	23,318,683	34,435,342
Financial Investments	5	6,420	7,124
Trade Receivables			
- Trade Receivables from Related Parties	7,33	18,882,923	19,007,087
- Trade Receivables from Third Parties	7	10,436,987	9,657,921
Other Receivables			
- Other Receivables from Related Parties	8,33	1,794,230	2,602,702
- Other Receivables from Third Parties	8	337,867	871,170
Derivative Instruments	9	2,950,730	570,196
Inventories	10	23,671,382	15,485,420
Prepaid Expenses			
- Prepaid Expenses to Third Parties	18	1,812,998	1,371,762
Current Income Tax Assets		90,598	163,100
Other Current Assets	20	1,603,267	1,052,644
<b>Non-Current Assets</b>		<b>41,960,678</b>	<b>42,313,662</b>
Financial Investments	5	5,150,749	6,422,172
Property, Plant and Equipment	11	31,331,326	30,441,770
Intangible Assets			
- Goodwill	12	2,869,864	2,887,411
- Other Intangible Assets	13	2,087,753	2,220,439
Prepaid Expenses	18	204,024	140,220
Deferred Tax Asset	31	316,962	201,650
<b>TOTAL ASSETS</b>		<b>126,866,763</b>	<b>127,538,130</b>

**ÜLKER BİSKÜVİ SANAYİ A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2025 AND 31 DECEMBER 2024**

(Amounts on tables expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as at 31 December 2025, unless otherwise stated.)

	<b>Note</b>	<b>Audited Current Period 31 December 2025</b>	<b>Audited Prior Period 31 December 2024</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current Liabilities</b>		<b>35,289,768</b>	<b>37,231,541</b>
Short-Term Borrowings	6	12,491,954	5,502,715
Short-Term Portion of Long-Term Financial Liabilities	6	5,045,649	14,490,330
Trade Payables			
- Trade Payables to Related Parties	7,33	5,036,055	4,072,329
- Trade Payables to Third Parties	7	9,170,668	9,368,336
Payables Related to Employee Benefits	19	640,301	685,627
Other Payables			
- Other Payables to Third Parties	8	1,863	11,532
Deferred Income	21	68,313	132,136
Current Income Tax Liabilities	31	245,107	348,524
Short-Term Provisions			
- Provisions for Employee Benefits	17	908,887	1,124,353
- Other Short-Term Provisions	15	1,113,260	776,970
Other Current Liabilities	20	567,711	718,689
<b>Non-Current Liabilities</b>		<b>45,701,313</b>	<b>46,488,943</b>
Long-Term Borrowings	6	39,807,777	42,847,532
Long-Term Provisions			
- Provisions for Employee Benefits	17	2,411,558	2,195,068
Deferred Tax Liability	31	3,481,978	1,446,343
<b>SHAREHOLDERS' EQUITY</b>	<b>22</b>	<b>45,875,682</b>	<b>43,817,646</b>
<b>Equity Attributable to Equity Holders' of the Parent</b>		<b>43,301,842</b>	<b>40,946,740</b>
Paid in Capital		369,276	369,276
Share Capital Adjustment Differences		11,646,759	11,646,759
Share Premium		6,302,621	6,302,621
Effect of Business Combinations Under Common Control		(5,690,753)	(5,690,753)
Accumulated Other Comprehensive Income or Expenses			
Not to be Reclassified to Profit or Loss			
- (Losses) on Remeasurement of Defined Benefit Plans		(1,708,165)	(1,541,615)
- Increases on Revaluation of Plant, Property and Equipment		5,976,811	4,475,351
- Gains From Financial Assets Measured at Fair Value Through Other Comprehensive Income		1,596,383	3,233,436
Accumulated Other Comprehensive Income or Expenses to be Reclassified to Profit or Loss			
- Foreign Currency Translation Differences		(2,324,754)	(2,306,399)
- Cash Flow Hedging (Losses)		(6,227)	(1,623,137)
Restricted Reserves Appropriated from Profit		3,219,852	2,887,610
Prior Years' Profit		19,045,516	13,506,881
Net Profit for the Period		4,874,523	9,686,710
Non-Controlling Interests		2,573,840	2,870,906
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>126,866,763</b>	<b>127,538,130</b>

**ÜLKER BİSKÜVİ SANAYİ A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025 AND 2024**

(Amounts on tables expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as at 31 December 2025, unless otherwise stated.)

	Note	<b>Audited Current Period 1 January- 31 December 2025</b>	<b>Audited Prior Period 1 January- 31 December 2024</b>
Revenue	23	111,904,601	110,077,710
Cost of Sales (-)	23	(79,559,084)	(77,267,768)
<b>GROSS PROFIT</b>		<b>32,345,517</b>	<b>32,809,942</b>
General Administrative Expenses (-)	24,25	(2,990,173)	(2,978,490)
Marketing Expenses (-)	24,25	(12,762,944)	(11,257,232)
Research and Development Expenses (-)	24,25	(628,460)	(543,371)
Other Operating Income	26	3,025,401	2,719,952
Other Operating Expenses (-)	26	(2,253,736)	(2,061,723)
<b>OPERATING PROFIT</b>		<b>16,735,605</b>	<b>18,689,078</b>
Income from Investment Activities	27	11,057,857	7,995,382
Expenses from Investment Activities (-)	27	(679,996)	(344,443)
<b>OPERATING PROFIT BEFORE FINANCIAL INCOME AND EXPENSES</b>		<b>27,113,466</b>	<b>26,340,017</b>
Financial Income	28	5,600	340,709
Financial Expenses (-)	29	(23,361,989)	(17,187,100)
Net Monetary Gains	30	2,922,250	4,858,948
<b>PROFIT FROM OPERATIONS BEFORE TAX</b>		<b>6,679,327</b>	<b>14,352,574</b>
<b>Tax Expense</b>		<b>(1,473,115)</b>	<b>(3,860,107)</b>
Current Tax Expense	31	(1,092,526)	(822,302)
Deferred Tax Expense (-)	31	(380,589)	(3,037,805)
<b>PROFIT FOR THE PERIOD</b>		<b>5,206,212</b>	<b>10,492,467</b>
<b>Distribution of the Profit for the Period</b>			
Non-Controlling Interest		331,689	805,757
Equity Holders of the Parent		4,874,523	9,686,710
Earnings Per Share	32	13.20	26.23

**ÜLKER BİSKÜVİ SANAYİ A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025 AND 2024**

(Amounts on tables expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as at 31 December 2025, unless otherwise stated.)

	<b>Audited Current Period 1 January- 31 December 2025</b>	<b>Audited Prior Period 1 January- 31 December 2024</b>
<b>PROFIT FOR THE PERIOD</b>	<b>5,206,212</b>	<b>10,492,467</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
<b>Not to be Reclassified to Profit or Loss</b>	<b>(312,308)</b>	<b>(393,465)</b>
(Losses) on Remeasurement of Defined Benefit Plans	(226,874)	(603,325)
Property, Plant and Equipment Revaluation Increases	1,921,322	263,671
(Losses) from Financial Assets Measured at Fair Value Through Other Comprehensive Income	(1,279,308)	(1,175,345)
<b>Taxes on Other Comprehensive Income That will not be Reclassified to Profit or Loss</b>		
(Losses) on Remeasurement of Defined Benefit Plans, Tax Effect	50,159	143,387
Property, Plant and Equipment Revaluation Increases, Tax Effect	(419,862)	391,913
(Losses) From Financial Assets Measured at Fair Value Through Other Comprehensive Income, Tax Effect	(357,745)	586,234
<b>Items to be Reclassified to Profit or Loss</b>	<b>999,282</b>	<b>(3,225,816)</b>
Foreign Currency Translation Differences	(144,952)	(3,227,466)
Gains on Cash Flow Hedges	1,489,663	2,200
<b>Taxes on Other Comprehensive Income that will be Reclassified to Profit or Loss</b>		
Gains on Cash Flow Hedges, Tax Effect	(345,429)	(550)
<b>OTHER COMPREHENSIVE INCOME/LOSS</b>	<b>686,974</b>	<b>(3,619,281)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>5,893,186</b>	<b>6,873,186</b>
<b>Distribution of Total Comprehensive Income</b>		
Non-Controlling Interests	194,927	(111,010)
Equity Holders of the Parent	5,698,259	6,984,196

**ÜLKER BİSKÜVİ SANAYİ A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025 AND 2024**

(Amounts on tables expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as at 31 December 2025, unless otherwise stated.)

	Share Capital		Share	Effect of Business	Foreign	Cash Flow	Revaluation of	(Losses) on	Gains From	Restricted	Net Profit	Prior	Equity	Non-	Total
	Paid in	Adjustment	Premiums	Combinations	Currency	Hedge	Property, Plant	Remeasurement	Financial Assets	Reserves	for the	Periods'	Attributable	Controlling	
	Capital	Differences		Under Common	Translation	(Losses)	and Equipment	of Defined	Measured at Fair	Appropriated	Period	Profit	to Equity	Interest	
				Control	Differences			Benefit Plans	Value Through	from Profit			Holder of		
									Other				the Parent		
									Comprehensive						
									Income						
<b>As of 1 January 2024</b>	<b>369,276</b>	<b>11,646,759</b>	<b>6,302,621</b>	<b>(31,110,881)</b>	<b>(661)</b>	<b>(1,624,787)</b>	<b>3,838,127</b>	<b>(1,095,076)</b>	<b>3,822,547</b>	<b>2,887,610</b>	<b>6,385,429</b>	<b>32,541,580</b>	<b>33,962,544</b>	<b>3,459,373</b>	<b>37,421,917</b>
Transfers	-	-	-	-	-	-	-	-	-	-	(6,385,429)	6,385,429	-	-	-
Total Comprehensive Income	-	-	-	-	(2,305,738)	1,650	637,224	(446,539)	(589,111)	-	9,686,710	-	6,984,196	(111,010)	6,873,186
Transactions Under Common Control (*)	-	-	-	25,420,128	-	-	-	-	-	-	-	(25,420,128)	-	-	-
Dividends Paid (**)	-	-	-	-	-	-	-	-	-	-	-	-	-	(477,457)	(477,457)
<b>As of 31 December 2024</b>	<b>369,276</b>	<b>11,646,759</b>	<b>6,302,621</b>	<b>(5,690,753)</b>	<b>(2,306,399)</b>	<b>(1,623,137)</b>	<b>4,475,351</b>	<b>(1,541,615)</b>	<b>3,233,436</b>	<b>2,887,610</b>	<b>9,686,710</b>	<b>13,506,881</b>	<b>40,946,740</b>	<b>2,870,906</b>	<b>43,817,646</b>
<b>As of 1 January 2025</b>	<b>369,276</b>	<b>11,646,759</b>	<b>6,302,621</b>	<b>(5,690,753)</b>	<b>(2,306,399)</b>	<b>(1,623,137)</b>	<b>4,475,351</b>	<b>(1,541,615)</b>	<b>3,233,436</b>	<b>2,887,610</b>	<b>9,686,710</b>	<b>13,506,881</b>	<b>40,946,740</b>	<b>2,870,906</b>	<b>43,817,646</b>
Transfers	-	-	-	-	-	472,676	-	-	-	332,242	(9,686,710)	8,881,792	-	-	-
Total Comprehensive Income	-	-	-	-	(18,355)	1,144,234	1,501,460	(166,550)	(1,637,053)	-	4,874,523	-	5,698,259	194,927	5,893,186
Dividends Paid (**)	-	-	-	-	-	-	-	-	-	-	-	(3,343,157)	(3,343,157)	(491,993)	(3,835,150)
<b>As of 31 December 2025</b>	<b>369,276</b>	<b>11,646,759</b>	<b>6,302,621</b>	<b>(5,690,753)</b>	<b>(2,324,754)</b>	<b>(6,227)</b>	<b>5,976,811</b>	<b>(1,708,165)</b>	<b>1,596,383</b>	<b>3,219,852</b>	<b>4,874,523</b>	<b>19,045,516</b>	<b>43,301,842</b>	<b>2,573,840</b>	<b>45,875,682</b>

(\*) In accordance with the principle decision published by the POA, the merger effects of companies whose legal entities ended have been accounted for under the prior periods' profit/losses.

(\*\*) At the Ordinary General Assembly for the year 2024 held on 9 May 2025, it was decided to distribute a gross amount of TL 3,343,157 thousand fully covered by the profit for the period, and to pay the entire amount in cash and dividend distribution has been carried out since 19 June 2025. pladis Arabia Food Manufacturing Company, a subsidiary of the Group, paid dividend amounting to TL 1,014,056 thousand on 28 April 2025, with the decision of the Board of Directors. TL 491,993 thousand of the related amount is recognised under non-controlling interests (31 December 2024:TL 994,139 thousand, non-controlling interests: TL 477,457 thousand).

**ÜLKER BİSKÜVİ SANAYİ A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025 AND 2024**

(Amounts on tables expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as at 31 December 2025, unless otherwise stated.)

	<b>Note</b>	<b>Audited Current Period 1 January- 31 December 2025</b>	<b>Audited Prior Period 1 January- 31 December 2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the period		5,206,212	10,492,467
<b>Adjustments to Reconcile Net Profit for the Period</b>			
Adjustments Related to Depreciation and Amortization			
Depreciation expenses of property, plant and equipment	11	2,437,961	2,366,588
Amortization expenses of intangible assets	13	14,136	16,472
Adjustments Related to Impairment Loss (Reversal)			
Adjustments for impairment of receivables	7	50,569	34,236
(Increase) in value of financial investment	27	(1,097)	(1,322)
Provision for impairment of inventories	10	75,085	41,514
Adjustments Related to Provisions			
Adjustments Related to Provisions for Employee Benefits			
Provision for employment termination benefits	17	676,600	530,591
Unused vacation accrual	17	324,995	344,066
Performance premium accrual	17	530,583	790,876
Adjustments Related to Provisions (Reversal) for			
Lawsuits and/or Penalties	15	64,651	29,988
Adjustments Related to Other Provisions (Reversal) (net)		286,769	(261,880)
Adjustments Related to Interest (Income) and Expenses			
Interest (income)	27	(4,358,784)	(3,469,948)
Interest expenses	29	5,657,214	6,235,908
Adjustments Related to Tax Expenses	31	1,473,115	3,860,107
Adjustments Related to Losses/(Gains) on Disposals of Non-Current Assets			
Adjustments related to (gains) arising from sale of property, plant and equipment	27	(2,982)	(4,927)
Adjustments Related to Other Items That Cause Cash Flows Arising from Investment or Financing Activities			
Change in foreign currency from financial liabilities (net)	28,29	16,587,222	9,785,607
Change in foreign currency from investing activities (net)	27	(5,958,032)	(4,125,860)
Commission expenses and financial income (net)		1,111,953	824,876
Other Adjustments to Reconcile Profit/(Loss)			
Rent income	27	(56,966)	(48,882)
Adjustments related to monetary (gain)		(1,236,440)	(3,583,050)
<b>Net cash before changes in assets and liabilities</b>		<b>22,882,764</b>	<b>23,857,427</b>

**ÜLKER BİSKÜVİ SANAYİ A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2025 AND 2024**

(Amounts on tables expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as at 31 December 2025, unless otherwise stated.)

	<b>Note</b>	<b>Audited Current Period 1 January- 31 December 2025</b>	<b>Audited Prior Period 1 January- 31 December 2024</b>
<b>Changes in Working Capital</b>			
(Increase) in trade receivables		(2,487,778)	(2,710,857)
(Increase) in receivables from related parties		(4,361,761)	(10,193,851)
(Increase) in inventories		(9,732,298)	(4,283,758)
(Increase) in other receivables and other assets		(1,189,129)	(661,313)
Increase in trade payables		1,096,504	2,078,338
Increase in payables to related parties		1,924,850	1,074,728
Increase in other payables and liabilities		5,465	768,223
<b>Cash generated from activities</b>		<b>8,138,617</b>	<b>9,928,937</b>
Payments Related to Provisions for Employee Benefits			
Employment termination benefit paid	17	(242,993)	(356,484)
Unused vacation paid	17	(233,120)	(224,548)
Performance premium paid	17	(635,674)	(472,829)
Taxes Paid		(1,123,441)	(1,298,957)
<b>Cash generated from operating activities</b>		<b>5,903,389</b>	<b>7,576,119</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash inflows from sales of property, plant and equipment and intangible assets		161,546	15,069
Cash outflows from purchase of property, plant and equipment		(1,715,843)	(3,340,604)
Cash outflows from purchase of intangible assets	13	(23,043)	(11,318)
Changes in non-trade receivables from related parties		194,200	9,029
Interest received	27	4,358,784	3,469,948
Other cash advances given and payables		(63,803)	278,324
Cash (outflows) from the purchase of shares or debt instruments of other businesses or funds		(7,947)	(20,075)
Proceeds from rental income		56,966	48,882
<b>Net cash generated from investing activities</b>		<b>2,960,860</b>	<b>449,255</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash inflows from borrowings		28,925,964	36,285,897
Repayments of borrowings		(33,560,771)	(21,881,997)
Cash outflows from derivate instruments		(3,032,387)	-
Interest paid		(5,224,851)	(5,408,690)
Dividend paid		(3,835,150)	(477,457)
Commission paid		(1,111,953)	(824,876)
<b>Net cash (used in)/generated from financing activities</b>		<b>(17,839,148)</b>	<b>7,692,877</b>
<b>INFLATION EFFECT ON CASH AND CASH EQUIVALENTS</b>		<b>(8,127,198)</b>	<b>(6,771,495)</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGE ON CASH AND CASH EQUIVALENTS</b>		<b>5,985,438</b>	<b>3,458,682</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		<b>(11,116,659)</b>	<b>12,405,438</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	4	<b>34,435,342</b>	<b>22,029,904</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	4	<b>23,318,683</b>	<b>34,435,342</b>

**ÜLKER BİSKÜVİ SANAYİ A.Ş. AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF 31 DECEMBER 2025**

(Amounts on tables expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as at 31 December 2025, unless otherwise stated.)

