

LYDIA HOLDİNG ANONİM ŐİRKETİ

**CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
TOGETHER WITH THE INDEPENDENT AUDITORS' REPORT**

**(CONVENIENCE TRANSLATION INTO ENGLISH OF THE
INDEPENDENT AUDITORS' REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)**

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

LYDIA HOLDİNG ANONİM ŞİRKETİ

CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR 1 JANUARY- 31 DECEMBER 2025

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

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Lydia Holding Anonim Şirketi A- Report on the audit of the consolidated financial statements

1- Opinion

We have audited the consolidated financial statements of Lydia Holding Anonim Şirketi (the "Company" or "Lydia Holding") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Turkish Accounting/Turkish Financial Reporting Standards ("TASs/TFRSs").

2-Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") issued by Capital Markets Board ("CMB") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3-Other Matters

The audit of the Group's consolidated financial statements for the period 1 January - 31 December 2024 was conducted by another independent audit firm, and a "Qualified Opinion" was issued in the independent auditor's report on 11 March 2025.

4- Key Audit Matters

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

Financial Investments and Investments Accounted for Using the Equity Method	
Please refer to notes 7 and 16 to the consolidated financial statements	
<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<p>The amount of the Group's financial investments and investments accounted for using the equity method represents 52% of the Group's total assets.</p> <p>As of 31 December 2025, the financial investments and investments accounted for using the equity method are amounting to TL 4,325,394,818.</p> <p>We have focused on the audit matter in our audit for the following reasons:</p> <ul style="list-style-type: none"> - The existence of investments within the Group that are of a financial investment and equity nature, and the significance of their valuation, - Their material influence in the consolidated financial statements. 	<p>When designing audit procedures to address key audit matter, consideration was given to whether the accounting policies applied by Group management to these investments complied with TFRS/TAS and relevant legislation.</p> <p>Within the scope of the assessment, the Group:</p> <ul style="list-style-type: none"> - Testing the appropriateness of the valuation of investments under TFRS/TAS, - Assessing the mathematical accuracy of the calculations relating to the increases or decreases in value resulting from the valuation and recognised in the consolidated financial statements, - An impairment test was applied to the investments. - Assessing the mathematical accuracy and accounting treatment of the accounting entries The adequacy of the disclosures in the relevant financial statement notes was reviewed. <p>We had no material findings related to the financial investments and investments accounted for using the equity method as a result of these procedures.</p>

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
Application of TAS 29 – “Financial Reporting in Hyperinflationary Economies”	
<p>As disclosed in Note 2.02, the Group applied TAS 29 “Financial reporting in hyperinflationary economies” (“TAS 29”) in the consolidated financial statements as at and for the year ended 31 December 2025 and 2024.</p> <p>TAS 29 requires consolidated financial statements to be restated into the current purchasing power at the end of the reporting period. Therefore, transactions in 2025 and 2024 and non-monetary balances at the end of the period with prior year statements with comparative information were restated to reflect a price index that is current at the balance sheet date as with the purchasing power on 31 December 2025.</p> <p>The implementation of TAS 29 leads to a change in several of the Group’s control activities pervasively related to financial reporting. Applying TAS 29 results in significant changes to the consolidated financial statement items included in the Group’s consolidated financial statements as at and for the year ending 31 December 2025, which have been restated for comparative purposes as at and for the year ending 31 December 2025, including consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and statement of cash flows.</p> <p>In addition, considering the additional effort required to perform the audit of the application of TAS 29, we identified the application of TAS 29 as a key audit matter.</p>	<p>We performed the following audit procedures in relation to the application of TAS 29:</p> <ul style="list-style-type: none"> - Understanding and evaluating the process and controls related to application of TAS 29 designed and implemented by the Group management, - Obtaining detailed lists of non-monetary items and testing original entry dates and amounts on a sample basis, - Verifying whether the Group management’s determination of monetary and non-monetary items is in compliance with TAS 29, - Verifying the general price index rates used in calculations correspond with the coefficients in the “Consumer Price Index in Türkiye” published by the Turkish Statistical Institute, - Testing the mathematical accuracy of non-monetary items, consolidated statement of profit or loss, and statement of cash flow adjusted for inflation effects, - Evaluating the adequacy of disclosures related to the application of TAS 29 in the notes to the consolidated financial statements in accordance with TFRS. <p>We had no material findings related to the application of inflation accounting as a result of these procedures.</p>

5- Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

6- Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

B- Report on Other Legal and Regulatory Requirements

- 1) No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Group's bookkeeping activities concerning the period from 1 January to 31 December 2025 period are not in compliance with the TCC and provisions of the Group's articles of association related to financial reporting.
- 2) In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

The engagement partner who supervised and concluded this independent auditor's report is Metin ETKİN.

GÜRELİ YEMİNLİ MALİ MÜŞAVİRLİK VE BAĞIMSIZ DENETİM HİZMETLERİ A.Ş.
An Independent Member of BAKER TILLY INTERNATIONAL

Metin ETKİN
Partner
İstanbul, 11 March 2026

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

LYDIA HOLDİNG ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025 AND 2024

(Amounts on tables expressed in Turkish Lira ("TL") in terms of purchasing power of TL on 31 December 2025, unless otherwise indicated.)

	Notes	Audited current period 31 December 2025	Audited prior period 31 December 2024
ASSETS			
Current Assets			
Cash and Cash Equivalents	6	21,212,938	855,836,085
Financial Investments	7	1,171,672,062	256,772,522
Trade Receivables	10	7,041,158	429,843,770
<i>Trade Receivables Due from Third Parties</i>	10	7,041,158	353,926,219
<i>Other Receivables Due from Related Parties</i>	10-38	-	75,917,551
Other Receivables	11	21,431	11,282,376
<i>Trade Receivables Due from Third Parties</i>	11	21,431	11,282,376
Prepaid Expenses	15	1,765,267	35,434,342
<i>Prepaid Expenses Due to Related Parties</i>	15	1,765,267	35,434,342
Current Income Tax Assets	25	33,519,587	88,355,280
Other Current Assets	26	76,661,773	92,921,035
Total		1,311,894,216	1,770,445,410
Total Current Assets		1,311,894,216	1,770,445,410
Non-Current Assets			
Other Receivables	11	111,797	44,362
<i>Other Receivables Due from Third Parties</i>	11	111,797	44,362
Financial Investments	7	1,089,959,915	2,142,408,794
Investments Accounted for Using the Equity Method	16	2,063,762,841	1,120,635,226
Investment Properties	17	2,972,320,000	2,144,186,497
Property, Plant and Equipment	18	733,745,014	911,556,895
Intangible Assets	19	69,217,885	853,340
<i>Other Intangible Assets</i>	19	69,217,885	853,340
Prepaid Expenses	15	33,331,600	117,190
<i>Prepaid Expenses Due to Third Parties</i>	15	33,331,600	117,190
Total Non-Current Assets		6,962,449,052	6,319,802,304
TOTAL ASSETS		8,274,343,268	8,090,247,714

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

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

LYDIA HOLDING ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025 AND 2024

(Amounts on tables expressed in Turkish Lira ("TL") in terms of purchasing power of TL on 31 December 2025, unless otherwise indicated.)

	Notes	Audited current period 31 December 2025	Audited prior period 31 December 2024
LIABILITIES			
Current Liabilities			
Short-Term Borrowings	8	212,279	598,360
Trade Payables	10	1,738,215	1,916,147
<i>Trade Payables Due to Related Parties</i>	10	1,738,215	1,636,151
<i>Trade Payables Due to Third Parties</i>	10-38	-	279,996
Employee Benefits	20	1,126,978	1,759,236
Other Payables	11	2,750,692	168,741,881
<i>Other Payables Due to Related Parties</i>	11	2,750,692	12,880,863
<i>Other Payables Due to Third Parties</i>	11-38	-	155,861,018
Deferred Income	15	149,202	300,240
<i>Deferred Income Due from Third Parties</i>	15	149,202	300,240
Current Income Tax Liabilities	36	36,474,141	73,664,124
Short-Term Provisions	22	3,461,865	3,481,139
<i>Short-Term Provisions for Employee Benefits</i>	22	3,205,219	3,327,413
<i>Other Short-Term Provisions</i>	22	256,646	153,726
Total		45,913,372	250,461,127
Total Current Liabilities		45,913,372	250,461,127
Non-Current Liabilities			
Long-Term Provisions	24	2,085,532	2,873,014
<i>Long-Term Provisions for Employee Benefits</i>	24	2,085,532	2,873,014
Deferred Tax Liabilities	36	760,212,772	732,796,527
Total Non-Current Liabilities		762,298,304	735,669,541
Total Liabilities		808,211,676	986,130,668
Equity			
Equity Attributable to Owners of Parent			
Paid-in Share Capital	27	351,991,314	208,000,000
Adjustment to Share Capital	27	3,078,966,564	2,999,231,293
Share Premium	27	1,711,299	1,711,299
Other comprehensive income or expenses not to be reclassified to profit or loss	27	161,414,261	132,795,922
Restricted Reserves	27	53,488,399	53,450,657
Retained Earnings	27	2,437,658,335	(164,109,465)
Profit for the Period	27	385,930,858	(619,296,846)
Total Equity Attributable to Owners of Parent		6,471,161,030	2,611,782,860
Non-Controlling Interests	27	994,970,562	4,492,334,186
TOTAL EQUITY		7,466,131,592	7,104,117,046
TOTAL LIABILITIES AND EQUITY		8,274,343,268	8,090,247,714

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

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

LYDIA HOLDİNG ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

		Audited current period	Audited prior period
	Notes	01.01.2025- 31.12.2025	01.01.2024- 31.12.2024
Revenue	28	63,462,947	71,532,332
Cost of Sales (-)	28	(34,002,465)	(48,369,737)
GROSS PROFIT		29,460,482	23,162,595
General Administrative Expenses (-)	29-30	(228,441,126)	(131,417,767)
Marketing, Sales and Distribution Expenses (-)	29-30	-	(139,806)
Other Operating Income	31	1,556,845,700	599,387,824
Other Operating Expenses (-)	31	(123,551,878)	(87,968,192)
Operating profit before financial income/(expense)		1,234,313,178	403,024,654
Gains from investment activities	32	26,828,565	183,920,224
Losses from investment activities (-)	32	(1,052,448,879)	(186,556,081)
Share of profit/(loss) of investments accounted for using the equity method		937,706,889	-
Operating profit before financial income/(expense)		1,146,399,753	400,388,797
Financial Income	33	135,053	-
Financial Expense (-)	33	(2,837,208)	(2,500,558)
Net monetary position gains/(losses)	34	(1,344,247,711)	(969,769,165)
PROFIT BEFORE TAX		(200,550,113)	(571,880,926)
Tax income/(expense)		761,840,636	(47,415,920)
- Current period tax income/(expense)	36	(6,355,073)	(51,805,796)
- Deferred tax income/(expense)	36	768,195,709	4,389,876
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		561,290,523	(619,296,846)
PROFIT/(LOSS) FOR THE PERIOD		561,290,523	(619,296,846)
Attributable to			
Minority interests		175,359,665	-
Equity Attributable to Owners of Parent		385,930,858	(619,296,846)
Earnings per share			
- Earnings per share from continuing operations		1.8519	(2.9774)
Non-controlling interests		175,359,665	-
Equity Attributable to Owners of Parent		385,930,858	(619,296,846)
OTHER COMPREHENSIVE INCOME/(EXPENSE)			
Items not to be reclassified to profit or loss			
Property, plant and equipment revaluation surplus		33,935,737	177,172,961
Gains/(losses) on remeasurements of defined benefit plans		84,815	(111,712)
Property, plant and equipment revaluation surplus, tax effect		(5,381,009)	(44,293,255)
Gains/(losses) on remeasurements of defined benefit plans, tax effect		(21,204)	27,928
OTHER COMPREHENSIVE INCOME/(EXPENSE)		28,618,339	132,795,922
TOTAL COMPREHENSIVE INCOME/(EXPENSE)		589,908,862	(486,500,924)
Attributable to			
Non-Controlling Interests		175,359,665	-
Equity Attributable to Owners of Parent		414,549,197	(486,500,924)

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

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

LYDİA HOLDİNG ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024

(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

	Paid-in Share Capital	Adjustment To Share Capital	Share Premium	Items Not To Be Reclassified To Profit Or Loss		Retained Earnings						
				Gains/(losses) on revaluation and remeasurements		Restricted Reserves	Prior Year’s Income	Profit/(Loss) for The Period	Total Equity Attributable To Owners of Parent	Non- Controlling Interests	Total Equity	
			Gains/(Losses) On Remeasurements Of Defined Benefit Plans	Property, Plant And Equipment Revaluation Surplus								
Restated audited prior period												
Balances at 1 January 2024 (Beginning of the period)	208,000,000	6,077,312,109	1,711,299	-	-	53,450,657	(2,458,001,149)	(633,119,358)	3,249,353,558	3,451,648,713	6,701,002,271	
Transfers	-	(3,078,080,816)	-	-	-	-	2,444,961,458	633,119,358	-	-	-	
Total comprehensive income/(expenses)	-	-	-	(83,784)	132,879,706	-	-	(619,296,846)	(486,500,924)	80,626,118	(405,874,806)	
<i>Profit (loss) for the period</i>	-	-	-	-	-	-	-	(619,296,846)	(619,296,846)	80,626,118	(538,670,728)	
<i>Other comprehensive income/(expenses)</i>	-	-	-	(83,784)	132,879,706	-	-	-	132,795,922	-	132,795,922	
Acquisition or disposal of a subsidiary	-	-	-	-	-	-	(151,069,774)	-	(151,069,774)	960,059,355	808,989,581	
Balances at 31 December 2024 (End of the period)	208,000,000	2,999,231,293	1,711,299	(83,784)	132,879,706	53,450,657	(164,109,465)	(619,296,846)	2,611,782,860	4,492,334,186	7,104,117,046	
Audited current period												
Balances at 1 January 2025 (Beginning of the period)	208,000,000	2,999,231,293	1,711,299	(83,784)	132,879,706	53,450,657	(164,109,465)	(619,296,846)	2,611,782,860	4,492,334,186	7,104,117,046	
Transfers	-	-	-	-	-	-	(619,296,846)	619,296,846	-	-	-	
Total comprehensive income/(expenses)	-	-	-	63,611	28,554,728	-	-	385,930,858	414,549,197	175,359,665	589,908,862	
<i>Profit (loss) for the period</i>	-	-	-	-	-	-	-	385,930,858	385,930,858	175,359,665	561,290,523	
<i>Other comprehensive income/(expenses)</i>	-	-	-	63,611	28,554,728	-	-	-	28,618,339	-	28,618,339	
Business combinations, net	143,991,314	79,735,271	-	-	-	37,742	3,221,064,646	-	3,444,828,973	(3,672,723,289)	(227,894,316)	
Balances at 31 December 2025 (End of the period)	351,991,314	3,078,966,564	1,711,299	(20,173)	161,434,434	53,488,399	2,437,658,335	385,930,858	6,471,161,030	994,970,562	7,466,131,592	

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

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

LYDİA HOLDİNG ANONİM ŞİRKETİ
CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED 31 DECEMBER 2025 AND 2024

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

	Notes	Audited current period	Restated audited prior period
		01.01.2025 31.12.2025	01.01.2024 31.12.2024
CASH FLOWS FROM OPERATING ACTIVITIES		(583,990,683)	1,649,011,052
Profit/(loss) for the period		561,290,523	(619,296,846)
<i>Profit/(loss) for the period from continuing operations</i>		561,290,523	(619,296,846)
Adjustments to reconcile profit for the period to cash generated from operating activities		(1,100,296,409)	849,044,229
Adjustments for depreciation and amortisation	18	31,791,721	41,557,079
<i>Adjustments for property, plant and equipment impairment (Reversals)</i>		(152,466,035)	-
Adjustments for provisions		(139,201)	67,781
<i>Adjustments for provisions for employee benefits (Reversals)</i>	22-24	(139,201)	67,781
Adjustments for interest income	33	2,045,446	(2,500,558)
<i>Adjustments for interest income/expenses</i>	33	(2,764,710)	-
Adjustments for undistributed profit of investments accounted for using the equity method	16	(1,207,612,415)	(510,088,203)
Adjustments for tax (income) and expenses	35	(761,840,636)	62,063,802
<i>Adjustments for losses/(gains) on disposal of property, plant and equipment</i>	32	(105,893,601)	(677,800,609)
<i>Adjustments for losses/(gains) on disposal of investment properties</i>		(1,334,190,001)	(1,905,250,406)
Adjustments for net monetary position gains/losses		2,430,773,023	3,840,995,343
Changes in Working Capital		(52,059,134)	1,348,953,298
Adjustments for changes in financial investments	7	(428,689,323)	(397,180,926)
Adjustments for increase (decrease) in trade receivables	10	321,330,237	1,796,266,405
Adjustments for increase (decrease) in other receivables related to operations	11	(24,637,564)	(11,167,232)
Adjustments for increase (decrease) in trade payables	10	(274,304)	2,963,630
Adjustments for increase (decrease) in other payables related to operations	11	93,008,050	67,468,794
Changes in prepaid expenses	15	(7,935,968)	(35,171,138)
Changes in deferred income	15	80,177	(300,240)
Changes in payables due to employee benefits	20	217,055	(1,258,572)
Changes in other assets and liabilities		(5,157,494)	(72,667,423)
Total cash flows from operating activities		(591,065,020)	1,578,700,681
Income tax refund (paid) (-)	25	6,355,073	67,809,813
Interest paid/received	33	719,264	2,500,558
CASH FLOWS FROM INVESTING ACTIVITIES		(49,363,043)	(915,245,530)
Cash outflows from purchase of property, plant and equipment	18-19	(99,353,832)	(45,241,943)
Cash inflows from sale of property, plant and equipment and intangible assets	18-19	49,990,789	10,105,259
Cash inflows from purchase/sale of investment properties	17	-	824,428,458
Cash outflows from purchase of investment properties	17	-	(1,704,537,304)
CASH FLOWS FROM FINANCING ACTIVITIES		719,264	2,500,558
Interest received	27	2,764,710	-
Interest paid		(2,045,446)	2,500,558
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		(632,634,462)	736,266,080
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(632,634,462)	736,266,080
MONETARY GAINS ON CASH AND CASH EQUIVALENTS		(201,988,685)	(106,394,270)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6	855,836,085	225,964,275
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6	21,212,938	855,836,085

The accompanying notes form an integral part of these consolidated financial statements,

LYDIA HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

NOTE 1- GROUP’S ORGANISATION AND NATURE OF OPERATIONS

Lydia Holding Anonim Şirketi (“Lydia Holding”, the “Company”, Former title: Milpa Ticari ve Sınai Ürünler Paz. San. ve Tic. A.Ş.) was established in 1980. Lydia Holding started to be quoted on Borsa İstanbul since 15 February 1994.