**1. ORGANIZATION AND OPERATIONS OF THE COMPANY**

Ülker Bisküvi Sanayi A.Ş. ("the Company") and its subsidiaries (all together "the Group") comprise of the parent Ülker Bisküvi Sanayi A.Ş. ("the Group") and fourteen subsidiaries in which the Company owns the majority share of the capital or which are controlled by the Company (2024: Fourteen).

Ülker Bisküvi Sanayi A.Ş. was established in 1944. The Company's core business activities are manufacturing of biscuits, chocolate, chocolate coated biscuits, wafers and cakes.

Ülker Bisküvi Sanayi A.Ş. went public by merging with Anadolu Gıda Sanayi A.Ş., which has been traded on Borsa İstanbul A.Ş. ("BİST") (Former Name: Istanbul Stock Exchange ("ISE") since 30 October 1996, under its own name as of 31 December 2003.

The headquarter of Ülker Bisküvi Sanayi A.Ş. is located Kısıklı Mah. Ferah Cad. No:1 Büyük Çamlıca Üsküdar/İstanbul.

As of 31 December 2025, the total number of people employed by the Group 10,285, which contain 2,947 employees who worked as subcontractors (31 December 2024: 10,254, subcontractor: 2,556).

The main shareholder and controlling party of the Group is pladis Foods Limited. The ultimate parent of the Group is Yıldız Uluslararası Gıda Yatırımları A.Ş.. Yıldız Uluslararası Gıda Yatırımları A.Ş., is the ultimate parent of pladis Foods Limited and managed by the Ülker Family.

As of 31 December 2025 and 31 December 2024, the names and percentages of the shareholders holding more than 5% of the Company's share capital are as follows:

Title of Shareholders	31 December 2025		31 December 2024	
	Share	Percentage	Share	Percentage
pladis Foods Limited	174,420	47.23%	174,420	47.23%
Other	194,856	52.77%	194,856	52.77%
	<b>369,276</b>	<b>100%</b>	<b>369,276</b>	<b>100%</b>

As of 31 December 2025 and 31 December 2024, the details of the subsidiaries ("Subsidiaries") under consolidation in terms of direct and effective share of ownership and principal business activities are as follows:

Subsidiaries	31 December 2025		31 December 2024		Nature of Operation
	Ratio of Direct Ownership	Ratio of Effective Ownership	Ratio of Direct Ownership	Ratio of Effective Ownership	
Atlas Gıda Pazarlama Sanayi ve Ticaret A.Ş.	100.00%	100.00%	100.00%	100.00%	Trading
Reform Gıda Paz. San. ve Tic. A.Ş.	100.00%	100.00%	100.00%	100.00%	Trading
UI Egypt B.V. (*)	-	51.00%	51.00%	51.00%	Investing
pladis Egypt for Food Industries S.A.E.	-	51.40%	-	51.40%	Manufacturing-Sales
Sabourne Investments Ltd. (*)	-	100.00%	100.00%	100.00%	Investing
pladis Arabia Food Manufacturing Company	-	55.00%	-	55.00%	Manufacturing-Sales
pladis Kazakhstan (*)	-	100.00%	100.00%	100.00%	Manufacturing-Sales
Ulker Star LLC	-	99.00%	-	99.00%	Sales
UI Mena B.V. (*)	-	100.00%	100.00%	100.00%	Investing
pladis Gulf FZE	-	100.00%	-	100.00%	Sales
pladis Egypt for Trading and Marketing S.A.E.	-	99.80%	-	99.80%	Sales
pladis Arabia International Manufacturing Company (*)	-	100.00%	100.00%	100.00%	Manufacturing-Sales
Taygeta Gıda Üretim ve Pazarlama A.Ş.	100.00%	100.00%	100.00%	100.00%	Trade-Consulting
F.E. pladis Confectionery LLC (*)	-	100.00%	100.00%	100.00%	Sales

(\*) The related companies were transferred to Taygeta Gıda Üretim ve Pazarlama A.Ş., a 100% subsidiary of the Group, through a partial demerger as of January 2025.

Approval of consolidated financial statements:

The Board of Directors has approved the condensed consolidated financial statements and given authorization for the issuance on 10 March 2026. The General Assembly has the authority to amend the consolidated financial statements.

**ÜLKER BİSKÜVİ SANAYİ A.Ş. AND ITS SUBSIDIARIES**  
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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**2.1 Basis of the Presentation:**

**Principles for Preparation of Financial Statements and Significant Accounting Policies**

The accompanying consolidated financial statements are prepared in accordance with Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, consolidated financial statements are prepared in accordance with the Turkish Accounting Standards ("TAS") issued by Public Oversight Accounting and Auditing Standards Authority ("POA"). TAS contains Turkish Accounting Standards, Turkish Financial Reporting Standards ("TFRS") and its addendum and interpretations. In addition, the financial statements have been prepared in accordance with the "Announcement on TFRS Taxonomy" published by POA and the resolution of CMB about the Illustrations of Financial Statements and Application Guidance published on 3 July 2024.

The Company and Subsidiaries in Türkiye maintain their books of accounts and prepare their statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance and principles issued by CMB. The foreign subsidiaries maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered. The consolidated financial statements have been prepared under historical cost conventions except for land, buildings, derivatives, financial assets and financial liabilities which are carried at fair value.

**Functional and Presentation Currency**

Financial statements of each subsidiary of the Group are presented in the currency of the primary economic environment in which the entities operate (its functional currency). The results and financial position of each subsidiary are expressed in Turkish Lira, which is the presentation currency of the Company.

**Financial Reporting in Hyperinflationary Economies**

With the announcement made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies for the annual reporting period beginning on or after 31 December 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of entities whose functional currency is the currency of a hyperinflationary economy.

In accordance with the standard, financial statements prepared in the currency of a hyperinflationary economy are stated in terms of the purchasing power of that currency at the balance sheet date. For comparative purposes, comparative information in the prior period financial statements is expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Group has presented its consolidated financial statements as at 31 December 2024 in terms of the purchasing power of the currency as at 31 December 2025.

In accordance with the CMB's resolution No: 81/1820 dated 28 December 2023, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 beginning with the annual financial statements for the accounting periods ending on 31 December 2024.

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.1 Basis of the Presentation (cont'd):**

**Financial Reporting in Hyperinflationary Economies (cont'd)**

The restatement in accordance with TAS 29 has been made by using the adjustment factor derived from the Consumer Price Index ("CPI") in Türkiye published by the Turkish Statistical Institute ("TURKSTAT"). As at 31 December 2025, the indices and adjustment factors used in the restatement of the consolidated financial statements are as follows:

<b>Date</b>	<b>Index</b>	<b>Adjustment coefficient</b>	<b>Three-year cumulative inflation rates</b>
31.12.2025	3,513.87	1.00000	211%
31.12.2024	2,684.55	1.30892	291%
31.12.2023	1,859.38	1.88981	268%

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

- The consolidated 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 adjusted and expressed in accordance with the purchasing power of TL at the end of the reporting period.
- Monetary assets and liabilities are not adjusted since they are currently expressed in terms of the purchasing power at the balance sheet date. Where the inflation-adjusted carrying amounts of non-monetary items exceed their recoverable amounts or net realisable.
- Non-monetary assets, liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted by using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for the effect of non-monetary items in the balance sheet on the statement of comprehensive income, have been adjusted by applying the coefficients calculated over the periods in which the income and expense accounts were initially recognised in the financial statements.
- The effect of inflation on the Group's net monetary asset position in the current period is recognised in the gain/(loss) on net monetary position in the consolidated income statement (Note 30).

**Basis of Consolidation**

**(a) Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-Group transactions, balances and unrealized loss and gains on transactions between group companies are eliminated. Unrealized losses are also eliminated.

**(b) Changes in ownership interests in subsidiaries without change of control**

Changes in the Group's ownership interests in subsidiaries that do not result in the loss of control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recorded directly in equity as the Group's share.

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.1 Basis of the Presentation (cont'd):**

**Basis of Consolidation (cont'd)**

(c) Loss of subsidiary control

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable TAS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under TFRS 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

**2.2 New and Amended Turkish Accounting Standards:**

a) Amendments that are mandatorily effective from 2025

**Amendments to TAS 21 Lack of Exchangeability**

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The aforementioned standard, amendments and improvements do not have any significant effect on the Group's consolidated financial position and performance.

b) New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	<i>Insurance Contracts</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9 — Comparative Information</i>
TFRS 18	<i>Presentation and Disclosures in Financial Statements</i>
TFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>
Amendments to TFRS 9 and TFRS 7	<i>Classification and Measurement of Financial Instruments</i>
Amendments to TFRS 9 and TFRS 7	<i>Power Purchase Arrangements</i>
Annual Improvements	<i>Annual Improvements to TFRSs – Volume 11</i>
Amendments to TFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>

**TFRS 17 Insurance Contracts**

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 Insurance Contracts on 1 January 2027.

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.2 New and Amended Turkish Financial Reporting Standards (cont'd):**

b) New and revised TFRSs in issue but not yet effective (cont'd)

**Amendments to TFRS 17 Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 – Comparative Information**

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 7 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before. Amendments are effective with the first application of TFRS 17.

**TFRS 18 Presentation and Disclosures in Financial Statements**

TFRS 18 includes requirements for all entities applying TFRS for the presentation and disclosure of information in financial statements. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

**TFRS 19 Subsidiaries without Public Accountability: Disclosures**

TFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

**Amendments to TFRS 9 and TFRS 7 Classification and Measurement of Financial Instruments**

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of TFRS 9 Financial Instruments. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

**Amendments to TFRS 9 and TFRS 7 Power Purchase Arrangements**

The amendments aim at enabling entities to include information in their financial statements that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

**Annual Improvements to TFRSs – Volume 11**

The pronouncement comprises the following amendments:

- TFRS 1: Hedge accounting by a first-time adopter
- TFRS 7: Gain or loss on derecognition
- TFRS 7: Disclosure of deferred difference between fair value and transaction price
- TFRS 7: Introduction and credit risk disclosures
- TFRS 9: Lessee derecognition of lease liabilities
- TFRS 9: Transaction price
- TFRS 10: Determination of a 'de facto agent'
- TAS 7: Cost method

Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

**Amendments to TFRS 19 Subsidiaries without Public Accountability: Disclosures**

The amendments cover new or amended Turkish Financial Reporting Standards that were not considered when TFRS 19 was first issued. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

**ÜLKER BİSKÜVİ SANAYİ A.Ş. AND ITS SUBSIDIARIES**  
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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.3 Summary of Significant Accounting Policies**

The basic accounting policies applied while preparing the consolidated financial statements are given below. These policies have been applied consistently for the years presented, unless stated otherwise:

**Revenue**

The Group's revenue mainly consists of sales of biscuits, chocolate coated biscuits, wafers, cakes and chocolate.

In accordance with TFRS 15 "Customer Contract Revenue Standard", the Group recognizes revenue in the financial statements in the five-step model below.

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

In each contract with customers, the Group evaluates services committed and determines each commitment given for the transfer of relevant goods and services as another performance obligation. For each performance obligation, whether the performance obligation is performed as extended over time or in a particular time, is determined in the beginning of a contract. If the Group transfers the control of goods and services in time and accordingly fulfills its performance obligations as extended over time, the progress related to fulfillment of the relevant performance obligations is measured and recognized as extended over time. Revenue related to the performance obligations that are the transfers of goods and services by nature is recognized when the control of the goods and services is transferred to the customer. The goods or services are transferred when the control of the goods or services is delivered to the customers. Following indicators are considered while evaluating the transfer of control of the goods and services: a) Presence of the Group's collection right of the consideration for the goods or services, b) Customer's ownership of the legal title on goods or services, c) Physical transfer of the goods or services, d) Customer's ownership of significant risks and rewards related to the goods or services, e) Customer's acceptance of goods or services. If Group expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less, the promised amount of consideration for the effects of a significant financing component is not adjusted. On the other hand, when the contract effectively constitutes a financing component, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of the consideration is recognized on an accrual basis as other operating income.

**Inventories**

Inventories are stated at the lower of cost and net realizable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories held by the method most appropriate to the particular class of inventory, with the majority being valued on a weighted average basis. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale. When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in statement of profit in the period the write-down or loss occurred. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the original write-down.

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.3 Summary of Significant Accounting Policies (cont'd)**

**Property, Plant and Equipment**

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period. Revaluations are for a period of no longer than 5 years so as not to differ materially from the book value of the fair value to be determined at the reporting date. All other property, plant and equipment are shown at historical cost less accumulated depreciation. Cost includes the direct asset and attributable acquisition costs.

Properties in the course of construction for production, leases or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees. Borrowing costs are capitalized for assets that necessarily takes a substantial period of time to get ready for its intended use or sale. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognized so as to write off the cost or valuation of assets, other than freehold land and properties under construction, less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Property, plant and equipment subject to financial leasing are depreciated over their useful lives, if the useful life is long, over the lease term, when the lease term is short.

**Financial Leasing Transactions**

Leases in which a significant portion of the risks and rewards of ownership belong to the lessee are classified as finance leases. Other leases are classified as operating leases.

**Leases – The Group as lessor**

Finance lease receivables are recorded up to the Group's net investment in the lease. Finance lease income is allocated to accounting periods to provide a constant periodic rate of return on the Group's finance lease net investment.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Financial lease assets are capitalized using the lower of the fair value of the asset at the lease date or the present value of the minimum lease payments. The liability to the lessor is shown in the balance sheet as a finance lease liability. Financial leasing payments are divided into finance expense and principal payment, which reduces the leasing obligation, thus providing a fixed rate of interest on the remaining principal balance of the debt. Financial expenses, except for the capitalized portion of finance expenses, are recorded in the profit or loss statement within the scope of the Group's general borrowing policy.

**Leases – The Group as lessee**

Payments made for operating leases that are not within the scope of TFRS 16 (incentives received or to be received from the lessor for the realization of the lease transaction are also recorded in the profit or loss statement using the straight-line method throughout the lease period) are recorded in the consolidated profit or loss statement over the lease period. The Group does not have any significant lease agreements to be evaluated within the scope of TFRS 16.

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.3 Summary of Significant Accounting Policies (cont'd)**

**Business Combinations**

The acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Business combinations are accounted in accordance with TFRS 3 "Business Combinations" except for the assets (or disposal groups) that are classified as held for sale in accordance with TFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain. Non-controlling interest in the acquired business is recognized as the amount of the non-controlling interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the business at the time of acquisition.

Where the consideration transferred by the Group in a business combination includes contingent consideration, the contingent consideration is measured at fair value at the acquisition date and included in the consideration transferred in the business combination. If an adjustment to the fair value of the contingent consideration is required as a result of additional information revealed during the measurement period, this adjustment is adjusted retrospectively from the goodwill. The measurement period is the period after the acquisition date during which the acquirer can adjust the temporary amounts recognized in the business combination. This period cannot be more than 1 year from the date of purchase. Business combinations resulting from the transfer of shares of companies controlled by the stakeholder controlling the Group are accounted for as if they had occurred at the beginning of the earliest comparative period presented, if later, on the date of joint control. For this purpose, comparative periods are rearranged. The acquired assets and liabilities are recorded at the book value previously recorded in the consolidated financial statements of the stakeholders under the control of the Group. Equity items of the acquired companies are added to the same items in the Group's equity, except for the capital, and the resulting profit or loss is recognized in equity.

**Partial share purchase - sale transactions with non-controlling shareholders**

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

**Intangible Assets**

**Intangible assets acquired separately**

Purchased intangible assets are reported at cost less accumulated amortization and accumulated impairment losses. These assets are amortized using the straight-line method over their expected useful live. The expected useful life and amortization method are reviewed annually to determine the possible effects of changes in estimates and changes in estimates are accounted for prospectively.