Lydia Holding is subject to the Capital Markets Legislation and the regulations of the Capital Markets Board (the “CMB”) and its nature of business at the date of incorporation is marketing. The amendment to the Articles of Association, which was approved by the CMB and the Ministry of Trade, was adopted at the 2023 Annual General Meeting held on 23 July 2024, and was registered on 26 July 2024, and published in the Official Gazette on 31 July 2024 numbered 11133. Following the relevant amendment, the Lydia Holding’s nature of business is ensuring to participate in the capital and/or management of existing or to-be-established companies and to conduct their investment, financing, organization, and management matters within a unified structure.

The sale of 131,700,776 outstanding shares, representing 63.32% of the total paid-in share capital of the Lydia Holding, to Enver Çevik, held by the controlling shareholder (“Re-Pie Portföy Yönetimi Secondary Venture Capital Investment Fund”) in the paid-in share capital amounting to TL 208,000,000 as of 31 December 2023, has been sold to Enver Çevik on 19 January 2024, and the share transfer was completed as of the same date. As a result of the relevant share transfer, Enver Çevik’s ownership interest in Lydia Holding has realised as 63.32%.

Due to the business combination of the Lydia Holding with Lydia Yatırım Holding on 30 December 2025, its paid-in share capital is amounted to TL 351,991,313.99. As a result of business combination, Enver Çevik’s effective ownership interest in Lydia Holding has been realised as 76.32%.

The registered address of Lydia Holding incorporated in Türkiye is as follows:

Levazım Mahallesi Vadi Caddesi Zorlu Center No:2 İç Kapı No:141 Beşiktaş/İstanbul

As of 31 December 2025 and 2024, the subsidiaries (“Subsidiaries”) included in the consolidation scope of Lydia Holding, its investments accounted for using the equity method, their country of incorporation and effective ownership interest rates are as follows:

Subsidiaries	Country of incorporation	Date of establishment	Effective ownership interests held by Lydia Holding – 2025 (%)	Effective ownership interests held by Lydia Holding – 2024 (%)
Lydia Yeşil Enerji Kaynakları A.Ş.	Türkiye	2009	64.89	64.89
Ufuk Yatırım Yönetim ve Gayrimenkul A.Ş.	Türkiye	1995	62.96	60.17
EC Gayrimenkul Yatırımları San. ve Tic. A.Ş.	Türkiye	2011	100.00	-
Lydia Enerji Elektrik Üretim ve Depolama A.Ş.	Türkiye	2022	100.00	-
Investments accounted for using the equity method				
Pastanza Gıda A.Ş.	Türkiye	2025	45.00	-
Bulls Yatırım Holding A.Ş.	Türkiye	2023	33.33	-
Bulls Hava Taşımacılığı A.Ş.	Türkiye	2023	50.00	-

The shareholding structure of the Group is disclosed in Note 27.

For the purpose of the consolidated financial statements and notes to the consolidated financial statements, Lydia Holding and its consolidated subsidiaries are hereinafter together referred to as the “Group”.

LYDIA HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

NOTE 1- GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries

Lydia Yeşil Enerji Kaynakları A.Ş. ("Lydia Yeşil Enerji")

Lydia Yeşil was established in Ankara in 2009 under the title of Tetamat Gıda. As of the acquisition date, its nature of business include the production, packaging, and packing of all types of food products, particularly fresh vegetables and fruits, as well as fresh or dried products, semi-finished products, and all raw and auxiliary materials related to such products. Lydia Yeşil acquired 40.62% effective ownership interest of Lydia Yeşil Enerji on 29 January 2024, in accordance with the decision of the Board of Directors (Note 5).

MYK2 Enerji ("MYK2 Enerji") was established on 10 April 2015. MYK2 Enerji is engaged in the establishment, operation, leasing, and sale of electricity production facilities and other energy production facilities utilizing renewable energy sources and other sources, as well as the production of electricity, the sale of the produced electricity or its capacity to customers, and all engineering, project development, and consulting activities related to the aforementioned operations. On 1 February 2024, Lydia Holding acquired 100% effective ownership interest of MYK2 Enerji (Note 5).

In accordance with the Capital Markets Board's Merger and Division Regulation No. II, 23.2, the Turkish Commercial Code numbered 6102, and the Corporate Tax Law numbered 5520, and other relevant legislation, it has been decided that MYK2 Enerji realised a business combination with Lydia Yeşil Enerji by acquiring the assets and liabilities on 19 February 2024.

In accordance with the decision of the "General Assembly" of Lydia Yeşil Enerji on 27 August 2024, the amendment to the articles of association regarding the change in the scope of nature of business and the title of Lydia Yeşil Enerji, as well as the business combination through the acquisition of MYK2, has been approved. The General Assembly Resolution was registered in the Commercial Registry on 4 September 2024, and published in the Official Gazette on 9 September 2024 and numbered 11160. Following the business combination, the effective ownership interest in Lydia Yeşil Enerji's capital has realised as 64.89%. The business combination has been accounted for in the consolidated financial statements as of 31 December 2024.

Ufuk Yatırım Yönetim ve Gayrimenkul A.Ş. ("Ufuk Yatırım")

Ufuk Yatırım was established in 1995 under the title Site Finansal Kiralama Anonim Şirketi to operate in Türkiye in accordance with the provisions of the Financial Leasing Law numbered 3226, based on the operating license obtained from the Prime Ministry Undersecretariat for Treasury and Foreign Trade. The title was changed to FFK Fon Finansal Kiralama Anonim Şirketi on 16 July 2002. The aforementioned title change was registered by the Trade Registry Office and announced in the Official Gazette numbered 5610 on 9 August 2002. The Company acquired 83.8% of Toprak Finansal Kiralama's shares from the Savings Deposit Insurance Fund on 14 July 2005, and 1.2% of its ownership interest from minority shareholders at a later date, thereby acquiring 85% of Toprak Finansal Kiralama's effective ownership interest. In accordance with the decision of the "Extraordinary General Assembly" on 29 September 2006, it has been decided to realise a business combination with the subsidiary Toprak Finansal Kiralama by acquiring all of the assets and liabilities of the. The business combination realised on 6 October 2006, and was finalized with its publication in the Official Gazette on 11 October 2006, numbered 6661.

With the relevant business combination, the Company realised initial public offering and prepared its financial statements for the first time on 31 December 2006, and submitted to the Capital Markets Board (the "CMB") and Borsa İstanbul. The title was changed to Ufuk Yatırım Yönetim ve Gayrimenkul Anonim Şirketi on 17 May 2016 and the relevant amendment was announced in the Official Gazette on 24 May 2016, numbered 9081.

Ufuk Yatırım's nature of business includes ensuring investment, consulting, buying and selling trade, import, and export in all sectors. The Company may carry out any and all activities and transactions.

Ufuk Yatırım's transfer agreement signed on 14 June 2024, and closed on 9 December 2024, all of the shares held by Yıldız Holding, the Company's majority shareholder as of 31 December 2023, in the share capital (93.03%) have been transferred. As of the closing date of the agreement, Lydia Holding's share in the Company's capital realised at 60.17%. (Note 5). The relevant transaction has been accounted for in the consolidated financial statements as of 31 December 2024.

LYDIA HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

NOTE 1- GROUP’S ORGANISATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries (Continued)

Ufuk Yatırım Yönetim ve Gayrimenkul A.Ş. (“Ufuk Yatırım”) (Continued)

The business combination of Lydia Yatırım Holding Anonim Şirketi into Lydia Holding, through its acquisition, including all its assets and liabilities, through dissolution without liquidation, was completed on 30 December 2025. In accordance with the relevant business combination and as a result of the transfer of shares owned by Ufuk Yatırım, which were held in the share capital of Lydia Yatırım Holding, to Lydia Holding, Lydia Holding's share in the capital of Ufuk Yatırım has realised as 62.96% effective ownership interest.

EC Gayrimenkul Yatırımları San. ve Tic. A.Ş. (“EC Gayrimenkul”)

EC Gayrimenkul Yatırım A.Ş. (“EC Gayrimenkul”) was established on 12 September 2011.

The registered address of EC Gayrimenkul is as follows:

Levazım Mahallesi Vadi Caddesi Zorlu Center No:241

Lydia Yatırım Holding was a subsidiary of Lydia Holding, but has been incorporated into Lydia Holding as a result of a business combination. EC Gayrimenkul’s share capital is amounting to TL 37,500,000. EC Gayrimenkul’s nature of business is ensuring the purchase and sale of all types of real estate and movable property both domestically and abroad, the construction, subdivision, operation, leasing and letting of real estate, and commercial, financial and industrial activities related to these businesses.

The total end of the period and average number of personnel employed by EC Gayrimenkul is 8 (31 December 2024: 7).

Lydia Enerji Elektrik Üretim ve Depolama A.Ş. (“Lydia Enerji”)

Lydia Enerji Elektrik Üretim ve Depolama A.Ş. (“Lydia Enerji”) was established on 25 September 2022.

The registered address of Lydia Enerji is as follows:

Levazım Mahallesi Vadi Caddesi Zorlu Center No:241

Lydia Enerji was a subsidiary of Lydia Holding, but has been incorporated into Lydia Holding as a result of a business combination. EC Gayrimenkul’s share capital is amounting to TL 7,000,000. Lydia Enerji’s nature of business is ensuring the generation of electricity from renewable energy sources, the establishment and operation of electricity storage units and storage-based electricity generation facilities, and the execution of storage and sales activities.

Lydia Enerji has no personnel employed during the annual reporting periods.

Investments accounted for using the equity method

The general information regarding investments accounted for using the equity method, over which the Group does not have direct control but over which it has significant influence, is as follows:

Pastanza Gıda A.Ş. (“Pastanza”)

Our subsidiary, Pastanza Gıda Anonim Şirketi, was registered with the Kırıkhan Trade Registry Office on 19 March 2025 and announced in the Turkish Trade Registry Gazette on 19 March 2025 and numbered 11295.

In accordance with the announcement on Public Disclosure Platform (“PDP”) ON 13 March 2025, it was indicated that the Board of Directors would hold an equal 45% effective ownership interest in both Lydia Holding and Özova Tarım, the remaining 5% effective ownership interest will be committed to paid by Graintürk Holding and 5% effective ownership interest by main shareholder, Mr. Enver Çevik, with a share capital amounting to TL 150,000,000 to establish a company titled “Pastanza Gıda Anonim Şirketi” in Kırıkhan/Hatay, and Lydia Holding will pay one-fourth of the amount of TL 67,500,000 capital contribution to the company to be established, with one-fourth of the amount, which is TL 16,875,000, to be paid into a bank account to be opened in the name of the company being established prior to the registration of the incorporation in the trade registry, and the remaining amount to be paid into the relevant bank account in instalments to be determined by the board of directors after registration in the trade registry.

LYDIA HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

NOTE 1- GROUP’S ORGANISATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries (Continued)

Bulls Yatırım Holding A.Ş. (“Bulls Yatırım Holding”)

Bulls Yatırım Holding A.Ş. (“Lydia Enerji”) was established on 9 March 2023.

The registered address of Bulls Yatırım Holding is as follows:

İstanbul Beşiktaş, Levent Mahallesi, Bambu Sokak No:5

Bulls Yatırım Holding was a subsidiary of Lydia Holding, but has been incorporated into Lydia Holding as a result of a business combination with 33% effective ownership interest. Bulls Yatırım Holding’s share capital is amounting to TL 330,000,000. Bulls Yatırım Holding’s nature of business is ensuring to participate in the capital and/or management of established or future companies, and to carry out their investment, financing, organisation and management within a collective structure.

Bulls Hava Taşımacılığı A.Ş. (“Bulls Hava Taşımacılığı”)

Bulls Hava Taşımacılığı A.Ş. (“Lydia Enerji”) was established on 10 November 2023.

The registered address of Bulls Hava Taşımacılığı is as follows:

İstanbul Beşiktaş, Levazım Mahallesi Vadi Caddesi Zorlu Center No:243

Bulls Hava Taşımacılığı was a subsidiary of Lydia Holding, but has been incorporated into Lydia Holding as a result of a business combination with 50% effective ownership interest. Bulls Hava Taşımacılığı’s share capital is amounting to TL 110,000,000. Bulls Hava Taşımacılığı’s nature of business is ensuring to provide passenger air transport and aircraft leasing services both domestically and internationally.

The total end of the period and average number of personnel employed by Lydia Holding is 22 (31 December 2024: 13).

The total end of the period and average number of personnel employed by the Group is 22 (31 December 2024: 13). The subsidiaries of Lydia Holding, Lydia Yeşil Enerji, Lydia Enerji Elektrik Üretim and Ufuk Yatırım, do not have any personnel on their own payrolls. The personnel resources required by the subsidiaries for operational, technical and regulatory purposes are provided by the parent company Lydia Holding and through external service procurement.

Approval of the consolidated financial statements

These consolidated financial statements as at and for the year ended 31 December 2025 have been approved for issue by the Board of Directors (“BOD”) on 11 March 2026. These consolidated financial statements will be finalised following the approval by the General Assembly.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.01 Basis of presentation

Lydia Holding Anonim Şirketi and its subsidiaries maintains their books of account and prepares their statutory consolidated financial statements in accordance with the Turkish Commercial Code (“TCC”), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance in Turkish Lira (“TL”).

The consolidated financial statements of the Group have been prepared in accordance with Turkish Financial Reporting Standards (“TFRS”) promulgated by the Public Oversight Accounting and Auditing Standards Authority (“POA”) that are set out in the 5th article of the communiqué numbered II-14.1 “Communiqué on the Principles of Financial Reporting In Capital Markets” (“the Communiqué”) announced by the Capital Markets Board (“CMB”) on 13 June 2013 and published in Official Gazette numbered 28676. The accompanying consolidated financial statements as at and for the year ended 31 December 2025 have been prepared following Turkish Financial Reporting Standards (“TFRS/TAS”) with additions and interpretations as issued by POA.

LYDIA HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(Amounts expressed in Turkish Lira (“TL”) in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

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

2.01 Basis of presentation (Continued)

The accompanying consolidated financial statements are presented in accordance with the “Illustrative Examples of Financial Statements and User Guide” issued by “CMB” and “TAS Taxonomy” issued by the POA including the format and mandatory information.

The consolidated financial statements are prepared on a historical cost. In determining historical cost, the fair value of the amount paid for assets is considered.

Functional and presentation currency

Functional currency is defined as the “currency” in which the entity conducts a significant portion of its operations. Items included in the financial statements of each Group company are measured using the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in TL, which is Lydia Holding’s functional and presentation currency. The amounts in the Group’s consolidated financial statements have been rounded to the nearest integer.

2.02 Adjustments of financial statements in hyperinflationary periods

Financial reporting in hyperinflationary economies

In accordance with the announcement realised by the Public Oversight Accounting and Auditing Standards Authority (the “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 ending on or after 31 December 2023. TAS 29 is applied to the financial statements, including the 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 Company has also presented its financial statements as at and for the year ended 31 December 2025 and 2024 in terms of the purchasing power on 31 December 2025.

In accordance with the CMB’s resolution No: 81/1820 on 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 2023.

In accordance with the relevant 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. In prior period financial statements, comparative information is expressed in terms of the measuring unit current at the end of the reporting period. Therefore, the Group has also presented its financial statements as of 31 December 2025 and 2024 on the basis of the purchasing power on 31 December 2025.

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 of 31 December 2025, the indices and adjustment factors used in the restatement of the financial statements are as follows:

Date	Index	Adjustment coefficient	Three-year cumulative inflation rate
31 December 2025	3.513,87	1.00000	211%
31 December 2024	2.684,55	1.30892	291%
31 December 2023	1.859,38	1.88981	268%

LYDIA HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

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

2.02 Adjustments of financial statements in hyperinflationary periods (*Continued*)

Financial reporting in hyperinflationary economies (*Continued*)

The main factors regarding financial reporting in hyperinflationary economies are as follows:

- Current period financial statements prepared in TL are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflationadjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 "Impairment of Assets" and TAS 2 "Inventories" are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.
- All items in the statement of other comprehensive income, except for those that have a material influence on the statement of other comprehensive income of non-monetary items on the statement of financial position, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first recognised in the consolidated financial statements.
- The impact and material influence of inflation on the Group's net monetary asset position in the current period is recognized under net monetary position gains/(losses) account in the statement of profit or loss.

2.03 Group accounting and basis of consolidation

Basis of consolidation

The consolidated financial statements include the accounts of the Group on the basis set out in sections below. The financial statements of the fully consolidated subsidiaries have been prepared with required adjustments and reclassifications for the purpose of compliance with TAS/IFRS and the accounting policies of the Group. Entities that have control over the Group are subsidiaries of the Group. The Group controls the entity if it is exposed to variable interest due to its relationship with the entity or if it has the right to influence the entity at the same time. Subsidiaries are consolidated from the date on which the control is transferred to the Group and are no longer consolidated from the date that the control ceases.

The control is provided with influence on the activities of an entity's financial and operational policies in order to obtain economic benefit from those activities.

Subsidiaries

Subsidiary is company over which Lydia Holding has the power to control the financial and operating policies for the benefit of Lydia Holding, either (a) through the power to exercise more than 50% of voting rights relating to the shares in the companies as a result of the ownership interest owned directly and indirectly by itself, and/or by certain Lydia Holding members and companies owned by them where by Lydia Holding exercises control over the ownership interest of the shares held by them and shares to be used according to Lydia Holding preferences; or (b) although not having the power to exercise more than 50% of the ownership interest, Lydia Holding has power to control the investee due to the dispersed capital structure of the investee and/or Lydia Holding has rights or is exposed to variable returns from its involvement with the investee and when at the same time it has the power to affect these returns through its power over the investee.

The statements of financial position and profit or loss of the Subsidiaries are consolidated on a line-by-line basis and the carrying value of the investment held by Lydia Holding and its Subsidiaries is eliminated against the related equity. Intercompany transactions and balances between Lydia Holding and its Subsidiaries are eliminated during the consolidation. The nominal amount of the shares held by Lydia Holding in its Subsidiaries and the associated dividends are eliminated from equity and income for the period, respectively.

LYDIA HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

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

2.03 Group accounting and basis of consolidation (Continued)

As of 31 December 2025 and 2024, the subsidiaries ("Subsidiaries") included in the consolidation scope of Lydia Holding and their effective ownership interests are as follows:

Subsidiaries	Effective ownership interests held by Lydia Holding – 2025 (%)	Effective ownership interests held by Lydia Holding – 2024 (%)
Lydia Yeşil Enerji Kaynakları A.Ş.	64.89	64.89
Ufuk Yatırım Yönetim ve Gayrimenkul A.Ş.	62.96	60.17
EC Gayrimenkul Yatırımları San. ve Tic. A.Ş.	100.00	-
Lydia Enerji Elektrik Üretim ve Depolama A.Ş.	100.00	-

Associates are accounted for using the equity method. Associates are companies in which the Group has voting power between 20% and 50% or the Group has power to participate in the financial and operating policy decisions but not control them. Under the equity method, the investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of the profit or loss of the investee is recognised in the investor's profit or loss. Investments are accounted for using the equity method considering the Group's total share portions which are owned directly or indirectly from its subsidiaries. The investments in associates are carried on the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. The statement of profit or loss reflects the Group's share of the results of operations of the associates. When there is a change recognized directly in the equity of an associate, the Group recognizes its share of any changes and discloses this when applicable, in the statement of changes in equity. Profits and losses resulting from the transactions between the Group and the associates and the Group are identical and the associates' accounting policies conform to those of the Group for like transactions and events in similar circumstances.

Financial assets in which the Group, has ownership interests below 20%, or over 20% but which the Group does not exercise a significant influence or which are not exposed to significant influence of variable returns or which are immaterial are classified as financial assets measured at fair value through profit or loss or financial assets measured at fair value through other comprehensive income in the consolidated financial statements less provision for impairment. These financial assets are recognised in as the statement of profit or loss, which are quoted in organized markets and whose fair value can be measured reliably (Note 7).

As of 31 December 2025 and 2024, the associates included in the consolidation scope of Lydia Holding and their effective ownership interests, are as follows:

Associates	Effective ownership interests held by Lydia Holding – 2025 (%)	Effective ownership interests held by Lydia Holding – 2024 (%)
Pastanza Gıda A.Ş.	45.00	-
Bulls Yatırım Holding A.Ş.	33.33	-
Bulls Hava Taşımacılığı A.Ş.	50.00	-

2.04 Comparatives and Adjustment of Prior Periods' Financial Statements

Accounting estimates are based on reliable information and reasonable estimation methods. However, estimates are revised as a result of changes in circumstances, estimating new information or additional developments. If changes in accounting forecasts are related to only one period, amendments are made in the current period. If amendments are related to the forthcoming periods, changes are applied in both current period and forthcoming periods including amendments on consolidated statements of profit or loss.

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

2.04 Comparatives and Adjustment of Prior Periods' Financial Statements (Continued)

If changes in accounting forecasts are related to only one period, amendments are made in the current period. If amendments are related to the forthcoming periods, changes are applied in both current period and forthcoming periods. The nature and amount of a change in the accounting estimate, which has a material influence on the outcome of the current period or is expected to have a material influence on subsequent periods, is disclosed in the notes to the consolidated financial statements, except when the estimation of the effect on the future periods is not possible.

The Group prepared its consolidated statement of financial position as at 31 December 2025 on a comparative basis with its consolidated statement of financial position as at 31 December 2024; and consolidated statements of profit or loss and comprehensive income, cash flows and changes in equity for the period of 1 January- 31 December 2025 on a comparative basis with the consolidated financial statements for the period of 1 January- 31 December 2024.

The current period consolidated financial statements of the Group include comparative financial information to enable the determination of the trends in financial position and performance. Comparative figures are reclassified, where necessary, to conform to the changes in the presentation of the current period consolidated financial statements (**Note 2.02**).

2.05 Significant Accounting Judgements, Estimates and Assumptions

Preparation of the consolidated financial statements requires the usage of estimations and assumptions which may affect the reported amounts of assets and liabilities as of the balance sheet date, disclosure of contingent assets and liabilities and reported amounts of income and expenses during the financial period. The accounting assessments, forecasts and assumptions are reviewed continuously considering the past experiences, other factors and the reasonable expectations about the future events under current conditions. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, reflected to the profit or loss and they may differ from the actual results.

Fair value measurement

The accounting policies and related disclosures of the Group require the measurement of financial and non-financial assets and liabilities at fair value.

The classification of the Group's consolidated financial assets and liabilities at fair value is as follows:

Level 1: Inputs are quoted prices in active markets for identical assets and liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices):

Level 3: Inputs are unobservable inputs for the asset or liability.

An entity develops observable inputs for classification using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

Estimates and assumptions that may cause significant adjustments in the book value of assets and liabilities in the subsequent financial reporting period are as follows:

- a) Provision for employment termination benefits is determined by using actuarial assumptions (discount rates, future salary increases and employee exit rates). These assumptions are reviewed at each balance sheet date and revised accordingly (Note 24).
- b) The Group depreciates its property, plant and equipment and intangible assets on a straight-line basis over their useful lives. Expected useful life residual value and amortization method are reviewed every year for possible effects of changes in estimates and are accounted for prospectively if there is a change in estimates. (Note 2.09.03-2.09.05).

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

2.05 Significant Accounting Judgements, Estimates and Assumptions (Continued)

- c) Provision for doubtful receivables reflects the amounts that the Group management believes will meet future losses as of the balance sheet date (Note 10). Provision for doubtful receivables represents the amounts that the Group believes will compensate future losses of receivables which are present as of the balance sheet date but which are not subject to collection in current economic conditions. The past performance of borrowers assessed for impairment of receivables impairment, credits on the market and their performance from the balance sheet date to the date of approval of the consolidated financial statements are also taken into consideration. As of the balance sheet date, the related provisions are disclosed in Note 10.
- d) The Group has presented its land and buildings, which are included in the property, plant and equipment of the parent company and its subsidiaries in its consolidated financial statements, at their fair value. The appraisal reports were prepared by "VERA Anonim Şirketi" authorized by the CMB. The revaluation surplus resulting from revaluations over the years are presented in the "Revaluation surplus" in equity. The details of the reports are disclosed in Note 18.
- e) The Group has presented its investment properties in the consolidated financial statements, at their fair value. The appraisal reports were prepared by "VERA Anonim Şirketi" authorized by the CMB. The revaluation surplus resulting from revaluations over the years are presented in the "Revaluation surplus" in equity. The details of the reports are disclosed in Note 17.

2.06 Changes in Accounting Policies

Whether there are changes and errors in accounting policies and accounting estimates, the amended significant changes and the identified significant accounting errors are implemented retrospectively and the previous periods Group's consolidated financial statements are adjusted. Whether the changes are amended in accounting policies effect the previous periods, aforementioned policy is implemented retrospectively to the consolidated financial statements as it had been used in.

There are no changes in the accounting policies expected to have a material influence on the results of the end of the annual reporting period except the accounting policies presented below.

2.07 Changes in Accounting Estimates and Errors

Accounting estimates are based on reliable information and reasonable estimation methods. However, estimates are revised as a result of changes in circumstances, estimating new information or additional developments. If changes in accounting forecasts are related to only one period, amendments are made in the current period. If amendments are related to the forthcoming periods, changes are applied in both current period and forthcoming periods.

The nature and amount of a change in the accounting estimate, which has a material influence on the outcome of the current period or is expected to have a material influence on subsequent periods, is disclosed in the notes to the consolidated financial statements, except when the estimation of the effect on the future periods is not possible. There are no changes in the accounting estimates expected to have a material influence on the results of operations in the current period.

2.08 Offsetting

Financial assets and liabilities are offset, and the net amount is recognised in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

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

2.09 Summary of Significant Accounting Policies

Accounting policies used in the preparation of the consolidated financial statements are summarised below:

2.09.01 Revenue Recognition

In accordance with "IFRS 15 Revenue from Contracts with Customers" is that the entity reflects the proceeds to the consolidated financial statements from an amount that reflects the cost that the Group expects to qualify for the transfer of the goods or services it commits to its customers.

Revenue is accounted for in the consolidated financial statements within the scope of the five-step model below in accordance with the IFRS 15.

- Identification of customer contracts,
- Identification of performance obligations,
- Determination of the transaction price in the contracts,
- Allocation of transaction price to the performance obligations,
- Recognition of revenue when the performance obligations are satisfied.

In accordance with IFRS 15, when the entity fulfills its operating obligations, in other words, the control of the goods or services specified in a performance obligation is transferred to the customer; the revenue is recognized in the consolidated financial statements. IFRS 15 provides more guidance on more specific scenarios.

If the 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.

The Group determines at contract inception whether the performance obligation is satisfied over time or at a point in time. When the Group transfers control of a good or service over time, and therefore satisfies a performance obligation over time, then the revenue is recognized over time by measuring the progress towards complete satisfaction of that performance obligation.

2.09.02 Inventories

Inventories are evaluated at either the lower of acquisition cost or net realizable value. Cost of inventories includes all purchasing costs, covering costs and other costs incurred to make the inventories ready to sell. The covering costs of inventories include costs which are directly related to production such as direct labor expense. Those costs also include systematically distributed costs from fixed and variable general production expenses incurred in covering direct raw material to the goods.

The cost of inventories is determined by the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

The Group has no inventories at the end of the annual reporting period.

2.09.03 Property, Plant and Equipment

Historical costs include costs directly related to the acquisition of property, plant and equipment. Costs after date of acquisition date, added to the book value of the asset or recorded as a separate asset only in cases where it is possible that the future economic benefit related to the asset will flow to the Group and the cost of the asset can be measured reliably. Repair and maintenance expenses are charged to the statement of profit or loss during the period in which they are incurred. Machinery and equipment are capitalised and amortised when their capacity is fully available for use. Depreciation is provided for property, plant and equipment on a straight-line basis over their estimated useful lives.

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

2.09 Summary of Significant Accounting Policies (Continued)

2.09.03 Property, Plant and Equipment (Continued)

In cases where it is predicted that spare parts can be used more than a period and only in relation to a certain property, plant and equipment item, related spare parts and materials are considered as property, plant and equipment. Spare parts are shown with net book values less the accumulated depreciation calculated over the remaining useful lives of the related property, plant and equipment from the acquisition costs. Buildings, machinery and equipment are capitalised and amortised when their capacity is fully available for use. It is estimated that the residual value of property, plant and equipment is immaterial.

The depreciation periods for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

	Economic useful lives (year)
Plant, machinery and equipment	5 – 25
Motor vehicles	4 – 10
Furniture and fixtures	4 – 15
Leasehold improvements	5 – 10

Useful life and the depreciation method are constantly reviewed, and accordingly, parallels are sought between the depreciation method and the period and the useful life to be derived from the related asset and accounted prospectively. Land is not depreciated as it is deemed to have an indefinite useful life.

Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with their net carrying amounts and are classified under "gains/(losses) from investing activities" in the current period under consolidated statement of other comprehensive income and profit or loss.

Recoverable amount of the property, plant and equipment is the higher of future net cash flows from the utilisation of this property, plant and equipment or its fair value less cost to sell. Property, plant and equipment are reviewed for possible impairment losses and where the carrying amount of the property, plant and equipment is greater than the estimated recoverable amount, it is written down to its recoverable amount.

The Group has presented its buildings, which are included in the property, plant and equipment of the parent company and its subsidiaries in its consolidated financial statements, at their fair value. The appraisal reports were prepared by "VERA Anonim Şirketi" authorized by the CMB. The revaluation surplus resulting from revaluations over the years are presented in the "Revaluation surplus" in equity. The details of the reports are disclosed in Note 18.

2.09.04 Investment Properties

Investment properties that are held for rental yields or for capital appreciation or both rather than held in the production or supply of goods or services or for administrative purposes or for the sale in the ordinary course of business are classified as "investment property" and initially recognised as an assets and subsequently carried at revalued amount in the accompanying consolidated financial statements in accordance with the appraisal reports prepared by VERA Anonim Şirketi. The detailed information regarding appraisal reports is disclosed in Note 17.

The fair value has determined by an independent appraisal firm for investment properties and they are carried at fair value in the consolidated financial statements. The cost of replacing any part of the existing investment property is included in the amount on the statement of financial position if it satisfies the criteria. Daily repair and maintenance is not included in the relevant cost. Investment properties are written-from the statement of financial position if they are disposed. Profit or loss arising from the disposal is presented in the statement of profit or loss. Depreciation is provided for investment properties on a straight-line basis over their estimated useful lives.

Investment properties are reviewed for possible impairment losses and where the carrying amount of the investment property is greater than the estimated recoverable amount, it is written down to its recoverable amount. Recoverable amount of the investment property is the higher of future net cash flows from the utilisation of this investment property or fair value less cost to sell.

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

2.09 Summary of Significant Accounting Policies (Continued)

2.09.05 Intangible Assets

Intangible assets are initially recognised at acquisition cost and amortised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being recognized for on a prospective basis.

Acquired intangible assets are recognised at acquisition cost and amortised on a straight-line basis over their estimated useful lives.

The depreciation periods for intangible assets, which approximate the economic useful lives of such assets, are as follows:

	Economic useful lives (year)
Rights	5 years

2.09.06 Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group considers following indicators for the assessment of whether a contract conveys the right to control the use of an identified asset for a period of time or not:

- The contract includes an identified asset (contract includes a definition of a specified asset explicitly or implicitly),
- A capacity portion of an asset is physically distinct or represents substantially all of the capacity of an asset (if the supplier has a substantive right to substitute the asset and obtain economic benefits from use of the asset, then the asset is not an identified asset),
- The Group has the right to obtain substantially all of the economic benefits from use of the identified asset,
- The Group has the right to direct the use of an identified asset. Group has the right to direct how and for what purpose the asset is used throughout the period of use or relevant decisions about how and for what purpose the asset is used are predetermined: Group has the right to direct the use of the asset throughout the period of use only if either:

i. The Group has the right to operate the asset (or to direct others to operate the asset in a manner that it determines) throughout the period of use, without the supplier having the right to change those operating instructions; or

ii. The Group designed the asset (or specific aspects of the asset) in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

Right-of-use asset Group - as a lessee

The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease following the consideration of the above-mentioned factors.

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

- a) The amount of the initial measurement of the lease liability,
- b) Any lease payments made at or before the commencement date, less any lease incentives received,
- c) Any initial direct costs incurred by the Group, and
- d) An estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease (unless those costs are incurred to produce inventories).

When applying the cost model, the Group measures the right-of-use asset at cost:

- a) Less any accumulated depreciation and any accumulated impairment losses; and
- b) Adjusted for any remeasurement of the lease liability.

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

2.09 Summary of Significant Accounting Policies (Continued)

2.09.06 Leases (Continued)

The Group applies the depreciation requirements in TAS 16 "Property, Plant and Equipment" in depreciating the right-of-use asset. In the event that the supplier transfers the ownership of the underlying asset to the Group at the end of the lease term or if the cost of use rights indicates that the Group will use a purchase option, the Group depreciates the right of use asset from the effective date of the lease to the end of the useful life of the underlying asset. In other cases, the Group depreciates the right of use assets on the basis of the shorter of the useful life or the lease term of the asset, starting from the effective date of the lease.

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

Lease Liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease, if that rate can be readily determined, or by using the Group's incremental borrowing rate.

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

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

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

- b) Reducing the carrying amount to reflect the lease payments made, and
- c) Remeasuring the carrying amount to reflect any reassessment or lease modifications. The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

The interest on the lease liabilities for each period in the lease term is the amount found by applying a fixed periodic interest rate to the remaining balance of the lease liabilities. The periodic interest rate, if easily determined, is the implied interest rate on the lease. If this rate cannot be easily determined, the Group uses the Group's incremental borrowing interest rate.

After the effective date of the lease, the Group remeasures the lease liabilities to reflect changes in lease payments. The Group reflects the remeasurement amount of the lease liabilities to the consolidated financial statements as an adjustment to the right of use assets.