**Computer software**

Purchased computer software is capitalized over the costs incurred during its purchase and during the period from purchase until it is ready for use. These costs are amortized over their useful lives (5 - 10 years).

Computer software development costs considered as fixed assets are amortized over their estimated useful lives.

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.3 Summary of Significant Accounting Policies (cont'd)**

**Intangible Assets (cont'd)**

*Intangible assets acquired through a business combination*

Intangible assets acquired in a business combination are identified and accounted for separately from goodwill if they meet the definition of an intangible asset and their fair value can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

*Derecognition of intangible assets*

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

**Impairment of Non-Financial Assets**

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or (cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**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.

The amount of borrowing costs that can be capitalized for funds borrowed for the purpose of acquiring a qualifying asset in a period is the amount determined by deducting the income from temporary investments of these funds from the total borrowing costs incurred for these assets in the relevant period.

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.3 Summary of Significant Accounting Policies (cont'd)**

**Borrowing Costs (cont'd)**

When the group borrows for a general purpose and some of these funds are used to finance a qualifying asset, the amount of borrowing costs that can be capitalized is determined with the help of a capitalization rate to be applied to the expenses related to the related asset. This capitalization rate is the weighted average of borrowing costs related to all borrowings of the Group during the relevant period, excluding borrowings for the purchase of qualifying assets. Financial investment income obtained by temporarily investing the unspent portion of the investment loan in financial investments is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recorded in the consolidated statement of profit or loss in the period in which they are included.

**Financial Instruments**

**Financial Assets**

**Classification and measurement**

The Group classified its financial assets in three categories; financial assets carried at amortized cost, financial assets carried at fair value through profit or loss, financial assets carried at fair value through other comprehensive income. Classification is performed in accordance with the business model determined based on the purpose of benefits from financial assets and expected cash flows. The management performs the classification of financial assets at the acquisition date.

***a) Financial assets carried at amortized cost***

Financial assets that are not quoted in an active market and are not derivative instruments that have fixed or fixed payments, in which management has adopted the contractual cash flow collection business model and the terms of the contract include only the principal and interest payments arising from the principal balance on certain dates, are classified as assets accounted for at amortized cost. If their maturities are 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. In addition to these, trade receivables collected from factoring companies within the scope of revocable factoring transactions, which are included in trade receivables, are classified as assets accounted for at amortized cost, since the collection risk of these receivables is not transferred.

***Impairment***

Since the trade receivables accounted for at amortized cost in the consolidated financial statements do not contain 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.

***b) Financial assets carried at fair value***

Assets that are held by the management for collection of contractual cash flows and for selling the financial assets are measured at their fair value. If the management do not plan to dispose these assets in 12 months after the balance sheet date, they are classified as non-current assets. Group make a choice for the equity instruments during the initial recognition and elect profit or loss or other comprehensive income for the presentation of fair value gain and loss:

**i) Financial assets carried at fair value through profit or loss**

Financial assets at fair value through profit or loss include "financial investments and mutual funds at fair value through profit or loss" items in the statement of financial position.

**ii) Financial assets carried at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income include "equity investments and derivatives" items in the statement of financial position. Derivative instruments are accounted for as an asset if the fair value is positive and as a liability if the fair value is negative. The Group measures these assets at their fair value. Gains or losses on related financial assets, excluding impairment and foreign exchange gains or expenses, are recognized in other comprehensive income. In case the assets whose fair value difference is recorded in other comprehensive income are sold, the valuation difference classified into other comprehensive income is reclassified to retained earnings.

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.3 Summary of Significant Accounting Policies (cont'd)**

**Financial Liabilities**

***c) Financial liabilities at fair value through profit or loss***

Financial liabilities at fair value through profit or loss are initially recognized at fair value and remeasured at each reporting date at fair value at the balance sheet date. Changes in fair value are recognized in the statement of profit or loss. The net gain or loss recognized in the statement of profit or loss includes any interest paid on the financial liability.

***Recognition and de-recognition of financial assets and liabilities***

All purchases and sales of financial assets are recognized on the trade date i.e. the date that the Group commits to purchase or to sell the asset. These purchases or sales are purchases or sales generally require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

A financial asset (or part of a financial asset or group of similar financial assets) is derecognized where;

- the rights to receive cash flows from the asset have expired
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the assets.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the consolidated financial statements.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

***Financial borrowings***

Financial liabilities are recognized initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective yield method; any difference between proceeds, net of transaction costs, and the redemption value is recognized in the statement of profit or loss over the period. Borrowing costs are charged to the statement of profit or loss when they are incurred. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date. The Group's financial borrowings consist of bank loans, issued debt instruments, loans from related parties and financial lease liabilities.

***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 original invoice value 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.

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.3 Summary of Significant Accounting Policies (cont'd)**

**Effects of Currency Change**

In preparing the consolidated financial statements of the Group, transactions in currencies other than TL (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At balance sheet, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise except for:

- Exchange differences which relate to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings,
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks,
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognized in the foreign currency translation reserve and recognized in profit or loss on disposal of the net investment.

They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognized in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill, brand and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

**Dividend and Interest Income**

Dividend income from investments is recognized when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Earnings Per Share**

Earnings per share disclosed in the consolidated statement of profit or loss are calculated by dividing net income by the weighted average number of shares outstanding during the period concerned.

**Events After the Reporting Period**

Events after the reporting period are those events that occur between the balance sheet date and the date when the financial statements are authorized for issue, even if they occur after an announcement related with the profit for the year or public disclosure of other selected financial information.

The Group adjusts the amounts recognized in its financial statements if adjusting events occur after the balance sheet date.

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.3 Summary of Significant Accounting Policies (cont'd)**

**Provisions, Contingent Assets and Contingent Liabilities**

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

The amount recognized as a provision should be the best estimate of the expenditure required to settle the present obligation at the balance sheet date, that is, the amount that an entity would rationally pay to settle the obligation at the balance sheet date.

If some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement could be recognized as an asset when, and only when, it is virtually certain that reimbursement will be received and can be estimated reliably.

**Related Parties**

Related party in the consolidated financial statements: Persons or businesses that are related to the Company.

(a) A person or a close member of that person's family is deemed to be related to the Company if that person:

- (i) has control or joint control of the Company,
- (ii) has significant influence over the Company,
- (iii) is a member of the key management personnel of the Company or of a parent of the Company.

(b) A company is related to a reporting entity if any of the following conditions applies:

- (i) The Company members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One company is an associate or joint venture of the other company (or an associate or joint venture of a member of a group of which the other company is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The Company is a post-employment benefit plan for the benefit of employees of either the Company or a company related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) 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).

Transaction with a related party: It is the transfer of resources, services or obligations between the Company and a related party, regardless of whether there is a price or not. The Company may enter into some business relations with related parties in the course of ordinary activities.

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.3 Summary of Significant Accounting Policies (cont'd)**

**Government Grants and Incentives**

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are recognized as income on a consistent basis throughout the relevant periods when they match the costs they would cover.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are recognized to the income statement on a straight- line basis over the expected lives of the related assets, or alternatively netted off with the cost of related asset.

**Corporate Taxes**

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the consolidated financial statements, have been calculated on a separate-entity basis. Income tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss because of items of income or expense that are taxable or deductible in other years and it excludes items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred tax liability or asset is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax rates which are used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.3 Summary of Significant Accounting Policies (cont'd)**

**Corporate Taxes (cont'd)**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

*Current and deferred tax for the period*

Current and deferred tax are recognized as in profit or loss, except when they relate to items arising from the initial recognition of business combinations or that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. In business combinations, tax effects are considered when calculating goodwill or determining the portion of the purchaser's share in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary exceeding the acquisition cost.

**Employee Benefits**

*Termination and retirement benefits*

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan as per Turkish Accounting Standard No. 19 (revised) Employee Benefits ("TAS 19").

The retirement benefit obligation recognized in the consolidated statement of financial position represents the present value of the defined benefit obligation. The actuarial gains and losses are recognized in other comprehensive income.

**Statement of Cash Flows**

Cash flows during the period are classified and reported as operating, investing and financing activities in the statement of cash flows.

Cash flows from main activities represent the cash flows of Group companies arising from their operations related to their main activities.

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

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

**Capital and Dividends**

Ordinary shares are classified as equity. Dividends distributed on ordinary shares are recorded by deducting from retained earnings in the period when the dividend decision is taken.

**Equity Items**

In the restatement of shareholders' equity items, the addition of funds formed due to hyperinflation such as the revaluation value increase fund in share capital is not considered as a contribution from shareholders. Additions of legal reserves and retained earnings to share capital are considered as contributions by shareholders. In the restatement of shareholders' equity items added to share capital the capital increase registry dates or the payment dates are considered. The revaluation fund, which is included in the value increase funds, is the value increase on the net asset held by the Group before the sale transaction, at the date of the transaction.

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.3 Summary of Significant Accounting Policies (cont'd)**

**Derivatives and Hedging Activities**

Derivatives are recorded at fair value at the initial contract date and are measured at fair value at the end of each reporting period after initial recognition. Accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, on the nature of the hedged item. The Group designates certain derivatives as either:

- i. Hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges)
- ii. Hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges), or,
- iii. Hedges of a net investment in a foreign operation (net investment hedges).

At the beginning of the hedging transaction, the Group documents the relationship between hedging instruments and hedged items, as well as the risk management objective and strategy that gives rise to the various hedging transactions. The Group also documents its assessment that the derivatives it uses in the hedge are, and will continue to be, highly effective at offsetting changes in the fair value or cash flows of the hedged asset, both at the start of the hedge and subsequently.

The fair values of various derivative financial instruments used for hedge accounting purposes are disclosed in Note 9. Movements in the hedge fund under equity are shown in Note 34. The overall fair value of a derivative used for hedge accounting is classified as a non-current asset or a non-current liability if the remaining maturity of the hedged item is more than 12 months, and as a current asset or current liability if it is less than 12 months. Derivatives for trading purposes are classified as current assets or current liabilities.

The effective portion of the fair value changes of the derivatives that meet the cash flow hedge conditions and are defined in this way are recognized in other comprehensive income and collected in the funds under equity. The gain and loss of the ineffective portion is recognized directly in profit or loss in other income or other expenses.

Amounts accumulated under equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognized in profit or loss within "finance expenses".

**Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the consolidated income statement. An impairment loss recognized for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit/loss on disposal.

Goodwill of the Group consists of the accounting of the business purchased from the parent as a business combination under common control, at the recorded values at the level of the parent, in the Group records (Note 12).

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.4 Significant Accounting Judgement, Estimate and Assumptions**

In the process of applying the entity's accounting policies, which are described in Note 2.3, management has made the following judgments that have the most significant effect on the amounts recognized in the financial statements.

Reacquired Rights

The Group accounted for reacquired rights at fair value within scope of the reacquisition of rights which were provided exclusivity before to third parties. Reacquired rights have indefinite useful life and are not subject to amortization. Reacquired rights are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Reacquired rights comprise from products distribution rights in Saudi Arabia. Discounted cash flow studies used to identify the fair value of repurchased rights, a discount rate of 10.7% and a final growth rate of 1.5% were used (2024: 10.1% discount rate and 1.8% final growth rate). A change in discount rate by 1% effects amount of goodwill by TL 571,623 thousand (2024: TL 731,152 thousand).

The brand of the Group is comprised of the business acquired from the related party as a business combination that is subject to joint control, and its accounting values in the Group's records, at the level of the related party (Note 13). 2.6% royalty rate and 2.3% final growth rate were used in the royalty free method to determining the fair value impairment test of brand. 1% change in the royalty rates used does not cause an impairment.

Deferred taxes

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax base legal financial statements and the financial statements prepared in accordance with TFRS. These differences are generally due to the tax base amounts of some income and expense items and the fact that they take place in different periods in the financial statements prepared in accordance with TFRS. In addition, the Group has deferred tax assets resulting from tax loss carryforwards and deductible temporary differences, all of which could reduce taxable income in the future.

As of 31 December 2025, the Group has accounted for deferred tax asset amounting to TL 69,759 thousand in the consolidated financial statements based on the expansion and product diversification investment (2024: TL 70,582 thousand).

Based on available evidence, it is determined whether it is probable that all or a portion of the deferred tax assets will be realized. The main factors which are considered include future profit projection; cumulative losses in current year; carryforward losses and other tax assets expiring; and tax-planning strategies that would, if necessary, be implemented.

Fair values of financial instruments

The fair values of financial instruments that do not have an active market as of 31 December 2025, was calculated by an independent management consultancy that is not affiliated with this Group, whose compliance with the valuation competency criteria determined by the CMB has been evaluated, using market data, using arm's-length similar transactions, taking the fair values of similar instruments as a reference, and discounted cash flow analysis. In the current period, discounted cash flow analysis has been made using a discount rate of 10.6% (2024: 10.2%) for G-New and 11% (2024: 10.6%) for Godiva Belgium and using Final growth rate of 2.2% (2024: 2.2%) for G-New, 2.2% (2024: 2.2%) for Godiva Belgium that are among the Group's financial investments. The 0.3% change in the discount rate used affects the fair value of G-New and Godiva Belgium by TL 219,186 thousand and TL 459,915 thousand, respectively. (2024: G-New: TL 321,751 thousand and Godiva Belgium: TL 580,114 thousand).

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**2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)**

**2.4 Significant Accounting Judgement, Estimate and Assumptions (cont'd)**

*Goodwill*

The Group acquired business from its ultimate shareholder as under common control and accounted its book values as accounted at ultimate shareholder level including goodwill (Note 12). Discounted cash flow used to identify goodwill is applied with 10.1% discount rate and 2.3% long term growth rate. 1% change in the rates used does not cause a decrease in goodwill.

*Determination of Fair Values of Lands and Buildings*

It is calculated by deducting accumulated depreciation from fair value using the Lands and Buildings revaluation method. The fair values of Lands and Buildings are determined from evidence available in the market, normally by valuation by professional value appraisers. They used the "peer comparison" method for Lands and Buildings. Lands are classified within level two of the fair value hierarchy. In determining the fair value of buildings, the cost approach reflecting the costs incurred by the market participant to construct similar assets and aging age is used. It is classified within the third level of the fair value hierarchy of buildings.

*Calculation of loss allowance*

When measuring ECL the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions, and expectations of future conditions.

ECL reflect the future loss that the management anticipates incurring from the trade receivables as of the balance sheet date which is subject to collection risk considering the current economic conditions. Details on expected loss provisions are included in Note 7.

**2.5 Summary of Financial Information Related to Subsidiaries**

As of 31 December 2025 and 2024, the summarized financial information of the subsidiaries of the Group in which the Group has significant minority interest is as follows:

**pladis Arabia Food Manufacturing Company**

	<b>2025</b>	<b>2024</b>
Total assets	7,132,339	8,189,247
Total liabilities	3,378,077	3,599,322
Net assets	3,754,262	4,589,925
Accumulated funds on non-controlling interests	1,689,418	2,065,467
Revenue	9,793,985	11,062,352
Net profit for the year	562,719	1,123,432
Cash flow generated from operating activities	497,905	1,253,217
Cash flow used in investment activities	(56,733)	(123,082)
Cash flow used in financing activities	(1,079,753)	(1,059,614)

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**3. SEGMENT REPORTING**

The main field of activity of the Group is the marketing and sales of biscuits, chocolate coated biscuits, wafers, cakes and chocolate. The reports, which are regularly reviewed by the authorized decision maker regarding the Group's activities, are prepared using the Group's consolidated financial statements. The Board of Directors, which takes strategic decisions, has been determined as the authorized authority to take decisions regarding the activities of the Group. The Group management has determined the operating segments based on the reports reviewed by the Board of Directors, which are effective in taking strategic decisions. The Board of Directors monitors the performance of the operating segments as gross profit and operating profit.

Group; in its management reporting, monitors its operations and capital expenditures as domestic (those conducted within Türkiye by companies located in Türkiye) and international operations in accordance with TFRS 8. Accordingly, the information for the periods 1 January - 31 December 2025 and 1 January - 31 December 2024 is presented below:

	<b>Domestic</b>	<b>International</b>	<b>1 January- 31 December 2025</b>
Revenue	78,335,015	33,569,586	111,904,601
Gross Profit	21,591,581	10,753,936	32,345,517
Operating Profit (*)	11,876,004	4,087,936	15,963,940
EBITDA (**)	13,594,980	4,821,057	18,416,037
EBITDA/Revenue	17.4%	14.4%	16.5%
Investment Expense	1,280,371	456,688	1,737,059
	<b>Domestic</b>	<b>International</b>	<b>1 January- 31 December 2024</b>
Revenue	76,730,630	33,347,080	110,077,710
Gross Profit	21,208,120	11,601,822	32,809,942
Operating Profit (*)	12,575,740	5,455,109	18,030,849
EBITDA (**)	14,135,486	6,278,423	20,413,909
EBITDA/Revenue	18.4%	18.8%	18.5%
Investment Expense	2,323,721	1,026,498	3,350,219

(\*) Profit before other operating income/expense.