The Group remeasures its lease liabilities by deducting the adjusted lease payments at a revised discount rate if either of the following conditions occurs:

- (a) A change in the lease term. The Group determines adjusted lease payments based on the adjusted lease term.
- (b) Changes in the assessment of the option to purchase the underlying asset. The Group determines adjusted lease payments to reflect the change in the amounts payable under the purchase option.

The Group calculates the adjusted discount rate for the remainder of the lease term if the implicit interest rate in the lease can be easily determined; if it cannot be easily determined, the Group determines the alternative borrowing interest rate at the date of the revaluation.

The Group remeasures its lease liabilities by reducing the adjusted lease payments if either of the following conditions incurred:

- (a) Changes in the amounts expected to be paid under a residual value commitment. The Group determines the adjusted lease payments to reflect the change in the amounts expected to be paid under the residual value commitment.

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

2.09 Summary of Significant Accounting Policies (Continued)

2.09.06 Leases (Continued)

(b) A change in these payments as a result of an index or rate change used to determine future lease payments. The Group remeasures the lease liabilities to reflect the adjusted lease payments only when there is a change in cash flows.

The Group determines the adjusted lease payments for the remaining lease term based on the adjusted contractual payments. In this case, the Group uses an unchanged discount rate.

The Group recognizes the restructuring of the lease as a separate lease if both of the following conditions are met:

- (a) The restructuring shall extend the scope of the lease by adding the right of use on one or more underlying assets; and
- (b) The increase in the lease amount by the appropriate price adjustment to reflect the price of the increase alone and the terms of the relevant contract.

Group - as a lessor

The Group classifies each lease as an operating lease or a finance lease.

A lease is classified as a finance lease if substantially all the risks and rewards incidental to ownership of the underlying asset are transferred. A lease is classified as an operating lease if substantially all the risks and rewards incidental to ownership of the underlying asset are not transferred.

The Group allocates the consideration specified in a contract for a lease that includes one or more additional components, whether or not they have lease characteristics, by applying TFRS 15.

2.09.07 Impairment of assets

Assets with an indefinite useful life, such as goodwill, are not subject to impairment testing. An impairment test is performed annually for these assets. For depreciable assets, an impairment test is applied when circumstances or events arise that indicate the carrying amount may not be recoverable. If the carrying amount exceeds the recoverable amount, an impairment loss is recognised. The recoverable amount is the higher of the fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets subject to impairment, other than goodwill, are reviewed at each reporting date for possible reversal of impairment.

2.09.08 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, one that takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset in the period in which the asset is prepared for its intended use or sale. When the Group borrows funds specifically for the purpose of the qualifying assets, the amount of borrowing costs eligible for capitalization is the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings. All other borrowing costs recognized in the statement of profit or loss in which period they incurred.

2.09.09 Financial Instruments

A financial asset or a financial liability is recognized in the statement of financial position only when it is a party to the contractual provisions of the instrument. Normal purchases or sales of financial instruments are recognized in the consolidated financial statements or excluded from the consolidated financial statements by using one of the accounting methods on the transaction date or delivery date. Trading transactions are accounted for at the date of delivery with the initial recognition and classification of financial instruments depends on the contractual terms and the relevant business model. A financial asset or financial liability other than TFRS 15" Revenue from Contracts with Customers" is measured at fair value when first recognized in the consolidated financial statements. Transaction costs directly attributable to the acquisition or the issuance of financial assets and liabilities, except for the fair value changes recognized in profit or loss, are also added to the fair value or deducted from the fair value.

The classification of financial instruments during the initial recognition depends on the characteristics of the contractual cash flows.

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

2.09 Summary of Significant Accounting Policies (Continued)

2.09.09 Financial Instruments (Continued)

Financial assets and liabilities under TFRS 9 are as follows:

Financial assets

Financial investments are recognized and derecognized on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Investments are recorded or derecognized on the date of the transaction on the basis of a contract with the condition of delivery of the investment instruments in accordance with the period determined by the relevant market.

Financial assets classified as "financial assets at fair value through profit or loss", "financial assets at amortized cost" and "financial assets at fair value through other comprehensive income".

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss; are financial assets held for trading and not acquired for trading purposes but recognized in this category at initial recognition. When a financial asset is acquired for the purpose of disposal in the short term, it is classified in that category. Derivative financial instruments which are not designated as effective hedging instruments are also classified as financial assets measured at fair value through profit or loss. Financial assets are carried at fair value and any gains or losses arising from the valuation are recognized in profit or loss.

Financial assets at amortized cost

"Financial assets at amortised cost", are non-derivative assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets carried at amortised cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets measured at amortised cost are accounted for under the statement of income. Interest income from financial assets held to maturity recognized under statement of profit or loss.

Financial assets at fair value through other comprehensive income

"Financial assets at fair value through other comprehensive income" are assets that are either equity securities or debt securities. The Group measures related financial assets at fair value. Gains or losses on a financial asset measured at fair value through other comprehensive income is recognised in other comprehensive income, except for foreign exchange gains and losses. When an equity security is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to retained earnings. When a debt security is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss.

Subsequent valuation of financial assets measured at fair value through other comprehensive income is carried at fair value. However, if the fair value cannot be determined reliably, for those with a fixed maturity, discounted price is calculated using the internal rate of return method; for those who do not have a fixed maturity, fair value is valued using pricing models or discounted cash flow techniques. Unrealized gains or losses arising from changes in the fair values of financial assets at fair value through other comprehensive income and expressing the difference between the amortized cost and fair value of the securities calculated using the effective interest method, are included in the "Financial Assets Under Management Fund" which is recognized in equity. When the financial assets at fair value through profit or loss are disposed of, the value in equity resulting from the application of fair value is reflected to the period profit/loss.

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

2.09 Summary of Significant Accounting Policies (Continued)

2.09.09 Financial Instruments (Continued)

Repurchase and resale transactions

Funds attributed to financial assets as reverse repo are recorded as receivables from reverse repo under cash and cash equivalents in the consolidated financial statements. A discount income is calculated by using the internal discount rate method for the current year portion of the difference between the sale and purchase price of these reverse repo agreements and accounted by adding to the cost of the reverse repo.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held in banks with maturities of 3 months or less, government bonds/treasury bills classified as available for sale financial assets with original maturities of 3 months or less, other short-term liquid investments and blocked deposits. Cash and cash equivalents are short-term, highly-liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Impairment of financial assets/expected credit loss

At each reporting date, it is evaluated whether there is a significant increase since the financial instrument within the scope of the impairment has been included in the consolidated financial statements for the first time. When making this assessment, the change in the risk of default of the financial instrument is taken into consideration. The expected credit loss estimate is unbiased, weighted according to probabilities, and includes information that can be supported about past events, current conditions, and forecasts for future economic conditions.

In all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of a provision account, the impairment is offset directly from the carrying amount of the related financial asset. In the event that the trade receivable cannot be collected, the said amount is offset from the provision account. Fair value difference other than equity instruments reflected in other comprehensive income, if the impairment loss is reduced in the subsequent period and if the impairment can be attributed to an event that occurred after the recognition of the impairment loss, an impairment loss recognized in advance if the impairment of the investment has never been recognized at the time the impairment loss is reversed will not exceed the amount of amortized cost in the statement of profit or loss is reversed.

An increase in the fair value of the equity instruments reflected in other comprehensive income after the impairment loss, recognized directly in equity.

Trade receivables and provision for doubtful receivables

Trade receivables that the Group does not expect to have cash flow for the future are written-off from the assets.

It accounted for at amortized cost in the consolidated financial statements and do not contain a significant financing component (less than 1 year as short term) value within the scope of trade receivables impairment calculations applied "simplified approach". In cases where trade receivables are not impaired due to certain reasons (except for realized impairment losses), provisions for losses related to trade receivables "is measured from an equal amount of lifetime expected credit losses".

In case of collecting all or part of the receivable amount that is impaired following the provision for impairment, the collected amount is deducted from the main activities to other income by offset the amount deducted from the provision for impairment.

Financial liabilities

The Group's financial liabilities and equity instruments are classified according to the contractual agreements entered into and the definition of financial liability and equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all the liabilities. Accounting policies determined for the financial liabilities and the financial instruments based on equity are explained below. Financial liabilities are classified as either "Financial liabilities at fair value through profit or loss" or "Other financial liabilities".

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

2.09 Summary of Significant Accounting Policies (Continued)

2.09.09 Financial Instruments (Continued)

Other financial liabilities

Other financial liabilities are initially recognized with their fair values free from transaction costs.

Other financial liabilities are recognized over their amortized costs using the effective interest method and with interest costs calculated over effective interest rate in subsequent periods.

The effective interest method is the calculation of the amortized costs of the financial liabilities and the distribution of the related interest expenses to related periods. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net present value of the financial liability.

Recognition and derecognition of financial assets and liabilities

The Group reflects the financial assets or liabilities in the statement of financial position when it becomes a party to the related financial instrument contracts. The Group writes off a financial asset or a portion of its financial asset only when it loses its control over the rights arising from the contract. The Group derecognizes a financial liability only if the obligation defined in the contract is eliminated, cancelled or expired.

2.09.10 Foreign Currency Translation

Foreign currency transactions are translated into Turkish Lira using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Turkish Lira using the exchange rates at the balance sheet date. Foreign exchange gains and losses resulting from trading activities (trade receivables and payables) denominated in foreign currencies have been accounted for under "other operating income/(expenses)" in the consolidated statement of profit or loss whereas foreign exchange gains and losses resulting from the translation of other monetary assets and liabilities denominated in foreign currencies have been accounted for under "financial income/(expenses)" in the statement of profit or loss.

Transactions in currencies other than functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. Foreign currency indexed monetary assets and liabilities are recorded at the rates of exchange prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to functional currency as Turkish Lira using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.09.11 Earnings Per Share

Earnings per share disclosed in the statement of profit or loss are determined by dividing net income attributable to equity holders of the parent by the weighted average number of shares outstanding during the period concerned.

In Türkiye, companies can increase their share capital through a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings and inflation adjustment to equity. For the purpose of earnings per share computations, the weighted average number of shares in existence during the period has been adjusted in respect of bonus share issues without a corresponding change in resources, by giving them retroactive effect for the period in which they were issued and each earlier period as if the event had occurred at the beginning of the earliest period reported.

2.09.12 Events After the Reporting Period

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. The Group adjusts the amounts recognised in its consolidated financial statements to reflect the adjusting events after the balance sheet date. If non-adjusting events after the balance sheet date have material influence on the economic decisions of users of the consolidated financial statements, they are disclosed in the notes to the consolidated financial statements.

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

2.09 Summary of Significant Accounting Policies (Continued)

2.09.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised 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. Contingent liabilities are consistently reviewed prior to the probability of any cash out-flow. In case of the cash outflow is probable, provision is allocated in the consolidated financial statements of the year the probability of contingent liability accounts is changed. A provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and reliable estimate can be made for the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount of provision shall be the present value of the expenditures expected to be required to settle the obligation. The discount rate reflects current market assessments of the time value of money and the risks specific to the liability. The discount rate shall be a pre-tax rate and shall not reflect risks for which future cash flow estimates have been adjusted.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in the consolidated financial statements and treated as contingent assets or liabilities.

2.09.14 Related Parties

For the purpose of these financial statements, shareholders, parents of Lydia Holding Anonim Şirketi, key management personnel and Board of Directors members, their close family members and the legal entities over which these related parties exercise control and significant influence, subsidiaries and joint ventures are considered and expressed as "related parties". A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

2.09.15 Taxes on Income

Income tax expense (or income) is the sum of the current tax expense and the deferred tax expense (or income).

Current tax

Current year tax liability is calculated over the taxable profit for the period. Taxable profit differs from profit as recognised in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it excludes items that cannot be taxed or deducted. The Group's liability for current tax is calculated using legal statutory tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax assets and liabilities are determined by calculating the temporary differences between the amounts shown in the consolidated financial statements and the amounts considered in the statutory tax base in accordance with the balance sheet method. Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized. Deferred tax liability or asset is not calculated in respect of temporary timing differences arising from the initial recognition of assets or liabilities other than goodwill or business combinations and which do not affect both commercial and financial profit /loss.

Deferred tax liabilities are calculated for all taxable temporary differences related to the investments in subsidiaries and associates and shares in joint ventures, except in cases where the Group is able to control the discontinuation of temporary differences and in the near future it is unlikely that such difference will be eliminated. Deferred tax assets resulting from taxable temporary differences related to such investments and shares are calculated on the condition that it is highly probable that future taxable profit will be available and that it is probable that future differences will be eliminated.

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

2.09 Summary of Significant Accounting Policies (*Continued*)

2.09.15 Taxes on Income (*Continued*)

Deferred tax (*Continued*)

The carrying amount of the deferred tax asset is reviewed at each balance sheet date. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that financial profit will be available to allow the benefit of some or that entire amount.

Deferred tax assets and liabilities are calculated over the tax rates that are expected to be valid in the period when the assets are realized or the liabilities are fulfilled and legalized or substantially legalized as of the balance sheet date (tax regulations). During the calculation of deferred tax assets and liabilities, the tax consequences of the methods that the Group expects to recover or settle the carrying amount of the assets as of the balance sheet date are taken into consideration

Deferred tax assets and liabilities are recognized when there is a legal right to offset current tax assets and current tax liabilities, or if such assets and liabilities are associated with the income tax collected by the same tax authority, or if the Group intends to pay off the current tax assets and liabilities.

Current and deferred tax for the period

The deferred tax, other than those directly attributable to debt or liability recognized in equity (in which case deferred tax is recognized directly in equity) or deferred tax, other than those arising from initial recognition of business combinations, is recognized as income or expense in the statement of profit or loss. In business combinations, the tax effect is taken into consideration in the calculation of goodwill or in determining the part of the purchaser that exceeds the acquisition cost of the share of the acquiree's identifiable assets, liabilities and contingent liabilities in the fair value.

The taxes included in the consolidated financial statements include current period tax and the change in deferred taxes. The Group calculates current and deferred tax on the results for the period.

Offsetting in tax assets and liabilities

The amount of corporate tax payable is netted because it is related to prepaid corporate tax amounts. Deferred tax assets and liabilities are also offset in the same way.

2.09.16 Provision for Employment Termination Benefits

The provision for employment termination benefits, as required by Turkish Labour Law represents the present value of the future probable obligation of the Group arising from the retirement of its employees based on the actuarial projections. TAS 19 "Employee Benefits" requires actuarial assumptions (net discount rate, turnover rate to estimate the probability of retirement etc.) to estimate the entity's obligation for employment termination benefits. The effects of differences between the actuarial assumptions and the actual outcome together with the effects of changes in actuarial assumptions compose the actuarial gains/losses reflected to the accompanying consolidated financial statements. Interest cost included in the defined benefit plans is presented as interest expense in operating results.

2.09.17 Statement of Cash Flow

Cash and cash equivalents are carried at cost in the consolidated statement of financial position. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, including cash on hand, bank deposits with an original maturity of more than three months and highly-liquid investments. Cash flows during the period are classified and reported by operating, investing and financing activities in the cash flow statements. Cash flows from operating activities represent the cash flows generated from the Group's activities.

Cash flows from investing activities represent the cash flows that are used in or provided from the investing activities of the Group (property, plant and equipment, intangible assets and financial assets).

Cash flows from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds.

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

2.09 Summary of Significant Accounting Policies (Continued)

2.09.18 Government Grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants are recognized in profit or loss on a systematic basis over periods in which the Group recognizes as expense the related costs for which the grants are intended to compensate.

2.10 Going concern

As of 31 December 2025, the Group has prepared its consolidated financial statements with the assumption on the Group’s ability to continue its operations in the foreseeable future as a going concern basis of accounting.

2.11 New and Revised Turkish Financial Reporting Standards

New and revised standards and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as at and for the year ended 31 December 2025 are consistent with those of the previous financial year, except for the adoption of new and amended Turkish Accounting Standards (“TFRS/TAS”) and interpretations effective as of 1 January 2026 and thereafter. The effects of these standards and interpretations on the Group’s financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations and interpretations to the existing previous standards which are effective as of 1 January 2026 are as follows:

Amendments to TFRS 9 and TFRS 7 – Classification and measurement of financial instruments

On 10 August 2025, the POA issued amendments to the classification and measurement of financial instruments (amendments to TFRS 9 and TFRS 7). The amendment clarifies that a financial liability is derecognised on the ‘settlement date’. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in TFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment. The amendment will be effective for annual periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The new requirements will be applied retrospectively with an adjustment to opening retained earnings. The Group is in the process of assessing the material influence of the amendments on financial position or performance of the Group.

Contracts Referencing Nature-dependent Electricity—Amendments to TFRS 9 and TFRS 7

On 10 August 2025, the POA issued the amendment “Contracts for Electricity Generated from Natural Resources” (related to TFRS 9 and TFRS 7). The amendment clarifies the application of the “own use” exception and permits hedge accounting when such contracts are used as hedging instruments. The amendment also introduces new disclosure requirements to help investors understand the impact of these contracts on an entity’s financial performance and cash flows. The amendment is not applicable for the Group and has no material influence on the financial position or performance of the Group.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025
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NOTE 2- BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.11 New and Revised Turkish Financial Reporting Standards (Continued)

i) The new standards, amendments and interpretations and interpretations to the existing previous standards which are effective as of 1 January 2026 are as follows (Continued)

Annual Improvements to TAS/IFRS Accounting Standards - Amendment 11

On 27 September 2025, the POA issued "Annual Improvements to TAS/IFRS Accounting Standards /Amendment 11" published in the Official Gazette with the following amendments:

- IFRS 1 First-time Adoption of International Financial Reporting Standards - Hedge accounting by a first-time adopter: The amendment is intended to eliminate potential confusion caused by the inconsistency between the wording in IFRS 1 and the hedge accounting requirements in IFRS 9.
 - IFRS 7 Financial Instruments: Disclosures - Gains or losses on derecognition: IFRS 7 amends the wording of unobservable inputs and adds a reference to IFRS 13.
 - IFRS 9 Financial Instruments - Transaction price when the lease liability is derecognized by the lessee: IFRS 9 has been amended to clarify that when the lease liability is extinguished for the lessee, the lessee is required to apply the derecognition provisions in IFRS 9 and the resulting gain or loss is recognized in profit or loss. IFRS 9 has also been amended to remove the reference to "transaction price".
 - IFRS 10 Consolidated Financial Statements - Identifying the "de facto agent": Amendments to IFRS 10 to remove inconsistencies in paragraphs.
 - TAS 7 Statement of Cash Flows - Cost method: The wording in the Standard has been deleted following the removal of "cost method" in previous amendments.
- The amendments will be effective for annual reporting periods beginning on or after 1 January 2026, and early application permitted.