(\*\*) EBITDA (Earnings before interest, tax, depreciation and amortization) is calculated by adding depreciation and amortization expenses to operating profit before other operating income and expenses. EBITDA isn't a performance measure by TFRS, and may not be comparable with other companies.

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**4. CASH AND CASH EQUIVALENTS**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Cash on hand	3,451	760
Demand deposits	2,613,590	933,240
Time deposits	20,734,734	33,598,645
Provision for impairment	(33,092)	(97,303)
	<b>23,318,683</b>	<b>34,435,342</b>

The detail of time deposits are as follows:

<b>Currency Type</b>	<b>Interest Rate</b>	<b>Maturity</b>	<b>31 December 2025</b>
TL	38.97%	January 2026	5,394,272
USD	3.35%	January 2026	7,381,156
EUR	1.55%	January 2026	5,713,384
EGP	17.40%	January 2026	236,449
SAR	5.18%	January 2026	1,911,302
KZT	11.00%	January 2026	98,171
			<b>20,734,734</b>

<b>Currency Type</b>	<b>Interest Rate</b>	<b>Maturity</b>	<b>31 December 2024</b>
TL	48.35%	January 2025	6,004,626
USD	4.09%	January 2025	20,813,560
EUR	1.89%	January 2025	3,379,224
EGP	19.43%	January 2025	226,694
SAR	5.65%	January 2025	3,107,220
KZT	11.00%	January 2025	67,321
			<b>33,598,645</b>

**5. FINANCIAL INVESTMENTS**

<b>Short-Term Financial Investments:</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Financial assets measured at fair value through profit/loss	6,420	7,124
	<b>6,420</b>	<b>7,124</b>

<b>Long-Term Financial Investments:</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Financial assets measured at fair value through other comprehensive income (*)	5,150,749	6,422,172
	<b>5,150,749</b>	<b>6,422,172</b>

<b>Financial Assets at Fair Value Through Other Comprehensive Income</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
G New, Inc	1,443,836	1,897,877
Godiva Belgium BVBA	3,340,118	4,183,757
Other	366,795	340,538
	<b>5,150,749</b>	<b>6,422,172</b>

(\*) Investments based on non-controlling interests where the Group does not have significant influence are classified as financial assets at fair value through other comprehensive income. After tax difference of TL 1,596,383 thousand attributable to the parent company as of 31 December 2025 has been accounted within equity (31 December 2024: TL 3,233,436 thousand).

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**6. FINANCIAL LIABILITIES**

	<u>31 December 2025</u>	<u>31 December 2024</u>
Short-term borrowings	12,491,954	5,502,715
Short-term portion of long-term borrowings	5,045,649	14,490,330
Long-term borrowings	<u>39,807,777</u>	<u>42,847,532</u>
	<u><b>57,345,380</b></u>	<u><b>62,840,577</b></u>
<b><u>Other Short-Term Liabilities:</u></b>	<b><u>31 December 2025</u></b>	<b><u>31 December 2024</u></b>
Letters of credit	12,491,954	5,502,715
	<u><b>12,491,954</b></u>	<u><b>5,502,715</b></u>
<b><u>Short-Term Portion of Long-Term Liabilities</u></b>	<b><u>31 December 2025</u></b>	<b><u>31 December 2024</u></b>
Bank loans	3,225,238	2,130,884
Issued debt instruments (*)	1,820,411	12,357,619
Financial lease liabilities	-	1,827
	<u><b>5,045,649</b></u>	<u><b>14,490,330</b></u>
<b><u>Long-Term Liabilities</u></b>	<b><u>31 December 2025</u></b>	<b><u>31 December 2024</u></b>
Bank loans	17,280,429	18,628,989
Issued debt instruments (*)	22,527,348	24,218,543
	<u><b>39,807,777</b></u>	<u><b>42,847,532</b></u>

(\*) On 8 July 2024, the Group issued bonds on the Irish Stock Exchange (Euronext Dublin) with a nominal value of USD 550,000,000 with a 7-year maturity, coupon payments in every 6 months, an annual fixed interest rate of 7.88% with both principal and coupon payments at maturity. Additionally, the Group repurchased bonds with a total nominal value of USD 351,709,000 from the USD 600,000,000 bonds issued in 2020, maturing on 30 October 2025, and completed the settlement process on 10 July 2024 and made the final payment on 24 October 2025, thereby closing the bonds.

On 3 October 2025, the Group entered into a new sustainability-linked syndicated loan agreement with the participation of 11 international banks in order to refinance its existing syndicated loan and optimize its maturity profile. The facility comprises two tranches of EUR 27.600.000 and USD 217.500.000, respectively, with a maturity of five years. Interest is payable semi-annually and the principal is repayable in full at maturity. The proceeds were used for the early refinancing of the Group's USD 250 million syndicated loan obtained in 2023 and maturing on 20 April 2026.

In addition, on 3 November 2025, the Group entered into a new loan agreement with the European Bank for Reconstruction and Development (EBRD) for EUR 75.000.000 with a maturity of five years. The loan bears semi-annual interest payments and a bullet repayment of principal at maturity. The facility was used to refinance the Group's existing loan obtained in 2023 with a contractual maturity in 2026.

On 10 November 2025, the Group signed a new agreement with the International Finance Corporation (IFC) to extend the maturity of the EUR 75.000.000 loan originally obtained in 2024 with a two-year tenor to five years. The loan bears semi-annual interest payments and principal repayment at maturity.

The covenants of the related loans are as follows:

- a) **Leverage:** The ratio of the consolidated net debt on the last day of the current period to the last 12 months consolidated EBITDA (Earnings before interest, depreciation, tax) for the current period should not exceed 3:1.
- b) **Interest Coverage:** The Group's consolidated interest coverage ratio for the current period should not be lower than 2:1.

In the current period, the consolidated financial statements of the Group are in line with the provisions of the bank loan agreements.

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**6. FINANCIAL LIABILITIES (cont'd)**

**Borrowings:**

**31 December 2025**

<u>Currency Type</u>	<u>Maturity</u>	<u>Effective Weighted Average</u>		<u>Short-Term</u>	<u>Long-Term</u>
		<u>Interest Rate</u>			
USD	October 2030-July 2031	7.92%		2,431,623	31,252,294
EUR	April 2026-October 2030	6.01%		14,981,209	8,426,040
KZT	January 2026-December 2028	18.52%		124,771	129,443
				<b><u>17,537,603</u></b>	<b><u>39,807,777</u></b>

**31 December 2024**

<u>Currency Type</u>	<u>Maturity</u>	<u>Effective Weighted Average</u>		<u>Short-Term</u>	<u>Long-Term</u>
		<u>Interest Rate</u>			
TL	January 2025-October 2025	28.00%		1,828	-
USD	April 2025-July 2031	8.42%		12,533,745	25,678,014
EUR	April 2025-April 2026	10.53%		7,143,232	17,101,058
KZT	January 2025-January 2026	10.34%		314,240	68,460
				<b><u>19,993,045</u></b>	<b><u>42,847,532</u></b>

The repayment terms of bank loans and issued debt instruments are as follows:

	<b><u>31 December 2025</u></b>	<b><u>31 December 2024</u></b>
To be paid within 1 year	5,045,649	14,488,503
To be paid within 1-2 years	2,786,572	20,480,069
To be paid within 2-3 years	2,530,485	1,670,812
To be paid within 3-4 years	2,308,916	1,544,306
To be paid within 4-5 years	15,682,324	1,427,372
More than 5 years	16,499,480	17,724,973
	<b><u>44,853,426</u></b>	<b><u>57,336,035</u></b>

**Short-Term Portion of Long-Term**

<b><u>Financial Lease Liabilities</u></b>	<b><u>31 December 2025</u></b>	<b><u>31 December 2024</u></b>
Financial lease liabilities	-	2,194
Costs of deferred lease liabilities (-)	-	(367)
	<b><u>-</u></b>	<b><u>1,827</u></b>

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**6. FINANCIAL LIABILITIES (cont'd)**

The maturity detail of the financial lease liabilities is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
To be paid within 1 year	-	1,827
	<u>-</u>	<u>1,827</u>

The movement table of loan for the periods 31 December 2025 and 2024 is as follows:

	<b>2025</b>	<b>2024</b>
<b>Opening balance - 1 January</b>	<b>62,840,577</b>	<b>57,758,638</b>
Additions	28,925,964	36,284,194
Principal payments	(33,562,598)	(21,881,997)
Foreign exchange differences	15,464,574	9,552,109
Interest accrual differences	106,147	66,776
Inflation effect	(16,470,994)	(18,918,193)
Foreign currency translation differences	41,710	(20,950)
<b>Closing balance - 31 December</b>	<b>57,345,380</b>	<b>62,840,577</b>

**7. TRADE RECEIVABLES AND PAYABLES**

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Trade Receivables from Related Parties</b>		
Trade receivables from related parties (Note 33)	18,882,923	19,007,087
	<u>18,882,923</u>	<u>19,007,087</u>
<b>Other Trade Receivables</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Trade receivables	10,602,483	9,782,628
Notes receivable	1,800	-
Discount on notes receivable (-)	(481)	-
Provision for expected credit loss	(166,815)	(124,707)
	<u>10,436,987</u>	<u>9,657,921</u>
<b>Total Short-Term Trade Receivables</b>	<b>29,319,910</b>	<b>28,665,008</b>

The movement table of the expected credit losses for the periods 31 December 2025 and 2024 is as follows:

	<b>1 January - 31 December 2025</b>	<b>1 January - 31 December 2024</b>
<b>Opening balance</b>	<b>(124,707)</b>	<b>(115,130)</b>
Charge for the period	(62,419)	(42,963)
Cancelled provision amount	11,850	8,727
Inflation effect	28,327	32,927
Foreign currency translation differences	(19,866)	(8,268)
<b>Closing balance</b>	<b>(166,815)</b>	<b>(124,707)</b>
<b>Short-Term Trade Payables</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Trade payables to related parties (Note 33)	5,036,055	4,072,329
Trade payables	9,170,668	9,368,336
	<u>14,206,723</u>	<u>13,440,665</u>

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**8. OTHER RECEIVABLES AND PAYABLES**

<b>Other Receivables</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Non-trade receivables from related parties (Note 33)	1,794,230	2,602,702
Short-term other receivables	337,867	871,170
	<b>2,132,097</b>	<b>3,473,872</b>
<b>Other Short-Term Receivables</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
VAT Receivables	260,012	738,314
Deposits and guarantees given	51,208	51,433
Receivables from personnel	20,146	15,028
Insurance claims receivables	-	56,725
Other	6,501	9,670
	<b>337,867</b>	<b>871,170</b>
<b>Other Payables</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Other short-term payables	1,863	11,532
	<b>1,863</b>	<b>11,532</b>

**9. DERIVATIVE INSTRUMENTS**

The Group entered into Cross-Currency Fixed Interest Rate Swap transactions amounting to USD 160,000,000 and EUR 95,000,000 in order to hedge its exposure to foreign exchange risk. These transactions were structured to be aligned with the repayment schedules of the syndicated loans amounting to EUR 27,600,000 and USD 217,500,000, EBRD loan amounting to EUR 75,000,000 and IFC loan amounting to EUR 75,000,000 utilized in 2025.

The Group has also entered into Cross Currency Fixed Interest Rate Swap transactions on 6 August 2024 and 26 August 2024 with a total amount of USD 150,000,000 in order to hedge against foreign currency risk in parallel with the payment schedule of USD 550,000,000 bonds issued on 8 July 2024 with a maturity of 7 years, coupon payments every 6 months, principal and coupon payments at maturity and a fixed annual interest rate of 7.88%. These transactions are recognized as cash flow hedges in the accompanying consolidated financial statements.

As of 31 December 2025 and 31 December 2024, derivative instruments are as follows:

	31 December 2025		31 December 2024	
	Contract Amount	Fair Value Asset/(Liability)	Contract Amount	Fair Value Asset/(Liability)
<b>For hedging purposes</b>				
Cross Currency Fixed Rate Swaps	18,059,328	2,963,628	14,139,611	1,161,248
<b>For trading purposes</b>				
Forward Transactions	2,546,709	(12,898)	4,061,056	(591,052)
<b>Total Asset/(Liability)</b>	<b>20,606,037</b>	<b>2,950,730</b>	<b>18,200,667</b>	<b>570,196</b>

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**10. INVENTORIES**

Details of inventory are as follows:

	<b><u>31 December 2025</u></b>	<b><u>31 December 2024</u></b>
Raw materials	14,185,577	8,719,085
Work in progress	1,145,828	764,282
Finished goods	7,304,257	5,210,015
Trade goods	590,986	320,653
Other inventories	678,696	679,018
Allowance for impairment on inventory (-)	<u>(233,962)</u>	<u>(207,633)</u>
	<b><u>23,671,382</u></b>	<b><u>15,485,420</u></b>

Inventories are presented on the cost values and provision has been made for the impaired inventories.

The movement of allowance for impairment on inventory for the periods ended on 31 December 2025 and 2024 are below;

	<b><u>1 January- 31 December 2025</u></b>	<b><u>1 January- 31 December 2024</u></b>
<b>Opening balance</b>	<b>(207,633)</b>	<b>(248,527)</b>
Charge for the period	(75,085)	(41,514)
Write-offs	40,508	39,693
Foreign currency translation differences	<u>8,248</u>	<u>42,715</u>
<b>Closing balance</b>	<b><u>(233,962)</u></b>	<b><u>(207,633)</u></b>

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**11. PROPERTY, PLANT AND EQUIPMENT**

Movement of property, plant and equipment assets between 1 January 2025 - 31 December 2025 is as follows:

<b>Cost</b>	<b>1 January 2025</b>	<b>Addition</b>	<b>Disposal</b>	<b>Transfer</b>	<b>Valuation Increase</b>	<b>Foreign Currency Translation Differences</b>	<b>31 December 2025</b>
Land	10,565,360	3,395	-	-	604,623	7,184	11,180,562
Buildings	18,580,561	53,260	(83,380)	116,842	2,645,304	(84,343)	21,228,244
Machinery, plant and equipment	35,658,268	358,832	(41,318)	1,448,044	-	(328,553)	37,095,273
Vehicles	106,420	10,624	(2,865)	-	-	(919)	113,260
Furniture and fixture	1,783,408	108,523	(17,568)	60,159	-	(28,323)	1,906,199
Leasehold improvements	687,784	6,713	(5,353)	4,034	-	(98)	693,080
Other property, plant and equipment	849	5,246	(105,947)	105,947	-	(55)	6,040
Construction in progress	1,205,086	1,167,423	(15,062)	(1,739,958)	-	(26,121)	591,368
	<b>68,587,736</b>	<b>1,714,016</b>	<b>(271,493)</b>	<b>(4,932)</b>	<b>3,249,927</b>	<b>(461,228)</b>	<b>72,814,026</b>
		<b>Charge for the Period</b>	<b>Disposal</b>	<b>Transfer</b>	<b>Valuation Increase</b>	<b>Foreign Currency Translation Differences</b>	<b>31 December 2025</b>
<b>Accumulated depreciation</b>	<b>1 January 2025</b>						
Buildings	(12,272,720)	(472,887)	83,061	-	(1,328,605)	63,819	(13,927,332)
Machinery, plant and equipment	(23,942,813)	(1,786,548)	23,280	-	-	226,155	(25,479,926)
Vehicles	(89,022)	(5,896)	2,895	-	-	1,228	(90,795)
Furniture and fixture	(1,241,506)	(141,567)	14,324	-	-	13,402	(1,355,347)
Leasehold improvements	(599,905)	(30,485)	1,555	-	-	99	(628,736)
Other property, plant and equipment	-	(578)	-	-	-	14	(564)
	<b>(38,145,966)</b>	<b>(2,437,961)</b>	<b>125,115</b>	<b>-</b>	<b>(1,328,605)</b>	<b>304,717</b>	<b>(41,482,700)</b>
<b>Net Value</b>	<b>30,441,770</b>						<b>31,331,326</b>

From depreciation and amortization expenses of property, plant and equipment and intangible assets, TL 2,354,798 thousand (31 December 2024: TL 2,290,432 thousand) is included in cost of goods sold, TL 9,710 thousand (31 December 2024: TL 8,948 thousand) in research and development expenses, TL 23,496 thousand (31 December 2024: TL 26,886 thousand) in marketing and selling expenses, TL 64,093 thousand (31 December 2024: TL 56,794 thousand) in general administrative expenses. In the twelve-month period ending as of 31 December 2025, there is no fixed asset acquired through financial leasing by the Group. There is not any mortgage or collateral on tangible assets as of 31 December 2025.

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**11. PROPERTY, PLANT AND EQUIPMENT (cont'd)**

Movement of property, plant and equipment assets between 1 January 2024 - 31 December 2024 is as follows:

<b>Cost</b>	<b>1 January 2024</b>	<b>Addition</b>	<b>Disposal</b>	<b>Transfer</b>	<b>Valuation Increase</b>	<b>Foreign Currency Translation Differences</b>	<b>31 December 2024</b>
Land	10,519,347	-	-	-	152,014	(106,001)	10,565,360
Buildings	16,181,614	314,287	-	1,112,468	1,484,529	(512,337)	18,580,561
Machinery, plant and equipment	36,032,872	331,151	(49,869)	1,063,029	-	(1,718,915)	35,658,268
Vehicles	113,847	5,378	(1,479)	-	-	(11,326)	106,420
Furniture and fixture	1,643,699	96,856	(12,228)	160,939	-	(105,858)	1,783,408
Leasehold improvements	665,402	24,841	(2,808)	628	-	(279)	687,784
Other property, plant and equipment	842	808	(843)	-	-	42	849
Construction in progress	1,038,039	2,565,580	-	(2,338,877)	-	(59,656)	1,205,086
	<b>66,195,662</b>	<b>3,338,901</b>	<b>(67,227)</b>	<b>(1,813)</b>	<b>1,636,543</b>	<b>(2,514,330)</b>	<b>68,587,736</b>
		<b>Charge for the Period</b>	<b>Disposal</b>	<b>Transfer</b>	<b>Valuation Increase</b>	<b>Foreign Currency Translation Differences</b>	<b>31 December 2024</b>
<b>Accumulated depreciation</b>	<b>1 January 2024</b>						
Buildings	(10,377,325)	(729,479)	-	(5,537)	(1,372,872)	212,493	(12,272,720)
Machinery, plant and equipment	(23,203,545)	(1,466,010)	44,251	5,537	-	676,954	(23,942,813)
Vehicles	(92,172)	(6,199)	1,479	-	-	7,870	(89,022)
Furniture and fixture	(1,201,840)	(127,024)	8,227	-	-	79,131	(1,241,506)
Leasehold improvements	(564,842)	(37,858)	2,517	-	-	278	(599,905)
Other property, plant and equipment	(593)	(18)	611	-	-	-	-
	<b>(35,440,317)</b>	<b>(2,366,588)</b>	<b>57,085</b>	<b>-</b>	<b>(1,372,872)</b>	<b>976,726</b>	<b>(38,145,966)</b>
<b>Net Value</b>	<b>30,755,345</b>						<b>30,441,770</b>

In the twelve-month period ending as of 31 December 2024, there is no fixed asset acquired through financial leasing by the Group. There is not any mortgage or collateral on tangible assets as of 31 December 2024.

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**11. PROPERTY, PLANT AND EQUIPMENT (cont'd)**

The estimated useful lives of property, plant and equipment are as follows:

	Useful Life
Buildings	25 – 50 years
Machinery, plant and equipment	4 – 20 years
Vehicles	4 – 10 years
Other property, plant and equipment	4 – 10 years
Furniture and fixtures	3 – 10 years
Leasehold improvements	During rent period

The Group has chosen the revaluation model from the application methods in TAS 16 regarding the representation of the lands and buildings with their fair values. Land and buildings were revalued with “peer comparison” and the most appropriate one from “the cost approach” techniques on 4 February 2026. The revaluation was performed by Denge Gayrimenkul Değerleme ve Danışmanlık A.Ş. that authorized by Capital Markets Board. Properties were accounted on 31 December 2025 financial statements based on their fair values. The frequency of revaluations depends on the changes in the fair values of the properties. If there is significant change in the fair value, revaluation is performed. If not, properties are only subject to periodical revaluation.

**12. GOODWILL**

	<u>31 December 2025</u>	<u>31 December 2024</u>
<b>Opening balance</b>	<b>2,887,411</b>	<b>3,530,805</b>
Foreign currency translation difference	(17,547)	(643,394)
<b>Closing balance</b>	<b><u>2,869,864</u></b>	<b><u>2,887,411</u></b>

The distribution of goodwill is as follows:

<b>Company</b>	<u>31 December 2025</u>	<u>31 December 2024</u>
UI Mena B.V.	2,760,590	2,777,470
pladis Arabia International Manufacturing Company	109,274	109,941
	<b><u>2,869,864</u></b>	<b><u>2,887,411</u></b>

**UI Mena B.V.**

Yıldız Holding A.Ş. acquired pladis (UK) Limited as of 3 November 2014. Goodwill accounted at Yıldız Holding’s financial statement related with UI MENA operations is accounted in Ülker Bisküvi’s consolidated financial statement by restating prior years.

**pladis Arabia International Manufacturing Company**

Yıldız Holding A.Ş. acquired pladis Arabia International Manufacturing Company as of 3 November 2014. The goodwill carried in the financial statements of Yıldız Holding in relation to pladis Arabia International Manufacturing Company has been transferred to the consolidated financial statements of Ülker Bisküvi by restating the prior periods' consolidated financial statements.

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**13. INTANGIBLE ASSETS**

Movements of intangible assets between 1 January 2025 - 31 December 2025 are as follows:

Cost	1 January 2025	Addition	Disposal	Transfer	Foreign currency	31 December 2025
					translation differences	
Rights (*)	2,305,866	16,423	(13,556)	53	(135,898)	2,172,888
Other	113,994	6,620	-	4,879	(2,249)	123,244
	<b>2,419,860</b>	<b>23,043</b>	<b>(13,556)</b>	<b>4,932</b>	<b>(138,147)</b>	<b>2,296,132</b>

  

Accumulated amortization	1 January 2025	Charge	Disposal	Transfer	Foreign currency	31 December 2025
		for the period			translation differences	
Rights	(98,988)	(7,787)	1,370	-	1,502	(103,903)
Other	(100,433)	(6,349)	-	-	2,306	(104,476)
	<b>(199,421)</b>	<b>(14,136)</b>	<b>1,370</b>	<b>-</b>	<b>3,808</b>	<b>(208,379)</b>
<b>Net Book Value</b>	<b>2,220,439</b>					<b>2,087,753</b>

Movements of intangible assets between 1 January 2024 - 31 December 2024 are as follow:

Cost	1 January 2024	Addition	Disposal	Transfer	Foreign currency	31 December 2024
					translation differences	
Rights (*)	2,792,423	4,389	-	745	(491,691)	2,305,866
Other	114,069	6,929	-	1,068	(8,072)	113,994
	<b>2,906,492</b>	<b>11,318</b>	<b>-</b>	<b>1,813</b>	<b>(499,763)</b>	<b>2,419,860</b>

  

Accumulated amortization	1 January 2024	Charge	Disposal	Transfer	Foreign currency	31 December 2024
		for the period			translation differences	
Rights	(122,645)	(9,933)	-	-	33,590	(98,988)
Other	(101,169)	(6,539)	-	-	7,275	(100,433)
	<b>(223,814)</b>	<b>(16,472)</b>	<b>-</b>	<b>-</b>	<b>40,865</b>	<b>(199,421)</b>
<b>Net Book Value</b>	<b>2,682,678</b>					<b>2,220,439</b>

(\*) As of 31 December 2025, rights consist of reacquired rights related to the distribution agreements of the Group's products in Saudi Arabia amounting to TL 1,704,745 thousand (31 December 2024: TL 1,837,378 thousand), while the remaining amount of TL 345,074 thousand (31 December 2024: TL 347,184 thousand) consists of the rights of the Rana brand. Reacquired rights are not subject to amortization and have an indefinite useful life. An impairment test is performed annually or more frequently if events or changes in circumstances indicate that the asset may be impaired. As of 31 December 2025, there is no impairment.

The intangible assets are amortized on a straight-line basis over their estimated useful lives.

	Useful Life
Rights	2 years - Indefinite life
Other intangible assets	2 – 12 years

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**14. GOVERNMENT GRANTS AND INCENTIVES**

Export transactions and other foreign exchange earning activities carried out in line with the procedures and principles determined by the Ministry of Finance and the Undersecretariat of Foreign Trade are exempt from stamp duty and fees. According to the decision of the Money Credit and Coordination Board, dated 16 December 2004 and numbered 2004/11, which was prepared on the basis of the Export-Oriented State Aid Decision, state aid is paid to support the participation in foreign fairs.

The Group benefits from energy and employment incentives within the framework of the law” Law No. 5084 on Promoting Investments and Employment and Amending Some Laws) published in the Official Gazette dated 6 February 2004 and numbered 25365, which aims to increase investments and employment by applying tax and insurance premium incentives, providing energy support and providing free land and land for investments.

Ülker Bisküvi Sanayi A.Ş. has six investment incentive certificates dated 11 January 2010, 20 June 2011, 14 October 2012, 8 December 2015, 19 June 2020 and 13 December 2024 for a total investment of TL 543,601 thousand related to the incentive and product diversification investments carried out at the Karaman plant. With these certificates, tax deductions amounting to TL 158,552 thousand (2024: TL 158,552 thousand) have been utilized so far and deferred tax assets have been recorded in the financial statements for the remaining TL 69,759 thousand (2024: TL 70,582 thousand) (Note 31).

The Group received government incentives and grants amounting to TL 436,662 thousand in 2025 (2024: TL 391,270 thousand). TL 43,722 thousand of the amount related to 2025 is related to employment incentives, TL 318,627 thousand is related to R&D incentives and deductions, TL 22,029 thousand is related to investment incentives and TL 52,283 thousand is related to other incentives (2024: TL 62,745 thousand is related to employment incentives, TL 229,508 thousand is related to R&D incentives, TL 8,272 thousand is related to investment incentives and TL 20,745 thousand is related to other incentives).

**15. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**

<b>Short-Term Debt Provisions</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Provision for marketing expense	632,103	365,387
Provisions for lawsuits	87,854	38,333
Other	393,303	373,250
	<b>1,113,260</b>	<b>776,970</b>

The movement table for litigation provisions for the years ended 31 December 2025 and 2024 is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Opening balance</b>	<b>38,333</b>	<b>17,284</b>
Charge for the period	76,054	30,326
Provision released	(11,403)	(338)
Inflation effect	(15,130)	(8,939)
	<b>87,854</b>	<b>38,333</b>

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**15. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)**

**Guarantees Given**

(Balances denominated in foreign currencies have been presented in their original currencies.)

	31 December 2025			31 December 2024		
	TL	USD	EUR	TL	USD	EUR
A) CPM's given in the name of own legal personality (*)	301,934	25,794	-	259,744	25,354	337
B) CPM's given on behalf of the fully consolidated companies	-	-	4,822	-	-	7,664
C) CPM's given on behalf of third parties for ordinary course of business	-	-	-	-	-	-
D) Total amount of other CPM's given						
i. Total amount of CPM's given on behalf of the majority shareholder	-	-	-	-	-	-
ii. Total amount of CPM's given on behalf of the group companies which are not in scope of B and C	-	-	-	-	-	-
iii. Total amount of CPM's given on behalf of third parties which are not in scope of C	-	-	-	-	-	-
total	-	-	-	-	-	-
	<b>301,934</b>	<b>25,794</b>	<b>4,822</b>	<b>259,744</b>	<b>25,354</b>	<b>8,001</b>

(\*) 43.8 million Turkish Liras and 5.8 million USD of the balance are related to non-cash risks.

The Company, Yıldız Holding A.Ş. and certain Yıldız Holding Group companies, including subsidiaries of Ülker Bisküvi Sanayi A.Ş., have signed a syndication loan agreement with certain lenders of Yıldız Holding A.Ş. and Yıldız Holding Group companies. As of 8 June 2018, Ülker Bisküvi subsidiaries' cash amounting to TL 592.7 million, EUR 10.1 million and USD 19.5 million, and non-cash bank loans amounting to TL 140.1 million, USD 57 million and EUR 383 thousand have been raised to the level of Yıldız Holding A.Ş. together with the syndication. There was no increase in the total debt burden of Ülker Bisküvi's subsidiaries due to the syndication loan. Ülker Bisküvi's subsidiaries became guarantors of Yıldız Holding A.Ş. as of the loan utilization date, limited to the total amount of their existing bank credit risk exposure to their respective banks.

**Lease Agreements**

The Group's lease agreements are made to cover one-year periods. All leases carry a statement regarding the revision of the conditions according to market conditions in case the lessee exercises the right to renew. The lessee has no right to purchase the leased asset at the end of the lease term. The Group's rental income from lease agreements made for its property, plant and equipment as well as from its suppliers and customers as common area usage fees, amounts to TL 56,966 thousand (2024: TL 48,882 thousand). Direct operating expenses associated with fixed assets during the period amounted to TL 155,301 thousand (2024: TL 66,169 thousand). Within the framework of non-cancellable leases, minimum rent to be received in future amounts to TL 69,651 thousand (2024: TL 76,963 thousand). Within the framework of non-cancellable leases, minimum rent to be paid in future amounts to TL 189,760 thousand (2024: TL 204,154 thousand).

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**16. COMMITMENTS AND OBLIGATIONS**

As of 31 December 2025, the Group has an export commitment of USD 523,972 thousand (2024: USD 637,652 thousand). The average duration of export commitments are 2 years. If the export commitments are not fulfilled, the Group loses the related tax advantage. The Group has fulfilled USD 315,872 thousand of its commitments for the year 2025 and is expected to realize its commitments extending to 2026 (2024: USD 594,498 thousand).

**17. PROVISIONS FOR EMPLOYEE BENEFITS**

<b>Short-Term Provisions for Employee Benefits</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Unused vacation accruals	417,574	384,903
Performance premium accrual	491,313	739,450
	<b>908,887</b>	<b>1,124,353</b>

The movement table of unused vacation accruals for the years ending 31 December 2025 and 2024 is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Opening balance</b>	<b>384,903</b>	<b>364,000</b>
Decreases during the period	(233,120)	(224,548)
Increases during the period	324,995	344,066
Inflation effect	(99,488)	(126,334)
Foreign currency translation differences	40,284	27,719
<b>Closing balance</b>	<b>417,574</b>	<b>384,903</b>

The movement table of performance premium accrual for the years ending 31 December 2025 and 2024 is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Opening balance</b>	<b>739,450</b>	<b>621,888</b>
Decreases during the period	(646,497)	(472,829)
Increases during the period	530,583	790,876
Inflation effect	(163,611)	(229,602)
Foreign currency translation differences	31,388	29,117
<b>Closing balance</b>	<b>491,313</b>	<b>739,450</b>

<b>Long-Term Provisions for Employee Benefits</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Provision for employment termination benefits	2,411,558	2,195,068
	<b>2,411,558</b>	<b>2,195,068</b>

Pursuant to the provisions of the current Labor Law, employees whose employment contracts are terminated to qualify for severance pay are obliged to pay the legal severance pay they are entitled to. In addition, in accordance with the provision of Article 60 of the Social Security Law No. 506, which is still in effect, as amended by the Laws No. 2422 of 6 March 1981 and the Laws No. 4447 of 25 August 1999, those who receive the severance pay and have the right to leave the job are obliged to pay the legal severance pay. Some transitional provisions related to pre-retirement service conditions were removed from the Law with the amendment of the relevant law on 23 May 2002. Severance pay to be paid as of 31 December 2025 is subject to a monthly ceiling of TL 53,919.68 (2024: TL 41,828.42). The subsidiaries of the Group calculate their severance pay provisions in accordance with the laws of the country in which they are located.

Retirement pay liability is not subject to any kind of funding legally. Provision for retirement pay liability is calculated by estimating the present value of probable liability amount arising due to retirement of employees. TAS 19 ("Employee Benefits") stipulates the development of company's liabilities by using actuarial valuation methods under defined benefit plans. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows.

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**17. PROVISIONS FOR EMPLOYEE BENEFITS (cont'd)**

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for future inflation effects. Consequently, in the accompanying financial statements as of 31 December 2025, the provisions have been calculated by estimating the present value of the probable future obligation arising from employees' retirement. The provisions at the respective balance sheet dates have been calculated using a real discount rate of approximately 4.05% (2024: 3.57%), based on assumptions of 23.35% (2024: 22.77%) annual inflation and 28.35% (2024: 27.15%) interest rate. In the current period, pursuant to Law No. 4447, the probability of employees who were insured on or before 8 September 1999 and who have completed 15 years of service and 3,600 premium days has been considered as 100% in the liability calculation, since they have the right to receive severance pay even if they voluntarily leave. The severance pay ceiling is revised semi-annually, and the amount of TL 64,948.77 (1 January 2025: TL 46,655.43), effective from 1 January 2026, has been taken into account in the calculation of the Group's severance pay provision. As of the end of 2025, the probability of employees leaving the Group is 0.01% (2024: 0.01%).