The Group is in the process of assessing the material influence of the amendments on financial position or performance of the Group.

ii) Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

Amendments to IFRS 10/TAS 28 — Sales or contributions of assets between an investor and its associate/joint venture

In December 2017, the POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted. The Group will assess the effects of the amendments after the new standards have been finalized.

POA issued IFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after 1 January 2026 with the announcement made by the POA.

The standard is not applicable for the Group and the standard has no material influence on the financial position or performance of the Group.

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

2.11 New and Revised Turkish Financial Reporting Standards (Continued)

ii) Standards issued but not yet effective and not early adopted (Continued)

TFRS 18 Presentation and Disclosure in Financial Statements

The standard is effective from annual periods beginning on or after 1 January 2027 and published in the Official Gazette on 8 May 2025. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in TFRS 18 relate to:

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

The Group is in the process of assessing the material influence of the standard on financial position or performance of the Group.

TFRS 19 – Subsidiaries without Public Accountability: Disclosures

TFRS 19 – Subsidiaries without Public Accountability: Disclosures ("TFRS 19") was published in the Official Gazette on 10 August 2025. It is effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted. The standard aims to reduce the disclosure requirements in TAS/TFRS for subsidiaries covered by its scope. Under TFRS 19, businesses that are not subject to public accountability and are themselves subsidiaries are expected to apply the simplified disclosure provisions set out in TFRS 19 instead of the disclosure provisions in other TAS/TFRS. This aims to reduce the reporting obligations of these businesses in terms of disclosure provisions. The application of TFRS 19 is not mandatory and is left to the discretion of the entity.

A subsidiary meets the relevant conditions in the following circumstances:

- It is a non-public subsidiary or a subsidiary whose capital market instruments are not traded on a stock exchange, or
- It has a parent or intermediate parent that produces financial statements in accordance with TAS/TFRS that are available to the public.

The standard has no material influence on the financial position or performance of the Group.

NOTE 3 – BUSINESS COMBINATIONS

None.

NOTE 4 – DISCLOSURE OF INTERESTS IN OTHER ENTITIES

As of 31 December 2025 and 2024, the Group has no disclosure of interests in other entities.

NOTE 5 – OPERATING SEGMENTS

The amounts reported considering the reportable segments of the Group in the accompanying consolidated financial statements for the years ended 31 December 2025 and 2024, are as follows:

31 December 2025	Lydia Holding	Lydia Yeşil Enerji	Ufuk Yatırım	Lydia Yatırım	EC Gayrimenkul	Lydia Enerji Elektrik	Elimination	Consolidated
Current assets	1,067,714,974	33,322,918	122,240,926	108,159,246	7,956,072	5,657,892	(33,157,812)	1,311,894,216
Non-current assets	1,809,040,674	4,580,021,225	2,665,116,934	3,457,662,108	498,626,893	3,250,366	(6,051,269,148)	6,962,449,052
Total assets	2,876,755,648	4,613,344,143	2,787,357,860	3,565,821,354	506,582,965	8,908,258	(6,084,426,960)	8,274,343,268
Current liabilities	10,296,703	3,427,210	1,193,100	30,130,318	34,019,179	230,125	(33,383,263)	45,913,372
Non-current liabilities	67,650,364	1,061,469,345	334,943,823	269,428,559	65,162,988	-	(1,036,356,775)	762,298,304
Total equity	2,798,808,581	3,548,447,588	2,451,220,937	3,266,262,477	407,400,798	8,678,133	(6,009,657,484)	6,471,161,030
Non-controlling interests	-	-	-	-	-	-	994,970,562	994,970,562
Total liabilities and equity	2,876,755,648	4,613,344,143	2,787,357,860	3,565,821,354	506,582,965	8,908,258	(5,056,298,585)	8,274,343,268
Depreciation and amortisation charges	(7,258,124)	(16,483,547)	(23,346)	-	(8,023,704)	-	-	(31,788,721)

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

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NOTE 5 – OPERATING SEGMENTS (Continued)

31 December 2025	Lydia Holding	Lydia Yeşil Enerji	Ufuk Yatırım	Lydia Yatırım	EC Gayrimenkul	Lydia Enerji Elektrik	Elimination	Consolidated
Profit or Loss								
Revenue	4,399,317	53,229,195	-	18,982	14,296,095	-	(8,480,642)	63,462,947
Cost of Sales (-)	-	(34,002,465)	-	-	-	-	-	(34,002,465)
Gross Profit	4,399,317	19,226,730	-	18,982	14,296,095	-	(8,480,642)	29,460,482
Marketing, Sales and Distribution Expenses (-)	-	-	-	-	-	-	-	-
General Administrative Expenses (-)	(160,764,631)	(20,557,196)	(11,334,815)	(16,418,294)	(25,481,525)	(2,362,306)	8,477,641	(228,441,126)
Other Operating Income	517,459,344	18,964,859	870,306,672	141,094,850	341,882	1,572,151	7,105,942	1,556,845,700
Other Operating Expenses (-)	(31,309,248)	(60,059,501)	(7,780,924)	(3,177,410)	(12,961,481)	(292,716)	(7,970,598)	(123,551,878)
OPERATING PROFIT/(LOSS)	329,784,782	(42,425,108)	851,190,933	121,518,128	(23,805,029)	(1,082,871)	(867,657)	1,234,313,178
Share of Profit/(Loss) of Investments Accounted for Using the Equity Method	-	-	-	937,706,889	-	-	-	937,706,889
Gains from Investment Activities	(1,804,557)	2,340,981,702	-	24,888,901	2,195,486	1,548,735	(2,340,981,702)	26,828,565
Losses from Investment Activities (-)	-	(7,049,710)	-	(1,052,448,879)	-	-	7,049,710	(1,052,448,879)
OPERATING PROFIT BEFORE FINANCIAL INCOME/(EXPENSE)	327,980,225	2,291,506,884	851,190,933	31,665,039	(21,609,543)	465,864	(2,334,799,649)	1,146,399,753
Financial Income	-	19,887,350	-	11,263	102,784	782,661	(20,649,005)	135,053
Financial Expenses (-)	(127,923)	(16,024,229)	(40,131)	(738,772)	(8,080)	(362,024)	14,463,951	(2,837,208)
Net Monetary Position Gains/(Losses)	(796,545,829)	313,020,625	(34,941,494)	10,386,844	(61,061,628)	(2,437,621)	(772,668,608)	(1,344,247,711)
PROFIT/(LOSS) BEFORE TAX	(468,693,527)	2,608,390,630	816,209,308	41,324,374	(82,576,467)	(1,551,120)	(3,113,653,311)	(200,550,113)
- Current period tax income/(expense)	24,634,119	-	-	(30,989,192)	-	-	-	(6,355,073)
- Deferred tax income/(expense)	458,679,235	(553,234,634)	(221,408,945)	132,604,206	368,207	-	951,187,640	768,195,709
PROFIT/(LOSS) FOR THE PERIOD	14,619,827	2,055,155,996	594,800,363	142,939,388	(82,208,260)	(1,551,120)	(2,162,465,671)	561,290,523

31 December 2024	Lydia Holding	Lydia Yeşil Enerji	Ufuk Yatırım	Lydia Yatırım	Taze Kuru	Birinci Enerji	Elimination	Consolidated
Current assets	1,061,835,110	105,256,735	140,595,400	482,493,339	12,979,614	420,565	(33,135,353)	1,770,445,410
Non-current assets	1,751,794,158	825,644,432	1,831,211,161	5,648,460,594	36,637,089	13,078,941	(3,787,024,071)	6,319,802,304
Total assets	2,813,629,268	930,901,167	1,971,806,561	6,130,953,933	49,616,703	13,499,506	(3,819,838,537)	8,090,247,714
Current liabilities	3,720,868	50,494,347	1,851,117	260,918,910	59,600,540	3,650,913	(129,775,568)	250,461,127
Non-current liabilities	351,710	132,983,763	28,365,743	1,019,979,907	319,724	-	(446,331,306)	735,669,541
Total equity	2,809,556,689	-	1,941,589,704	4,850,055,117	-	-	(2,135,069,918)	7,466,131,592
Non-controlling interests	-	-	-	-	-	-	-	-
Total liabilities and equity	2,813,629,267	183,478,110	1,971,806,564	6,130,953,933	59,920,264	3,650,913	(2,710,855,905)	27,430,499,800
Depreciation and amortisation charges	(3,577,231)	(26,086,573)	-	-	(4,934,102)	-	-	(34,597,906)

NOTE 6 – CASH AND CASH EQUIVALENTS

As of 31 December 2025 and 2024, the functional breakdown of cash and cash equivalents is as follows:

Account Name	31 December 2025	31 December 2024
Banks	18,077,149	845,306,154
-Banks (Demand deposits)	12,588,926	23,055,619
- Banks (Time deposits up to 3 months)	5,488,223	822,250,535
Other cash and cash equivalents ^(*)	3,135,789	10,529,931
Total	21,212,938	855,836,085

(*) Other cash and cash equivalents amounting to TL 3,135,789 comprise of 06F fund in the current period (31 December 2024: 06F fund amounting TL 7,765,928 and İş Portföy Money Market fund amounting to TL 2,764,033).

As of 31 December 2025 and 2024, the breakdown of demand and time deposits denominated in TL and foreign currencies is as follows:

Currency	31 December 2025	31 December 2024
TL	6,181,531	406,801,664
USD	11,877,489	438,500,399
EUR	18,129	4,091
Total	18,077,149	845,306,154

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NOTE 6 – CASH AND CASH EQUIVALENTS (Continued)

The details of time deposits are as follows:

Currency	31 December 2025		31 December 2024	
	Amount	Annual effective interest rate (%)	Amount	Annual effective interest rate (%)
TL	5,488,223	38%	383,750,846	43%-50%
USD	-	-	438,499,689	3%
Total	5,488,223		822,250,535	

NOTE 7 – FINANCIAL INVESTMENTS

As of 31 December 2025 and 2024, the breakdown and details of short-term financial investments are as follows:

Account Name	31 December 2025	31 December 2024
Equity securities	-	235,398,593
Other financial investments	1,171,672,062	21,373,929
Total	1,171,672,062	256,772,522

As of 31 December 2025 and 2024, the breakdown and details of long-term financial investments are as follows:

The financial investments of the Group are classified and recognised as financial assets at fair value through profit or loss in the accompanying consolidated financial statements. As of 31 December 2025 and 2024, the details of long-term financial investments are as follows:

Account Name	31 December 2025	31 December 2024
1000 Yatırım Holding A.Ş.	1,038,066,301	1,741,986,092
Link Bilgisayar A.Ş.	51,893,614	400,422,702
Total	1,089,959,915	2,142,408,794

NOTE 8 – SHORT AND LONG-TERM BORROWINGS AND SHORT-TERM PORTION OF LONG-TERM BORROWINGS

As of 31 December 2025 and 2024, the breakdown of short-term borrowings is as follows:

Account Name	31 December 2025	31 December 2024
Other borrowings -Credit card payables	212,279	598,360
Total	212,279	598,360

As of 31 December 2025 and 2024, the Group has no long-term borrowings and short-term portion of long-term borrowings.

As of 31 December 2025 and 2024, the Group has no short and long-term lease liabilities.

NOTE 9 – OTHER FINANCIAL LIABILITIES

As of 31 December 2025 and 2024, the Group has no short and long-term other financial liabilities.

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NOTE 10 – TRADE RECEIVABLES AND PAYABLES

As of 31 December 2025 and 2024, the functional breakdown and detailed analysis of short-term trade receivables are as follows:

Account Name	31 December 2025	31 December 2024
Due from third parties	7,041,158	353,926,219
- <i>Customers</i>	7,041,158	354,064,835
- <i>Discount on notes receivables (-)</i>	-	(138,616)
- <i>Doubtful trade receivables</i>	10,850,000	15,383,122
- <i>Provision for doubtful trade receivables (-)</i>	(10,850,000)	(15,383,122)
Due from related parties (Note 38)	-	75,917,551
Total	7,041,158	429,843,770

As of 31 December 2025 and 2024, the Group has no long-term trade receivables.

As of 31 December 2025, the Group has doubtful trade receivables amounting to TL 10,850,000 (31 December 2024: TL 15,383,122) and provision for doubtful trade receivables is allocated in the accompanying consolidated financial statements.

The movement of provision for doubtful trade receivables is as follows:

	31 December 2025	31 December 2024
Beginning of the period – 1 January	15,383,122	20,504,410
Net monetary losses/(gains)	(4,533,122)	(5,121,288)
End of the period – 31 December	10,850,000	15,383,122

As of 31 December 2025 and 2024, the functional breakdown and detailed analysis of short-term trade payables are as follows:

Account Name	31 December 2025	31 December 2024
Due to third parties	1,738,215	1,636,151
- <i>Suppliers</i>	1,738,215	1,533,616
- <i>Discount on notes payable (-)</i>	-	(20,291)
- <i>Other</i>	-	122,826
Due to related parties (Note 38)	-	279,996
Total	1,738,215	1,916,147

As of 31 December 2025 and 2024, the Group has no long-term trade payables.

NOTE 11 – OTHER RECEIVABLES AND PAYABLES

As of 31 December 2025 and 2024, the functional breakdown and detailed analysis of short-term other receivables are as follows:

Account Name	31 December 2025	31 December 2024
Due from third parties	21,431	11,282,376
Due from subsidiaries	-	-
- <i>Deposits and guarantees given</i>	21,431	330,840
- <i>Due from tax office</i>	-	1,439,073
- <i>Due from employees</i>	-	81,444
- <i>Other</i>	-	124,307
- <i>Discount expenses (-)</i>	-	1,706
- <i>Doubtful other receivables</i>	17,431,690	22,275,352
- <i>Provision for doubtful other receivables (-)</i>	(17,431,690)	(12,970,346)
Total	21,431	11,282,376

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NOTE 11 – OTHER RECEIVABLES AND PAYABLES (Continued)

As of 31 December 2025 and 2024, the functional breakdown and detailed analysis of long-term other receivables are as follows:

Account Name	31 December 2025	31 December 2024
Due from third parties	111,797	44,362
- Deposits and guarantees given	111,797	44,362
Total	111,797	44,362

As of 31 December 2025 and 2024, the functional breakdown and detailed analysis of short-term other payables are as follows:

Account Name	31 December 2025	31 December 2024
Due to third parties	2,750,692	12,880,863
-Deposits and guarantees received	140,000	156,345
-Taxes payable	1,663,555	10,110,520
- Other	947,137	2,613,998
Due to related parties (Note 38)	-	155,861,018
Total	2,750,692	168,741,881

As of 31 December 2025 and 2024, the Group has no long-term other payables.

NOTE 12 – DERIVATIVE INSTRUMENTS

As of 31 December 2025 and 2024, the Group has no derivative instruments.

NOTE 13 – INVENTORIES

As of 31 December 2025 and 2024, the Group has no inventories.

NOTE 14 – RIGHT OF USE ASSETS

As of 31 December 2025 and 2024, the Group has no right of use assets.

NOTE 15 – PREPAID EXPENSES AND DEFERRED INCOME

As of 31 December 2025 and 2024, the functional breakdown and details of prepaid expenses are as follows:

Short-term prepaid expenses

Account Name	31 December 2025	31 December 2024
Due to third parties	1,765,267	35,434,342
- Short-term prepaid expenses	1,687,987	349,692
- Advances given	77,280	35,084,650
Total	1,765,267	35,434,342

Long-term prepaid expenses

Account Name	31 December 2025	31 December 2024
Due to third parties	33,331,600	117,190
- Long-term prepaid expenses	33,331,600	117,190
Total	33,331,600	117,190

As of 31 December 2025 and 2024, the Group has no short and long-term deferred income.

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NOTE 15 – PREPAID EXPENSES AND DEFERRED INCOME (Continued)

As of 31 December 2025 and 2024, the functional breakdown of short-term deferred income is as follows:

Short-term deferred income

Account Name	31 December 2025	31 December 2024
Deferred Income Due from Third Parties	149,202	300,240
-Advances received	149,202	300,240
Total	149,202	300,240

As of 31 December 2025 and 2024, the Group has no long-term deferred income.