Movement of provision for employment termination benefits is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Opening balance</b>	<b>2,195,068</b>	<b>1,951,158</b>
Service cost	329,039	245,186
Interest cost	347,561	285,405
Actuarial loss	226,874	603,325
Employment termination benefits paid in the current period	(242,993)	(356,484)
Inflation effect	(558,861)	(620,785)
Foreign currency translation differences	114,870	87,263
<b>Closing balance</b>	<b>2,411,558</b>	<b>2,195,068</b>

**18. PREPAID EXPENSES**

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Prepaid Expenses</b>		
Order Advances Given	1,473,619	1,069,485
Prepaid Expenses	339,379	302,277
	<b>1,812,998</b>	<b>1,371,762</b>

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Short-Term Prepaid Expenses</b>		
Prepaid Expenses to Third Parties	1,812,998	1,371,762
	<b>1,812,998</b>	<b>1,371,762</b>

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Long-Term Prepaid Expenses</b>		
Advances Given	164,874	139,866
Prepaid Expenses	39,150	354
	<b>204,024</b>	<b>140,220</b>

**19. PAYABLES RELATED TO EMPLOYEE BENEFITS**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Payables to Personnel	403,490	436,943
Social Security Deductions Payable	236,811	248,684
	<b>640,301</b>	<b>685,627</b>

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**20. OTHER ASSETS AND LIABILITIES**

<b>Other Current Assets</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Deferred VAT	1,561,474	1,003,138
Other	41,793	49,506
	<b>1,603,267</b>	<b>1,052,644</b>
<b>Other Current Liabilities</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Taxes and funds payable	509,994	554,393
Other liabilities	57,717	164,296
	<b>567,711</b>	<b>718,689</b>

**21. DEFERRED INCOME**

<b>Deferred Income</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Order Advances Received	64,178	79,684
Deferred Income	4,135	52,452
	<b>68,313</b>	<b>132,136</b>

**22. SHAREHOLDERS' EQUITY**

**a) Capital Structure**

The composition of the Company's issued and paid-in share capital as of 31 December 2025 and 2024 is as follows.

<b>Shareholders</b>	<b>31 December 2025</b>		<b>31 December 2024</b>	
	<b>Amount</b>	<b>Share</b>	<b>Amount</b>	<b>Share</b>
pladis Foods Limited	174,420	47.23%	174,420	47.23%
Other	194,856	52.77%	194,856	52.77%
	<b>369,276</b>	<b>100.00%</b>	<b>369,276</b>	<b>100.00%</b>

According to the provisions of the Capital Market Law, the registered capital ceiling of the Company is TL 500,000 thousand as of 31 December 2025, and it is divided into 50,000,000,000 (fifty billion) shares, each with a nominal value of 1 (one) kr. The issued capital of the company is TL 369,276 thousand fully paid. There is no privilege or group distinction between the shares.

**b) Valuation Funds**

Financial Asset Valuation Fund:

Financial Asset Revaluation Fund arises as a result of valuation of available-for-sale financial assets at their fair values. In case of disposal of a financial instrument that is valued at fair value, the portion of the revaluation fund associated with the sold financial asset is transferred to retained earnings.

As of 31 December 2025, the Group's financial asset valuation fund after tax is TL 1,596,383 thousand (2024: TL 3,233,436 thousand).

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**22. SHAREHOLDERS' EQUITY (cont'd)**

**b) Valuation Funds (cont'd)**

Land and Buildings Revaluation Fund:

The increase in the book value of land and buildings as a result of revaluation is recognized in other comprehensive income after tax and collected in funds under equity. However, it is recognized as income to the extent that the revaluation reverses the impairment. Decreases are recognized in other comprehensive income to the extent of any credit balance in the revaluation surplus relating to this asset; all other decreases are recorded in profit or loss.

As of 31 December 2025, the Group's revaluation of tangible assets arising from the revaluation of land is TL 5,976,811 thousand after tax (31 December 2024: TL 4,475,351 thousand).

**c) Restricted Reserves**

Restricted reserves appropriated from profit are composed of legal reserves. Legal reserves comprise of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all cash dividend distributions. According to the Turkish Commercial Code, legal reserves can be only used to offset losses unless they exceed the 50% of paid-in capital. Other than that, legal reserves must not be used whatsoever.

In accordance with the CMB's requirements which were effective until 1 January 2008, the amount generated from the first-time application of inflation adjustments on financial statements and followed under the "accumulated loss" item was taken into consideration as a reduction in the calculation of profit distribution based on the inflation adjusted financial statements within the scope of the CMB's regulation issued on profit distribution. The related amount that was followed under the "accumulated loss" item could also be offset against the profit for the period (if any) and undistributed retained earnings and the remaining loss amount could be offset against capital reserves arising from the restatement of extraordinary reserves, legal reserves and equity items, respectively.

In addition, in accordance with the CMB's requirements which were effective until 1 January 2008, at the first-time application of inflation adjustments on financial statements, equity items, namely "Capital", "Premium on capital stock", "Capital" issue premiums, "Legal reserves", "Statutory reserves", "Special reserves" and "Extraordinary reserves" were carried at nominal value in the balance sheet and restatement differences of such items were presented in equity under the "Shareholders' equity inflation restatement differences" line item in aggregate. "Shareholders' equity inflation restatement differences" related to all equity items could only be subject to the capital increase by bonus issue or loss deduction, while the carrying value of extraordinary reserves could be subject to the capital increase by bonus issue, cash profit distribution or loss deduction.

However, in accordance with the CMB's Decree Volume: XI; No: 29 issued on 1 January 2008 and other related CMB's announcements, "Paid-in capital", "Restricted reserves" and "Premium in excess of par" should be carried at their registered amounts in statutory records. Restatement differences (e.g. inflation restatement differences) arising from the application of the Decree should be associated with:

- "Capital restatement differences" account, following the "Paid-in capital" line item in the financial statements, if such differences are arising from "Paid-in Capital" and not added to capital.

- The difference arising from "Restricted reserves" and "Share Premium" and not yet subject to profit distribution or capital increase should be recognized under "Retained earnings". Other equity items are recognized in accordance with CMB Financial Reporting Standards.

Capital adjustment differences have no use other than being added to capital.

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**22. SHAREHOLDERS' EQUITY (cont'd)**

**c) Restricted Reserves (cont'd)**

Profit Distribution:

Publicly listed companies distribute dividends in accordance with the requirements of CMB as explained below: In accordance with the Capital Markets Board's (the "Board") Decree issued on 23 January 2014, in relation to the profit distribution of earnings derived from 2013 operations, minimum profit distribution is not required for listed companies, and accordingly, profit distribution should be made based on the requirements set out in the Board's Communiqué Serial:II, No: 19.1 "Principles of Dividend Advance Distribution of Companies That Are Subject To The CMB Regulations", terms of articles of corporations and profit distribution policies publicly disclosed by the companies.

Differences arising in the evaluations made within the framework of TFRS and arising from inflation adjustments that are not subject to profit distribution or capital increase as of the report date have been associated with previous years' profit/loss.

**d) Retained Earnings**

Details of retained earnings are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Prior years' profit	22,354,701	18,143,903
Extraordinary reserves	3,323,869	1,759,460
Inflation restatement differences of shareholders' equity accounts other than capital and legal reserves	(701,412)	(692,984)
Share Issued Premiums	(6,302,621)	(6,302,621)
Other reserves	370,979	599,123
	<b>19,045,516</b>	<b>13,506,881</b>

**e) Non-Controlling Interest/Non-Controlling Interest Profit or Loss**

As of 31 December 2025, non-controlling interests amounted to TL 2,573,840 thousand (2024: TL 2,870,906 thousand). The profit of minority interests amounting to TL 331,689 thousand, which occurred between 1 January - 31 December 2025, is presented separately from the net profit for the period in the consolidated financial statements (2024: TL 805,757 thousand).

**f) Additional Information for Capital, Legal Reserves and Other Equity Items**

A comparison of the Group's equity items restated for inflation in the consolidated financial statements as of 31 December 2025 and the restated amounts in the financial statements prepared in accordance with TPL are as follows:

<b>31 December 2025</b>	<b>Inflation adjusted amounts in the financial statements prepared in accordance with statutory accounting</b>	<b>Inflation adjusted amounts in the financial statements prepared in accordance with TAS/TFRS</b>	<b>Differences recognized in retained earnings</b>
Share Capital Adjustment Differences	9,708,318	11,646,759	(1,938,440)
Share Issued Premium	6,179,635	6,302,621	(122,986)
Restricted Reserves Appropriated from Profit	5,792,778	3,219,852	2,572,926

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**23. REVENUE AND COST OF SALES**

**a) Sales**

The detail of operating income is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Domestic sales (*)	103,118,661	99,726,223
Export sales	21,326,493	20,428,779
Sales returns and discounts (-)	(12,540,553)	(10,077,292)
<b>Revenue</b>	<b>111,904,601</b>	<b>110,077,710</b>
Cost of goods sold	(78,095,891)	(75,649,609)
Cost of trade goods sold	(1,463,193)	(1,618,159)
<b>Cost of Sales</b>	<b>(79,559,084)</b>	<b>(77,267,768)</b>
<b>Gross Profit</b>	<b>32,345,517</b>	<b>32,809,942</b>

(\*) Represents domestic sales in Türkiye and in countries where abroad subsidiaries are located.

**b) Cost of Sales**

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Raw material expenses	(61,538,110)	(59,028,585)
Personnel expenses	(10,827,094)	(9,685,459)
General production expenses	(5,861,276)	(5,769,531)
Depreciation and amortization expenses	(2,354,798)	(2,290,432)
Change in work-in-progress inventories	382,398	253,303
Change in finished goods inventories	2,102,989	871,095
<b>Cost of goods sold</b>	<b>(78,095,891)</b>	<b>(75,649,609)</b>
Cost of trade goods sold	(1,463,193)	(1,618,159)
<b>Cost of sales</b>	<b>(79,559,084)</b>	<b>(77,267,768)</b>

**24. RESEARCH EXPENSES, MARKETING EXPENSES, AND GENERAL ADMINISTRATIVE EXPENSES**

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
General Administrative Expenses	(2,990,173)	(2,978,490)
Marketing Expenses	(12,762,944)	(11,257,232)
Research and Development Expenses	(628,460)	(543,371)
	<b>(16,381,577)</b>	<b>(14,779,093)</b>

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**25. EXPENSES BY NATURE**

The detail of operating expenses is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>General Administrative Expenses</b>		
Personnel expenses	(1,027,948)	(1,069,568)
Operating expenses	(1,252,575)	(1,166,764)
Consultancy expense	(171,599)	(178,923)
Depreciation and amortization expenses	(64,093)	(56,794)
Other	(473,958)	(506,441)
	<b>(2,990,173)</b>	<b>(2,978,490)</b>
<b>Marketing Expenses</b>		
Marketing operating expenses	(10,066,396)	(8,916,058)
Personnel expenses	(1,666,198)	(1,570,590)
Rent expenses	(194,022)	(193,605)
Depreciation and amortization expenses	(23,496)	(26,886)
Other	(812,832)	(550,093)
	<b>(12,762,944)</b>	<b>(11,257,232)</b>
<b>Research and Development Expenses</b>		
Personnel expenses	(329,813)	(283,140)
Operating and material expenses	(159,932)	(153,212)
Depreciation and amortization expenses	(9,710)	(8,948)
Other	(129,005)	(98,071)
	<b>(628,460)</b>	<b>(543,371)</b>

**26. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES**

The details of other income from operating activities are as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Foreign exchange gains	2,570,462	2,455,784
Provisions released	136,662	23,410
Other income	318,277	240,758
	<b>3,025,401</b>	<b>2,719,952</b>

The details of other expenses from operating activities are as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Foreign exchange losses	(1,575,933)	(1,603,876)
Provision expenses	(165,055)	(192,122)
Donation expenses	(162,801)	(122,629)
Other expenses	(349,947)	(143,096)
	<b>(2,253,736)</b>	<b>(2,061,723)</b>

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**27. INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES**

The detail of investment income is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Foreign exchange gains	6,636,235	4,464,350
Interest income	4,358,784	3,469,948
Rent income	56,966	48,882
Income on sales of property, plant and equipment	4,775	10,880
Fair value gains of financial assets	1,097	1,322
	<b>11,057,857</b>	<b>7,995,382</b>

The detail of investment expenses is as follow:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Foreign exchange losses	(678,203)	(338,490)
Property, plant and equipment sales losses	(1,793)	(5,953)
	<b>(679,996)</b>	<b>(344,443)</b>

**28. FINANCIAL INCOME**

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Foreign exchange gains	-	333,998
Other	5,600	6,711
	<b>5,600</b>	<b>340,709</b>

**29. FINANCIAL EXPENSES**

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Foreign exchange losses	(16,587,222)	(10,119,605)
Interest expenses	(5,657,214)	(6,235,908)
Other	(1,117,553)	(831,587)
	<b>(23,361,989)</b>	<b>(17,187,100)</b>

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**30. NET MONETARY POSITION GAINS/(LOSSES)**

The details of the Company's net monetary position gains/(losses) in accordance with TAS 29 as of 31 December 2025 and 31 December 2024 are as follows:

<b>Non-Monetary Items</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Financial statements items</b>	<b>(1,241,380)</b>	<b>(105,963)</b>
Inventories	1,540,624	(259,648)
Prepaid expenses	(9,210)	85,847
Financial investments and subsidiaries	2,176,100	2,773,368
Property, plant and equipment	1,848,264	1,472,527
Intangible assets	(3,123)	4,253
Deferred tax assets/liabilities	(509,658)	(178,325)
Paid-in capital	(2,433,566)	(2,667,773)
Share issued premium	1,487,502	1,937,284
Other accumulated comprehensive income and expenses not to be classified to profit or loss	2,822,858	3,806,181
Other accumulated comprehensive income and expenses to be classified to profit or loss	(345,604)	498,566
Restricted reserves appropriated from profit	523,383	355,970
Prior years' profit	(8,338,950)	(7,934,213)
<b>Statement of profit or loss items</b>	<b>4,163,630</b>	<b>4,964,911</b>
Revenue	(9,220,528)	(11,030,388)
Cost of sales	11,056,659	12,029,426
Research and development expenses	55,779	53,098
Marketing expenses	861,385	857,270
General administrative expenses	219,188	218,199
Other income/expenses from operating activities	(132,667)	(81,886)
Income/expenses from investing activities	(1,061,627)	(648,587)
Finance income/expenses	2,383,473	2,207,364
Tax expense	1,968	1,360,415
<b>Net monetary position gains</b>	<b>2,922,250</b>	<b>4,858,948</b>

**31. TAX ASSET AND LIABILITIES**

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax base legal financial statements and the financial statements prepared in accordance with TFRS. These differences are generally due to the fact that some income and expense items are included in different periods in tax base financial statements and financial statements prepared in accordance with TFRS, and these differences are stated below.

The corporate tax rate in Türkiye is 25% as of 31 December 2025 (31 December 2024: 25%). The corporate tax rate is applied to the net corporate income obtained by adding expenses that are not deductible according to the tax laws to the trade income of the corporations and deducting the exemptions and discounts included in the tax laws.

The tax rates used in the calculation of the Group's deferred tax assets and liabilities are 25% in Türkiye (2024: 25%), 20% for its subsidiaries in Saudi Arabia and Kazakhstan (2024: 20%), subsidiaries in Egypt 22.5% for its subsidiaries (2024: 22.5%), 10% for its subsidiary located in Kyrgyzstan (2024: 10%), 15% for its subsidiary located in Uzbekistan, zero for its subsidiary located in the United Arab Emirates (2024: zero).

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**31. TAX ASSET AND LIABILITIES (cont'd)**

Timing differences that form the basis for deferred tax:

	<b>31 December 2025</b>	<b>31 December 2024</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Amortization differences of property, plant and equipment and intangible assets	-	-	21,053,609	13,573,782
Financial investments valuation differences	(8,448,377)	(10,313,795)	-	-
Inventories	-	-	1,490,629	90,750
Provision for severance pay	(1,764,710)	(1,655,543)	-	-
Provision for expected credit losses	(94,752)	(124,708)	-	-
Provision for lawsuits	(23,426)	(38,333)	-	-
Derivative instruments	-	-	923,955	570,196
Provision for accumulated unused vacation	(201,110)	(182,105)	-	-
Other	(531,996)	(888,171)	448,857	683,585
	<b>(11,064,371)</b>	<b>(13,202,655)</b>	<b>23,917,050</b>	<b>14,918,313</b>

Deferred tax calculated on timing differences that form the basis of deferred tax;

	<b>31 December 2025</b>	<b>31 December 2024</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Amortization differences of property, plant and equipment and intangible assets	-	-	4,250,747	2,977,997
Financial investments valuation differences	(1,077,771)	(1,278,537)	-	-
Inventories	-	-	372,657	22,688
Provision for severance pay	(441,177)	(413,885)	-	-
Provision for expected credit losses	(23,688)	(31,177)	-	-
Provision for lawsuits	(5,856)	(9,583)	-	-
Derivative instruments	-	-	230,989	142,548
Provision for accumulated unused vacation	(50,278)	(45,527)	-	-
Investment incentive	(69,759)	(70,582)	-	-
Other	(133,063)	(220,145)	112,215	170,896
	<b>(1,801,592)</b>	<b>(2,069,436)</b>	<b>4,966,608</b>	<b>3,314,129</b>

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**31. TAX ASSET AND LIABILITIES (cont'd)**

**Movement of Deferred Tax Liabilities:**

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
<b>Opening balance</b>	<b>1,244,693</b>	<b>(1,141,332)</b>
Netted tax from funds reflected in equity	1,072,877	(1,120,984)
Foreign currency translation differences	466,857	469,204
Deferred tax expense/(income)	380,589	3,037,805
<b>Closing balance</b>	<b>3,165,016</b>	<b>1,244,693</b>

Corporate tax

The Company and its subsidiaries located in Türkiye are subject to corporate tax valid in Türkiye. Necessary provisions have been made in the accompanying consolidated financial statements for the estimated tax liabilities of the Group regarding the current period operating results.

The corporate tax rate to be accrued on taxable corporate income is calculated over the remaining tax base after adding the nondeductible expenses from the tax base in the determination of the commercial profit and deducting the tax-exempt earnings, nontaxable incomes and other deductions (previous year losses, if any, and investment discounts used if preferred). The tax rate applied on 31 December 2025 is 25% (2024: 25%).

In Türkiye, provisional tax is calculated and accrued on a quarterly basis. During the taxation of the corporate earnings for the year of 2025, as of the temporary tax periods, the provisional tax rate to be calculated over the corporate earnings is 25% (2024: 25%).

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 regarding tax assessment in Türkiye. Companies prepare their tax returns between 1-25 April of the year following the closing period of the relevant year (between 1-25 of the fourth month following the closing of the period for those with a special accounting period). These declarations and the accounting records based on them can be reviewed and changed by the Tax Office within 5 years.

The tax legislation in Türkiye does not allow to file a consolidated tax return. Therefore, the tax provision in the consolidated financial statements has been calculated separately for each company.

As of 2025, the inflation adjustment under the Tax Procedure Law (VUK) has been deferred for the 2025, 2026, and 2027 fiscal years pursuant to Law No. 7571. Accordingly, the Company revalued its depreciable assets in accordance with Article 298/Ç of the VUK for the relevant period, and the resulting increase in value has been recorded in a legal reserve account in the statutory books. This adjustment is solely for tax purposes and does not affect the carrying amounts of the assets in the IFRS financial statements.

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**31. TAX ASSET AND LIABILITIES (cont'd)**

The corporate tax in Egypt, where pladis Egypt for Food Industries S.A.E and pladis Egypt for Trading and Marketing S.A.E, subsidiaries of the Group is 22.5% (2024: 22.5%). The corporate tax in Saudi Arabia, where the Group's subsidiaries pladis Arabia Food Manufacturing Company and pladis Arabia International Manufacturing Company operate, is 20% (2024: 20%). The corporate tax rate in Kazakhstan, where pladis Kazakhstan, one of the Group's subsidiaries, operates, is 20% (2024: 20%). The corporate tax rate in Kyrgyzstan, where Ülker Star LLC, a subsidiary of the Group, is 10% (2024: 10%). The corporate tax rate in Uzbekistan, where pladis Confectionery, one of the Group's subsidiaries, operates, is 15%. In United Arab Emirates, where pladis Gulf FZE, a subsidiary of the Group, is exempt from corporate tax earnings (2024: Exempt).

On 2 August 2024, the Government of Türkiye, where the parent company was established, enacted the Second Pillar income tax legislation, effective from 1 January 2024. According to the legislation, the parent company will be required to pay additional tax on the profits of its subsidiaries taxed at an effective tax rate below 15% in Türkiye. The Group has no additional tax liability in accordance with the relevant legislation.

The Domestic Minimum Corporate Tax Law No. 7524, published in the Official Gazette dated 2 August 2024, entered into force as of 1 January 2025. The relevant law has no effect on current tax expense and deferred tax income/expense.

*Income withholding tax*

In addition to corporate tax, income tax withholding should be calculated separately on dividends, excluding those distributed to full fledged corporations and foreign companies' branches in Türkiye, which receive dividends in case of distribution and declare these dividends by including them in corporate income. Income tax withholding was applied as 10% in all companies between 24 April 2003 and 22 July 2006. This rate has been applied as 15% as of 22 July 2006, with the Council of Ministers Decision No. 2006/10731. Dividends that are not distributed and added to the capital are not subject to income tax withholding.

As of 31 December 2025 and 31 December 2024, the tax provisions are as follows:

	<b><u>31 December 2025</u></b>	<b><u>31 December 2024</u></b>
Total tax provision	(1,092,526)	(822,302)
Prepaid taxes and legal liabilities from profit for the period	847,419	473,778
<b>Taxation in the balance sheet</b>	<b><u>(245,107)</u></b>	<b><u>(348,524)</u></b>
	<b><u>1 January- 31 December 2025</u></b>	<b><u>1 January- 31 December 2024</u></b>
Current year corporate tax expense	1,092,526	822,302
Deferred tax income	380,589	3,037,805
<b>Tax expense in the income statements</b>	<b><u>1,473,115</u></b>	<b><u>3,860,107</u></b>
	<b><u>1 January- 31 December 2025</u></b>	<b><u>1 January- 31 December 2024</u></b>
<b>Reconciliation of taxation:</b>		
Profit before taxation and non-controlling interest	6,679,327	14,352,574
Effective tax rate	%25	%25
Calculated tax	1,669,832	3,588,144
Reconciliation of the tax provision calculated with the reserved:		
- Non-deductible expenses	365,507	332,713
- Dividend and other non-taxable income	(688,222)	(255,241)
- Revaluation of assets for tax purposes	(817,755)	(653,432)
- Effect of change in statutory tax rate on deferred tax	(123,165)	(207,925)
- Inflation effect	1,320,641	1,142,147
- Other	(253,723)	(86,299)
<b>Taxation in the income statements</b>	<b><u>1,473,115</u></b>	<b><u>3,860,107</u></b>

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**32. EARNINGS PER SHARE**

The weighted average of company shares and profit per unit share calculations for the periods of 31 December 2025 and 2024 are as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Weighted average number of common stock outstanding	36,927,600	36,927,600
Net profit for the period attributable to equity holders of the parent	4,874,523	9,686,710
<b>Earnings per Share (TL 1 worth of shares)</b>	<b>13.20</b>	<b>26.23</b>

**33. RELATED PARTY DISCLOSURES**

The detail of receivables from related parties is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Trade receivables	18,882,923	19,007,087
Non-trade receivables	1,794,230	2,602,702
	<b>20,677,153</b>	<b>21,609,789</b>

The detail of trade and non-trade receivables is as follows:

	<b>31 December 2025</b>		<b>31 December 2024</b>	
	<b>Trade</b>	<b>Non-trade</b>	<b>Trade</b>	<b>Non-trade</b>
Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş.	11,102,327	-	10,525,670	-
Horizon Hızlı Tük. Ür. Paz. Sat. ve Tic. A.Ş.	5,549,798	-	6,090,482	-
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	900,209	-	1,101,524	-
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	652,455	-	668,983	-
Yıldız Holding A.Ş.	-	1,794,230	-	2,602,702
Other	678,134	-	620,428	-
	<b>18,882,923</b>	<b>1,794,230</b>	<b>19,007,087</b>	<b>2,602,702</b>

The Group's trade receivables from related parties mainly arise from Horizon Hızlı Tüketim Ürünleri Pazarlama Satış ve Tic. A.Ş. and Pasifik Tük. Ürün. Satış ve Tic. A.Ş. those make the sale and distribution of products throughout Türkiye.

The detail of payables to related parties is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Trade payables	5,036,055	4,072,329
	<b>5,036,055</b>	<b>4,072,329</b>

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**33. RELATED PARTY DISCLOSURES (cont'd)**

The detail of trade payables is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
	<b>Trade</b>	<b>Trade</b>
Yıldız Holding A.Ş.	2,116,378	2,040,359
Adapazarı Şeker Fabrikası A.Ş.	1,542,775	556,540
Marsa Yağ San. ve Tic. A.Ş.	691,995	672,986
pladis (UK) Limited.	203,475	508,268
Besler Gıda ve Kimya San. ve Tic. A.Ş.	192,260	44,688
Other	289,172	249,488
	<b>5,036,055</b>	<b>4,072,329</b>

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

	<b>1 January- 31 December 2025</b>		<b>1 January- 31 December 2024</b>	
	<b>Purchases</b>	<b>Sales</b>	<b>Purchases</b>	<b>Sales</b>
Marsa Yağ San. ve Tic. A.Ş.	5,120,774	3,229	4,647,388	2,822
Adapazarı Şeker Fabrikası A.Ş.	2,708,588	-	1,200,661	-
pladis (UK) Limited.	1,676,546	42,501	922,837	84,013
Besler Gıda ve Kimya San. ve Tic. A.Ş.	614,560	16,225	551,998	9,140
G2MEKSPER Satış ve Dağıtım Hizmetleri A.Ş.	30,824	2,749,353	32,230	2,946,005
Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş.	-	34,392,063	-	31,460,135
Horizon Hızlı Tük. Ür. Paz. Sat. ve Tic. A.Ş.	-	33,558,053	-	34,304,124
Yeni Teközel Markalı Ürünler Dağıtım Hizmetleri A.Ş.	-	2,988,218	-	3,377,276
İzsal Bilg. Sis.ve Gayrimenkul Geliştirme A.Ş.	267,128	-	211,213	-
Other	298,580	1,484,949	296,016	1,347,413
	<b>10,717,000</b>	<b>75,234,591</b>	<b>7,862,343</b>	<b>73,530,928</b>

The Group mainly acquires raw materials from Marsa Yağ San. ve Tic. A.Ş. and Besler Gıda ve Kimya San. ve Tic. A.Ş., which produces vegetable oil and margarine, and acquires from Adapazarı Şeker Fabrikası A.Ş. which produces sugar. A major part of the Group's sales is made to Horizon Hızlı Tüketim Ürünleri Pazarlama Satış ve Tic. A.Ş. and Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş. companies that carry out sales and distribution throughout Türkiye.

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**33. RELATED PARTY DISCLOSURES (cont'd)**

The details of interest, rent and similar balances paid to and received from related parties are as follows:

For the year ended 31 December 2025:

	<b>Rent Income/(Expense) Net</b>	<b>Service Income/(Expense) Net</b>	<b>Interest and Foreign Exchange Income/(Expense) Net</b>
Yıldız Holding A.Ş.	(236)	(3,443,201)	142,422
pladis Foods Limited	-	(1,225,619)	(4,387)
İzsal Bilg. Sis.ve Gayrimenkul Geliştirme A.Ş.	(13,834)	(290,768)	(686)
pladis (UK) Limited	-	(302,084)	(146,612)
Horizon Hızlı Tük. Ür. Paz. Sat. ve Tic. A.Ş.	(1,073)	(17,808)	851,067
Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş.	279	136	881,750
Other	59	(279,629)	(112,899)
	<b>(14,805)</b>	<b>(5,558,973)</b>	<b>1,610,655</b>

For the year ended 31 December 2024:

	<b>Rent Income/(Expense) Net</b>	<b>Service Income/(Expense) Net</b>	<b>Interest and Foreign Exchange Income/(Expense) Net</b>
Yıldız Holding A.Ş.	(399)	(3,196,247)	(164,448)
pladis Foods Limited	-	(1,280,609)	5,122
İzsal Bilg. Sis.ve Gayrimenkul Geliştirme A.Ş.	(10,647)	(266,057)	106
pladis (UK) Limited	-	(246,430)	(56,000)
Horizon Hızlı Tük. Ür. Paz. Sat. ve Tic. A.Ş.	-	(69,518)	422,907
Pasifik Tüketim Ürünleri Satış ve Tic. A.Ş.	238	(25,284)	802,786
Other	217	(242,307)	(47,490)
	<b>(10,591)</b>	<b>(5,326,452)</b>	<b>962,983</b>

Benefits provided to members of Board of Directors and key management personnel:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Salaries and other short-term benefits	663,029	561,160
	<b>663,029</b>	<b>561,160</b>

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**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS**

Additional Information on Financial Instruments

Capital risk management

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

The Group's capital structure includes borrowings disclosed in footnote 6 and payables to related parties including non-trade receivables and payables disclosed in Note 33, cash and cash equivalents disclosed in Note 4, short-term financial investments disclosed in Note 5 and derivative instruments disclosed in Note 9 and equity items shown in the consolidated statement of financial position.

The risks associated with each capital class, together with the Group's cost of capital, are evaluated by senior management. Based on senior management assessments, it is aimed to keep the capital structure in balance through the acquisition of new debt or repayment of existing debt, as well as through dividend payments.

The Group monitors its capital using the debt/total capital ratio. This ratio is found by dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents, non-trade receivables from related parties and derivative financial assets from total liabilities (including financial liabilities and liabilities, non-trade payables to related parties and derivative financial liabilities as presented in the balance sheet). Total capital is calculated as equity plus net debt as shown in the balance sheet.

As of 31 December 2025 and 2024, the net liability/total capital ratio is as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Total financial liabilities and non-trade related parties payables/(receivables) (net)	55,551,150	60,237,875
Less: Cash and cash equivalents	(23,318,683)	(34,435,341)
Less: Derivatives instruments	(2,950,730)	(570,196)
Net debt	29,281,737	25,232,338
Shareholders' equity	45,875,682	43,817,646
Total capital	75,157,419	69,049,984
Net Debt/Total Capital Ratio	39%	37%

Financial Risk Factors

The Group's activities are exposed to market risk (currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's risk management program generally focuses on minimizing the potential adverse effects of uncertainty in financial markets on the Group's financial performance.

Risk management is carried out by a central finance department in line with policies approved by the Board of Directors. With regard to risk policies, financial risk is defined and evaluated by the Group's finance department and tools are used to reduce risk by working with the Group's operating units. A written general legislation regarding risk management and written procedures covering various risk types such as exchange rate risk, interest risk, credit risk, use of derivative products and other non-derivative financial instruments and how to evaluate excess liquidity are established by the Board of Directors.

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**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)**

Credit risk management

Credit risk of financial instruments	Receivables				Deposit in Bank	Derivative instruments
	Trade Receivables		Other Receivables			
	Related Party	Third Party	Related Party	Third Party		
<b>31 December 2025</b>						
Maximum net credit risk as of balance sheet date (*)	18,882,923	10,436,987	1,794,230	337,867	23,315,232	2,950,730
- The part of maximum risk under guarantee with collateral etc. (**)	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	18,882,923	10,397,369	1,794,230	337,867	23,315,232	2,950,730
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	-	39,618	-	-	-	-
- The part under guarantee with collateral etc.	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross carrying amount)	-	166,815	-	48,530	-	-
- Impairment (-)	-	(166,815)	-	(48,530)	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-
- Not past due (gross carrying amount)	-	-	-	-	33,092	-
- Impairment (-)	-	-	-	-	(33,092)	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-

(\*) Items that increase the credit reliability, such as; letter of guarantees received, are not taken into account in the calculation.

(\*\*) Guarantees include letter of guarantees, guarantee notes and mortgages.

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**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)**

Credit risk management (cont'd)

Credit risk of financial instruments	Receivables				Deposit in Bank	Derivative instruments
	Trade Receivables		Other Receivables			
	Related Party	Third Party	Related Party	Third Party		
<b>31 December 2024</b>						
Maximum net credit risk as of balance sheet date (*)	19,007,087	9,657,921	2,602,702	871,170	34,434,582	570,196
- The part of maximum risk under guarantee with collateral etc. (**)	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	19,007,087	9,593,063	2,602,702	871,170	34,434,582	570,196
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	-	64,858	-	-	-	-
- The part under guarantee with collateral etc.	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross carrying amount)	-	124,707	-	46,482	-	-
- Impairment (-)	-	(124,707)	-	(46,482)	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-
- Not past due (gross carrying amount)	-	-	-	-	97,303	-
- Impairment (-)	-	-	-	-	(97,303)	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-

(\*) Items that increase the credit reliability, such as; letter of guarantees received, are not taken into account in the calculation.

(\*\*) Guarantees include letter of guarantees, guarantee notes and mortgages.

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**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)**

Credit risk management (cont'd)

Aging of overdue receivables as of 31 December 2025 and 31 December 2024 are as follows.