NOTE 16 – INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

As of 31 December 2025 and 2024, the details of the investments accounted for using the equity method are as follows:

Account Name	31 December 2025	31 December 2024
Bulls Hava Taşımacılık A.Ş.	13,143,700	54,181,903
Bulls Yatırım Holding A.Ş.	2,045,198,416	1,066,453,323
Pastanza Gıda A.Ş.	5,420,725	-
Total	2,063,762,841	1,120,635,226

Bulls Hava Taşımacılık A.Ş.	31 December 2025	31 December 2024
Current assets	18,171,650	7,470,226
Non-current assets	98,777,971	147,072,019
Total assets	116,949,621	154,542,245

Current liabilities	8,804,696	7,328,445
Non-current liabilities	(3,069,845)	(4,018,192)
Equity	111,214,770	151,231,992
Total liabilities	116,949,621	154,542,245

Profit/(loss) for the period	(82,076,406)	(86,455,646)
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Bulls Yatırım Holding A.Ş.	31 December 2025	31 December 2024
Current Assets	11,134,366,360	8,315,569
Non-Current Assets	6,547,167,493	4,144,458,163
Total	17,681,533,853	4,152,773,732

Current Liabilities	7,768,096,447	9,678,338
Non-Current Liabilities	1,303,693,310	545,760,407
Equity	7,993,615,323	3,597,334,987
Non-Controlling Interests	616,128,773	-
Total	17,681,533,853	4,152,773,732

Profit/(Loss) for the Period	2,936,528,928	2,603,198,948
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NOTE 16 – INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

Pastanza Gıda A.Ş.	31 Aralık 2025	31 Aralık 2024
Current assets	49,699,923	-
Non-current assets	-	-
Total assets	49,699,923	-
Current liabilities	153,868	-
Non-current liabilities	-	-
Equity	49,546,055	-
Total liabilities	49,699,923	-
Profit/(loss) for the period	12,046,055	-

NOTE 17 – INVESTMENT PROPERTIES

The investment properties of the Group for the periods ended are presented in the table below. In accordance with TAS 40 "Investment Property", the properties of the Group include land and buildings that are not physical characteristic within the scope of operating activities and are held for investment purposes. Investment properties are carried at fair value in the accompanying consolidated financial statements.

Cost	Opening balance – 1 January 2025	Additions	Disposals	Revaluation surplus/(decrease)	Closing balance – 31 December 2025
Land	1,831,211,161	-	-	833,738,839	2,664,950,000
Buildings	312,975,336	-	-	(5,605,336)	307,370,000
Total	2,144,186,497	-	-	828,133,503	2,972,320,000

Cost	Opening balance – 1 January 2204	Additions	Disposals	Revaluation surplus/(decrease)	Closing balance – 31 December 2024
Land	824,428,458	1,704,537,304	(824,428,458)	126,673,857	1,831,211,161
Buildings	344,972,993	-	-	(31,997,657)	312,975,336
Total	1,169,401,451	1,704,537,304	(824,428,458)	94,676,200	2,144,186,497

The appraisal report regarding the fair value of the investment properties has been prepared by VERA Anonim Şirketi. The details of the fair values of investment properties are as follows:

Property parcel number	Nature	Location	Appraisal method	Fair value as of 31 December 2025	31.12.2024 Fair value 31.12.2025 Current purchasing power	REPORT NO
Block numbered 30/Parcel numbered 165	Office	Zorlu Office Beşiktaş	Peer comparison	176,100,000	85,682,118	2025_200
Block numbered 30/Parcel numbered 165	Office	Zorlu Office Beşiktaş	Peer comparison	168,340,000	42,841,059	2025_200
Block numbered 2947/Parcel numbered 69	Stpre	İnnova Esenyurt	Peer comparison	22,400,000	20,387,789	2026_198
Block numbered 1083/Parcel numbered 68	Office	Akasya Acıbadem	Peer comparison	116,630,000	121,223,312	2026_200
Block numbered 155/Parcel numbered 2	Land	Tuzla	Peer comparison	147,630,000	-	2026.201
Block numbered 161/Parcel numbered 1	Land	Tuzla	Peer comparison	279,070,000	-	2026.201
Block numbered 166/Parcel numbered 5	Land	Tuzla	Peer comparison	95,240,000	-	2026.201
Block numbered 175/Parcel numbered 1	Land	Tuzla	Peer comparison	334,430,000	-	2026.201
Block numbered 176/Parcel numbered 3	Land	Tuzla	Peer comparison	119,670,000	-	2026.201
Block numbered 178/Parcel numbered 1	Land	Tuzla	Peer comparison	144,240,000	-	2026.201
Block numbered 179/Parcel numbered 2	Land	Tuzla	Peer comparison	135,200,000	-	2026.201
Block numbered 187/Parcel numbered 1	Land	Tuzla	Peer comparison	341,110,000	-	2026.201
Block numbered 210/Parcel numbered 1	Land	Tuzla	Peer comparison	861,310,000	-	2026.201
Block numbered 201/Parcel numbered 1	Land	Tuzla	Peer comparison	149,800,000	-	2026.201
Block numbered 199/Parcel numbered 2	Land	Tuzla	Peer comparison	57,250,000	-	2026.201

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NOTE 18 – PROPERTY, PLANT AND EQUIPMENT

As of 31 December 2025 and 2024, the movements for property, plant and equipment, and related depreciation are as follows:

31.12.2025

Cost	Opening balance – 1 January 2025	Additions	Disposals	Changes from subsidiaries, net	Revaluation surplus/ (decrease)	Closing balance – 31 December 2025
Land	12,489,636	-	-	-	48,510,364	61,000,000
Buildings	187,833,528	-	-	-	(145,359)	187,688,169
Plant, machinery and equipment	741,814,744	293,566	(49,838,962)	-	(185,580,198)	506,689,150
Motor vehicles	20,640,828	24,609,068	-	9,732,816	7,553,615	62,536,327
Furniture and fixtures	33,839,548	1,850,936	(928,196)	9,118,584	2,648,870	46,529,742
Other property, plant and equipment	12,172	160,417	-	16,536	4,364	193,489
Leasehold improvements	47,109,721	3,448,531	-	16,584,282	(25,457,691)	41,684,843
Total	1,043,740,177	30,362,518	(50,767,158)	35,452,218	(152,466,035)	906,321,720

Accumulated depreciation	Opening balance – 1 January 2025	Current period depreciation	Disposals	Changes from subsidiaries, net	Revaluation surplus/ (decrease)	Closing balance – 31 December 2025
Buildings	(9,305,554)	(2,282,613)	-	-	3,839,305	(7,748,862)
Plant, machinery and equipment	(91,098,979)	(19,852,385)	16,879,487	-	(27,111,786)	(121,183,663)
Motor vehicles	(11,417,133)	(6,217,732)	-	4,934,250	(2,768,626)	(15,469,241)
Furniture and fixtures	(10,878,458)	(1,010,886)	769,748	(4,932,460)	(13,760,076)	(29,812,132)
Other property, plant and equipment	(1,428)	(58,159)	-	(6,741)	10,796,893	10,730,565
Leasehold improvements	(9,481,730)	(2,369,946)	-	(6,871,014)	9,629,317	(9,093,374)
Total	(132,183,282)	(31,791,721)	17,649,235	(6,875,965)	(19,374,973)	(172,576,706)
Net book value	911,556,895					733,745,014

31.12.2024

Cost	Opening balance – 1 January 2024	Additions	Disposals	Changes from subsidiaries, net	Revaluation surplus/ (decrease)	Transfers	Closing balance – 31 December 2024
Land	-	-	-	12,489,636	-	-	12,489,636
Buildings	203,796,280	-	-	-	(15,962,752)	-	187,833,528
Plant, machinery and equipment	188,602,880	-	(203,818)	279,527,485	273,051,349	836,848	741,814,744
Motor vehicles	25,910,196	655,524	-	(5,924,892)	-	-	20,640,828
Furniture and fixtures	22,036,933	6,655,688	(2,454,884)	(4,188,110)	11,789,921	-	33,839,548
Other property, plant and equipment	16,536	12,171	-	(16,535)	-	-	12,172
Leasehold improvements	11,700,243	26,295,310	-	2,324,716	1,916,091	4,873,361	47,109,721
Constructions in progress	7,446,557	-	(7,446,557)	5,710,209	-	(5,710,209)	-
Total	459,509,625	33,618,693	(10,105,259)	289,922,509	270,794,609	-	1,043,740,177

Accumulated depreciation	Opening balance – 1 January 2024	Current period depreciation	Disposals	Changes from subsidiaries, net	Revaluation surplus/ (decrease)	Transfers	Closing balance – 31 December 2024
Buildings	(7,016,310)	(2,289,244)	-	-	-	-	(9,305,554)
Plant, machinery and equipment	(95,153,018)	(27,198,808)	54,721	44,919,535	(13,721,409)	-	(91,098,979)
Motor vehicles	(7,261,697)	(4,155,436)	-	-	-	-	(11,417,133)
Furniture and fixtures	(10,605,392)	(2,441,225)	1,895,824	272,335	-	-	(10,878,458)
Other property, plant and equipment	(294)	(1,134)	-	-	-	-	(1,428)
Leasehold improvements	(1,088,454)	(5,471,232)	-	(2,922,044)	-	-	(9,481,730)
Total	(121,125,165)	(41,557,079)	1,950,545	42,269,826	(13,721,409)	-	(132,183,282)
Net book value	338,384,460						911,556,895

Total insurance coverage on property, plant and equipment is disclosed in **Note 22**.

The functional breakdown of depreciation and amortisation charges on property, plant and equipment is disclosed in **Note 30**.

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NOTE 19 – INTANGIBLE ASSETS

As of 31 December 2025 and 2024, the movements for intangible assets, and related depreciation are as follows:

Other intangible assets

31.12.2025

Cost	Opening balance – 1 January 2025	Changes from subsidiaries, net	Additions	Disposals	Closing balance – 31 December 2025
Rights	12,560,637	-	776,369	(3,508,549)	9,828,457
Goodwill	-	68,991,314	-	-	68,991,314
Other intangible assets	1,694,189	-	-	-	1,694,189
Total	14,254,826	68,991,314	776,369	(3,508,549)	80,513,960

Accumulated depreciation (-)	Opening balance – 1 January 2025	Changes from subsidiaries, net	Current period depreciation	Disposals	Closing balance – 31 December 2025
Rights	(13,401,486)	-	-	2,105,411	(11,296,075)
Total	(13,401,486)	-	-	2,105,411	(11,296,075)
Net book value	853,340				69,217,885

31.12.2024

Cost	Opening balance – 1 January 2024	Additions	Disposals	Closing balance – 31 December 2024
Rights	2,631,576	9,929,061	-	12,560,637
Other Intangible Non-Current Assets	-	1,694,189	-	1,694,189
Total	2,631,576	11,623,250	-	14,254,826

Accumulated depreciation	Opening balance – 1 January 2024	Current period depreciation	Disposals	Closing balance – 31 December 2024
Rights	(2,289,541)	(11,111,945)	-	(13,401,486)
Total	(2,289,541)	(11,111,945)	-	(13,401,486)
Net book value	342,035			853,340

Goodwill

The business combination realised by the Company on 30 December 2025, Lydia Holding acquired Lydia Yatırım Holding, represents a “business combination under common control”. Since there exists no specific standard in the Turkish Financial Reporting Standards (“TFRS”) regarding business combinations under common control, the business combination has considered in accordance with TAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”. Accordingly, the Group recognised goodwill amounting to TL 68,991,314. The relevant amount recognised under intangible assets as “goodwill” in the accompanying consolidated financial statements.

Total insurance coverage on intangible assets is disclosed in **Note 22**.

The functional breakdown of depreciation and amortisation charges on intangible assets is disclosed in **Note 30**.

NOTE 20 – EMPLOYEE BENEFITS

As of 31 December 2025 and 2024, the breakdown of employee benefits is as follows:

Account Name	31 December 2025	31 December 2024
Due to employees	19,321	143,255
Taxes payable	230,023	882,147
Social security premiums payable	877,634	733,834
Total	1,126,978	1,759,236

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NOTE 21 – GOVERNMENT GRANTS

As of 31 December 2025 and 2024, the Group has no short and long-term government grants.

NOTE 22 – PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

i) Other short-term provisions

Account Name	31 December 2025	31 December 2024
Provision for lawsuits	3,205,219	3,327,413
Provision for unused vacation	256,646	153,726
Total	3,461,865	3,481,139

As of 31 December 2025 and 2024, the movement of provision for lawsuit is as follows:

	31 December 2025	31 December 2024
Beginning of the period – 1 January	3,327,413	-
Additions	666,710	3,037,016
Adjustments for inflation	(788,904)	290,397
End of the period – 31 December	3,205,219	3,327,413

As of 31 December 2025 and 2024, the movement of provision for unused vacation is as follows:

	31 December 2025	31 December 2024
Beginning of the period – 1 January	153,726	319,811
Additions	256,646	-
Provisions no longer required	-	-
Adjustments for inflation	(153,726)	(166,085)
End of the period – 31 December	256,646	153,726

ii) Commitments, mortgages and guarantees not included in the liability

	31 December 2025	31 December 2024
Collaterals, Pledges, Mortgages and Bill of Guarantees Given by the Group		
A, Total amount of CPMB's given in the name of its own legal personality (*)	18,375,400	4,071,765
B, Total amount of CPMB's given on behalf of the fully consolidated subsidiaries	-	-
C, Total amount of CPMB's given on behalf of third parties for ordinary course of business	-	-
D, Total amount of other CPMB's given (**)	-	-
i) Total amount of CPMB's given on behalf of the majority shareholder	-	-
ii) Total amount of CPMB's given to on behalf of other group companies which are not in scope of B and C	-	-
iii) Total amount of CPMB's given on behalf of third parties which are not in scope of C	-	-
Total CPMB's	18,375,400	4,071,765

(*) As of 31 December 2025, letter of guarantee includes guarantees given to BEDAŞ amounting to TL 2,977,583 due to unlicensed energy production (under distribution agreement), Ankara Enforcement Directorate amounting to TL 1,929,895, Bakırköy Enforcement Office amounting to TL 1,100,000 and Energy Market Regulatory Authority ("EMRA") amounting to TL 12,367,922.

iii) Total Insurance Coverage on Assets:

As of 31 December 2025, the Group has insurance policy on plant, machinery and equipment amounting to USD 5,000,000.

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NOTE 22 – PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (Continued)

The details of the collateral/pledge/mortgage and guarantees given and received are as follows:

Type	Nature	Institution/Company	Currency	31 December 2025	31 December 2024
Guarantees	Given	Bank	TL	18,375,400	4,071,765
Collateral (*)	Given	Lydia Yeşil Enerji Kaynakları A.Ş.	TL	20,000,000	130,892
Collateral (*)	Given	Ufuk Yatırım Yönetim A.Ş.	TL	8,000,000	-
Collateral (*)	Given	Lydia Enerji Elektrik Üretim ve Depolama A.Ş.	TL	60,000,000	-
Pledge	Given	Lydia Enerji Elektrik Üretim ve Depolama A.Ş.	TL	5,000,000	-
Mortgage	Received	Other	EUR	-	72,140,456
Mortgage	Received	Other	TL	-	303,500

(*) The collateral amounting to TL 20,000,000 was received from Vakıfbank on behalf of Lydia Yeşil Enerji Kaynakları on 23 September 2024. The collateral amounting to TL 60,000,000 was received from Vakıfbank on behalf of Lydia Enerji Elektrik Üretim ve Depolama on 11 September 2025. The collateral amounting to TL 8,000,000 was received from Vakıfbank on behalf of Ufuk Yatırım Yönetim ve Gayrimenkul on 19 June 2025.

NOTE 23 – COMMITMENTS

As of 31 December 2025 and 2024, the Group has no short and long-term government commitments.

NOTE 24 – PROVISIONS FOR EMPLOYEE BENEFITS

Account Name	31 December 2025	31 December 2024
Provision for employment termination benefits	2,085,532	2,873,014
Total	2,085,532	2,873,014

Under Turkish Labour Law, Lydia Holding and its subsidiaries, associates and joint ventures are required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). As of 31 December 2025, the amount payable consists of one month's salary limited to a maximum of TL 64,949 (31 December 2024: TL 46,655).

The liability is not funded as there is no funding requirement.

The provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. TAS 19 ("Employee Benefits") requires actuarial valuation methods to be developed to estimate the entity's obligation under defined benefit plans. The calculation is based on the ceiling announced by the government. Accordingly, the following actuarial assumptions are used in the calculation of total liabilities:

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation.

The movements in the provision for employment termination benefits are as follows:

	31 December 2025	31 December 2024
Beginning of the period – 1 January	2,873,014	1,674,993
Payments during the period (-)	(1,117,645)	(94,036)
Interest costs	333,200	243,808
Service costs	246,752	591,665
Losses/(gains) on remeasurements of defined benefit plans	512,186	-
Actuarial (gains)/losses	235,786	342,200
Business combinations, net	-	197,787
Net monetary position gains/(losses)	(997,761)	(83,403)
End of the period – 31 December	2,085,532	2,873,014

LYDIA HOLDİNG ANONİM ŞİRKETİ

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NOTE 25 – TAX ASSETS AND LIABILITIES

As of 31 December 2025 and 2024 the detailed analysis of current income tax assets is as follows:

Account Name	31 December 2025	31 December 2024
Prepaid taxes	33,519,587	88,355,280
Total	33,519,587	88,355,280

NOTE 26 – OTHER ASSETS AND LIABILITIES

As of 31 December 2025 and 2024 the detailed analysis of other current assets is as follows:

Account Name	31 December 2025	31 December 2024
Deferred VAT	75,419,521	92,619,089
Advances given to employees	-	6,545
Other VAT	1,242,252	287,333
Provision for doubtful other assets (-)	-	8,068
Total	76,661,773	92,921,035

NOTE 27 – EQUITY

i) Non-controlling interests

Account Name	31 December 2025	31 December 2024
Non-controlling Interests	994,970,562	4,492,334,186
Total	994,970,562	4,492,334,186

ii) Share capital / Capital adjustments due to cross-ownership/ Treasury shares

None.