<b>31 December 2025</b>	<b>Trade Receivables</b>
Overdue between 1-30 days	-
Overdue between 1-3 months	39,618
Overdue between 3-12 months	-
Overdue between 1-5 years	-
Overdue more than 5 years	-
<b>Total overdue receivables</b>	<b>39,618</b>
<i>The portion of under guarantee with collateral etc.</i>	-

<b>31 December 2024</b>	<b>Trade Receivables</b>
Overdue between 1-30 days	-
Overdue between 1-3 months	64,858
Overdue between 3-12 months	-
Overdue between 1-5 years	-
Overdue more than 5 years	-
<b>Total overdue receivables</b>	<b>64,858</b>
<i>The portion of under guarantee with collateral etc.</i>	-

Liquidity risk management

Prudent liquidity risk management means keeping sufficient cash, availability of sufficient credit transactions and fund resources, and the power to close market positions. The funding risk of current and prospective debt requirements is managed by maintaining the availability of sufficient number of high-quality lenders.

Liquidity risk tables

The table below shows the cash outflows that the Group will pay for its on-balance sheet financial liabilities as of 31 December 2025 and 31 December 2024, according to their remaining maturities.

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**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)**

Liquidity risk tables (cont'd)

	Carrying Value	Total cash outflow according to contract (I+II+III)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)
<b>31 December 2025</b>					
<b>Non-derivative financial liabilities</b>					
Bank borrowing	20,505,667	26,164,199	81,019	3,242,231	22,840,949
Letter of credit borrowings	12,491,954	12,491,954	8,863,216	3,628,738	-
Issued debt instruments	24,347,759	34,699,661	927,877	927,877	32,843,907
Financial lease liabilities	-	-	-	-	-
Trade payables	14,206,723	14,206,723	14,173,776	32,947	-
Other payables	1,863	1,863	1,863	-	-
<b>Total liabilities</b>	<b>71,553,966</b>	<b>87,564,400</b>	<b>24,047,751</b>	<b>7,831,793</b>	<b>55,684,856</b>
<b>Derivative instruments (net)</b>	<b>2,950,730</b>	<b>8,242,787</b>	<b>87,271</b>	<b>(2,137,745)</b>	<b>10,293,261</b>
Derivative cash inflows	2,963,627	30,661,195	2,601,566	1,101,188	26,958,441
Derivative cash outflows	(12,897)	(22,418,408)	(2,514,295)	(3,238,933)	(16,665,180)
<b>31 December 2024</b>					
<b>Non-derivative financial liabilities</b>					
Bank borrowing	20,759,873	24,098,969	85,840	2,164,540	21,848,589
Letter of credit borrowings	5,502,715	5,502,717	-	5,502,717	-
Issued debt instruments	36,576,162	50,522,935	1,000,068	12,123,482	37,399,385
Financial lease liabilities	1,827	2,194	706	1,488	-
Trade payables	13,440,665	13,440,665	13,397,329	43,336	-
Other payables	11,532	11,532	11,532	-	-
<b>Total liabilities</b>	<b>76,292,774</b>	<b>93,579,012</b>	<b>14,495,475</b>	<b>19,835,563</b>	<b>59,247,974</b>
<b>Derivative instruments (net)</b>	<b>570,196</b>	<b>3,983,856</b>	<b>22,389</b>	<b>(1,042,879)</b>	<b>5,004,346</b>
Derivative cash inflows	1,234,693	31,075,271	1,184,426	3,779,087	26,111,758
Derivative cash outflows	(664,497)	(27,091,415)	(1,162,037)	(4,821,966)	(21,107,412)

The expected maturities are same as the maturities per contracts.

Market risk management

Due to its activities, the Group is exposed to financial risks related to changes in foreign exchange rates and interest rates.

Market risks encountered at the group level are measured on the basis of sensitivity analysis.

In the current year, there has been no change in the market risk the Group is exposed to or the method of handling the risks encountered or the method used to measure these risks compared to the previous year.

Foreign currency risk management

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

The Group is exposed to exchange rate risk due to changes in the exchange rates used in the conversion of foreign currency assets and liabilities into Turkish Lira. Currency risk arises due to future commercial transactions and the difference between recorded assets and liabilities. In this framework, the Group controls this risk with a natural method that occurs by netting foreign currency assets and liabilities. The management analyzes and monitors the Group's foreign currency position and ensures that measures are taken when necessary.

The Group is mainly exposed to USD, EUR, GBP, and CHF currency risks.

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**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)**

*Foreign currency risk management (cont'd)*

The distribution of the Group's monetary and non-monetary assets in foreign currency and monetary and non-monetary liabilities as of the balance sheet date is as follows:

	<b>31 December 2025</b>				
	<b>TL</b>	<b>USD</b>	<b>EUR</b>	<b>GBP</b>	<b>CHF</b>
1. Trade Receivables	6,947,199	124,562	31,107	800	-
2a. Monetary Financial Assets	21,770,185	323,201	151,275	5,473	12
2b. Non-Monetary Financial Assets	-	-	-	-	-
3. Other	323,390	879	5,647	11	21
<b>4. CURRENT ASSETS</b>	<b>29,040,774</b>	<b>448,642</b>	<b>188,029</b>	<b>6,284</b>	<b>33</b>
5. Trade Receivables	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-	-
7. Other	-	-	-	-	-
<b>8. NON-CURRENT ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9. TOTAL ASSETS</b>	<b>29,040,774</b>	<b>448,642</b>	<b>188,029</b>	<b>6,284</b>	<b>33</b>
10. Trade Payables	3,429,567	59,005	14,410	2,982	99
11. Financial Liabilities	17,412,832	56,753	297,921	-	-
12a. Other Monetary Financial Liabilities	361	6	2	-	-
12b. Other Non-monetary Financial Liabilities	21,037	491	-	-	-
<b>13. CURRENT LIABILITIES</b>	<b>20,863,797</b>	<b>116,255</b>	<b>312,333</b>	<b>2,982</b>	<b>99</b>
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	39,678,334	729,415	167,563	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-	-
16b. Other Non-monetary Financial Liabilities	-	-	-	-	-
<b>17. NON-CURRENT LIABILITIES</b>	<b>39,678,334</b>	<b>729,415</b>	<b>167,563</b>	<b>-</b>	<b>-</b>
<b>18. TOTAL LIABILITIES</b>	<b>60,542,131</b>	<b>845,670</b>	<b>479,896</b>	<b>2,982</b>	<b>99</b>
19. Net asset/liability position of off-balance sheet derivatives (19a-19b)	<b>20,606,037</b>	<b>310,000</b>	<b>145,000</b>	<b>564</b>	<b>-</b>
19a. Amount of off-balance sheet foreign currency derivative assets	20,606,037	310,000	145,000	564	-
19b. Amount of off-balance sheet foreign currency derivative liabilities	-	-	-	-	-
20. Net foreign currency asset / liability position (9-18+19)	<b>(10,895,320)</b>	<b>(87,028)</b>	<b>(146,867)</b>	<b>3,866</b>	<b>(66)</b>
21. Monetary items net foreign currency Asset/Liability position (1+2a+5+6a-10-11-12a-14-15-16a)	<b>(31,803,710)</b>	<b>(397,415)</b>	<b>(297,514)</b>	<b>3,291</b>	<b>(87)</b>
22. Total fair value of financial instruments used to hedge the foreign currency position	2,950,730	47,984	17,939	(126)	-

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**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)**

*Foreign currency risk management (cont'd)*

	<b>31 December 2024</b>				
	<b>TL Equivalent</b>	<b>USD</b>	<b>EUR</b>	<b>GBP</b>	<b>CHF</b>
1. Trade Receivables	6,372,059	93,345	40,961	1,576	13
2a. Monetary Financial Assets	33,254,472	587,325	127,289	173	31
2b. Non-Monetary Financial Assets	-	-	-	-	-
3. Other	1,950,821	291	39,908	31	326
<b>4. CURRENT ASSETS</b>	<b>41,577,352</b>	<b>680,961</b>	<b>208,158</b>	<b>1,780</b>	<b>370</b>
5. Trade Receivables	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-	-
7. Other	-	-	-	-	-
<b>8. NON-CURRENT ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9. TOTAL ASSETS</b>	<b>41,577,352</b>	<b>680,961</b>	<b>208,158</b>	<b>1,780</b>	<b>370</b>
10. Trade Payables	2,784,037	44,434	10,592	3,394	518
11. Financial Liabilities	19,676,977	271,415	148,555	-	-
12a. Other Monetary Financial Liabilities	9,904	26	181	-	-
12b. Other Non-monetary Financial Liabilities	12,819	167	106	-	-
<b>13. CURRENT LIABILITIES</b>	<b>22,483,737</b>	<b>316,042</b>	<b>159,434</b>	<b>3,394</b>	<b>518</b>
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	42,779,072	556,052	355,643	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-	-
16b. Other Non-monetary Financial Liabilities	-	-	-	-	-
<b>17. NON-CURRENT LIABILITIES</b>	<b>42,779,072</b>	<b>556,052</b>	<b>355,643</b>	<b>-</b>	<b>-</b>
<b>18. TOTAL LIABILITIES</b>	<b>65,262,809</b>	<b>872,094</b>	<b>515,077</b>	<b>3,394</b>	<b>518</b>
19. Net asset/liability position of off-balance sheet derivatives (19a-19b)	<b>18,200,667</b>	<b>150,000</b>	<b>234,456</b>	<b>-</b>	<b>-</b>
19a. Amount of off-balance sheet foreign currency derivative assets	18,200,667	150,000	234,456	-	-
19b. Amount of off-balance sheet foreign currency derivative liabilities	-	-	-	-	-
20. Net foreign currency asset/liability position (9-18+19)	<b>(5,484,790)</b>	<b>(41,133)</b>	<b>(72,463)</b>	<b>(1,614)</b>	<b>(148)</b>
21. Monetary items net foreign currency Asset/Liability position (1+2a+5+6a-10-11-12a-14-15-16a)	<b>(25,623,459)</b>	<b>(191,257)</b>	<b>(346,721)</b>	<b>(1,645)</b>	<b>(474)</b>
22. Total fair value of financial instruments used to hedge the foreign currency position	570,196	(5,736)	17,367	-	-

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**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)**

*Foreign currency risk management (cont'd)*

The export and import amounts realized by the Group as of 31 December 2025 and 2024 are as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Total exports	21,326,493	20,428,779
Total imports	32,386,028	19,211,430

*Sensitivity to currency risk*

The Group is exposed to currency risk mainly in USD and EUR. The table below shows the Group's sensitivity to 10% change in USD and EUR. The 10% rate used constitutes a logical bar for the company as it is limited to the 10% capital commitment limit. Sensitivity analyzes regarding the exchange rate risk that the Company is exposed to at the reporting date are determined according to the change at the beginning of the financial year and are kept constant throughout the reporting period. Negative amount represents the decrease effect of 10% increase in value of USD and EUR against TL on profit before tax.

	<b>31 December 2025</b>		<b>31 December 2024</b>	
	Profit/Loss	Profit/Loss	Profit/Loss	Profit/Loss
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case of 10% appreciation of USD against TL				
1 - US Dollar net asset/liability	(1,702,753)	1,702,753	(883,208)	883,208
2- Part of hedged from US Dollar risk (-)	1,328,218	(1,328,218)	692,689	(692,689)
<b>3- US Dollar net effect (1+2)</b>	<b>(374,535)</b>	<b>374,535</b>	<b>(190,519)</b>	<b>190,519</b>
In case of 10% appreciation of EUR against TL				
4 - Euro net asset/liability	(1,496,077)	1,496,077	(1,667,203)	1,667,203
5 - Part of hedged from Euro risk (-)	729,145	(729,145)	1,127,378	(1,127,378)
<b>6- Euro net effect (4+5)</b>	<b>(766,932)</b>	<b>766,932</b>	<b>(539,825)</b>	<b>539,825</b>
<b>Total (3+6)</b>	<b>(1,141,467)</b>	<b>1,141,467</b>	<b>(730,344)</b>	<b>730,344</b>

*Interest risk management*

The Group's borrowing at fixed and floating interest rates exposes the Group to interest rate risk. This risk is managed by the Group by making an appropriate distribution between fixed and floating rate debts through interest rate swap agreements. Hedging strategies are evaluated regularly to ensure that they are consistent with the interest rate expectation and defined risk. Thus, it is aimed to establish an optimal hedging strategy, to review the position of the balance sheet and to keep interest expenditures under control at different interest rates.

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**34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)**

Interest rate sensitivity

The sensitivity analyzes below are determined according to the interest rate risk exposed at the reporting date and the anticipated interest rate change at the beginning of the financial year and are kept constant throughout the reporting period. The Group management expects a 1% fluctuation in the Euribor/Libor interest rate, which is the interest on floating rate bank debt. The said amount is also used in the reporting made to the senior management within the Group.

If there is a 1% change in the Euribor/libor interest rate and all other variables are kept constant, the Group's net profit for the accounting period will decrease by TL 46,639 thousand (net profit for the period 31 December 2024 will decrease by TL 27,597 thousand).

The financial instruments that are sensitive to interest rate are as follows:

<b>Fixed Rate Instruments</b>		<b>31 December 2025</b>	<b>31 December 2024</b>
Financial Assets	Cash and cash equivalents	20,734,734	33,598,645
	Non-trade receivables from related parties	1,794,230	2,602,702
	Other Receivables	337,867	871,170
Financial Liabilities	Borrowings	37,093,927	42,078,877
	Financial Lease Liabilities	-	1,827
	Other Payables	1,863	11,532
<b>Floating Interest Rate Financial Instruments</b>			
Financial Liabilities	Borrowings	20,251,453	20,759,873

Other price risk

The Group's operations are primarily exposed to financial risks related to changes in foreign exchange rates and interest rates. Price risk is closely monitored by the Group through the review of market information and appropriate valuation methods. There has been no change in the market risk that the Group is exposed to in the current year, or in the management and measurement methods of the risks it is exposed to, compared to the previous year.

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**35. FINANCIAL INSTRUMENTS**

**Classes and fair values of financial instruments**

The fair value of financial assets and liabilities is determined as follows:

- First level: Financial assets and liabilities are valued at stock prices traded in active markets for identical assets and liabilities.
- Second level: Financial assets and liabilities are valued from the inputs used to find the directly or indirectly observable market price of the related asset or liability other than the market price specified at the first level.
- Third level: Financial assets and liabilities are valued from inputs that are not based on market observable data used to determine the fair value of the asset or liability.

The level classifications of financial assets and liabilities shown at their fair values are as follows:

<u>Financial assets</u>	<u>31 December 2025</u>	<u>Fair value hierarchy as of reporting date</u>		
		<u>Level 1 TL</u>	<u>Level 2 TL</u>	<u>Level 3 TL</u>
Financial assets at fair value through profit/loss				
- Available for sale	6,420	6,420	-	-
Financial assets at fair value through comprehensive income statement				
- Shares	5,150,749	-	-	5,150,749
- Derivative instruments	2,950,730	-	2,950,730	-
<b>Total</b>	<b>8,107,899</b>	<b>6,420</b>	<b>2,950,730</b>	<b>5,150,749</b>

<u>Financial assets</u>	<u>31 December 2024</u>	<u>Fair value hierarchy as of reporting date</u>		
		<u>Level 1 TL</u>	<u>Level 2 TL</u>	<u>Level 3 TL</u>
Financial assets at fair value through profit/loss				
- Available for sale	7,124	7,124	-	-
Financial assets at fair value through comprehensive income statement				
- Shares	6,422,172	-	-	6,422,172
- Derivative instruments	570,196	-	570,196	-
<b>Total</b>	<b>6,999,492</b>	<b>7,124</b>	<b>570,196</b>	<b>6,422,172</b>

It is assumed that the book values of trade payables, other payables and loan payables reflect their fair values.

The carrying value of the Eurobonds (Note 6) with a total nominal value of USD 550,000,000 and fixed interest rates issued by the Company to be traded on Dublin Euronext is TL 1,227,836 thousand below their fair value based on prices quoted in active markets (Level 1).

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**36. FEES FOR SERVICES OBTAINED FROM INDEPENDENT AUDIT FIRM**

**Fees for Services Received from Independent Auditors/Independent Auditing Firms**

The Group's explanation regarding the fees for services provided by independent auditing firms, prepared in accordance with the Board Decision published in the Official Gazette on 30 March 2021 and based on the POA letter dated 19 August 2021 is as follows:

	<b>1 January- 31 December 2025</b>	<b>1 January- 31 December 2024</b>
Independent audit fee for the reporting period	20,459	21,182
Fee for other assurance services	2,119	3,156
Fee for tax consultancy	-	-
Fee for other non-audit services	-	-
<b>Total</b>	<b>22,578</b>	<b>24,338</b>

The fees above have been determined by including the independent audit and other related service fees of all subsidiaries, and the foreign currency fees of foreign subsidiaries have been converted into TL using the average exchange rates of the relevant years.

**37. EVENTS AFTER THE REPORTING PERIOD**

The Group management closely monitors the increasing geopolitical tensions between the United States of America, Israel and Iran in the regions close to the geographies where the Group operates.