As of 31 December 2025 and 2024 the principal shareholders and their respective shareholding rates in Lydia Holding are as follows:

	31 December 2025		31 December 2024	
	Amount	Share (%)	Amount	Share (%)
Shareholders				
Enver Çevik	268,636,516	76.32%	131,700,776	63%
Other	83,354,798	23.68%	76,299,224	37%
Total capital	351,991,314	100%	208,000,000	100%
Adjustment to share capital	3,078,966,564		2,999,231,293	
Total share capital	3,430,957,878		3,207,231,293	

Capital increases during the period

As of 31 December 2025, the Group has no capital increases (31 December 2024: None).

Significant changes in shareholding structure

None.

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NOTE 27 – EQUITY (Continued)

iv) *Restricted reserves*

The breakdown of restricted reserves as of 31 December 2025 and 2024, is as follows:

Account Name	31 December 2025	31 December 2024
Legal reserves	53,488,399	53,450,627
Total	53,488,399	53,450,627

v) *Retained earnings*

Retained earnings include and other retained earnings and extraordinary reserves. The breakdown of retained earnings as of 31 December 2025 and 2024, is as follows:

Account Name	31 December 2025	31 December 2024
Retained earnings	2,437,658,335	(164,109,465)
Total	2,437,658,335	(164,109,465)

v) *Share premium*

The breakdown of share premium as of 31 December 2025 and 2024, is as follows:

Account Name	31 December 2025	31 December 2024
Share premium	1,711,299	1,711,299
Total	1,711,299	1,711,299

vi) *Other comprehensive income or expenses to be reclassified to profit or loss*

As of 31 December 2025 and 2024 the Group has no other comprehensive income or expenses to be reclassified to profit or loss recognized in equity.

vii) *Other comprehensive income or expenses not to be reclassified to profit or loss*

As of 31 December 2025 and 2024, the breakdown of other comprehensive income or expenses not to be reclassified to profit or loss recognized in equity is as follows:

Account Name	31 December 2025	31 December 2024
Gains/(losses) on revaluation and remeasurements	211,108,698	177,172,961
Share of profit/(loss) of investments accounted for using the equity method	(49,674,264)	(44,293,255)
Gains/(losses) on remeasurements of defined benefit plans	(26,897)	(111,712)
Gains/(losses) on remeasurements of defined benefit plans, tax effect	6,724	27,928
Total	161,414,261	132,795,922

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NOTE 27 – EQUITY (Continued)

viii) Other

As of 31 December 2025 and 2024, the breakdown of equity items is as follows:

Account Name	31 December 2025	31 December 2024
Paid-in share capital	351,991,314	208,000,000
Adjustment to share capital	3,078,966,564	2,999,231,293
Share premium	1,711,299	1,711,299
Other comprehensive income or expenses not to be reclassified to profit or loss	161,414,261	132,795,922
Restricted reserves	53,488,399	53,450,627
Retained earnings	2,437,658,335	(164,109,465)
Profit/(loss) for the period	385,930,858	(619,296,846)
Equity Attributable to Owners of Parent	6,471,161,030	2,611,782,860
Non-controlling interests	994,970,562	4,492,334,186
Total equity	7,466,131,592	7,104,117,046

NOTE 28 - REVENUE AND COST OF SALES

As of 31 December 2025 and 2024, the functional breakdown of revenue and cost of sales is as follows:

Account Name	1 January 2025 – 31 December 2025	1 January 2024 – 31 December 2024
Domestic sales	62,310,649	71,532,332
Other revenue	1,152,298	-
Net sales	63,462,947	71,532,332
Cost of sales (-)	(34,002,465)	(48,369,737)
Gross profit	29,460,482	23,162,595

NOTE 29 – RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES AND GENERAL ADMINISTRATIVE EXPENSES

As of 31 December 2025 and 2024, the functional breakdown of operating expenses is as follows:

Account Name	1 January 2025 – 31 December 2025	1 January 2024 – 31 December 2024
General administrative expenses (-)	(228,441,126)	(131,417,767)
Marketing, sales and distribution expenses (-)	-	(139,806)
Total operating expenses (-)	(228,441,126)	(131,557,573)

LYDIA HOLDİNG ANONİM ŞİRKETİ

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(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL on 31 December 2025, unless otherwise indicated.)

NOTE 30 – EXPENSES BY NATURE

As of 31 December 2025 and 2024, the functional breakdown of marketing, sales and distribution expenses and general administrative expenses recognized under expenses by nature is as follows:

Account Name	1 January 2025 – 31 December 2025	1 January 2024 – 31 December 2024
Marketing, sales and distribution expenses	-	(139,806)
(-)	-	-
Other expenses	-	(139,806)
General administrative expenses (-)	(228,441,126)	(131,417,767)
Personnel expenses	(72,172,819)	(35,902,610)
Taxes, duties and charges	(58,795,943)	(32,856,798)
Advertisement and promotion expenses	(27,334,254)	-
Depreciation and amortisation charges	(18,254,388)	(14,045,391)
Consultancy expenses	(15,480,904)	(8,071,893)
Litigation costs, fees and charges	(7,989,029)	-
Subscription costs	(5,659,977)	(3,039,995)
IT expenses	(5,323,421)	(2,000,332)
Rent expenses	(3,598,927)	(5,475,832)
Provision for employment termination benefits	(2,259,766)	-
Stationery expenses	(2,031,875)	(1,132,763)
Management contribution costs	(1,809,601)	-
Building common costs	(1,727,261)	-
Other general administrative expenses	(1,587,543)	(4,572,353)
Representation and hospitality expenses	(878,823)	-
Grants and donations	(838,238)	-
Insurance expenses	(834,820)	(534,601)
Audit expenses	(612,852)	-
Motor vehicle expenditures	(591,139)	-
Travel and accommodation expenses	(414,108)	(17,953,061)
Maintenance and repair expenses	(192,328)	(5,832,138)
Provision for unused vacation	(30,405)	-
Communication expenses	(22,705)	-
Total operating expenses, net (-)	(228,441,126)	(131,557,573)

The functional breakdown of depreciation and amortisation charges recognized under consolidated statement of profit or loss is as follows:

Account Name	1 January 2025 – 31 December 2025	1 January 2024 – 31 December 2024
General administrative expenses (-)	(18,254,388)	(14,045,391)
Depreciation and amortisation charges, net	(18,254,388)	(14,045,391)

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NOTE 31 – OTHER OPERATING INCOME/(EXPENSES)

As of 31 December 2025 and 2024, the breakdown of other operating income and expenses is as follows:

Account Name	01.01.2025 31.12.2025	01.01.2024 31.12.2024
Other operating income	1,556,845,700	602,023,681
Gain on sale of marketable securities	630,786,802	1,110,820
Other income and profit	40,052,308	-
Income from sales of motor vehicle	27,744,433	-
Interest income	27,182,918	-
Gain on sale of non-current assets	13,719,297	-
Foreign exchange gains	6,543,828	479,126,741
Rent income	2,993,736	3,589,593
Provision for doubtful receivables	902,501	1,578,446
Income from grants and incentives	348,275	-
Income from service activities	255,694	-
Reversal of discount income	105,901	114,875,788
Income from scrap sales	65,634	139,623
Other operating income	806,144,373	1,602,670
Other operating expenses (-)	(123,551,878)	(87,968,192)
Loss on sale of non-current assets (-)	(46,891,811)	-
Loss on sale of marketable securities (-)	(28,903,686)	-
Interest expenses (-)	(9,547,387)	-
Expenses from grants and donations	(7,938,828)	-
Expenses from provision for doubtful receivables (-)	(7,522,519)	(1,181,305)
Expenses from provision for lawsuits (-)	(666,710)	(3,037,016)
Rent expenses (-)	(105,801)	-
Foreign exchange losses (-)	(70,644)	-
Foreign exchange losses	-	(70,997,835)
Discount expenses (-)	-	(204,316)
Other expenses and losses (-)	(21,904,492)	(12,547,720)
Other operating income/(expenses), (net)	1,433,293,822	514,055,489

NOTE 32 – GAINS/(LOSSES) FROM INVESTMENT ACTIVITES

As of 31 December 2025 and 2024, the breakdown of gains and losses from investment activities is as follows:

Account Name	01.01.2025 31.12.2025	01.01.2024 31.12.2024
Gains from investment activities	26,828,565	183,920,224
Gain on sale of marketable securities	26,454,482	129,246,792
Gains from changes in fair value of investment properties	2,178,640	-
Gain on disposal of an associate	(1,804,557)	54,673,432
Losses from investment activities (-)	(1,052,448,879)	(186,556,081)
Loss on sale of marketable securities	(1,043,220,529)	-
Provision for impairment on non-current assets	(7,049,710)	-
Losses from changes in fair value of investment properties	(2,178,640)	-
Loss on bargain purchase	-	(186,556,081)
Gains/(losses) from investment activities, (net)	(1,025,620,314)	(2,635,857)

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NOTE 33 FINANCIAL INCOME/(EXPENSES)

As of 31 December 2025 and 2024 the breakdown of financial income is as follows:

Account Name	01.01.2025	01.01.2024
	31.12.2025	31.12.2024
Interest income	135,053	-
Total	135,053	-

As of 31 December 2025 and 2024 the breakdown of financial expenses is as follows:

Account Name	01.01.2025	01.01.2024
	31.12.2025	31.12.2024
Interest expenses (-)	(2,837,208)	(2,500,558)
Total	(2,837,208)	(2,500,558)

NOTE 34 NET MONETARY POSITION GAINS/(LOSSES)

As of 31 December 2025 and 2024, the details of net monetary position gains/(losses) is as follows:

Non-Monetary Items	01.01.2025	31.12.2025	01.01.2024	31.12.2024
	Statement of Financial Position		(1,296,187,877)	
Marketable securities		769,221,711		-
Property, plant and equipment and intangible assets		182,804,661		159,190,463
Deferred tax assets		(139,018,217)		-
Adjustment to share capital		(5,121,597,050)		(1,855,845,183)
Share premium		(35,759,839)		(117,359,041)
Restricted reserces		2,650,373,542		-
Retained earnings		762,051,382		915,175,441
Property, plant and equipment revaluation surplus		(48,330,081)		(69,115,913)
Investment properties		432,190,161		
Other		(748,124,147)		57,972,255
Statement of Profit or Loss		(48,059,834)		(59,895,290)
Revenue		(1,669,835)		(8,772,136)
Cost of sales (-)		1,183,392		3,593,443
Marketing, sales and distribution expenses (-)		-		
General administrative expenses		14,083,243		11,707,243
Other operating income/expenses		(57,304,697)		(55,797,283)
Other extraordinary expenses and losses		2,764,828		
Tax expenses		(6,694,692)		
Financial income/expenses		(421,071)		4,006,341
Gains from investment activities		(1,002)		(14,632,898)
Net monetary position gains (losses)		(1,344,247,711)		(969,877,268)

NOTE 35 – NON-CURRENT ASSETS HELD FOR SALE

As of 31 December 2025 and 2024, the Group has no non-current assets held for sale.

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NOTE 36 – INCOME TAXES

The Group's tax expense (or income) consists of current period's corporate tax expense and deferred tax expense (or income). As of 31 December 2025 and 2024, the breakdown and detailed analysis of income taxes are as follows:

Account Name	1 January 2025 – 31 December 2025	1 January 2024 – 31 December 2024
Current period tax income/(expense)	(6,355,073)	(51,805,796)
Deferred tax income/(expense)	768,195,709	4,389,876
Total tax income/(expense)	761,840,636	(47,415,920)

i) Corporate tax

As of 31 December 2025, the paragraph amended by Article 25 of Law No. 7394 shall apply to corporate earnings for the 2025 tax year, with corporate tax levied at a rate of 25% on corporate earnings. The corporate tax to be accrued on the taxable income is calculated on the basis of the deduction of the expenses that cannot be deducted from the tax base expense in the determination of the earnings, and the amount of dividends received from domestic companies is calculated over taxable income and investment allowances. According to Corporate Tax Law Article numbered 20, the corporate tax is imposed by the taxpayer's tax returns. Companies file their corporate tax returns between 1-30 April following the close of the accounting year.

Account Name	31 December 2025	31 December 2024
Tax provision	37,344,265	76,174,270
Prepaid taxes (-)	(870,124)	(2,510,146)
Total	36,474,141	73,664,124

The corporate tax to be accrued on the taxable income is calculated on the basis of the deduction of the expenses that cannot be deducted from the tax base expense in the determination of the earnings, and the amount of dividends received from domestic companies is calculated over taxable income and investment allowances.

Corporate tax rates

As of 31 December 2025, the effective corporate tax rate applied in Türkiye is 25% (31 December 2024: 25%). The sixth paragraph added to Article 32 of the Corporate Tax Law No. 5520 ("CTL") by Article 35 of Law No. 7256, it is stipulated that the corporate tax rate shall be reduced by 2 percentage points for the corporate profits of the first five accounting periods starting from the accounting period in which the shares of institutions whose shares are offered to the public for the first time at a rate of at least 20% on the Borsa Istanbul Stock Exchange are first offered to the public.

According to Turkish Corporate Tax Law, losses can be carried forward to offset the future taxable income for a maximum period of 5 years. On the other hand, such losses cannot be carried back to offset prior years' profits.

According to corporate tax law article numbered 20, the corporate tax is imposed by the taxpayer's tax returns. In Türkiye, there is no procedure for a final and definitive agreement on tax assessments. Companies file their corporate tax returns between 1-30 April following the close of the accounting year. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

The corporate tax rate is applied to the tax base calculated by adding expenses that are not deductible under tax laws to the operating profit of corporations, and deducting exemptions (such as the participation income exemption, investment deduction exemption, etc.) and deductions (such as the R&D deduction and other) provided for in tax laws. No other tax is payable if profits are not distributed.

Income withholding tax

In addition to the corporate tax, it is required to calculate income tax withholding on any dividends, except for those distributed to all taxpayer entities and Turkish branches of foreign companies gaining dividend for such distribution and declaring these dividends within the corporate profit. The rate of income withholding tax implemented as 10% between 24 April 2003 and 22 July 2006. The rate of withholding tax has been increased from 10% to 15% upon the Cabinet decision No: 2006/10731, which was published in Official Gazette on 23 July 2006.

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NOTE 36 – INCOME TAXES (Continued)

ii) Deferred tax

Lydia Holding and its subsidiaries recognise deferred tax assets and liabilities based upon temporary differences arising between their financial statements prepared in accordance with TFRS/TAS and the Turkish tax legislations. These differences usually result in the recognition of revenue and expenses in different reporting periods for tax purposes and for the purposes of the TFRS/TAS and disclosed below.

The breakdown of cumulative temporary differences and deferred tax assets and liabilities provided using principal tax rates are as follows:

	31.12.2025	31.12.2024
Deferred tax assets	-	-
Deferred tax liabilities	(760,712,772)	(732,796,527)
Total	(760,712,772)	(732,796,527)
	31.12.2025	31.12.2024
Beginning of the period – 1 January	(732,796,572)	(789,005,845)
Deferred tax income/(expense) during the period	768,195,709	4,389,876
Charge to the other comprehensive income	(5,402,213)	(44,265,327)
Adjustments for inflation/Business combination, net	(790,709,696)	96,084,724
End of the period – 31 December	(760,712,772)	(732,796,572)

NOTE 37 – EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

	31 December 2025	31 December 2024
Profit for the period from continuing operations	561,290,523	(619,296,846)
Average number of shares outstanding during the period	351,991,314	208,000,000
Earnings per share from continuing operations	1.5946	(2.9774)

NOTE 38 – RELATED PARTY DISCLOSURES

a) Related party balances are as follows:

As of 31 December 2025 and 2024, the details of trade receivables due from related parties are as follows:

	31 December 2025	31 December 2024
Trade receivables		
1000 Yatırımlar Holding A.Ş.	-	75,917,551
Total	-	75,917,551

As of 31 December 2025 and 2024, the Group has no trade payables due to related parties.

As of 31 December 2025 and 2024, the Group has no other receivables due from related parties.

As of 31 December 2025 and 2024, the details of other payables due to related parties are as follows:

	31 December 2025	31 December 2024
Other payables		
Enver Çevik	-	155,861,018
Total	-	155,861,018

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NOTE 38 – RELATED PARTY DISCLOSURES (Continued)

b) The related party transactions is as follows:

As of 31 December 2025 and 2024, the details of related party transactions are as follows:

1 January – 31 December 2025	Interest income	Purchases	Rent expenses
1000 Yatırım Holding A.Ş.	5,878,462	-	-
Total	5,878,462	-	-

1 January – 31 December 2024	Interest income	Purchases	Rent expenses
Bulls Hava Taşımacılığı A.Ş.	-	11,435,776	-
Total	-	11,435,776	-

Key management compensation

As of 31 December 2025, total key management compensation incurred by Lydia Holding is as follows:

	1 January - 31 December 2025	1 January - 31 December 2024
Key management compensation	9,823,929	14,400,987
Total	9,823,929	14,400,987

NOTE 39 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Capital risk management

The Group's main objectives for capital management are to keep the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Group consists of financial liabilities including borrowings explained in note 8, cash and cash equivalents explained in note 6 and resource items containing respectively issued share capital, capital reserves, profit reserves and retained earnings explained in note 27. Risks, associated with each capital class, and the senior management evaluates the capital cost. It is aimed that the capital structure will be stabilized by means of new borrowings or repaying the existing debts as well as dividend payments and new share issuances based on the senior management evaluations.

The Group monitors capital on the basis of the net financial debt/total equity ratio. This ratio calculated as dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (includes borrowings, finance leases and trade payables as disclosed in the consolidated statement of financial position). Total capital is calculated as equity, as presented in the consolidated statement of financial position, plus net debt. General strategy based on the Group's equity does not differ from the prior period. The Group's risk management policy mainly focuses on the unpredictability and volatility of financial markets, and it is aimed to minimize potential adverse effects with the policies implemented.

Consolidated net financial debt/invested capital ratio as of 31 December 2025 and 2024 is as follows:

	31 December 2025	31 December 2024
Total borrowings	841,369,489	986,451,555
Less: Cash and cash equivalents	21,212,938	855,836,085
Net financial debt	862,582,427	1,842,287,640
Equity	7,466,131,592	7,104,117,046
Invested capital	8,328,714,019	8,946,404,686
Net financial debt/invested capital ratio	10.36%	20.59%

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NOTE 39 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

Foreign exchange risk

The Group is exposed to foreign exchange risk due to changes in exchange rates used in the translation of foreign currency denominated assets and liabilities to Turkish Lira. The Group has a net foreign currency denominated open position due to its borrowings, trade receivables and payables denominated in foreign currencies. The Group management evaluates and monitors the balance of the assets and liabilities denominated in Turkish Lira as open positions. The following table details the Group's foreign currency sensitivity as at 31 December 2025 and 2024 for the changes at the rate of 10%:

Foreign Exchange Sensitivity Analysis				
Current period - (31.12.2025)				
	Profit/Loss		Equity	
	Appreciation of Foreign Currency	Depreciation of Foreign Currency	Appreciation of Foreign Currency	Depreciation of Foreign Currency
Change in USD against TL by 10%				
1- USD Net Asset / Liability	1,189,892	(1,189,892)	1,189,892	(1,189,892)
2- Hedged portion of USD Risk (-)	-	-	-	-
3- USD Net Effect (1+2)	1,189,892	(1,189,892)	1,189,892	(1,189,892)
Change in EUR against TL by 10%				
4- EUR Net Asset / Liability	1,811	(1,811)	1,811	(1,811)
5- Hedged portion of EUR Risk (-)	-	-	-	-
6- EUR Net Effect (4+5)	1,811	(1,811)	1,811	(1,811)
TOTAL (3+6)	1,191,703	(1,191,703)	1,191,703	(1,191,703)

Foreign Exchange Sensitivity Analysis				
Prior period - (31.12.2024)				
	Profit/Loss		Profit/Loss	
	Appreciation of Foreign Currency	Depreciation of Foreign Currency	Appreciation of Foreign Currency	Depreciation of Foreign Currency
Change in USD against TL by 10%				
1- USD Net Asset / Liability	34,917,951	(34,917,951)	34,917,951	(34,917,951)
2- Hedged portion of USD Risk (-)	-	-	-	-
3- USD Net Effect (1+2)	34,917,951	(34,917,951)	34,917,951	(34,917,951)
Change in EUR against TL by 10%				
4- EUR Net Asset / Liability	60,626	(60,626)	60,626	(60,626)
5- Hedged portion of EUR Risk (-)	-	-	-	-
6- EUR Net Effect (4+5)	60,626	(60,626)	60,626	(60,626)
TOTAL (3+6)	34,978,577	(34,978,577)	34,978,577	(34,978,577)

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

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Foreign Exchange Position								
	31.12.2025				31.12.2024			
	TL equivalent	USD	EUR	GBP	TL equivalent	USD	EUR	GBP
1. Trade Receivables	21,431	500	-	-	-	-	-	-
2a. Monetary Financial Assets	11,895,599	277,108	359	-	349,785,767	9,913,311	16,500	-
2b. Non-Monetary Financial Assets	-	-	-	-	-	-	-	-
3. Other	-	-	-	-	-	-	-	-
4. Total Current Assets (1+2+3)	11,917,030	277,608	359	-	349,785,767	9,913,311	16,500	-
5. Trade Receivables	-	-	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-	-	-
6b. Non- Monetary Financial Assets	-	-	-	-	-	-	-	-
7. Other	-	-	-	-	-	-	-	-
8. Total Non-Current Assets (5+6+7)	-	-	-	-	-	-	-	-
9. Total Assets (4+8)	11,917,030	277,608	359	-	349,785,767	9,913,311	16,500	-
10. Trade Payables	-	-	-	-	-	-	-	-
11. Financial Liabilities	-	-	-	-	-	-	-	-
12a. Other Monetary Liabilities	-	-	-	-	-	-	-	-
12b. Other Non- Monetary Liabilities	-	-	-	-	-	-	-	-
13. Total Current Liabilities (10+11+12)	-	-	-	-	-	-	-	-
14. Trade Payables	-	-	-	-	-	-	-	-
15. Financial Liabilities	-	-	-	-	-	-	-	-
16a. Other Monetary Liabilities	-	-	-	-	-	-	-	-
16b. Other Non- Monetary Liabilities	-	-	-	-	-	-	-	-
17. Total Non-Current Liabilities (14+15+16)	-	-	-	-	-	-	-	-
18. Total Liabilities (13+17)	-	-	-	-	-	-	-	-
19. Off-Balance Sheet Derivative Instruments Net Asset / (Liability) Position (19a-19b)	-	-	-	-	-	-	-	-
19a. Total Asset Amount of Hedged	-	-	-	-	-	-	-	-
19b. Total Liabilities Amount of Hedged	-	-	-	-	-	-	-	-
20. Net Foreign Exchange Asset / (Liability) Position (9-18+19)	11,917,030	277,608	359	-	349,785,767	9,913,311	16,500	-
21. Monetary Items Net Foreign Exchange Asset / (Liabilities) Position (1+2a+3+5+6a-10-11-12a-14-15-16a)	11,917,030	277,608	359	-	349,785,767	9,913,311	16,500	-
22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedge	-	-	-	-	-	-	-	-
23. Export	-	-	-	-	-	-	-	-
24. Import	-	-	-	-	-	-	-	-

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NOTE 39 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS
(Continued)

Credit risk management

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group's credit risk arises from trade receivables. Trade receivables of the Group is trying to be managed as the credit risk by limiting the transactions with certain parties and continuously evaluating the reliability of the related parties. Trade receivables are evaluated by taking into consideration the Group's accounting policies and procedures. Total credit risk of the Group is presented in the consolidated statement of financial position less provision for doubtful receivables (Note 10).

As of 31 December 2025 and 2024, the exposure of consolidated financial assets to credit risk is as follows:

CREDIT RISK DETAILS IN RESPECT OF FINANCIAL INSTRUMENT TYPES

31.12.2025

	Receivables				Notes	Bank Deposits	Notes
	Trade Receivables		Other Receivables				
	Related Party	Other	Related Party	Other			
Maximum exposure to credit risk as of reporting date (A+B+C+D+E)	-	7,041,158	-	21,431	10-11	18,077,149	6
- <i>Maximum risk secured with guarantees and collaterals</i>	-	-	-	-	10-11	-	6
A. Net book value of neither past due nor impaired financial assets	-	7,041,158	-	21,431	10-11	18,077,149	6
B. Conditions are renegotiated otherwise, net book value of past due but not impaired financial assets	-	-	-	-	10-11	-	6
C. Net book value of past due but not impaired financial assets	-	-	-	-	10-11	-	6
- <i>Secured with guarantees and collaterals</i>	-	-	-	-	10-11	-	6
D. Net book value of impaired assets	-	-	-	-	10-11	-	6
- Past due (gross book value)	-	<i>10,850,000</i>	-	-	10-11	-	6
- <i>Impairment (-)</i>	-	<i>(10,850,000)</i>	-	-	10-11	-	6
- <i>Secured with guarantees and collaterals</i>	-	-	-	-	10-11	-	6
- Not past due (gross book value)	-	-	-	-	10-11	-	6
- <i>Impairment (-)</i>	-	-	-	-	10-11	-	6
- <i>Secured with guarantees and collaterals</i>	-	-	-	-	10-11	-	6
E. Off-balance sheet expected credit losses (-)	-	-	-	-	10-11	-	6

31.12.2024

	Receivables				Notes	Bank Deposits	Notes
	Trade Receivables		Other Receivables				
	Related Party	Other	Related Party	Other			
Maximum exposure to credit risk as of reporting date (A+B+C+D+E)	75,917,551	353,926,219	-	11,282,376	10-11	845,306,154	6
- <i>Maximum risk secured with guarantees and collaterals</i>	-	-	-	-	10-11	-	6
A. Net book value of neither past due nor impaired financial assets	75,917,551	353,926,219	-	11,282,376	10-11	845,306,154	6
B. Conditions are renegotiated otherwise, net book value of past due but not impaired financial assets	-	-	-	-	10-11	-	6
C. Net book value of past due but not impaired financial assets	-	-	-	-	10-11	-	6
- <i>Secured with guarantees and collaterals</i>	-	-	-	-	10-11	-	6
D. Net book value of impaired assets	-	-	-	-	10-11	-	6
- Past due (gross book value)	-	<i>15,383,122</i>	-	-	10-11	-	6
- <i>Impairment (-)</i>	-	<i>(15,383,122)</i>	-	-	10-11	-	6
- <i>Secured with guarantees and collaterals</i>	-	-	-	-	10-11	-	6
- Not past due (gross book value)	-	-	-	-	10-11	-	6
- <i>Impairment (-)</i>	-	-	-	-	10-11	-	6
- <i>Secured with guarantees and collaterals</i>	-	-	-	-	10-11	-	6
E. Off-balance sheet expected credit losses (-)	-	-	-	-	10-11	-	6

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NOTE 39 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

(Continued)

Liquidity risk

Liquidity risk is the risk that a Group will be unable to meet its funding needs. Prudent liquidity risk management is to provide sufficient cash and cash equivalents, to enable funding with the support of credit limits provided by reliable credit institutions and to close funding deficit. The Group provides funding by balancing cash inflows and outflows through the provision of credit lines in the business environment.

Liquidity risk statements

Prudent liquidity risk management signifies maintaining sufficient cash, the utility of fund sources by sufficient credit transactions and the ability to close out market positions. The ability to fund existing and prospective debt requirements is managed by maintaining the availability of adequate and high-quality lenders.

Undiscounted contractual cash flows of the derivative and non-derivative consolidated financial liabilities in TL as of 31 December 2025 and 2024 are as follows:

31.12.2025

Contractual maturities	Carrying value	Total contractual cash outflows	Demand or up to 3 months	3-12 months	1-5 years
Non-derivative financial liabilities	4,701,186	4,701,186	4,701,186	-	-
Bank borrowings (*)	212,279	212,279	212,279	-	-
Trade payables	1,738,215	1,738,215	1,738,215	-	-
Other payables	2,750,692	2,750,692	2,750,692	-	-

31.12.2024

Contractual maturities	Carrying value	Total contractual cash outflows	Demand or up to 3 months	3-12 months	1-5 years
Non-derivative financial liabilities	171,256,388	171,256,388	171,256,388	-	-
Bank borrowings (*)	598,360	598,360	598,360	-	-
Trade payables	1,916,147	1,916,147	1,916,147	-	-
Other payables	168,741,881	168,741,881	168,741,881	-	-

(*) As of 31 December 2025 and 2024, the Group has no credit cards.

Interest rate risk

The Group is exposed to interest rate risk arising from the rate changes on interest-bearing liabilities and assets. The Group manages this risk by balancing the repricing terms of interest-bearing assets and liabilities with fixed-floating interest and short-long-term nature of borrowings.

Interest position

Fixed-interest rate financial instruments	31 December 2025	31 December 2024
Financial assets	3,135,789	10,529,931
Financial liabilities	212,279	598,360
Floating- interest rate financial instruments		
Financial assets	-	-
Financial liabilities	-	-

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NOTE 39 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS
(Continued)

Fair value of financial assets and liabilities

Fair value is the amount for which a financial asset could be exchanged, or a liability settled between, willing parties during current transaction, other than in a forced sale or liquidation, and is best evidenced through a quoted market price, if one exists. Financial assets and liabilities denominated in foreign exchanges have been translated at the exchange rates prevailing at the balance sheet date.

The following methods and assumptions are used to estimate the fair values of financial instruments:

Financial assets

The carrying values of cash and cash equivalents including cash on hand and demand deposits, accrued interests and other financial assets are considered to approximate their respective carrying values due to their short-term nature and insignificant credit risk. The carrying values of trade receivables less provision for doubtful receivables are considered to approximate their respective carrying values.

Financial liabilities

The fair values of trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. Bank borrowings are carried at cost and transaction costs are included in initial costs of borrowings. Since the interest rates on it are updated considering the changing market conditions, it is considered to approximate their respective carrying values. The carrying values of trade payables are considered to approximate their respective carrying values due to their short-term nature.

NOTE 40 - FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING)

The fair values of financial instruments are considered to approximate their respective carrying values due to their short-term nature.

Financial risk management

The Group is exposed to variety of financial risks due to its operations. These risks include credit risk, market risk (foreign exchange risk, fair value interest rate risk and price risk) cash flow interest rate risk and liquidity risk. The Group's overall risk management strategy focuses on the unpredictability of financial markets and targets to minimise potential adverse effects on the Group's financial performance.

Fair value of financial instruments

The fair value of financial instruments is determined using valuation techniques based on observable market data, market comparable approach that reflects recent transaction prices for similar properties and discounted cash flows. Estimated fair values of financial instruments have been determined by the Group by using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data. Accordingly, estimates presented herein are not necessarily indicative of the amounts the Group could realise in a current market exchange. The following methods and assumptions are used to estimate the fair values of financial instruments:

Monetary assets

The fair values of certain financial assets carried at cost including cash and cash equivalents and other financial assets are considered to approximate their respective carrying values due to their short-term nature. The carrying values of trade receivables less provision for doubtful receivables are considered to approximate their respective carrying values.

LYDIA HOLDİNG ANONİM ŞİRKETİ

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

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NOTE 40 - FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING) (Continued)

Monetary liabilities

The fair value of financial liabilities and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.

31.12.2025	Other financial assets at amortised cost	Financial assets/(liabilities) at fair value through other comprehensive income	Other financial liabilities at amortised cost	Carrying value	Fair value	Notes
Financial assets						
Cash and cash equivalents	21,212,938	-	-	21,212,938	21,212,938	6
Trade receivables	7,041,158	-	-	7,041,158	7,041,158	10
Other receivables	21,431	-	-	21,431	21,431	11
Financial investments	1,171,672,062	1,089,959,915	-	2,261,631,977	2,261,631,977	7
Financial liabilities						
Borrowings	-	-	212,279	212,279	212,279	8
Trade payables	-	-	1,738,215	1,738,215	1,738,215	10
Other payables	-	-	2,750,692	2,750,692	2,750,692	11

31.12.2024	Other financial assets at amortised cost	Financial assets/(liabilities) at fair value through other comprehensive income	Other financial liabilities at amortised cost	Carrying value	Fair value	Notes
Financial assets						
Cash and cash equivalents	855,836,085	-	-	855,836,085	855,836,085	6
Trade receivables	429,812,964	-	-	429,812,964	429,812,964	10
Other receivables	11,282,376	-	-	11,282,376	11,282,376	11
Financial investments	256,772,522	2,142,408,794	-	2,399,181,316	2,399,181,316	7
Financial liabilities						
Borrowings	-	-	598,360	598,360	598,360	8
Trade payables	-	-	1,916,147	1,916,147	1,916,147	10
Other payables	-	-	168,741,881	168,741,881	168,741,881	11

Fair value is the amount for which a financial instrument could be exchanged, or a liability settled between, willing parties during current transaction, other than in a forced sale or liquidation, and is best evidenced through a quoted market price, if one exists.

The Group determined fair value of financial instruments by using available market information and appropriate valuation methods. However, evaluating the market information and forecasting the real values requires interpretation. As a result, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange.

Financial assets

The carrying values of financial assets carried at amortised cost including cash and cash equivalents and other financial assets are considered to approximate their respective carrying values due to their short-term nature and insignificant credit risk.

The classification of the Group's consolidated financial assets and liabilities at fair value is as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities: The fair value of financial assets and financial liabilities are determined with reference to quoted market prices.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices):

Level 3: Inputs for the asset or liability that are not based on observable market data.

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NOTE 41 - EVENTS AFTER THE REPORTING PERIOD

In accordance with the decision of the “General Assembly” of Lydia Yeşil Enerji Kaynakları Anonim Şirketi, the subsidiary of Lydia Holding with 64.89% effective ownership interest on 27 February 2026, considering the relevant authorisation from the Capital Markets Board (the “CMB”) and the approval of the business combination agreement at the relevant general meetings, articles numbered 134 of the Turkish Commercial Code No. 6102, articles numbered 18, 19 and 20 of the Corporate Tax Law No. 5520, articles numbered 23 and 24 of the Capital Markets Law No. 6362, and the provisions of the relevant legislation, including the “Capital Markets Board's Merger and Division Circular No. II-23.2 on Mergers and Divisions” and” II-23.3 on Significant Transactions and Right of Withdrawal”, among other relevant legislation, it has been decided that Batılman Liman İşletmeleri, a subsidiary of Batıçim Batı Anadolu Çimento with a 90% effective ownership interest, will subject to business combination with Lydia Yeşil Enerji Kaynakları, which will transfer its assets and liabilities considered. An application was submitted to the Capital Markets Board (the “CMB”) on the same date regarding the aforementioned business combination.

NOTE 42 - FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR / INDEPENDENT AUDIT FIRMS

As of 31 December 2025, the details of the fees and expenses relating to other services received from independent auditors and independent audit firms are as follows:

	1 January – 31 December 2025	1 January – 31 December 2024
Audit fee for the reporting period	780,000	736,129
Total	780,000	736,129

NOTE 43 - THE OTHER MATTERS WHICH SUBSTANTIALLY AFFECT THE CONSOLIDATED FINANCIAL STATEMENTS OR ARE REQUIRED TO BE DESCRIBED IN TERMS OF MAKING THE CONSOLIDATED FINANCIAL STATEMENTS CLEAR, INTERPRETABLE AND UNDERSTANDABLE

None.